ANNEXURE C1/114

OVERSTRAND MUNICIPALITY

Munisipaliteit • U-Masipala • Municipality

OVERSTRAND

FINAL

BUDGET REPORT 2022/2023

2022/23 TO 2024/25
MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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Abbreviations and Acronyms

ACIP	Accelerated Community Infrastructure Programme
BSC	Budget Steering Committee
CAPEX	Capital Budget/Expenditure
CBD	Central Business District
CFO	Chief Financial Officer
CPI	Consumer Price Index
CSD	Central Supplier Database
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EEDSM	Energy Efficiency Demand Side Management
EM	Executive Mayor
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
IBT	Inclining Block Tariff
ICT	Information & Communication Technology
IDP	Integrated Development Plan
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
mSCOA	Municipal Standard Chart of Accounts
MEC	Member of the Executive Committee
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator of South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
NT	National Treasury
OHS	Occupational Health and Safety
OP	Operational Plan
OPEX	Operating Budget/Expenditure
OMAF	Overstrand Municipal Advisory Forum
PBO	Public Benefit Organisations
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
PT	Provincial Treasury
RG	Restructuring Grant
SALGA	South African Local Government Association
SDBIP	Service Delivery & Budget Implementation Plan
SMME	Small Micro and Medium Enterprises
WCPT	Western Cape Provincial Treasury

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Part 1 – Annual Budget

1.1 Mayor's Report

The Executive Mayor delivers her Budget speech with the tabling of the final budget for approval. A copy of the speech will be included thereafter.

Due to the Local Government elections held in November 2021, the newly elected Overstrand Council resolved to adopt the current 5-year IDP with a 1-year extension with amendments. The draft extended 6th IDP, which will be effective for the period 1 July 2017 up to 30 June 2023 and the draft SDBIP will also be tabled during the Council meeting.

1.2 Council Resolution

The following is the resolution that to be considered for the approval and adoption of the annual budget for 2022/2023:

RECOMMENDATION TO THE COUNCIL:

1. that in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) the annual budget of the Overstrand Municipality for the 2022/23 to 2024/25 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved** as set out in the following schedules:

   Schedule 1: Budgeted financial performance (revenue & expenditure by municipal vote)
   Schedule 2: Budgeted financial performance (revenue by source & expenditure by type)
   Schedule 3: Budgeted single & multi-year capital appropriations by functional classification (vote) and associated funding by source
   Schedule 4: Budgeted financial position
   Schedule 5: Budgeted cash flow
   Schedule 6: Cash backed reserves and accumulated surplus reconciliation
   Schedule 7: Asset management
   Schedule 8: Basic service delivery measurement

2. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) the property rates reflected in **Annexure A, be imposed** for the budget year 2022/23;

3. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tariffs and charges reflected in **Annexure A, be approved** for the budget year 2022/23;

4. that the Municipal Manager be authorised to sign the necessary documents to give effect to the 2nd draw down of the proposed three year borrowing programme for external loans amounting to R50 million per year.

5. that the following schedules be noted:

   Schedule 9: Budgeted financial performance (Rev. & Exp. by functional classification)
   Schedule 10: Budgeted capital appropriations by municipal vote

6. that **cognisance be taken** of the letters of comment received from the community and the SIME: LG MTEC Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexure K & L respectively of the budget report; and

7. that **cognisance be taken** of the 2022/23 Budget Report.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainable, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditure with regards to cost containment measures, non-core and 'nice to have' items.

The Municipality has undertaken various customer care initiatives to ensure that the municipality truly involves all citizens in the process of ensuring a people lead government. Encouragement of structured community participation in the matters of the municipality is a strategic objective.

The approach for the compilation of the previous draft budget (2021/22, for the current financial period ending 30 June 2022), was to a large extent the continuation of a year, marked by the challenge of an immediate and extensive impact of the worldwide COVID pandemic since the start of 2020. From a business perspective in terms of strategies, affordability and responsibilities, our approach with the budget process followed at that stage, also caused the municipality to again apply stringent measures in increasing tariffs with only 4% for the current year, before-mentioned in view of 4.5% increases the previous year (2020/21).

The tariff increases subsequently approved by Council for 2020/21 and 2021/22 respectively, after careful consideration of our position, was based on concious decisions to contain at least the cost of municipal services, for these two budget cycles, in view of the COVID-19 hard lockdown and subsequent devastating effect on our communities, causing many businesses to close doors for months and in some instances permanently closing down, causing job losses and hardship for those who were self-employed at the time. This approach represented the extreme caution and care exercised by the municipality to contribute in alleviating the burden on communities in containing rates- and tariff increases.

The current position and considerations with this draft budget, is still largely impacted by the very same circumstances in 2020, where the municipality had to align immediately, in focusing on measures required and responsibilities towards our communities, but also in order to respond to the requirements, obligations and restrictions brought about by the national state of disaster declared at the time (15 March 2020). The announcement of stringent measures on a national level, to contain the spread of Covid-19 at the time, such as travel restrictions on foreigners, a ban on mass gatherings of people, and the closure of schools. The unforeseen and almost disastrous impact of before-mentioned on the local economy lasted for several months and is indeed still a reality on a local level and globally.

National Treasury shared the following guiding perspective with Local Government in December 2021(abbreviated) –
South Africa experienced its largest recorded decline in economic output in 2020 due to the strict COVID-19 lockdown. Electricity disruptions, raw material shortages and rising input costs will continue to limit output in the short to medium term. The main risks to the economic outlook are slowdown in economic growth.

The evolution of COVID-19 and slow progress in vaccine rollout reinforces uncertainty and poses risks to economic recovery. Slow implementation of structural reforms continues to weigh on business confidence and private investment. Electricity supply constraints, which could worsen over the short term, are a drag on economic growth. In contrast, progress on energy reforms poses upside risks to fixed investment and the overall economic outlook. Pressures on the government wage bill ceiling, including the implementation of the non-pensionable salary increases undermine fiscal consolidation measures.

It is furthermore stated that - *Medium-term priorities include: reindustrialising through implementation of the master plans; growing exports through the African Continental Free Trade Area; implementing the Tourism Sector Recovery Plan; supporting township and rural economies; and promoting localisation, inclusive economic growth and job creation.*

On the emerging risk side, the following factors can also impact on our business as a community. The Omicron- and subsequent variants of COVID-19 recently led to countries imposing restrictions again to manage its spread of infection. A real threat over and above any new variants of this virus and a diminished ability of existing vaccines to provide the necessary protection, but also the risk for countries with low Covid vaccination rates, spreading the virus. In addition, continued challenges in global supply chains, global geopolitical risks and large-scale instability.

Headline inflation is forecasted between the 3 - 6 per cent target range over the 2022/23 MTREF. On provincial level, growth is expected to expand by 4.3 per cent in 2021, by 2.0 per cent in 2022 and by 1.9 per cent in 2023. This outlook indicates a slowing recovery.

The Budget Steering Committee of the municipality considered budget requests during the draft budget process also against the following context -

The strategic direction in terms of the Draft 2017/2023 6th year Amended IDP as accepted by the newly elected council in terms of section 25 (3), Municipal Systems Act (MSA), 2000, amended to reflect the wording Overstrand for all in the Mission statement to read:
"Creation of sustainable communities by delivering optimal services to support economic, social and environmental goals in a politically stable environment as an OVERSTRAND FOR ALL."

The Mayor's new 3 C priorities of Communication, Crime Prevention & Law Enforcement and Cost and Ease of doing business with Overstrand support the implementation of the current 5 strategic objectives. The vision and strategic goals remain unchanged.

The 3 C's priorities have an overarching linkage with the existing programmes. Funding are allocated in this draft budget for specific projects in this regard, whilst in other instances, the focus on the Cost and Ease of doing business with Overstrand are reflected in the revision of various tariffs relating to before-mentioned, as well as the envisaged promotion of measures/tariff structures already in place, to create awareness in our communities.

The Budget Steering Committee recommended revenue projections based on increases for the respective basic municipal services and property rates ranging from 4.3% to 5.9%. These increases are now also carried forward as final recommendation to Council for approval.

Sundry tariffs were reviewed with a strong focus on affordability in the first instance and secondly as *an Overstrand for all,* integral to the Mission statement. Before mentioned resulted in proposed zero increases in many instances and also lowering of tariffs where viable. Minimal instances of proposed increases above inflation relates to the requirement for cost recovery.

Rates and tariff increases (to be discussed later on in this report), are recommended to council for approval (31 May 2022) in accordance with legislative requirements, in finalising the budget for 2022/23.

The draft budget provided for a increase in Electricity tariffs for municipal consumers of 10,33%. Important to note however that the final recommendation to Council for Electricity tariffs for municipal consumers are now 7,47%, based on the percentage increase stipulated in the NERSA consultation paper, published on 30 March 2022, in accordance with electricity tariffs for Eskom, already approved by the National Energy Regulator of South Africa (NERSA) as from 1 April 2022. The applicable tariffs for municipal consumers are annually implemented from 1 July, the starting date of the municipal financial year.

The draft tariffs application is based on the increase of 7,47% until the final guideline letter is issued.

To be noted, that the final tariffs applicable on Overstrand residents will be aligned to the final approval of the municipal electricity tariffs by NERSA.

In order to present a balanced budget to Council, the respective municipal directorates were requested to cut back on initial expenditure budget requests. Against this backdrop, it is emphasized again that a provisio will remain relevant for the 3rd year now, implying that emphasis be placed on responsible spending in view of the uncertainty as mentioned and the possible impact on the municipality's operations and finances, including debt collection performance.

The compilation of this draft budget followed due process over months and are thus at this stage representing the known and planned status.

The municipality has expanded on the implementation of Repairs and Maintenance allocated as projects, in terms of the mSCOA version 6.6. These allocations are guided by the respective user departments (Own Segment).

The mSCOA chart is reviewed on an annual basis by the National Treasury, to address implementation challenges and correct chart related errors and improvements. Towards this end, National Treasury issued MFMA Budget Circulars No. 112 & 115 for guidance for the compilation of the 2022/23 MTREF, with a revised A Schedule – mSCOA Version 6.6 (Municipal annual budgets and MTREF & supporting tables) also issued, effective from 2022/23 and to be deployed to compile the 2022/23 MTREF Budget. Provincial Treasury also issued Treasury Circular 01/2022 in January 2022 and Treasury Circular 07/2022 in March 2022 as guidance to municipalities with the finalisation of the 2022/23 Medium Term Revenue and Expenditure Framework (MTREF) Budgets. The Municipal Budget Circular on disaster funding framework (MFMA Budget Circular No. 116, published 26 April 2022) was also published as further guidance to municipalities.

The publishing of the Municipal Regulations on the Standard chart of Accounts (mSCOA) on 22 April 2014 has had a profound effect on the business of local government. This reform is not limited to a financial reform, but a business reform as a whole. It is the largest reform since the promulgation of the Municipal Finance Management Act in 2003. The mSCOA regulations took effect on 1 July 2017 and therefore subsequent budgets have been compiled to adhere to the regulations.

The following are extracts from the preamble to the regulations:

"Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards." "These Regulations propose segments and a classification framework for the standard chart of accounts to be applied in local government in similar form to that implemented for national and provincial government departments. In order to enable the National Treasury to provide consolidated local government information for incorporation in national accounts, national policy and other purposes, it must obtain financial information from individual municipalities."

The regulations contain amongst others, the segment and classification framework for mSCOA, minimum business processes and system requirements and responsibilities of municipal councils and accounting officers.

The segments classification consists of the following:

Funding segment – This segment relates to the various sources of funding available to municipalities and municipal entities for financing expenditure relating to the operation of the municipality and provides for both capital and operational spending.

Function segment - This segment provides for the classification of the transaction according to the function or service delivery objective and provides for the standardisation of functions and sub-functions across local government.

Municipal Functional classification Segment - This segment provides for the organisational structure and functionality of an individual municipality, which is not prescribed.

Project Segment - This segment provides for the classification of capital and operating projects on the basis of whether it relates to a specific project and if so, the type of project.

Regional Indicator Segment - This segment identifies and assigns government expenditure to the lowest relevant geographical region within which the intended beneficiaries of the service or capital investment are located.

Item Segment - This segment provides for the classification of item detail in the presentation of the financial position, performance and cash flow according to the nature of the transaction either as revenue, expenditure, asset, liability or net asset.

Costing Segment - This segment provides for a classification structure for secondary cost elements with reference to departmental charges, internal billing etc. and acts as a cost collector in determining inter alia total cost of services.

Overstrand municipality was identified as one of the official national pilot sites to early implement mSCOA and to pilot the SAMRAS system. This was first implemented for the 2015/2016 financial year and continued in 2016/17. The piloting stage ended 30 June 2017. A report regarding the status of implementation of mSCOA (since this project is not yet formally finalised by the national treasury) can be found in Annexure I of the budget documentation.

The Municipal Cost Containment Regulations, 2019 published on 7 June 2020, replaced the MFMA Circular No. 82 (updated November 2016) relating to direction and guidance regarding Cost Containment Measures. The stipulations of these regulations are fully contained in the relevant draft budget related policies as reviewed. The status relating to cost containment measures are reported on in the quarterly financial report to Council.

The Western Cape Provincial Treasury has issued Circular No. 07 of 2022 regarding budget related matters and the proposed Strategic Integrated Municipal Engagements (SIME) engagements.

The main challenges experienced during the compilation of the 2022/23 MTREF, many of these already a standing item listed annually, can be summarised as follows:

- Infrastructure capacity not able to serve growing needs, in view of continuous increase in Overstrand's population, and the immediate demand for services versus the Municipality's financial capacity to deliver.
- The subsequent impact of COVID-19 on the financial sustainability of the municipality, and the major financial risks, uncertainty and constraints facing the municipality;
- The on-going difficulties in the national and local economy;
- Uncertainty with regard to future allocations to local government in view of the deterioration in the public finances due to various spending pressures on the national fiscus;
- Ever aging existing water, roads, sewage and electricity infrastructure;
- Sustainable refuse disposal, increasingly regulated over the past number of years;
- The need to reprioritise projects and expenditure within the existing resource envelope;
- The cost of bulk electricity;
- Revenue recovery from cost reflective core municipal services;
- Wage increases for municipal staff that have exceeded headline consumer inflation in the past, as well as the need to restructure certain components for operational efficiencies;

- Affordability of capital projects and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2022/23 MTREF process;
- Maintaining a positive cash flow; and
- Ensuring financial sustainability.

The following budget principles and guidelines directly informed the compilation of the 2022/23 MTREF:

- The 2021/22 Adjustments Budget priorities and targets, as well as the base line allocations contained in the Budget Circulars informed the upper limits for the new baselines for the 2022/23 annual budget;
- Service level standards were used to inform the measurable objectives, targets and any backlog eradication goals;
- Tariffs and property rates increases should aim to be affordable;
- Some price increases in the input costs of services are beyond the control of the municipality, for instance the cost of fuel, chemicals and electricity, as cost drivers. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure maintenance and backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- The following cost saving measures were applied:
  - The principle of a minimal increase in non-core general expenses unless valid motivations such as contractual inflation adjustments dictate.
  - The examining of expenses to see if they are essential to the municipality's operations.
  - Municipal Cost Containment Regulations, 2019.
  - Provision for ward specific projects were replaced with budget provision for caring projects.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2022/23 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2022/23 MTREF

(a) Total Revenue (including capital grants)

R thousand	Budget Year 2021/22	Budget Year 2022/23	Budget Year +2 2023/24	Budget Year +3 2024/25			
Revenue	1,489,212	1,583,069	1,582,164	1,640,719	6.3%	-0.1%	3.7%
Expenditure	1,520,918	1,594,971	1,641,213	1,711,326	4.9%	2.9%	4.3%
Surplus / (Deficit)	(31,706)	(11,902)	(59,049)	(70,607)			
Capital	237,979	236,020	102,598	99,011	-0.8%	-56.5%	-3.5%

(b) Total Revenue (excluding capital grants)

R thousand	Budget Year 2021/22	Budget Year 2022/23	Budget Year +2 2023/24	Budget Year +3 2024/25			
Revenue	1,438,553	1,498,153	1,550,796	1,608,108	4.1%	3.5%	3.7%
Expenditure	1,520,918	1,594,971	1,641,213	1,711,326	4.9%	2.9%	4.3%
Surplus / (Deficit)	(82,365)	(96,819)	(90,417)	(103,218)			
Capital	237,979	236,020	102,598	99,011	-0.8%	-56.5%	-3.5%

Total revenue (including capital grants) to expenditure (Table 1a) indicates declining deficits over the 2022/23 MTREF.

Total revenue (Table 1a) indicates an increase in revenue of 6,3 per cent for the 2022/23 financial year when compared to the 2021/22 Adjustments Budget. For the two outer years, operational revenue will decrease by 0,1 and increase with 3,7 per cent respectively. Revenues in Table 1(a) are as informed by fluctuations in the allocation of the Housing grant (Construction Contracts) between operating (top structures) and capital (infrastructure) in the respective financial years.

Total operating expenditure for the 2022/23 financial year has been appropriated at R1,595bn and translates into a budgeted deficit of R96.8m (excluding capital grants) and a deficit of R11.9m (including capital grants). When compared to the 2021/22 Adjustments Budget, operating expenditure has increased by 4,9 per cent in the 2022/23 budget and increases by 2,9 and 4,3 per cent for each of the respective outer years of the MTREF.

It should be noted that although the 2022/23 operational budget and indicative years indicate budgeted deficits (Table 1b), this does not reflect the actual cash position. This phenomenon will continue for the foreseeable future. These circumstances arose as the result of the implementation of GRAP, with special reference to GRAP 17 (Property, Plant and Equipment-PPE). The asset value before depreciation is in excess of R6 billion, which relates to substantially high depreciation charges. Although accurately reflecting asset value, the cost of a substantial portion of these assets had been fully redeemed previously, but the useful life of assets was extended as well as ever increasing assets funded by grants. The replacement thereof can thus not be recouped via current tariffs as this would lead to taxation in advance of need and no reserves may be established for these purposes. The principle of recovering actual cash costs during each financial period is adhered to.
The capital budget of R236m for 2022/23 is 0,8 per cent less when compared to the 2021/22 Budget. The dedicated infrastructure upgrading/replacement project for water and sewerage networks had a 3-year lifespan, which came to an end on 30 June 2021, except for the roll-over portion. The impact of roll over projects for the current financial period also results in a decreased capital budget for 2022/23.

The capital programme decreases to R102.6m and to R99m in the outer years, which is still aligned on average to the estimated minimum of R100m required annually to sustain capital infrastructure. Own funding (new borrowings) is anticipated at R50m. Borrowings contribute to 43,5 % of the funding over the 2022/23 MTREF. Internally generated funds contribute 7,3% and capital grants 49.2%. The various sources of funded roll-over projects are included in these figures.

The Municipality had reached its planned outer borrowing limit of 60% of operational revenue in 2012. This was a result of much needed investment in infrastructure during the period from 2009 to 2012, after which the municipality embarked on a strategy to manage this rate down by at least 10% over a ten-year period. In January 2014 National Treasury published the first norms and standards circular in which it recommended an upper limit of 45% to revenue. It is expected that this rate would be below 40% at the end of the 2022/23. The repayment of capital and interest (debt services costs) remains within the NT acceptable norm band.

1.4 Operating Revenue Framework

For Overstrand to continue delivering and improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic conditions strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that we are faced with an increasing population (7th highest growth nationally as per the 2011 census), development backlogs and increasing poverty levels. The expenditure required to address these challenges will inevitably always exceed available funding, hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:
- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;

- Efficient revenue management, which aims to maintain levels of above 99 per cent annual collection rates for property rates and other key service charges.;
- Electricity tariff increases for Eskom and the municipality, as approved by NERSA;
- Achievement of cost recovery of specific user charges and especially in relation to services;
- Determine tariff escalation rate by establishing the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increased pressure to deliver and maintain services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

The VAT on property rates is levied at a rate of 0%.

Revenue generated from rates and services forms a significant percentage of the revenue basket for the Municipality. Rates and services revenues comprise 71,86% of the total operating revenue mix for 2022/23. For the 2022/23 financial year, revenue from rates and services charges totals R1,137bn and increases to R1,205bn, R1,278bn in the respective financial years of the MTREF.

The following table is a summary of the 2022/23 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source									
Property rates	233,093	240,910	261,222	275,637	275,637	275,637	287,941	300,836	314,308
Service charges - electricity revenue	378,693	415,960	442,792	499,317	499,317	499,317	541,692	582,115	625,557
Service charges - water revenue	129,858	133,037	131,113	132,168	132,168	132,168	138,138	144,354	150,851
Service charges - sanitation revenue	77,719	80,925	87,094	87,631	87,631	87,631	90,962	94,874	98,953
Service charges - refuse revenue	61,763	68,258	72,198	74,741	74,741	74,741	78,850	83,502	88,427
Rental of facilities and equipment	6,278	5,735	4,068	3,440	3,440	3,440	4,573	4,778	4,989
Interest earned - external investments	41,767	48,146	30,504	27,456	27,456	27,456	24,871	25,991	27,161
Interest earned - outstanding debtors	4,193	5,040	4,244	4,681	4,681	4,681	3,982	4,161	4,348
Dividends received			-	-	-	-	-	-	-
Fines, penalties and forfeits	25,672	18,211	1,095	28,223	20,223	20,223	20,344	22,188	23,174
Licences and permits	2,526	1,975	2,227	2,039	2,538	2,538	2,636	2,750	2,869
Agency services	4,885	4,376	6,189	6,680	6,680	6,680	7,858	8,211	8,580
Transfers and subsidies	106,306	123,140	140,895	139,692	157,281	157,281	166,184	174,999	192,746
Other revenue	83,673	139,226	96,156	126,909	138,535	138,535	121,898	93,814	57,920
Gains	-	3,890	7,545	8,225	8,225	8,225	8,225	8,225	8,225
Total Revenue (excluding capital transfers and contributions)	1,155,425	1,286,826	1,287,342	1,416,839	1,438,553	1,438,553	1,498,153	1,550,796	1,608,108

Table 3 Percentage growth in revenue by main revenue source

Description	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework					
R thousand		Budget Year 2022/23		Budget Year +1 2023/24		Budget Year +2 2024/25	
Revenue By Source							
Property rates	275,637	287,941	4.46%	300,836	4.48%	314,308	4.48%
Service charges - electricity revenue	499,317	541,692	8.49%	582,115	7.46%	625,557	7.46%
Service charges - water revenue	132,168	138,138	4.52%	144,354	4.50%	150,851	4.50%
Service charges - sanitation revenue	87,631	90,962	3.80%	94,874	4.30%	98,953	4.30%
Service charges - refuse revenue	74,741	78,850	5.50%	83,502	5.90%	88,427	5.90%
Rental of facilities and equipment	3,440	4,573	32.92%	4,778	4.48%	4,989	4.42%
Interest earned - external investments	27,456	24,871	-9.42%	25,991	4.50%	27,161	4.50%
Interest earned - outstanding debtors	4,681	3,982	-14.93%	4,161	4.50%	4,348	4.49%
Fines	20,223	20,344	0.60%	22,188	9.06%	23,174	4.44%
Licences and permits	2,538	2,636	3.83%	2,750	4.33%	2,869	4.33%
Agency services	6,680	7,858	17.63%	8,211	4.49%	8,580	4.49%
Transfers recognised - operational	157,281	166,184	5.66%	174,999	5.30%	192,746	10.14%
Other revenue	138,535	121,898	-12.01%	93,814	-23.04%	57,920	-38.26%
Gains on disposal of PPE	8,225	8,225	0.00%	8,225	0.00%	8,225	0.00%
Total Revenue (excluding capital transfers and contributions)	1,438,553	1,498,153	4.14%	1,550,796	3.51%	1,608,108	3.70%

The above table, relating to percentage increases for the different revenue categories, could reflect percentage changes that are not consistent with the annual tariff increases. This would be due to

the baseline for 2021/22 and the subsequent adjustments budget and further reclassifications of revenue categories relating to mSCOA. The determination of proposed revenue for 2022/23 has been based on the current statistics available, limited growth and pending slump in economic activity also partly still due to the impact of the coronavirus.

After collective service charges, property rates are the second largest revenue source. The third largest source is operational grants from national and provincial government, which is showing growth over the MTREF. This is followed by other revenue which consists of various items such as revenue received from permits and licenses, building plan fees, connection fees, advertisement fees and construction contracts relating to low-cost housing etc, interest on investments and fines. Departments delivering these services have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective.

Operating grants and transfers total R166m in the 2022/23 financial year. This increases in the outer years to R175m in 2023/24 and R193 in 2024/25 respectively, of the MTREF. The housing allocation for the building of top structures for housing development are included under other revenue in accordance with GRAP construction contracts, and amounts to R129,9m over the MTREF.
Equitable share increases over the 3-year MTREF period, from the current 2021/22 adjustments budget by 14,5% in terms of the equitable share formula, after the release of the 2011 census figures, to be updated w.r.t. latest calcs and population as a result of the population growth in the Overstrand area.

An amount of R17m was allocated in 2020/2021 through a special COVID-19 equitable share allocation. These funds were committed in response to the Covid-19 pandemic. At the end of 2020/2021 an amount of R6.9m was unspent and a roll-over application was submitted to National Treasury which was subsequently approved. In 2021/2022 the unspent funds are utilised for the ongoing Covid-19 pandemic.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4 Operating Transfers and Grant Receipts

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
RECEIPTS:									
Operating Transfers and Grants									
National Government:	99,544	110,994	136,372	127,977	127,977	127,977	152,183	162,497	179,530
Operational Revenue:General Revenue:Equitable Share	96,068	106,697	134,322	123,897	123,897	123,897	141,896	155,547	170,708
Energy Efficiency and Demand-side [Schedule 5B]	–	–		–	–	–	5,000	4,200	6,000
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1,926	2,635	2,500	2,530	2,530	2,530	2,593	–	–
Local Government Financial Management Grant [Schedule 5B]	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550
Municipal Infrastructure Grant [Schedule 5B]				–	–	–	1,144	1,200	1,272
Provincial Government:	23,028	10,691	10,371	65,956	77,188	77,188	71,715	58,692	39,216
Capacity Building		148		–	–	–	–	–	–
Capacity Building and Other	22,891	380		9,570	11,670	11,670	10,903	9,397	9,953
Housing	–	–		55,241	57,380	57,380	57,714	46,190	26,000
Infrastructure	–	–		1,145	8,158	8,158	3,098	3,105	3,263
Libraries, Archives and Museums		7,287	7,851	–	–	–	–	–	–
Other		2,750	2,575	–	–	–	–	–	–
Road Infrastructure - Maintenance	137	126	145	–	–	–	–	–	–
District Municipality:	–	–	–	–	90	90	–	–	–
All Grants	–	–	–	–	90	90	–	–	–
Other Grant Providers:	–	–	66,268	–	–	–	–	–	–
Households			66,268	–	–	–	–	–	–
Total Operating Transfers and Grants	122,572	121,685	213,011	193,933	205,255	205,255	223,898	221,189	218,746

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services was taken into account to ensure the financial sustainability of the Municipality. In order to determine the tariffs which must be charged for the supply of the four major services namely electricity, refuse removal, sanitation and water, the municipality shall use service and expenditure classifications and cost elements and identify all the costs associated with the service concerned.

It must be acknowledged that the whole of the Overstrand municipal area can to a large extent be regarded as a holiday destination with many holiday homeowners as well as still a substantial number of vacant erven with no improvements on. A metro municipality (city) with large industries and a vastly different and much larger customer base, and a municipality as Overstrand cannot be compared.

Taking into consideration that the basic charge is applicable on vacant erven as well and, this charge should represent the fixed costs portion of the service, the consumption charges thus reflect the price per unit consumed.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Inflation (CPI) is currently within the 3 to 6 per cent target band of the South African Reserve Bank's inflation targets, with very little change in inflation forecasts over the 2022/23 MTREF. Municipalities should justify increases in excess of the 4,8 per cent projected inflation target as indicated in Municipal Budget Circular 115. Excessive increases are by nature fundamentally likely to be counterproductive, which could result in possible higher levels of non-payment.
However, subsequent to the release of the budget circular and inflation forecasts, the release of the February consumer inflation indicated that 5.7% was reached, with the consumer price index increasing to 5,9% in March and remaining unchanged at 5,9% in April 2022. This is close to the upper limit of the Reserve Bank's target range of 3% to 6%. This is largely due to skyrocketing oil prices, which caused petrol and diesel prices to rise by more than one-third over the past year.

The increase in property rates has been set at 5.9%, average increases in water at 4.9%, refuse at 5.9% and sewage service charges at 4,3%.

The percentage increase of Eskom bulk tariffs charged to municipalities in the draft NERSA guideline are now indicated as 8,61% in this report, based on the tariff increase for Eskom customers, as approved by NERSA. The indicative overall tariff increases for municipal electricity tariffs for municipal consumers applicable from 1 July 2022 for the electricity basket are now recommended at 7,47%, in accordance with the publication of the NERSA guideline consultation paper for Local Government as published on 30 March 2022.

To be noted that the trend in electricity consumption post stringent lockdown was considered, with an indication that electricity consumption tends to be higher in comparison with previous financial periods. Before mentioned can be seen in the increase for both revenue and expenditure related to electricity consumption. This trend experienced over the past two years can realistically be severely impacted by continuous loadshedding, currently affecting the economy and predicted to remain in our midst over a prolonged period due to capacity challenges and breakdowns experienced by Eskom.

The following table sets out the costing of services. The portion of the Equitable Share equal to the subsidies to indigents has since 1 July 2017 been reflected as revenue to the relevant service. This is to ensure that the tariffs for these services are not unduly burdened as a result of the revised budget presentation.

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Table 5 Costing of services

COSTING OF SERVICES	Original Budget 2020/2021	Original Budget 2021/2022	Draft Budget 2022/23	Final Budget 2022/23
Service : ELECTRICITY				
TOTAL EXPENDITURE	411,253,812	505,140,622	558,465,874	543,769,630
TOTAL INCOME	-423,221,589	-538,843,532	-606,288,589	-578,502,339
(SURPLUS)/DEFICIT	-11,967,777	-33,702,910	-47,822,715	-34,732,709
	2.83%	6.25%	7.89%	6.00%
Service : WATER				
TOTAL EXPENDITURE	138,392,326	144,040,386	145,657,065	148,858,064
TOTAL INCOME	-142,535,380	-147,445,938	-153,274,053	-154,432,770
(SURPLUS)/DEFICIT	-4,143,055	-3,405,553	-7,616,988	-5,574,706
	2.91%	2.31%	4.97%	3.61%
Service : WASTE WATER MANAGEMENT				
TOTAL EXPENDITURE	91,938,432	99,523,480	107,081,759	106,907,803
TOTAL INCOME	-96,879,670	-106,856,118	-118,510,514	-112,181,355
(SURPLUS)/DEFICIT	-4,941,238	-7,332,638	-11,428,755	-5,273,552
	5.10%	6.86%	9.64%	4.70%
Service : WASTE MANAGEMENT				
TOTAL EXPENDITURE	84,410,720	94,017,578	98,107,860	97,766,118
TOTAL INCOME	-87,758,890	-94,144,886	-98,115,500	-96,834,597
(SURPLUS)/DEFICIT	-3,348,170	-127,308	-7,640	931,521
	3.82%	0.14%	0.01%	-0.96%

It must also be noted that the consumer price index, as measured by CPI, is not always an ideal indicator of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, accommodation, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, chemicals for water treatment and other needs, fuel etc. The current challenge facing the Municipality quite drastically, is to manage the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to rates and service charges as follows:

1.4.1 Property Rates

Property rates revenue should cover the cost of the provision of general community and support services. Determining the effective property rates tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and also prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties.

The following stipulations in the Property Rates Policy are highlighted:

TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	NO exemptions Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the difference between Bus and Rss rate: 1 - 2 X lettable room : 100% 3 X lettable room : 75% 4 X lettable room : 50% 5 X lettable room : 25%
BUSO	General Tax: Tourism and Recreational Resorts outside the municipal service areas	Hotels, Guest Houses, Cottages, Caravan Parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes, Small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax as per the Municipal Propery Rates Act, Section 17 (1) h A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued An Additional rebate of 20% of the levy calculated on such properties is granted Rebate to qualifying property owners as indicated under "Other Retabe"
RESO	General Tax: Residential properties outside the municipal service area	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes	50% of the tax applicable on residential property in urban areas Rebate to qualifying property owners as indicated under "Other Retabe"
FARMS	General Tax: Farming properties	Small holdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of the property for the purpose of ecotourism or for the trading in or hunting game
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes	Not rateable in terms of section 17(1)(e) of the Municipal Property Rates Act
	Other Rebates	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes	- Property zoned single residential must be occupied permantly by the applicant; - The applicant must be the registered owner; - Applicant may not be the registered owner of more than one property
PR100			* A rebate of 100% to approved applicant in terms of the Property Rates Policy, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month
PR050			* A rebate of 50% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month
PR040			* A rebate of 40% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income more than four times (4X) but less than eight times (8X) of state funded social pensions per month

The following table sets out the categories of rateable properties for purposes of levying rates and the proposed rates for the 2022/23 financial year, to increase from 1 July 2022:

Table 6 Comparison of proposed rates to be levied for the 2022/23 financial year

RATES TARIFFS

Tariff Code	Detail	2022/2023 Exclude VAT R	2022/2023 Include VAT R	2021/2022 Exclude VAT R	2021/2022 Include VAT R	1.0590 1.0400
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2015					
RATE1*	Commercial Land with Improvements	0.00994	0.00994	0.00939	0.00939	5.9000%
RATE2*	Residential Land with Improvements	0.00657	0.00657	0.00620	0.00620	5.9000%
	** See attached schedule of Exemptions and Rebates applicable*					
RATE3	Municipal Properties: Investment Properties	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	
RATE4	Municipal Properties: Property, Plant and Equipment	0.00000	0.00000	0.00000	0.00000	
RATE6	Building Clause	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	
RATE7	Farm/Agriculture (Bona-fide)	0.00164	0.00164	0.00155	0.00155	5.9000%
RATE8	Undeveloped erven	0.00899	0.00899	0.00849	0.00849	5.9000%
RATE9	Government Properties: Commercial	0.00994	0.00994	0.00939	0.00939	5.9000%
RAT10	Government Properties: Residential	0.00657	0.00657	0.00620	0.00620	5.9000%
	Special Rating Areas					
RAT11	HSRA (Hermanus)	0.00066	0.00066	0.00063	0.00063	4.0000%
RAT12	KSRA (Kleinmond)	0.00052	0.00052	0.00050	0.00050	4.0000%
RAT13	OVSRA (Onrus-Vermont)	0.00036	0.00036	0.00035	0.00035	4.0000%
	PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES					

1.4.2 Sale of Water and Impact of Tariff Increases

Evermore South Africa faces challenges with regard to potable water supply, since demand growth outstrips supply, coupled with the possible impact of climate change. Due to water source and infrastructure investment in the previous few years made by Overstrand municipality, a water crisis could up till now, be averted. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged all municipalities some years ago to ensure that water tariff structures are cost reflective from 2014 onwards. Overstrand has implemented a phased approach in this regard.

Water source management and maintenance of infrastructure together with cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. It needs to be noted that the second infrastructure levy (Table 7 below), implemented in the 2018/19 financial year, relates to a loan for water & waste water infrastructure networks, raised over a period of three years.

Tariff increases as from 1 July 2022 are indicated in the list of tariffs in Annexure C. The 6 kℓ free water, **with this budget now proposed to increase to 10 kℓ** free water per 30-day period Free water has since 2014 only been granted to registered indigents, in accordance with the annual NT budget circulars released, emphasising that it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. The third level of phasing in the increases in the 0 – 6 kℓ category as implemented during 2013/14, to recover minimum cost of the production of water, has been further postponed up to date. The increases in the 0 – 6 kℓ category for all other residential consumers, in this budget will be the same as the general 4.9% increase for water consumption tariffs.
The municipality had to revise the budgetary provision for chemicals subsequent to the draft budget compilation due to the continued drastic escalation of prices internationally, which is expected to also continue during the 2022/23 financial year.

A summary of the proposed tariffs for households (residential) are as follows:

Table 7 Comparison between current water charges and increases (Domestic)

Tariff Code	Detail	2022/2023		2021/2022		1.049 1.049
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
W1	BASIC CHARGE					
W1A1	Basic Monthly Charge per erf/unit per month	155.62	178.96	148.35	170.60	4.90%
W1A2A	Basic Monthly Subsidy : Residential Indigent as per paragraph A of the Indigent Policyper erf/unit per month	155.62	178.96	148.35	170.60	4.90%
W1A2B	Basic Monthly Subsidy: Residential Indigent as per paragraph B, C & D of the Indigent Policy per erf/unit per month	129.14	148.51	129.14	148.51	0.00%
W1A3	Infrastructure					
W1A3A	Fixed Infrastructure Basic Charge per erf/unit per month (No 1 end date 30 June 2026)	15.45	17.77	15.45	17.77	0.00%
W1A3B	Fixed Infrastructure Basic Charge per erf/unit per month (No 2 end date 30 June 2029)	8.41	9.67	8.41	9.67	0.00%
W1A3C	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households (No 2 end date 30 June 2029)	8.41	9.67	8.41	9.67	0.00%
	See attachment for the amount of RUE's allocated to different household consumers					
W1B	CONSUMPTION - HOUSEHOLDS					
	Normal Tariff & Level 1 water restrictions					
W1B1	0 - 6 kl per kl	6.38	7.33	6.08	6.99	4.90%
W1B2	7 - 18 kl per kl	13.08	15.04	12.47	14.34	4.90%
W1B3	19 - 30 kl per kl	21.22	24.40	20.23	23.26	4.90%
W1B4	31 - 45 kl per kl	32.68	37.58	31.15	35.82	4.90%
W1B5	46 - 60 kl per kl	42.43	48.80	40.45	46.52	4.90%
W1B6	>60kl per kl	56.58	65.07	53.94	62.03	4.90%
	Restriction Tariff 1 (level 2 & 3 water restrictions)					
W1B7	0 - 6 kl per kl	6.38	7.33	6.08	6.99	4.90%
W1B8	7 - 18 kl per kl	17.01	19.56	16.21	18.64	4.90%
W1B9	19 - 30 kl per kl	27.59	31.73	26.30	30.24	4.90%
W1B10	31 - 45 kl per kl	42.48	48.85	40.50	46.57	4.90%
W1B11	46 - 60 kl per kl	55.16	63.44	52.59	60.47	4.90%
W1B12	>60kl per kl	73.56	84.59	70.12	80.64	4.90%
	Restriction Tariff 2 (level 4 & 5 water restrictions)					
W1B13	0 - 6 kl per kl	6.38	7.33	6.08	6.99	4.90%
W1B14	7 - 18 kl per kl	20.93	24.07	19.95	22.94	4.90%
W1B15	19 - 30 kl per kl	33.95	39.05	32.37	37.22	4.90%
W1B16	31 - 45 kl per kl	52.28	60.12	49.84	57.32	4.90%
W1B17	46 - 60 kl per kl	67.89	78.07	64.72	74.43	4.90%
W1B18	>60kl per kl	90.53	104.11	86.30	99.25	4.90%
	Restriction Tariff 3 (level 6 water restrictions)					
W1B19	0 - 6 kl per kl	6.38	7.33	6.08	6.99	4.90%
W1B20	7 - 18 kl per kl	26.16	30.09	24.94	28.68	4.90%
W1B21	19 - 30 kl per kl	42.44	48.81	40.46	46.53	4.90%
W1B22	31 - 45 kl per kl	65.35	75.16	62.30	71.65	4.90%
W1B23	46 - 60 kl per kl	84.86	97.59	80.90	93.04	4.90%
W1B24	>60kl per kl	113.17	130.14	107.88	124.06	4.90%

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA published the electricity pricing structure consultation paper - National Energy Regulator of South Africa (NERSA) Tariff Guideline on 30 March 2022.

The tariffs in this report are now aligned to the draft NERSA Guideline as published on 30 March 2022, thus reflecting a 7,47%% increase for municipal consumers. The finalisation of electricity tariffs will be adjusted in terms of the final NERSA determination.

The recommendation of these tariffs, for approval by Council on 31 May 2022, are in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) of tariffs and charges for the budget year 2022/23.

The municipality submitted the electricity tariffs application, to ensure that NERSA considers and approves the application on time for implementation on 1 July 2022.

The recommended increase in basic charges as well as the respective brackets of the Inclining Block Tariffs (0-350 kWh, 351-600kWh, and >600kWh), are thus now stated at 7.47% as already referred to in this report.

Registered indigents continue to be granted 50 kWh per 30-day period free of charge, in the instance that they qualify for this indigent benefit.

The following table shows the impact of the proposed increases in electricity tariffs for domestic consumers:

C20|114

Table 8 Comparison between current electricity charges and increases (Domestic)

Tariff Code	Detail		2022/2023		2021/2022		
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
EF	FIXED CHARGES						
EF1	Infrastructure Charge per Meter per month (No 1 end date 30 June 2026)	R	16.65	19.15	16.65	19.15	0.00%
E1	SINGLE PHASE : DOMESTIC						
E1A	Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1A1	Basic Monthly charge per meter	R	438.66	504.46	408.17	469.40	7.47%
	kWH Unit cost						
E1A2	IBT BLOCK 1 0 - 350 kWh	c	168.31	193.56	156.61	180.10	7.47%
E1A3	IBT BLOCK 2 351 - 600 kWh	c	247.19	284.27	230.01	264.51	7.47%
E1A4	IBT BLOCK 3 > 600 kWh	c	303.71	349.27	282.60	324.99	7.47%
E1B	Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1B1	Basic Monthly charge per meter	R	438.66	504.46	408.17	469.40	7.47%
	kWH Unit cost						
E1B2	IBT BLOCK 1 0 - 350 kWh	c	155.47	178.79	144.66	166.36	7.47%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	232.94	267.88	216.75	249.26	7.47%
E1B4	IBT BLOCK 3 > 600 kWh	c	291.94	335.73	271.65	312.40	7.47%

The IBT for electricity, as previously proposed by NERSA has continued. As mentioned earlier, the tariff increases in the inclining block tariff for the electricity consumption tariffs are now stated at 7,47% for the respective inclining blocks. The across-the-board tariff increase for this service relates to cost reflective tariff setting, taking into account the still excessive draft increase of 8,61% in accordance with the NERSA Guideline, payable by the municipality to Eskom for bulk purchases. The reduced tariffs for prepaid meters, compared to conventional meters, will continue as in the past.

A basic charge for electricity is part of the electricity tariff structure, since the costs of service rendering for this service also have a large component representing overheads/fixed costs. The basic charge must be associated with the fixed costs to have electricity services available to the community, inclusive of capital costs for expansion and replacement of electricity infrastructure.

The full set proposed tariffs are included in Annexure C.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 4.3 per cent for sanitation (basic & consumption) is proposed from 1 July 2022.

This is based on tariff increases related to inflation increases as mentioned earlier in this report, as well as an intensified effort **to contain the costs of this service for the consumer, in order to recommend a lower percentage increase**, in relation to other services.

The following factors inform the proposed tariffs:

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Tariff structure comparability research was undertaken by the Infrastructure & Planning directorate, where it was found that the current tariff structure compares very favourably, towards the consumer, against tariff structures locally and international; and
- Free sanitation (**the current 4,2 kℓ (70% of 6 kℓ) water is proposed to an increased benefit of 7 kℓ (70% of 10 kℓ)** will be applicable to registered indigents.

The following table compares the current and proposed tariffs:

C21/114

Table 9 Comparison between current sanitation charges and increases (Domestic)

Tariff Code	Detail	2022/2023		2021/2022		1.043
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
SE7A	SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)					
SE7A1	0 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month , Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	15.53	17.86	14.89	17.12	4.30%
SE7A2	Where no municipal water is used - per RUE per month. Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	137.88	158.56	131.57	151.31	4.80%
	SEWERAGE - REGISTERED INDIGENT HOUSEHOLDS					
SE7A4	0 - 7 kl ~~4.2 kl~~ - subsidised	15.53	17.86	14.89	17.12	4.30%
SE7A5	~~4.3~~ 8 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month , Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	15.53	17.86	14.89	17.12	4.30%
SE7B	SEWERAGE - GENERAL RESIDENTIAL (Blocks of flats and Residential Buildings)					
SE7B1	0 - 45kl per kl (based on 90% of max 50kl water usage) per unit per month	15.53	17.86	14.89	17.12	4.30%
SE7C	SEWERAGE - GUEST HOUSE; BED & BREAKFAST ESTABLISHMENTS					
SE7C1	per kl (based on 70% of water usage) per unit per month.	15.53	17.86	14.89	17.12	4.30%
SE7D	CONSUMPTION - ALL OTHER (Including Commercial, Industrial, School, Sport, etc)					
SE7D1	per kl (based on 90% of water usage) per unit per month - this percentage may be adjusted according to the Tariff Policy after investigation	15.53	17.86	14.89	17.12	4.30%
SE7E	CONSUMPTION - DEPARTMENTAL					
SE7E1	0 - 35 kl per kl (based on 70% of max 50kl water usage) per unit per month	15.53	17.86	14.89	17.12	4.30%
SE8	BASIC CHARGE					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	137.88	158.57	132.20	152.03	4.30%
SE8A1	Basic Monthly Subsidy Residential Indigent as per paragraph A of the Indigent Policy per month	137.88	158.57	132.20	152.03	4.30%
SE8A2	Basic Monthly Subsidy Residential Indigent as per paragraph B, C & E of the Indigent Policy per month	115.09	132.35	115.09	132.35	0.00%
SE8B	Basic Monthly Charge Undeveloped sites - can not connect to the network per erf/unit per	92.91	106.85	89.08	102.44	4.30%
SE8C	Basic Monthly Charge Undeveloped sites - can connect to the network per erf/unit per month	137.88	158.57	132.20	152.03	4.30%
SE8D	Basic Monthly Charge Developed sites - with a septic Tank per erf/unit per month	92.91	106.85	89.08	102.44	4.30%
SE8E	Basic Monthly Charge - Low Cost Housing & Single Quarters per erf/unit per month	92.91	106.85	89.08	102.44	4.30%
SE8F	Infrastructure					
SE8F1	Fixed Infrastructure Basic Charge per erf/unit per month (No 1 end date 30 June 2026)	9.60	11.04	9.60	11.04	0.00%
SE8F2	Fixed Infrastructure Basic Charge per erf/unit per month (No 2 end date 30 June 2029)	3.43	3.94	3.43	3.94	0.00%
SE8F3	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households (No 2 end date 30 June 2029)	3.43	3.94	3.43	3.94	0.00%

The full proposed tariffs are included in Annexure C.

1.4.5 Waste Removal and Impact of Tariff Increases

The Overberg District Municipality officially re-launched the Karwyderskraal waste disposal on 29 March 2019, with Cell 4 in operation and resumed operations at the site from 1 April 2019, this cell is still operational.

A recommended tariff increase of at least 5.9% is proposed for 2022/23, in view of the nature of cost drivers for rendering the municipal waste removal service in a heavily regulated environment. Before-mentioned also inclusive of the new Hermanus Waste Management Facility completed and now operational in the current financial year (2021/22).

Services relevant to refuse removal, refuse dumps and solid waste disposal mechanisms must comply with stringent legislative requirements such as the National Environmental Management: Waste Act, No 59 of 2008. This service will receive further revision of the solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term.

The following table compares current and proposed amounts payable from 1 July 2022:

Table 10 Comparison between current waste removal fees and increases (Domestic)

Tariff Code	Detail	2022/2023		2021/2022		1.0590
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
	DOMESTIC WASTE					
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	213.48	245.51	201.59	231.83	5.90%

All proposed refuse tariffs are listed in Annexure C.

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on large, medium and small household consumers (**with a pre-paid electricity meter**), as well as an indigent household receiving free basic services.

Residential				Year	Year	Increase/Decrease	
High Consumption with credit elect meter				2021/2022	2022/2023	Amount	%
	Valuation	R3,500,000					
Rates				1,426.00	1,510.13	84.13	5.90
Sewer	SE7A1+SE8A			653.35	681.44	28.09	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			201.59	213.48	11.89	5.90
Water		50 kl		1,246.73	1,307.82	61.09	4.90
VAT			15%	323.28	338.44	15.16	4.69
SUB TOTAL				**3,904.49**	**4,104.86**	**200.37**	**5.13**
Electricity Credit Meter		1500 kWh		4,074.73	4,379.11	304.38	7.47
VAT			15%	611.21	656.87	45.66	7.47
TOTAL				**8,590.43**	**9,140.84**	**550.41**	**6.41**
SRA Rate as might be applicable to be added							

Medium Consumption with credit elect meter				2021/2022	2022/2023	Amount	%
	Valuation	R2,500,000					
Rates				1,012.67	1,072.41	59.75	5.90
Sewer	SE7A1+SE8A			392.78	409.66	16.89	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			201.59	213.48	11.89	5.90
Water		25 kl		476.08	499.41	23.33	4.90
VAT			15%	168.60	176.41	7.82	4.64
SUB TOTAL				**2,305.25**	**2,424.92**	**119.68**	**5.19**
Electricity Credit Meter		800 kWh		2,096.53	2,253.14	156.61	7.47
VAT			15%	314.48	337.97	23.49	7.47
TOTAL				**4,716.26**	**5,016.04**	**299.78**	**6.36**
SRA Rate as might be applicable to be added							

Low Consumption with credit meter				2021/2022	2022/2023	Amount	%
	Valuation	R1,000,000					
Rates				392.67	415.83	23.17	5.90
Sewer	SE7A1+SE8A			288.55	300.95	12.41	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			201.59	213.48	11.89	5.90
Water		15 kl		297.06	311.62	14.56	4.90
VAT			15%	126.11	131.94	5.83	4.62
SUB TOTAL				**1,359.51**	**1,427.37**	**67.85**	**4.99**
Electricity Credit Meter		600 kWh		1,531.33	1,645.72	114.39	7.47
VAT			15%	229.70	246.86	17.16	7.47
TOTAL				**3,120.54**	**3,319.94**	**199.40**	**6.39**
SRA Rate as might be applicable to be added							

Life-Line Consumption (ONE PART) (Indigent)				2021/2022	2022/2023	Amount	%
	Valuation	R50,000					
Rates				0.00	0.00	0.00	0.00
Sewer	SE7A1			20.85	21.74	0.90	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	1X Per Week			0.00	0.00	0.00	0.00
Water		8 kl		24.94	0.00	-24.94	-100.00
VAT			15%	13.12	9.52	-3.61	-27.48
SUB TOTAL				**100.61**	**72.96**	**-27.65**	**-27.48**
Electricity Pre-paid		300 kWh		438.72	471.49	32.77	7.47
VAT			15%	65.81	70.72	4.92	7.47
TOTAL				**605.14**	**615.17**	**10.04**	**1.66**
SRA Rate as might be applicable to be added							

Table 11 MBRR Table SA14 – Household bills

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
Rand/cent	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23 % incr.	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	233.76	247.14	258.27	268.67	268.67	268.67	5.9%	284.70	301.78	319.89
Electricity: Basic levy	291.60	335.34	356.20	408.17	408.17	408.17	7.5%	438.66	471.43	506.64
Electricity: Consumption	1,558.89	1,753.87	1,862.96	2,134.79	2,134.79	2,134.79	7.5%	2,294.26	2,465.64	2,649.82
Water: Basic levy	129.14	136.50	142.64	148.35	148.35	148.35	4.9%	155.62	164.96	174.85
Water: Consumption	377.69	400.93	419.04	435.81	435.81	435.81	4.9%	449.88	471.92	495.05
Sanitation	387.25	409.35	427.84	444.89	444.89	444.89	4.3%	464.01	483.96	504.77
Refuse removal	164.35	185.49	193.84	201.59	201.59	201.59	5.9%	213.48	226.29	239.87
Other	53.54	56.97	56.97	56.97	56.97	56.97	–	56.97	56.97	56.97
sub-total	3,196.24	3,525.59	3,717.76	4,098.24	4,098.24	4,098.24	6.3%	4,357.58	4,642.95	4,947.86
VAT on Services	422.15	491.77	518.92	574.59	574.59	574.59		623.06	659.93	699.02
Total large household bill:	3,618.39	4,017.36	4,236.68	4,673.83	4,673.83	4,673.83	6.6%	4,980.64	5,302.88	5,646.88
% increase/-decrease		11.0%	5.5%	10.3%	–	–		6.6%	6.5%	6.5%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	161.85	171.10	178.80	186.00	186.00	186.00	5.9%	197.10	208.93	221.46
Electricity: Basic levy	291.60	335.34	356.20	408.17	408.17	408.17	7.5%	438.66	471.43	506.64
Electricity: Consumption	608.63	683.08	725.57	831.44	831.44	831.44	7.5%	893.56	960.30	1,032.04
Water: Basic levy	129.14	136.50	142.64	148.35	148.35	148.35	4.9%	155.62	164.96	174.85
Water: Consumption	285.74	303.75	317.47	330.17	330.17	330.17	4.9%	343.78	360.63	378.30
Sanitation	341.89	361.40	377.72	392.78	392.78	392.78	4.3%	409.66	427.27	445.64
Refuse removal	164.35	185.49	193.84	201.59	201.59	201.59	5.9%	213.48	226.29	239.87
Other	53.54	56.97	56.97	56.97	56.97	56.97	–	56.97	56.97	56.97
sub-total	2,036.74	2,233.63	2,349.21	2,555.47	2,555.47	2,555.47	6.0%	2,708.83	2,876.77	3,055.77
VAT on Services	267.17	309.38	325.56	355.42	355.42	355.42		382.58	405.02	428.81
Total small household bill:	2,303.91	2,543.01	2,674.77	2,910.89	2,910.89	2,910.89	6.2%	3,091.41	3,281.79	3,484.58
% increase/-decrease		10.4%	5.2%	8.8%	–	–		6.2%	6.2%	6.2%
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates	89.92	95.06	99.33	103.34	103.34	103.34	5.9%	109.50	116.07	123.03
Electricity: Basic levy	291.60	335.34	356.20	408.17	408.17	408.17	7.5%	438.66	471.43	506.64
Electricity: Consumption	371.42	415.98	441.84	506.31	506.31	506.31	7.5%	544.15	584.79	628.48
Water: Basic levy	129.14	136.50	142.64	148.35	148.35	148.35	4.9%	155.62	164.96	174.85
Water: Consumption	197.69	210.70	220.22	229.02	229.02	229.02	4.9%	240.88	221.21	232.05
Sanitation	296.53	313.45	327.60	340.66	340.66	340.66	4.3%	355.99	377.35	399.99
Refuse removal	164.35	185.49	193.84	201.59	201.59	201.59	5.9%	213.48	226.29	239.87
Other	(796.06)	(884.44)	(935.13)	(1,016.56)	(1,016.56)	(1,016.56)	–	(1,166.01)	(1,238.96)	(1,316.56)
sub-total	744.59	808.08	846.54	920.88	920.88	920.88	(6.4%)	862.27	923.14	988.36
VAT on Services	93.29	106.95	112.08	122.63	122.63	122.63		121.47	127.50	133.79
Total small household bill:	837.88	915.03	958.62	1,043.51	1,043.51	1,043.51	(5.7%)	983.74	1,050.64	1,122.15
% increase/-decrease		9.2%	4.8%	8.9%	–	–		(5.7%)	6.8%	6.8%

Please Note: Infrastructure Levy 2 – is subsidised for Indigent Households

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2022/23 budget and MTREF is informed by the following:

- Balanced budget constraint (cash operating expenditure should not exceed cash operating revenue) unless there are sound reasons for utilising existing uncommitted cash-backed reserves to fund any deficit;
- The repairs and maintenance plan relating to the asset management strategy;
- Funding of the budget over the MTREF as informed by Section 18 and 19 of the MFMA;
- Reducing expenditure on non-core programmes;
- Implementing operational gains and efficiencies;
- Strict adherences to the principle of *no project plan no budget*. If there is no business plan no funding allocation will be made; and
- Taking cognisance of cost containment guidelines and assessing the status of current measures.

The following table is a high-level summary of the 2022/23 budget and MTREF (classified per main type of operating expenditure):

Table 12 Summary of operating expenditure by functional classification item

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Expenditure By Type									
Employee related costs	368,000	382,572	437,874	463,804	478,188	478,188	504,478	522,622	551,734
Remuneration of councillors	10,573	11,282	11,219	12,401	12,216	12,216	12,335	12,837	13,360
Debt impairment	17,500	23,434	12,138	21,500	13,544	13,544	13,554	13,699	13,836
Depreciation & asset impairment	131,114	134,574	140,110	145,663	145,663	145,663	146,596	145,685	148,275
Finance charges	44,921	46,570	48,805	51,804	51,804	51,804	48,056	47,734	47,159
Bulk purchases	242,614	278,548	296,272	353,707	353,707	353,707	384,161	417,237	453,161
Other materials	35,049	42,302	45,042	44,845	50,093	50,093	52,137	51,837	55,539
Contracted services	186,336	178,363	208,095	247,340	251,333	251,333	269,929	279,215	293,223
Transfers and subsidies	486	560	8,710	12,324	12,774	12,774	13,057	13,060	13,582
Other expenditure	71,333	91,238	110,367	141,620	151,597	151,597	150,658	137,287	121,456
Losses	610	1,639	303	–	–	–	–	–	–
Total Expenditure	1,108,536	1,191,082	1,320,935	1,495,006	1,520,918	1,520,918	1,594,971	1,641,213	1,711,326

The budgeted allocation for employee related costs and remuneration of councillors for the 2022/23 financial year totals R516,8m which equals 32,40 per cent of the total operating expenditure and is within the NT norm of 25 – 40 per cent. Of this total, the provisions relating to employee related costs amounts to R22,4m of which the majority of the amount is a long-term liability (post-retirement benefits) and therefore not cash remuneration.

The South African Local Government Bargaining Council (SALGBC) Salary and Wage Collective Agreement for municipalities for the period 01 July 2021 to 30 June 2024 was signed in 2021 and must be implemented by all municipalities on a national level.

The proposed increase in the salary budget is 4.9%, and notch increases, which average 2% have also been budgeted for in view of the SALGBC agreement between the employer organization (SALGA) and the respective unions. Staff vacancies are still frozen and may only be filled following a motivation to Senior Management. No new posts were considered for inclusion in the Draft Budget for 2022/23.
With effect from 1 July 2010, the Section 57 Employees (Directors) remuneration is determined by an independent consulting firm, appointed by the Employer to determine market related cost-to-employer remuneration packages. The afore-mentioned employees receive no bonuses, which principle was negotiated with them. The recommendation does compare the salaries of incumbents with similar job descriptions, whether it is the private or government sector. The remuneration model developed by the consultants for senior managers in the local government sector has been adjusted to reflect the remuneration trends in the labour market.

Regulations have been promulgated, which provide for the Minister of Co-operative Governance to determine the total remuneration packages payable to any new employees to the posts of Municipal Manager and Section 57 Employees (Directors), with effect from 1 July 2014. Existing contracts however continue until they lapse.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The proclamation with regard to the 2019/20 increases was published in Government Notice 475, dated 24 April 2020. This Government Notice applies to date. An increase in remuneration of councillors has been factored into the 2022/23 budget, providing for normal inflationary trends, in the absence of specific indication at the time of the tabling of the Draft Budget.

A draft government notice was however published by the Department of Cooperative Governance and Traditional Affairs (*Remuneration of Public Office Bearers Act, 1998 (Act No. 20 Of 1998) Determination of Upper Limits of the Salaries, Allowances and Benefits of Different Members of Municipal Councils,* on 25 April 2022, *to take effect from 1 July 2021. The notice replaces the Government Gazette No. 45420 of 2 November 2021.* The current budgetary provision is sufficient to accommodate the recommendations.

The provision of debt impairment and write-off of bad debts for consumer accounts has been determined based on an annual collection rate of close to 99 per cent and the Debt Write-off Policy of the Municipality. The provision for impairment has however been revisited.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R146,6m for the 2022/23 financial year and equates to 9,19 per cent of the total operating expenditure. Note that the implementation of the GRAP 17 accounting standard meant bringing a range of assets previously fully depreciated and not included in the assets register, back onto the assets register. This resulted in a significant increase in depreciation at implementation, relative to previous years. This aspect is further highlighted in para. 1.3 of this report.

Finance charges consist of the repayment of interest on long-term borrowing (cost of capital). Finance charges comprise 3,01 per cent of operating expenditure. The gearing ratio of borrowing to revenue is expected to below 40% for 2022/23, which is below the outer proposed limit of National Treasury.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The approval by NERSA for Eskom tariff increases has been published and the NERSA Draft Guideline for municipalities has also subsequently been published on 30 March 2022. The increase indicated in this budget report now reflects a 8,61% bulk price increase to municipalities from 1 July 2022, which percentage will be adjusted in accordance with the final guideline when published.

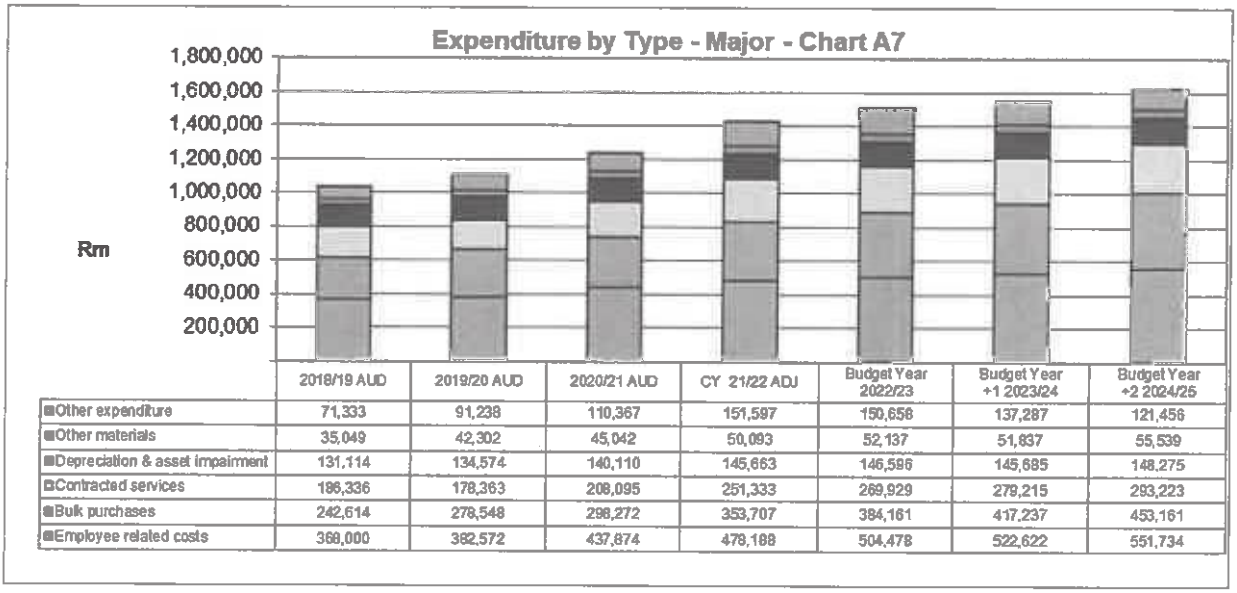
Other materials, now classified as Inventory in mSCOA, comprise amongst others the purchase of materials for maintenance, cleaning materials, fuel, printing and stationery etc. In previous financial years the expenditure on top structures relating to Housing Projects funded through the Human Settlement Grant (Construction Contracts) that fluctuates from year to year causes major discrepancies in the trend for this type of expenditure.

In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the Municipality's infrastructure. The introduction of further reclassification resulting from mSCOA caused a shift in expenditure budgeted under Repairs and maintenance as well as Contracted Services, in relation to figures in the past few years.
Contracted services have been identified as an area for the municipality to implement efficiencies. As part of the compilation of the 2022/23 MTREF this group of expenditure was critically evaluated and operational efficiencies are being enforced, a process that will be continued with. In the 2022/23 financial year, this group of expenditure totals R267,9m. Further details relating to contracted services can be seen in Table 62 MBRR SA1.

Other Expenditure, now classified as Operational Costs in mSCOA, comprises of various line items relating to the daily operations of the municipality. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses to Inventory (materials) and contracted services. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Further details relating to other expenditure can be seen in Table 62 MBRR SA1. It is highlighted that the NT A Schedules, although revised, does not sufficiently reflect all mSCOA classifications relating to all types of expenditure.

The following table gives a breakdown of the major expenditure categories for the 2022/23 financial year.

C27/114



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Other expenditure	71,333	91,238	110,367	151,597	150,656	137,287	121,456
Other materials	35,049	42,302	45,042	50,093	52,137	51,837	55,539
Depreciation & asset impairment	131,114	134,574	140,110	145,663	146,596	145,685	148,275
Contracted services	186,336	178,363	208,095	251,333	269,929	279,215	293,223
Bulk purchases	242,614	278,548	298,272	353,707	384,161	417,237	453,161
Employee related costs	368,000	382,572	437,874	478,188	504,478	522,622	551,734

Figure 1 Main operational expenditure categories for the 2022/23 financial year

1.5.1 Priority given to repairs and maintenance

Alignment to this priority has been given to preserving and maintaining the Municipality's current infrastructure, the 2022/23 budget and MTREF provides for continuing in the area of asset maintenance, as informed by the asset maintenance strategy and repairs and maintenance plan of the Municipality.

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance.

Table 13 Operational repairs and maintenance

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
by Expenditure Item									
Employee related costs	89,415	96,484	101,119	126,792	122,805	122,805	125,413	133,068	141,287
Other materials	17,594	18,615	19,462	20,700	24,260	24,260	25,392	26,801	29,219
Contracted Services	85,762	58,168	80,996	95,771	100,297	100,297	104,388	109,469	114,854
Other Expenditure	22,253	15,250	9,324	10,971	11,079	11,079	12,751	13,262	13,806
Total Repairs and Maintenance Expenditure	215,024	188,517	210,901	254,233	258,441	258,441	267,944	282,599	299,166

During the compilation of the 2022/23 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. As part of the 2022/23 MTREF this strategic imperative remains a priority. In relation to the total operating expenditure, repairs and maintenance comprises on average 17.2 per cent of the budget over the respective financial years of the MTREF.

The municipality has expanded on the implementation of Repairs and Maintenance allocated as projects in terms of the mSCOA version 6.6, which distorted the year-on-year comparative figures. This is also applicable to Contracted Services. These allocations are guided by the respective owner departments.

The table below provides a breakdown of the repairs and maintenance in relation to asset classes:

Table 14 Repairs and maintenance per asset class

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	145,959	134,766	140,742	149,272	149,240	149,240	161,349	172,030	183,034
Roads Infrastructure	61,860	65,691	67,439	67,503	67,114	67,114	72,275	79,183	83,626
Roads	61,860	61,812	64,190	67,503	67,114	67,114	72,275	79,183	83,626
Road Structures		3,879	3,249	–	–	–	–	–	–
Storm water Infrastructure	5,765	4,749	5,584	7,712	7,712	7,712	7,335	7,736	8,154
Drainage Collection	5,765	2,556	2,515	–	–	–	–	–	–
Storm water Conveyance		2,192	3,069	7,712	7,712	7,712	7,335	7,736	8,154
Electrical Infrastructure	23,082	38,812	31,045	33,421	34,047	34,047	39,232	40,356	43,933
Power Plants		383	436	–	–	–	–	–	–
HV Transmission Conductors		–	25	–	–	–	–	–	–
MV Networks	23,082	33,018	28,149	–	–	–	–	–	–
LV Networks		3,411	2,435	33,421	34,047	34,047	39,232	40,356	43,933
Water Supply Infrastructure	17,367	16,161	21,046	21,537	21,537	21,537	22,142	23,489	24,843
Water Treatment Works		–	–	577	577	577	297	316	336
Distribution	17,367	16,161	21,046	18,350	18,477	18,477	19,083	20,257	21,427
Distribution Points			–	2,610	2,483	2,483	2,761	2,916	3,080
Sanitation Infrastructure	14,967	10,072	12,980	12,162	12,346	12,346	13,044	13,580	14,354
Reticulation		800	–	6,946	6,946	6,946	7,386	7,843	8,331
Waste Water Treatment Works	14,967	9,134	12,980	5,216	5,401	5,401	5,658	5,737	6,023
Outfall Sewers		138	–	–	–	–	–	–	–
Solid Waste Infrastructure	22,918	1,168	2,535	6,936	6,483	6,483	7,320	7,886	8,123
Landfill Sites		36	61	–	–	–	–	–	–
Waste Transfer Stations	22,918	11	1,186	–	–	–	–	–	–
Waste Processing Facilities		152	272	2,332	2,048	2,048	2,397	2,465	2,588
Waste Drop-off Points		929	1 009	4,604	4,435	4,435	4,924	5,221	5 535
Waste Separation Facilities		39	7	–	–	–	–	–	–
Coastal Infrastructure	–	113	110	–	–	–	–	–	–
Promenades		113	110	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	1	–	–	–	–	–	–
Data Centres	–	–	1	–	–	–	–	–	–
Community Assets	39,801	33,597	44,371	61,658	57,662	57,662	58,365	58,315	61,289
Community Facilities	27,117	29,422	37,364	46,573	42,095	42,095	43,516	43,405	45,673
Halls	4,287	3,502	5,332	5,069	4 986	4 986	6,029	6,441	6,833
Centres		–	67	–	–	–	–	–	–
Fire/Ambulance Stations		344	440	–	–	–	–	–	–
Testing Stations		–	54	–	–	–	–	–	–
Libraries	28	93	121	–	–	–	–	–	–
Cemeteries/Crematoria	1,059	693	967	1,074	318	318	1 112	1,149	1,189
Police		209	358	–	–	–	–	–	–
Parks		20,368	25,542	31,644	32,020	32,020	31,703	30,816	32,589
Public Open Space	21,743	4,213	4,304	8,193	4,424	4,424	3,684	3,948	4,174
Nature Reserves		–	–	–	–	–	–	–	–
Public Ablution Facilities	–	–	178	594	348	348	988	1,050	1,108
Sport and Recreation Facilities	12,685	4,176	7,007	15,083	15,567	15,567	14,849	14,910	15,616
Indoor Facilities	–	–	–	–	–	–	–	–	–
Outdoor Facilities	12,685	4 176	7,007	15,083	15,567	15,567	14,849	14,910	15,416
Capital Spares	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	8,009	1,582	2,137	11,914	16,896	16,896	15,246	16,876	17,880
Operational Buildings	8,009	1,582	2,136	11,914	16,896	16,896	15,246	16,876	17,880
Municipal Offices	8,009	1,539	2,066	11,876	16,858	16,858	15,208	16,838	17,842
Building Plan Offices		28	35	–	–	–	–	–	–
Stores		15	–	–	–	–	–	–	–
Depots			16	38	38	38	38	38	38
Housing	–	–	1	–	–	–	–	–	–
Social Housing	–	–	1	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	–	6,009	5,672	6,528	6,413	6,413	6,994	7,381	7,794
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	6,009	5,672	6,528	6,413	6,413	6,994	7,381	7,794
Computer Software and Applications		6,009	5,672	6,528	6,413	6,413	6,994	7,381	7,794
Computer Equipment	4,890	766	1,947	2,280	2,806	2,806	2,280	2,391	2,508
Computer Equipment	4,890	766	1,947	2,280	2,806	2,806	2,280	2,391	2,508
Furniture and Office Equipment	16,364	242	1,128	6,095	6,054	6,054	6,330	6,644	6,951
Furniture and Office Equipment	16,364	242	1 128	6,095	6,054	6,054	6,330	6,644	6,951
Machinery and Equipment	–	–	–	5,548	5,379	5,379	5,601	6,518	6,561
Machinery and Equipment	–	–	–	5,548	5,379	5,379	5,601	6,518	6,561
Transport Assets	–	11,555	14,904	10,940	13,990	13,990	11,779	12,444	13,148
Transport Assets		11,555	14,904	10,940	13,990	13,990	11,779	12,444	13,148
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	213,024	188,517	210,901	254,233	258,441	258,441	267,944	282,599	299,166

For the 2022/23 financial year, 16.8 per cent or R267.9m of the total budget will be spent on repairs and maintenance, of which R161.3m is for infrastructure. Roads infrastructure has received a significant proportion of the infrastructure allocation totalling 44.8 per cent (R72.3m), followed by community assets at 21.78 per cent (R58.3m) and electricity at 14.64 per cent (R39.2m) on the total repairs and maintenance allocation.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are indigent or face other circumstances that limit their ability to pay for services. To receive these free/subsidised services the households are required to register in terms of the Municipality's Indigent Policy. The budgeted indigent households for 2022/23 is estimated at 7 000.

The following is an extract from NT Budget Circular 85:
"The change in the treatment of cost of free basic services indicates that municipalities must not disclose the support to indigents on table SA21 "Transfers and grants". The change in the treatment of free basic services has been fully implemented during the 2017/2018 financial year already.

Details relating to free services and basic service delivery measurement is contained in Table 26 MBRR A10 (Basic Service Delivery Measurement).

The cost of the social package of the registered indigent households is fully covered by the local government equitable share received in terms of the annual Division of Revenue Act and that portion relating to a specific service has been apportioned as revenue to that specific service.

Grants-in-aid to organisations has been budgeted for Animal welfare organisations only for 2022/23, after due consideration by the Budget Steering Committee, with budget constraints identified as a major challenge in this regard.

Table 15 MBRR Table SA21 – Transfers and grants made by the municipality

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash Transfers to Organisations									
Grant in Aid (Animal Welfare)	486	560	-	-	-	-		-	-
BARK							100		
HAWS							200		
SAWS							100		
KAWS	-	-	-	-	-	-	100	-	-
Total Cash Transfers To Organisations	486	560	-	-	-	-	500	-	-
Cash Transfers to Groups of Individuals									
Operational	-	-	8,710	12,324	12,774	12,774	12,557	13,060	13,582
Capital	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:	-	-	8,710	12,324	12,774	12,774	12,557	13,060	13,582
TOTAL CASH TRANSFERS AND GRANTS	486	560	8,710	12,324	12,774	12,774	13,057	13,060	13,582
TOTAL TRANSFERS AND GRANTS	486	560	8,710	12,324	12,774	12,774	13,057	13,060	13,582

1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote and functional area:

Table 16 2022/23 Medium-term capital budget per function

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital Expenditure - Functional									
Governance and administration	7,231	4,049	7,054	3,775	3,775	3,775	1,875	–	–
Executive and council	295	2	355	5	5	5	5	–	–
Finance and administration	6,936	4,048	6,699	3,770	3,770	3,770	1,870	–	–
Internal audit	–	–	–	–	–	–	–	–	–
Community and public safety	68,172	112,758	96,981	79,999	85,262	85,262	53,436	29,934	19,597
Community and social services	5,184	1,330	16,072	8,991	4,117	4,117	7,261	–	–
Sport and recreation	23,923	8,981	22,886	7,752	7,674	7,674	2,500	8,704	13,297
Public safety	4,809	15,694	8,425	7,897	9,605	9,605	2,792	–	–
Housing	34,276	85,753	49,598	54,359	63,865	63,865	40,885	21,230	6,400
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	13,497	6,865	29,209	19,511	14,211	14,211	14,068	7,164	6,000
Planning and development	1,345	1,220	8,466	7,987	3,412	3,412	1,478	–	–
Road transport	12,061	5,645	20,734	11,524	10,799	10,799	12,590	7,164	6,000
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	84,672	87,384	121,565	171,489	134,731	134,731	166,639	65,500	73,314
Energy sources	28,893	21,428	10,438	68,211	35,311	35,311	65,389	22,000	24,314
Water management	12,270	31,752	35,574	51,982	37,334	37,334	39,970	19,000	23,400
Waste water management	42,210	26,893	57,190	47,481	57,480	57,480	57,736	24,500	19,100
Waste management	1,499	7,311	18,365	3,815	4,606	4,606	3,544	–	6,500
Other	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	173,582	211,056	254,809	274,775	237,979	237,979	236,820	102,598	99,911

For 2022/23 an amount of R166,6m has been appropriated for the development of basic services infrastructure which represents 70.6 per cent of the total capital budget of R236m. In the outer years this amount totals R65,5m, 63.8 per cent and R73,3m, 74 per cent respectively for each of these financial years. Waste water infrastructure has the second highest allocation at R57,7m in 2022/23 which equates to 34.7 per cent of the basic services infrastructure allocation, followed by water management at 24 per cent, R40m, waste management 2.1 per cent, R3,5m and electricity as the highest allocation at 39.2 per cent, R65,4m. Over the MTREF the capital housing grant expenditure relating to housing infrastructure provision amounts to R68,5 million.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 25 MBRR A9 (Asset Management). In addition to the MBRR Table A9, MBRR Tables SA34a, b, c & e provides a detailed breakdown of the capital programme relating to new assets construction as well as operational repairs and maintenance by asset class. Some of the salient projects to be undertaken during 2022/23 includes, amongst others:

Top 10 Capital Projects

Project Description	Ward	Amount
LCH SERVICES CONSTRUCTION CONTRACTS	Overstrand	38,785,000
FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION	Multi-ward Gansbaai Area	37,500,000
UPGRADING OF PUMPSTATIONS & RISING MAINS	Overstrand	27,539,000
KLEINMOND WWTW REFURBISH UPGRADE	Multi-ward Kleinmond Area	22,441,638
REPLACEMENT OF OVERSTRAND WATER PIPES	Overstrand	16,472,000
ELECTRIFICATION OF LOW COST HOUSING AREAS	Overstrand	16,000,000
MASAKHANE HOUSING PROJECT BUS ROUTE	Ward 02	7,581,600
UPGRADE WATER LINES & NEW BOOSTER PUMPSTATION VALVES	Ward 02	7,000,000
HERMANUS MV LV UPGRADE REPLACEMENT	Ward 03	6,000,000
UPGRADE BULK WATER	Ward 01	5,615,000

Furthermore, Annexure E contains a detailed breakdown of the capital budget per project over the medium-term.

The following graph provides a breakdown of the capital budget to be spent per vote over the MTREF.

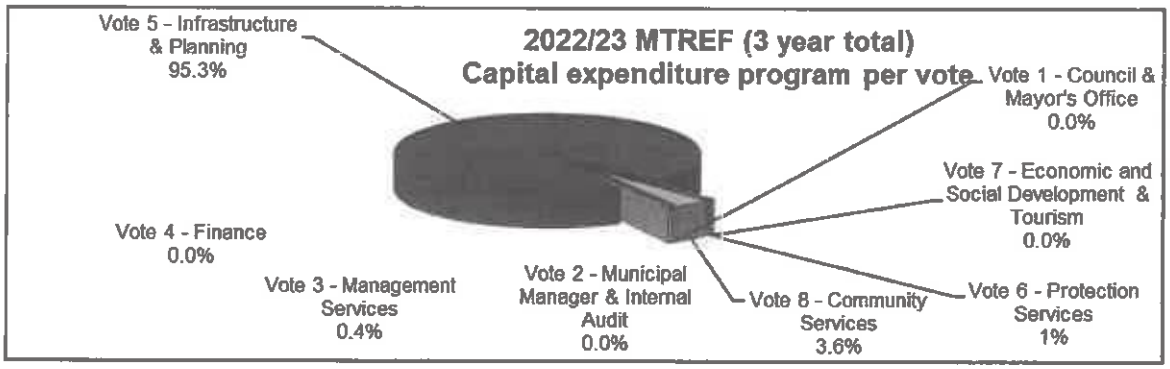


Figure 2 Capital Infrastructure Programme

1.6.1 Future operational cost of new infrastructure

An estimate has been included in Table 58 MBRR SA35. Furthermore, a long-term financial plan implementation policy has been developed to encompass costs over the long term. It needs to be noted that as part of the 2022/23 MTREF, this expenditure has been factored into the two outer years of the operational budget.

1.7 Annual Budget Tables

The following section of the report presents the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2022/23 budget and MTREF to be approved and/or noted by the Council. Each table is accompanied by *explanatory notes* on the facing page.

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Table 17 MBRR Table A1 - Budget Summary

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Financial Performance									
Property rates	233,093	240,910	261,222	275,637	275,637	275,637	287,941	300,836	314,308
Service charges	848,033	698,179	733,197	793,858	793,858	793,858	849,642	904,845	963,789
Investment revenue	41,767	48,146	30,504	27,456	27,456	27,456	24,871	25,991	27,181
Transfers recognised - operational	108,306	123,140	140,895	139,692	157,281	157,281	166,184	174,999	192,746
Other own revenue	127,227	178,453	121,523	180,196	184,321	184,321	169,515	144,125	110,104
Total Revenue (excluding capital transfers and contributions)	1,156,425	1,288,828	1,287,342	1,416,839	1,438,553	1,438,553	1,498,153	1,550,796	1,608,108
Employee costs	358,000	382,572	437,874	463,804	478,188	478,188	504,478	522,622	551,734
Remuneration of councillors	10,573	11,282	11,219	12,401	12,216	12,216	12,335	12,837	13,360
Depreciation & asset impairment	131,114	134,574	140,110	145,663	145,663	145,663	146,596	145,685	148,275
Finance charges	44,921	46,570	48,805	51,804	51,804	51,804	48,056	47,734	47,159
Materials and bulk purchases	277,663	320,849	343,314	398,552	403,800	403,800	436,298	469,074	508,700
Transfers and grants	486	560	8,710	12,324	12,774	12,774	13,057	13,060	13,582
Other expenditure	275,779	294,674	330,903	410,480	416,474	416,474	434,152	430,202	428,516
Total Expenditure	1,108,536	1,191,082	1,320,936	1,495,006	1,520,918	1,520,918	1,594,971	1,641,213	1,711,326
Surplus/(Deficit)	47,890	97,746	(33,594)	(78,168)	(82,365)	(82,365)	(96,819)	(90,417)	(103,218)
Transfers and subsidies - capital (monetary allocations) (	31,952	37,392	37,219	46,354	47,062	47,062	72,254	31,368	32,611
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	26,685	3,730	27,223	14,243	3,597	3,597	12,662	–	–
Surplus/(Deficit) after capital transfers & contributions	106,528	138,868	30,848	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	106,528	138,868	30,848	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)
Capital expenditure & funds sources									
Capital expenditure	173,682	211,056	254,800	274,775	237,979	237,979	236,020	102,598	99,011
Transfers recognised - capital	91,574	117,493	83,490	111,555	111,123	111,123	123,702	52,598	39,011
Public contributions & donations	–	3,730	23,919	–	–	–	–	–	–
Borrowing	36,495	50,476	45,443	94,066	72,761	72,761	80,175	50,000	60,000
Internally generated funds	45,613	39,358	101,949	69,154	54,094	54,094	32,143	–	–
Total sources of capital funds	173,682	211,056	254,800	274,775	237,979	237,979	236,020	102,598	99,011
Financial position									
Total current assets	684,399	809,609	785,709	583,272	707,463	707,463	594,291	597,792	615,507
Total non current assets	3,712,914	3,795,371	3,921,556	4,096,878	4,060,082	4,060,082	4,182,847	4,133,244	4,097,614
Total current liabilities	220,717	294,861	310,222	341,312	382,500	382,500	346,808	355,851	477,581
Total non current liabilities	645,090	642,137	678,212	857,833	895,824	695,824	711,285	711,957	617,158
Community wealth/Equity	3,531,506	3,667,983	3,698,830	3,681,004	3,689,222	3,689,222	3,699,046	3,663,428	3,618,403
Cash flows									
Net cash from (used) operating	215,883	319,091	210,220	215,101	201,184	201,184	104,629	96,593	89,267
Net cash from (used) investing	(178,314)	(212,740)	(258,734)	(279,748)	(244,949)	(244,949)	(241,000)	(107,578)	(103,991)
Net cash from (used) financing	20,552	14,275	7,424	(2,646)	(2,646)	(2,646)	1,377	(6,592)	10,761
Cash/cash equivalents at the year end	533,188	653,813	612,723	450,836	566,312	566,312	431,308	413,731	409,788
Cash backing/surplus reconciliation									
Cash and investments available	583,711	700,328	667,001	512,994	628,466	628,466	501,313	491,720	495,891
Application of cash and investments	72,028	74,124	150,993	178,704	192,531	192,531	132,262	104,413	105,830
Balance - surplus (shortfall)	511,683	626,204	516,008	334,290	435,936	435,936	389,051	387,307	390,061
Asset management									
Asset register summary (WDV)	3,862,386	3,748,856	3,867,277	4,034,713	3,997,918	3,997,918	4,092,842	4,055,255	4,011,491
Depreciation	131,114	134,574	140,110	145,663	145,663	145,663	146,596	145,685	148,275
Renewal of Existing Assets	–	3,606	15,499	33,945	32,154	32,154	20,730	18,650	29,500
Repairs and Maintenance	215,024	188,517	210,901	254,233	258,441	258,441	267,944	282,599	299,166
Free services									
Cost of Free Basic Services provided	27,602	30,628	30,760	33,117	33,117	33,117	36,808	40,609	44,730
Revenue cost of free services provided	50,983	–	–	–	–	–	–	–	–
Households below minimum service level									
Water:	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–

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Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's service delivery and commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasise the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
    a. The accounting surplus/deficit is negative over the MTREF.
    b. Capital expenditure is balanced by capital funding sources, of which
        i. Transfers recognised is reflected on the Financial Performance Budget;
        ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
        iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive and stable, indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows a decrease in cash over the MTREF.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 18 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional									
Governance and administration	327,040	347,612	362,831	357,072	360,937	360,937	384,994	403,517	424,829
Executive and council	27,347	30,254	38,681	31,359	32,134	32,134	50,470	54,516	60,706
Finance and administration	299,607	317,322	324,150	325,712	328,802	328,802	334,524	349,000	364,123
Internal audit	86	36	–	–	–	–	–	–	–
Community and public safety	118,499	164,043	125,463	164,655	182,498	182,498	152,578	133,305	105,603
Community and social services	8,471	8,071	8,291	7,145	9,367	9,367	8,776	7,189	7,680
Sport and recreation	30,199	18,801	29,089	10,133	10,855	10,855	10,972	19,932	25,031
Public safety	32,372	32,801	16,193	39,531	42,023	42,023	35,995	38,413	40,148
Housing	47,457	104,370	71,891	107,845	120,253	120,253	96,834	67,770	32,763
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	16,861	15,503	16,035	16,227	17,887	17,887	24,399	18,801	16,231
Planning and development	10,337	8,315	11,638	9,362	11,298	11,298	13,483	11,283	9,880
Road transport	6,229	7,166	4,385	6,828	6,103	6,103	10,879	7,469	6,310
Environmental protection	295	21	32	37	487	487	37	39	41
Trading services	752,662	802,791	847,454	939,483	927,890	927,890	1,021,099	1,026,542	1,094,056
Energy sources	419,560	458,532	481,695	570,263	559,013	559,013	615,533	634,543	684,366
Water management	145,980	153,663	153,115	157,061	147,446	147,446	157,048	152,108	169,918
Waste water management	110,345	103,934	117,987	116,972	124,991	124,991	139,720	126,531	129,741
Waste management	76,777	86,662	94,657	95,187	96,441	96,441	98,797	103,360	110,031
Other	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	1,215,062	1,329,949	1,351,784	1,477,435	1,489,212	1,489,212	1,583,069	1,582,164	1,640,719
Expenditure - Functional									
Governance and administration	222,134	216,164	258,857	284,904	297,309	297,309	315,410	312,871	324,730
Executive and council	56,567	39,624	69,529	66,557	70,747	70,747	74,067	65,606	67,539
Finance and administration	162,899	174,217	186,367	214,255	222,471	222,471	237,178	242,871	252,551
Internal audit	2,668	2,322	2,781	4,091	4,091	4,091	4,165	4,394	4,640
Community and public safety	158,878	171,527	192,423	257,893	262,601	262,601	267,374	261,327	251,638
Community and social services	16,972	15,216	22,122	19,164	21,044	21,044	21,751	22,212	23,647
Sport and recreation	43,905	44,269	52,169	59,800	60,939	60,939	63,035	63,089	65,995
Public safety	80,702	82,675	87,169	115,407	113,989	113,989	118,758	123,379	129,264
Housing	18,299	29,347	30,963	63,723	66,629	66,629	63,829	52,646	32,731
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	146,841	156,576	170,202	187,466	190,958	190,958	198,290	207,251	213,884
Planning and development	36,688	39,397	43,396	51,373	53,029	53,029	53,256	53,030	55,706
Road transport	103,331	107,277	110,465	116,270	116,706	116,706	121,995	129,975	132,972
Environmental protection	6,821	9,902	16,340	19,823	21,221	21,221	23,039	24,246	25,206
Trading services	576,851	643,817	698,761	781,149	766,457	766,457	810,381	858,098	917,291
Energy sources	313,606	368,705	384,141	442,180	442,480	442,480	480,315	513,770	555,174
Water management	107,916	112,899	120,612	129,815	131,067	131,067	133,992	140,048	152,081
Waste water management	84,120	90,406	95,785	102,665	100,134	100,134	103,774	109,313	113,142
Waste management	71,009	71,808	96,223	86,489	92,776	92,776	92,299	92,967	96,894
Other	3,031	2,998	2,893	3,595	3,595	3,595	3,517	3,667	3,783
Total Expenditure - Functional	1,108,336	1,191,082	1,320,936	1,495,006	1,520,918	1,520,918	1,594,971	1,641,213	1,711,326
Surplus/(Deficit) for the year	106,726	138,868	30,848	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification) - mSCOA – Function/Sub Function

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per functional classification. The modified GFS functional classification, now Function/Sub Function, divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas, which enables National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised: capital) and so does not balance to the operating revenue shown on Table A4.

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Table 19 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote									
Vote 1 - Council & Mayor's Office	27,246	30,091	38,321	31,285	31,735	31,735	50,312	54,357	60,546
Vote 2 - Municipal Manager & Internal Audit	86	36	–	–	–	–	–	–	–
Vote 3 - Management Services	1,070	1,189	2,564	869	2,934	2,934	869	907	946
Vote 4 - Finance	292,876	300,506	309,284	318,650	318,650	318,650	327,436	341,845	356,898
Vote 5 - Infrastructure & Planning	496,225	584,067	585,823	691,845	692,670	692,670	730,542	718,920	732,318
Vote 6 - Protection Services	32,267	32,797	16,193	39,531	42,673	42,673	35,995	38,413	40,148
Vote 7 - Economic and Social Development & Tourism	2,030	2,914	3,860	2,838	4,773	4,773	2,811	71	224
Vote 8 - Community Services	363,260	378,350	395,739	392,418	395,776	395,776	435,105	427,651	449,638
Vote 9 - Costing Services	–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services	–	–	–	–	–	–	–	–	–
Total Revenue by Vote	1,215,062	1,329,949	1,351,784	1,477,435	1,489,212	1,489,212	1,583,069	1,582,164	1,640,718
Expenditure by Vote *to be appropriated*									
Vote 1 - Council & Mayor's Office	38,174	19,927	44,089	37,047	42,989	42,989	44,592	34,434	34,589
Vote 2 - Municipal Manager & Internal Audit	5,050	5,361	5,885	8,040	8,040	8,040	8,042	8,437	8,857
Vote 3 - Management Services	46,736	50,129	54,639	60,741	62,976	62,976	65,889	68,244	71,390
Vote 4 - Finance	74,680	69,425	77,490	95,684	95,289	95,289	106,313	106,744	112,252
Vote 5 - Infrastructure & Planning	449,522	529,692	577,728	672,313	684,869	684,869	734,810	764,318	796,956
Vote 6 - Protection Services	81,089	83,725	91,326	115,502	115,586	115,586	119,732	123,434	128,971
Vote 7 - Economic and Social Development & Tourism	10,303	12,042	13,558	17,311	19,247	19,247	17,570	15,510	16,237
Vote 8 - Community Services	402,983	420,782	456,221	488,368	491,922	491,922	498,023	520,094	542,073
Vote 9 - Costing Services	–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	1,108,536	1,191,082	1,320,936	1,495,006	1,520,918	1,520,918	1,594,971	1,641,213	1,711,326
Surplus/(Deficit) for the year	106,526	138,868	30,848	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote) – mSCOA – Own Segment

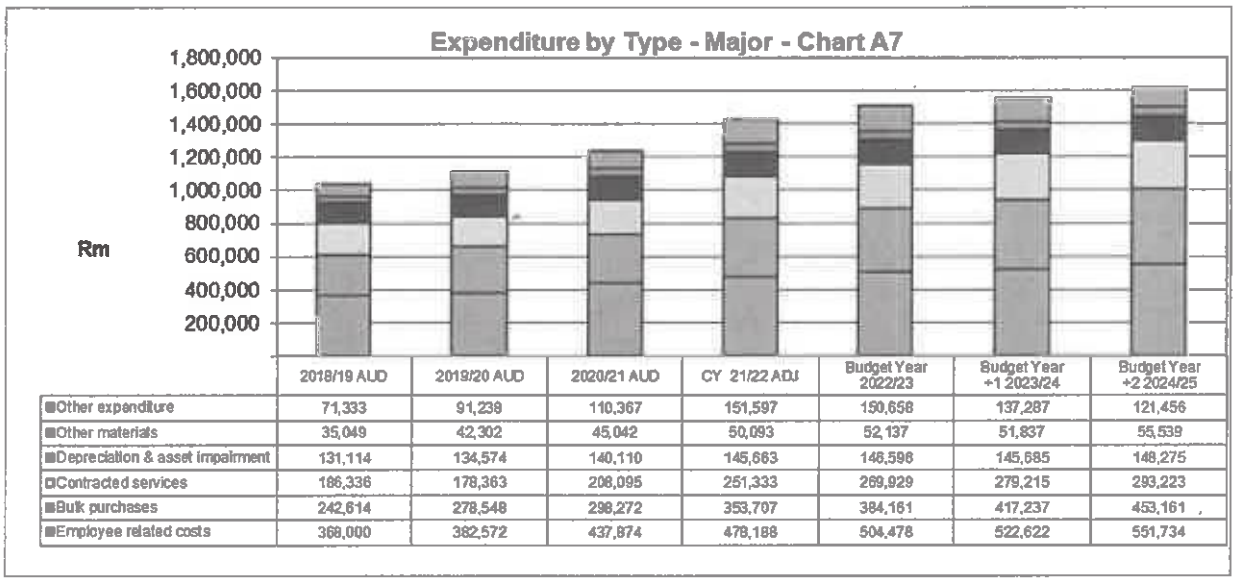
1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per own segment: municipal vote (directorate). This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised: capital) and so does not balance to the operating revenue shown on Table A4.

Table 20 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source									
Property rates	233,093	240,910	261,222	275,637	275,637	275,637	287,941	300,836	314,308
Service charges - electricity revenue	378,693	415,960	442,792	499,317	499,317	499,317	541,692	582,115	625,557
Service charges - water revenue	129,858	133,037	131,113	132,168	132,168	132,168	138,138	144,354	150,851
Service charges - sanitation revenue	77,719	80,925	87,094	87,631	87,631	87,631	90,962	94,874	98,953
Service charges - refuse revenue	61,763	68,256	72,198	74,741	74,741	74,741	78,850	83,502	88,427
Rental of facilities and equipment	6,278	5,735	4,068	3,440	3,440	3,440	4,573	4,778	4,989
Interest earned - external investments	41,767	48,146	30,504	27,456	27,456	27,456	24,871	25,991	27,161
Interest earned - outstanding debtors	4,193	5,040	4,244	4,681	4,681	4,681	3,982	4,161	4,348
Dividends received			–	–	–	–	–	–	–
Fines, penalties and forfeits	25,672	18,211	1,095	28,223	20,223	20,223	20,344	22,188	23,174
Licences and permits	2,526	1,975	2,227	2,039	2,538	2,538	2,636	2,750	2,869
Agency services	4,885	4,376	6,189	6,680	6,680	6,680	7,858	8,211	8,580
Transfers and subsidies	106,306	123,140	140,895	139,692	157,281	157,281	166,184	174,999	192,746
Other revenue	83,673	139,226	96,156	126,909	138,535	138,535	121,898	93,814	57,920
Gains	–	3,890	7,545	8,225	8,225	8,225	8,225	8,225	8,225
Total Revenue (excluding capital transfers and contributions)	1,156,425	1,288,828	1,287,342	1,416,839	1,438,553	1,438,553	1,495,153	1,550,796	1,608,108
Expenditure By Type									
Employee related costs	368,000	382,572	437,874	463,804	478,188	478,188	504,478	522,622	551,734
Remuneration of councillors	10,573	11,282	11,219	12,401	12,216	12,216	12,335	12,837	13,360
Debt impairment	17,500	23,434	12,138	21,500	13,544	13,544	13,564	13,699	13,836
Depreciation & asset impairment	131,114	134,574	140,110	145,663	145,663	145,663	146,596	145,685	148,275
Finance charges	44,921	46,570	48,805	51,804	51,804	51,804	48,056	47,734	47,159
Bulk purchases	242,614	278,548	298,272	353,707	353,707	353,707	384,161	417,237	453,161
Other materials	35,049	42,302	45,042	44,845	50,093	50,093	52,137	51,837	55,539
Contracted services	186,336	176,363	208,095	247,340	251,333	251,333	269,929	279,215	293,223
Transfers and subsidies	486	560	8,710	12,324	12,774	12,774	13,057	13,060	13,582
Other expenditure	71,333	91,238	110,367	141,620	151,597	151,597	150,658	137,287	121,456
Losses	610	1,639	303	–	–	–	–	–	–
Total Expenditure	1,108,536	1,191,052	1,320,936	1,495,006	1,520,918	1,520,918	1,594,971	1,641,213	1,711,326
Surplus/(Deficit)	47,890	97,746	(33,594)	(78,166)	(82,365)	(82,365)	(96,819)	(90,417)	(103,218)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	31,952	37,392	37,219	46,354	47,062	47,062	72,254	31,368	32,611
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	8,465	14,243	3,597	3,597	12,662	–	–
Transfers and subsidies - capital (in-kind - all)	26,685	3,730	18,757	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	106,526	138,868	30,848	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	106,526	138,868	30,848	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	106,526	138,868	30,848	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	106,526	138,868	30,848	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total operating revenue is R1,438 billion in 2021/22 and indicates an increase to R1,498 billion in 2022/23.
2. Revenue to be generated from property rates is R275,6 million in the 2021/22 financial year and increases to R287,9 million by 2022/23 which represents 19,2 per cent of the operating revenue base of the Municipality and therefore remains a significant funding source for the municipality.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R793,9 million for the 2021/22 financial year and indicates an increase to R849,6 million by 2022/23. For the 2022/23 financial year services charges amount to 56,7 per cent of the operating revenue base.
4. Transfers recognised – operating grants includes the local government equitable share and other operating grants from national and provincial government.
5. The following graph illustrates the major expenditure items per type.



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Other expenditure	71,333	91,239	110,367	151,597	150,658	137,287	121,456
Other materials	35,049	42,302	45,042	50,093	52,137	51,837	55,539
Depreciation & asset impairment	131,114	134,574	140,110	145,663	146,596	145,685	148,275
Contracted services	186,336	178,363	208,095	251,333	269,929	279,215	293,223
Bulk purchases	242,614	278,548	298,272	353,707	384,161	417,237	453,161
Employee related costs	368,000	382,572	437,874	478,188	504,478	522,622	551,734

Figure 3 Expenditure by major type

6. Bulk purchases have significantly increased over the 2018/19 to 2024/25 period escalating from R242,6 million to R453,1 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom over the past years. The change in the trend for contracted services also relates to the reclassification of expenditure resulting from mSCOA implementation.
7. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

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Table 21 MBRR Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure - Vote									
Multi-year expenditure *to be appropriated*									
Vote 1 - Council & Mayor's Office	–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager & Internal Audit	–	–	–	–	–	–	–	–	–
Vote 3 - Management Services	–	–	–	3,715	3,245	3,245	1,815	–	–
Vote 4 - Finance	–	–	–	60	60	60	60	–	–
Vote 5 - Infrastructure & Planning	63,169	15,575	73,712	190,806	162,435	162,435	198,128	102,598	99,011
Vote 6 - Protection Services	4,809	–	–	354	704	704	300	–	–
Vote 7 - Economic and Social Development & Tourism	–	–	–	45	45	45	45	–	–
Vote 8 - Community Services	66,541	58,300	36,053	4,297	6,267	6,267	735	–	–
Vote 9 - Costing Services	–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	**134,520**	**73,875**	**109,765**	**199,277**	**172,756**	**172,756**	**201,083**	**102,598**	**99,011**
Single-year expenditure *to be appropriated*									
Vote 1 - Council & Mayor's Office	–	–	352	–	–	–	–	–	–
Vote 2 - Municipal Manager & Internal Audit	–	–	–	–	–	–	–	–	–
Vote 3 - Management Services	295	3,966	2,288	–	–	–	–	–	–
Vote 4 - Finance	–	22	57	–	–	–	–	–	–
Vote 5 - Infrastructure & Planning	28,195	93,905	80,221	40,514	34,755	34,755	17,475	–	–
Vote 6 - Protection Services	–	12,064	8,160	7,535	8,893	8,893	2,492	–	–
Vote 7 - Economic and Social Development & Tourism	–	375	498	–	–	–	–	–	–
Vote 8 - Community Services	10,672	26,849	53,459	27,449	21,575	21,575	14,970	–	–
Vote 9 - Costing Services	–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	**39,162**	**137,181**	**145,035**	**75,498**	**65,223**	**65,223**	**34,937**	**–**	**–**
Total Capital Expenditure - Vote	**173,682**	**211,056**	**254,800**	**274,775**	**237,979**	**237,979**	**236,020**	**102,598**	**99,011**
Capital Expenditure - Functional									
Governance and administration	**7,231**	**4,049**	**7,854**	**3,775**	**3,775**	**3,775**	**1,875**	**–**	**–**
Executive and council	295	2	355	5	5	5	5	–	–
Finance and administration	6,936	4,048	6,699	3,770	3,770	3,770	1,870	–	–
Internal audit	–	–	–	–	–	–	–	–	–
Community and public safety	**68,172**	**112,758**	**96,981**	**79,999**	**85,262**	**85,262**	**53,438**	**29,934**	**19,697**
Community and social services	5,164	1,330	16,072	9,991	4,117	4,117	7,261	–	–
Sport and recreation	23,923	9,981	22,886	7,752	7,674	7,674	2,500	8,704	13,297
Public safety	4,809	15,694	8,425	7,897	9,605	9,605	2,792	–	–
Housing	34,276	85,753	49,598	54,359	63,865	63,865	40,885	21,230	6,400
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	**13,407**	**6,865**	**29,290**	**19,511**	**14,211**	**14,211**	**14,068**	**7,164**	**6,000**
Planning and development	1,346	1,220	8,466	7,987	3,412	3,412	1,478	–	–
Road transport	12,061	5,645	20,734	11,524	10,799	10,799	12,590	7,164	6,000
Environmental protection	–	–	–	–	–	–	–	–	–
Trading services	**84,872**	**87,384**	**121,565**	**171,489**	**134,731**	**134,731**	**166,639**	**65,500**	**73,314**
Energy sources	28,893	21,428	10,436	68,211	35,311	35,311	65,389	22,000	24,314
Water management	12,270	31,752	35,574	51,982	37,334	37,334	39,970	19,000	23,400
Waste water management	42,210	26,893	57,190	47,481	57,480	57,480	57,736	24,500	19,100
Waste management	1,499	7,311	18,365	3,815	4,606	4,606	3,544	–	6,500
Other	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	**173,682**	**211,056**	**254,800**	**274,775**	**237,979**	**237,979**	**236,020**	**102,598**	**99,011**
Funded by:									
National Government	30,445	31,528	35,100	45,754	43,754	43,754	72,254	31,368	32,611
Provincial Government	35,615	85,965	48,390	600	3,308	3,308	–	–	–
District Municipality				–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	25,514			65,201	64,061	64,061	51,447	21,230	6,400
Transfers recognised - capital	**91,574**	**117,493**	**83,490**	**111,555**	**111,123**	**111,123**	**123,702**	**52,598**	**39,011**
Public contributions & donations		3,730	23,919	–	–	–	–	–	–
Borrowing	36,495	50,476	45,443	94,066	72,761	72,761	80,175	50,000	60,000
Internally generated funds	45,613	39,358	101,949	69,154	54,094	54,094	32,143	–	–
Total Capital Funding	**173,682**	**211,056**	**254,800**	**274,775**	**237,979**	**237,979**	**236,020**	**102,598**	**99,011**

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by functional classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. The capital expenditure amounts to R236 million in 2022/23.
3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality.
4. The capital programme is funded from national and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from previous year surpluses. For 2022/23, capital transfers total R123,7 million. Borrowing has been provided at R80,2 million (inclusive of roll-over borrowing), finance leases (nil) and internally generated funding totaling R32,1 million. These funding sources are further discussed in detail in paragraph 2.6 (Overview of Budget Funding).
5. Rolled over borrowing amounts to R30,17m.

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Table 22 MBRR Table A6 - Budgeted Financial Position

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS									
Current assets									
Cash	123,988	143,570	202,482	50,829	166,302	166,302	31,308	13,731	9,768
Call investment deposits	409,200	510,243	410,241	400,000	400,000	400,000	400,000	400,000	400,000
Consumer debtors	74,000	88,509	83,846	84,475	84,475	84,475	92,590	101,407	110,975
Other debtors	61,176	57,060	56,404	38,027	46,027	46,027	59,486	71,464	83,348
Current portion of long-term receivables	7	4	–	–	–	–	–	–	–
Inventory	16,029	10,222	12,736	9,940	10,659	10,659	10,908	11,190	11,416
Total current assets	**684,399**	**809,609**	**765,709**	**583,272**	**707,463**	**707,463**	**594,291**	**597,792**	**615,507**
Non current assets									
Long-term receivables	4	–	–	–	–	–	–	–	–
Investments	50,524	46,515	54,278	62,165	62,165	62,165	70,005	77,989	86,123
Investment property	117,433	122,921	127,538	127,346	127,346	127,346	132,846	138,346	143,846
Investment in Associate	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3,405,429	3,485,840	3,599,818	3,772,076	3,731,041	3,731,041	3,820,865	3,778,197	3,729,384
Agricultural	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–
Intangible	8,597	9,168	8,993	4,363	8,603	8,603	8,203	7,783	7,332
Other non-current assets	130,928	130,928	130,928	130,928	130,928	130,928	130,928	130,928	130,928
Total non current assets	**3,712,914**	**3,795,371**	**3,921,556**	**4,096,878**	**4,060,082**	**4,060,082**	**4,162,847**	**4,133,244**	**4,097,614**
TOTAL ASSETS	**4,397,313**	**4,604,980**	**4,687,265**	**4,680,150**	**4,767,546**	**4,767,546**	**4,757,138**	**4,731,037**	**4,713,121**
LIABILITIES									
Current liabilities									
Bank overdraft	–	–	–	–	–	–	–	–	–
Borrowing	39,725	45,458	53,957	50,263	50,263	50,263	58,592	51,239	155,011
Consumer deposits	40,020	40,992	42,248	64,074	64,074	64,074	66,074	68,074	70,074
Trade and other payables	107,963	165,950	164,032	180,596	215,812	215,812	173,931	183,303	197,573
Provisions	33,010	42,460	49,986	46,378	52,351	52,351	48,210	53,034	54,903
Total current liabilities	**220,717**	**294,881**	**310,222**	**341,312**	**382,500**	**382,500**	**346,808**	**355,651**	**477,561**
Non current liabilities									
Borrowing	422,933	431,475	430,400	430,795	430,795	430,795	421,184	419,946	324,935
Provisions	222,157	210,662	247,812	227,039	265,029	265,029	290,101	292,012	292,223
Total non current liabilities	**645,090**	**642,137**	**678,212**	**657,833**	**695,824**	**695,824**	**711,285**	**711,957**	**617,158**
TOTAL LIABILITIES	**865,807**	**936,998**	**988,434**	**999,146**	**1,078,323**	**1,078,323**	**1,058,092**	**1,067,608**	**1,094,718**
NET ASSETS	**3,531,506**	**3,667,983**	**3,698,830**	**3,681,004**	**3,689,222**	**3,689,222**	**3,699,046**	**3,663,428**	**3,618,403**
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	3,528,279	3,664,755	3,695,603	3,677,777	3,685,995	3,685,995	3,695,823	3,660,211	3,615,190
Reserves	3,227	3,227	3,227	3,228	3,228	3,228	3,223	3,218	3,213
TOTAL COMMUNITY WEALTH/EQUITY	**3,531,506**	**3,667,983**	**3,698,830**	**3,681,004**	**3,689,222**	**3,689,222**	**3,699,046**	**3,663,428**	**3,618,403**

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Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is largely aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 64 is supported by an extensive table of notes from Table SA3, providing a detailed analysis of the major components of a number of items, including:
   - Call investments deposits;
   - Consumer debtors;
   - Property, plant and equipment;
   - Trade and other payables;
   - Provisions non-current;
   - Changes in net assets; and
   - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 23 MBRR Table A7 - Budgeted Cash Flow Statement

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	230,566	238,449	262,672	279,664	279,664	279,664	285,907	298,712	312,089
Service charges	643,620	689,210	737,211	792,663	792,663	792,663	843,505	898,236	956,673
Other revenue	128,882	175,357	131,492	159,489	152,925	152,925	146,992	110,143	75,932
Transfers and Subsidies - Operational	110,341	120,949	133,792	139,692	157,281	157,281	166,184	174,999	192,746
Transfers and Subsidies - Capital	32,017	60,675	37,219	46,354	49,062	49,062	72,254	31,368	32,611
Interest	45,960	53,186	34,748	27,456	27,456	27,456	24,871	25,991	27,161
Dividends	–	–	–	–	–	–	–	–	–
Payments									
Suppliers and employees	(929,996)	(971,606)	(1,069,400)	(1,166,090)	(1,193,289)	(1,193,289)	(1,373,971)	(1,382,062)	(1,447,204)
Finance charges	(44,921)	(46,570)	(48,805)	(51,804)	(51,804)	(51,804)	(48,056)	(47,734)	(47,159)
Transfers and Grants	(486)	(560)	(8,710)	(12,324)	(12,774)	(12,774)	(13,057)	(13,060)	(13,582)
NET CASH FROM/(USED) OPERATING ACTIVITIES	215,983	319,091	210,220	215,101	201,184	201,184	104,629	96,593	89,267
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	(566)	3,289	940	–	–	–	–	–	–
Decrease (increase) in non-current receivables	8	7	4	–	–	–	–	–	–
Decrease (increase) in non-current investments	(4,980)	(4,980)	(4,878)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)
Payments									
Capital assets	(172,777)	(211,956)	(254,800)	(274,775)	(239,979)	(239,979)	(236,020)	(102,598)	(99,011)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(178,314)	(212,740)	(258,734)	(279,748)	(244,949)	(244,949)	(241,000)	(107,578)	(103,991)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	54,000	54,000	54,000	50,000	50,000	50,000	50,000	50,000	60,000
Increase (decrease) in consumer deposits	–	–	–	2,000	2,000	2,000	2,000	2,000	2,000
Payments									
Repayment of borrowing	(33,448)	(39,725)	(46,576)	(54,646)	(54,646)	(54,646)	(50,623)	(58,592)	(51,239)
NET CASH FROM/(USED) FINANCING ACTIVITIES	20,552	14,275	7,424	(2,646)	(2,646)	(2,646)	1,377	(6,592)	10,761
NET INCREASE/ (DECREASE) IN CASH HELD	58,220	120,626	(41,091)	(67,293)	(46,410)	(46,410)	(134,994)	(17,577)	(3,963)
Cash/cash equivalents at the year begin:	474,967	533,188	653,813	518,129	612,723	612,723	566,302	431,308	413,731
Cash/cash equivalents at the year end:	533,188	653,813	612,723	450,836	566,312	566,312	431,308	413,731	409,768

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the expected cash levels of the Municipality indicates a slight decrease over the 2022/23 MTREF.
4. The 2022/23 MTREF has been informed by the planning principle of ensuring adequate cash over the medium-term.
5. Cash and cash equivalents totals R431,3 million as at the end of the 2022/23 financial year and is estimated to decrease to R409,8 million by 2024/25.

Table 24 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available									
Cash/cash equivalents at the year end	533,188	653,813	612,723	450,836	566,312	566,312	431,308	413,731	409,768
Other current investments > 90 days	0	–	–	(7)	(10)	(10)	0	(0)	0
Non current assets - Investments	50,524	46,515	54,278	62,165	62,165	62,165	70,005	77,989	86,123
Cash and investments available:	583,711	700,328	667,001	512,994	628,466	628,466	501,313	491,720	495,891
Application of cash and investments									
Unspent conditional transfers	–	31,133	24,030	–	12,442	12,442	–	–	–
Unspent borrowing	38,199	–	44,066	44,066	22,761	22,761	22,033	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–
Other working capital requirements	(26,506)	(9,362)	(3,156)	59,046	74,998	74,998	24,486	14,876	8,219
Other provisions	6,587	2,612	28,547	10,200	16,936	16,936	12,515	8,330	8,276
Long term investments committed	50,524	46,515	54,278	62,165	62,165	62,165	70,005	77,989	86,123
Reserves to be backed by cash/investments	3,227	3,227	3,227	3,228	3,228	3,228	3,223	3,218	3,213
Total Application of cash and investments:	72,028	74,124	150,993	178,704	192,531	192,531	132,262	104,413	105,830
Surplus(shortfall)	511,683	626,204	516,008	334,290	435,936	435,936	369,051	387,307	390,061

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. As part of the budgeting and planning guidelines that informs the compilation of the 2022/23 MTREF the end objective of the medium-term framework is to ensure the budget is funded and aligned to section 18 of the MFMA.
5. As can be seen the budget has been modelled to ensure that the budget is funded.

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Table 25 MBRR Table A9 - Asset Management

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CAPITAL EXPENDITURE									
Total New Assets	173,682	188,804	199,520	191,795	154,916	154,916	141,955	50,894	24,814
Roads Infrastructure	12,061	5,638	20,553	10,218	9,493	9,493	12,255	7,164	6,000
Storm water Infrastructure	7,247	7,918	14,169	6,590	6,590	6,590	1,636	8,500	-
Electrical Infrastructure	28,893	13,557	9,392	57,808	24,908	24,908	53,500	12,000	9,314
Water Supply Infrastructure	12,270	29,001	22,404	11,372	4,270	4,270	12,463	2,000	3,100
Sanitation Infrastructure	34,963	13,339	12,940	9,368	10,097	10,097	4,020	-	-
Solid Waste Infrastructure	1,499	7,311	12,254	3,262	4,516	4,516	1,470	-	-
Infrastructure	**96,933**	**76,763**	**91,712**	**98,618**	**59,873**	**59,873**	**85,364**	**29,664**	**18,414**
Community Facilities	30,804	2,084	10,999	15,352	4,743	4,743	6,701	-	-
Sport and Recreation Facilities	-	2,447	15,000	7,481	7,081	7,081	4,250	-	-
Community Assets	**30,804**	**4,531**	**25,999**	**22,833**	**11,824**	**11,824**	**10,951**	**-**	**-**
Heritage Assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	3,092	1,749	4,581	6,636	5,617	5,617	3,017	-	-
Housing	34,276	85,753	49,598	52,259	61,765	61,765	38,785	21,230	6,400
Other Assets	**37,368**	**87,502**	**54,179**	**58,895**	**67,383**	**67,383**	**41,802**	**21,230**	**6,400**
Biological or Cultivated Assets	-	-	-	-	226	226	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	**1,346**	**3,345**	**5,152**	**3,933**	**3,463**	**3,463**	**1,888**	**-**	**-**
Furniture and Office Equipment	**295**	**246**	**802**	**875**	**1,225**	**1,225**	**765**	**-**	**-**
Machinery and Equipment	-	**533**	**486**	**1,641**	**1,791**	**1,791**	**1,185**	**-**	**-**
Transport Assets	**6,936**	**15,884**	**21,189**	**5,000**	**9,131**	**9,131**	**-**	**-**	**-**
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Total Renewal of Existing Assets	–	**3,606**	**15,499**	**33,945**	**32,154**	**32,154**	**20,730**	**18,650**	**29,500**
Roads Infrastructure	–	8	–	–	–	–	–	–	–
Storm water Infrastructure	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	–	–	915	1,000	1,000	1,000	1,058	1,500	2,000
Water Supply Infrastructure	–	887	11,297	32,295	30,064	30,064	19,172	16,450	20,300
Sanitation Infrastructure	–	2,711	3,287	650	1,090	1,090	500	700	700
Solid Waste Infrastructure	–	–	–	–	–	–	–	–	6,500
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	–	*3,606*	*15,499*	*33,945*	*32,154*	*32,154*	*20,730*	*18,650*	*29,500*
Community Facilities	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Community Assets	–	–	–	–	–	–	–	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Upgrading of Existing Assets	–	**18,646**	**39,781**	**49,034**	**50,909**	**50,909**	**73,335**	**33,054**	**44,697**
Roads Infrastructure	–	–	181	–	–	–	–	–	–
Storm water Infrastructure	–	1,285	12,258	–	–	–	–	–	–
Electrical Infrastructure	–	7,871	120	7,173	7,173	7,173	10,831	8,500	13,000
Water Supply Infrastructure	–	1,863	1,873	8,315	3,000	3,000	8,315	550	–
Sanitation Infrastructure	–	32	14,286	30,873	38,203	38,203	51,581	15,300	18,400
Solid Waste Infrastructure	–	–	3,262	553	90	90	2,074	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	–	*11,051*	*31,980*	*46,913*	*48,466*	*48,466*	*72,800*	*24,350*	*31,400*
Community Facilities	–	–	830	100	100	100	334	–	–
Sport and Recreation Facilities	–	7,534	6,971	2,021	2,343	2,343	200	8,704	13,297
Community Assets	–	*7,534*	*7,801*	*2,121*	*2,443*	*2,443*	*534*	*8,704*	*13,297*
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	–	61	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	–	*61*	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–

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Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Total Capital Expenditure	**173,682**	**211,056**	**254,800**	**274,775**	**237,979**	**237,979**	**236,020**	**102,598**	**99,011**
Roads Infrastructure	12,061	5,645	20,734	10,218	9,493	9,493	12,255	7,164	6,000
Storm water Infrastructure	7,247	9,202	26,427	6,590	6,590	6,590	1,636	8,500	–
Electrical Infrastructure	26,893	21,428	10,427	65,981	33,081	33,081	65,389	22,000	24,314
Water Supply Infrastructure	12,270	31,752	35,574	51,982	37,334	37,334	39,970	19,000	23,400
Sanitation Infrastructure	34,963	16,081	30,513	40,891	49,390	49,390	56,101	16,000	19,100
Solid Waste Infrastructure	1,499	7,311	15,517	3,815	4,606	4,606	3,544	–	6,500
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	***96,933***	***91,420***	***139,192***	***179,477***	***140,493***	***140,493***	***178,895***	***72,664***	***79,314***
Community Facilities	30,804	2,084	11,829	15,452	4,843	4,843	7,035	–	–
Sport and Recreation Facilities	–	9,981	21,971	9,502	9,424	9,424	4,450	8,704	13,297
Community Assets	***30,804***	***12,065***	***33,801***	***24,954***	***14,267***	***14,267***	***11,485***	***8,704***	***13,297***
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	3,092	1,810	4,681	6,636	5,617	5,617	3,017	–	–
Housing	34,276	85,753	49,598	52,259	61,765	61,765	38,785	21,230	6,400
Other Assets	***37,368***	***87,563***	***54,179***	***58,895***	***67,383***	***67,383***	***41,802***	***21,230***	***6,400***
Biological or Cultivated Assets	–	–	–	–	226	226	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	**1,345**	**3,345**	**5,152**	**3,933**	**3,463**	**3,463**	**1,888**	–	–
Furniture and Office Equipment	**295**	**246**	**802**	**875**	**1,225**	**1,225**	**765**	–	–
Machinery and Equipment	–	**533**	**485**	**1,641**	**1,791**	**1,791**	**1,185**	–	–
Transport Assets	**6,936**	**15,884**	**21,189**	**5,000**	**9,131**	**9,131**	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	**173,682**	**211,056**	**254,800**	**274,775**	**237,979**	**237,979**	**236,020**	**102,598**	**99,011**
ASSET REGISTER SUMMARY - PPE (WDV)	3,662,386	3,748,856	3,867,277	4,034,713	3,997,918	3,997,918	4,092,842	4,055,255	4,011,491
Roads Infrastructure	1,068,859	1,056,127	1,092,369	977,558	976,832	976,832	951,365	920,218	889,823
Storm water Infrastructure		214,067	233,963	247,201	247,201	247,201	240,845	241,337	234,130
Electrical Infrastructure	525,175	520,173	503,932	552,006	519,106	519,106	555,433	548,549	542,442
Water Supply Infrastructure	464,323	474,519	481,726	532,361	517,713	517,713	534,118	530,038	524,588
Sanitation Infrastructure	562,010	398,307	410,831	435,850	444,350	444,350	482,900	481,350	483,115
Solid Waste Infrastructure	26,500	24,634	40,153	48,809	49,600	49,600	49,883	46,621	50,021
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	***2,686,867***	***2,687,827***	***2,762,974***	***2,793,785***	***2,754,801***	***2,754,801***	***2,814,545***	***2,768,114***	***2,724,128***
Community Assets	204,522	206,866	226,656	–	–	–	–	–	–
Heritage Assets	130,928	130,928	130,928	130,928	130,928	130,928	130,928	130,928	130,928
Investment properties	117,433	122,921	127,538	127,346	127,346	127,346	132,846	138,346	143,846
Other Assets	534,039	496,877	494,213	860,822	856,061	856,061	894,435	909,441	914,060
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	8,597	9,168	8,993	4,363	8,603	8,603	8,203	7,784	7,333
Computer Equipment			–	–	–	–	–	–	–
Furniture and Office Equipment		10,174	10,999	15,935	16,285	16,285	15,403	12,174	9,072
Machinery and Equipment		6,022	9,544	5,933	6,159	6,159	5,659	4,106	2,584
Transport Assets		78,074	95,432	95,802	97,734	97,734	90,823	84,363	79,548
Land			–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–		–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**3,662,386**	**3,748,856**	**3,867,277**	**4,034,713**	**3,997,918**	**3,997,918**	**4,092,842**	**4,055,255**	**4,011,491**
EXPENDITURE OTHER ITEMS									
Depreciation	131,114	134,574	140,110	145,663	145,663	145,663	146,596	145,685	148,275
Repairs and Maintenance by Asset Class	**215,024**	**188,517**	**210,901**	**254,233**	**258,441**	**258,441**	**267,944**	**282,599**	**299,156**
Roads Infrastructure	61,860	65,691	67,439	67,503	67,114	67,114	72,275	79,183	83,626
Storm water Infrastructure	5,765	4,749	5,584	7,712	7,712	7,712	7,335	7,736	8,154
Electrical Infrastructure	23,082	36,812	31,045	33,421	34,047	34,047	39,232	40,356	43,933
Water Supply Infrastructure	17,367	16,161	21,046	21,537	21,537	21,537	22,142	23,489	24,843
Sanitation Infrastructure	14,967	10,072	12,980	12,162	12,346	12,346	13,044	13,580	14,354
Solid Waste Infrastructure	22,918	1,168	2,535	6,936	6,483	6,483	7,320	7,686	8,123
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	113	110	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	1	–	–	–	–	–	–
Infrastructure	***145,959***	***134,766***	***140,742***	***149,272***	***149,240***	***149,240***	***161,349***	***172,030***	***183,034***
Community Facilities	27,117	29,422	37,364	48,573	42,095	42,095	43,516	43,405	45,873
Sport and Recreation Facilities	12,685	4,176	7,007	15,083	15,567	15,567	14,849	14,910	15,416
Community Assets	***39,801***	***33,597***	***44,371***	***61,656***	***57,662***	***57,662***	***58,365***	***58,315***	***61,289***
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	8,009	1,582	2,136	11,814	16,896	16,896	15,246	16,876	17,880
Housing	–	–	1	–	–	–	–	–	–
Other Assets	***8,009***	***1,582***	***2,137***	***11,814***	***16,896***	***16,896***	***15,246***	***16,875***	***17,880***
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	6,009	5,672	6,528	6,413	6,413	6,994	7,381	7,794
Intangible Assets	–	***6,009***	***5,672***	***6,528***	***6,413***	***6,413***	***6,994***	***7,381***	***7,794***
Computer Equipment	**4,890**	**766**	**1,947**	**2,280**	**2,506**	**2,506**	**2,280**	**2,391**	**2,508**
Furniture and Office Equipment	**16,364**	**242**	**1,128**	**6,095**	**6,054**	**6,054**	**6,330**	**6,644**	**6,951**
Machinery and Equipment	–	–	–	**5,548**	**5,379**	**5,379**	**5,601**	**6,518**	**6,561**
Transport Assets	–	**11,555**	**14,904**	**10,940**	**13,990**	**13,990**	**11,779**	**12,444**	**13,149**
Libraries	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS	**346,138**	**323,092**	**351,011**	**399,896**	**404,104**	**404,104**	**414,540**	**428,284**	**447,431**

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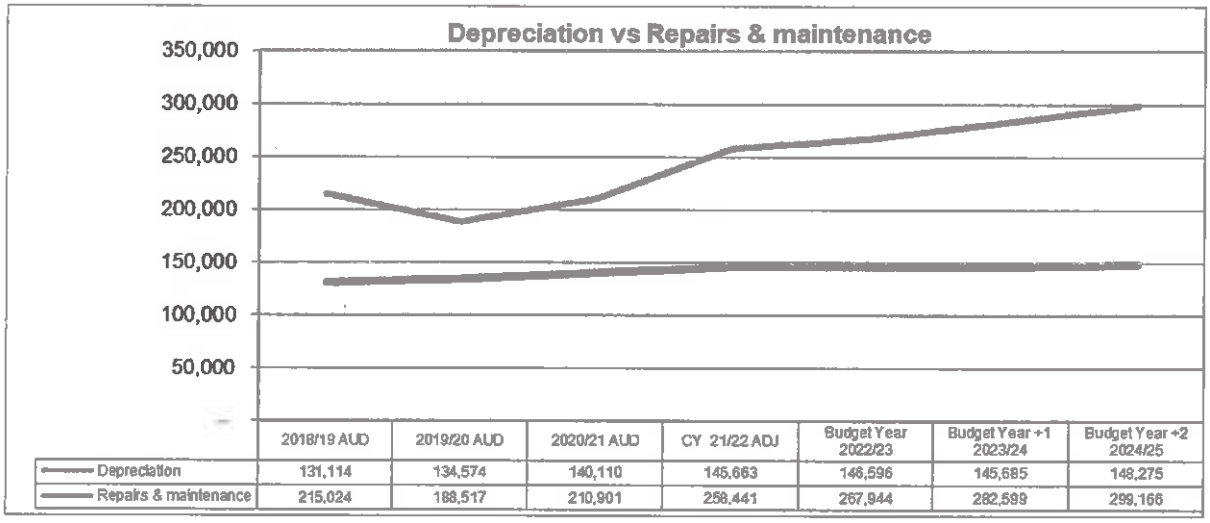
Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal/upgrading of existing assets, as well as spending on repairs and maintenance by asset class.
2. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF.



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Depreciation	131,114	134,574	140,110	145,663	146,596	145,685	148,275
Repairs & maintenance	215,024	188,517	210,901	258,441	267,944	282,599	299,166

Figure 4 Depreciation in relation to repairs and maintenance over the MTREF

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Table 26 MBRR Table A10 - Basic Service Delivery Measurement

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Household service targets									
Water:									
Piped water inside dwelling	29,800	29,946	30,111	30,111	30,111	30,111	30,412	30,716	31,023
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	3,620	3,675	3,779	3,779	3,779	3,779	4,650	4,900	5,000
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	33,420	33,621	33,890	33,890	33,890	33,890	35,062	35,616	36,023
Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
No water supply	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
Total number of households	33,420	33,621	33,890	33,890	33,890	33,890	35,062	35,616	36,023
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	29,631	30,060	30,420	30,420	30,420	30,420	30,724	31,031	31,342
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
Chemical toilet	–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)	3,620	3,675	3,779	3,731	3,731	3,731	4,650	4,900	5,000
Minimum Service Level and Above sub-total	33,251	33,735	34,199	34,151	34,151	34,151	35,374	35,931	36,342
Bucket toilet	–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
Total number of households	33,251	33,735	34,199	34,151	34,151	34,151	35,374	35,931	36,342
Energy:									
Electricity (at least min.service level)	5,831	5,946	5,826	5,706	5,706	5,706	5,586	5,466	5,346
Electricity - prepaid (min.service level)	19,464	19,731	20,146	20,561	20,561	20,561	20,976	21,391	21,806
Minimum Service Level and Above sub-total	25,295	25,677	25,972	26,267	26,267	26,267	26,562	26,857	27,152
Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
Total number of households	25,295	25,677	25,972	26,267	26,267	26,267	26,562	26,857	27,152
Refuse:									
Removed at least once a week	33,105	33,366	33,895	33,895	33,895	33,895	34,234	34,576	34,922
Minimum Service Level and Above sub-total	33,105	33,366	33,895	33,895	33,895	33,895	34,234	34,576	34,922
Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
Using communal refuse dump	–	–	–	–	–	–	–	–	–
Using own refuse dump	–	–	–	–	–	–	–	–	–
Other rubbish disposal	–	–	–	–	–	–	–	–	–
No rubbish disposal	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
Total number of households	33,105	33,366	33,895	33,895	33,895	33,895	34,234	34,576	34,922
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	7,630	7,595	7,278	7,400	7,400	7,400	7,000	7,300	7,600
Sanitation (free minimum level service)	7,630	7,595	7,278	7,400	7,400	7,400	7,000	7,300	7,600
Electricity/other energy (50kwh per household per month)	7,630	7,595	7,278	7,400	7,400	7,400	7,000	7,300	7,600
Refuse (removed at least once a week)	7,630	7,595	7,278	7,400	7,400	7,400	7,000	7,300	7,600
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	2,758	3,062	3,065	3,239	3,239	3,239	3,214	3,553	3,921
Sanitation (free sanitation service to indigent households)	4,984	5,244	5,253	5,553	5,553	5,553	9,132	9,933	10,788
Electricity/other energy (50kwh per indigent household per month)	4,812	5,416	5,513	6,423	6,423	6,423	6,530	7,318	8,186
Refuse (removed once a week for indigent households)	15,048	16,906	16,929	17,901	17,901	17,901	17,933	19,805	21,835
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	–	–	–	–	–	–	–	–	–
Total cost of FBS provided	27,502	30,628	30,769	33,117	33,117	33,117	36,808	40,609	44,730
Highest level of free service provided per household									
Property rates (R value threshold)	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000
Water (kilolitres per household per month)	6	6	6	6	6	6	10	10	10
Sanitation (kilolitres per household per month)	4	4	4	4	4	4	7	7	7
Sanitation (Rand per household per month)	78	82	86	89	89	89	93	99	105
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)	210	210	210	210	210	210	210	210	210
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)	–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	50,983	–	–	–	–	–	–	–	–
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates	–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided	50,983	–	–	–	–	–	–	–	–

The Figures for households above, relating to household service targets, includes both formal and informal households.

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. Good progress is being made with the eradication of current services backlogs. Housing remains a challenge.
    a. Electricity services – the current backlog has provisionally been eliminated.
3. The budget provides for 7 000 households to be registered as indigent in 2022/23, and therefore entitled to receiving Free Basic Services. The number is set to increase over the MTREF, especially by poor people seeking economic opportunities.
4. It is anticipated that the cost of these Free Basic Services will amount to R91.7m in 2022/23. This is covered by the municipality's equitable share allocation from national government.
5. In addition to the Free Basic Services, other rates rebates also apply to households.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Full-time Councillors, Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2021) a time schedule that sets out the process to prepare the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on 24 August 2021. Key dates applicable to the process are as follows:

- **July 2021** – Budget Office submits current 3 year Capital Budget to the Strategic Office. Review status of Samras Budget Portal functionality and MTREF budget information;
- **September/October 2021** – Mayoral strategic session with Councillors and Senior Management to determine Strategic direction for the 2022/23 IDP review;
- **October 2021** – Top management meeting to discuss budget proposals and affordability;
- **October 2021** – Mayoral directional IDP/Budget speech;
- **October/December 2021** – Various Budget Steering Committee and Management meetings relating to draft Capex and Opex budgets;
- **November 2021**– Submission of tariff proposals and tariff workshops;
- **November 2021**– Workshop on tariffs and tariff related policies;
- **November 2021/February 2022**– Review of all budget related policies;
- **December 2021** – Mid-year review by the BSC of the 2021/2022 progress and review of 2022/2025 draft operational expenditure including financial forecasting and scenario considerations;
- **January 2022** – Tariff finalisation, consider budget related policies changes and overview of draft 2022/23 Capex & Opex;
- **January 2022**- Council considered the 2021/2022 Mid-year Review;
- **January 2022** – Finalisation of adjustments budget;
- **January 2022** – Ward Committees met to review their current ward priorities for 2022/23;
- **February 2022** – Final tariffs and adjustments budget review;
- **February 2022** – BSC review/finalises draft Capex/Opex;
- **15 March 2022** – OMAF Consultation & Budget Proposals;

- **28 March 2022** – Budget office finalises budget report;
- **30 March 2022** - Tabling in Council of the draft 2022/23 IDP, SDBIP and 2022/23 MTREF for public consultation;
- **1 April 2022 – 29 April 2022** – Draft Budget available to the public and any other stakeholders for perusal and the submission of comments and representations;
- **29 April 2022** - Closing date for written comments;
- **5 May 2022** – BSC considered all comments received and amendments to the Draft Budget;
- **8-20 May 2022** – Finalisation of the 2022/23 IDP and 2022/23 MTREF, taking into consideration comments received from the public, comments from NT & PT and updated information from the most recent DoRA and financial framework;
- **9-20 May 2022** – Budget Office compiles final report and schedules and final review of budget report and schedules ;
- **24 May 2022** – Final budget distribution; and
- **31 May 2022** - Tabling of the 2022/23 MTREF in Council for consideration and approval.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The Draft 2017/2023 Amended IDP as accepted by the newly elected council, in terms of section 25 (3), Municipal Systems Act (MSA), 2000, reflects the wording Overstrand for all in the Mission statement to read: *"Creation of sustainable communities by delivering optimal services to support economic, social and environmental goals in a politically stable environment as an OVERSTRAND FOR ALL."*

The Mayor's new 3 C priorities of Communication, Crime Prevention & Law Enforcement and Cost and Ease of doing business with Overstrand **support** the implementation of the current 5 strategic objectives. The vision and strategic goals remain unchanged.

The Mayors' new 3 C's priorities – Communication, Crime Prevention & Law Enforcement and Cost and Ease of doing business with Overstrand has an overarching linkage with the existing programmes. Funding are allocated in this budget for specific projects in this regard, whilst in other instances, the focus on the Cost and Ease of doing business with Overstrand are reflected in the revision of various tariffs relating to before-mentioned, as well as the envisaged promotion of measures/tariff structures already in place, to create awareness in our communities.

The draft amended IDP (2017/2023) was tabled on 30 March 2022 and the Final Budget to be considered by Council on 31 May 2022 for adoption. The amended IDP process followed after approval of the IDP/Budget Time Schedule for the 2022/23 MTREF in August 2021, and the Local Government elections on 1 November 2021.

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation, which directly inform the Service Delivery and Budget Implementation Plan (SDBIP). The IDP/Budget time schedule applicable to the Draft IDP included the following key IDP processes and deliverables:

- Ward committees reviewed and reprioritised their community needs;
- Written inputs from the respective directorates for compilation of the draft amended IDP;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the draft Top Layer SDBIP, and
- The review of the performance management and monitoring processes.

2.1.3 Financial Modelling and Key Planning Drivers

Strategic objectives of the compilation of the 2022/23 MTREF include the undertaking of extensive financial modelling to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2022/23 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate (global risks and trends, inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2021/22 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 112, 115 and 116 was taken into consideration in the planning and prioritisation process.

The municipality has expanded on the implementation of Repairs and Maintenance allocated as projects in terms of the mSCOA version 6.6. These allocations are guided by the respective owner departments.

Emphasis is placed on the Municipal Cost Containment Regulations, 2019 as published in June 2019, and which took effect on 1 July 2019. Cost containment has already been implemented across the organisation over the past four years. The measures as per the Cost Containment Circular in place prior to 2020/21, was incorporated to a large extent in existing policies, prior to the existence of the Overstrand Cost Containment Policy.

2.1.4 Community Consultation on the Draft Budget

The draft 2022/23 MTREF was tabled in Council on 30 March 2022 and was made available to the community as follows:

Copies of the document could be viewed:

- At the offices of all Area Managers
- All public libraries within the municipality
- At the website: www.overstrand.gov.za

The tabling of the draft budget was advertised in all local newspapers and a copy of the advertisement was placed on the notice boards at municipal offices and libraries. All documents in the appropriate format (electronic) were provided to National Treasury and Provincial Treasury in accordance with section 23 of the MFMA, to provide an opportunity for comment.

The Executive Mayor, also MMC for Finance, other full time Councillors, Municipal Manager and Area Managers, all Directors and officials from the Budget Office and Strategic Planning Office, engaged the community at the Draft IDP Review and Draft Budget 2022/23 Public Consultation process during April 2022, to present the draft budget for engagement with the public. These engagements were arranged and attended, and the dates, times and other information was published through the media in the different administrative areas.

The public had the opportunity to comment, in writing, on Overstrand Municipality's Draft Amended Integrated Development Plan (IDP) for 2022/23 and the Draft Budget for 2022/23 until 29 April 2022.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and capital projects were considered by the Budget Steering Committee at a meeting held on 9 May 2022, for the finalisation of the 2022/23 Budget.
Comments from the community and the municipality's responses thereto are included as an Annexure to the final report.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership, and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery. Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality. It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities. The aim of the five-year IDP cycle is to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

To be noted that the 2017/2023 6th year Amended IDP was accepted by the newly elected council, in terms of section 25 (3), Municipal Systems Act (MSA), 2000.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2015 Vision;
- National Spatial Development Perspective (NSDP);
- The National Priority Outcomes; and
- National Development Plan

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal

integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2022/23 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 27 IDP Strategic Objectives

2022/23 MTREF
The provision of democratic, accountable and ethical governance
The provision and maintenance of municipal services
The encouragement of structured community participation in the matters of the municipality
The creation and maintenance of a safe and healthy environment
The promotion of tourism, economic and social development

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

SO1 The provision of democratic, accountable and ethical governance

- 1.a Effective co-operative government within the Constitutional Mandate
- 1.b Effective communication and community development
- 1.c Sound municipal administration/ Institutional development
- 1.d Effective Financial Management

SO 2 The provision and maintenance of Municipal Services

- 2.a Effective development of Municipal Infrastructure
- 2.b Promote proactive maintenance of Municipal infrastructure
- 2.c Promote the development, maintenance and management of Public Launching Sites
- 2.d. Street and Storm water maintenance
- 2.e. Replacement of deteriorating fleet items

SO 3 The encouragement of structured community participation in the matters of the municipality

- 3.a Enhance the involvement of Ward Committees in public participation

- 3.b Enhance customer care

SO 4 The creation and maintenance of a safe and healthy environment

- 4.a Enhancement of road safety (Traffic Services)
- 4.b Law enforcement
- 4.c Enhancement of Fire & Disaster Management
- 4.d Environmental Management

SO 5 The promotion of tourism, economic and social development

- 5.a. Development of integrated Human Settlements
- 5.b Spatial Planning
- 5.c Local Economic Development and Tourism
- 5.d. Social development in a municipal context
- 5.e Enhance Sport, Recreation and Culture

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme, now 2017/2023 6th year Amended IDP as accepted by the newly elected council, responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years for infrastructure planning. This process is aimed at influencing the development path to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectorial plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the amended 6th year IDP of the 2018/2023 cycle, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area-based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2022/23 MTREF has therefore been directly informed by the 6th year (amended) of the 2018/2023 IDP process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 28 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	Goal Code	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
The provision of democratic, accountable and ethical governance	Good Governance	1	328,011	347,612	362,831	357,072	360,937	360,937	384,994	403,517	424,829
The provision and maintenance of municipal services	Basic Service Delivery	2	752,662	802,791	847,454	939,483	927,890	927,890	1,021,089	1,026,542	1,094,056
The encouragement of structured community participation in the matters of the municipality	Good Governance	3									
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	70,070	59,673	53,573	56,809	62,245	62,245	55,744	65,535	72,839
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	64,318	119,873	87,926	124,072	138,140	138,140	121,233	86,571	48,994
Allocations to other priorities											
Total Revenue (excluding capital transfers and contributions)			1,215,062	1,329,949	1,351,784	1,477,435	1,489,212	1,489,212	1,583,059	1,582,164	1,640,719

Table 29 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	Goal Code	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
The provision of democratic, accountable and ethical governance	Good Governance	1	222,134	217,320	257,275	283,779	295,755	295,755	313,331	312,142	324,001
The provision and maintenance of municipal services	Basic Service Delivery	2	576,651	641,935	696,761	761,149	766,057	766,057	810,381	856,098	917,291
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	1,250	725	1,382	1,125	1,125	1,125	2,079	729	729
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	141,579	171,527	161,460	194,170	197,488	197,488	203,544	208,681	218,906
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	166,921	159,574	204,057	254,784	260,493	260,493	265,636	263,563	250,398
Allocations to other priorities											
Total Expenditure			1,108,536	1,191,082	1,320,935	1,495,006	1,520,918	1,520,918	1,594,971	1,641,213	1,711,326

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Table 30 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

Strategic Objective	Goal	Goal Code	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
The provision of democratic, accountable and ethical governance	Good Governance	1	7,231	4,049	7,054	3,775	3,775	3,775	1,875		
The provision and maintenance of municipal services	Basic Service Delivery	2	84,872	87,384	121,585	171,489	131,231	131,231	166,639	65,500	73,314
The encouragement of structured community participation in the matters of the municipality	Good Governance	3							817		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	33,896	27,005	47,383	25,640	24,897	24,897	11,736	8,704	13,297
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	47,683	92,618	78,798	73,871	78,076	78,076	54,953	28,394	12,400
Allocations to other priorities											
Total Capital Expenditure			173,682	211,056	254,800	274,775	237,979	237,979	236,020	102,598	99,011

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality does targets, monitor, assess and review organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly at each quarter, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting, and reporting cycle can be graphically illustrated as follows:

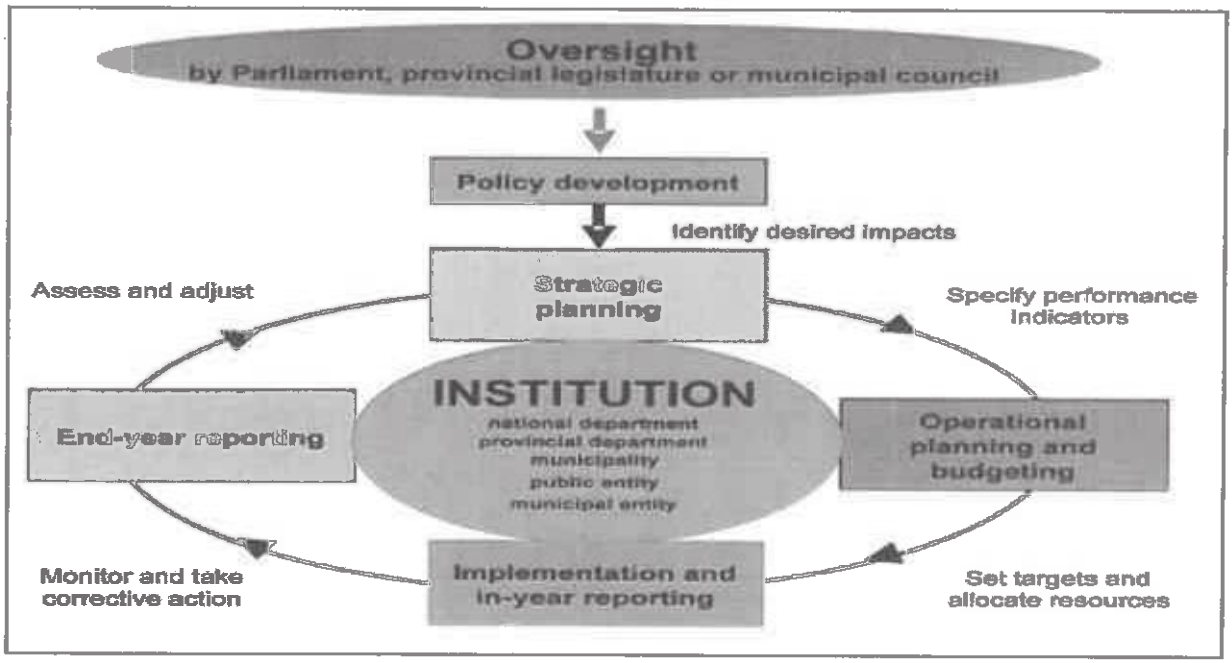

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Figure 5 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the ***Framework of Managing Programme Performance Information*** issued by the National Treasury:

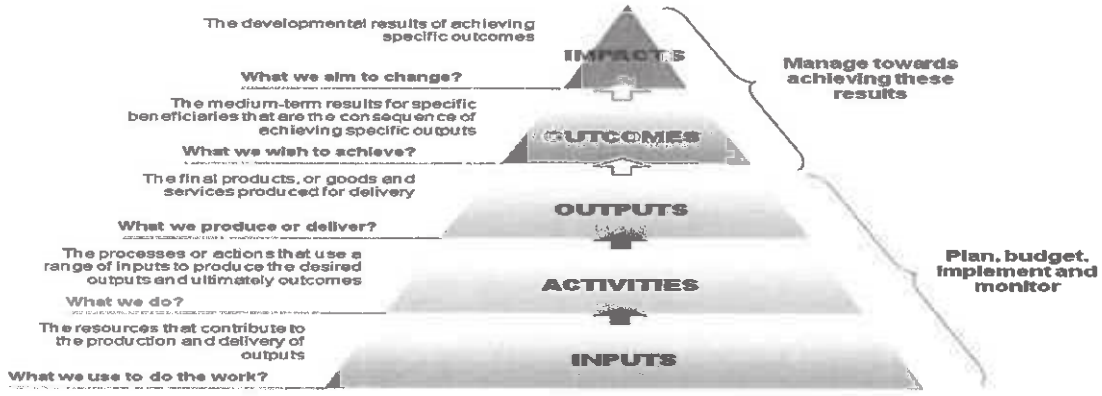


Figure 6 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 31 MBRR Table SA7 - Measurable performance objectives

Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Council and Municipal Manager										
Municipal Manager										
Submit 1 progress report on the revision of the top 10 risks as a corrective action to the Top Management Team	Number of progress reports submitted	3	4	4	1	0	4	1	4	3
Percentage of a municipality's capital budget actually spent on capital projects identified for 2022/23 in terms of the municipality's IDP ((Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects) x 100 (MPPMR Reg 10 (c))	% of the capital budget spent	99.39%	76.53%	90.9%	95%	0	95%	95.0%	95.0%	95.0%
Sign section 56 performance agreements with all directors by the end of July	Number of agreements signed	6	6	6	6	0	6	6	6	6
Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit 1 progress report to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	6	5	7	4	0	4	1	4	3
Bi- annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2022 to be completed by Sept 2022	Number of appraisals	12	12	12	12	0	12	6	6	6
Draft the annual report and submit to the Auditor-General by end of August	Draft Annual report submitted	1	1	1	1	0	1	1	1	1

Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Finance										
Director: Finance										
Director: Finance										
Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) (MPPMR Reg 10 (g))	Ratio achieved	6.55	7.63%	6.27%	3	0	3	3	3	3
Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (MPPR Reg 10 (g))	Ratio achieved	22.91%	25.06	23.58%	15	0	15	15	15	15
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPR Reg 10 (g))	% achieved	10.02%	12.33%	11.37%	16.0%	0.0%	16%	16%	16%	16%
Submit a reviewed long term financial plan to the CFO by the end of October 2022	Reviewed long term financial plan submitted	1	1	1	1	0	1	1	1	1
Financial statements submitted to the Auditor General by end August 2022	Financial statements submitted	0	1	1	1	0	1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements	Number of indigent households	7630	7595	7278	7750	7000	7 000	7 000	7 000	7 000
Achieve a debt recovery rate not less than 95% (Receipts/total billed for 12 months period x 100)	% Recovered	96.6%	97.10%	100.15%	80%	0.0%	95%	95%	95%	95%
Community Services										
Director: Community Services										
Director: Community Services										
98% of the operational conditional grant (Libraries: CDW) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, CDW)	100.0%	98.49%	100.0%	98.0%	0.0%	98.0%	98.0%	98.0%	98.0%
m² of roads patched and resealed according to approved Pavement Management System within available budget	m² of roads patched and resealed	112 982	104 952	105 067	110 000	0	110 000	110 000	110 000	110 000
Limit unaccounted water to less than 25% ((Number of kiloliter water purified - Number of kiloliter water sold)/Number of kiloliter purified x 100))	% of water unaccounted for	24.25%	23%	26.3%	18%	0.0%	18.0%	25.0%	25.0%	25.0%
Ward committee meetings held to facilitate consistent and regular communication with residents	No of ward committee meetings per ward per annum	114	77	79	97	97	97	70	70	70
Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded state owned land and private land)	285	317	341	320	320	320	328	328	262
Provision of cleaned piped water to all formal households within 200 m from households	No of formal households that meet agreed service standards for piped water	29 800	29 946	30 111	30 396	30 111	30 111	30 412	30 716	31 023
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS)	Number of formal households for which refuse is removed at least once a week	33 105	33 366	33 895	34 098	33 895	33 895	34 234	34 576	34 922
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week	Number of weekly removal of refuse in informal households (once per week = 52 weeks per annum)	52	53	52	52	0	52	52	52	52
The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilets to 5 households (MPPMR Reg 10 (a))	The number of toilets provided in relation to the number of informal households (excluding invaded state owned land and private land)	881	885	934	930	980	980	1 020	785	785
Provision of sanitation services to formal residential households (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS)	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	29 631	30 060	30 420	30 520	30 420	30 420	30 724	31 031	31 342
Provision of water to informal households on invaded land with available funding ("Land invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households)	The number of taps installed for informal households on invaded land with available funding	88	104	80	70		70	70	70	70
The provision of sanitation services to informal households on invaded land with available funding ("Land invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of toilets provided for informal households on invaded land with available funding	120	137	139	105	95	95	95	95	95

Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Infrastructure & Planning										
Director: Infrastructure and Planning										
Water Treatment										
Quality of effluent comply 75% with license and/or general limit in terms of the Water Act (Act 36 of 1956)	% compliance	95.77%	86.34%	79.61%	75.0%	0.0%	75.0%	75.0%	75.0%	75.0%
Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	98.90%	98.45%	98.83%	95%	0.0%	95%	95%	95%	95%
Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	1	1	1	1	0	1	1	1	1
Electricity										
Limit electricity losses to 8% or less ((Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100)	% of electricity unaccounted for	6.45%	6.02%	7.35%	7.5%	0.0%	7.5%	8.0%	8.0%	8.0%
Provision of Electricity: Number of metered electrical connections in formal area (Eskom Areas excluded) (Definition: refers to residential households (RE) and pensioners (PR) as per the Finance department's billed households)	Number of formal household that meet agreed service standards	21 332	21 546	21 914	21 500	-	21 500	22 000	22 000	22 000
MIG										
100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2023 (Actual MIG expenditure/Allocation received)	% Expenditure of allocated funds	100.0%	77.0%	100%	100%	0.0%	100%	100%	100%	100%
Protection Services										
Director Protection Services										
Protection Services										
Arrange public awareness sessions on Protection Services	Number of sessions held	90	103	103	100	0	100	100	100	100
Collect R10 000 000 Public Safety Income by 30 June (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income (excluding fines impairment amount)	R15 493 008	R17 347 697	R19 716 064	R10 000 000	R0	R10 000 000	R10 000 000	R10 000 000	R10 000 000
Review Community Safety Plan in three year cycle by end of June 2022 in conjuction with the Department of Community Safety	Plan reviewed	no kpi set	0	0	1	0	1	0	0	1
Disaster and Fire Management										
Annually review and submit draft Disaster Management Plan to Council by the end of March	Reviewed plan submitted	1	1	1	1	0	1	1	1	1
Local Economic Development, Social Development and Tourism										
Director: LED, Social Development and Tourism										
LED, Social Development and Tourism										
Submit monthly update reports on LED, Social Development and Tourism initiatives to Council * *KPI reworded for 2022/23*	Number of monthly update progress reports on LED, Social Development and Tourism initiatives submitted	3	4	3	3	0	3	12	12	12
Support 150 SMME's in terms of the SMME Development Programme by 30 June	Number of SMME's supported	120	160	172	130	0	130	150	150	150
Support 70 Emerging Contractors in terms of the Emerging Contractor Development Programme by 30 June	Number of emerging contractors supported	52	61	65	60	0	60	70	70	70
Report on projects/ initiatives in collaboration with other stakeholders for local economic development and social development	Number of projects / initiatives collaborated on	14	28	13	28	0	28	28	28	28
The number of job opportunities created through the EPWP programme and as per set targets (business plan as per grant agreement - FTE's, translates to 1049 work opportunities)	Number of temporary jobs created	1048	1060	1238	1028	0	1028	1049	1049	1049
Managers LED, Social Development and Tourism report on the hosting of at least one joint mobile Thusong outreach during the 2022/23 financial year to the Director Economic, Social Development and Tourism	Report on the Thusong/Outreach programme	no kpi set	no kpi set	no kpi set	1	0	1	1	1	1
And so on for the rest of the Votes										

The following table sets out the municipality's main performance objectives and benchmarks for the 2022/23 MTREF.

Table 32 MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Borrowing Management										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	7.1%	7.2%	7.2%	7.1%	7.0%	7.0%	6.2%	6.5%	5.7%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	7.5%	7.4%	8.3%	8.3%	8.3%	8.3%	7.4%	7.7%	7.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	65.8%	60.1%	36.6%	30.6%	39.4%	39.4%	44.5%	100.0%	100.0%
Safety of Capital										
Gearing	Long Term Borrowing/ Funds & Reserves	13106.3%	13370.1%	13335.9%	13347.6%	13347.6%	13347.6%	13070.1%	13051.9%	10114.7%
Liquidity										
Current Ratio	Current assets/current liabilities	3.1	2.7	2.5	1.7	1.8	1.8	1.7	1.7	1.3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.1	2.7	2.5	1.7	1.8	1.8	1.7	1.7	1.3
Liquidity Ratio	Monetary Assets/Current Liabilities	2.4	2.2	2.0	1.3	1.5	1.5	1.2	1.2	0.9
Revenue Management										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		99.2%	98.8%	100.5%	100.3%	100.3%	100.3%	99.3%	99.3%	99.3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.7%	11.3%	10.9%	8.8%	9.1%	9.1%	10.2%	11.1%	12.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management										
Creditors System Efficiency	% of Creditors Paid Within Terms (within `MFMA' s 65(e))	99.5%	99.6%	99.6%	99.8%	99.8%	99.8%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		18.4%	20.6%	22.8%	40.1%	35.9%	35.9%	40.3%	44.3%	48.2%
Other Indicators										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	16,537,242	14,613,426	18,855,038	15,054,751	15,054,751	15,054,751	15,205,299	15,357,352	15,357,352
	Total Cost of Losses (Rand '000)	12,219	13,111	17,146	13,507	13,507	13,507	13,642	13,779	13,779
	% Volume (units purchased and generated less units sold)/units purchased and generated	0.06	0.06	7.35	0.06	0.06	0.06	0.06	0.06	0.06
Water Distribution Losses (2)	Total Volume Losses (kl)	1,701	1,836	2,077	1,892	1,892	1,892	1,910	1,930	1,930
	Total Cost of Losses (Rand '000)	2,306,814	2,428,709	2,616,008	2,502,056	2,502,056	2,502,056	2,527,077	2,552,347	2,552,347
	% Volume (units purchased and generated less units sold)/units purchased and generated	0.24	0.26	28.25	0.25	0.25	0.25	0.25	0.25	0.25
Employee costs	Employee costs/(Total Revenue - capital revenue)	31.8%	29.7%	34.0%	32.7%	33.2%	33.2%	33.7%	33.7%	34.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	32.7%	30.6%	34.9%	33.6%	34.1%	34.1%	34.5%	34.5%	35.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	18.6%	14.6%	16.4%	17.9%	18.0%	18.0%	17.9%	18.2%	18.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	15.2%	14.1%	14.7%	13.9%	13.7%	13.7%	13.0%	12.5%	12.2%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	11.3	14.3	14.0	15.6	15.6	15.6	15.7	17.5	18.1
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	15.2%	15.4%	14.0%	11.4%	12.2%	12.2%	13.3%	14.3%	15.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	7.3	8.4	7.1	4.6	5.7	5.7	4.1	3.8	3.5

2.3.1 Performance indicators and benchmarks

Overstrand has been compiling and including in the annual budget documentation the Financial Ratios and Norms in terms of MFMA Circular 71 dated 17 January 2014, for each of the budget year's being compiled, since 2014/2015.

National Treasury requested information based on the ratios and norms in respect of the 2018/19 and 2019/20 and 2020/21 audit outcomes. This, and information relating to the current financial year (2021/22) and all three years of the 2022/23 MTREF has been compiled and is included in Annexure H of this report. The seven-year horizon has thus been compiled and analised.

It should be noted that instances where indicators are not favourable with the norms indicated by NT, are not necessarily a negative indication, as the Overstrand financial strategy may differ from the envisaged outcome of the ratios and norms. In most instances the trend for those indicators are

the same over the six-year horizon. In other instances Overstrand is well above some of the ratios and norms over the six year horizon.

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Overstrand's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2022/23 MTREF:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing remains steady. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward.

- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over the MTREF is 86 per cent which indicates that the amount available from own sources to finance capital has shown an increase.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2011/2012 MTREF the potential of smoothing out the debt profile over the longer term was investigated and borrowing was capped at 60% in the borrowing policy. The gearing on borrowing had to be reduced by 10 per cent over a period of ten years as started in 2012. To date this has now been achieved, with the indication that the 2022/23 budget year is estimated to end below 40%.

2.3.1.2 Safety of Capital

- *The gearing ratio* is a measure of the total long-term borrowings over funds and reserves. This ratio is not conducive to the GRAP accounting framework due to the low amount of reserves.

2.3.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a bottom limit of 1.5, therefore at no point in time should this ratio be less than 1.5. Over the 2022/23 MTREF the current ratio is 1,87 decreasing to 1,53 by 2024/25. National Treasury has set a current ratio minimum of 1.5 in circular 71. Going forward it will be necessary to preserve this ratio, notwithstanding that it could tie up cash needed for capital investment.

- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Overstrand Municipality's liquidity ratio is at an average of more than 1.7 over the MTREF. The liquidity includes consumer deposits and provisions which are not likely to be realised in the short term. As part of the longer-term financial planning objectives this ratio should be preserved as mentioned, notwithstanding that it could tie up cash needed for capital investment.

2.3.1.4 Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline

the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

2.3.1.5 Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. By applying daily cash flow management the municipality has managed to ensure compliance to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the Municipality, which is expected to benefit the Municipality in the form of more competitive pricing of tenders, as suppliers compete for the Municipality's business.

2.3.1.6 Other Indicators

- The electricity distribution losses have been managed downwards from 8.3 per cent in the 2010/2011 financial year to 6 per cent over the MTREF. This includes measurable technical losses, which further reduces the percentage of losses. The initiatives to ensure these targets are achieved include managing illegal connections, regular meter audits and managing theft of electricity by rolling out smart metering systems, including prepaid meters. It should be noted that technical losses range substantially below 10 per cent over the Overstrand area. When taking this into consideration it is evident that distribution losses are well managed.

- The water distribution losses have been significantly reduced from 27,4 per cent in 2009/10 to 25 per cent over the 2022/23 MTREF. This has been achieved with investing in the upgrading of water reticulation infrastructure, which is set to continue over the MTREF. Active attention is also given to reported leaks by the public and a further measure is to install flow limiters.

- Employee costs as a percentage of operating revenue remains stable. This is primarily owing to limited expansion of the personnel structure.

- In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base

2.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality. Only registered indigents qualify for the free basic services.

For the 2022/23 financial year 7 000 registered indigents have been provided for in the budget. In terms of the municipality's indigent policy, registered households are now entitled to 10kℓ (previously 6kℓ) free water, 50 kWh of electricity on qualifying in terms of the particular Indigent Policy requirements, weekly refuse removal and, where applicable, sewer services which includes sewage output based on 70% of the water consumption and the latest infrastructure levy for water and waste water. Further subsidies are capped at the full revenue cost of the basic services provided above. Households with a property valuation of R220 000, qualifying upon registration as indigents, for particular subsidised levels, will be phased out and offered the opportunity to apply for full indigent status as from 1 July 2022.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 26 MBRR A10 (Basic Service Delivery Measurement).

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes) are not taken into account in the table noted above due to the measuring criteria.

2.3.3 Providing clean water and managing waste water

The Department of Water Affairs conducts performance rating of water and sewage treatment works, presenting a Blue Drop or Green Drop award (2014/15 most recent) respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

The municipality has achieved Blue Drop and Green Drop awards during the latest review, indicating that the municipality's drinking water is of good quality.

The following is briefly the challenges facing the municipality:

- Some infrastructure is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard - the municipality has actively prioritise this as far as possible
- Shortage of skilled personnel makes proper operations and maintenance difficult – the maintenance contract awarded in this regard thus attending to this challenge.

2.4 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

2.4.1 Customer Care, Credit Control and Debt Collection Policy

The 2022/23 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 98 per cent on current billings year to date. In addition the collection of debt in excess of 90 days has been prioritised, as well as debt older than two years, where interest could be waived, subject to a signed agreement for the remainder of the debt.

2.4.2 Asset Management Policy

The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the revenue base.

2.4.3 Budget Policy

The budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

2.4.4 Supply Chain Management Policy

The Supply Chain Management Policy was first adopted by Council in 2008. The policy is continually revised to incorporate amending legislation.

2.4.5 Virement Policy

The Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations.

2.4.6 Investment, Liquidity & Cash Management Policy

The aim of the policy is to ensure that the Municipality's surplus cash and investments are prudently and adequately managed.

2.4.7 Tariff Policy

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery.

2.4.8 Long term Financial Planning & Implementation Policy

Funding for the compiling of a The Long-term Financial Planning Policy was acquired from the Provincial Government. A long-term financial plan has been compiled in 2014/15, after a service provider had been appointed. The policy is reviewed annually.

2.4.9 Contract Management Policy

This policy has been introduced to further enhance the supply chain management function.

2.4.10 Pay Day Policy

This policy has been introduced to give effect to the council resolution in this regard.

The following policies have also been subject to review:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Indigent Policy;
- Travelling & Subsistence;
- Petty Cash
- Special rating Area Policy
- Unauthorised, Irregular and Fruitless & Wasteful Expenditure Policy
- Cost Containment Policy

2.5 Overview of budget assumptions

2.5.1 External factors

According to the Provincial Treasury Circular, the Western Cape GDP is expected to follow the national trajectory, expanding by 4.3 per cent in 2021, by 2.0 per cent in 2022 and by 1.9 per cent in 2023. This outlook partly reflects a slowing recovery. A more rapid implementation of economic reforms, complemented by fiscal consolidation, will ease investor concerns and support faster recovery and higher levels of economic growth over the long term. Significant risks to the economic outlook include new COVID-19 variants leading to new waves of infections, continued interruptions in power supply, rising inflation resultant from supply chain disruptions and increasing energy prices, fiscal risks as well as global economic uncertainty.

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2022/23MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and fuel; and
- The increase in the cost of remuneration. Employee related costs comprise 31,6 per cent of total operating expenditure in the 2022/23 MTREF and therefore increases above inflation places a disproportionate upward pressure on the expenditure budget

2.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality chiefly engages in amortisation-style loans requiring both regular principal and interest payments. Surplus cash is invested and re-invested at short intervals.

2.5.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate linked to CPI over the medium term. It is also assumed that current economic conditions, and relative inflationary conditions, will continue for the forecasted term.

The revenue collection rate is currently expressed as a percentage (99.04%) of annual billings up to March 2022. Cash flow is expected to be less than this historic performance up to date, due to the impact of the COVID-19 virus, the subsequent lockdown from end of March 2020 and the ongoing slow economic recovery.

2.5.5 Growth or decline in tax base of the municipality

Debtors' revenue is assumed to increase at a rate that is influenced by the consumer debtors' collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' mainly limits consumption to the level of free basic services.

2.5.6 Salary increases

The South African Local Government Bargaining Council (SALGBC) Salary and Wage Collective Agreement for municipalities for the period 01 July 2021 to 30 June 2024 was signed in 2021 and must be implemented by all municipalities on a national level.

The proposed increase in the salary budget is 4.9%, and notch increases, which average 2% have also been budgeted for in view signing of the multi-year agreement.

2.5.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

Western Cape Government (WCG) priorities sumarised as follows:
The 2022 Budget focuses on implementing the Western Cape Recovery Plan priorities namely, Jobs, Safety, and Wellbeing, while maintaining a response to COVID-19. The budget policy priorities will support economic growth and job creation; strengthen law enforcement and social protection; and ensure human dignity by protecting human rights and supporting mental wellbeing.
The 2022 Budget is informed by the WCG's Fiscal Strategy which is based on four key fiscal decision-making principles, namely, Protect basic services outcomes; Unlock allocative efficiency; Enhance productive efficiency; and Enable long-run fiscal sustainability.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.5.8 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of 99 per cent could be achieved on operating expenditure and 95 per cent on the capital programme for the 2022/23 MTREF.

2.6 Overview of budget funding

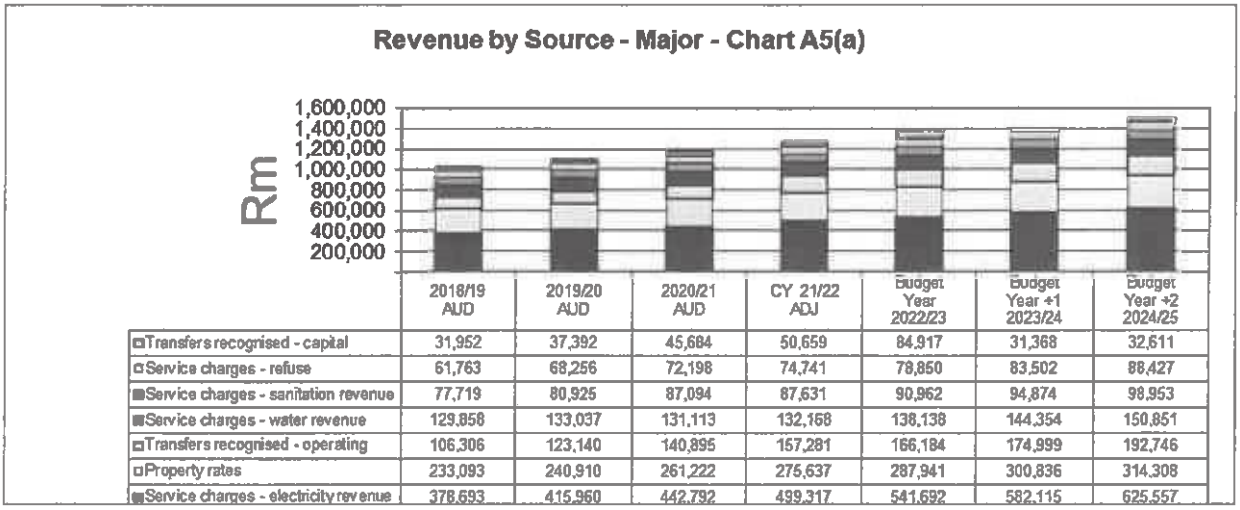
2.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 33 Breakdown of the operating revenue over the medium-term

Description	2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source			
Property rates	287,941	300,836	314,308
Service charges	849,642	904,845	963,789
Rental of facilities and equipment	4,573	4,778	4,989
Interest earned	28,853	30,152	31,509
Transfers recognised - operational	166,184	174,999	192,746
Other revenue	160,960	135,187	100,768
Total Revenue (excluding capital transfers and contributions)	1,498,153	1,550,796	1,608,108

The following graph is a breakdown of the operational revenue per main category for the 2022/23 financial year.



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Transfers recognised - capital	31,952	37,392	45,684	50,659	84,917	31,368	32,611
Service charges - refuse	61,763	68,256	72,198	74,741	78,850	83,502	88,427
Service charges - sanitation revenue	77,719	80,925	87,094	87,631	90,962	94,874	98,953
Service charges - water revenue	129,858	133,037	131,113	132,168	138,138	144,354	150,851
Transfers recognised - operating	106,306	123,140	140,895	157,281	166,184	174,999	192,746
Property rates	233,093	240,910	261,222	275,637	287,941	300,836	314,308
Service charges - electricity revenue	378,693	415,960	442,792	499,317	541,692	582,115	625,557

Figure 7 Breakdown of operating revenue over the 2022/23 MTREF

The following grants have been published in the DORA:

NATIONAL	**2022/2023**	**2023/2024**	**2024/2025**
EQUITABLE SHARE	141 896 000	155 547 000	170 708 000
FMG	1 550 000	1 550 000	1 550 000
EPWP	2 593 000		
MIG	24 628 000	25 568 000	26 569 000
INEP	21 331 000	7 000 000	7 314 000
ENERGY EFFICIENCY & DEMAND-SIDE MANAGEMENT	5 000 000	4 200 000	6 000 000
WATER INFRASTRUCTURE GRANT	27 439 000		
	224 437 000	**193 865 000**	**212 141 000**
PROVINCIAL			
RESOURCE FUNDING FOR ESTASBLISH & SUPPORT OF K9 UNIT	2 420 000	2 516 000	2 616 000
REACTION UNIT	2 958 000	2 965 000	3 123 000
HUMAN SETTLEMENTS DEVELOPMENT GRANT	111 740 000	67 420 000	32 400 000
CONSTRUCTION OF TRANSPORT INFRASTRUCTURE	140 000	140 000	140 000
PROVINCIAL LIBRARY SERVICES GRANT	8 258 000	6 806 000	7 112 000
THUSONG SERVICES CENTRES GRANT	150 000		150 000
COMMUNITY DEVELOPMENT WORKERS	75 000	75 000	75 000
	125 741 000	**79 922 000**	**45 616 000**
	350 178 000	**273 787 000**	**257 757 000**

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation, solid waste removal, property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of 99 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements; and
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004), as amended (MPRA).

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

Table 34 Proposed tariff increases for 2022/23

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
Rand/cent	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23 % Incr.	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	161.85	171.10	178.80	186.00	186.00	186.00	5.9%	197.10	208.93	221.46
Electricity: Basic levy	291.60	335.34	356.20	408.17	408.17	408.17	7.5%	438.66	471.43	506.64
Electricity: Consumption	608.63	683.08	725.57	831.44	831.44	831.44	7.5%	893.56	960.30	1,032.04
Water: Basic levy	129.14	136.50	142.64	148.35	148.35	148.35	4.9%	155.62	164.96	174.85
Water: Consumption	285.74	303.75	317.47	330.17	330.17	330.17	4.9%	343.78	360.63	378.30
Sanitation	341.89	361.40	377.72	392.78	392.78	392.78	4.3%	409.66	427.27	445.64
Refuse removal	164.35	185.49	193.84	201.59	201.59	201.59	5.9%	213.48	226.29	239.87
Other	53.54	56.97	56.97	56.97	56.97	56.97	–	56.97	56.97	56.97
sub-total	2,036.74	2,233.63	2,349.21	2,555.47	2,555.47	2,555.47	6.0%	2,708.83	2,876.77	3,055.77
VAT on Services	267.17	309.38	325.56	355.42	355.42	355.42		382.58	405.02	428.81
Total small household bill:	2,303.91	2,543.01	2,674.77	2,910.89	2,910.89	2,910.89	6.2%	3,091.41	3,281.79	3,484.58
% increase/-decrease		10.4%	5.2%	8.8%	–	–		6.2%	6.2%	6.2%

Refer to Annexure C for Tariffs increases

The levying of property rates is considered a strategic revenue source.

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket.

Operational grants and subsidies have shown increases over the MTREF. It needs to be noted that in real terms the grants receipts from national government are growing over the MTREF. This can be seen in the increase in equitable share over the MTREF.

Investment revenue contributes to the revenue base. It needs to be noted that these allocations have been conservatively estimated. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

The tables below provide detail investment information and investment particulars by maturity.

Table 35 MBRR SA15 – Detail Investment Information

Investment type	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	409,200	510,243	410,241	400,000	400,000	400,000	400,000	400,000	400,000
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)	50,524	46,515	54,278	62,165	62,165	62,165	70,005	77,989	86,123
Repurchase Agreements - Banks									
Municipality sub-total	459,723	556,758	464,519	462,165	462,165	462,165	470,005	477,989	486,123
Consolidated total:	459,723	556,758	464,519	462,165	462,165	462,165	470,005	477,989	486,123

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Table 36 MBRR SA16 – Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Recipient	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Parent municipality												
LIBERTY 15934476	15 Years	Policy	Yes	Variable	Fair Value Adjustment	#N/A	01/09/2025	19 134 925	1 238 343		1 500 000	21 873 267
LIBERTY 21195964	14 Years	Policy	Yes	Variable	Fair Value Adjustment	#N/A	01/09/2025	31 647 280	1 444 543		3 120 000	36 211 823
MOMENTUM 3653776	15 Years	Policy	Yes	Variable	Fair Value Adjustment	#N/A	01/07/2025	3 677 806	41 662		360 000	4 079 468
Deposits - Bank	2 to 6 Months	Bank investments	Yes	Fixed		#N/A	30/06/2022	410 240 607	23 988 458	-934 227 065	900 000 000	400 006 999
TOTAL INVESTMENTS AND INTEREST								464 700 617		-934 227 065	904 980 609	462 164 559

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2022/23 medium-term capital programme:

Table 37 Sources of capital revenue over the MTREF

Vote Description R thousand	2018/19 Audited Outcome	2019/20 Audited Outcome	2020/21 Audited Outcome	Current Year 2021/22 Original Budget	 Adjusted Budget	 Full Year Forecast	2022/23 Medium Term Revenue & Expenditure Framework Budget Year 2022/23	 Budget Year +1 2023/24	 Budget Year +2 2024/25
Funded by:									
National Government	30,445	31,528	35,100	45,754	43,754	43,754	72,254	31,368	32,611
Provincial Government	35,615	85,965	48,390	600	3,308	3 308	–	–	–
District Municipality				–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	25,514			65,201	64,061	64,061	51,447	21,230	6,400
Transfers recognised - capital	91,574	117,493	83,490	111,555	111,123	111,123	123,702	52,598	39,011
Public contributions & donations		3,730	23,919	–	–	–	–	–	–
Borrowing	36,495	50,476	45,443	94,066	72,761	72,761	80,175	50,000	60,000
Internally generated funds	45,613	39,358	101,949	69,154	54,094	54,094	32,143	–	–
Total Capital Funding	173,682	211,056	254,890	274,775	237,979	237,979	236,020	102,598	99,011

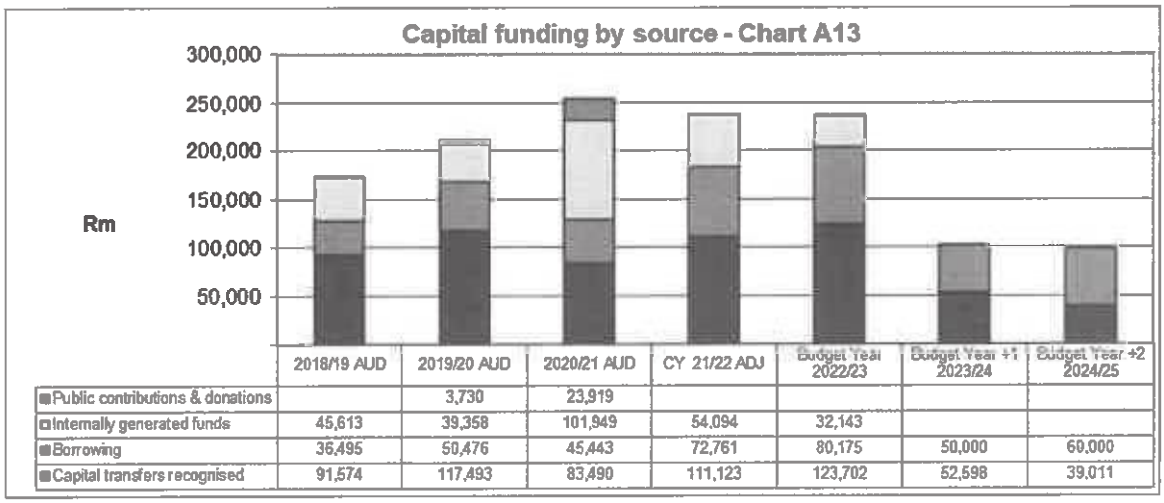

Figure 8 Sources of capital revenue for the 2022/23 financial year

Capital grants and receipts equates to 52,41 per cent of the total funding source which represents R123,7 million for the 2022/23 financial year.

Table 38 MBRR Table SA18 - Capital transfers and grant receipts

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital Transfers and Grants									
National Government:	25,901	39,077	27,618	46,754	44,754	44,754	72,254	31,368	32,611
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,262	7,000	6,000	18,519	18,519	18,519	21,331	7,000	7,314
Municipal Infrastructure Grant [Schedule 5B]	21,639	32,010	21,618	23,053	21,053	21,053	23,484	24,368	25,297
Water Services Infrastructure Grant [Schedule 5B]	–	–		5,182	5,182	5,182	27,439	–	–
Municipal Disaster Relief Grant	–	67		–	–	–	–	–	–
Provincial Government:	25,463	1,500	732	52,259	63,861	63,861	38,785	21,230	6,400
Capacity Building	–		–						
Capacity Building and Other	–		732						
Disaster and Emergency Services									
Health									
Housing	25,463			52,259	61,765	61,765	38,785	21,230	6,400
Infrastructure				600	2,116	2,116	–	–	–
Libraries, Archives and Museums									
Other	–								
Public Transport	–								
Road Infrastructure		1,500							
Sports and Recreation	–	–	–	–	–	–	–	–	–
Waste Water Infrastructure	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure	–	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	–	–	–	–	–
All Grants	–	–	–	–	–	–	–	–	–
Other Grant Providers:	–	–	–	–	–	–	–	–	–
Departmental Agencies and Accounts	–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations	–	–	–	–	–	–	–	–	–
Households				–	–	–	–	–	–
Non-Profit Institutions	–	–	–	–	–	–	–	–	–
Private Enterprises	–	–	–	–	–	–	–	–	–
Public Corporations	–	–	–					–	–
Higher Educational Institutions	–	–	–	–	–	–	–	–	–
Parent Municipality / Entity	–	–	–	–	–	–	–	–	–
Transfer from Operational Revenue	–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	51,364	40,577	28,350	99,013	108,615	108,615	111,039	52,598	39,011

Borrowing still remains a significant funding source (one-third) for the own capital programme over the medium-term with an estimated R160 million new borrowing.

The following table is a detailed analysis of the Municipality's borrowing liability.

Table 39 MBRR Table SA17 - Detail of borrowings

Borrowing - Categorised by type	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality									
Annuity and Bullet Loans	322 933	331 475	330 400	330 795	330 795	330 795	321 184	319 946	224 935
Long-Term Loans (non-annuity)	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Local registered stock	–	–	–	–	–	–	–	–	–
Municipality sub-total	422 933	431 475	430 400	430 795	430 795	430 795	421 184	419 946	324 935
Total Borrowing	422 933	431 475	430 400	430 795	430 795	430 795	421 184	419 946	324 935
Unspent Borrowing - Categorised by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)	38 199	–	44 066	44 066	22 761	22 761	22 033	–	–
Municipality sub-total	38 199	–	44 066	44 066	22 761	22 761	22 033	–	–
Total Unspent Borrowing	38 199	–	44 066	44 066	22 761	22 761	22 033	–	–

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance, cash backed reserves and proceeds on land sales. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below. Internally generated funds consist of R32,1 million in 2022/23.

It should be noted that the level of borrowings decreases over the MTREF, from R80.2m in 2022/23 to R60m in 2023/2024.

The following graph illustrates the growth in outstanding borrowing for the 2017/18 to 2024/25 period.

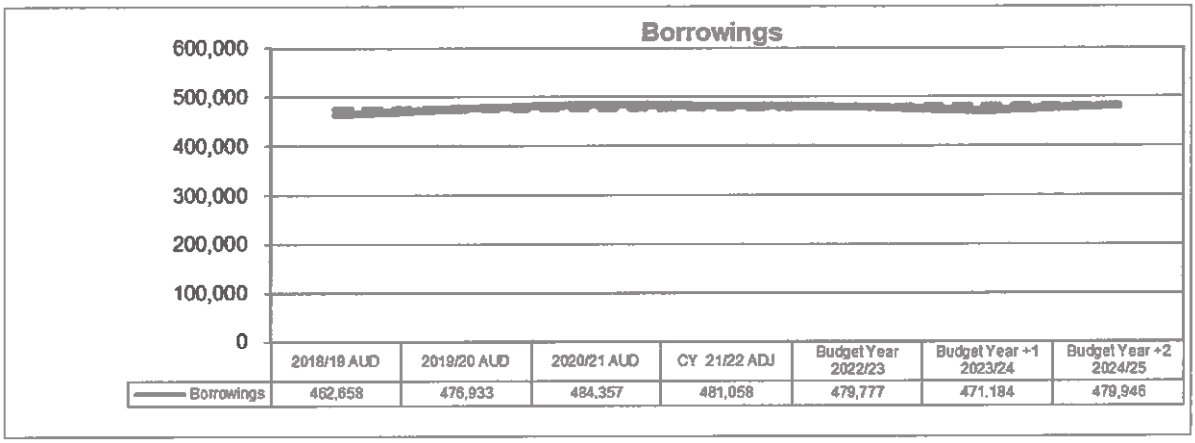

Figure 9 Growth in outstanding borrowing (long-term liabilities)

Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understanding for councillors and management.

Table 40 MBRR Table A7 - Budgeted cash flow statement

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	230,588	238,449	262,672	279,664	279,664	279,664	285,907	298,712	312,089
Service charges	643,620	688,210	737,211	792,663	792,663	792,663	843,505	898,238	956,873
Other revenue	128,882	175,357	131,492	159,489	152,925	152,925	146,992	110,143	75,932
Transfers and Subsidies - Operational	110,341	120,949	133,792	139,692	157,281	157,281	186,184	174,999	192,746
Transfers and Subsidies - Capital	32,017	60,675	37,219	46,354	49,062	49,062	72,254	31,368	32,611
Interest	45,980	53,186	34,748	27,456	27,456	27,456	24,871	25,991	27,161
Dividends	–	–	–	–	–	–	–	–	–
Payments									
Suppliers and employees	(929,998)	(971,606)	(1,089,400)	(1,166,090)	(1,193,289)	(1,193,289)	(1,373,971)	(1,382,062)	(1,447,204)
Finance charges	(44,921)	(46,570)	(48,805)	(51,804)	(51,804)	(51,804)	(48,056)	(47,734)	(47,159)
Transfers and Grants	(486)	(560)	(8,710)	(12,324)	(12,774)	(12,774)	(13,057)	(13,060)	(13,582)
NET CASH FROM/(USED) OPERATING ACTIVITIES	215,983	319,091	210,220	215,101	201,184	201,184	104,629	96,593	89,267
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	(566)	3,289	940	–	–	–	–	–	–
Decrease (increase) in non-current receivables	8	7	4	–	–	–	–	–	–
Decrease (increase) in non-current investments	(4,980)	(4,980)	(4,878)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)	(4,980)
Payments									
Capital assets	(172,777)	(211,056)	(254,800)	(274,775)	(239,979)	(239,979)	(236,020)	(102,598)	(99,011)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(178,314)	(212,740)	(258,734)	(279,748)	(244,949)	(244,949)	(241,000)	(107,578)	(103,991)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	54,000	54,000	54,000	50,000	50,000	50,000	50,000	50,000	50,000
Increase (decrease) in consumer deposits	–	–	–	2,000	2,000	2,000	2,000	2,000	2,000
Payments									
Repayment of borrowing	(33,448)	(39,725)	(46,576)	(54,646)	(54,646)	(54,646)	(50,623)	(58,592)	(51,239)
NET CASH FROM/(USED) FINANCING ACTIVITIES	20,552	14,275	7,424	(2,646)	(2,646)	(2,646)	1,377	(6,592)	10,761
NET INCREASE/ (DECREASE) IN CASH HELD	58,220	120,626	(41,091)	(67,293)	(46,410)	(46,410)	(134,994)	(17,577)	(3,963)
Cash/cash equivalents at the year begin:	474,967	533,188	653,813	518,129	612,723	612,723	566,302	431,308	413,731
Cash/cash equivalents at the year end:	533,188	653,813	612,723	450,836	566,312	566,312	431,308	413,731	409,768

The above table shows the cash and cash equivalents of the Municipality from the 2018/2019 to 2024/25 financial years. For the 2022/23 MTREF the budget has been prepared to ensure acceptable levels of cash and cash equivalents over the medium-term with cash levels anticipated to slightly decline.

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2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- The predicted cash and investments available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded' It is also important to analyse trends to understand the consequences. The working capital has to be optimally managed.

Table 41 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

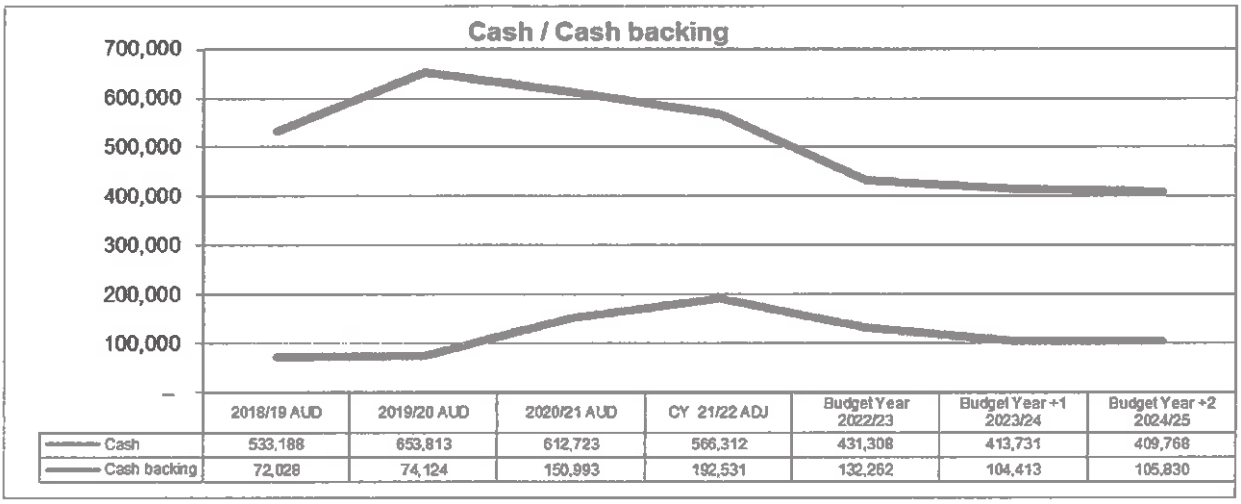
Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available									
Cash/cash equivalents at the year end	533,188	653,813	612,723	450,836	566,312	566,312	431,308	413,731	409,766
Other current investments > 90 days	0	–	–	(7)	(10)	(10)	0	(0)	0
Non current assets - Investments	50,524	46,515	54,278	62,165	62,165	62,165	70,005	77,989	86,123
Cash and investments available:	583,711	700,328	667,001	512,994	628,466	628,466	501,313	491,720	495,891
Application of cash and investments									
Unspent conditional transfers	–	31,133	24,030	–	12,442	12,442	–	–	–
Unspent borrowing	38,199	–	44,066	44,066	22,761	22,761	22,033	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–
Other working capital requirements	(26,508)	(9,362)	(3,156)	59,046	74,998	74,998	24,486	14,876	8,219
Other provisions	6,587	2,612	28,547	10,200	16,936	16,936	12,515	8,330	8,276
Long term investments committed	50,524	46,515	54,278	62,165	62,165	62,165	70,005	77,989	86,123
Reserves to be backed by cash/investments	3,227	3,227	3,227	3,228	3,228	3,228	3,223	3,218	3,213
Total Application of cash and investments:	72,028	74,124	150,993	178,704	192,531	192,531	132,262	104,413	105,830
Surplus(shortfall)	511,683	626,204	516,008	334,290	435,936	435,936	369,051	387,307	390,061

From the above table it can be seen that the cash and investments total R628.5 million in the 2021/22 financial year and R501 million in 2022/23, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. Stringent measures have been implemented by NT regarding unspent grants.
- Unspent borrowing amounting to R30.2m from the previous financial year is anticipated. Borrowings are only drawn down once substantial expenditure has incurred against the particular projects.
- Provisions for statutory requirements could include VAT owing to SARS at year end.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. For the purpose of the cash backed reserves and accumulated surplus reconciliation, at least two months operational expenditure is covered at all times. It needs to be noted that although this can be considered prudent, the desired cash levels should be 90 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the Municipality to meet its creditor obligations.
- Long term investments consist primarily of the sinking funds for the repayment of future borrowings. The sinking fund value is held within long term investments and must be 'held to maturity' and is not available for spending.

When considering the funding requirements of section 18 and 19 of the MFMA, it needs to be noted that for all practical purposes the 2022/23 MTREF is funded, from a pure cash flow perspective (cash out flow versus cash inflow) and is therefore credible. The challenge for the Municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven-year perspective.



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash	533,188	653,813	612,723	566,312	431,308	413,731	409,768
Cash backing	72,028	74,124	150,993	192,531	132,262	104,413	105,830

Figure 10 Cash and cash equivalents / Cash backed reserves and accumulated funds

2.6.4 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

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Table 42 MBRR SA10 – Funding compliance measurement

Description	MFMA section	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Funding measures											
Cash/cash equivalents at the year end - R'000	18(1)b	1	533,188	653,813	812,723	450,836	566,312	566,312	431,308	413,731	409,768
Cash + investments at the yr end less applications - R'000	18(1)b	2	511,683	626,204	516,008	334,290	435,936	435,936	369,051	387,307	390,061
Cash year end/monthly employee/supplier payments	18(1)b	3	7.3	8.4	7.1	4.6	5.7	5.7	4.1	3.8	3.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	106,526	138,868	36,648	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	0.6%	(0.1%)	1.5%	(5.0%)	(5.0%)	0.4%	(0.0%)	0.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	99.5%	99.0%	102.1%	99.2%	98.4%	98.4%	98.3%	97.4%	97.4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	2.0%	2.5%	1.2%	2.0%	1.3%	1.3%	1.2%	1.1%	1.1%
Capital payments % of capital expenditure	18(1)c;19	8	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	65.8%	57.7%	31.5%	30.5%	39.4%	39.4%	44.5%	100.0%	100.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10							71.2%	75.4%	87.4%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	7.7%	(3.7%)	(12.7%)	6.5%	0.0%	16.5%	13.7%	12.4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	6.3%	5.4%	5.9%	6.7%	6.9%	6.9%	7.0%	7.5%	8.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	1.7%	6.1%	12.4%	13.5%	13.5%	8.8%	18.2%	29.8%
Supporting indicators											
% incr *total service charges (incl prop rates)*	18(1)a			6.6%	5.9%	7.5%	0.0%	0.0%	6.4%	6.0%	6.0%
% incr Property Tax	18(1)a			3.4%	6.4%	5.5%	0.0%	0.0%	4.5%	4.5%	4.5%
% incr Service charges - electricity revenue	18(1)a			9.6%	6.5%	12.5%	0.0%	0.0%	8.5%	7.5%	7.5%
% incr Service charges - water revenue	18(1)a			2.4%	(1.4%)	0.9%	0.0%	0.0%	4.5%	4.5%	4.5%
% incr Service charges - sanitation revenue	18(1)a			4.1%	7.5%	0.6%	0.0%	0.0%	3.8%	4.3%	4.3%
% incr Service charges - refuse revenue	18(1)a			10.5%	5.8%	3.5%	0.0%	0.0%	5.5%	5.9%	5.9%
% incr in Service charges - other	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		881,125	938,088	984,419	1,069,494	1,069,494	1,069,494	1,137,583	1,205,681	1,278,097
Service charges			881,125	938,088	984,419	1,069,494	1,069,494	1,069,494	1,137,583	1,205,681	1,278,097
Property rates			233,093	240,910	281,222	275,637	275,637	275,637	287,941	300,836	314,376
Service charges - electricity revenue			378,693	415,950	442,792	499,317	499,317	499,317	541,582	582,115	625,567
Service charges - water revenue			129,856	133,037	131,113	132,168	132,168	132,168	138,136	144,354	150,851
Service charges - sanitation revenue			77,719	80,825	87,084	87,631	87,631	87,631	90,982	94,874	98,953
Service charges - refuse removal			61,763	66,256	72,188	74,741	74,741	74,741	78,650	83,502	88,427
Service charges - other			–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			6,278	5,735	4,068	3,440	3,440	3,440	4,573	4,778	4,989
Capital expenditure excluding capital grant funding			82,108	93,564	171,310	163,219	126,856	126,856	112,318	50,000	60,000
Cash receipts from ratepayers	18(1)a		1,003,068	1,103,016	1,131,375	1,231,817	1,225,252	1,225,252	1,278,404	1,307,091	1,344,693
Ratepayer & Other revenue	18(1)a		1,008,353	1,113,851	1,108,397	1,241,486	1,245,591	1,245,591	1,298,873	1,341,582	1,379,976
Change in consumer debtors (current and non-current)			9,839	10,367	(5,324)	(17,748)	(9,748)	(9,748)	29,573	20,796	21,451
Operating and Capital Grant Revenue	18(1)a		138,258	160,532	178,114	186,046	204,343	204,343	238,438	206,367	225,357
Capital expenditure - total	20(1)(vi)		173,682	211,056	254,800	274,775	237,979	237,979	236,020	102,698	99,011
Capital expenditure - renewal	20(1)(vi)		–	3,606	15,499	33,945	32,154	32,154	20,730	18,650	29,500
Supporting benchmarks											
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY									152,183	162,497	179,530
DoRA capital grants total MFY									72,254	31,368	32,611
Provincial operating grants									71,715	58,682	39,216
Provincial capital grants									38,785	21,230	6,400
District Municipality grants									–	–	–
Total gazetted/advised national, provincial and district grants									334,937	273,787	257,757
Average annual collection rate (arrears inclusive)											
DoRA operating											
Operational Revenue:General Revenue:Equitable Share									141,886	155,547	170,708
Energy Efficiency and Demand-side [Schedule 5B]									6,000	4,200	6,000
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]									2,593	–	–
Local Government Financial Management Grant [Schedule 5B]									1,550	1,550	1,550
Municipal Infrastructure Grant [Schedule 5B]									1,144	1,200	1,272
									152,183	162,497	179,530
DoRA Capital											
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]									21,331	7,000	7,314
Municipal Infrastructure Grant [Schedule 5B]									23,484	24,368	25,297
Water Services Infrastructure Grant [Schedule 5B]									27,439	–	–
									72,254	31,368	32,611
Trend											
Change in consumer debtors (current and non-current)			9,839	10,367	(5,324)	(17,748)	(9,748)	(9,748)	29,573	20,796	21,451
Total Operating Revenue			1,156,425	1,288,828	1,287,342	1,416,839	1,438,553	1,438,553	1,496,153	1,550,796	1,608,108
Total Operating Expenditure			1,108,536	1,191,082	1,320,936	1,495,006	1,520,918	1,520,918	1,594,971	1,641,213	1,711,326
Operating Performance Surplus/(Deficit)			47,890	97,746	(33,594)	(78,168)	(82,365)	(82,365)	(98,819)	(90,417)	(103,218)
Cash and Cash Equivalents (30 June 2012)									431,308		
Revenue											
% Increase in Total Operating Revenue				11.4%	(0.1%)	10.1%	1.6%	0.0%	4.1%	3.6%	3.7%
% Increase in Property Rates Revenue				3.4%	8.4%	6.5%	0.0%	0.0%	4.5%	4.5%	4.5%
% Increase in Electricity Revenue				9.8%	6.5%	12.8%	0.0%	0.0%	8.5%	7.5%	7.5%
% Increase in Property Rates & Services Charges				6.6%	5.9%	7.5%	0.0%	0.0%	6.4%	6.0%	6.0%
Expenditure											
% Increase in Total Operating Expenditure				7.4%	10.9%	13.2%	1.7%	0.0%	4.9%	2.9%	4.3%
% Increase in Employee Costs				4.0%	14.5%	5.9%	3.1%	0.0%	5.5%	3.6%	5.6%
% Increase in Electricity Bulk Purchases				14.8%	7.1%	18.5%	0.0%	0.0%	8.5%	8.5%	8.6%
Average Cost Per Budgeted Employee Position (Remuneration)					414653.8559	381085.3954			421451.9886		
Average Cost Per Councillor (Remuneration)					448751.24	496039.6			458865.7778		
R&M % of PPE			6.3%	5.4%	5.9%	6.7%	6.9%	6.9%	7.0%	7.5%	8.0%
Asset Renewal and R&M as a % of PPE			6.0%	6.0%	7.0%	8.0%	9.0%	9.0%	9.0%	8.0%	9.0%
Debt Impairment % of Total Billable Revenue			2.0%	2.5%	1.2%	2.0%	1.3%	1.3%	1.2%	1.1%	1.1%
Capital Revenue											
Internally Funded & Other (R'000)			45,613	43,087	125,868	69,154	54,094	54,094	32,143	–	–
Borrowing (R'000)			36,495	50,476	45,443	94,066	72,761	72,761	90,175	50,000	60,000
Grant Funding and Other (R'000)			91,574	117,493	83,490	111,555	111,123	111,123	123,702	52,698	39,011
Internally Generated funds % of Non Grant Funding			55.6%	46.1%	73.5%	42.4%	42.6%	42.6%	26.6%	0.0%	0.0%
Borrowing % of Non Grant Funding			44.4%	53.9%	26.5%	57.6%	57.4%	57.4%	73.4%	100.0%	100.0%
Grant Funding % of Total Funding			52.7%	55.7%	32.8%	40.6%	46.7%	46.7%	52.4%	51.3%	39.4%
Capital Expenditure											
Total Capital Programme (R'000)			173,682	211,056	254,800	274,775	237,979	237,979	236,020	102,698	99,011
Asset Renewal			–	3,606	15,499	33,945	32,154	32,154	20,730	18,650	29,500
Asset Renewal % of Total Capital Expenditure			0.0%	1.7%	6.1%	12.4%	13.5%	13.5%	8.8%	18.2%	29.8%
Cash											
Cash Receipts % of Rate Payer & Other			99.5%	99.0%	102.1%	99.2%	98.4%	98.4%	98.3%	97.4%	97.4%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	0
Borrowing											
Credit Rating (2009/10)									0		
Capital Charges to Operating			7.1%	7.2%	7.2%	7.1%	7.0%	7.0%	6.2%	6.5%	6.7%
Borrowing Receipts % of Capital Expenditure			65.8%	57.7%	31.5%	30.5%	39.4%	39.4%	44.5%	100.0%	100.0%
Reserves											
Surplus/(Deficit)			511,683	626,204	516,008	334,290	435,936	435,936	369,051	387,307	390,061
Free Services											
Free Basic Services as a % of Equitable Share			28.7%	28.7%	22.8%	26.7%	26.7%	26.7%	25.9%	26.1%	25.2%
Free Services as a % of Operating Revenue (excl operational transfers)			4.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
High Level Outcome of Funding Compliance											
Total Operating Revenue			1,156,425	1,288,828	1,287,342	1,416,839	1,438,553	1,438,553	1,496,153	1,550,796	1,608,108
Total Operating Expenditure			1,108,536	1,191,082	1,320,936	1,495,006	1,520,918	1,520,918	1,594,971	1,641,213	1,711,326
Surplus/(Deficit) Budgeted Operating Statement			47,890	97,746	(33,594)	(78,168)	(82,365)	(82,365)	(98,819)	(90,417)	(103,218)
Surplus/(Deficit) Considering Reserves and Cash Backing			511,683	626,204	516,008	334,290	435,936	435,936	369,051	387,307	390,061
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗		15	✓	✓	✓	✓	✓	✓	✓	✓	✓

2.6.4.1 Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2022/23 MTREF indicates R431,3million, R413,7 million and R409,8 million for each respective financial year.

2.6.4.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 41. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.4.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as services boycotts. The ratio is above 4 over the 2022/23 MTREF.

2.6.4.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. The issue relating to depreciation has been discussed at length elsewhere in this report. This indicator cannot be measured as depreciation offset do not form part of the GRAP reporting framework. It needs to be noted that a deficit does not necessarily mean that the budget is not funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.6.4.5 Property Rates/service revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is projected at 4,9 per cent). Refer to Annexure B for Rates, Tariffs and Service Charges.

2.6.4.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and

credibility of the budget assumptions contained in the budget. Given that the collection rate was based on a lower performance target, the cash flow statement has been accurately determined. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

2.6.4.7 Debt impairment expense as a percentage of billable revenue

Overstrand Municipality has provided for adequate Debt impairment.

2.6.4.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to ensure strict compliance with the legislative requirement that creditors be paid within 30 days.

2.6.4.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 71, 100 and 100 per cent of own funded capital.

2.6.4.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers.

2.6.4.11 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

2.6.4.12 Repairs and maintenance expenditure level

This measure must be considered within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 56 MBRR SA34C.

2.6.4.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The new mSCOA Framework has further categorised asset classes. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 55 MBRR SA34a.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 43 MBRR SA19 - Expenditure on transfers and grant programmes

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	3,476	4,297	14,184	4,980	10,950	10,950	10,287	6,950	8,822
Operational Revenue:General Revenue:Equitable Share	–	–	10,134	–	6,870	6,870	–	–	–
Energy Efficiency and Demand-side [Schedule 5B]	–	–	–	–	–	–	5,000	4,200	6,000
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1,926	2,635	2,500	2,530	2,530	2,530	2,593	–	–
Local Government Financial Management Grant [Schedule 5B]	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550
Municipal Disaster Grant [Schedule 5B]	–	112		–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]	–	–	–	–	–	–	1,144	1,200	1,272
Provincial Government:	19,580	12,147	33,402	66,956	78,704	78,704	71,715	58,662	39,216
Capacity Building	148	18		–	–	–	–	–	–
Capacity Building and Other	448	4,716	1,597	9,570	13,186	13,186	10,903	9,397	9,953
Disaster and Emergency Services				–	–	–	–	–	–
Health				–	–	–	–	–	–
Housing	12,688		24,009	55,241	57,360	57,360	57,714	46,190	26,000
Infrastructure	137	126	145	1,145	8,158	8,158	3,096	3,105	3,263
Libraries, Archives and Museums	6,160	7,287	7,651	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Public Transport	–	–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance	–	–	–	–	–	–	–	–	–
Sports and Recreation	–	–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance	–	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	90	90	–	–	–
All Grants	–	–	–	–	90	90	–	–	–
Other Grant Providers:	–	–	–	–	–	–	–	–	–
Departmental Agencies and Accounts	–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
Non-profit Institutions	–	–	–	–	–	–	–	–	–
Private Enterprises	–	–	–	–	–	–	–	–	–
Public Corporations	–	–	–	–	–	–	–	–	–
Higher Educational Institutions									
Parent Municipality / Entity	–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:	23,056	16,443	47,586	70,936	89,744	89,744	82,002	65,612	48,038
Capital expenditure of Transfers and Grants									
National Government:	30,446	31,595	35,100	46,754	44,754	44,754	72,254	31,368	32,611
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	4,262	7,000	6,000	18,519	18,519	18,519	21,331	7,000	7,314
Municipal Infrastructure Grant [Schedule 5B]	26,183	24,528	29,100	23,053	21,053	21,053	23,484	24,368	25,297
Water Services Infrastructure Grant [Schedule 5B]	–	–	–	5,182	5,182	5,182	27,439	–	–
Municipal Disaster Relief Grant	–	67		–	–	–	–	–	–
Provincial Government:	35,615	5,797	48,390	52,859	65,073	65,073	39,785	21,230	6,400
Capacity Building	–			–	–	–	–	–	–
Capacity Building and Other	390	1,843		–	1,192	1,192	–	–	–
Disaster and Emergency Services	–			–	–	–	–	–	–
Health	–			–	–	–	–	–	–
Housing	34,108		46,271	52,259	61,765	61,765	36,785	21,230	6,400
Infrastructure	–		2,119	600	2,116	2,116	–	–	–
Libraries, Archives and Museums	1,117			–	–	–	–	–	–
Other		3,204		–	–	–	–	–	–
Public Transport				–	–	–	–	–	–
Road Infrastructure	–	750		–	–	–	–	–	–
Sports and Recreation	–	–	–	–	–	–	–	–	–
Waste Water Infrastructure	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure	–	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	–	–	–	–	–
All Grants	–	–	–	–	–	–	–	–	–
Other Grant Providers:	–	–	–	12,942	2,296	2,296	12,662	–	–
Departmental Agencies and Accounts	–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations	–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–
Non-Profit Institutions	–	–	–	–	–	–	–	–	–
Private Enterprises	–	–	–	–	–	–	–	–	–
Public Corporations	–	–	–	12,942	2,296	2,296	12,662	–	–
Higher Educational Institutions	–	–	–	–	–	–	–	–	–
Parent Municipality / Entity	–	–	–	–	–	–	–	–	–
Transfer from Operational Revenue	–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants	66,060	37,392	83,490	112,555	112,123	112,123	123,702	52,598	39,011
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	89,116	53,835	131,076	182,591	201,867	201,867	205,703	118,210	87,049

Table 44 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year	–	–	–	–	(6,870)	–	–	–	–
Current year receipts	(3,476)	(4,185)	(10,920)	(4,080)	(4,080)	(4,080)	152,039	162,497	179,530
Conditions met - transferred to revenue	(3,476)	(4,185)	(10,920)	(4,080)	(10,950)	(4,080)	152,039	162,497	179,530
Conditions still to be met - transferred to liabilities	–	–	–	–	–	–	–	–	–
Provincial Government:									
Balance unspent at beginning of the year	–	–	–	–	–	–	–	–	–
Current year receipts	(16,261)	(9,865)	(11,103)	(11,315)	(17,472)	(17,472)	14,001	12,502	13,216
Conditions met - transferred to revenue	(26,348)	(27,758)	(22,785)	(11,315)	(17,472)	(17,472)	14,001	12,502	13,216
Conditions still to be met - transferred to liabilities	10,067	17,893	11,682	–	–	–	–	–	–
District Municipality:									
Balance unspent at beginning of the year	–	–	–	–	–	–	–	–	–
Current year receipts	–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue	–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities	–	–	–	–	–	–	–	–	–
Other grant providers:									
Balance unspent at beginning of the year	–	–	–	–	–	–	–	–	–
Current year receipts	(250)	–	–	(12,942)	–	–	57,714	46,190	26,000
Conditions met - transferred to revenue	(250)	–	–	(12,942)	–	–	57,714	46,190	26,000
Conditions still to be met - transferred to liabilities	–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue	(30,074)	(31,943)	(33,704)	(28,337)	(28,422)	(21,552)	223,754	221,189	218,746
Total operating transfers and grants - CTBM	10,067	17,893	11,682	–	–	–	–	–	–
Capital transfers and grants:									
National Government:									
Balance unspent at beginning of the year	–	–	–	–	–	–	–	–	–
Current year receipts	(25,901)	(39,010)	(27,618)	(46,754)	(46,754)	(46,754)	72,398	31,368	32,611
Conditions met - transferred to revenue	(25,901)	(39,010)	(27,618)	(46,754)	(46,754)	(46,754)	72,398	31,368	32,611
Conditions still to be met - transferred to liabilities	–	–	–	–	–	–	–	–	–
Provincial Government:									
Balance unspent at beginning of the year	–	–	–	–	–	–	–	–	–
Current year receipts	(44,192)	62	–	–	(7,180)	(7,180)			
Conditions met - transferred to revenue	(44,192)	(688)	(750)	–	(7,180)	(7,180)	–	–	–
Conditions still to be met - transferred to liabilities	–	750	750	–	–	–	–	–	–
District Municipality:									
Balance unspent at beginning of the year	–	–	–	–	–	–	–	–	–
Current year receipts	–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue	–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities	–	–	–	–	–	–	–	–	–
Other grant providers:									
Balance unspent at beginning of the year	–	–	–	–	(14,738)	–	–	–	–
Current year receipts	–	(19,900)	–	–	–	–	38,785	21,230	6,400
Conditions met - transferred to revenue	–	(19,900)	–	–	(14,738)	–	38,785	21,230	6,400
Conditions still to be met - transferred to liabilities	–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue	(70,093)	(59,598)	(28,368)	(46,754)	(68,672)	(53,934)	111,183	52,598	39,011
Total capital transfers and grants - CTBM	–	750	750	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE	(100,167)	(91,541)	(62,072)	(75,091)	(97,094)	(75,486)	334,937	273,787	257,757
TOTAL TRANSFERS AND GRANTS - CTBM	10,067	18,643	12,432	–	–	–	–	–	–

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2.8 Councillor and employee benefits

Table 45 MBRR SA22 - Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	9,467	10,174	10,116	11,247	11,062	11,062	11,137	11,638	12,161
Pension and UIF Contributions	–	–	–	–	–	–	–	–	–
Medical Aid Contributions	–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	–	–	–	–	–	–	–	–	–
Cellphone Allowance	1,106	1,108	1,102	1,154	1,154	1,154	1,199	1,199	1,199
Housing Allowances	–	–	–	–	–	–	–	–	–
Other benefits and allowances	–	–	–	–	–	–	–	–	–
Sub Total - Councillors	**10,573**	**11,282**	**11,219**	**12,401**	**12,216**	**12,216**	**12,335**	**12,837**	**13,360**
% increase		**6.7%**	**(0.6%)**	**10.5%**	**(1.5%)**	**–**	**1.0%**	**4.1%**	**4.1%**
Senior Managers of the Municipality									
Basic Salaries and Wages	11,036	11,589	12,036	12,600	12,600	12,600	12,871	13,450	14,056
Pension and UIF Contributions	–	–	–	–	–	–	–	–	–
Medical Aid Contributions	–	–	–	–	–	–	–	–	–
Overtime	–	–	–	–	–	–	–	–	–
Performance Bonus	187	136	139	143	143	143	149	159	169
Motor Vehicle Allowance	–	–	–	–	–	–	–	–	–
Cellphone Allowance	187	187	183	187	187	187	181	181	181
Housing Allowances	–	–	–	–	–	–	–	–	–
Other benefits and allowances	7	–	–	–	–	–	–	–	–
Payments in lieu of leave	–	–	–	–	–	–	–	–	–
Long service awards	–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality	**11,416**	**11,891**	**12,358**	**12,930**	**12,930**	**12,930**	**13,201**	**13,790**	**14,405**
% increase		**4.2%**	**3.9%**	**4.6%**	**–**	**–**	**2.1%**	**4.5%**	**4.5%**
Other Municipal Staff									
Basic Salaries and Wages	215,820	235,625	256,280	276,842	284,245	284,245	302,007	320,102	339,282
Pension and UIF Contributions	36,580	39,697	42,603	48,870	49,249	49,249	52,863	56,007	59,363
Medical Aid Contributions	12,035	13,141	13,951	17,876	17,905	17,905	17,116	18,143	19,271
Overtime	34,501	39,287	42,338	40,311	41,045	41,045	42,848	45,547	48,417
Performance Bonus	675	1,752	402	500	500	500	520	541	563
Motor Vehicle Allowance	7,897	7,923	8,115	8,255	8,515	8,515	8,321	8,324	8,327
Cellphone Allowance	1,887	1,942	1,987	2,279	2,311	2,311	2,184	2,184	2,184
Housing Allowances	2,350	2,507	2,741	2,674	2,701	2,701	1,829	1,829	1,910
Other benefits and allowances	25,429	28,529	31,623	39,028	38,856	38,856	41,698	43,889	46,511
Payments in lieu of leave	–	–	–	–	–	–	–	–	–
Long service awards	–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	19,410	277	25,495	14,438	19,930	19,930	21,891	12,267	11,502
Sub Total - Other Municipal Staff	**356,584**	**370,681**	**425,516**	**450,874**	**465,258**	**465,258**	**491,277**	**508,832**	**537,329**
% increase		**4.0%**	**14.8%**	**6.0%**	**3.2%**	**–**	**5.6%**	**3.6%**	**5.6%**
Total Parent Municipality	**378,573**	**393,854**	**449,093**	**476,205**	**490,404**	**490,404**	**516,813**	**535,458**	**565,094**
TOTAL SALARY, ALLOWANCES & BENEFITS	**378,573**	**393,854**	**449,093**	**476,205**	**490,404**	**490,404**	**516,813**	**535,458**	**565,094**
% increase		**4.0%**	**14.0%**	**6.0%**	**3.0%**	**–**	**5.4%**	**3.6%**	**5.5%**
TOTAL MANAGERS AND STAFF	**368,000**	**382,572**	**437,874**	**463,804**	**478,188**	**478,188**	**504,478**	**522,622**	**551,734**

Table 46 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum			1.				2.
Councillors							
Speaker	1	741,270	–	44,400	–	–	785,670
Chief Whip	–	–	–	–	–	–	–
Executive Mayor	1	926,586	–	44,400	–	–	970,986
Deputy Executive Mayor	1	741,270	–	44,400	–	–	785,670
Executive Committee	4	2,779,767	–	222,000	–	–	3,001,767
Total for all other councillors	20	5,947,683	–	843,600	–	–	6,791,283
Total Councillors	**27**	**11,136,576**	**–**	**1,198,800**			**12,335,376**
Senior Managers of the Municipality							
Municipal Manager (MM)	1	1,672,368		27,540	149,304	–	1,849,212
Chief Finance Officer	1	1,939,548		24,480	–	–	1,964,028
Management Services	1	1,847,268		24,480	–	–	1,871,748
Infrastructure and Planning	1	1,949,412		27,540	–	–	1,976,952
Protection Service	1	1,780,092		27,540	–	–	1,807,632
LED	1	1,823,280		24,480	–	–	1,847,760
Community Services	1	1,859,268	–	24,480	–	–	1,883,748
Total Senior Managers of the Municipality	**7**	**12,871,236**	**–**	**180,540**	**149,304**		**13,201,080**

Table 47 MBRR SA24 – Summary of personnel numbers

Summary of Personnel Numbers	2020/21			Current Year 2021/22			Budget Year 2022/23		
Number	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office Bearers plus Other Councillors)	25	7		25	7		27	7	
Board Members of municipal entities									
Municipal employees									
Municipal Manager and Senior Managers	7	7		7	7		7	7	
Other Managers	53	48		51	51		52	49	
Professionals	26	24	–	29	23	–	30	22	–
Finance	21	19		24	18		24	17	
Spatial/town planning	2	2		2	2		2	2	
Information Technology	1	1		1	1		1	1	
Roads									
Electricity									
Water									
Sanitation									
Refuse									
Other	2	2		2	2		3	2	
Technicians	199	172	–	200	170	–	198	176	–
Finance									
Spatial/town planning	12	12		11	10		11	11	
Information Technology	5	4		5	4		6	5	
Roads	9	8		10	7		10	10	
Electricity	31	27		31	27		30	26	
Water	21	18		21	19		21	18	
Sanitation	2	2		2	2		2	2	
Refuse	5	5		6	5		5	5	
Other	114	96		114	96		113	99	
Clerks (Clerical and administrative)	277	246		273	244		279	243	
Service and sales workers	124	108		140	108		143	125	
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operators	60	57		60	56		60	60	
Elementary Occupations	426	412		428	416		428	406	
TOTAL PERSONNEL NUMBERS	1 197	1 081	–	1 211	1 062	–	1 224	1 095	–
% increase				1.2%	0.1%	–	1.1%	1.2%	–
Total municipal employees headcount	1 172	1 074		1 186	1 062		1 199	1 095	
Finance personnel headcount	113	106		114	104		114	101	
Human Resources personnel headcount	18	17		18	17		22	17	

2.9 Monthly targets for revenue, expenditure and cash flow …./

Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source															
Property rates	23,995	23,995	23,995	23,995	23,995	23,995	23,995	23,995	23,995	23,995	23,995	23,995	287,941	300,836	314,308
Service charges - electricity revenue	45,141	45,141	45,141	45,141	45,141	45,141	45,141	45,141	45,141	45,141	45,141	45,141	541,692	582,116	625,557
Service charges - water revenue	11,512	11,512	11,512	11,512	11,512	11,512	11,512	11,512	11,512	11,512	11,512	11,511	138,138	144,354	150,851
Service charges - sanitation revenue	7,580	7,580	7,580	7,580	7,580	7,580	7,580	7,580	7,580	7,580	7,580	7,580	90,962	94,874	98,953
Service charges - refuse revenue	6,571	6,571	6,571	6,571	6,571	6,571	6,571	6,571	6,571	6,571	6,571	6,571	78,850	83,502	88,427
Rental of facilities and equipment	381	381	381	381	381	381	381	381	381	381	381	381	4,573	4,778	4,989
Interest earned - external investments	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	24,871	25,991	27,161
Interest earned - outstanding debtors	332	332	332	332	332	332	332	332	332	332	332	332	3,982	4,161	4,348
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1,695	1,695	1,695	1,695	1,695	1,695	1,695	1,695	1,695	1,695	1,695	1,695	20,344	22,188	23,174
Licences and permits	220	220	220	220	220	220	220	220	220	220	220	220	2,636	2,750	2,869
Agency services	655	655	655	655	655	655	655	655	655	655	655	655	7,858	8,211	8,580
Transfers and subsidies	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	166,184	174,999	192,746
Other revenue	10,844	10,844	10,844	10,844	10,844	10,844	10,844	10,844	10,844	10,844	10,844	2,618	121,898	93,814	57,920
Gains	–	–	–	–	–	–	–	–	–	–	–	8,225	8,225	8,225	8,225
Total Revenue (excluding capital transfers and contributions)	**124,846**	**124,846**	**124,846**	**124,846**	**124,846**	**124,846**	**124,846**	**124,846**	**124,846**	**124,846**	**124,846**	**124,845**	**1,498,153**	**1,550,796**	**1,608,108**
Expenditure By Type															
Employee related costs	42,032	42,032	42,032	42,032	42,122	42,032	42,032	42,032	42,032	42,032	42,032	42,033	504,478	522,622	551,734
Remuneration of councilors	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	12,335	12,837	13,360
Debt impairment	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	1,130	13,564	13,699	13,836
Depreciation & asset impairment	12,216	12,216	12,216	12,216	12,216	12,216	12,216	12,216	12,216	12,216	12,216	12,216	146,596	145,685	148,275
Finance charges	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	48,056	47,734	47,159
Bulk purchases	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	384,161	417,237	453,161
Other materials	3,958	3,900	5,176	3,958	3,900	5,176	3,900	3,958	5,176	3,900	3,900	5,235	52,137	51,837	55,539
Contracted services	20,913	20,710	25,859	20,913	20,710	25,859	20,710	20,913	25,859	20,710	20,710	26,064	269,929	279,215	293,223
Transfers and subsidies	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	13,057	13,060	13,582
Other expenditure	13,084	11,430	13,150	13,084	11,430	13,150	11,430	13,084	13,150	11,430	11,430	14,805	150,658	137,287	121,456
Losses	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	**131,467**	**129,553**	**137,698**	**131,467**	**129,843**	**137,698**	**129,553**	**131,467**	**137,698**	**129,553**	**129,553**	**139,618**	**1,594,971**	**1,641,213**	**1,711,326**
Surplus/(Deficit)	**(6,621)**	**(4,707)**	**(12,852)**	**(6,621)**	**(4,797)**	**(12,852)**	**(4,707)**	**(6,621)**	**(12,852)**	**(4,707)**	**(4,707)**	**(14,772)**	**(96,819)**	**(90,417)**	**(103,218)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	72,254	31,368	32,611
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	12,662	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**455**	**2,369**	**(5,776)**	**455**	**2,279**	**(5,776)**	**2,369**	**455**	**(5,776)**	**2,369**	**2,369**	**(7,696)**	**(11,902)**	**(59,049)**	**(70,607)**
Taxation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	**455**	**2,369**	**(5,776)**	**455**	**2,279**	**(5,776)**	**2,369**	**455**	**(5,776)**	**2,369**	**2,369**	**(7,696)**	**(11,902)**	**(59,049)**	**(70,607)**

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Table 49 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote															
Vote 1 - Council & Mayor's Office	4,193	4,193	4,193	4,193	4,193	4,193	4,193	4,193	4,193	4,193	4,193	4,193	50,312	54,357	60,546
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	72	72	72	72	72	72	72	72	72	72	72	72	869	907	946
Vote 4 - Finance	27,286	27,286	27,286	27,286	27,286	27,286	27,286	27,286	27,286	27,286	27,286	27,286	327,436	341,845	356,898
Vote 5 - Infrastructure & Planning	60,879	60,879	60,879	60,879	60,879	60,879	60,879	60,879	60,879	60,879	60,879	60,878	730,542	718,920	732,318
Vote 6 - Protection Services	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	35,995	38,413	40,148
Vote 7 - Economic and Social Development & Tourism	234	234	234	234	234	234	234	234	234	234	234	234	2,811	71	224
Vote 8 - Community Services	36,259	36,259	36,259	36,259	36,259	36,259	36,259	36,259	36,259	36,259	36,259	36,258	435,105	427,651	449,638
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	**131,923**	**131,923**	**131,923**	**131,923**	**131,923**	**131,923**	**131,923**	**131,923**	**131,923**	**131,923**	**131,923**	**131,922**	**1,583,069**	**1,582,164**	**1,640,719**
Expenditure by Vote to be appropriated															
Vote 1 - Council & Mayor's Office	3,629	3,629	3,890	3,629	3,629	3,890	3,629	3,629	3,890	3,629	3,629	3,890	44,592	34,434	34,589
Vote 2 - Municipal Manager & Internal Audit	610	610	790	610	610	790	610	610	790	610	610	790	8,042	8,437	8,857
Vote 3 - Management Services	4,698	4,698	7,076	4,698	4,698	7,076	4,698	4,698	7,076	4,698	4,698	7,077	65,889	68,244	71,390
Vote 4 - Finance	10,135	8,221	8,221	10,135	8,221	8,221	8,221	10,135	8,221	8,221	8,221	10,136	106,313	106,744	112,252
Vote 5 - Infrastructure & Planning	61,234	61,234	61,234	61,234	61,234	61,234	61,234	61,234	61,234	61,234	61,234	61,235	734,810	764,318	796,956
Vote 6 - Protection Services	9,970	9,970	9,970	9,970	10,060	9,970	9,970	9,970	9,970	9,970	9,970	9,971	119,732	123,434	128,971
Vote 7 - Economic and Social Development & Tourism	1,464	1,464	1,464	1,464	1,464	1,464	1,464	1,464	1,464	1,464	1,464	1,464	17,570	15,510	16,237
Vote 8 - Community Services	39,726	39,726	45,052	39,726	39,726	45,052	39,726	39,726	45,052	39,726	39,726	45,055	498,023	520,094	542,073
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	**131,467**	**129,553**	**137,698**	**131,467**	**129,643**	**137,698**	**129,553**	**131,467**	**137,698**	**129,553**	**129,553**	**139,618**	**1,594,971**	**1,641,213**	**1,711,326**
Surplus/(Deficit) before assoc.	**455**	**2,369**	**(5,776)**	**455**	**2,279**	**(5,776)**	**2,369**	**455**	**(5,776)**	**2,369**	**2,369**	**(7,696)**	**(11,902)**	**(59,049)**	**(70,607)**
Surplus/(Deficit)	**455**	**2,369**	**(5,776)**	**455**	**2,279**	**(5,776)**	**2,369**	**455**	**(5,776)**	**2,369**	**2,369**	**(7,696)**	**(11,902)**	**(59,049)**	**(70,607)**

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Table 50 MBRR SA27 - Budgeted monthly revenue and expenditure (functional classification)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional															
Governance and administration	32,083	32,083	32,083	32,083	32,083	32,083	32,083	32,083	32,083	32,083	32,083	32,083	384,994	403,517	424,829
Executive and council	4,206	4,206	4,206	4,206	4,206	4,206	4,206	4,206	4,206	4,206	4,206	4,206	50,470	54,516	60,706
Finance and administration	27,877	27,877	27,877	27,877	27,877	27,877	27,877	27,877	27,877	27,877	27,877	27,877	334,524	349,000	364,123
Internal audit	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety	12,715	12,715	12,715	12,715	12,715	12,715	12,715	12,715	12,715	12,715	12,715	12,714	152,578	133,305	105,603
Community and social services	731	731	731	731	731	731	731	731	731	731	731	731	8,776	7,189	7,680
Sport and recreation	914	914	914	914	914	914	914	914	914	914	914	914	10,972	19,932	25,031
Public safety	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	35,995	38,413	40,148
Housing	8,070	8,070	8,070	8,070	8,070	8,070	8,070	8,070	8,070	8,070	8,070	8,069	96,834	67,770	32,763
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	2,033	24,399	18,801	16,231
Planning and development	1,124	1,124	1,124	1,124	1,124	1,124	1,124	1,124	1,124	1,124	1,124	1,124	13,483	11,293	9,880
Road transport	907	907	907	907	907	907	907	907	907	907	907	907	10,879	7,469	6,310
Environmental protection	3	3	3	3	3	3	3	3	3	3	3	3	37	39	41
Trading services	85,092	85,092	85,092	85,092	85,092	85,092	85,092	85,092	85,092	85,092	85,092	85,092	1,021,099	1,026,542	1,094,056
Energy sources	51,294	51,294	51,294	51,294	51,294	51,294	51,294	51,294	51,294	51,294	51,294	51,294	615,533	634,543	684,366
Water management	13,921	13,921	13,921	13,921	13,921	13,921	13,921	13,921	13,921	13,921	13,921	13,921	167,048	162,108	169,918
Waste water management	11,643	11,643	11,643	11,643	11,643	11,643	11,643	11,643	11,643	11,643	11,643	11,643	139,720	126,531	129,741
Waste management	8,233	8,233	8,233	8,233	8,233	8,233	8,233	8,233	8,233	8,233	8,233	8,233	98,797	103,360	110,031
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	131,923	131,923	131,923	131,923	131,923	131,923	131,923	131,923	131,923	131,923	131,923	131,922	1,583,069	1,582,164	1,640,719
Expenditure - Functional															
Governance and administration	25,937	24,023	28,893	25,937	24,023	28,893	24,023	25,937	28,893	24,023	24,023	30,808	315,410	312,871	324,730
Executive and council	5,383	5,383	7,750	5,383	5,383	7,750	5,383	5,383	7,750	5,383	5,383	7,750	74,067	65,606	67,539
Finance and administration	20,229	18,315	20,750	20,229	18,315	20,750	18,315	20,229	20,750	18,315	18,315	22,665	237,178	242,871	252,551
Internal audit	324	324	393	324	324	393	324	324	393	324	324	393	4,165	4,394	4,640
Community and public safety	23,091	23,091	23,957	23,091	23,181	23,957	23,091	23,091	23,957	23,091	23,091	10,684	267,374	261,327	251,638
Community and social services	1,711	1,711	1,898	1,711	1,711	1,898	1,711	1,711	1,898	1,711	1,711	2,365	21,751	22,212	23,647
Sport and recreation	5,134	5,134	5,534	5,134	5,134	5,534	5,134	5,134	5,534	5,134	5,134	5,356	63,035	63,088	65,995
Public safety	9,801	9,801	9,877	9,801	9,891	9,877	9,801	9,801	9,877	9,801	9,801	10,626	118,758	123,379	129,264
Housing	6,444	6,444	6,646	6,444	6,444	6,646	6,444	6,444	6,646	6,444	6,444	(7,662)	63,829	52,646	32,731
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	16,321	16,321	16,930	16,321	16,321	16,930	16,321	16,321	16,930	16,321	16,321	16,931	198,290	207,251	213,584
Planning and development	4,407	4,407	4,500	4,407	4,407	4,500	4,407	4,407	4,500	4,407	4,407	4,500	53,256	53,030	55,706
Road transport	9,994	9,994	10,511	9,994	9,994	10,511	9,994	9,994	10,511	9,994	9,994	10,511	121,995	129,975	132,972
Environmental protection	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	23,039	24,246	25,206
Trading services	66,931	66,931	68,732	66,931	66,931	68,732	66,931	66,931	68,732	66,931	66,931	68,733	810,381	856,098	917,291
Energy sources	40,026	40,026	40,026	40,026	40,026	40,026	40,026	40,026	40,026	40,026	40,026	40,026	480,315	513,770	555,174
Water management	11,063	11,063	11,372	11,063	11,063	11,372	11,063	11,063	11,372	11,063	11,063	11,372	133,992	140,048	152,081
Waste water management	8,271	8,271	9,401	8,271	8,271	9,401	8,271	8,271	9,401	8,271	8,271	9,401	103,774	109,313	113,142
Waste management	7,571	7,571	7,933	7,571	7,571	7,933	7,571	7,571	7,933	7,571	7,571	7,933	92,299	92,967	96,894
Other	293	293	293	293	293	293	293	293	293	293	293	293	3,517	3,667	3,783
Total Expenditure - Functional	132,574	130,660	138,805	132,574	130,750	138,805	130,660	132,574	138,805	130,660	130,659	127,449	1,594,971	1,641,213	1,711,326
Surplus/(Deficit) before assoc.	(651)	1,263	(6,882)	(651)	1,173	(6,882)	1,263	(651)	(6,882)	1,263	1,263	4,472	(11,902)	(59,049)	(70,607)
Surplus/(Deficit)	(651)	1,263	(6,882)	(651)	1,173	(6,882)	1,263	(651)	(6,882)	1,263	1,263	4,472	(11,902)	(59,049)	(70,607)

Table 51 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Multi-year expenditure *to be appropriated*															
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	150	225	50	50	383	50	50	375	50	200	233	1,815	-	-
Vote 4 - Finance	-	-	-	15	-	15	-	-	15	-	15	-	60	-	-
Vote 5 - Infrastructure & Planning	942	937	17,196	7,327	9,997	28,820	9,997	16,397	27,473	15,797	16,519	46,728	198,128	102,598	99,011
Vote 6 - Protection Services	-	-	-	-	-	150	-	-	-	-	-	150	300	-	-
Vote 7 - Economic and Social Development & Tourism	-	-	-	-	-	23	-	-	-	-	-	23	45	-	-
Vote 8 - Community Services	-	-	200	-	-	100	61	200	-	-	-	174	735	-	-
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	942	1,087	17,621	7,392	10,047	29,490	10,108	16,647	27,863	15,847	16,734	47,307	201,083	102,598	99,011
Single-year expenditure *to be appropriated*															
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Infrastructure & Planning	372	372	2,372	372	372	2,372	1,372	2,372	1,872	372	1,680	3,570	17,475	-	-
Vote 6 - Protection Services	-	-	250	-	250	521	-	250	-	-	250	971	2,492	-	-
Vote 7 - Economic and Social Development & Tourism	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Community Services	-	-	-	-	100	-	-	234	100	200	-	14,335	14,970	-	-
Vote 9 - Costing Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	372	372	2,622	372	722	2,894	1,372	2,857	1,972	572	1,930	18,876	34,937	-	-
Total Capital Expenditure	1,314	1,459	20,244	7,764	10,769	32,383	11,480	19,504	29,836	16,419	18,664	66,183	236,020	102,598	99,011

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Table 52 MBRR SA29 - Budgeted monthly capital expenditure (functional classification)

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital Expenditure - Functional															
Governance and administration	-	150	225	65	50	398	50	50	390	50	215	233	1,875	-	-
Executive and council	-	-	-	-	-	3	-	-	-	-	-	3	5	-	-
Finance and administration	-	150	225	65	50	395	50	50	390	50	215	230	1,870	-	-
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety	354	354	10,500	354	704	10,921	415	904	10,050	454	604	17,821	53,438	29,934	19,697
Community and social services	-	-	200	-	100	100	61	300	-	100	-	6,399	7,261	-	-
Sport and recreation	179	179	179	179	179	279	179	179	179	179	179	429	2,500	8,704	13,297
Public safety	-	-	250	-	250	671	-	250	-	-	250	1,121	2,792	-	-
Housing	175	175	9,871	175	175	9,871	175	175	9,871	175	175	9,871	40,885	21,230	6,400
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services	25	20	30	30	30	5,387	30	164	130	130	30	8,061	14,068	7,164	6,000
Planning and development	25	20	30	30	30	96	30	30	30	30	30	1,096	1,478	-	-
Road transport	-	-	-	-	-	5,291	-	134	100	100	-	6,965	12,590	7,164	6,000
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services	935	935	9,488	7,315	9,985	15,677	10,985	18,385	19,265	15,785	17,815	40,069	166,639	65,500	73,314
Energy sources	-	-	6,553	3,100	4,000	6,742	4,500	7,300	8,200	7,700	8,250	9,043	65,389	22,000	24,314
Water management	-	-	2,000	1,080	1,250	3,450	2,650	5,650	5,850	4,450	6,108	7,483	39,970	19,000	23,400
Waste water management	917	917	917	3,117	4,717	5,467	3,817	5,417	5,117	2,617	2,617	22,103	57,736	24,500	19,100
Waste management	18	18	18	18	18	18	18	18	98	1,018	841	1,440	3,544	-	6,500
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	1,314	1,459	20,244	7,764	10,769	32,383	11,480	19,504	29,836	16,419	18,664	66,183	236,020	102,598	99,011
Funded by:															
National Government	-	-	4,200	3,200	6,300	12,935	5,400	9,000	7,500	4,900	6,208	12,612	72,254	31,368	32,611
Provincial Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants	18	18	11,988	118	18	11,957	18	218	12,157	1,518	1,111	12,307	51,447	21,230	6,400
Transfers recognised - capital	18	18	16,188	3,318	6,318	24,891	5,418	9,218	19,657	6,418	7,318	24,919	123,702	52,598	39,011
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing	917	917	2,497	2,497	3,167	5,417	5,067	7,667	8,725	8,867	10,417	24,024	80,175	50,000	60,000
Internally generated funds	379	524	1,559	1,949	1,284	2,075	995	2,619	1,454	1,134	929	17,240	32,143	-	-
Total Capital Funding	1,314	1,459	20,244	7,764	10,769	32,383	11,480	19,504	29,836	16,419	18,664	66,183	236,020	102,598	99,011

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Table 53 MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash Receipts By Source													1		
Property rates	23,826	23,826	23,826	23,826	23,826	23,826	23,826	23,826	23,826	23,826	23,826	23,826	285,907	298,712	312,089
Service charges - electricity revenue	44,924	44,924	44,924	44,924	44,924	44,924	44,924	44,924	44,924	44,924	44,924	44,924	539,085	579,206	622,316
Service charges - water revenue	11,380	11,380	11,380	11,380	11,380	11,380	11,380	11,380	11,380	11,380	11,380	11,380	136,561	142,706	149,128
Service charges - sanitation revenue	7,493	7,493	7,493	7,493	7,493	7,493	7,493	7,493	7,493	7,493	7,493	7,493	89,916	93,783	97,816
Service charges - refuse revenue	6,495	6,495	6,495	6,495	6,495	6,495	6,495	6,495	6,495	6,495	6,495	6,495	77,943	82,541	87,410
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	381	381	381	381	381	381	381	381	381	381	381	381	4,573	4,778	4,989
Interest earned - external investments	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	2,073	24,871	25,991	27,161
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	908	908	908	908	908	908	908	908	908	908	908	908	10,897	12,647	13,537
Licences and permits	220	220	220	220	220	220	220	220	220	220	220	220	2,636	2,750	2,869
Agency services	655	655	655	655	655	655	655	655	655	655	655	655	7,858	8,211	8,580
Transfers and Subsidies - Operational	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	13,849	166,184	174,999	192,746
Other revenue	10,771	10,771	10,771	10,771	10,771	10,771	10,771	10,771	10,771	10,771	10,771	2,546	121,026	81,758	45,957
Cash Receipts by Source	**122,974**	**122,974**	**122,974**	**122,974**	**122,974**	**122,974**	**122,974**	**122,974**	**122,974**	**122,974**	**122,974**	**114,749**	**1,467,459**	**1,508,081**	**1,564,801**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	6,021	72,254	31,368	32,611
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	50,000	–	–	–	–	–	–	50,000	50,000	60,000
Increase (decrease) in consumer deposits	167	167	167	167	167	167	167	167	167	167	167	167	2,000	2,000	2,000
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(4,980)	(4,980)	(4,980)
Total Cash Receipts by Source	**128,747**	**128,747**	**128,747**	**128,747**	**128,747**	**178,747**	**128,747**	**128,747**	**128,747**	**128,747**	**128,747**	**120,522**	**1,586,733**	**1,586,469**	**1,654,232**
Cash Payments by Type															
Employee related costs	41,050	41,050	41,050	41,050	41,140	41,050	41,050	41,050	41,050	41,050	41,050	41,051	492,692	520,035	550,870
Remuneration of councillors	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028	12,335	12,837	13,360
Finance charges	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	48,056	47,734	47,159
Bulk purchases - Electricity	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	32,013	384,161	417,237	453,161
Bulk purchases - Water & Sewer													–		
Other materials	3,958	3,900	5,176	3,958	3,900	5,176	3,900	3,958	5,176	3,900	3,900	5,235	52,137	51,837	55,539
Contracted services	20,913	20,710	25,859	20,913	20,710	25,859	20,710	20,913	25,859	20,710	20,710	26,064	289,929	279,215	293,223
Transfers and grants - other municipalities													–		
Transfers and grants - other	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	1,088	13,057	13,060	13,582
Other expenditure	14,088	12,435	14,155	14,088	12,435	14,155	12,435	14,088	14,155	12,435	12,435	15,810	162,716	100,901	81,050
Cash Payments by Type	**118,143**	**116,229**	**124,374**	**118,143**	**116,319**	**124,374**	**116,229**	**118,143**	**124,374**	**116,229**	**116,229**	**126,294**	**1,435,064**	**1,442,856**	**1,507,945**
Other Cash Flows/Payments by Type															
Capital assets	1,314	1,459	20,244	7,764	10,769	32,383	11,480	19,504	29,836	16,419	18,864	66,183	236,020	102,598	99,011
Repayment of borrowing	2,181	1,031	2,788	5,911	1,142	11,634	2,287	1,101	2,943	6,231	1,207	12,169	50,623	58,592	51,239
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**121,638**	**118,719**	**147,406**	**131,819**	**128,230**	**168,392**	**129,997**	**138,748**	**157,153**	**138,879**	**136,300**	**204,646**	**1,721,727**	**1,604,046**	**1,658,194**
NET INCREASE/(DECREASE) IN CASH HELD	**7,108**	**10,027**	**(18,658)**	**(3,072)**	**516**	**10,355**	**(1,250)**	**(10,002)**	**(28,406)**	**(10,133)**	**(7,354)**	**(84,124)**	**(134,994)**	**(17,577)**	**(3,963)**
Cash/cash equivalents at the month/year begin:	566,302	573,410	583,438	564,778	561,706	562,223	572,577	571,327	561,325	532,919	522,786	515,432	566,302	431,308	413,731
Cash/cash equivalents at the month/year end:	573,410	583,438	564,778	561,706	562,223	572,577	571,327	561,325	532,919	522,786	515,432	431,308	431,308	413,731	409,768

2.10 Annual budgets and SDBIP

The draft SDBIP for 2022/23 will be tabled as a separate item at the Council meeting on 31 May 2022.

2.11 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy all contracts awarded beyond the medium-term revenue and expenditure framework (three years) are listed in Table 73. In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

2.12 Capital expenditure details

The following four tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets, the repair and maintenance of assets and finally, the depreciation of assets.

C90/114

Table 54 MBRR SA 34a - Capital expenditure on new assets by asset class

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	96,933	76,763	91,712	98,618	59,873	59,873	85,364	29,664	18,414
Roads Infrastructure	12,061	5,638	20,553	10,218	9,493	9,493	12,255	7,164	6,000
Roads	12,061	5,638	20,553	10,218	9,493	9,493	12,255	7,164	6,000
Storm water Infrastructure	7,247	7,918	14,169	6,590	6,590	6,590	1,636	8,500	–
Drainage Collection			557	1,110	1,110	1,110	–	–	–
Storm water Conveyance	7,247	7,918	13,612	5,480	5,480	5,480	1,636	8,500	–
Attenuation	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	28,893	13,557	9,392	57,808	24,908	24,908	53,500	12,000	9,314
MV Substations		4,869	693	50,430	15,030	15,030	37,500	5,000	–
MV Switching Stations		–	–	–	–	–	–	–	–
MV Networks	28,893	8,688	8,699	7,378	9,878	9,878	16,000	7,000	9,314
Water Supply Infrastructure	12,270	29,001	22,404	11,372	4,270	4,270	12,483	2,000	3,100
Dams and Weirs		–	–	–	–	–	–	–	–
Boreholes		4,356	3,808	6,692	3,590	3,590	4,803	2,000	3,100
Reservoirs	12,270	14,717	15,728	–	–	–	–	–	–
Pump Stations		–	–	4,000	–	–	7,000	–	–
Distribution		9,928	2,868	680	680	680	680	–	–
Sanitation Infrastructure	34,963	13,339	12,940	9,368	10,097	10,097	4,020	–	–
Pump Station		169	–	–	–	–	–	–	–
Reticulation	34,963	9,864	12,940	9,368	10,097	10,097	4,020	–	–
Waste Water Treatment Works		3,306	–	–	–	–	–	–	–
Solid Waste Infrastructure	1,499	7,311	12,254	3,262	4,516	4,516	1,470	–	–
Landfill Sites		7,311	–	–	–	–	–	–	–
Waste Transfer Stations			–	2,020	2,020	2,020	1,250	–	–
Waste Processing Facilities			12,254	1,242	2,496	2,496	220	–	–
Waste Drop-off Points	1,499		–	–	–	–	–	–	–
Community Assets	30,804	4,531	25,999	22,833	11,824	11,824	10,951	–	–
Community Facilities	30,804	2,084	10,999	15,352	4,743	4,743	6,701	–	–
Halls		–	4,759	110	5	5	–	–	–
Centres		–	–	–	–	–	–	–	–
Crèches	559	578	–	475	–	–	–	–	–
Testing Stations	4,809	44	–	1,052	1,052	1,052	–	–	–
Libraries	1,132	–	295	4,374	–	–	4,374	–	–
Cemeteries/Crematoria	381	207	1,232	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–
Parks		139	49	100	205	205	87	–	–
Public Open Space	23,923	1,073	3,902	3,517	1,857	1,857	1,050	–	–
Nature Reserves		–	–	4,100	–	–	–	–	–
Public Ablution Facilities		44	140	1,244	1,244	1,244	1,190	–	–
Markets			–	–	–	–	–	–	–
Stalls			278	–	–	–	–	–	–
Taxi Ranks/Bus Terminals			345	380	380	380	–	–	–
Capital Spares			–	–	–	–	–	–	–
Sport and Recreation Facilities	–	2,447	15,000	7,481	7,081	7,081	4,250	–	–
Indoor Facilities			–	–	–	–	–	–	–
Outdoor Facilities		2,447	15,000	7,481	7,081	7,081	4,250	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	37,368	87,502	54,179	58,895	67,383	67,383	41,802	21,230	6,400
Operational Buildings	3,092	1,749	4,581	6,636	5,617	5,617	3,017	–	–
Municipal Offices	3,092	1,749	4,581	6,636	5,617	5,617	3,017	–	–
Housing	34,276	85,753	49,598	52,259	61,765	61,765	38,785	21,230	6,400
Social Housing	34,276	85,753	49,598	52,259	61,765	61,765	38,785	21,230	6,400
Biological or Cultivated Assets	–	–	–	–	226	226	–	–	–
Biological or Cultivated Assets	–	–	–	–	226	226	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	1,346	3,345	5,152	3,933	3,463	3,463	1,888	–	–
Computer Equipment	1,346	3,345	5,152	3,933	3,463	3,463	1,888	–	–
Furniture and Office Equipment	295	246	802	875	1,225	1,225	765	–	–
Furniture and Office Equipment	295	246	802	875	1,225	1,225	765	–	–
Machinery and Equipment	–	533	486	1,641	1,791	1,791	1,185	–	–
Machinery and Equipment		533	486	1,641	1,791	1,791	1,185	–	–
Transport Assets	6,936	15,884	21,189	5,000	9,131	9,131	–	–	–
Transport Assets	6,936	15,884	21,189	5,000	9,131	9,131	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	173,882	188,804	199,520	191,795	154,916	154,916	141,955	50,894	24,814

Table 55 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	–	3,606	15,499	33,945	32,154	32,154	20,730	18,650	29,500
Roads Infrastructure	–	8	–	–	–	–	–	–	–
Roads	–	8	–	–	–	–	–	–	–
Storm water Infrastructure	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	–	–	915	1,000	1,000	1,000	1,058	1,500	2,000
MV Switching Stations	–	–	915	1,000	1,000	1,000	1,058	1,500	2,000
Water Supply Infrastructure	–	887	11,297	32,295	30,064	30,064	19,172	16,450	20,300
Pump Stations			1,327	400	2,184	2,184	500	500	500
Water Treatment Works			–	–	–	–	–	–	–
Bulk Mains			–	–	–	–	–	–	–
Distribution		887	9,970	31,895	27,880	27,880	18,672	15,950	19,800
Sanitation Infrastructure	–	2,711	3,287	650	1,090	1,090	500	700	700
Pump Station		2,711	–	650	1,090	1,090	500	700	700
Reticulation			–	–	–	–	–	–	–
Waste Water Treatment Works			–	–	–	–	–	–	–
Outfall Sewers			3,287	–	–	–	–	–	–
Solid Waste Infrastructure	–	–	–	–	–	–	–	–	6,500
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Community Assets	–	–	–	–	–	–	–	–	–
Community Facilities	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Other assets	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	–	3,606	15,499	33,945	32,154	32,154	20,730	18,650	29,500
Renewal of Existing Assets as % of total capex	*0.0%*	*1.7%*	*6.1%*	*12.4%*	*13.5%*	*13.5%*	*6.8%*	*18.2%*	*28.8%*
Renewal of Existing Assets as % of deprecn"	*0.0%*	*2.7%*	*11.1%*	*23.3%*	*22.1%*	*22.1%*	*14.1%*	*12.8%*	*19.9%*

Table 56 MBRR SA34c - Repairs and maintenance expenditure by asset class

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	145,958	134,766	140,742	149,272	149,240	149,240	161,349	172,030	183,034
Roads Infrastructure	61,860	65,691	67,439	67,503	67,114	67,114	72,275	79,183	83,626
Roads	61,860	61,812	64,190	67,503	67,114	67,114	72,275	79,183	83,626
Road Structures		3,879	3,249	–	–	–	–	–	–
Storm water Infrastructure	5,765	4,749	5,584	7,712	7,712	7,712	7,335	7,736	8,154
Drainage Collection	5,765	2,558	2,515	–	–	–	–	–	–
Storm water Conveyance		2,192	3,069	7,712	7,712	7,712	7,335	7,736	8,154
Electrical Infrastructure	23,082	36,812	31,045	33,421	34,047	34,047	39,232	40,356	43,933
Power Plants		383	436	–	–	–	–	–	–
HV Transmission Conductors		–	25	–	–	–	–	–	–
MV Networks	23,082	33,018	28,149	–	–	–	–	–	–
LV Networks		3,411	2,435	33,421	34,047	34,047	39,232	40,356	43,933
Water Supply Infrastructure	17,367	16,161	21,046	21,537	21,537	21,537	22,142	23,489	24,843
Water Treatment Works		–	–	577	577	577	297	316	336
Distribution	17,367	16,161	21,046	18,350	18,477	18,477	19,083	20,257	21,427
Distribution Points			–	2,610	2,483	2,483	2,761	2,916	3,080
Sanitation Infrastructure	14,967	10,072	12,980	12,162	12,346	12,346	13,044	13,580	14,354
Reticulation		800	–	6,946	6,946	6,946	7,386	7,843	8,331
Waste Water Treatment Works	14,967	9,134	12,980	5,216	5,401	5,401	5,658	5,737	6,023
Outfall Sewers		138	–	–	–	–	–	–	–
Solid Waste Infrastructure	22,918	1,168	2,535	6,936	6,483	6,483	7,320	7,686	8,123
Landfill Sites		36	61	–	–	–	–	–	–
Waste Transfer Stations	22,918	11	1,186	–	–	–	–	–	–
Waste Processing Facilities		152	272	2,332	2,048	2,048	2,397	2,465	2,588
Waste Drop-off Points		929	1,009	4,604	4,435	4,435	4,924	5,221	5,535
Waste Separation Facilities		39	7	–	–	–	–	–	–
Coastal Infrastructure	–	113	110	–	–	–	–	–	–
Promenades		113	110	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	1	–	–	–	–	–	–
Data Centres	–	–	1	–	–	–	–	–	–
Community Assets	39,801	33,597	44,371	61,656	57,662	57,662	58,365	58,315	61,289
Community Facilities	27,117	29,422	37,364	46,573	42,095	42,095	43,516	43,405	45,873
Halls	4,287	3,502	5,332	5,069	4,986	4,986	6,029	6,441	6,833
Centres		–	67	–	–	–	–	–	–
Fire/Ambulance Stations		344	440	–	–	–	–	–	–
Testing Stations		–	54	–	–	–	–	–	–
Libraries	28	93	121	–	–	–	–	–	–
Cemeteries/Crematoria	1,059	693	967	1,074	316	316	1,112	1,149	1,189
Police		209	258	–	–	–	–	–	–
Parks		20,368	25,542	31,644	32,020	32,020	31,703	30,816	32,589
Public Open Space	21,743	4,213	4,304	8,193	4,424	4,424	3,684	3,948	4,174
Public Ablution Facilities	–	–	178	594	348	348	988	1,050	1,108
Sport and Recreation Facilities	12,685	4,176	7,007	15,083	15,567	15,567	14,849	14,910	15,416
Outdoor Facilities	12,685	4,176	7,007	15,083	15,567	15,567	14,849	14,910	15,416
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	8,009	1,582	2,137	11,914	16,896	16,896	15,246	16,876	17,880
Operational Buildings	8,009	1,582	2,136	11,914	16,896	16,896	15,246	16,876	17,880
Municipal Offices	8,009	1,539	2,086	11,876	16,858	16,858	15,208	16,838	17,842
Building Plan Offices		28	35	–	–	–	–	–	–
Stores		15	–	–	–	–	–	–	–
Depots			16	38	38	38	38	38	38
Housing	–	–	1	–	–	–	–	–	–
Social Housing	–	–	1	–	–	–	–	–	–
Intangible Assets	–	6,009	5,672	6,528	6,413	6,413	6,994	7,381	7,794
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	6,009	5,672	6,528	6,413	6,413	6,994	7,381	7,794
Computer Software and Applications		6,009	5,672	6,528	6,413	6,413	6,994	7,381	7,794
Computer Equipment	4,890	766	1,947	2,280	2,806	2,806	2,280	2,391	2,508
Computer Equipment	4,890	766	1,947	2,280	2,806	2,806	2,280	2,391	2,508
Furniture and Office Equipment	16,364	242	1,128	6,095	6,054	6,054	6,330	6,644	6,951
Furniture and Office Equipment	16,364	242	1,128	6,095	6,054	6,054	6,330	6,644	6,951
Machinery and Equipment	–	–	–	5,548	5,379	5,379	5,601	6,518	6,561
Machinery and Equipment	–	–	–	5,548	5,379	5,379	5,601	6,518	6,561
Transport Assets	–	11,555	14,904	10,940	13,990	13,990	11,779	12,444	13,149
Transport Assets		11,555	14,904	10,940	13,990	13,990	11,779	12,444	13,149
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	215,024	188,517	210,901	254,233	258,441	258,441	267,944	282,599	299,166
R&M as a % of PPE	6.3%	5.4%	5.9%	6.7%	6.9%	6.9%	0.0%	7.4%	7.9%
R&M as % Operating Expenditure	19.4%	15.8%	16.0%	17.0%	17.0%	17.0%	23.3%	17.7%	18.2%

Table 57 MBRR SA34d – Depreciation by asset class

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Depreciation by Asset Class/Sub-class									
Infrastructure	112,502	106,974	102,449	115,534	115,534	115,534	119,152	119,095	123,308
Roads Infrastructure	33,523	33,574	34,090	37,546	37,546	37,546	37,723	38,311	36,395
Roads	32,825	33,574	34,090	37,546	37,546	37,546	37,723	38,311	36,395
Capital Spares	698	–	–	–	–	–	–	–	–
Storm water Infrastructure	5,827	6,342	6,781	7,720	7,720	7,720	7,993	8,008	7,207
Drainage Collection	–	6,342	6,781	7,720	7,720	7,720	7,993	8,008	7,207
Storm water Conveyance	5,827	–	–	–	–	–	–	–	–
Attenuation	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	24,965	26,300	12,375	26,902	26,902	26,902	29,061	28,884	30,421
LV Networks	24,965	25,917	11,939	26,902	26,902	26,902	29,061	28,884	30,421
Capital Spares	–	383	436	–	–	–	–	–	–
Water Supply Infrastructure	27,676	27,731	28,367	29,397	29,397	29,397	23,585	23,080	28,850
Distribution	27,444	27,731	28,367	29,397	29,397	29,397	23,585	23,080	28,850
Distribution Points	–	–	–	–	–	–	–	–	–
PRV Stations	–	–	–	–	–	–	–	–	–
Capital Spares	232	–	–	–	–	–	–	–	–
Sanitation Infrastructure	16,668	9,843	17,989	10,737	10,737	10,737	17,550	17,550	17,335
Pump Station	–	–	–	–	–	–	–	–	–
Reticulation	16,390	–	–	–	–	–	–	–	–
Waste Water Treatment Works	–	9,784	17,989	10,737	10,737	10,737	17,550	17,550	17,335
Capital Spares	278	59	–	–	–	–	–	–	–
Solid Waste Infrastructure	3,843	3,184	2,846	3,231	3,231	3,231	3,260	3,262	3,099
Landfill Sites	481	3,184	2,846	3,231	3,231	3,231	3,260	3,262	3,099
Waste Transfer Stations	–	–	–	–	–	–	–	–	–
Waste Processing Facilities	3,361	–	–	–	–	–	–	–	–
Community Assets	–	–	10,055	–	–	–	–	–	–
Community Facilities	–	–	10,055	–	–	–	–	–	–
Halls	–	–	–	–	–	–	–	–	–
Centres	–	–	10,055	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	11,982	11,636	1,993	14,720	14,720	14,720	14,913	14,928	15,077
Operational Buildings	11,982	11,636	1,993	14,720	14,720	14,720	14,913	14,928	15,077
Municipal Offices	11,982	11,636	1,993	14,720	14,720	14,720	14,913	14,928	15,077
Housing	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	68	68	68
Biological or Cultivated Assets	–	–	–	–	–	–	68	68	68
Intangible Assets	525	447	431	390	390	390	400	420	451
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	525	447	431	390	390	390	400	420	451
Computer Software and Applications	525	447	431	390	390	390	400	420	451
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	1,826	8,921	2,060	10,233	10,233	10,233	3,535	3,229	3,102
Furniture and Office Equipment	1,826	8,921	2,060	10,233	10,233	10,233	3,535	3,229	3,102
Machinery and Equipment	764	2,678	18,074	1,077	1,077	1,077	1,617	1,486	1,454
Machinery and Equipment	764	2,678	18,074	1,077	1,077	1,077	1,617	1,486	1,454
Transport Assets	3,516	3,918	4,049	3,709	3,709	3,709	6,911	6,460	4,815
Transport Assets	3,516	3,918	4,049	3,709	3,709	3,709	6,911	6,460	4,815
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Depreciation	131,114	134,574	140,110	145,663	145,663	145,663	146,596	145,685	148,275

Table 58 MBRR SA34e - Capital expenditure on the upgrading of existing assets by asset class

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure	–	11,051	31,980	46,913	48,466	48,466	72,800	24,350	31,400
Roads Infrastructure	–	–	181	–	–	–	–	–	–
Roads	–	–	181	–	–	–	–	–	–
Storm water Infrastructure	–	1,285	12,258	–	–	–	–	–	–
Drainage Collection	–	–	–	–	–	–	–	–	–
Storm water Conveyance	–	1,285	12,258	–	–	–	–	–	–
Attenuation	–	–	–	–	–	–	–	–	–
Electrical Infrastructure	–	7,871	120	7,173	7,173	7,173	10,831	8,500	13,000
MV Networks	–	7,871	120	7,173	7,173	7,173	10,831	8,500	13,000
LV Networks	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure	–	1,863	1,873	8,315	3,000	3,000	8,315	550	–
Pump Stations	–	–	–	–	–	–	1,000	–	–
Water Treatment Works	–	–	–	–	–	–	–	–	–
Bulk Mains	–	–	–	–	–	–	–	–	–
Distribution	–	1,863	1,873	8,315	3,000	3,000	7,315	550	–
Distribution Points	–	–	–	–	–	–	–	–	–
PRV Stations	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure	–	32	14,286	30,873	38,203	38,203	51,581	15,300	18,400
Pump Station	–	–	5,074	16,059	16,059	16,059	27,539	4,400	10,000
Reticulation	–	32	8,802	7,283	15,054	15,054	500	800	600
Waste Water Treatment Works	–	–	410	7,530	7,090	7,090	23,542	10,100	7,800
Outfall Sewers	–	–	–	–	–	–	–	–	–
Toilet Facilities	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure	–	–	3,282	553	90	90	2,074	–	–
Landfill Sites	–	–	1,851	463	–	–	–	–	–
Waste Transfer Stations	–	–	1,412	–	–	–	–	–	–
Waste Processing Facilities	–	–	–	–	–	–	–	–	–
Waste Drop-off Points	–	–	–	90	90	90	2,074	–	–
Community Assets	–	7,534	7,801	2,121	2,443	2,443	534	8,704	13,297
Community Facilities	–	–	830	100	100	100	334	–	–
Parks	–	–	322	–	–	–	–	–	–
Public Open Space	–	–	482	–	–	–	–	–	–
Nature Reserves	–	–	–	–	–	–	–	–	–
Public Ablution Facilities	–	–	–	100	100	100	–	–	–
Taxi Ranks/Bus Terminals	–	–	26	–	–	–	334	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	–	7,534	6,971	2,021	2,343	2,343	200	8,704	13,297
Indoor Facilities	–	–	–	–	–	–	–	–	–
Outdoor Facilities	–	7,534	6,971	2,021	2,343	2,343	200	8,704	13,297
Capital Spares	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	–	61	–	–	–	–	–	–	–
Operational Buildings	–	61	–	–	–	–	–	–	–
Yards	–	61	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Capital Expenditure on upgrading of existing assets	–	18,646	39,781	49,034	50,909	50,909	73,335	33,054	44,697
Upgrading of Existing Assets as % of total capex	*0.0%*	*8.8%*	*15.6%*	*17.8%*	*21.4%*	*21.4%*	*31.1%*	*32.2%*	*45.1%*
Upgrading of Existing Assets as % of depreciation	*0.0%*	*13.9%*	*28.4%*	*33.7%*	*34.9%*	*34.9%*	*50.0%*	*22.7%*	*30.1%*

Table 59 MBRR SA35 - Future financial implications of the capital budget

Vote Description	2022/23 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Present value
Capital expenditure							
Vote 1 - Council & Mayor's Office	–	–	–				
Vote 2 - Municipal Manager & Internal Audit	–	–	–				
Vote 3 - Management Services	1,815	–	–				
Vote 4 - Finance	60	–	–				
Vote 5 - Infrastructure & Planning	215,603	102,598	99,011	78,600	62,700		
Vote 6 - Protection Services	2,792	–	–				
Vote 7 - Economic and Social Development & Tourism	45	–	–				
Vote 8 - Community Services	15,705	–	–				
Vote 9 - Costing Services	–	–	–				
Vote 10 - Main Ledger Services	–	–	–				
Total Capital Expenditure	236,020	102,598	99,011	78,600	62,700	–	–
Future operational costs by vote							
Vote 1 - Council & Mayor's Office	44,592	34,434	34,589	36,319	38,135	40,042	103,768
Vote 2 - Municipal Manager & Internal Audit	8,042	8,437	8,857	9,300	9,765	10,253	26,571
Vote 3 - Management Services	64,074	68,244	71,390	74,960	78,708	82,643	214,171
Vote 4 - Finance	108,253	106,744	112,252	117,864	123,758	129,946	336,758
Vote 5 - Infrastructure & Planning	519,207	661,720	697,945	732,842	769,484	807,958	2,093,834
Vote 6 - Protection Services	116,940	123,434	128,971	135,420	142,191	149,300	386,914
Vote 7 - Economic and Social Development & Tourism	17,525	15,510	16,237	17,049	17,902	18,797	48,712
Vote 8 - Community Services	482,318	520,094	542,073	569,177	597,636	627,517	1,626,219
Vote 9 - Costing Services	–	–	–				
Vote 10 - Main Ledger Services	–	–	–				
Total future operational costs	1,358,952	1,538,615	1,612,315	1,692,931	1,777,577	1,866,456	4,836,945
Future revenue by source							
Property rates	287,941	300,836	314,308	330,023	346,525	363,851	942,924
Service charges - electricity revenue	541,692	582,115	625,557	656,835	689,677	724,161	1,876,871
Service charges - water revenue	138,138	144,354	150,851	158,394	166,313	174,629	452,553
Service charges - sanitation revenue	90,982	94,874	98,953	103,901	109,096	114,551	296,860
Service charges - refuse revenue	78,850	83,502	88,427	92,849	97,491	102,366	265,282
Service charges - other	–	–	–	–	–	–	–
Rental of facilities and equipment	4,573	4,778	4,989	5,238	5,500	5,775	14,967
Interest earned - external investments	24,871	25,991	27,161	28,519	29,945	31,442	81,483
Interest earned - outstanding debtors	3,982	4,161	4,348	4,565	4,793	5,033	13,043
Dividends received	–	–	–	–	–	–	–
Fines, penalties and forfeits	20,344	22,188	23,174	24,333	25,549	26,827	69,522
Licences and permits	2,636	2,750	2,869	3,012	3,163	3,321	8,606
Agency services	7,858	8,211	8,580	9,009	9,459	9,932	25,740
Transfers and subsidies	166,184	174,999	192,746	202,383	212,503	223,128	578,238
Other revenue	121,898	93,814	57,920	60,816	63,857	67,050	173,761
Gains	8,225	8,225	8,225	8,636	9,068	9,521	24,674
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	72,254	31,368	32,611	34,242	35,954	37,751	97,833
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	12,662	–	–				
Transfers and subsidies - capital (in-kind - all)	–	–	–				
Total future revenue	1,583,069	1,582,164	1,640,719	1,722,755	1,808,893	1,899,337	4,922,157
Net Financial Implications	11,902	59,049	70,607	48,776	31,385	(32,881)	(85,212)

Table 60 MBRR SA36 - Detailed capital budget per municipal vote

R thousand												2022/23 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:															
EXECUTIVE & COUNCIL											355	5			
	MINOR ASSETS COUNCIL	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			5		
FINANCE AND ADMINISTRATION											6,699	3,779			
	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand			700		
	MINOR ASSETS ICT ORGANIZATION WIDE	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand			600		
	UPS REPLACEMENT	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			500		
	MINOR ASSETS FINANCE	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			50		
	MINOR ASSETS MANAGEMENT SERVICES	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			10		
PUBLIC SAFETY											8,425	9,695			
	GREATER HERMANUS TRAFFIC DEPT REMOVAL OF OBSOLETE (	New	Social cohesion and safe communities	Governance	6	Operational Buildings	Municipal Offices	Ward 03	34°23'52.81"S Degrees	19°15'56.13"E Degrees			1,400		
	GENERATOR FOR TRAFFIC SERVICES	New	Social cohesion and safe communities	Governance	6	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			450		
	INCIDENT COMMAND CENTRE (OLD SQUASH COURTS)(F1/2)	New	Social cohesion and safe communities	Governance	6	Furniture and Office Equipment	Other	Overstrand	34°23'52.81"S 19°15'56.13"	34°23'52.81"S 19°15'56.13"E			770		
	INCIDENT COMMAND CENTRE (OLD SQUASH COURTS)(F2/2)	New	Social cohesion and safe communities	Governance	6	Computer Equipment	Other	Overstrand	34°23'52.81"S 19°15'56.13"	34°23'52.81"S 19°15'56.13"E			272		
	MINOR ASSETS PROTECTION SERVICES	New	Social cohesion and safe communities	Governance	6	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			300		
PLANNING & DEVELOPMENT											6,466	3,412			
	MINOR ASSETS LED	New	A capable, ethical and developmental state	Inclusion and access	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			46		
	HAWSTON INDUSTRIAL BUSINESS HUB	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 08	19.134 -34.396 Degrees	19.134 -34.396 Degrees			200		
	PROJECT MANAGEMENT UNIT-ICT EQUIPMENT & FURNITURE	New	A capable, ethical and developmental state	Inclusion and access	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			88		
	PURCHASE OF ERF 4013 BETTY'S BAY&ERF 11472 HERMANUS	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 09	19°02'06"E 34°20'23"S	19°02'06"E 34°20'23"S			100		
	KLEINMOND COMMUNITY PROJECT OLD KCIH	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 06	34°20'37.0"S Degrees	19°00'46.8"E Degrees			700		
	MINOR ASSETS INFRASTRUCTURE &PLANNING	New	A capable, ethical and developmental state	Inclusion and access	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			345		
COMMUNITY SERVICES											15,778	5,617			
	MINOR ASSETS COMMUNITY SERVICES	New	A capable, ethical and developmental state	Inclusion and access	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			735		
	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F1/2)	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S			557		
	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F2/2)	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S			633		
	NEW ROOF TRADING SWARTDAM ROAD	New	A capable, ethical and developmental state	Inclusion and access	6	Operational Buildings	Municipal Offices	Ward 12	34. 424 19. 212 Degrees	34 .424 19. 212 Degrees			875		
	OUTDOOR GYM EQUIPMENT MOUNTAIN VIEW	New	A capable, ethical and developmental state	Inclusion and access	7	Sport and Recreation Facilities	Outdoor Facilities	Ward 09	34°26'19.6"S 19°22'04.7"E	34°26'18.3"S 19°00'56.9"E			97		
LIBRARIES											295				
	ZWELIHLE LIBRARY	New	A capable, ethical and developmental state	Inclusion and access	4	Community Facilities	Libraries	Ward 12	19.215 Degrees	34.423 Degrees			4,374		
SPORT & RECREATION											22 890	7,674			
	UPGRADE HAWSTON SPORT COMPLEX STADIUM(F1/2)	Upgrading	the social wage through reliable and quality i	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.219 Degrees	34 419 Degrees			200	6,836	4,000
	UPGRADE HAWSTON SPORT COMPLEX STADIUM(F2/2)	Upgrading	the social wage through reliable and quality i	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.219 Degrees	34.419 Degrees			250		
	UPGRADE MOUNT PLEASANT SPORT GROUNDS	New	the social wage through reliable and quality i	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 04	19 219 Degrees	34 419 Degrees					6,000
	HERMANUS SPORT FACILITY IMPROVEMENT	New	the social wage through reliable and quality i	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 03	34°24' Degrees	31.073 Degrees			1,900		
	RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FAC	New	the social wage through reliable and quality i	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 07	19 190 -34.424	19.190 -34.424			150		
	FLOODLIGHTS OVERHILLS SOCCERFIELD	Upgrading	the social wage through reliable and quality i	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 10	34°25'07.1"S Degrees	19°59'47.1"E Degrees				2,838	1,297
	UPGRADE HAWSTON SWIMMING POOL	Upgrading	the social wage through reliable and quality i	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	34°23'09.91"S Degrees	19°07'56.01"E Degrees					2,000
HOUSING											49,595	83,885			
	LCH SERVICES CONSTRUCTION CONTRACTS	New	integration, human settlements and local gove	Spatial integration	4	Housing	Social Housing	Overstrand	Overstrand	Overstrand			38,785	21,230	6,480
	HAWSTON NEW HOUSING DEVELOPMENT R43 WALL	New	integration, human settlements and local gove	Spatial integration	4	Housing	Social Housing	Ward 08	19.138 & - 34.386	19.138 & - 34.386			2,100		

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Detailed capital budget per municipal vote (continued)

R thousand													2022/23 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ROADS											29,734	10,799			
	STANFORD TAXI RANK UPGRADE ROOF FOR TRADING	Upgrading	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Roads Infrastructure*	*Roads*	Ward 01	Degrees 19.440	*34 451 Degrees*			334		
	MASAKHANE HOUSING PROJECT BUS ROUTE(PHASE 1)	New	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Roads Infrastructure*	*Roads*	Ward 02	19°21'39"E Degrees	*34°35'30"S Degrees*			7,582	7,164	
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Roads Infrastructure*	*Roads*	Ward 06	34°26'23.8"S 19°27'13.6"E	*34°26'23.8"S 19°27'13.6"E*			920		
	CURBING AND TARRING PAVING OF SIDEWALKS	New	*the social wage through reliable and quality i*	*Inclusion and access*	5	*Roads Infrastructure*	*Roads*	Ward 08	19.124 Degrees	*34 357 Degrees*			180		
	CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWA	New	*the social wage through reliable and quality i*	*Inclusion and access*	5	*Roads Infrastructure*	*Roads*	Ward 13	19 173 Degrees	*34 417 Degrees*			200		
	CONSTRUCTION AND EXTENSION OF COASTAL PATH	New	*the social wage through reliable and quality i*	*Inclusion and access*	5	*Roads Infrastructure*	*Roads*	Ward 13	19 147 Degrees	*34 421 Degrees*			200		
	REVITALISATION OF CBD	New	*the social wage through reliable and quality i*	*Inclusion and access*	5	*Roads Infrastructure*	*Roads*	Ward 01	19.456 Degrees	*34.440 Degrees*			174		
	REHABILITATE ROADS BLOMPARK	New	*the social wage through reliable and quality i*	*Inclusion and access*	5	*Roads Infrastructure*	*Roads*	Ward 14	34°36'54.86"S Degrees	*19°20'49.51"E Degrees*			3,000		
	MASAKHANE HOUSING PROJECT BUS ROUTE(PHASE 2)	New	*the social wage through reliable and quality i*	*Inclusion and access*	5	*Roads Infrastructure*	*Roads*	Ward 02	19°21'39"E Degrees	*34°35'30"S Degrees*					6,000
ELECTRICITY											19,436	35,311			
	FKRAAL KBAAI BHEAD NEW66 11KV SUBSTATION (F1/5)	Upgrading	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Electrical Infrastructure*	*MV Substations*	Multi-ward Gb Area	34°37'5.14"S Degrees	*19°20'3.08"E Degrees*			5,000	5,000	
	FKRAAL KBAAI BHEAD NEW66 11KV SUBSTATION (F2/5)	Upgrading	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Electrical Infrastructure*	*MV Substations*	Multi-ward Gb Area	34°37'5.14"S Degrees	*19°20'3.08"E Degrees*			9,169		
	FKRAAL KBAAI BHEAD NEW66 11KV SUBSTATION (F3/5)	Upgrading	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Electrical Infrastructure*	*MV Substations*	Multi-ward Gb Area	34°37'5.14"S Degrees	*19°20'3.08"E Degrees*			1,731		
	FKRAAL KBAAI BHEAD NEW66 11KV SUBSTATION (F4/5)	Upgrading	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Electrical Infrastructure*	*MV Substations*	Multi-ward Gb Area	34°37'5.14"S Degrees	*19°20'3.08"E Degrees*			6,560		
	FKRAAL KBAAI BHEAD NEW66 11KV SUBSTATION (F5/5)	Upgrading	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Electrical Infrastructure*	*MV Substations*	Multi-ward Gb Area	34°37'5.14"S Degrees	*19°20'3.08"E Degrees*			14,360		
	ELECTRIFICATION OF LOW COST HOUSING AREAS (F1/2)	New	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Electrical Infrastructure*	*MV Networks*	Overstrand	Overstrand	*Overstrand*			7,031	7,000	7,314
	ELECTRIFICATION OF LOW COST HOUSING AREAS (F2/2)	New	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Electrical Infrastructure*	*MV Networks*	Overstrand	Overstrand	*Overstrand*			8,969		
	HERMANUS MV LV UPGRADE REPLACEMENT(F1/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Electrical Infrastructure*	*MV Networks*	Ward 03	34°26'16.83"S Degrees	*19°13'00.62"E Degrees*			3,000	4,500	8,000
	HERMANUS MV LV UPGRADE REPLACEMENT(F2/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Electrical Infrastructure*	*MV Networks*	Ward 03	34°26'16.83"S Degrees	*19°13'00.62"E Degrees*			3,000		
	KLEINMOND MV LV NETWORK UPGRADE(F1/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Electrical Infrastructure*	*MV Networks*	Ward 09	34°20'8.35"S Degrees	*19°01'35.31"E Degrees*			2,416		
	KLEINMOND MV LV NETWORK UPGRADE(F2/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Electrical Infrastructure*	*MV Networks*	Ward 09	34°20'18.35"S Degrees	*19°01'35.31"E Degrees*				2,000	2,500
	HAWSTON MV LV UPGRADE REPLACEMENT(F1/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Electrical Infrastructure*	*MV Networks*	Ward 08	34°23'09.91"S Degrees	*19°07'58.01"E Degrees*			2,415		
	HAWSTON MV LV UPGRADE REPLACEMENT(F1/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Electrical Infrastructure*	*MV Networks*	Ward 08	34°23'09.91"S Degrees	*19°07'58.01"E Degrees*				2,000	2,500
	GANSBAAI STANFORD MV LV UPGRADE REPLACEMENT	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Electrical Infrastructure*	*MV Networks*	Multi-ward Gb Area	19.352 Degrees	*34.589 Degrees*					2,000
	ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTR	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Electrical Infrastructure*	*MV Networks*	Overstrand	Overstrand	*Overstrand*			1,058	1,500	2,000
WATER											35,574	37,334			
	REFURBISHMENT OF BULK WATER INFRASTRUCTURE	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Reticulation*	Overstrand	Overstrand	*Overstrand*			1,000	800	
	FENCING AT WATER INSTALLATIONS	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Water Supply Infrastructure*	*Reticulation*	Overstrand	Overstrand	*Overstrand*			700	550	
	REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Reticulation*	Overstrand	Overstrand	*Overstrand*			13,042	3,000	10 000
	REPLACEMENT OF OVERSTRAND WATER PIPES(F2/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Pump Stations*	Overstrand	Overstrand	*Overstrand*			2,839		
	WATER FACILITIES CONTINGENCY	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Water Treatment Works*	Overstrand	Overstrand	*Overstrand*			500	500	500
	REFURBISHMENT OF KLEINMOND BUFFELS RIVER WTW	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Water Supply Infrastructure*	*Water Treatment Works*	ull-ward Kleinmond Ar	19.019° E Degrees	*34.328° S Degrees*				11 000	9,000
	ACCESS ROADS TO KLEINMOND BUFFELS RIVER WTWUPGRADI	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Water Supply Infrastructure*	*Distribution*	ull-ward Kleinmond Ar	19.019° E Degrees	*34.329° S Degrees*			1,000		
	UPGRADE HERMANUS WELL FIELDS PHASE 2(F1/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Distribution*	ull-ward Hermanus Ar	19.237° E Degrees	*34.376° S Degrees*			2,500	2,000	3,100
	UPGRADE HERMANUS WELL FIELDS PHASE 2(F2/2)	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Pump Stations*	Ward 02	19°21'39"E Degrees	*34°35'30"S Degrees*			2,263		
	UPGRADE WATER LINES & NEWBOOSTER PUMPSTATION VALVE	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Distribution*	Ward 02	19°21'39"E Degrees	*34°35'30"S Degrees*			7,000		
	UPGRADE BULK WATER	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Water Supply Infrastructure*	*Pump Stations*	Ward 01	34.446245 Degrees	*19.446291 Degrees*			5 615		
	REFURBISH KRAAIBOSCH PUMP STATION PANEL	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Water Supply Infrastructure*	*Water Treatment Works*	Multi-ward Gb Area	34°37'5.14"S Degrees	*19°20'3.08"E Degrees*			1,000		
	DE KELDERS WTWMEMBRANE REPLACEMENT	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Distribution*	Ward 14	19.376° E /-34.556° S	*19.370° E /-34.556° S*			880		600
	PEARLY BEACH WATER TOWER REFURBISH	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Water Supply Infrastructure*	*Water Treatment Works*	Ward 11	34°18'25.2"S Degrees	*34°18'25.2"S Degrees*				750	
	FRANSKRAAL WTWFILTERS REFURBISH	Renewal	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Reticulation*	Multi-ward Gb Area	19.395° E /-34.592° S	*19.395° E /-34.592° S*			450		
	PREEKSTOEL BIO PLANT FILTERS REFURBISH	New	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Water Supply Infrastructure*	*Reticulation*	Multi-ward Hermanus	34°23'52.61"S Degrees	*34°23'52.61"S Degrees*				450	
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Reticulation*	Ward 06	34°26'23.8"S 19°27'13.6"E	*34°26'23.8"S 19°27'13.6"E*			250		
	EHP WATER PROVISION FOR INFORMAL SETTLEMENTS	New	*the social wage through reliable and quality i*	*Inclusion and access*	1	*Water Supply Infrastructure*	*Reticulation*	Overstrand	34°26'23.8"S 19°27'13.6"E	*34°26'23.8"S 19°27'13.6"E*			150		
	BASIC SERVICES FOR EMERGENCY HOUSING	New	*the social wage through reliable and quality i*	*Inclusion and access*	2	*Water Supply Infrastructure*	*Reticulation*	Mount Pleasant	19.212 -34.400 Degrees	*19.212 -34.400 Degrees*			250		

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Detailed capital budget per municipal vote (continued)

R thousand												2022/23 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
SEWERAGE											30,513	49,399			
	SEWERAGE FACILITIES CONTINGENCY	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment V	Overstrand	Overstrand	Overstrand			500	700	700
	GANSBAAI CBD SEWER NETWORK EXTENSION	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Ward 02	19.352° E Degrees	34.586° S Degrees			2,000		
	KLEINMOND WWTW REFURBISH UPGRADE (F1/2)	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Multi-ward Kleinmond Ar	18.966° E Degrees	34.342° S Degrees			9,300	6,900	
	KLEINMOND WWTW REFURBISH UPGRADE (F2/2)	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Multi-ward Kleinmond Ar	18.966° E Degrees	34.342° S Degrees			18,900		
	KLEINMOND WWTW REFURBISH UPGRADE (F3/3)	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Multi-ward Kleinmond Ar	18.966° E Degrees	34.342° S Degrees			2,242		
	FENCING AT SEWERAGE INSTALLATIONS	Replacement	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Overstrand	19.210° E Degrees	34.425° S Degrees			500	900	600
	UPGRADING OF PUMPSTATIONS & RISING MAINS (F1/2)	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Overstrand	19.209° E Degrees	34.427° S Degrees			7,109	4,490	10,000
	UPGRADING OF PUMPSTATIONS & RISING MAINS (F2/2)	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Overstrand	19.209° E Degrees	34.427° S Degrees			16,539		
	UPGRADING OF PUMPSTATIONS & RISING MAINS (F3/3)	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Overstrand	19.209° E Degrees	34.427° S Degrees			3,900		
	HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATER	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Multi-ward Hermanus A	19.209° E Degrees	34.427° S Degrees				1,250	
	HAWSTON WWTW REFURBISH AND UPGRADE	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Ward 08	34°2'09.91"S Degrees	19°07'56.01"E Degrees					6,000
	EMERGENCY HOUSING PROJECT SCHULPHOEK	Upgrading	the social wage through reliable and quality i	Inclusive and access	2	Sanitation Infrastructure	Waste Water Treatment I	Ward 06	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E			1,400		
	EHP SEWER PROVISION FOR INFORMAL SETTLEMENTS	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment I	Overstrand	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E			620		
	REROUTE HERMANUS WWTW TREATED EFFLUENT IRRIGATION	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Infi	Multi-ward Hermanus A	34°26'31" S Degrees	19°01'17"EDegrees			1,100		1,000
STORMWATER											26,577	6,598			
	MASAKHANE HOUSING PROJECT BULK STORMWATER (PHASE 2,	New	the social wage through reliable and quality i	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 09	34°26'31" S 19°01'17"E	34°26'31" S 19°01'17"E				4,500	
	STORMWATER NETWORK	New	the social wage through reliable and quality i	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward Hermanus A	19.212 Degrees	34.429 Degrees			386		
	SANDBAAI STORMWATER PROJECT-LONG STREET	New	the social wage through reliable and quality i	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 07	19.197 Degrees	34.421 Degrees			1,250		
	UPGRADE STORMWATER INFRASTRUCTURE- PROTEADORP, MK	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 09	34°26'31" S 19°01'17"E	34°26'31" S 19°01'17"E				4,000	
WASTE MANAGEMENT											18,365	4,606			
	UPGRADE STANFORD DROP OFF(F1/2)	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 01	-34.447276	19.456148			1,742		
	UPGRADE STANFORD DROP OFF(F2/2)	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 01	-34.447276	19.456148			241		
	HERMANUS TRANSFER STATION UPGRADING OF INFRASTRUCT	Upgrading	the social wage through reliable and quality i	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 12	19.218 Degrees	34.425 Degrees			1,250		
	VOELKLIP DROP OFF AND MINI DROP OFF ELECTRIC FENCING	New	the social wage through reliable and quality i	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 03	34,41262968 Degrees	19,27846574 Degrees			90		
	HERMANUS NEW WASTE MANAGEMENT FACILITY	New	the social wage through reliable and quality i	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilitie	Overstrand	19.207° E/-34.425° S	19.207° E/-34.425° S			226		
	TROMMEL SCREEN FOR GANSBAAI LANDFILL	New	the social wage through reliable and quality i	Inclusion and access	2	Solid Waste Infrastructure	Landfill Sites	Multi-ward Gb Area	19.395° E /-34.592° S	19.395° E /-34.592° S					6,500
Parent Capital expenditure											254,890	237,979	236,029	102,596	99,011
Total Capital expenditure											254,890	237,979	236,029	102,596	99,011

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Table 61 MBRR SA37 - Projects delayed from previous financial year

R thousand											Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
Function	Project name	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Original Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
PUBLIC SAFETY															
	GREATER HERMANUS TRAFFIC DEPT REMOVAL OF OBSOLETE OLD ROOFING AT	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Municipal Offices	Ward 03	34°23'52.81"S Degrees	19°15'56.13"E Degrees	1,000		1 000		
	GENERATOR FOR TRAFFIC SERVICES	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Municipal Offices	Ward 03	34°23'52.81"S Degrees	19°15'56.13"E Degrees		450	450		
PLANNING & DEVELOPMENT															
	PURCHASE OF ERF 4013 BETTY'S BAY/ERF 11472 HERMANUS	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 09	19°02'06"E 34°20'23"S	19°02'06"E 34°20'23"S	100	100	100		
	KLEINMOND COMMUNITY PROJECT OLD KCH	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 09	34°20'37.0"S Degrees	19°00'48.8"E Degrees	700	700	700		
	HAWSTON INDUSTRIAL BUSINESS HUB	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 06	19.134 -34.390 Degrees	19.134 -34.396 Degrees	800	800	200		
COMMUNITY SERVICES															
	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F1/2)	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S	510	510	567		
	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F2/2)	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S	533	533	633		
	NEW ROOF TRADING SWARTDAM ROAD	New	A capable, ethical and developmental state	Inclusion and access	3	Operational Buildings	Municipal Offices	Ward 12	34.424 19.212 Degrees	34.424 19.212 Degrees	875	875	875		
	OUTDOOR GYM EQUIPMENT MOUNTAIN VIEW	New	A capable, ethical and developmental state	Inclusion and access	3	Sport and Recreation Facilities	Outdoor Facilities	Ward 09	34°20'19.6"S 19°02'06.7"E	34°20'16.1"S 19°00'58.2"E		105	67		
	RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACILITIES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 07	19.190 -34.424	19.190 -34.424			160		
LIBRARIES															
	ZWELIHLE LIBRARY	New	Social cohesion and safe communities	Governance	4	Community Facilities	Libraries	Ward 12	19.215 Degrees	34.423 Degrees	4 374		4 374		
SPORT & RECREATION															
	HERMANUS SPORT FACILITY IMPROVEMENT	New	A capable, ethical and developmental state	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 03	34.24 Degrees	31.913 Degrees	1,800	1,500	1,900		
	UPGRADE HAWSTON SPORT COMPLEX STADIUM(F2/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 06	19.219 Degrees	34.419 Degrees	2,031	2,031	250		
HOUSING															
	HAWSTON NEW HOUSING DEVELOPMENT R43 WALL	New	Spatial integration, human settlements and local government	Spatial Integration	4	Housing	Social Housing	Ward 05	19.138 E -34.386	19.138 4 - 34.386	2 100	2,100	2,100		
ROADS															
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Roads Infrastructure	Roads	Ward 06	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E	920	920	320		
	CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWAY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	18.173 Degrees	34.417 Degrees	200	200	300		
	CONSTRUCTION AND EXTENSION OF COASTAL PATH	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	6	Roads Infrastructure	Roads	Ward 13	18.147 Degrees	34.421 Degrees	200	200	200		
	CURBING AND TARRING PAVING OF SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	6	Roads Infrastructure	Roads	Ward 04	18.124 Degrees	34.357 Degrees	180	180	180		
	REVITALISATION OF CBD	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	19.456 Degrees	34.440 Degrees	400	400	174		
ELECTRICITY															
	FKRAAL KBAAI SHEAD NEW 66 11KV SUBSTATION (F1/5)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14"S Degrees	19°20'3.08"E Degrees	17,000		5,169		
	FKRAAL KBAAI SHEAD NEW 66 11KV SUBSTATION (F2/5)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14"S Degrees	19°20'3.08"E Degrees	12,442		1 731		
	FKRAAL KBAAI SHEAD NEW 66 11KV SUBSTATION (F3/5)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14"S Degrees	19°20'3.08"E Degrees	6,500		8 500		
	HERMANUS MV LV UPGRADE REPLACEMENT(F2/?)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	1	Electrical Infrastructure	MV Networks	Ward 03	34°25'16.83"S Degrees	19°13'00.62"E Degrees	4,940	4,940	3,000		
	KLEINMOND MV LV NETWORK UPGRADE(F2/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 0x	34°20'16.35"S Degrees	19°01'35.31"E Degrees	1,861	1,861	2,418		
	HAWSTON MV LV UPGRADE REPLACEMENT(F1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 06	34°23'09.91"S Degrees	19°07'58.01"E Degrees	372	372	2,415		
	ELECTRIFICATION OF LOW COST HOUSING AREAS	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand	2,500		8,960		
WATER															
	REPLACEMENT OF OVERSTRAND WATER PIPES	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand	10,000	7,049	7 170		
	UPGRADE HERMANUS WELL FIELDS PHASE 2	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Multi-ward Hermanus Area	19.237° E Degrees	34.376° S Degrees	6,692	3,590	2,203		
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Ward 06	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E	280	280	280		
	EHP WATER PROVISION FOR INFORMAL SETTLEMENTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E	150	150	150		
	BASIC SERVICES FOR EMERGENCY HOUSING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Mount Pleasant	19.212 -34.400 Degrees	19.212 -34.400 Degrees	250	250	250		
SEWERAGE															
	UPGRADING OF PUMPSTATIONS & RISING MAINS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Wo	Overstrand	19.209° E Degrees	34.427° S Degrees	4,000	4,000	3,900		
	GANSBAAI CBD SEWER NETWORK EXTENSION	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Wo	Ward 02	19.352° E Degrees	34.580° S Degrees	10,677	10,677	2,000		
	KLEINMOND WWTW REFURBISH UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Wo	Multi-ward Kleinmond Area	18.986° E Degrees	34.342° S Degrees	3,450	3,450	2,242		
	EMERGENCY HOUSING PROJECT SCHULPHOEK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Wo	Ward 06	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E	1 400	1,400	1,400		
	EHP SEWER PROVISION FOR INFORMAL SETTLEMENTS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Wo	Overstrand	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E	620	620	620		
STORMWATER															
	STORMWATER NETWORK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward Hermanus Area	19.212 Degrees	34.428 Degrees	1,000	1 000	386		
	SANDBAAI STORMWATER PROJECT-LONG STREET	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 07	19.197 Degrees	34.421 Degrees	1,250	1 250	1,250		
WASTE MANAGEMENT															
	UPGRADE STANFORD DROP OFF	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 01	34.447278 Degrees	19.456148 Degrees			1 742		
	HERMANUS NEW WASTE MANAGEMENT FACILITY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19.207° E / -34.425° S	19.207° E / -34.425° S	1 042	2,286	320		
	VOELKLIP DROP OFF AND MINI DROP OFF ELECTRIC FENCING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 03	34.41242968 Degrees	19.27648574 Degrees			90		
	HERMANUS TRANSFER STATION UPGRADING OF INFRASTRUCTURE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 12	19.218 Degrees	34.423 Degrees	1,250	1,250	1 250		

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2.13 Legislation compliance status

Compliance with the MFMA implementation requirements have been adhered to through the following activities:

1. In year reporting
   Reporting to National Treasury in electronic format is being fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) is being fully complied with and includes monthly published financial performance on the Municipality's website.

2. Internship programme
   The Municipality is participating in the Municipal Financial Management Internship programme and currently has five interns in the programme.

3. Budget and Treasury Office
   The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee
   An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan
   A SDBIP document will be tabled in council as part of the IDP.

6. Annual Report
   Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Training
   In excess of 120 municipal officials of Overstrand Municipality have completed the MFMA training.

8. Policies
   All budget related policies have been reviewed, be tabled in Council on 30 March 2022.

2.14 Other supporting documents

Table 62 MBRR Table SA1 - Supporting detail to budgeted financial performance

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
REVENUE ITEMS:									
Property rates									
Total Property Rates	284,076	240,910	261,222	275,637	275,637	275,637	287,941	300,836	314,308
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	50,983		-	-	-	-	-	-	-
Net Property Rates	233,093	240,910	261,222	275,637	275,637	275,637	287,941	300,836	314,308
Service charges - electricity revenue									
Total Service charges - electricity revenue	383,505	421,376	448,305	505,740	505,740	505,740	548,222	589,433	633,745
less Revenue Foregone (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (50 kwh per indigent household per month)	4,812	5,416	5,513	6,423	6,423	6,423	6,530	7,318	8,188
Net Service charges - electricity revenue	378,693	415,960	442,792	499,317	499,317	499,317	541,692	582,115	625,557
Service charges - water revenue									
Total Service charges - water revenue	132,615	136,100	134,178	135,408	135,408	135,408	141,352	147,907	154,772
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)			-	-	-	-	-	-	-
less Cost of Free Basic Services (6 kilolitres per indigent household per month)	2,758	3,062	3,065	3,239	3,239	3,239	3,214	3,553	3,921
Net Service charges - water revenue	129,858	133,037	131,113	132,168	132,168	132,168	138,138	144,354	150,851
Service charges - sanitation revenue									
Total Service charges - sanitation revenue	82,703	86,170	92,346	93,185	93,185	93,185	100,094	104,807	109,739
less Revenue Foregone (in excess of free sanitation service to indigent households)				-	-	-	-	-	-
less Cost of Free Basic Services (free sanitation service to indigent households)	4,984	5,244	5,253	5,553	5,553	5,553	9,132	9,933	10,786
Net Service charges - sanitation revenue	77,719	80,925	87,094	87,631	87,631	87,631	90,962	94,874	98,953
Service charges - refuse revenue									
Total refuse removal revenue	76,811	85,161	89,128	92,642	92,642	92,642	96,782	103,306	110,262
Total landfill revenue	-	-	-	-	-	-	-	-	-
less Revenue Foregone (in excess of one removal a week to indigent households)	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (removed once a week to indigent households)	15,048	16,906	16,929	17,901	17,901	17,901	17,933	19,805	21,835
Net Service charges - refuse revenue	61,763	68,256	72,198	74,741	74,741	74,741	78,850	83,502	88,427
Other Revenue by source									
Fuel Levy			-	-	-	-	-	-	-
Other Revenue									
Discontinued Operations			-	-	-	-	-	-	-
Rent on Land			966	1,106	1,106	1,106	1,229	1,284	1,341
Operational Revenue			9,019	6,039	6,039	6,039	7,419	7,638	7,867
Intercompany/Parent-subsidiary Transactions			-	-	-	-	-	-	-
Surcharges and Taxes			-	-	-	-	-	-	-
Sales of Goods and Rendering of Services	83,673	139,226	86,171	119,765	131,390	131,390	113,250	84,891	48,712
Fuel Levy	-	-	-	-	-	-	-	-	-
Total 'Other' Revenue	83,673	139,226	96,156	126,909	138,535	138,535	121,898	93,814	57,920

Supporting detail to budgeted financial performance (Continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	368,000	382,572	290,839	290,769	298,573	298,573	316,896	335,697	355,617
Pension and UIF Contributions			42,603	48,870	49,249	49,249	52,863	56,007	59,363
Medical Aid Contributions			13,951	17,876	17,905	17,905	17,116	18,143	19,271
Overtime			341	317	29,250	29,250	29,501	31,359	33,335
Performance Bonus			19,229	22,518	22,016	22,016	23,967	25,459	27,045
Motor Vehicle Allowance			8,115	8,255	8,515	8,515	8,321	8,324	8,327
Cellphone Allowance			2,150	2,465	2,498	2,498	2,364	2,364	2,364
Housing Allowances			2,741	2,674	2,701	2,701	1,829	1,829	1,910
Other benefits and allowances			52,802	55,621	27,550	27,550	29,730	31,173	33,000
Payments in lieu of leave			–	–	–	–	–	–	–
Long service awards			3,047	3,230	3,658	3,658	3,945	3,310	3,739
Post-retirement benefit obligations			2,057	11,208	16,272	16,272	17,946	8,956	7,764
sub-total	368,000	382,572	437,874	463,804	478,188	478,188	504,478	522,622	551,734
Less: Employees costs capitalised to PPE	–	–	–	–	–	–	–	–	–
Total Employee related costs	368,000	382,572	437,874	463,804	478,188	478,188	504,478	522,622	551,734
Contributions recognised - capital									
List contributions by contract			8,465	14,243	3,597	3,597	12,662	–	–
Total Contributions recognised - capital	–	–	8,465	14,243	3,597	3,597	12,662	–	–
Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	131,114	132,740	136,560	145,272	145,272	145,272	146,196	145,265	147,824
Lease amortisation				390	390	390	400	420	451
Capital asset impairment		1,835	3,550	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	131,114	134,574	140,110	145,663	145,663	145,663	146,596	145,685	148,275
Bulk purchases									
Electricity Bulk Purchases	242,614	278,548	298,272	353,707	353,707	353,707	384,161	417,237	453,161
Water Bulk Purchases	–	–	–	–	–	–	–	–	–
Total bulk purchases	242,614	278,548	298,272	353,707	353,707	353,707	384,161	417,237	453,161
Transfers and grants									
Cash transfers and grants	486	560	8,710	12,324	12,774	12,774	13,057	13,060	13,582
Non-cash transfers and grants	–	–	–	–	–	–	–	–	–
Total transfers and grants	486	560	8,710	12,324	12,774	12,774	13,057	13,060	13,582
Contracted services									
Outsourced Services			87,046	107,372	106,201	106,201	119,205	123,861	130,807
Consultants and Professional Services			26,274	38,471	41,210	41,210	45,868	43,228	45,159
Contractors	186,336	178,363	94,775	101,496	103,922	103,922	104,857	112,126	117,257
sub-total	186,336	178,363	208,095	247,340	251,333	251,333	269,929	279,215	293,223
Allocations to organs of state:									
Electricity	–	–	–	–	–	–	–	–	–
Water	–	–	–	–	–	–	–	–	–
Sanitation	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total contracted services	186,336	178,363	208,095	247,340	251,333	251,333	269,929	279,215	293,223

Supporting detail to budgeted financial performance (Continued)

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Other Expenditure By Type									
Collection costs				6,642	6,642	6,642	7,041	7,463	7,911
Contributions to 'other' provisions				10,200	16,936	16,936	12,515	8,330	8,276
Audit fees				5,561	5,561	5,561	5,561	5,561	5,561
General expenses	71,333	91,133	110,254						
Operating Leases		105	113	1,611	1,084	1,084	281	308	321
Operational Cost				117,606	121,373	121,373	125,260	115,625	99,388
Statutory Payments other than Income Taxes			-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-
Total 'Other' Expenditure	71,333	91,238	110,367	141,620	151,597	151,597	150,658	137,287	121,456
by Expenditure Item									
Employee related costs	89,415	95,484	101,119	126,792	122,805	122,805	125,413	133,068	141,287
Other materials	17,594	18,615	19,462	20,700	24,260	24,260	25,392	26,801	29,219
Contracted Services	85,762	58,168	80,996	95,771	100,297	100,297	104,388	109,469	114,854
Other Expenditure	22,253	15,250	9,324	10,971	11,079	11,079	12,751	13,262	13,806
Total Repairs and Maintenance Expenditure	215,024	188,517	210,901	254,233	258,441	258,441	267,944	282,599	299,166
Inventory Consumed									
Inventory Consumed - Water	(134)	(142)	(206)	(205)	(205)	(205)	(204)	(203)	(202)
Inventory Consumed - Other	(5,754,408)	(5,975,058)	(6,217,806)	(6,563,310)	(6,522,274)	(6,522,274)	(6,766,408)	(6,877,823)	(6,986,402)
Total Inventory Consumed & Other Material	(5,754,542)	(5,975,200)	(6,218,012)	(6,563,515)	(6,522,479)	(6,522,479)	(6,766,612)	(6,878,026)	(6,986,604)

Table 63 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

Description R thousand	Vote 1 - Council & Mayor's Office	Vote 2 - Municipal Manager & Internal Audit	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Infrastructure & Planning	Vote 6 - Protection Services	Vote 7 - Economic and Social Development & Tourism	Vote 8 - Community Services	Vote 9 - Costing Services	Vote 10 - Main Ledger Services	Total
Revenue By Source											
Property rates	–	–	–	287,941	–	–	–	–	–	–	287,941
Service charges - electricity revenue	–	–	–	711	540,981	–	–	–	–	–	541,692
Service charges - water revenue	–	–	–	16	–	–	–	138,122	–	–	138,138
Service charges - sanitation revenue	–	–	–	–	–	0	–	90,962	–	–	90,962
Service charges - refuse revenue	–	–	–	–	–	–	–	78,850	–	–	78,850
Rental of facilities and equipment	–	–	–	–	0	–	68	4,505	–	–	4,573
Interest earned - external investments	–	–	–	24,871	–	–	–	–	–	–	24,871
Interest earned - outstanding debtors	–	–	–	3,981	–	–	–	0	–	–	3,982
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	0	–	–	0	76	20,168	–	100	–	–	20,344
Licences and permits	–	–	–	–	–	2,045	–	591	–	–	2,636
Agency services	–	–	–	–	–	7,838	–	20	–	–	7,858
Other revenue	116	–	869	8,366	112,414	566	0	7,793	–	–	130,123
Transfers and subsidies	50,196	–	–	1,550	42,990	5,378	2,743	63,327	–	–	166,184
Gains	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributi	**50,312**	**–**	**869**	**327,436**	**696,461**	**35,995**	**2,811**	**384,269**	**–**	**–**	**1,498,153**
Expenditure By Type											
Employee related costs	22,412	7,081	33,403	53,927	77,048	85,450	13,699	211,458	–	–	504,478
Remuneration of councillors	12,335	–	–	–	–	–	–	–	–	–	12,335
Debt impairment	–	–	–	1,705	956	9,447	–	1,456	–	–	13,564
Depreciation & asset impairment	8	21	2,399	283	30,100	1,637	226	111,922	–	–	146,596
Finance charges	–	–	–	41	15,578	–	–	32,437	–	–	48,056
Bulk purchases	–	–	–	–	384,161	–	–	–	–	–	384,161
Other materials	1,375	59	2,059	484	10,920	2,765	255	34,220	–	–	52,137
Contracted services	223	540	7,721	13,577	132,660	14,771	1,956	98,483	–	–	269,929
Transfers and subsidies	–	–	–	12,557	–	500	–	–	–	–	13,057
Other expenditure	8,240	341	20,308	23,740	83,388	5,163	1,434	8,046	–	–	150,658
Losses	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	**44,592**	**8,042**	**65,889**	**106,313**	**734,810**	**119,732**	**17,570**	**498,023**	**–**	**–**	**1,594,971**
Surplus/(Deficit)	**5,719**	**(8,042)**	**(65,021)**	**221,123**	**(38,349)**	**(83,737)**	**(14,759)**	**(113,754)**	**–**	**–**	**(96,819)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	21,419	–	–	50,836	–	–	72,254
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	–	–	12,662	–	–	–	–	–	12,662
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**5,719**	**(8,042)**	**(65,021)**	**221,123**	**(4,268)**	**(83,737)**	**(14,759)**	**(62,918)**	**–**	**–**	**(11,902)**

Table 64 MBRR Table SA3 – Supporting detail to Statement of Financial Position

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS									
Call investment deposits									
Call deposits	409,200	510,243	410,241	400,000	400,000	400,000	400,000	400,000	400,000
Other current investments	–	–	–	–	–	–	–	–	–
Total Call investment deposits	409,200	510,243	410,241	400,000	400,000	400,000	400,000	400,000	400,000
Consumer debtors									
Consumer debtors	100,108	128,986	128,345	126,617	126,617	126,617	138,648	151,823	165,591
Less: Provision for debt impairment	(26,108)	(40,486)	(44,499)	(42,141)	(42,141)	(42,141)	(46,258)	(50,416)	(54,616)
Total Consumer debtors	74,000	88,500	83,846	84,475	84,475	84,475	92,390	101,407	110,975
Debt impairment provision									
Balance at the beginning of the year	(21,774)	(26,108)	(40,486)	(40,641)	(40,641)	(40,641)	(42,141)	(46,258)	(50,416)
Contributions to the provision	(4,334)	(14,378)	(4,012)	(1,500)	(1,500)	(1,500)	(4,117)	(4,158)	(4,200)
Bad debts written off	–	–	–	–	–	–	–	–	–
Balance at end of year	(26,108)	(40,486)	(44,499)	(42,141)	(42,141)	(42,141)	(46,258)	(50,416)	(54,616)
Inventory									
Water									
Opening Balance	128	134	142	205	205	205	205	204	203
System Input Volume	6	8	63	(1)	11,116	11,116	11,398	11,681	11,973
Water Treatment Works	6	8	63	(1)	(1)	(1)	(1)	(1)	(1)
Bulk Purchases	–	–	–	–	–	–	–	–	–
Natural Sources	–	–	–	–	11,119	11,119	11,397	11,682	11,974
Authorised Consumption	–	–	–	–	(8,785)	(8,785)	(9,004)	(9,230)	(9,460)
Billed Authorised Consumption	–	–	–	–	(8,593)	(8,593)	(8,808)	(9,028)	(9,254)
Billed Metered Consumption	–	–	–	–	(8,593)	(8,593)	(8,808)	(9,028)	(9,254)
Free Basic Water	–	–	–	–	–	–	–	–	–
Subsidised Water	–	–	–	–	–	–	–	–	–
Revenue Water	–	–	–	–	(8,593)	(8,593)	(8,808)	(9,028)	(9,254)
Billed Unmetered Consumption	–	–	–	–	–	–	–	–	–
UnBilled Authorised Consumption	–	–	–	–	(192)	(192)	(197)	(202)	(207)
Unbilled Metered Consumption	–	–	–	–	–	–	–	–	–
Unbilled Unmetered Consumption	–	–	–	–	(192)	(192)	(197)	(202)	(207)
Water Losses	–	–	–	–	(2,334)	(2,334)	(2,392)	(2,452)	(2,513)
Apparent losses	–	–	–	–	(2,334)	(2,334)	(2,392)	(2,452)	(2,513)
Unauthorised Consumption	–	–	–	–	(2,334)	(2,334)	(2,392)	(2,452)	(2,513)
Customer Meter Inaccuracies	–	–	–	–	–	–	–	–	–
Real losses	–	–	–	–	–	–	–	–	–
Non-revenue Water	–	–	–	–	(2,526)	(2,526)	(2,589)	(2,654)	(2,720)
Closing Balance Water	134	142	205	205	205	205	204	203	202
Agricultural									
Closing balance - Agricultural	–	–	–	–	–	–	–	–	–
Consumables									
Standard Rated									
Opening Balance	7,322	9,591	8,782	8,899	8,899	8,899	7,938	8,188	8,471
Acquisitions	13,594	15,894	14,090	16,900	15,900	15,900	15,900	15,900	16,900
Issues	(11,320)	(16,704)	(13,498)	(16,861)	(16,861)	(16,861)	(15,650)	(15,617)	(16,673)
Adjustments	(2)	–	–	–	–	–	–	–	–
Write-offs	(3)	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated	9,591	8,782	9,374	7,938	7,938	7,938	8,188	8,471	8,698
Land									
Opening Balance	6,304	6,304	1,295	3,157	3,157	3,157	2,517	2,517	2,517
Acquisitions	–	–	1,862	–	–	–	–	–	–
Sales	–	(197)	–	–	–	–	–	–	–
Adjustments	–	(4,812)	–	(640)	(640)	(640)	–	–	–
Correction of Prior period errors	–	–	–	–	–	–	–	–	–
Closing Balance - Land	6,304	1,295	3,157	2,517	2,517	2,517	2,517	2,517	2,517
Closing Balance - Inventory & Consumables	16,029	10,219	12,736	10,659	10,659	10,659	10,908	11,190	11,416
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)	5,680,408	5,886,648	6,133,950	6,478,835	6,437,799	6,437,799	6,673,818	6,776,416	6,876,427
Leases recognised as PPE	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation	(2,274,979)	(2,400,708)	(2,534,142)	(2,706,758)	(2,706,758)	(2,706,758)	(2,852,954)	(2,998,219)	(3,146,043)
Total Property, plant and equipment (PPE)	3,405,429	3,485,940	3,599,808	3,772,076	3,731,041	3,731,041	3,820,865	3,778,197	3,729,384
LIABILITIES									
Current liabilities - Borrowing									
Current portion of long-term liabilities	39,725	45,458	53,957	50,263	50,263	50,263	58,592	51,239	155,011
Total Current liabilities - Borrowing	39,725	45,458	53,957	50,263	50,263	50,263	58,592	51,239	155,011
Trade and other payables									
Trade Payables	97,922	134,818	140,002	190,596	203,369	203,369	173,931	183,303	197,573
Other Creditors	10,041	–	–	–	–	–	–	–	–
Unspent conditional transfers	–	31,133	24,030	–	12,442	12,442	–	–	–
Total Trade and other payables	107,963	165,950	164,032	190,596	215,812	215,812	173,931	183,303	197,573
Non current liabilities - Borrowing									
Borrowing	422,933	431,475	430,400	430,795	430,795	430,795	421,184	419,946	324,935
Total Non current liabilities - Borrowing	422,933	431,475	430,400	430,795	430,795	430,795	421,184	419,946	324,935
Provisions - non-current									
Retirement benefits	108,914	92,961	108,533	110,759	118,853	118,853	130,437	132,502	133,078
List other major provision items									
Refuse landfill site rehabilitation	96,402	99,799	120,446	96,642	126,384	126,384	136,837	137,926	136,498
Other	14,841	17,862	18,831	19,636	19,792	19,792	20,827	21,584	22,647
Total Provisions - non-current	222,157	210,662	247,812	227,039	265,029	265,029	290,101	292,012	292,223
CHANGES IN NET ASSETS									
Accumulated Surplus/(Deficit)									
Accumulated Surplus/(Deficit) - opening balance	3,422,258	3,525,868	3,664,755	3,660,705	3,720,021	3,720,021	3,685,995	3,695,823	3,660,211
GRAP adjustments	(502)	–	–	–	–	–	(220)	–	–
Restated balance	3,421,756	3,525,868	3,664,755	3,660,705	3,720,021	3,720,021	3,685,775	3,695,823	3,660,211
Surplus/(Deficit)	106,525	138,888	30,848	(17,571)	(31,706)	(31,706)	(11,902)	(59,049)	(70,607)
Transfers to/from Reserves	(3)	(0)	(0)	750	750	750	10	10	10
Other adjustments	(0)	0	(0)	33,892	(3,070)	(3,070)	21,941	23,426	25,576
Accumulated Surplus/(Deficit)	3,528,279	3,664,755	3,695,603	3,677,777	3,685,995	3,685,995	3,695,823	3,660,211	3,615,190
Reserves									
Housing Development Fund	3,227	3,227	3,227	3,228	3,228	3,228	3,223	3,218	3,213
Total Reserves	3,227	3,227	3,227	3,228	3,228	3,228	3,223	3,218	3,213
TOTAL COMMUNITY WEALTH/EQUITY	3,531,506	3,667,983	3,698,830	3,681,004	3,689,222	3,689,222	3,699,046	3,663,428	3,618,403

Table 65 MBRR Table SA 9 – Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Demographics											
Population	0	55,012	74,546	80,432	102	105	108	111	114	117	120
Females aged 5 - 14	0	2,770	5,837	5,228	8	8	7	7	7	7	8
Males aged 5 - 14	0	2,816	5,892	5,278	8	8	7	7	7	8	8
Females aged 15 - 34	0	5,561	11,567	13,139	17	17	17	18	18	19	19
Males aged 15 - 34	0	6,029	11,235	13,648	17	17	18	19	19	19	20
Unemployment	0	5,165	8,099	4,237	11	11	6	6	6	6	6
Monthly household income (no. of households)											
No income	0	2,226	770	4,585	6	6	6	6	6	6	7
R1 - R1 600	0	6,149	5,307	5,326	7	7	7	7	7	7	8
R1 601 - R3 200	0	3,742	3,177	4,878	6	6	6	6	7	7	7
R3 201 - R6 400	0	3,344	3,789	4,362	5	6	6	6	6	6	6
R6 401 - R12 800	0	2,303	2,750	3,830	5	5	5	5	5	5	5
R12 801 - R25 600	0	920	1,947	2,896	4	4	4	4	4	4	4
R25 601 - R51 200	0	227	1,066	1,456	2	2	2	2	2	2	2
R52 201 - R102 400	0	77	184	486	1	1	1	1	1	1	1
R102 401 - R204 800	0	44	176	109	0	0	0	0	0	0	0
R204 801 - R409 600	0			61	0	0	0	0	0	0	0
R409 601 - R819 200	0										
> R819 200	0	-	-	-	-	-	-	-	-	-	-
Poverty profiles (no. of households)											
< R2 060 per household per month	0	7,053	9,542	10,295	13,059	13,555	13,799	14,189	14,567	14,948	15,333
	0										
Household/demographics (000)											
Number of people in municipal area	0	55,012	74,546	80,432	102	106	108	111	114	117	120
Number of poor people in municipal area	0	8,904	3,080	18,340	23	24	24	24	25	26	26
Number of households in municipal area	0				31	32	36	37	39	40	41
Number of poor households in municipal area	0	2,226	770	4,585	7	8	8	8	8	8	9
Definition of poor household (R per month)	0										
Housing statistics											
Formal	0	-	-	-	31,162	31,710	31,776	32,204	34,136	36,184	38,355
Informal	0	-	-	-	3,620	3,675	3,779	3,779	4,650	4,900	5,000
Total number of households		-	-	-	34,782	35,385	35,555	35,983	38,786	41,084	43,355
Dwellings provided by municipality	0				171	63	314	300	350	345	300
Dwellings provided by provincials	0										
Dwellings provided by private sector	0										
Total new housing dwellings		-	-	-	171	63	314	300	350	345	300
Economic											
Inflation/inflation outlook (CPIX)					4.7%	4.1%	4.5%	4.5%	4.5%	4.5%	4.5%
Interest rate - borrowing					10.1%	9.8%	10.0%	9.8%	9.5%	10.4%	10.5%
Interest rate - investment					7.8%	6.8%	4.5%	4.5%	5.0%	5.0%	5.0%
Remuneration increases					7.0%	6.5%	6.4%	3.5%	4.9%	4.5%	4.5%
Consumption growth (electricity)					1.0%	2.0%	3.0%	1.0%	1.0%	1.0%	1.0%
Consumption growth (water)					2.4%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%
Collection rates											
Property tax/service charges					98.2%	97.1%	100.4%	99.4%	100.0%	100.0%	100.0%
Rental of facilities & equipment					96.8%	96.1%	97.1%	97.1%	97.1%	97.1%	97.7%
Interest - external investments					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors					98.2%	98.5%	97.1%	97.1%	97.1%	97.1%	97.1%
Revenue from agency services					100.0%	100.0%	97.1%	97.1%	97.1%	97.1%	97.1%

Table 66 MBRR SA11 – Property rates summary

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Valuation:									
Date of valuation:	02/07/2015	02/07/2015	02/07/2015	02/07/2015					
Financial year valuation used	2016/2017	2016/2017	2016/2017	2016/2017			2016/2017		
Municipal by-laws s6 in place? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)	No	No	No	No			No		
No. of assistant valuers (FTE)	2	2	2	2			2		
No. of data collectors (FTE)	6	6	6	6			6		
No. of internal valuers (FTE)	-	-	-	-			-		
No. of external valuers (FTE)	3	3	3	3			3		
No. of additional valuers (FTE)	-	-	-	-			-		
Valuation appeal board established? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)	48	36	24	12			60		
No. of properties	42,823	42,895	43,170	43,655			43,655		
No. of sectional title values	2,560	2,210	2,577	2,752			2,752		
No. of unreasonably difficult properties s7(2)	-	-	-	-			-		
No. of supplementary valuations	1	2	2	1			1		
No. of valuation roll amendments	27	10	10	-			-		
No. of objections by rate payers	11	14	14	-			-		
No. of appeals by rate payers	2	12	12	–			-		
No. of successful objections	11	14	14	5			-		
No. of successful objections > 10%	1	1	1	-			-		
Supplementary valuation	2,566	3,099	1,987	2,552			2,552		
Public service infrastructure value (Rm)	84	92	77	289			306		
Municipality owned property value (Rm)	924	894	902	876			928		
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	84	92	770	289	289	289	306	324	344
Valuation reductions-nature reserves/park (Rm)	358	339	359	411	411	411	436	462	490
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	476	475	476	477	477	477	505	536	568
Valuation reductions-public worship (Rm)	175	183	192	183	183	183	194	206	218
Valuation reductions-other (Rm)	2,860	1,107	1,103	1,103	1,103	1,103	1,169	1,239	1,314
Total valuation reductions:	3,953	2,196	2,900	2,462	2,462	2,462	2,610	2,767	2,933
Total value used for rating (Rm)	46,907	48,668	50,432	50,077	50,077	50,077	53,082	56,267	59,643
Total land value (Rm)	22,595	23,042	23,241	23,037	23,037	23,037	24,419	25,884	27,437
Total value of improvements (Rm)	27,770	28,743	28,930	29,338	29,338	29,338	31,099	32,965	34,942
Total market value (Rm)	50,364	51,785	52,171	52,375	52,375	52,375	53,458	56,666	60,066
Rating:									
Residential rate used to determine rate for other categories? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)	No	No	No	No	No	No	No	No	No
Special rating area used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)	No	No	No	No	No	No	No	No	No
Rates policy accompanying budget? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)									
Non-residential prescribed ratio s19? (%)									
Rate revenue:									
Rate revenue budget (R '000)	233,034	243,999	261,559	263,562	263,562	263,562	275,384	287,776	300,726
Rate revenue expected to collect (R'000)	233,034	243,999	261,559	263,562	263,562	263,562	275,384	287,776	300,726
Expected cash collection rate (%)	98.2%	97.1%	100.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	8,047		8,309	12,074	12,074	12,074	12,590	13,157	13,750
Rebates, exemptions - indigent (R'000)	–	–	–	–	–	–	–	–	–
Rebates, exemptions - pensioners (R'000)	–	–	–	–	–	–	–	–	–
Rebates, exemptions - bona fide farm. (R'000)	–	–	–	–	–	–	–	–	–
Rebates, exemptions - other (R'000)	–	–	–	–	–	–	–	–	–
Phase-in reductions/discounts (R'000)	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)	–	–	–	–	–	–	–	–	–

Table 67 MBRR SA12a – Property rates by category (current year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monumts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Current Year 2021/22																						
Valuation:																						
No. of properties	37,394	-	1,139	120	352	2,043	786	-	-	-	-	-	175	-	105	-	-	-	-	-	-	42
No. of sectional title property values	2,616	-	135	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	-	-	-	-	-	0
Supplementary valuation (Rm)	TOTAL 2549																-	-	-	-	-	-
No. of valuation roll amendments	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	-	-	-	-	-	0
No. of objections by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued	100TOTAL																-	-	-	-	-	-
Years since last valuation (select)	6	6	6	6	6	6	6	6	6	6	6	3	6	6	6	6						
Frequency of valuation (select)	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7						
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market						
Base of valuation (select)	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr						
Phasing-in properties s21 (number)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes						
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No						
Is balance rated by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable						
Valuation reductions:																						
Valuation reductions-public infrastructure (Rm)	-					-	289	-	-	-	-	-	-	-		-	-	-	-	-	-	288,537
Valuation reductions-nature reserves/park (Rm)	-					-	-	-	-	-	-	-	411	-		-	-	-	-	-	-	411,026
Valuation reductions-mineral rights (Rm)	-					-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	477	-	-			-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	476,682
Valuation reductions-public worship (Rm)	-	-	-			-	-	-	-	-	-	-	-	-	183	-	-	-	-	-	-	182,979
Valuation reductions-other (Rm)	1,103	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,103,120
Total valuation reductions:																						
Total value used for rating (Rm)	44,837	-	3,884	345	476	876	81	-	-	-	-	-	411	-	183	-	-	-	-	-	-	51,092,811
Total land value (Rm)	19,636	-	1,454	262	239	623	73	-	-	-	-	-	307	-	73	-	-	-	-	-	-	22,665,110
Total value of improvements (Rm)	25,201	-	2,431	83	237	253	8	-	-	-	-	-	104	-	110	-	-	-	-	-	-	28,427,501
Total market value (Rm)	44,837	-	3,884	345	476	623	81	-	-	-	-	-	411	-	183	-	-	-	-	-	-	50,839,951
Rating:																						
Average rate	0.006200		0.009390	0.001550	0.009390				0.006200								-	-	-	-	-	
Rate revenue budget (R '000)	217,360		42,328	723	3,151												-	-	-	-	-	263,562
Rate revenue expected to collect (R'000)	217,360		42,328	723	3,151												-	-	-	-	-	263,562
Expected cash collection rate (%)	100.0%		100.0%	100.0%	100.0%												0.0%	0.0%	0.0%	0.0%	0.0%	0
Special rating areas (R'000)	10,050		1,854	32	138													-				12,074
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,reductns,discs (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Table 68 MBRR SA12b – Property rates by category (budget year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monumts	Public benefit orgnms.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Budget Year 2022/23																						
Valuation:																						
No. of properties	38,327		1,136	120	352	2,043	786	-	-	-	-	-	175	-	105	-	-	-	-	-	-	43
No. of sectional title property values	2,321		430			-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	3
No. of unreasonably difficult properties s7(2)	-		-	-		-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
No. of supplementary valuations	-					-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
Supplementary valuation (Rm)	-					-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
No. of valuation roll amendments	-					-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
No. of objections by rate-payers	-		-	-		-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
No. of appeals by rate-payers	-					-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
No. of appeals by rate-payers finalised	-					-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
No. of successful objections	-					-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
No. of successful objections > 10%	-		-			-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
Estimated no. of properties not valued	100 TOTAL																	-		-	-	-
Years since last valuation (select)	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6						
Frequency of valuation (select)	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7						
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market						
Base of valuation (select)	Land & impr.	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr.	Land & impr.	Land & impr	Land & impr.	Land & impr	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr	Land & impr.						
Phasing-in properties s21 (number)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes						
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No						
Is balance rated by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable						
Valuation reductions:																						
Valuation reductions-public infrastructure (Rm)	-					306	-	-	-					-		-	-	-		-	-	305,838
Valuation reductions-nature reserves/park (Rm)	-					-	-	-	-	-			436	-		-	-	-		-	-	435,690
Valuation reductions-mineral rights (Rm)	-					-	-	-	-					-		-	-	-		-	-	-
Valuation reductions-R15,000 threshold (Rm)	505	-	-			-	-	-	-					-	-	-	-	-		-	-	505,283
Valuation reductions-public worship (Rm)	-					-	-	-	-					-	194	-	-	-		-	-	193,957
Valuation reductions-other (Rm)	1,169	-	-			-	-	-	-	-	-	-		-	-	-	-	-		-	-	1,169,307
Total valuation reductions:																						
Total value used for rating (Rm)	47,527	-	4,117	365	505	928	86	-	-	-	-	-	436	-	194	-	-	-	-	-	-	54,158,168
Total land value (Rm)	20,814	-	1,541	277	253	661	77	-	-	-	-	-	325	-	77	-	-	-	-	-	-	24,025,017
Total value of improvements (Rm)	26,713	-	2,576	88	252	268	9	-	-	-	-	-	110	-	117	-	-	-	-	-	-	30,133,151
Total market value (Rm)	47,527	-	4,117	365	505	661	86	-	-	-	-	-	436	-	194	-	-	-	-	-	-	53,890,346
Rating:																						
Average rate	0.006570		0.009940	0.001640	0.009940				0.006570									-				
Rate revenue budget (R '000)	226,054		44,021	752	3,277																	274,105
Rate revenue expected to collect (R'000)	226,054		44,021	752	3,277													-				274,105
Expected cash collection rate (%)	100.0%	0.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
Special rating areas (R'000)																		-				-
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,reductns,discs (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Table 69 MBRR SA13a – Service tariffs by category

Description	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
						Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Property rates *(rate in the Rand)*								
Residential properties		0.0054	0.0057	0.0060	0.0062	0.0066	0.0070	0.0074
Residential properties - vacant land		0.0074	0.0078	0.0082	0.0085	0.0090	0.0095	0.0101
Formal/informal settlements								
Small holdings								
Farm properties - used		0.0013	0.0014	0.0015	0.0016	0.0016	0.0017	0.0018
Farm properties - not used								
Industrial properties								
Business and commercial properties		0.0082	0.0086	0.0090	0.0094	0.0099	0.0105	0.0112
Communal land - residential								
Communal land - small holdings								
Communal land - farm property								
Communal land - business and commercial								
Communal land - other								
State-owned properties		0.0082	0.0086	0.0090	0.0094	0.0099	0.0105	0.0111
Municipal properties								
Public service infrastructure								
Privately owned towns serviced by the owner								
State trust land		-	-	-	-	-	-	-
Restitution and redistribution properties		-	-	-	-	-	-	-
Protected areas		-	-	-	-	-	-	-
National monuments properties		-	-	-	-	-	-	-
Exemptions, reductions and rebates *(Rands)*								
Residential properties								
R15 000 threshold rebate		15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate		15,000	15,000	15,000	15,000	15,000	15,000	15,000
Indigent rebate or exemption		220,000	220,000	220,000	220,000	220,000	220,000	220,000
Pensioners/social grants rebate or exemption		220,000	220,000	220,000	220,000	220,000	220,000	220,000
Temporary relief rebate or exemption		40-100%	40-100%	40-100%	40-100%	40-100%	40-100%	40-100%
Bona fide farmers rebate or exemption		75%	75%	75%	75%	75%	75%	75%
Other rebates or exemptions								
Water tariffs								
Domestic								
Basic charge/fixed fee *(Rands/month)*		129	137	143	148	156	165	175
Service point - vacant land *(Rands/month)*		129	137	143	148	156	165	175
Water usage - flat rate tariff *(c/kl)*	0 - 6 kl	502	560	585	608	638	676	717
Water usage - life line tariff	7 - 18 kl	1,085	1,147	1,199	1,247	1,308	1,386	1,470
Water usage - Block 1 (c/kl)	19 - 30 kl	1,761	1,861	1,945	2,023	2,122	2,249	2,384
Water usage - Block 2 (c/kl)	31 - 45 kl	2,711	2,866	2,995	3,115	3,268	3,464	3,672
Water usage - Block 3 (c/kl)	46 - 60 kl	3,521	3,722	3,889	4,045	4,243	4,498	4,767
Water usage - Block 4 (c/kl)	> 60 kl	4,595	4,954	5,187	5,394	5,659	5,997	6,357
Other		-	-	-	-	-	-	-
Waste water tariffs								
Domestic								
Basic charge/fixed fee *(Rands/month)*		115	122	127	132	138	146	155
Service point - vacant land *(Rands/month)*		115	122	127	132	138	146	155
Waste water - flat rate tariff *(c/kl)*		1,296	1,370	1,432	1,489	1,556	1,649	1,748
Volumetric charge - Block 1 (c/kl)	Basic charge	78	82	86	89	93	99	105
Volumetric charge - Block 2 (c/kl)	Service per pump	529	560	585	608	636	674	714
Volumetric charge - Block 3 (c/kl)								
Volumetric charge - Block 4 (c/kl)		-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
Electricity tariffs								
Domestic								
Basic charge/fixed fee *(Rands/month)*		292	335	355	408	439	471	507
Service point - vacant land *(Rands/month)*		292	335	355	408	439	471	507
FBE	(how is this							
Life-line tariff - meter	(describe							
Life-line tariff - prepaid	(describe	107	120	128	146	157	169	182
Flat rate tariff - meter *(c/kwh)*								
Flat rate tariff - prepaid *(c/kwh)*								
Meter - IBT Block 1 (c/kwh)	Credit Meter							
Meter - IBT Block 2 (c/kwh)	0 - 350 kWh	115	129	137	157	168	181	194
Meter - IBT Block 3 (c/kwh)	351 - 600 kWh	168	189	201	230	247	266	286
Meter - IBT Block 4 (c/kwh)	> 600 kWh	206	232	247	283	304	326	351
Meter - IBT Block 5 (c/kwh)	Prepaid Meter							
Prepaid - IBT Block 1 (c/kwh)	0 - 350 kWh	105	119	126	145	155	167	180
Prepaid - IBT Block 2 (c/kwh)	351 - 600 kWh	158	178	189	217	233	250	269
Prepaid - IBT Block 3 (c/kwh)	> 600 kWh	198	223	237	272	292	314	337
Prepaid - IBT Block 4 (c/kwh)		-	-	-	-	-	-	-
Prepaid - IBT Block 5 (c/kwh)		-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
Waste management tariffs								
Domestic								
Street cleaning charge								
Basic charge/fixed fee		164	185	194	202	213	226	240
80l bin - once a week								
250l bin - once a week		164	185	194	202	213	226	240

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Table 70 MBRR SA13b – Service tariffs by category (explanatory)

Description	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
						Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Exemptions, reductions and rebates *(Rands)*		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Water tariffs		129	137	143	148	156	165	175
		129	137	143	148	156	165	175
	0 - 6 kl	502	560	585	608	638	676	717
	7 - 18 kl	1,085	1,147	1,199	1,247	1,308	1,386	1,470
	19 - 30 kl	1,761	1,861	1,945	2,023	2,122	2,249	2,384
	31 - 45 kl	2,711	2,866	2,995	3,115	3,268	3,464	3,672
	46 - 60 kl	3,521	3,722	3,889	4,045	4,243	4,498	4,767
	> 60 kl	4,698	4,964	5,187	5,394	5,658	5,997	6,357
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Waste water tariffs		115	122	127	132	138	146	155
		115	122	127	132	138	146	155
		1,296	1,370	1,432	1,489	1,558	1,649	1,748
	Basic charge pumps	78	82	86	89	93	99	105
	Service per pump	529	560	585	608	636	674	714
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Electricity tariffs								
	Basic charge/fixed fee	292	335	356	408	439	471	507
	Service point - vacant land	292	335	356	408	439	471	507
	Life-line tariff - prepaid flat rate	107	120	128	146	157	169	182
	Credit Meter							
	0 - 350 kWh	115	129	137	157	168	181	194
	351 - 600 kWh	168	189	201	230	247	266	286
	> 600 kWh	206	232	247	283	304	326	351
	Prepaid Meter							
	0 - 350 kWh	106	119	126	145	155	167	180
	351 - 600 kWh	158	178	189	217	233	250	269
	> 600 kWh	198	223	237	272	292	314	337
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-

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Table 71 MBRR SA32 – List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2. R thousand
Outsourcing of sub function water and waste water treatment	Yrs	15	Outsourcing of sub function water and waste water treatme	07 December 2033	1 271 426
Outsourcing of sub function operation of landfil site	Yrs	13	Outsourcing of sub function operation of landfil site	30 November 2032	100 366
Note: Overstrand make use of contractual agreements to support the implementation of core function, but the definition of outsourcing do not apply to the other contracts entered into, due to ownership that is kept within the organisation					

Table 72 MBRR SA38 – Consolidated detailed operational projects

Municipal Vote/Operational project R thousand	Program/Project description	2022/23 Medium Term Revenue & Expenditure Framework Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Vote 1 - Council General				
	Municipal Running Cost	43,242	34,434	34,589
	Typical Workstreams	1,350		
Vote 2 - Municipal Manager				
	Municipal Running Cost	8,042	8,437	8,857
Vote 3 - Management Services				
	Municipal Running Cost	53,948	55,804	58,437
	Repairs & Maintenance	9,477	9,915	10,445
	Typical Workstreams	2,464	2,525	2,508
Vote 4 - Finance				
	Municipal Running Cost	90,500	90,429	95,409
	Repairs & Maintenance	1,707	1,705	1,711
	Typical Workstreams	14,107	14,610	15,132
Vote 5 - Infrastructure & Planning				
	Municipal Running Cost	646,469	686,933	737,449
	Repairs & Maintenance	28,329	28,712	31,187
	Typical Workstreams	60,012	48,672	28,319
Vote 6 - Protection Services				
	Municipal Running Cost	106,504	110,924	116,134
	Repairs & Maintenance	1,426	1,578	1,639
	Typical Workstreams	11,802	10,931	11,198
Vote 7 - Local Economic and Social Develoment & Tourism				
	Municipal Running Cost	12,141	12,695	13,273
	Repairs & Maintenance	403	253	403
	Typical Workstreams	5,026	2,562	2,562
Vote 8 - Community Services				
	Municipal Running Cost	380,332	397,290	413,423
	Repairs & Maintenance	100,039	106,113	111,236
	Typical Workstreams	17,653	16,691	17,414
Parent operational expenditure		1,594,971	1,641,213	1,711,326
Entity Operational expenditure		–	–	–
Total Operational expenditure		1,594,971	1,641,213	1,711,326

Table 73 MBRR SA33 – Contracts having future budgetary implications

Description	Preceding Years	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework			Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Total Contract Value
R thousand	Total	Original Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Expenditure Obligation By Contract													
Contract 1: SC1890/2018: WATER & WASTE WATER TREATMENT OPERATIONS MANAGEMENT CONTRACT.	90 960	55 958	59 819	65 622	69 499	73 614	77 972	82 586	87 485	92 671	98 163	103 992	958 342
Contract 2. SC1892/2018: THE OPERATION OF THE GANSBAAI LANDFILL SITE, THE STANFORD PUBLIC WASTE DROP-OFF FACILITY, AND THE PEARLY BEACH PUBLIC WASTE DROP-OFF FACILITY	10 254	5 600	5 943	6 324	6 703	7 127	7 588	8 066	8 576	9 035	9 454	9 930	94 599
Contract 3 SC1933/2018: PROVISION FOR BANKING SERVICES	2 780	1 494	1 582	1 675	-	-	-	-	-	-			7 530
Total Operating Expenditure Implication	103 994	63 052	67 344	73 621	76 202	80 741	85 560	90 652	96 061	101 706	107 617	113 922	1 060 471
Total Parent Expenditure Implication	**103 994**	**63 052**	**67 344**	**73 621**	**76 202**	**80 741**	**85 560**	**90 652**	**96 061**	**101 706**	**107 617**	**113 922**	1 060 471

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2.15 Municipal manager's quality certificate

I, DGI O'Neill, municipal manager of Overstrand Municipality, hereby certify that the Final Budget for the 2022/2023 MTREF and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the draft annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: DGI O'Neill

Municipal manager of Overstrand Municipality (WC032)

Signature: _____

Date: 23|05|2022

ANNEXURE A

PROPOSED AMENDMENTS TO DRAFT BUDGET

PROPOSED 2022/2023 FINAL BUDGET CHANGES

OPEX

				Draft 2022/2023	Draft 2023/2024	Draft 2024/2025	Change 2022/2023	Change 2023/2024	Change 2024/2025	Final 2022/2023	Final 2023/2024	Final 2024/2025	Comments
1	**COUNCIL & MAYOR'S OFFICE**												
2	Expenditure : Remuneration of Councillors : Executive Mayor : Allowances and Service Related B	Mayors Office		899 592	940 068	982 380	26 994	28 215	29 475	926 586	968 283	1 011 856	Amendment to Upper limits of councillors remuneration
3	Expenditure : Remuneration of Councillors : Deputy Executive Mayor : Allowances and Service R	Council's General		719 676	752 064	785 904	21 594	22 564	23 582	741 270	774 628	809 486	Amendment to Upper limits of councillors remuneration
4	Expenditure : Remuneration of Councillors : Executive Committee : Allowances and Service Relat	Council's General		3373500	3 525 300	3 683 940	-593 733	-620 443	-648 365	2 779 767	2 904 857	3 035 575	Amendment to Upper limits of councillors remuneration
5	Expenditure : Remuneration of Councillors : Speaker : Allowances and Service Related Benefits :	Council's General		719 676	752 064	785 904	21 594	22 563	23 579	741 270	774 627	809 483	Amendment to Upper limits of councillors remuneration
6	Expenditure : Remuneration of Councillors : Total for All Other Councillors : Allowances and Servi	Council's General		5 488 748	5 736 792	5 994 948	457 936	476 837	500 071	5 947 683	6 215 329	6 495 019	Amendment to Upper limits of councillors remuneration
7				11 202 192	11 706 288	12 233 076	-65 616	-68 585	-71 657	11 139 576	11 637 723	12 161 419	
8													
9	**MM & INTERNAL AUDITA RISK MANAGEMENT**												
10	Expenditure : Contracted Services : Consultants and Professional Services : Business and Advise	Risk Management		150 000	150 000	150 000	-50 000	-50 000	-50 000	100 000	100 000	100 000	Re-allocations within department
11	Expenditure : Operational Cost : Registration Fees : Seminars, Conferences, Workshops and Eve	Risk Management		5 000	5 000	5 000	50 000	50 000	50 000	55 000	55 000	55 000	Re-allocations within department
12				155 000	155 000	155 000	0	0	0	155 000	155 000	155 000	
13													
14	**INFRASTRUCTURE & PLANNING**												
15	Outsourced Sewerage Services (Water)	Dep Director: Engineerig Services		49 697 000	53 494 000	57 193 000	3 200 000	3 200 000	3 200 000	52 897 000	56 694 000	60 393 000	Large increase in water treatment chemical prices -- refer to Annexure A
16	Mini Dumping Sites	Solid Waste Disp: Overstrand		14 911 000	15 656 000	16 439 000	-190 000	-200 000	-210 000	14 721 000	15 456 000	16 229 000	Reduction to allow for new vote for security measures
17	Safeguard & Security	Solid Waste Disp: Overstrand		0	0	0	190 000	200 000	210 000	190 000	200 000	210 000	New vote for additional security measures
18	Expenditure : Contracted Services : Consultants and Professional Services : Business and Advise	Building Control Services		65 000			-8 000	0	0	57 000			Re-allocations within department
19	Expenditure : Operational Cost : Advertising, Publicity and Marketing : Corporate and Municipal A	Building Control Services		0			8 000	0	0	8 000			New bikey to be created
20	Employee Related Cost:Municipal Staff:Salaries, Wages and Allowances:Basic Salary and Wages	Engineering Services		1 000 000	1 200 000	1 272 000	125 696			1 125 696	1 200 000	1 272 000	Re-allocation of MIG
21	Expenditure : Operational Cost : Assets less than the Capitalisation Threshold	Engineering Services		0			18 000			18 000			Re-allocation of MIG
22	Expenditure : Operational Cost : Cost relating to the Sale of Houses	Overstrand Housing		71 955 000			-14 241 082			57 713 918			PT 2022/23 financial year Housing Funds to be spent in 2021/22 Mun Fin year
23				137 628 000	70 380 000	74 904 000	-10 897 388	3 200 000	3 200 000	126 730 614	73 550 000	78 104 000	
24													
25	**Eskom Bulk Purchases**												
26	Expenditure:Bulk Purchases:Electricity:ESKOM	Elect(Purch/Sales): Klelnmond		38 294 627	42 641 067	47 480 828	-942 320	-2 072 726	-3 419 553	37 352 307	40 568 341	44 061 275	Adjustment to Electricity Bulk Purchases: Eskom according to Nersa Municipal Guideline 8.61%
27	Expenditure:Bulk Purchases:Electricity:ESKOM	Elect(Purch/Sales): Hermanus		232 726 980	259 141 492	288 554 051	-5 726 735	-12 596 528	-20 781 564	227 000 245	246 544 966	267 772 487	Adjustment to Electricity Bulk Purchases: Eskom according to Nersa Municipal Guideline 8.61%
28	Expenditure:Bulk Purchases:Electricity:ESKOM	Elect(Purch/Sales): Stanford		12 994 232	14 469 077	16 111 316	-319 750	-793 323	-1 160 332	12 674 482	13 765 755	14 950 985	Adjustment to Electricity Bulk Purchases: Eskom according to Nersa Municipal Guideline 8.61%
29	Expenditure:Bulk Purchases:Electricity:ESKOM	Elect(Purch/Sales): Gansbaai		109 787 996	122 248 933	136 124 187	-2 701 564	-5 942 359	-8 803 617	107 086 432	116 306 574	129 320 570	Adjustment to Electricity Bulk Purchases: Eskom according to Nersa Municipal Guideline 8.61%
30	Expenditure:Bulk Purchases:Electricity:Self Generation	Elect(Purch/Sales): Hermanus		48 688	54 214	60 367	-1 198	-2 635	-4 348	47 490	51 579	56 020	Adjustment to Electricity Bulk Purchases: Eskom according to Nersa Municipal Guideline 8.61%
31				393 852 522	438 554 783	488 330 751	-9 691 568	-21 317 569	-35 169 413	384 160 955	417 237 214	453 161 338	
32													
33	**PROTECTION SERVICES**												
34	Grant in Aid	Law Enforcement		0			600 000	0	0	600 000			Grant in Aid- Animal Welfare BARKR100k,HAWSR200k,SWAS R100k,KAWS R100k
35	Expenditure : Inventory Consumed : Materials and Supplies	Disaster Management		0			1 500 000	0	0	1 500 000			Allocation for Disaster Management
36				0	0	0	2 000 000	0	0	2 000 000	0	0	
37													
38	**COMMUNITY SERVICES**												
39	Expenditure : Operating Leases : Community Assets	Director: Community Services		16 416			0			16 416			Re-allocation within the CDW Grant
40	Expenditure : Operational Cost : Communication : Telephone, Fax, Telegraph and Telex	Director: Community Services		3 504			-3 504			0			Re-allocation within the CDW Grant
41	Expenditure : Inventory Consumed : Materials and Supplies	Director: Community Services		55 080			-18 196			36 884			Re-allocation within the CDW Grant
42	Expenditure:Operational Cost:Advertising, Publicity and Marketing:Corporate and Municipal Activi	Director: Community Services		0			21 700			21 700			Re-allocation within the CDW Grant
43	Expenditure : Operating Leases : Community Assets	Director: Community Services		14 308			-14 308			0			Re-allocation within Community services Dept
44	Expenditure : Operational Cost : Advertising, Publicity and Marketing : Corporate and Municipal A	Director: Community Services		0			14 308			14 308			New bikey to be created
45	Expenditure : Operational Cost : Travel and Subsistence : Domestic : Food and Beverage (Server	Director: Community Services		11 972			-790			11 182			Re-allocation within Community services Dept
46	Expenditure : Contracted Services : Contractors : Plants, Flowers and Other Decorations	Director: Community Services		1 210			790			2 000			Re-allocation within Community services Dept
47				102 490	0	0	0	0	0	102 490	0	0	
48													
49	**FINANCE**												
50	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Finance: Deputy Director	TWS-SAL-FMG GRANT IN	966 851			-476 851	0	0	490 000			Re-allocation of FMG Grant as per Support Plan
51	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Finance: Deputy Director	TWS-SAL-FMG GRANT-EI	571 715			-81 715	0	0	490 000			Re-allocation of FMG Grant as per Support Plan
52	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Insu	Finance: Deputy Director	TWS-SAL-FMG GRANT-EI	5 717			-717	0	0	5 000			Re-allocation of FMG Grant as per Support Plan
53	Expenditure : Operational Cost : Skills Development Fund Levy	Finance: Deputy Director	TWS-SAL-FMG GRANT-EI	5 717			-717	0	0	5 000			Re-allocation of FMG Grant as per Support Plan
54	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Insu	Finance: Deputy Director	TWS-SAL-FMG GRANT IN	0			5 000	0	0	5 000			Re-allocation of FMG Grant as per Support Plan
55	Expenditure : Operational Cost : Skills Development Fund Levy	Finance: Deputy Director	TWS-SAL-FMG GRANT IN	0			5 000	0	0	5 000			Re-allocation of FMG Grant as per Support Plan
56	Expenditure:Operational Cost:External Computer Service:Specialised Computer Service	Finance: Deputy Director	TWS-SAL-FMG GRANT-EI	0			550 000	0	0	550 000			Re-allocation of FMG Grant as per Support Plan
57				1 550 000	0	0	0	0	0	1 550 000	0	0	
58													
59	**SAVINGS ON SALARY BUDGET- TEMPS**												
60	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Area Manager: Stanford	TWS-SAL-TEMPS	57 300			-3 581			53 719			Cut Back on Temporary Staff Salaries
61	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Operational Manager: Kleinmond	TWS-SAL-TEMPS	75 000			-12 275			62 725			Cut Back on Temporary Staff Salaries
62	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Streets: Hermanus	TWS-SAL-TEMPS	550 992			-90 205			460 787			Cut Back on Temporary Staff Salaries
63	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Streets: Gansbaai	TWS-SAL-TEMPS	75 000			-12 275			62 725			Cut Back on Temporary Staff Salaries
64	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Parks & Townlands: Kleinmond	TWS-SAL-TEMPS	723 000			-118 375			604 625			Cut Back on Temporary Staff Salaries
65	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Community Buildings: Gansbaai	TWS-SAL-TEMPS	229 200			-37 523			191 677			Cut Back on Temporary Staff Salaries
66	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Sportgrounds: Gansbaai	TWS-SAL-TEMPS	304 200			-49 803			254 397			Cut Back on Temporary Staff Salaries
67	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Slipway: Kleinbaai	TWS-SAL-TEMPS	57 300			-9 377			47 923			Cut Back on Temporary Staff Salaries
68	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Caravan Park: Gansbaai	TWS-SAL-TEMPS	57 300			-9 377			47 923			Cut Back on Temporary Staff Salaries
69	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Housing & Social Upliftment	TWS-SAL-TEMPS	429 192			-70 262			358 930			Cut Back on Temporary Staff Salaries
70	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Stormwater: Kleinmond	TWS-SAL-TEMPS	458 400			-75 051			383 349			Cut Back on Temporary Staff Salaries
71	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Sewerage(Distribu): Hermanus	TWS-SAL-TEMPS	171 900			-28 141			143 759			Cut Back on Temporary Staff Salaries
72	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Sewerage(Tankers): Gansbaai	TWS-SAL-TEMPS	936 000			-153 251			782 749			Cut Back on Temporary Staff Salaries
73	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Refuse Removal: Hermanus	TWS-SAL-TEMPS	1 146 000			-187 635			958 365			Cut Back on Temporary Staff Salaries
74	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Refuse Removal: Gansbaai	TWS-SAL-TEMPS	75 000			-12 275			62 725			Cut Back on Temporary Staff Salaries
75	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Library: Gansbaai	SAL-MRC:LIBRARY GANS	114 600			-18 759			95 841			Cut Back on Temporary Staff Salaries
76	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Operational Manager: Hermanus	SAL-MRC:OPERATIONAL	556 920			-95 798			461 122			Cut Back on Temporary Staff Salaries
77	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Town Planning	TWS-SAL-TEMPS	120 000			-19 643			100 357			Cut Back on Temporary Staff Salaries
78	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Building Control Services	TWS-SAL-TEMPS	876 036			-143 430			732 606			Cut Back on Temporary Staff Salaries
79	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Property Administration	TWS-SAL-TEMPS	49 992			-8 174			41 818			Cut Back on Temporary Staff Salaries
80	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Environmental Management Serv	TWS-SAL-TEMPS	277 200			-45 382			231 818			Cut Back on Temporary Staff Salaries
81	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Electricity(Distr): Gansbaai	TWS-SAL-TEMPS	29 796			-4 870			24 926			Cut Back on Temporary Staff Salaries
82	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Traffic	TWS-SAL-TEMPS	1 516 800			-248 323			1 268 477			Cut Back on Temporary Staff Salaries
83	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic :	Law Enforcement	TWS-SAL-TEMPS	560 880			-91 831			469 049			Cut Back on Temporary Staff Salaries

ANNEXURE A|4

				Draft 2022/2023	Draft 2023/2024	Draft 2024/2025	Change 2022/2023	Change 2023/2024	Change 2024/2025	Final 2022/2023	Final 2023/2024	Final 2024/2025	Comments
84	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic ! Fire Brigade		TWS-SAL-TEMPS	2 692 092			-440 789			2 251 303			Cut Back on Temporary Staff Salaries
85	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic ! Tourism		TWS-SAL-TEMPS	250 000			-43 000			207 000			Cut Back on Temporary Staff Salaries
86	Expenditure : Employee Related Cost : Municipal Staff : Salaries, Wages and Allowances : Basic ! Social Development		TWS-SAL-TEMPS	450 000			-77 410			372 590			Cut Back on Temporary Staff Salaries
87													
88	SAVINGS & RE-ALLOCATIONS ON UIF & SKILLS FROM PERM TO TEMP SALARY PROJECTS												
89	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Area Manager: Stanford		TWS-SAL-TEMPS	579			-42			537			Re-allocation of UIF & Skills for Temps
90	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Operational Manager: Kleinmond		TWS-SAL-TEMPS	756			-129			627			Re-allocation of UIF & Skills for Temps
91	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Streets: Hermanus		TWS-SAL-TEMPS	5 516			-908			4 608			Re-allocation of UIF & Skills for Temps
92	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Streets: Gansbaai		TWS-SAL-TEMPS	756			-129			627			Re-allocation of UIF & Skills for Temps
93	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Parks & Townlands: Kleinmond		TWS-SAL-TEMPS	7 236			-1 190			6 046			Re-allocation of UIF & Skills for Temps
94	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Community Buildings: Gansbaai		TWS-SAL-TEMPS	2 298			-381			1 917			Re-allocation of UIF & Skills for Temps
95	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Sportgrounds: Gansbaai		TWS-SAL-TEMPS	3 048			-504			2544			Re-allocation of UIF & Skills for Temps
96	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Slipway: Kleinbaai		TWS-SAL-TEMPS	579			-100			479			Re-allocation of UIF & Skills for Temps
97	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Caravan Park: Gansbaai		TWS-SAL-TEMPS	579			-100			479			Re-allocation of UIF & Skills for Temps
98	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Housing & Social Upliftment		TWS-SAL-TEMPS	4 298			-709			3 589			Re-allocation of UIF & Skills for Temps
99	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Stormwater: Kleinmond		TWS-SAL-TEMPS	4 590			-757			3 833			Re-allocation of UIF & Skills for Temps
100	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Sewerage(Distribu): Hermanus		TWS-SAL-TEMPS	1 725			-288			1 437			Re-allocation of UIF & Skills for Temps
101	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Sewerage(Tankers): Gansbaai		TWS-SAL-TEMPS	9 366			-1 539			7 827			Re-allocation of UIF & Skills for Temps
102	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Refuse Removal: Hermanus		TWS-SAL-TEMPS	11 466			-1 883			9 583			Re-allocation of UIF & Skills for Temps
103	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Refuse Removal: Gansbaai		TWS-SAL-TEMPS	756			-129			627			Re-allocation of UIF & Skills for Temps
104	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Library: Gansbaai		TWS-SAL-TEMPS	1 152			-194			958			Re-allocation of UIF & Skills for Temps
105	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Operational Manager: Hermanus		TWS-SAL-TEMPS	3 080			1 531			4 611			Re-allocation of UIF & Skills for Temps
106	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Town Planning		TWS-SAL-TEMPS	1 206			-203			1 003			Re-allocation of UIF & Skills for Temps
107	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Building Control Services		TWS-SAL-TEMPS	8 766			-1 440			7 326			Re-allocation of UIF & Skills for Temps
108	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Property Administration		TWS-SAL-TEMPS	506			-88			418			Re-allocation of UIF & Skills for Temps
109	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Environmental Management Serv		TWS-SAL-TEMPS	2 778			-460			2 318			Re-allocation of UIF & Skills for Temps
110	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Electricity(Distr): Gansbaai		TWS-SAL-TEMPS	304			-55			249			Re-allocation of UIF & Skills for Temps
111	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Traffic		TWS-SAL-TEMPS	15 204			-2 520			12 684			Re-allocation of UIF & Skills for Temps
112	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Law Enforcement		TWS-SAL-TEMPS	5 614			-924			4 690			Re-allocation of UIF & Skills for Temps
113	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Fire Brigade		TWS-SAL-TEMPS	26 920			-4 407			22 513			Re-allocation of UIF & Skills for Temps
114	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Tourism		TWS-SAL-TEMPS	2 500			-430			2 070			Re-allocation of UIF & Skills for Temps
115	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Social Development		TWS-SAL-TEMPS	4 500			-775			3 725			Re-allocation of UIF & Skills for Temps
116	Expenditure : Operational Cost : Skills Development Fund Levy	Area Manager: Stanford	TWS-SAL-TEMPS	579			-42			537			Re-allocation of UIF & Skills for Temps
117	Expenditure : Operational Cost : Skills Development Fund Levy	Operational Manager: Kleinmond	TWS-SAL-TEMPS	756			-129			627			Re-allocation of UIF & Skills for Temps
118	Expenditure : Operational Cost : Skills Development Fund Levy	Streets: Hermanus	TWS-SAL-TEMPS	5 516			-908			4 608			Re-allocation of UIF & Skills for Temps
119	Expenditure : Operational Cost : Skills Development Fund Levy	Streets: Gansbaai	TWS-SAL-TEMPS	756			-129			627			Re-allocation of UIF & Skills for Temps
120	Expenditure : Operational Cost : Skills Development Fund Levy	Parks & Townlands: Kleinmond	TWS-SAL-TEMPS	7 236			-1 190			6 046			Re-allocation of UIF & Skills for Temps
121	Expenditure : Operational Cost : Skills Development Fund Levy	Community Buildings: Gansbaai	TWS-SAL-TEMPS	2 298			-381			1 917			Re-allocation of UIF & Skills for Temps
122	Expenditure : Operational Cost : Skills Development Fund Levy	Sportgrounds: Gansbaai	TWS-SAL-TEMPS	3 048			-504			2 544			Re-allocation of UIF & Skills for Temps
123	Expenditure : Operational Cost : Skills Development Fund Levy	Slipway: Kleinbaai	TWS-SAL-TEMPS	579			-100			479			Re-allocation of UIF & Skills for Temps
124	Expenditure : Operational Cost : Skills Development Fund Levy	Caravan Park: Gansbaai	TWS-SAL-TEMPS	579			-100			479			Re-allocation of UIF & Skills for Temps
125	Expenditure : Operational Cost : Skills Development Fund Levy	Housing & Social Upliftment	TWS-SAL-TEMPS	4 298			-709			3 589			Re-allocation of UIF & Skills for Temps
126	Expenditure : Operational Cost : Skills Development Fund Levy	Stormwater: Kleinmond	TWS-SAL-TEMPS	4 590			-757			3 833			Re-allocation of UIF & Skills for Temps
127	Expenditure : Operational Cost : Skills Development Fund Levy	Sewerage(Distribu): Hermanus	TWS-SAL-TEMPS	1 725			-288			1 437			Re-allocation of UIF & Skills for Temps
128	Expenditure : Operational Cost : Skills Development Fund Levy	Sewerage(Tankers): Gansbaai	TWS-SAL-TEMPS	9 366			-1 539			7 827			Re-allocation of UIF & Skills for Temps
129	Expenditure : Operational Cost : Skills Development Fund Levy	Refuse Removal: Hermanus	TWS-SAL-TEMPS	11 466			-1 883			9 583			Re-allocation of UIF & Skills for Temps
130	Expenditure : Operational Cost : Skills Development Fund Levy	Refuse Removal: Gansbaai	TWS-SAL-TEMPS	756			-129			627			Re-allocation of UIF & Skills for Temps
131	Expenditure : Operational Cost : Skills Development Fund Levy	Library: Gansbaai	TWS-SAL-TEMPS	1 152			-194			958			Re-allocation of UIF & Skills for Temps
132	Expenditure : Operational Cost : Skills Development Fund Levy	Operational Manager: Hermanus	TWS-SAL-TEMPS	3 080			1 531			4 611			Re-allocation of UIF & Skills for Temps
133	Expenditure : Operational Cost : Skills Development Fund Levy	Town Planning	TWS-SAL-TEMPS	1 206			-203			1 003			Re-allocation of UIF & Skills for Temps
134	Expenditure : Operational Cost : Skills Development Fund Levy	Building Control Services	TWS-SAL-TEMPS	8 766			-1 440			7 326			Re-allocation of UIF & Skills for Temps
135	Expenditure : Operational Cost : Skills Development Fund Levy	Property Administration	TWS-SAL-TEMPS	506			-88			418			Re-allocation of UIF & Skills for Temps
136	Expenditure : Operational Cost : Skills Development Fund Levy	Environmental Management Serv	TWS-SAL-TEMPS	2 778			-460			2 318			Re-allocation of UIF & Skills for Temps
137	Expenditure : Operational Cost : Skills Development Fund Levy	Electricity(Distr): Gansbaai	TWS-SAL-TEMPS	304			-55			249			Re-allocation of UIF & Skills for Temps
138	Expenditure : Operational Cost : Skills Development Fund Levy	Traffic	TWS-SAL-TEMPS	15 204			-2 520			12 684			Re-allocation of UIF & Skills for Temps
139	Expenditure : Operational Cost : Skills Development Fund Levy	Law Enforcement	TWS-SAL-TEMPS	5 614			-924			4 690			Re-allocation of UIF & Skills for Temps
140	Expenditure : Operational Cost : Skills Development Fund Levy	Fire Brigade	TWS-SAL-TEMPS	26 920			-4 407			22 513			Re-allocation of UIF & Skills for Temps
141	Expenditure : Operational Cost : Skills Development Fund Levy	Tourism	TWS-SAL-TEMPS	2 500			-430			2 070			Re-allocation of UIF & Skills for Temps
142	Expenditure : Operational Cost : Skills Development Fund Levy	Social Development	TWS-SAL-TEMPS	4 500			-775			3 725			Re-allocation of UIF & Skills for Temps
143													
144	RE-ALLOCATIONS ON UIF & SKILLS FROM PERM TO SEASONAL SALARY PROJECTS												
145	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Law Enforcement		TWS-SAL-SEASONAL	2 000			0			2 000			Re-allocation of UIF & Skills for Seasonal Workers
146	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Area Manager: Kleinmond		TWS-SAL-SEASONAL	442			0			442			Re-allocation of UIF & Skills for Seasonal Workers
147	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Beaches: Kleinmond		TWS-SAL-SEASONAL	4 768			0			4 768			Re-allocation of UIF & Skills for Seasonal Workers
148	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Beaches: Hermanus		TWS-SAL-SEASONAL	4 161			0			4 161			Re-allocation of UIF & Skills for Seasonal Workers
149	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Beaches: Gansbaai		TWS-SAL-SEASONAL	8 894			0			8 894			Re-allocation of UIF & Skills for Seasonal Workers
150	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Parks & Townlands: Stanford		TWS-SAL-SEASONAL	563			0			563			Re-allocation of UIF & Skills for Seasonal Workers
151	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Swimming Pool: Hawston		TWS-SAL-SEASONAL	901			0			901			Re-allocation of UIF & Skills for Seasonal Workers
152	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Caravan Park: Palmiscamp		TWS-SAL-SEASONAL	2 705			0			2 705			Re-allocation of UIF & Skills for Seasonal Workers
153	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Caravanpark: Kleinmond		TWS-SAL-SEASONAL	1 578			0			1 578			Re-allocation of UIF & Skills for Seasonal Workers
154	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Camping Site: Hawston		TWS-SAL-SEASONAL	1 803			0			1 803			Re-allocation of UIF & Skills for Seasonal Workers
155	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Caravan Park: Onrus		TWS-SAL-SEASONAL	1 803			0			1 803			Re-allocation of UIF & Skills for Seasonal Workers
156	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Caravan Park: Gansbaai		TWS-SAL-SEASONAL	1 127			0			1 127			Re-allocation of UIF & Skills for Seasonal Workers
157	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Water(Distribution): Kleinmon		TWS-SAL-SEASONAL	901			0			901			Re-allocation of UIF & Skills for Seasonal Workers
158	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Sewerage(Tankers): Gansbaai		TWS-SAL-SEASONAL	1 162			0			1 162			Re-allocation of UIF & Skills for Seasonal Workers
159	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Refuse Removal: Kleinmond		TWS-SAL-SEASONAL	4 803			0			4 803			Re-allocation of UIF & Skills for Seasonal Workers
160	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Refuse Removal: Hermanus		TWS-SAL-SEASONAL	4 508			0			4 508			Re-allocation of UIF & Skills for Seasonal Workers
161	Expenditure : Employee Related Cost : Municipal Staff : Social Contributions : Unemployment Ins: Refuse Removal: Gansbaai		TWS-SAL-SEASONAL	1 162			0			1 162			Re-allocation of UIF & Skills for Seasonal Workers
162	Expenditure : Operational Cost : Skills Development Fund Levy	Law Enforcement	TWS-SAL-SEASONAL	2 000			0			2 000			Re-allocation of UIF & Skills for Seasonal Workers
163	Expenditure : Operational Cost : Skills Development Fund Levy	Area Manager: Kleinmond	TWS-SAL-SEASONAL	442			0			442			Re-allocation of UIF & Skills for Seasonal Workers
164	Expenditure : Operational Cost : Skills Development Fund Levy	Beaches: Kleinmond	TWS-SAL-SEASONAL	4 768			0			4 768			Re-allocation of UIF & Skills for Seasonal Workers
165	Expenditure : Operational Cost : Skills Development Fund Levy	Beaches: Hermanus	TWS-SAL-SEASONAL	4 161			0			4 161			Re-allocation of UIF & Skills for Seasonal Workers
166	Expenditure : Operational Cost : Skills Development Fund Levy	Beaches: Gansbaai	TWS-SAL-SEASONAL	8 894			0			8 894			Re-allocation of UIF & Skills for Seasonal Workers
167	Expenditure : Operational Cost : Skills Development Fund Levy	Parks & Townlands: Stanford	TWS-SAL-SEASONAL	563			0			563			Re-allocation of UIF & Skills for Seasonal Workers
168	Expenditure : Operational Cost : Skills Development Fund Levy	Swimming Pool: Hawston	TWS-SAL-SEASONAL	901			0			901			Re-allocation of UIF & Skills for Seasonal Workers
169	Expenditure : Operational Cost : Skills Development Fund Levy	Caravan Park: Palmiscamp	TWS-SAL-SEASONAL	2 705			0			2 705			Re-allocation of UIF & Skills for Seasonal Workers
170	Expenditure : Operational Cost : Skills Development Fund Levy	Caravanpark: Kleinmond	TWS-SAL-SEASONAL	1 578			0			1 578			Re-allocation of UIF & Skills for Seasonal Workers
171	Expenditure : Operational Cost : Skills Development Fund Levy	Camping Site: Hawston	TWS-SAL-SEASONAL	1 803			0			1 803			Re-allocation of UIF & Skills for Seasonal Workers
172	Expenditure : Operational Cost : Skills Development Fund Levy	Caravan Park: Onrus	TWS-SAL-SEASONAL	1 803			0			1 803			Re-allocation of UIF & Skills for Seasonal Workers
173	Expenditure : Operational Cost : Skills Development Fund Levy	Caravan Park: Gansbaai	TWS-SAL-SEASONAL	1 127			0			1 127			Re-allocation of UIF & Skills for Seasonal Workers

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				Draft 2022/2023	Draft 2023/2024	Draft 2024/2025	Change 2022/2023	Change 2023/2024	Change 2024/2025	Final 2022/2023	Final 2023/2024	Final 2024/2025	Comments
174	Expenditure : Operational Cost : Skills Development Fund Levy	Water(Distribution): Kleinmon	TWS-SAL-SEASONAL	901			0			901			Re-allocation of UIF & Skills for Seasonal Workers
175	Expenditure : Operational Cost : Skills Development Fund Levy	Sewerage(Tankers): Gansbaai	TWS-SAL-SEASONAL	1 162			0			1 162			Re-allocation of UIF & Skills for Seasonal Workers
176	Expenditure : Operational Cost : Skills Development Fund Levy	Refuse Removal: Kleinmond	TWS-SAL-SEASONAL	4 803			0			4 803			Re-allocation of UIF & Skills for Seasonal Workers
177	Expenditure : Operational Cost : Skills Development Fund Levy	Refuse Removal: Hermanus	TWS-SAL-SEASONAL	4 508			0			4 508			Re-allocation of UIF & Skills for Seasonal Workers
178	Expenditure : Operational Cost : Skills Development Fund Levy	Refuse Removal: Gansbaai	TWS-SAL-SEASONAL	1 162			0			1 162			Re-allocation of UIF & Skills for Seasonal Workers
				13 178 618	0	0	-2 144 320	0	0	11 034 498	0	0	
180	**ITEM SEGMENT CORRECTIONS**												
181	Expenditure:Contracted Services:Contractors:Pest Control and Fumigation	Building Control Services		0			100			100			Item not budgeted on Draft Budget
182	Expenditure:Operational Cost:Signage	Caravan Park: Onrus		0			100			100			Item not budgeted on Draft Budget
183	Expenditure:Contracted Services:Outsourced Services:Hygiene Services	Caravan Park: Onrus		0			100			100			Item not budgeted on Draft Budget
184	Expenditure:Operational Cost:Communication:Cellular Expenditure	Caravan Park: Onrus		0			100			100			Item not budgeted on Draft Budget
185	Expenditure:Contracted Services:Consultants and Professional Services:Infrastructure and Plann	Community Buildings: Hermanus		0			100			100			Item not budgeted on Draft Budget
186	Expenditure:Contracted Services:Outsourced Services:Hygiene Services	DepDirector: Operational Service		0			100			100			Item not budgeted on Draft Budget
187	Expenditure : Contracted Services : Contractors : Maintenance of Buildings and Facilities	DepDirector: Operational Service		0			100			100			Item not budgeted on Draft Budget
188	Expenditure:Contracted Services:Outsourced Services:Security Services	Engineering Services		0			100			100			Item not budgeted on Draft Budget
189	Expenditure:Contracted Services:Outsourced Services:Hygiene Services	Fleet Management		0			100			100			Item not budgeted on Draft Budget
190	Expenditure:Contracted Services:Contractors:Pest Control and Fumigation	Human Resources		0			100			100			Item not budgeted on Draft Budget
191	Expenditure : Contracted Services : Contractors : Maintenance of Buildings and Facilities	Info & Communication Technolgy		0			100			100			Item not budgeted on Draft Budget
192	Expenditure : Contracted Services : Contractors : Maintenance of Buildings and Facilities	Law Enforcement		0			100			100			Item not budgeted on Draft Budget
193	Expenditure:Operational Cost:Communication:Rent Private Bag and Postal Box	Library: Hermanus		0			100			100			Item not budgeted on Draft Budget
194	Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	Mayors Office		0			100			100			Item not budgeted on Draft Budget
195	Expenditure:Contracted Services:Contractors:Pest Control and Fumigation	Office Buildings: Hermanus		0			100			100			Item not budgeted on Draft Budget
196	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	Parks & Townlands: Gansbaai		0			100			100			Item not budgeted on Draft Budget
197	Expenditure:Operational Cost:Municipal Services	Security Services		0			100			100			Item not budgeted on Draft Budget
198	Expenditure:Operational Cost:Communication:Cellular Expenditure	Security Services		0			100			100			Item not budgeted on Draft Budget
199	Expenditure:Contracted Services:Outsourced Services:Hygiene Services	Social Development		0			100			100			Item not budgeted on Draft Budget
200	Expenditure:Operational Cost:Municipal Services	Sportgrounds: Hermanus		0			100			100			Item not budgeted on Draft Budget
201	Expenditure:Operational Cost:Municipal Services	Tourism		0			100			100			Item not budgeted on Draft Budget
202	Expenditure:Operational Cost:Municipal Services	Slipway: Kleinbaai		0			100			100			Item not budgeted on Draft Budget
203				0	0	0	2 200	0	0	2 200	0	0	
204													
205	**TOTAL EXPENDITURE**			**557 669 022**	**520 766 071**	**575 622 827**	**-20 795 688**	**-18 186 134**	**-32 041 070**	**536 872 334**	**502 579 937**	**543 581 757**	
206													
207	**REVENUE:**												
208	**ADJUSTMENTS TO SERVICE CHARGES**												
209	Revenue : Exchange Revenue : Service Charges : Waste Water Management : Sanitation Charg	Sewerage Income		-89 385 000	-93 229 000	-97 238 000	4 829 000	5 037 000	5 254 000	-84 556 000	-88 192 000	-91 984 000	Sewerage service revenue calculation review
210	Revenue:Exchange Revenue:Service Charges:Electricity:Connection/Reconnection:Connections	Electricity Serv & Connections		-94 000	-103 000	-113 000	3 700	5 000	9 000	-90 300	-97 000	-104 000	Adjustment to Electricity Service Charges according to Nersa Municipal Guideline 7.47%
211	Revenue:Exchange Revenue:Service Charges:Electricity:Electricity Sales:Commercial Conventio	Electricity Income		-11 673 000	-12 840 000	-14 124 000	404 000	729 000	1 103 000	-11 269 000	-12 111 000	-13 016 000	Adjustment to Electricity Service Charges according to Nersa Municipal Guideline 7.47%
212	Revenue:Exchange Revenue:Service Charges:Electricity:Electricity Sales:Commercial Conventio	Electricity Income		-32 201 000	-35 421 000	-38 963 000	1 116 000	2 014 000	3 050 000	-31 085 000	-33 407 000	-35 903 000	Adjustment to Electricity Service Charges according to Nersa Municipal Guideline 7.47%
213	Revenue:Exchange Revenue:Service Charges:Electricity:Electricity Sales:Domestic Low:Prepaid	Electricity Income		-209 000 000	-230 000 000	-253 000 000	6 956 000	12 863 000	19 643 000	-202 044 000	-217 137 000	-233 357 000	Adjustment to Electricity Service Charges according to Nersa Municipal Guideline 7.47%
214	Revenue:Exchange Revenue:Service Charges:Electricity:Electricity Sales:Domestic High:Conven	Electricity Income		-91 239 000	-100 363 000	-110 330 000	3 164 000	5 709 000	8 605 000	-88 075 000	-94 654 000	-101 725 000	Adjustment to Electricity Service Charges according to Nersa Municipal Guideline 7.47%
215	Revenue:Exchange Revenue:Service Charges:Electricity:Electricity Sales:Industrial (400 Volts) (I	Electricity Income		-200 394 000	-220 332 000	-242 365 000	6 948 000	12 436 000	18 939 000	-193 446 000	-207 896 000	-223 426 000	Adjustment to Electricity Service Charges according to Nersa Municipal Guideline 7.47%
216	Revenue:Exchange Revenue:Service Charges:Electricity:Electricity Sales:Street Lighting	Electricity Income		-779 000	-857 000	-943 000	27 000	49 000	74 000	-752 000	-808 000	-869 000	Adjustment to Electricity Service Charges according to Nersa Municipal Guideline 7.47%
217	Revenue:Exchange Revenue:Service Charges:Electricity:Electricity Distribution Revenue for Serv	Electricity Income		-690 000	-979 000	-1 077 000	30 000	55 000	84 000	-660 000	-924 000	-993 000	Adjustment to Electricity Service Charges according to Nersa Municipal Guideline 7.47%
218	Revenue:Exchange Revenue:Service Charges:Electricity:Availability Charges	Electricity Income		-13 137 000	-14 451 000	-15 986 000	455 000	822 000	1 339 000	-12 682 000	-13 629 000	-14 647 000	Adjustment to Electricity Service Charges according to Nersa Municipal Guideline 7.47%
219				**-648 792 000**	**-708 575 000**	**-774 139 000**	**23 932 700**	**39 720 000**	**56 115 000**	**-624 859 300**	**-668 855 000**	**-718 024 000**	
220	**RE-ALLOCATION OF GRANT & OTHER REVENUE**												
221	Non-exchange Revenue:Transfers and Subsidies:Operational:Monetary Allocations:National Gov	Engineering Services		-1 000 000	-1 200 000	-1 272 000	-143 696	0	0	-1 143 696	-1 200 000	-1 272 000	Re-allocation of MIG
222	Non-exchange Revenue:Transfers and Subsidies:Capital:Monetary Allocations:National Governm	Engineering Services		0			-87 704	0	0	-87 704			Re-allocation of MIG
223	Non-exchange Revenue:Transfers and Subsidies:Capital:Monetary Allocations:National Governm	Water Distribution Stanford		-5 615 000			0	0	0	-5 615 000			Re-allocation of MIG
224	Non-exchange Revenue:Transfers and Subsidies:Capital:Monetary Allocations:National Governm	Water Distribution Gansbaai		-7 000 000			0	0	0	-7 000 000			Re-allocation of MIG
225	Non-exchange Revenue:Transfers and Subsidies:Capital:Monetary Allocations:National Governm	Stormwater: Gansbaai			-4 500 000		0	0	0		-4 500 000		Re-allocation of MIG
226	Non-exchange Revenue:Transfers and Subsidies:Capital:Monetary Allocations:National Governm	Stormwater: Kleinmond			-4 000 000		0	0	0		-4 000 000		Re-allocation of MIG
227	Non-exchange Revenue:Transfers and Subsidies:Capital:Monetary Allocations:National Governm	Sewerage Distribution Hermanus				-6 000 000	0	0	0			-6 000 000	Re-allocation of MIG
228	Non-exchange Revenue:Transfers and Subsidies:Capital:Monetary Allocations:National Governm	Streets Gansbaai		-11 013 000	-5 000 000	-6 000 000	431 400	-2 164 400	0	-10 581 600	-7 164 400	-6 000 000	Re-allocation of MIG
229	Non-exchange Revenue:Transfers and Subsidies:Capital:Monetary Allocations:National Governm	Sportsgrounds Hermanus		0	-8 000 000	-12 000 000	-200 000	2 164 400	0	-200 000	-5 835 600	-12 000 000	Re-allocation of MIG
230	Non-exchange Revenue:Transfers and Subsidies:Capital:Monetary Allocations:National Governm	Sportsgrounds Kleinmond			-2 868 000	-1 297 000	0	0	0		-2 868 000	-1 297 000	Re-allocation of MIG
231	Revenue : Non-exchange Revenue : Transfers and Subsidies : Operational : Monetary Allocation	Councils General		-44 891 144	-44 304 233	-34 686 319	-5 304 895	-9 932 695	-25 732 904	-50 196 039	-54 236 928	-60 419 223	Adjust Equitable Share Allocation
232	Revenue : Non-exchange Revenue : Transfers and Subsidies : Operational : Monetary Allocation	Water Income		-14 762 053	-16 890 128	-20 607 729	-1 158 717	-490 444	1 913 063	-15 920 770	-17 380 572	-18 694 666	Adjust Equitable Share Allocation
233	Revenue : Non-exchange Revenue : Transfers and Subsidies : Operational : Monetary Allocation	Sewerage Income		-22 501 514	-25 800 183	-31 542 464	1 800 159	2 969 890	7 691 332	-21 001 355	-22 830 293	-24 451 132	Adjust Equitable Share Allocation
234	Revenue : Non-exchange Revenue : Transfers and Subsidies : Operational : Monetary Allocation	Refuse Income		-19 212 800	-22 046 471	-26 973 072	1 280 903	2 242 706	5 426 282	-17 931 897	-19 803 765	-21 546 790	Adjust Equitable Share Allocation
235	Revenue : Non-exchange Revenue : Transfers and Subsidies : Operational : Monetary Allocation	Electricity Income		-40 528 489	-46 505 984	-56 898 416	3 682 559	5 210 612	11 302 227	-36 845 939	-41 295 472	-45 596 189	Adjust Equitable Share Allocation
236	Revenue : Exchange Revenue : Sales of Goods and Rendering of Services : Construction Contra	Overstrand Housing Development		-111 740 000			16 241 062	0	0	-98 498 918			FY 2022/23 financial year Housing Funds to be spent in 2021/22 Mun Fin year
237	Revenue:Exchange Revenue:Sales of Goods and Rendering of Services:Advertisements	Area Manager: Gansbaai		0			-100	0	0	-100			Item not budgeted on Draft Budget
238	Revenue:Non-exchange Revenue:Fines, Penalties and Forfeits:Forfeits:Unclaimed Money	Council's General		0			-100	0	0	-100			Item not budgeted on Draft Budget
239	Revenue : Exchange Revenue : Sales of Goods and Rendering of Services : Building Plan Appro	Town Planning		-293 000	-306 000	-320 000	293 000	306 000	320 000	0	0	0	Move Budget to relevant Item
240	Revenue:Exchange Revenue:Sales of Goods and Rendering of Services:Advertisements	Town Planning		0	0	0	-293 000	-306 000	-320 000	-293 000	-306 000	-320 000	Move Budget to relevant Item
241	Revenue : Non-exchange Revenue : Transfers and Subsidies : Capital : Monetary Allocations : Pr	Solid Waste Disp: Overstrand		-12 442 378			-220 000			-12 662 378			Roll over Public Contribution Funding
242													
243				-290 999 378	-181 421 000	-197 597 000	15 020 682	0	0	-275 978 496	-181 421 000	-197 597 000	
244													
245	**TOTAL REVENUE**			**-939 791 378**	**-889 996 000**	**-971 736 000**	**38 953 582**	**39 720 000**	**56 115 000**	**-900 837 796**	**-850 276 000**	**-913 621 000**	
246													
247													
248	**BOTTOMLINE ON OPEX**			**-382 122 356**	**-369 229 929**	**-396 113 173**	**18 156 894**	**21 533 867**	**26 073 930**	**-363 965 462**	**-347 696 063**	**-370 039 243**	
249													

SUMMARY OF CHANGES ON 2022- 2023 BUDGET

	DRAFT BUDGET			CHANGE			FINAL BUDGET		
	2022/2023	2023/2024	2024/2025	2022/2023	2023/2024	2024/2025	2022/2023	2023/2024	2024/2025
EXPENDITURE	1 615 768 052	1 659 399 242	1 743 367 107	-20 795 688	-18 186 134	-32 041 070	1 594 971 364	1 641 213 108	1 711 326 037
REVENUE	-1 622 022 925	-1 621 884 446	-1 696 833 947	38 953 582	39 720 000	56 115 000	-1 583 069 343	-1 582 164 446	-1 640 718 947
OPERATIONAL- Surplus/Deficit	-6 254 873	37 514 796	44 533 160	18 156 894	21 533 867	26 073 930	11 902 021	59 048 663	70 607 090

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				Draft 2022/2023	Draft 2023/2024	Draft 2024/2025	Change 2022/2023	Change 2023/2024	Change 2024/2025	Final 2022/2023	Final 2023/2024	Final 2024/2025	Comments
CAPEX													
257	**ROLL OVERS**												
258	EMERGENCY HOUSING PROJECT SCHULPHOEK-SEWERAGE	Ward 05	Surplus-Non tariff-R/O 21				1 400 000	0	0	1 400 000	0	0	Project identified to roll over as requested by Director
259	EMERGENCY HOUSING PROJECT SCHULPHOEK-WATER	Ward 05	Surplus-Non tariff-R/O 21				290 000	0	0	290 000	0	0	Project identified to roll over as requested by Director
260	EMERGENCY HOUSING PROJECT SCHULPHOEK-ROADS	Ward 05	Surplus-Non tariff-R/O 21				920 000	0	0	920 000	0	0	Project identified to roll over as requested by Director
261	EHP WATER PROVISION FOR INFORMAL SETTLEMENTS-WATER	Overstrand	Surplus-Non tariff-R/O 21				150 000	0	0	150 000	0	0	Project identified to roll over as requested by Director
262	EHP SEWER PROVISION FOR INFORMAL SETTLEMENTS-SEWERAGE	Overstrand	Surplus-Non tariff-R/O 21				620 000	0	0	620 000	0	0	Project identified to roll over as requested by Director
263	BASIC SERVICES FOR EMERGENCY HOUSING-WATER	Ward 04	Land Sales -R/O 21				250 000	0	0	250 000	0	0	Project identified to roll over as requested by Director
264	HERMANUS TRANSFER STATION UPGRADING OF INFRASTRUCTURE	Ward 12	Surplus-Non tariff-R/O 22				1 250 000	0	0	1 250 000	0	0	Project identified to roll over as requested by Director
265	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE	Ward 13	Surplus-Non tariff-R/O 21				556 527	0	0	556 527	0	0	Project identified to roll over as requested by Director
266	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE	Ward 13	Land Sales -R/O 21				633 476	0	0	633 476	0	0	Project identified to roll over as requested by Director
267	NEW ROOF TRADING SWARTDAM ROAD	Ward 12	Surplus-R/O 22				675 000	0	0	675 000	0	0	Project identified to roll over as requested by Director
268	RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACILITIES	Ward 07	Operating Cash-WSP				150 000	0	0	150 000	0	0	Project identified to roll over as requested by Director
269	CURBING AND TARRING PAVING OF SIDEWALKS	Ward 08	Operating Cash-WSP				180 000	0	0	180 000	0	0	Project identified to roll over as requested by Director
270	CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWAY	Ward 13	Operating Cash-WSP				200 000	0	0	200 000	0	0	Project identified to roll over as requested by Director
271	CONSTRUCTION AND EXTENSION OF COASTAL PATH	Ward 13	Operating Cash-WSP				200 000	0	0	200 000	0	0	Project identified to roll over as requested by Director
272	STORMWATER NETWORK	Multi-ward Hermanus Area	Surplus-Non tariff-R/O 22				385 789	0	0	385 789	0	0	Project identified to roll over as requested by Director
273	SANDBAAI STORMWATER PROJECT-LONG STREET	Ward 07	Land Sales -R/O 21				1 250 000	0	0	1 250 000	0	0	Project identified to roll over as requested by Director
274	REVITALISATION OF CBD	Ward 01	Surplus-Non tariff-R/O 22				173 737	0	0	173 737	0	0	Project identified to roll over as requested by Director
275	OUTDOOR GYM EQUIPMENT:MOUNTAIN VIEW	Ward 09	Operating Cash-WSP				87 000	0	0	87 000	0	0	Project identified to roll over as requested by Director
276	KLEINMOND WWTW REFURBISH UPGRADE	Multi-ward Kleinmond Area	EL22-R/O	9 300 000	8 900 000		2 241 638	0	0	11 541 638	8 900 000	0	Project identified to roll over as requested by Director
277	VOELKLIP DROP OFF AND MINI DROP OFF ELECTRIC FENCING	Ward 03	Surplus-Non tariff-R/O 22				90 000	0	0	90 000	0	0	Project identified to roll over as requested by Director
278	GANSBAAI CBD SEWER NETWORK EXTENSION	Ward 02	EL22-R/O				2 000 000	0	0	2 000 000	0	0	Project identified to roll over as requested by Director
279	UPGRADING OF PUMPSTATIONS RISING MAINS	Overstrand	EL22-R/O	7 100 000	4 400 000	10 000 000	3 900 000	0	0	11 000 000	4 400 000	10 000 000	Project identified to roll over as requested by Director
280	HAWSTON INDUSTRIAL BUSINESS HUB	Ward 08	Land Sales -R/O 21				200 000	0	0	200 000			Project identified to roll over as requested by Director
281	UPGRADE HAWSTON SPORT COMPLEX	Ward 08	Surplus-Non tariff-R/O 21				250 000	0	0	250 000			Project identified to roll over as requested by Director
282	HAWSTON NEW HOUSING DEVELOPMENT R43 WALL	Ward 08	Surplus-22				2 100 000	0	0	2 100 000			Project identified to roll over as requested by Director
283	PURCHASE OF ERF 4013 BETTY'S BAY&ERF 11472 HERMANUS	Ward 09	Surplus-Roll over				100 000	0	0	100 000			Project identified to roll over as requested by Director
284	HERMANUS NEW WASTE MANAGEMENT FACILITY	Overstrand	DBSA-Pub Cont-R/O 21				220 000	0	0	220 000	0	0	Project identified to roll over as requested by Director
285	HERMANUS SPORT FACILITY IMPROVEMENT	Ward 03	Surplus-22				1 500 000	0	0	1 500 000			Project identified to roll over as requested by Director
286	KLEINMOND COMMUNITY PROJECT OLD KCIH	Ward 09	Surplus-22				700 000	0	0	700 000			Project identified to roll over as requested by Director
287	GENERATOR FOR TRAFFIC SERVICES	Overstrand	Surplus-Non tariff-R/O 22				450 000	0	0	450 000	0	0	Project identified to roll over as requested by Director
288				16 400 000	13 300 000	10 000 000	23 313 167	0	0	39 713 167	13 300 000	10 000 000	
289													
290	**ADDITIONAL PROJECTS**												
291	INCIDENT COMMAND CENTRE (OLD SQUASH COURTS)	Overstrand	Surplus(Ins)				770 000	0	0	770 000	0	0	Request identified during budget processes
292	INCIDENT COMMAND CENTRE (OLD SQUASH COURTS)	Overstrand	Surplus				272 127	0	0	272 127	0	0	Request identified during budget processes
293				0	0	0	1 042 127	0	0	1 042 127	0	0	
294	**CHANGES & RE-ALLOCATIONS**												
295	HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING	Multi-ward Hermanus Area	EL23	1 100 000	1 200 000		-1 100 000	0	0	0	1 200 000	0	Re-allocation as requested by project manager in Sewerage function
296	REROUTE HERMANUS WWTW TREATED EFFLUENT IRRIGATION PIPELINE	Multi-ward Hermanus Area	EL23	0		1 800 000	1 100 000	0	0	1 100 000	0	1 800 000	Re-allocation as requested by project manager in Sewerage function
297	PROJECT MANAGEMENT UNIT-ICT EQUIPMENT & FURNITURE	Overstrand	MIG				87 704	0	0	87 704	0	0	MIG amendments as requested by project manager-new project
298	UPGRADE HAWSTON SPORT COMPLEX STADIUM	Ward 08	MIG		6 000 000	4 000 000	200 000	-2 164 400	0	200 000	5 835 600	4 000 000	MIG amendments as requested by project manager
299	MASAKHANE HOUSING PROJECT BUS ROUTE(PHASE 1)	Ward 02	MIG	11 013 000	5 000 000		-3 431 400	2 164 400	0	7 581 600	7 164 400	0	MIG amendments as requested by project manager
300	REHABILITATE ROADS BLOMPARK	Ward 14	MIG	0	0	0	3 000 000	0	0	3 000 000	0	0	MIG amendments as requested by project manager-new project
301	LCH SERVICES CONSTRUCTION CONTRACTS	Overstrand	Construction Contracts	39 785 000			-1 000 000	0	0	38 785 000			PT 2022/23 financial year housing funds to be spent in 2021/22 mun fin year
302				51 898 000	14 200 000	5 800 000	-1 143 696	0	0	50 754 304	14 200 000	5 800 000	
303													
304	**BOTTOMLINE ON CAPEX**			68 298 000	27 500 000	15 800 000	23 211 598	0	0	91 509 598	27 500 000	15 800 000	
305													
306	**SUMMARY OF CHANGES ON 2022- 2023 BUDGET**			**DRAFT BUDGET**			**CHANGE**			**FINAL BUDGET**			
307				2022/2023	2023/2024	2024/2025	2022/2023	2023/2024	2024/2025	2022/2023	2023/2024	2024/2025	
308	**CAPITAL**			212 807 998	102 596 000	99 011 000	23 211 598	0	0	236 019 596	102 596 000	99 011 000	

ANNEXURE B

A1 SCHEDULE & A2 BUDGET CHARTS

The A Schedule Budget Tables is a National Treasury template, and now, also incorporated into the financial systems of the vendors, and in many instances, sheet & cell protected. It should be noted that in some instances, tables may contain inconsistent formatting and formula errors, which displays some table layouts and data incorrectly. As the inclusion of the Budget tables in the Budget Report, which should be system generated, is a requirement of the Budget Regulations, the tables are displayed according to the formulae and formatting from the protected excel worksheets & cells from the schedules produced by the financial system.

Municipal annual budgets and MTREF & supporting tables

mSCOA Version 6.6

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Tel: (012) 315-5534
Electronic submissions:
lgdocuments@treasury.gov.za
or
For registered users using the LG Upload Portal

Preparation Instructions

Municipality Name:	WC032 Overstrand
CFO Name:	SANTIE REYNEKE-NAUDE
Tel:	028 313 8040
Fax:	
E-Mail:	cfo@overstrand.gov.za
Budget for MTREF starting:	2022
Budget Year:	2022/23
Does this municipality have Entities?	No
If YES: Identify type of report:	Consolidated Informati

LGDB Export

Name Votes & Sub-Votes

Printing Instructions

Showing / Hiding Columns

Hide Pre-audit columns on all

Hide Reference columns on all

Showing / Clearing Highlights

Clear Highlights on all sheets

Important documents which provide essential assistance

MFMA Budget Circulars	Click to view
MBRR Budget Formats Guide	Click to view
Dummy Budget Guide	Click to view
Funding Compliance Guide	Click to view
MFMA Return Forms	Click to view

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Organisational Structure Votes		Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - Council & Mayors Office	Vote 1	Council & Mayor's Office	
Vote 2 - Municipal Manager & Internal Audit	1.1	Council General	1.1 - Council General
Vote 3 - Management Services	1.2	Mayor's Office	1.2 - Mayor's Office
Vote 4 - Finance	1.3	Pensioners & Continued Members	1.3 - Pensioners & Continued Members
Vote 5 - Infrastructure & Planning	1.4		1.4 -
Vote 6 - Protection Services	1.5		1.5 -
Vote 7 - Economic and Social Development & Tourism	1.6		1.6 -
Vote 8 - Community Services	1.7		1.7 -
Vote 9 - Costing Services	1.8		1.8 -
Vote 10 - Main Ledger Services	1.9		1.9 -
	1.10		1.10 -
	Vote 2	Municipal Manager & Internal Audit	
	2.1	Municipal Manager	2.1 - Municipal Manager
	2.2	Internal Audit	2.2 - Internal Audit
	2.3	Risk Management	2.3 - Risk Management
	Vote 3	Management Services	
	3.1	Director: Management Services	3.1 - Director: Management Services
	3.2	Communication	3.2 - Communication
	3.3	Legal Services	3.3 - Legal Services
	3.4	Strategic Services	3.4 - Strategic Services
	3.5	Human Resources	3.5 - Human Resources
	3.6	Info & Communication Technology	3.6 - Info & Communication Technology
	3.7	Council Support Services	3.7 - Council Support Services
	3.8	Social Development	3.8 - Social Development
	3.9	Municipal Court	3.9 - Municipal Court
	3.10	[Name of sub-vote]	
	Vote 4	Finance	
	4.1	Finance: Director	4.1 - Finance: Director
	4.2	Finance: Deputy Director	4.2 - Finance: Deputy Director
	4.3	Finance: Accounting Services	4.3 - Finance: Accounting Services
	4.4	Finance: Expenditure & Assets	4.4 - Finance: Expenditure & Assets
	4.5	Finance: Revenue	4.5 - Finance: Revenue
	4.6	Finance: Supply Chain Management	4.6 - Finance: Supply Chain Management
	4.7	Data Control	4.7 - Data Control
	4.8	Assessment Rates	4.8 - Assessment Rates
	Vote 5	Infrastructure & Planning	
	5.1	Director: Infrastructure & Planning	5.1 - Director: Infrastructure & Planning
	5.2	Deputy Director:Engineering Planning	5.2 - Deputy Director:Engineering Planning
	5.3	Engineering Services & Housing Development	5.3 - Engineering Services & Housing Development
	5.4	Town Planning	5.4 - Town Planning
	5.5	Geographical Info System (GIS)	5.5 - Geographical Info System (GIS)
	5.6	Building Control Services	5.6 - Building Control Services
	5.7	Environmental Management Services	5.7 - Environmental Management Services
	5.8	Electricity	5.8 - Electricity
	5.9	Solid Waste Planning & Solid Waste Disposal	5.9 - Solid Waste Planning & Solid Waste Disposal
	5.10	Property Administration	5.10 - Property Administration
	Vote 6	Protection Services	
	6.1	Director: Protection Services	6.1 - Director: Protection Services
	6.2	Traffic	6.2 - Traffic
	6.3	Law Enforcement	6.3 - Law Enforcement
	6.4	Vehicle testing	6.4 - Vehicle testing
	6.5	Fire Brigade	6.5 - Fire Brigade
	6.6	Vehicle Licensing	6.6 - Vehicle Licensing
	6.7	Special Task Team Unit	6.7 - Special Task Team Unit
	6.8	Disaster Management	6.8 - Disaster Management
	6.9	Security Services	6.9 - Security Services
	6.10	[Name of sub-vote]	
	Vote 7	Economic and Social Development & Tourism	
	7.1	Director: Economic Development & Planning	7.1 - Director: Economic Development & Planning
	7.2	Tourism	7.2 - Tourism
	7.3	Social Development	7.3 - Social Development
	7.4	EPWP	7.4 - EPWP
	7.5	Thusong Centre: Hawston	7.5 - Thusong Centre: Hawston
	7.6	Parking Services	7.6 - Parking Services
	Vote 8	Community Services	
	8.1	Director & Administration	8.1 - Director & Administration
	8.2	Offices & Community Buildings	8.2 - Offices & Community Buildings
	8.3	Parks & Townlands, Cemetries	8.3 - Parks & Townlands, Cemetries
	8.4	Libraries	8.4 - Libraries
	8.5	Sport & Recreation	8.5 - Sport & Recreation
	8.6	Housing & Social Upliftment	8.6 - Housing & Social Upliftment
	8.7	Roads & Stormwater	8.7 - Roads & Stormwater
	8.8	Water	8.8 - Water
	8.9	Sewerage	8.9 - Sewerage
	8.10	Refuse	8.10 - Refuse
	Vote 9	Costing Services	
	9.1	Departmental Charges & Recoveries	9.1 - Departmental Charges & Recoveries
	9.2	Internal Billing	9.2 - Internal Billing
	9.3	Activity Based Costing	9.3 - Activity Based Costing
	Vote 10	Main Ledger Services	
	10.1	Main Ledger	10.1 - Main Ledger

B4/96

WC032 Overstrand - Contact Information

A. GENERAL INFORMATION	
Municipality	WC032 Overstrand
Grade	3
Province	WC WESTERN CAPE
Web Address	www.overstrand.gov.za
E-mail Address	bking@overstrand.gov.za

1 Grade in terms of the Remuneration of Public Office Bearers Act.

B. CONTACT INFORMATION	
Postal address:	
P.O. Box	P.O.BOX 20
City / Town	HERMANUS
Postal Code	7200
Street address	
Building	MUNICIPAL OFFICE
Street No. & Name	MAGNOLIA STREET
City / Town	HERMANUS
Postal Code	7200
General Contacts	
Telephone number	028 313 8000
Fax number	028 313 8128

C. POLITICAL LEADERSHIP			
Speaker:		**Secretary/PA to the Speaker:**	
ID Number		ID Number	
Title	Mr	Title	Ms
Name	GRANT MICHAEL COHEN	Name	ANNA KORVER
Telephone number	028 313 8193	Telephone number	028 313 8058
Cell number	072 436 9068	Cell number	076 823 1324
Fax number		Fax number	0
E-mail address	gcohen@overstrand.gov.za	E-mail address	akorver@overstrand.gov.za
Mayor/Executive Mayor:		**Secretary/PA to the Mayor/Executive Mayor:**	
ID Number		ID Number	
Title	Mrs	Title	Ms
Name	ANNA LOUISE RABIE	Name	ANNA KORVER
Telephone number	028 313 8011	Telephone number	028 313 8058
Cell number	083 457 8711	Cell number	076 823 1324
Fax number		Fax number	
E-mail address	annelierabie@overstrand.gov.za	E-mail address	akorver@overstrand.gov.za
Deputy Mayor/Executive Mayor:		**Secretary/PA to the Deputy Mayor/Executive Mayor:**	
ID Number		ID Number	
Title	Mr	Title	Ms
Name	LINDILE NTSABO	Name	ANNA KORVER
Telephone number	028 313 8000	Telephone number	028 313 8058
Cell number	081 491 0949	Cell number	076 823 1324
Fax number		Fax number	
E-mail address	lntsabo@overstrand.gov.za	E-mail address	akorver@overstrand.gov.za
D. MANAGEMENT LEADERSHIP			
Municipal Manager:		**Secretary/PA to the Municipal Manager:**	
ID Number		ID Number	
Title	Mr	Title	Mrs
Name	DEAN GABRIEL IAN O'NEILL	Name	RENTIA PRETORIUS
Telephone number	028 313 8003	Telephone number	028 313 8909
Cell number	076 911 6497	Cell number	
Fax number		Fax number	
E-mail address	mm@overstrand.gov.za	E-mail address	rpretorius@overstrand.gov.za
Chief Financial Officer		**Secretary/PA to the Chief Financial Officer**	
ID Number		ID Number	
Title	Mrs	Title	Mrs
Name	SANTIE REYNEKE-NAUDE	Name	DORET TALJAARD
Telephone number	028 313 8040	Telephone number	028 313 8074
Cell number	082 551 4499	Cell number	

Fax number		Fax number	
E-mail address	cfo@overstrand.gov.za	E-mail address	dtaljaard@overstrand.gov.za
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number		ID Number	
Title	Mr	Title	Ms
Name	BERNARD KING	Name	VERONICA ALLEN
Telephone number	028 313 8154	Telephone number	028 313 8131
Cell number		Cell number	
Fax number		Fax number	
E-mail address	bking@overstrand.gov.za	E-mail address	vallen@overstrand.gov.za
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number		ID Number	
Title	Mrs	Title	Ms
Name	GEORGIA BUCCHIANERI	Name	KELLY JEPTHA
Telephone number	028 313 8913	Telephone number	028 313 8138
Cell number		Cell number	
Fax number		Fax number	
E-mail address	gbucchianeri@overstrand.gov.za	E-mail address	kjeptha@overstrand.gov.za
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number		ID Number	0
Title	Mr	Title	0
Name	LLYLE TAIT	Name	0
Telephone number	028 313 8151	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	ltait@overstrand.gov.za	E-mail address	0
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number	0	ID Number	0
Title	0	Title	0
Name	0	Name	0
Telephone number	0	Telephone number	0
Cell number	0	Cell number	0
Fax number	0	Fax number	0
E-mail address	0	E-mail address	0

WC032 Overstrand - Table A1 Budget Summary

Description	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Financial Performance									
Property rates	233 093	240 910	261 222	275 637	275 637	275 637	287 941	300 836	314 308
Service charges	648 033	698 179	733 197	793 858	793 858	793 858	849 642	904 845	963 789
Investment revenue	41 767	48 146	30 504	27 456	27 456	27 456	24 871	25 991	27 161
Transfers recognised - operational	106 306	123 140	140 895	139 692	157 281	157 281	166 184	174 999	192 746
Other own revenue	127 227	178 453	121 523	180 196	184 321	184 321	169 515	144 125	110 104
Total Revenue (excluding capital transfers and contributions)	1 156 425	1 288 828	1 287 342	1 416 839	1 438 553	1 438 553	1 498 153	1 550 796	1 608 108
Employee costs	368 000	382 572	437 874	463 804	478 188	478 188	504 478	522 622	551 734
Remuneration of councillors	10 573	11 282	11 219	12 401	12 216	12 216	12 335	12 837	13 360
Depreciation & asset impairment	131 114	134 574	140 110	145 663	145 663	145 663	146 596	145 685	148 275
Finance charges	44 921	46 570	48 805	51 804	51 804	51 804	48 056	47 734	47 159
Materials and bulk purchases	277 663	320 849	343 314	398 552	403 800	403 800	436 298	469 074	508 700
Transfers and grants	486	560	8 710	12 324	12 774	12 774	13 057	13 060	13 582
Other expenditure	275 779	294 674	330 903	410 460	416 474	416 474	434 152	430 202	428 516
Total Expenditure	1 108 536	1 191 082	1 320 936	1 495 006	1 520 918	1 520 918	1 594 971	1 641 213	1 711 326
Surplus/(Deficit)	47 890	97 746	(33 594)	(78 168)	(82 365)	(82 365)	(96 819)	(90 417)	(103 218)
Transfers and subsidies - capital (monetary allocations) (	31 952	37 392	37 219	46 354	47 062	47 062	72 254	31 368	32 611
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	26 685	3 730	27 223	14 243	3 597	3 597	12 662	–	–
Surplus/(Deficit) after capital transfers & contributions	106 526	138 868	30 848	(17 571)	(31 706)	(31 706)	(11 902)	(59 049)	(70 607)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	106 526	138 868	30 848	(17 571)	(31 706)	(31 706)	(11 902)	(59 049)	(70 607)
Capital expenditure & funds sources									
Capital expenditure	173 682	211 056	254 800	274 775	237 979	237 979	236 020	102 598	99 011
Transfers recognised - capital	91 574	117 493	83 490	111 555	111 123	111 123	123 702	52 598	39 011
Public contributions & donations	–	3 730	23 919	–	–	–	–	–	–
Borrowing	36 495	50 476	45 443	94 066	72 761	72 761	80 175	50 000	60 000
Internally generated funds	45 613	39 358	101 949	69 154	54 094	54 094	32 143	–	–
Total sources of capital funds	173 682	211 056	254 800	274 775	237 979	237 979	236 020	102 598	99 011
Financial position									
Total current assets	684 399	809 609	765 709	583 272	707 463	707 463	594 291	597 792	615 507
Total non current assets	3 712 914	3 795 371	3 921 556	4 096 878	4 060 082	4 060 082	4 162 847	4 133 244	4 097 614
Total current liabilities	220 717	294 861	310 222	341 312	382 500	382 500	346 808	355 651	477 561
Total non current liabilities	645 090	642 137	678 212	657 833	695 824	695 824	711 285	711 957	617 158
Community wealth/Equity	3 531 506	3 667 983	3 698 830	3 681 004	3 689 222	3 689 222	3 699 046	3 663 428	3 618 403
Cash flows									
Net cash from (used) operating	215 983	319 091	210 220	215 101	201 184	201 184	104 629	96 593	89 267
Net cash from (used) investing	(178 314)	(212 740)	(258 734)	(279 748)	(244 949)	(244 949)	(241 000)	(107 578)	(103 991)
Net cash from (used) financing	20 552	14 275	7 424	(2 646)	(2 646)	(2 646)	1 377	(6 592)	10 761
Cash/cash equivalents at the year end	533 188	653 813	612 723	450 836	566 312	566 312	431 308	413 731	409 768
Cash backing/surplus reconciliation									
Cash and investments available	583 711	700 328	667 001	512 994	628 466	628 466	501 313	491 720	495 891
Application of cash and investments	72 028	74 124	150 993	178 704	192 531	192 531	132 262	104 413	105 830
Balance - surplus (shortfall)	511 683	626 204	516 008	334 290	435 936	435 936	369 051	387 307	390 061
Asset management									
Asset register summary (WDV)	3 662 386	3 748 856	3 867 277	4 034 713	3 997 918	3 997 918	4 092 842	4 055 255	4 011 491
Depreciation	131 114	134 574	140 110	145 663	145 663	145 663	146 596	145 685	148 275
Renewal of Existing Assets	–	3 606	15 499	33 945	32 154	32 154	20 730	18 650	29 500
Repairs and Maintenance	215 024	188 517	210 901	254 233	258 441	258 441	267 944	282 599	299 166
Free services									
Cost of Free Basic Services provided	27 602	30 628	30 760	33 117	33 117	33 117	36 808	40 609	44 730
Revenue cost of free services provided	50 983	–	–	–	–	–	–	–	–
Households below minimum service level									
Water:	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–

WC032 Overstrand - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional										
Governance and administration		327 040	347 612	362 831	357 072	360 937	360 937	384 994	403 517	424 829
Executive and council		27 347	30 254	38 681	31 359	32 134	32 134	50 470	54 516	60 706
Finance and administration		299 607	317 322	324 150	325 712	328 802	328 802	334 524	349 000	364 123
Internal audit		86	36	–	–	–	–	–	–	–
Community and public safety		118 499	164 043	125 463	164 655	182 498	182 498	152 578	133 305	105 603
Community and social services		8 471	8 071	8 291	7 145	9 367	9 367	8 776	7 189	7 660
Sport and recreation		30 199	18 801	29 089	10 133	10 855	10 855	10 972	19 932	25 031
Public safety		32 372	32 801	16 193	39 531	42 023	42 023	35 995	38 413	40 148
Housing		47 457	104 370	71 891	107 845	120 253	120 253	96 834	67 770	32 763
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		16 861	15 503	16 035	16 227	17 887	17 887	24 399	18 801	16 231
Planning and development		10 337	8 315	11 638	9 362	11 298	11 298	13 483	11 293	9 880
Road transport		6 229	7 166	4 365	6 828	6 103	6 103	10 879	7 469	6 310
Environmental protection		295	21	32	37	487	487	37	39	41
Trading services		752 662	802 791	847 454	939 483	927 890	927 890	1 021 099	1 026 542	1 094 056
Energy sources		419 560	458 532	481 695	570 263	559 013	559 013	615 533	634 543	684 366
Water management		145 980	153 663	153 115	157 061	147 446	147 446	167 048	162 108	169 918
Waste water management		110 345	103 934	117 987	116 972	124 991	124 991	139 720	126 531	129 741
Waste management		76 777	86 662	94 657	95 187	96 441	96 441	98 797	103 360	110 031
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	1 215 062	1 329 949	1 351 784	1 477 435	1 489 212	1 489 212	1 583 069	1 582 164	1 640 719
Expenditure - Functional										
Governance and administration		222 134	216 164	258 657	284 904	297 309	297 309	315 410	312 871	324 730
Executive and council		56 567	39 624	69 529	66 557	70 747	70 747	74 067	65 606	67 539
Finance and administration		162 899	174 217	186 367	214 255	222 471	222 471	237 178	242 871	252 551
Internal audit		2 668	2 322	2 761	4 091	4 091	4 091	4 165	4 394	4 640
Community and public safety		159 878	171 527	192 423	257 893	262 601	262 601	267 374	261 327	251 638
Community and social services		16 972	15 216	22 122	19 164	21 044	21 044	21 751	22 212	23 647
Sport and recreation		43 905	44 289	52 169	59 600	60 939	60 939	63 035	63 089	65 995
Public safety		80 702	82 675	87 169	115 407	113 989	113 989	118 758	123 379	129 264
Housing		18 299	29 347	30 963	63 723	66 629	66 629	63 829	52 646	32 731
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		146 841	156 576	170 202	187 466	190 956	190 956	198 290	207 251	213 884
Planning and development		36 688	39 397	43 396	51 373	53 029	53 029	53 256	53 030	55 706
Road transport		103 331	107 277	110 465	116 270	116 706	116 706	121 995	129 975	132 972
Environmental protection		6 821	9 902	16 340	19 823	21 221	21 221	23 039	24 246	25 206
Trading services		576 651	643 817	696 761	761 149	766 457	766 457	810 381	856 098	917 291
Energy sources		313 606	368 705	384 141	442 180	442 480	442 480	480 315	513 770	555 174
Water management		107 916	112 899	120 612	129 815	131 067	131 067	133 992	140 048	152 081
Waste water management		84 120	90 406	95 785	102 665	100 134	100 134	103 774	109 313	113 142
Waste management		71 009	71 808	96 223	86 489	92 776	92 776	92 299	92 967	96 894
Other	4	3 031	2 998	2 893	3 595	3 595	3 595	3 517	3 667	3 783
Total Expenditure - Functional	3	1 108 536	1 191 082	1 320 936	1 495 006	1 520 918	1 520 918	1 594 971	1 641 213	1 711 326
Surplus/(Deficit) for the year		106 526	138 868	30 848	(17 571)	(31 706)	(31 706)	(11 902)	(59 049)	(70 607)

WC032 Overstrand - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional										
Municipal governance and administration		327 040	347 612	362 831	357 072	360 937	360 937	384 994	403 517	424 829
Executive and council		27 347	30 254	38 681	31 359	32 134	32 134	50 470	54 516	60 708
Mayor and Council		27 246	30 091	38 321	31 285	31 735	31 735	50 312	54 357	60 546
Municipal Manager, Town Secretary and Chief Executive		101	163	360	75	400	400	158	159	160
Finance and administration		299 607	317 322	324 150	325 712	328 802	328 802	334 524	349 000	364 123
Administrative and Corporate Support		253	378	2 958	318	1 343	1 343	262	270	278
Asset Management		–	–	–	–	–	–	–	–	–
Finance		292 659	300 353	308 988	318 337	318 337	318 337	327 365	341 774	356 827
Fleet Management		–	95	–	0	0	0	0	0	0
Human Resources		721	738	2 246	809	2 085	2 085	858	896	935
Information Technology		–	–	257	–	789	789	–	–	–
Legal Services		–	–	6	–	–	–	–	–	–
Marketing, Customer Relations, Publicity and Media Co-ordination		–	–	–	–	–	–	–	–	–
Property Services		(124)	701	4 403	321	321	321	348	364	381
Risk Management		–	–	–	–	–	–	–	–	–
Security Services		–	–	–	–	–	–	–	–	–
Supply Chain Management		205	152	373	313	313	313	71	71	71
Valuation Service		5 893	14 906	4 918	5 615	5 615	5 615	5 620	5 625	5 631
Internal audit		86	36	–	–	–	–	–	–	–
Governance Function		86	36	–	–	–	–	–	–	–
Community and public safety		118 499	164 943	125 463	164 655	182 498	182 498	152 578	133 305	105 603
Community and social services		8 471	8 071	8 291	7 145	9 367	9 367	8 776	7 189	7 660
Aged Care		–	–	–	–	–	–	–	–	–
Agricultural		–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		289	301	425	180	180	180	225	235	245
Child Care Facilities		400	–	–	–	–	–	–	–	–
Community Halls and Facilities		298	385	174	365	365	365	271	126	281
Consumer Protection			–	–	–	–	–	–	–	–
Cultural Matters			–	–	–	–	–	–	–	–
Disaster Management			–	–	–	–	–	–	–	–
Education			–	–	–	–	–	–	–	–
Indigenous and Customary Law			–	–	–	–	–	–	–	–
Industrial Promotion			–	–	–	–	–	–	–	–
Language Policy			–	–	–	–	–	–	–	–
Libraries and Archives		7 423	7 385	7 692	6 599	8 821	8 821	8 280	6 828	7 134
Literacy Programmes		–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–
Population Development		62	–	–	–	–	–	–	–	–
Provincial Cultural Matters			–	–	–	–	–	–	–	–
Theatres			–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–
Sport and recreation		30 199	18 801	29 089	19 133	19 855	19 855	19 972	19 932	25 031
Beaches and Jetties		1 735	755	524	328	328	328	734	767	801
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–
Community Parks (Including Nurseries)		4 319	3 816	3 459	3 244	3 444	3 444	4 082	4 265	4 456
Recreational Facilities		7 090	6 083	4 901	3 937	4 137	4 137	5 952	6 192	6 472
Sports Grounds and Stadiums		17 055	8 147	20 205	2 625	2 947	2 947	205	8 708	13 302
Public safety		32 372	32 801	16 193	39 531	42 023	42 023	35 995	38 413	40 148
Civil Defence		200	3 870	1 638	–	–	–	–	–	–
Cleansing			–	–	–	–	–	–	–	–
Control of Public Nuisances			–	–	2 420	10 353	10 353	5 378	5 481	5 739
Fencing and Fences			–	–	–	–	–	–	–	–
Fire Fighting and Protection		228	3 137	3 571	150	2 369	2 369	131	137	143
Licensing and Control of Animals		318	1 787	1 219	214	404	404	358	360	393
Police Forces, Traffic and Street Parking Control		31 626	24 007	9 764	36 747	28 897	28 897	30 118	32 415	33 873
Pounds		–	–	–	–	–	–	–	–	–
Housing		47 457	104 370	71 891	107 845	120 253	120 253	96 834	67 770	32 763
Housing		47 457	104 370	71 891	107 845	120 253	120 253	96 834	67 770	32 763
Informal Settlements		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Ambulance		–	–	–	–	–	–	–	–	–
Health Services		–	–	–	–	–	–	–	–	–
Laboratory Services		–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases including Immunizations		–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–
Economic and environmental services		16 861	15 503	16 035	16 227	17 887	17 887	24 399	18 801	16 231
Planning and development		10 337	8 315	11 638	9 362	11 298	11 298	13 483	11 293	9 880
Billboards			–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)			–	–	–	–	–	–	–	–
Central City Improvement District			–	–	–	–	–	–	–	–
Development Facilitation			–	–	–	–	–	–	–	–
Economic Development/Planning		1 928	2 635	3 798	2 531	4 466	4 466	2 593	–	–
Regional Planning and Development		–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer		8 411	5 680	7 840	6 831	6 831	6 831	9 659	10 093	8 608
Project Management Unit			–	–	–	–	–	1 231	1 200	1 272
Provincial Planning			–	–	–	–	–	–	–	–
Support to Local Municipalities			–	–	–	–	–	–	–	–
Road transport		6 229	7 186	4 365	6 828	6 103	6 103	10 879	7 469	6 310
Public Transport			–	–	–	–	–	–	–	–
Road and Traffic Regulation			–	–	–	–	–	–	–	–
Roads		6 229	7 186	4 365	6 828	6 103	6 103	10 879	7 469	6 310
Taxi Ranks			–	–	–	–	–	–	–	–
Environmental protection		295	21	32	37	487	487	37	39	41
Biodiversity and Landscape		295	21	32	37	487	487	37	39	41
Coastal Protection		–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Nature Conservation		–	–	–	–	–	–	–	–	–
Pollution Control		–	–	–	–	–	–	–	–	–
Soil Conservation		–	–	–	–	–	–	–	–	–
Trading services		752 662	802 791	847 454	939 463	927 890	927 890	1 021 099	1 025 542	1 094 056
Energy sources		419 560	458 532	481 695	570 263	559 013	559 013	615 533	634 543	684 366
Electricity		419 560	458 532	481 695	570 263	559 013	559 013	610 533	630 343	678 366
Street Lighting and Signal Systems		–	–	–	–	–	–	5 000	4 200	6 000
Nonelectric Energy		–	–	–	–	–	–	–	–	–
Water management		145 980	153 663	153 115	157 061	147 446	147 446	167 048	162 108	169 918
Water Treatment		–	–	–	–	–	–	–	–	–
Water Distribution		145 980	153 663	153 115	157 061	147 446	147 446	167 048	162 108	169 918
Water Storage		–	–	–	–	–	–	–	–	–
Waste water management		110 345	103 934	117 987	116 572	124 991	124 991	139 720	126 531	129 741
Public Toilets		–	–	–	–	–	–	–	–	–
Sewerage		104 583	98 448	109 568	116 872	124 891	124 891	139 620	117 931	129 641
Storm Water Management		5 762	5 486	8 420	100	100	100	100	8 600	100
Waste Water Treatment					–	–	–	–	–	–
Waste management		76 777	86 662	94 657	95 187	98 441	98 441	98 797	103 360	110 031
Recycling		–	–	–	–	–	–	–	–	–
Solid Waste Disposal (Landfill Sites)		1 157	38	5 204	1 080	2 334	2 334	2 002	42	43
Solid Waste Removal		75 619	86 624	89 453	94 107	94 107	94 107	96 795	103 319	109 988
Street Cleaning		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–
Forestry		–	–	–	–	–	–	–	–	–
Licensing and Regulation		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Tourism					–	–	–	–	–	–
Total Revenue - Functional	2	1 215 062	1 329 949	1 351 784	1 477 435	1 489 212	1 489 212	1 583 069	1 582 164	1 640 719
Expenditure - Functional										
Municipal governance and administration		222 134	216 164	258 657	284 904	297 309	297 309	315 410	312 871	324 730
Executive and council		56 567	39 624	69 529	68 557	70 747	70 747	74 067	65 606	67 539
Mayor and Council		38 174	19 926	44 088	37 046	42 988	42 988	44 592	34 433	34 589
Municipal Manager, Town Secretary and Chief Executive		18 394	19 698	25 441	29 511	27 759	27 759	29 475	31 173	32 950
Finance and administration		162 889	174 217	186 367	214 255	222 471	222 471	237 178	242 871	252 551
Administrative and Corporate Support		41 615	31 711	41 605	36 556	40 577	40 577	41 543	43 818	45 791
Asset Management		–	–	–	1 500	1 450	1 450	1 500	1 500	1 500
Finance		65 880	59 491	67 609	82 841	82 606	82 606	92 732	92 510	97 313
Fleet Management		7 758	9 154	9 733	8 143	8 343	8 343	9 505	9 486	8 439
Human Resources		11 468	11 881	13 909	14 170	15 446	15 446	14 939	15 930	16 713
Information Technology		17 349	19 178	21 697	25 152	25 941	25 941	28 114	28 346	29 716
Legal Services		4 512	4 855	5 167	5 603	5 803	5 803	6 096	6 177	6 481
Marketing, Customer Relations, Publicity and Media Co-ordination		1 570	2 026	2 098	3 233	3 258	3 258	3 627	3 757	3 897
Property Services		3 963	21 530	9 509	21 354	22 468	22 468	21 291	22 624	23 203
Risk Management		–	–	53	255	1 092	1 092	1 113	1 164	1 219
Security Services		–	4 414	5 054	3 881	4 031	4 031	4 389	4 560	4 564
Supply Chain Management		8 784	9 977	9 932	11 568	11 458	11 458	12 329	12 996	13 717
Valuation Service			–	–	–	–	–	–	–	–
Internal audit		2 668	2 322	2 761	4 091	4 091	4 091	4 165	4 394	4 640
Governance Function		2 668	2 322	2 761	4 091	4 091	4 091	4 165	4 394	4 640
Community and public safety		159 878	171 527	192 423	257 893	262 601	262 601	267 374	261 327	251 638
Community and social services		16 972	15 216	22 122	19 164	21 044	21 044	21 751	22 212	23 647
Aged Care		1	1	1	1	1	1	1	1	1
Agricultural		–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	500	–	–
Cemeteries, Funeral Parlours and Crematoriums		1 077	728	967	1 074	874	874	1 112	1 149	1 189
Child Care Facilities		576	59	–	–	–	–	–	–	–
Community Halls and Facilities		7 007	5 638	12 340	7 779	7 587	7 587	9 658	10 105	10 859
Consumer Protection			–	–	–	–	–	–	–	–
Cultural Matters			–	–	–	–	–	–	–	–
Disaster Management			–	–	–	–	–	–	–	–
Education			–	–	–	–	–	–	–	–
Indigenous and Customary Law			–	–	–	–	–	–	–	–
Industrial Promotion			–	–	–	–	–	–	–	–
Language Policy			–	–	–	–	–	–	–	–
Libraries and Archives		8 250	8 790	8 815	10 311	12 583	12 583	10 481	10 957	11 598
Literacy Programmes		–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–
Population Development		62	–	–	–	–	–	–	–	–
Provincial Cultural Matters			–	–	–	–	–	–	–	–
Theatres			–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–
Sport and recreation		43 905	44 289	52 169	58 600	60 939	60 939	63 035	63 089	65 995
Beaches and Jetties		6 912	7 024	6 447	3 839	7 075	7 075	7 667	8 086	8 390
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–
Community Parks (including Nurseries)		22 501	22 913	28 575	33 866	34 344	34 344	34 967	34 254	35 085
Recreational Facilities		10 390	10 051	10 790	12 137	12 762	12 762	13 426	13 333	13 682
Sports Grounds and Stadiums		4 102	4 301	6 357	6 758	6 758	6 758	6 976	7 417	7 838
Public safety		80 702	82 675	87 169	115 407	113 989	113 989	116 758	123 379	129 284
Civil Defence		3 066	3 320	3 542	15 299	15 198	15 198	16 270	17 150	18 096
Cleansing		–	–	–	–	–	–	–	–	–
Control of Public Nuisances		13 476	19 715	25 863	19 321	23 944	23 944	24 866	26 059	27 409
Fencing and Fences		–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		27 322	24 661	26 729	30 266	33 433	33 433	34 239	34 889	36 706
Licensing and Control of Animals		57	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		36 782	34 979	31 034	50 521	41 414	41 414	43 323	45 282	47 053
Pounds		–	–	–	–	–	–	–	–	–
Housing		18 299	29 347	30 963	63 723	66 629	66 629	63 829	52 646	32 731
Housing		18 299	29 347	30 963	63 723	66 629	66 629	63 829	52 646	32 731

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Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Informal Settlements		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Ambulance		–	–	–	–	–	–	–	–	–
Health Services		–	–	–	–	–	–	–	–	–
Laboratory Services		–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases including immunizations		–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–
Economic and environmental services		**145 841**	**156 576**	**170 202**	**187 466**	**190 956**	**190 956**	**198 290**	**207 251**	**213 884**
Planning and development		**35 588**	**39 397**	**43 396**	**51 373**	**53 029**	**53 029**	**53 256**	**53 030**	**55 706**
Billboards		–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		3 902	4 168	4 081	3 049	2 924	2 924	3 229	3 270	3 429
Central City Improvement District		–	–	–	–	–	–	–	–	–
Development Facilitation		1 189	918	1 359	2 598	2 509	2 509	2 004	2 130	2 187
Economic Development/Planning		5 067	7 320	8 706	10 652	12 523	12 523	10 136	7 876	8 182
Regional Planning and Development		–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer		18 211	19 105	20 094	25 172	25 172	25 172	26 905	28 341	29 876
Project Management Unit		7 319	7 885	9 155	9 901	9 901	9 901	10 982	11 413	12 032
Provincial Planning		–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–
Road transport		**103 331**	**107 277**	**110 465**	**116 270**	**116 706**	**116 706**	**121 995**	**129 975**	**132 972**
Public Transport		–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		1 094	1 080	1 080	1 334	1 458	1 458	1 361	1 440	1 524
Roads		102 237	106 198	109 386	114 936	115 248	115 248	120 633	128 535	131 448
Taxi Ranks		–	–	–	–	–	–	–	–	–
Environmental protection		**6 821**	**9 902**	**15 340**	**19 823**	**21 221**	**21 221**	**23 039**	**24 245**	**25 206**
Biodiversity and Landscape		6 309	9 663	15 780	19 115	20 533	20 533	22 331	23 509	24 436
Coastal Protection		–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–
Nature Conservation		512	239	560	708	688	688	708	737	770
Pollution Control				–	–	–	–	–	–	–
Soil Conservation		–	–	–	–	–	–	–	–	–
Trading services		**576 651**	**643 517**	**696 761**	**761 149**	**766 457**	**766 457**	**810 381**	**856 098**	**917 291**
Energy sources		**313 606**	**358 705**	**384 141**	**442 180**	**442 480**	**442 480**	**480 315**	**513 770**	**555 174**
Electricity		312 207	365 294	377 148	439 634	439 335	439 335	473 369	507 410	547 094
Street Lighting and Signal Systems		1 399	3 411	6 994	2 546	3 144	3 144	6 946	6 360	8 081
Nonelectric Energy		–	–	–	–	–	–	–	–	–
Water management		**107 916**	**112 899**	**120 612**	**129 815**	**131 067**	**131 067**	**133 992**	**140 048**	**152 081**
Water Treatment		52 395	53 893	58 426	63 702	64 002	64 002	71 453	75 408	80 740
Water Distribution		51 366	54 102	57 010	61 084	62 035	62 035	56 573	57 633	64 526
Water Storage		4 155	4 904	5 174	5 029	5 029	5 029	5 965	7 007	6 815
Waste water management		**84 120**	**90 406**	**95 785**	**102 665**	**100 134**	**100 134**	**103 774**	**109 313**	**113 142**
Public Toilets		631	704	658	4 562	1 281	1 281	1 459	1 607	1 665
Sewerage		47 375	49 426	54 917	54 643	55 093	55 093	52 188	55 792	58 652
Storm Water Management		11 426	11 920	12 876	15 460	15 460	15 460	15 718	16 234	15 886
Waste Water Treatment		24 689	28 355	27 334	27 999	28 299	28 299	34 410	35 681	36 939
Waste management		**71 009**	**71 808**	**96 223**	**86 469**	**92 776**	**92 776**	**92 299**	**92 967**	**96 894**
Recycling		143	39	7	258	258	258	400	605	441
Solid Waste Disposal (Landfill Sites)		31 028	33 108	58 574	43 566	50 344	50 344	47 437	45 251	48 987
Solid Waste Removal		38 983	37 711	37 642	42 665	42 174	42 174	44 462	47 110	49 465
Street Cleaning		855	948	–	–	–	–	–	–	–
Other		**3 031**	**2 998**	**2 893**	**3 595**	**3 595**	**3 595**	**3 517**	**3 667**	**3 783**
Abattoirs				–	–	–	–	–	–	–
Air Transport				–	–	–	–	–	–	–
Forestry				–	–	–	–	–	–	–
Licensing and Regulation				–	–	–	–	–	–	–
Markets				–	–	–	–	–	–	–
Tourism		3 031	2 998	2 893	3 595	3 595	3 595	3 517	3 667	3 783
Total Expenditure - Functional	3	**1 108 536**	**1 191 082**	**1 320 936**	**1 495 006**	**1 520 918**	**1 520 918**	**1 594 971**	**1 641 213**	**1 711 326**
Surplus/(Deficit) for the year		**106 526**	**138 858**	**30 848**	**(17 571)**	**(31 706)**	**(31 706)**	**(11 902)**	**(59 049)**	**(70 607)**

WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote	1									
Vote 1 - Council & Mayor's Office		27 246	30 091	38 321	31 285	31 735	31 735	50 312	54 357	60 546
Vote 2 - Municipal Manager & Internal Audit		86	36	–	–	–	–	–	–	–
Vote 3 - Management Services		1 070	1 189	2 564	869	2 934	2 934	869	907	946
Vote 4 - Finance		292 876	300 506	309 284	318 650	318 650	318 650	327 436	341 845	356 898
Vote 5 - Infrastructure & Planning		496 225	584 067	585 823	691 845	692 670	692 670	730 542	718 920	732 318
Vote 6 - Protection Services		32 267	32 797	16 193	39 531	42 673	42 673	35 995	38 413	40 148
Vote 7 - Economic and Social Development & Tourism		2 030	2 914	3 860	2 838	4 773	4 773	2 811	71	224
Vote 8 - Community Services		363 260	378 350	395 739	392 418	395 776	395 776	435 105	427 651	449 638
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	1 215 062	1 329 949	1 351 784	1 477 435	1 489 212	1 489 212	1 583 069	1 582 164	1 640 719
Expenditure by Vote *to be appropriated*	1									
Vote 1 - Council & Mayor's Office		38 174	19 927	44 089	37 047	42 989	42 989	44 592	34 434	34 589
Vote 2 - Municipal Manager & Internal Audit		5 050	5 361	5 885	8 040	8 040	8 040	8 042	8 437	8 857
Vote 3 - Management Services		46 736	50 129	54 639	60 741	62 976	62 976	65 889	68 244	71 390
Vote 4 - Finance		74 680	69 425	77 490	95 684	95 289	95 289	106 313	106 744	112 252
Vote 5 - Infrastructure & Planning		449 522	529 692	577 728	672 313	684 869	684 869	734 810	764 318	796 956
Vote 6 - Protection Services		81 089	83 725	91 326	115 502	115 586	115 586	119 732	123 434	128 971
Vote 7 - Economic and Social Development & Tourism		10 303	12 042	13 558	17 311	19 247	19 247	17 570	15 510	16 237
Vote 8 - Community Services		402 983	420 782	456 221	488 368	491 922	491 922	498 023	520 094	542 073
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	1 108 536	1 191 082	1 320 936	1 495 006	1 520 918	1 520 918	1 594 971	1 641 213	1 711 326
Surplus/(Deficit) for the year	2	106 526	138 868	30 848	(17 571)	(31 706)	(31 706)	(11 902)	(59 049)	(70 607)

WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote	1									
Vote 1 - Council & Mayor's Office		27 246	30 091	38 321	31 285	31 735	31 735	50 312	54 357	60 546
1.1 - Council General		27 246	30 091	38 321	31 285	31 735	31 735	50 312	54 357	60 546
1.2 - Mayor's Office		–	–	–	–	–	–	–	–	–
1.3 - Pensioners & Continued Members		–	–	–	–	–	–	–	–	–
1.4 -		–	–	–	–	–	–	–	–	–
1.5 -		–	–	–	–	–	–	–	–	–
1.6 -		–	–	–	–	–	–	–	–	–
1.7 -		–	–	–	–	–	–	–	–	–
1.8 -		–	–	–	–	–	–	–	–	–
1.9 -		–	–	–	–	–	–	–	–	–
1.10 -		–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager & Internal Audit		86	36	–	–	–	–	–	–	–
2.1 - Municipal Manager		–	–	–	–	–	–	–	–	–
2.2 - Internal Audit		86	36	–	–	–	–	–	–	–
2.3 - Risk Management		–	–	–	–	–	–	–	–	–
Vote 3 - Management Services		1 070	1 189	2 564	869	2 934	2 934	869	897	948
3.1 - Director: Management Services		73	178	60	60	60	60	10	10	10
3.2 - Communication		–	–	–	–	–	–	–	–	–
3.3 - Legal Services		–	–	–	–	–	–	–	–	–
3.4 - Strategic Services		–	–	–	–	–	–	–	–	–
3.5 - Human Resources		993	1 010	2 245	809	2 085	2 085	858	886	935
3.6 - Info & Communication Technology		–	–	257	–	789	789	–	–	–
3.7 - Council Support Services		4	1	1	1	1	1	1	1	1
3.8 - Social Development		–	–	–	–	–	–	–	–	–
3.9 - Municipal Court		–	–	–	–	–	–	–	–	–
Vote 4 - Finance		292 878	300 906	309 294	318 650	318 650	318 650	327 435	341 845	355 898
4.1 - Finance: Director		–	–	–	–	–	–	–	–	–
4.2 - Finance: Deputy Director		1 550	1 550	1 600	1 000	1 000	1 000	1 550	1 550	1 550
4.3 - Finance: Accounting Services		42 662	35 693	33 810	30 731	30 731	30 731	27 596	28 718	29 888
4.4 - Finance: Expenditure & Assets		4 250	12 273	3 070	1 535	1 535	1 535	1 525	1 525	1 525
4.5 - Finance: Revenue		10 936	9 725	9 750	9 434	9 434	9 434	8 753	9 147	9 558
4.6 - Finance: Supply Chain Management		295	162	423	313	313	313	71	71	71
4.7 - Data Control		–	–	–	–	–	–	–	–	–
4.8 - Assessment Rates		233 274	249 914	261 722	275 637	275 637	275 637	287 941	300 836	314 306
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Vote 5 - Infrastructure & Planning		496 225	584 047	585 823	681 845	682 670	682 670	730 542	718 920	732 318
5.1 - Director: Infrastructure & Planning		–	–	52	0	0	0	0	0	0
5.2 - Deputy Director:Engineering Planning		–	154	–	0	0	0	0	0	0
5.3 - Engineering Services & Housing Development		46 675	104 498	72 228	109 100	120 725	120 725	97 730	66 620	33 672
5.4 - Town Planning		17 852	1 220	15 436	1 196	1 196	1 196	1 181	1 234	(550)
5.5 - Geographical Info System (GIS)		–	–	–	–	–	–	–	–	–
5.6 - Building Control Services		6 881	1 461	6 404	5 635	5 635	5 635	8 477	8 858	9 257
5.7 - Environmental Management Services		45	21	12	37	487	487	37	39	41
5.8 - Electricity		419 548	458 532	481 695	570 283	559 013	559 013	615 533	634 543	664 366
5.9 - Solid Waste Planning & Solid Waste Disposal		–	–	–	–	–	–	1 962	–	–
5.10 - Property Administration		5 324	15 162	8 978	5 615	5 615	5 615	5 620	5 625	5 631
Vote 6 - Protection Services		32 267	32 797	16 193	39 531	42 673	42 673	35 895	38 413	40 148
6.1 - Director: Protection Services		200	–	–	–	550	550	–	–	–
6.2 - Traffic		31 621	24 003	9 764	36 747	29 897	29 897	30 118	32 415	33 873
6.3 - Law Enforcement		318	5 000	2 857	2 534	10 757	10 757	5 746	5 861	6 132
6.4 - Vehicle testing		–	–	–	–	–	–	–	–	–
6.5 - Fire Brigade		228	2 885	1 271	150	150	150	131	137	143
6.6 - Vehicle Licensing		–	–	–	–	–	–	–	–	–
6.7 - Special Task Team Unit		–	–	–	–	–	–	–	–	–
6.8 - Disaster Management		–	829	2 300	–	2 219	2 219	–	–	–
6.9 - Security Services		–	–	–	–	–	–	–	–	–
Vote 7 - Economic and Social Development & Tourism		2 030	2 914	3 880	2 838	4 773	4 773	2 811	71	224
7.1 - Director: Economic Development & Planning		1 926	2 911	3 761	2 530	4 466	4 466	2 593	3	0
7.2 - Tourism		–	–	–	–	–	–	–	–	–
7.3 - Social Development		104	4	–	–	–	–	–	–	–
7.4 - EPWP		–	–	–	–	–	–	–	–	–
7.5 - Thusong Centre: Hawston		–	–	98	307	307	307	218	71	224
7.6 - Parking Services		–	–	0	1	1	1	–	–	–
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Vote 8 - Community Services		363 280	378 350	395 739	392 418	395 776	395 776	436 105	427 651	449 639
8.1 - Director & Administration		722	241	2 544	141	841	841	213	214	215
8.2 - Offices & Community Buildings		1 008	750	804	571	571	571	597	623	650
8.3 - Parks & Townlands, Cemetries		4 006	4 117	3 884	3 424	3 824	3 824	4 307	4 500	4 701
8.4 - Libraries		7 423	7 365	7 692	8 598	8 821	8 821	8 280	6 828	7 134
8.5 - Sport & Recreation		9 559	14 985	10 230	6 200	6 612	6 612	6 891	15 668	20 575
8.6 - Housing & Social Upliftment		509	351	415	345	1 126	1 126	335	350	363
8.7 - Roads & Stormwater		11 981	11 802	12 631	5 928	5 203	5 203	10 979	18 069	8 410
8.8 - Water		145 980	153 510	153 115	157 081	147 446	147 446	167 048	162 108	169 918
8.9 - Sewerage		104 583	98 448	109 568	116 672	124 881	124 881	138 620	117 931	129 641
8.10 - Refuse		76 777	96 662	94 657	95 187	95 441	95 441	96 835	103 369	110 031
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–
9.1 - Departmental Charges & Recoveries		–	–	–	–	–	–	–	–	–
9.2 - Internal Billing		–	–	–	–	–	–	–	–	–
9.3 - Activity Based Costing		–	–	–	–	–	–	–	–	–
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Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–
10.1 - Main Ledger		–	–	–	–	–	–	–	–	–
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WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
		–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–

WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
6.7 - Special Task Team Unit		162	182	268	11 641	11 540	11 540	12 490	13 156	13 873
6.8 - Disaster Management		240	2 798	2 657	2 323	2 988	2 988	2 414	934	949
6.9 - Security Services			4 414	6 544	6 140	6 603	6 603	5 879	6 134	6 229
		–	–	–	–	–	–	–	–	–
Vote 7 - Economic and Social Development & Tourism		10 303	12 842	13 858	17 311	18 247	18 247	17 570	15 510	16 237
7.1 - Director: Economic Development & Planning		4 074	8 155	8 594	9 100	10 971	10 971	10 079	7 816	8 118
7.2 - Tourism		3 014	2 858	2 803	3 595	3 595	3 595	3 517	3 667	3 793
7.3 - Social Development		2 011	931	1 354	1 941	1 652	1 652	2 024	2 147	2 203
7.4 - EPWP			–	–	–	–	–	–	–	–
7.5 - Thusong Centre: Hawston			–	193	1 175	1 330	1 330	1 949	1 881	2 113
7.6 - Parking Services		1 204	–	524	1 500	1 500	1 500	–	–	–
			–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Vote 8 - Community Services		402 983	420 782	456 221	488 368	491 922	491 922	488 923	520 894	542 073
8.1 - Director & Administration		48 899	77 941	82 163	94 988	94 065	94 065	108 610	106 159	110 502
8.2 - Offices & Community Buildings		19 902	19 584	22 514	23 295	24 062	24 062	23 220	24 734	25 465
8.3 - Parks & Townlands, Cemetries		24 551	22 461	27 284	33 148	33 326	33 326	34 100	33 305	35 651
8.4 - Libraries		8 009	8 500	8 815	10 311	12 583	12 583	10 481	10 957	11 598
8.5 - Sport & Recreation		20 432	20 355	22 115	24 466	25 348	25 348	26 738	27 449	28 464
8.6 - Housing & Social Upliftment		6 912	5 421	6 883	8 315	9 103	9 103	5 932	6 291	6 525
8.7 - Roads & Stormwater		110 978	109 531	112 267	122 143	121 756	121 756	127 454	135 338	137 337
8.8 - Water		64 021	65 200	69 398	71 469	71 469	71 469	65 232	65 206	73 107
8.9 - Sewerage		57 875	55 317	58 013	60 329	60 779	60 779	62 648	65 790	68 619
8.10 - Refuse		41 504	36 464	36 778	38 882	39 432	39 432	41 400	43 884	46 006
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–
9.1 - Departmental Charges & Recoveries		–	–	–	–	–	–	–	–	–
9.2 - Internal Billing		–	–	–	–	–	–	–	–	–
9.3 - Activity Based Costing		–	–	–	–	–	–	–	–	–
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		–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–
10.1 - Main Ledger		–	–	–	–	–	–	–	–	–
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WC032 Overstrand - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source										
Property rates	2	233 093	240 910	261 222	275 637	275 637	275 637	287 941	300 836	314 308
Service charges - electricity revenue	2	378 693	415 960	442 792	499 317	499 317	499 317	541 692	582 115	625 557
Service charges - water revenue	2	129 858	133 037	131 113	132 168	132 168	132 168	138 138	144 354	150 851
Service charges - sanitation revenue	2	77 719	80 925	87 094	87 631	87 631	87 631	90 962	94 874	98 953
Service charges - refuse revenue	2	61 763	68 256	72 198	74 741	74 741	74 741	78 850	83 502	88 427
Rental of facilities and equipment		6 278	5 735	4 068	3 440	3 440	3 440	4 573	4 778	4 989
Interest earned - external investments		41 767	48 146	30 504	27 456	27 456	27 456	24 871	25 991	27 161
Interest earned - outstanding debtors		4 193	5 040	4 244	4 681	4 681	4 681	3 982	4 161	4 348
Dividends received				–	–	–	–	–	–	–
Fines, penalties and forfeits		25 672	18 211	1 095	28 223	20 223	20 223	20 344	22 188	23 174
Licences and permits		2 526	1 975	2 227	2 039	2 538	2 538	2 636	2 750	2 869
Agency services		4 885	4 376	6 189	6 680	6 680	6 680	7 852	8 211	8 580
Transfers and subsidies		106 306	123 140	140 895	139 692	157 281	157 281	166 184	174 999	192 746
Other revenue	2	83 673	139 226	96 156	126 909	138 535	138 535	121 898	93 814	57 920
Gains		–	3 890	7 545	8 225	8 225	8 225	8 225	8 225	8 225
Total Revenue (excluding capital transfers and contributions)		**1 156 425**	**1 288 828**	**1 287 342**	**1 416 839**	**1 438 553**	**1 438 553**	**1 498 153**	**1 550 796**	**1 608 108**
Expenditure By Type										
Employee related costs	2	368 000	382 572	437 874	463 804	478 188	478 188	504 478	522 622	551 734
Remuneration of councillors		10 573	11 282	11 219	12 401	12 216	12 216	12 335	12 837	13 360
Debt impairment	3	17 500	23 434	12 138	21 500	13 544	13 544	13 564	13 699	13 836
Depreciation & asset impairment	2	131 114	134 574	140 110	145 663	145 663	145 663	146 596	145 685	148 275
Finance charges		44 921	46 570	48 805	51 804	51 804	51 804	48 056	47 734	47 159
Bulk purchases	2	242 614	278 548	298 272	353 707	353 707	353 707	384 161	417 237	453 161
Other materials	8	35 049	42 302	45 042	44 845	50 093	50 093	52 137	51 837	55 539
Contracted services		186 336	178 363	208 095	247 340	251 333	251 333	269 929	279 215	293 223
Transfers and subsidies		486	560	8 710	12 324	12 774	12 774	13 057	13 060	13 582
Other expenditure	4, 5	71 333	91 238	110 367	141 620	151 597	151 597	150 658	137 287	121 456
Losses		610	1 639	303	–	–	–	–	–	–
Total Expenditure		**1 108 536**	**1 191 082**	**1 320 936**	**1 495 006**	**1 520 918**	**1 520 918**	**1 594 971**	**1 641 213**	**1 711 326**
Surplus/(Deficit)		**47 890**	**97 746**	**(33 594)**	**(78 168)**	**(82 365)**	**(82 365)**	**(96 819)**	**(90 417)**	**(103 218)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		31 952	37 392	37 219	46 354	47 062	47 062	72 254	31 368	32 611
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	–	–	8 465	14 243	3 597	3 597	12 662	–	–
Transfers and subsidies - capital (in-kind - all)		26 685	3 730	18 757	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**106 528**	**138 868**	**30 848**	**(17 571)**	**(31 706)**	**(31 706)**	**(11 902)**	**(59 049)**	**(70 607)**
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		**106 526**	**138 868**	**30 848**	**(17 571)**	**(31 706)**	**(31 706)**	**(11 902)**	**(59 049)**	**(70 607)**
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**106 526**	**138 868**	**30 848**	**(17 571)**	**(31 706)**	**(31 706)**	**(11 902)**	**(59 049)**	**(70 607)**
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		**106 526**	**138 868**	**30 848**	**(17 571)**	**(31 706)**	**(31 706)**	**(11 902)**	**(59 049)**	**(70 607)**

WC032 Overstrand - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure - Vote										
Multi-year expenditure *to be appropriated*	2									
Vote 1 - Council & Mayor's Office		–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager & Internal Audit		–	–	–	–	–	–	–	–	–
Vote 3 - Management Services		–	–	–	3 715	3 245	3 245	1 815	–	–
Vote 4 - Finance		–	–	–	60	60	60	60	–	–
Vote 5 - Infrastructure & Planning		63 169	15 575	73 712	198 806	162 435	162 435	198 128	102 598	99 011
Vote 6 - Protection Services		4 809	–	–	354	704	704	300	–	–
Vote 7 - Economic and Social Development & Tourism		–	–	–	45	45	45	45	–	–
Vote 8 - Community Services		66 541	58 300	36 053	4 297	6 267	6 267	735	–	–
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total		134 520	73 875	109 765	199 277	172 756	172 756	201 083	102 598	99 011
Single-year expenditure *to be appropriated*	2									
Vote 1 - Council & Mayor's Office		–	–	352	–	–	–	–	–	–
Vote 2 - Municipal Manager & Internal Audit		–	–	–	–	–	–	–	–	–
Vote 3 - Management Services		295	3 966	2 288	–	–	–	–	–	–
Vote 4 - Finance		–	22	57	–	–	–	–	–	–
Vote 5 - Infrastructure & Planning		28 195	93 905	80 221	40 514	34 755	34 755	17 475	–	–
Vote 6 - Protection Services		–	12 064	8 160	7 535	8 893	8 893	2 492	–	–
Vote 7 - Economic and Social Development & Tourism		–	375	498	–	–	–	–	–	–
Vote 8 - Community Services		10 672	26 849	53 459	27 449	21 575	21 575	14 970	–	–
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		39 162	137 181	145 035	75 498	65 223	65 223	34 937	–	–
Total Capital Expenditure - Vote	3,7	173 682	211 056	254 800	274 775	237 979	237 979	236 020	102 598	99 011
Capital Expenditure - Functional										
Governance and administration		7 231	4 049	7 054	3 775	3 775	3 775	1 875	–	–
Executive and council		295	2	355	5	5	5	5	–	–
Finance and administration		6 936	4 049	6 699	3 770	3 770	3 770	1 870	–	–
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		68 172	112 758	96 981	79 999	85 262	85 262	53 438	29 934	19 897
Community and social services		5 164	1 330	16 072	9 991	4 117	4 117	7 261	–	–
Sport and recreation		23 923	9 981	22 886	7 752	7 674	7 674	2 500	8 704	13 297
Public safety		4 809	15 694	8 425	7 897	9 605	9 605	2 792	–	–
Housing		34 276	85 753	49 598	54 359	63 865	63 865	40 885	21 230	6 400
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		13 407	6 865	29 200	19 511	14 211	14 211	14 068	7 164	6 000
Planning and development		1 346	1 220	8 466	7 987	3 412	3 412	1 478	–	–
Road transport		12 061	5 645	20 734	11 524	10 799	10 799	12 590	7 164	6 000
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		84 872	87 384	121 565	171 489	134 731	134 731	166 639	65 500	73 314
Energy sources		28 893	21 428	10 436	68 211	35 311	35 311	65 389	22 000	24 314
Water management		12 270	31 752	35 574	51 982	37 334	37 334	39 970	19 000	23 400
Waste water management		42 210	26 893	57 190	47 481	57 480	57 480	57 736	24 500	19 100
Waste management		1 499	7 311	18 365	3 815	4 606	4 606	3 544	–	6 500
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3,7	173 682	211 056	254 800	274 775	237 979	237 979	236 020	102 598	99 011
Funded by:										
National Government		30 445	31 528	35 100	45 754	43 754	43 754	72 254	31 368	32 611
Provincial Government		35 615	85 965	48 390	600	3 308	3 308	–	–	–
District Municipality					–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		25 514			65 201	64 061	64 061	51 447	21 230	6 400
Transfers recognised - capital	4	91 574	117 493	83 490	111 555	111 123	111 123	123 702	52 598	39 011
Public contributions & donations	5		3 730	23 919	–	–	–	–	–	–
Borrowing	6	36 495	50 476	45 443	94 066	72 761	72 761	80 175	50 000	60 000
Internally generated funds		45 613	39 358	101 949	69 154	54 094	54 094	32 143	–	–
Total Capital Funding	7	173 682	211 056	254 800	274 775	237 979	237 979	236 020	102 598	99 011

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WC032 Overstrand - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure - Municipal Vote										
Multi-year expenditure appropriation	2									
Vote 1 - Council & Mayor's Office		-	-	-	-	-	-	-	-	-
1.1 - Council General		-	-	-	-	-	-	-	-	-
1.2 - Mayor's Office		-	-	-	-	-	-	-	-	-
1.3 - Pensioners & Continued Members		-	-	-	-	-	-	-	-	-
1.4 -		-	-	-	-	-	-	-	-	-
1.5 -		-	-	-	-	-	-	-	-	-
1.6 -		-	-	-	-	-	-	-	-	-
1.7 -		-	-	-	-	-	-	-	-	-
1.8 -		-	-	-	-	-	-	-	-	-
1.9 -		-	-	-	-	-	-	-	-	-
1.10 -		-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit		-	-	-	-	-	-	-	-	-
2.1 - Municipal Manager		-	-	-	-	-	-	-	-	-
2.2 - Internal Audit		-	-	-	-	-	-	-	-	-
2.3 - Risk Management		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 3 - Management Services		-	-	-	3 715	3 245	3 245	1 815	-	-
3.1 - Director: Management Services		-	-		15	15	15	15	-	-
3.2 - Communication		-	-	-	-	-	-	-	-	-
3.3 - Legal Services		-	-	-	-	-	-	-	-	-
3.4 - Strategic Services		-	-	-	-	-	-	-	-	-
3.5 - Human Resources		-	-		-	-	-	-	-	-
3.6 - Info & Communication Technology		-	-		3 700	3 230	3 230	1 800	-	-
3.7 - Council Support Services		-	-	-	-	-	-	-	-	-
3.8 - Social Development		-	-	-	-	-	-	-	-	-
3.9 - Municipal Court		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 4 - Finance		-	-	-	60	60	60	60	-	-
4.1 - Finance: Director		-	-		60	60	60	60	-	-
4.2 - Finance: Deputy Director		-	-	-	-	-	-	-	-	-
4.3 - Finance: Accounting Services		-		-	-	-	-	-	-	-
4.4 - Finance: Expenditure & Assets		-	-	-	-	-	-	-	-	-
4.5 - Finance: Revenue		-	-	-	-	-	-	-	-	-
4.6 - Finance: Supply Chain Management		-	-	-	-	-	-	-	-	-
4.7 - Data Control		-	-	-	-	-	-	-	-	-
4.8 - Assessment Rates		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 5 - Infrastructure & Planning		63 169	15 575	73 712	190 806	162 435	162 435	198 128	102 598	99 011
5.1 - Director: Infrastructure & Planning			-	1 212	1 370	1 370	1 370	1 403	1 500	2 000
5.2 - Deputy Director:Engineering Planning			-	14 777	68 002	63 750	63 750	80 756	35 000	42 500
5.3 - Engineering Services & Housing Development		34 276	4 082	48 411	57 842	66 623	66 623	49 654	45 598	25 697
5.4 - Town Planning			-	-	-	-	-	-	-	-
5.5 - Geographical Info System (GIS)			-	-	-	-	-	-	-	-
5.6 - Building Control Services			-	-	-	-	-	-	-	-
5.7 - Environmental Management Services			-	-	-	-	-	-	-	-
5.8 - Electricity		28 893	11 493	9 313	63 592	30 692	30 692	64 331	20 500	22 314
5.9 - Solid Waste Planning & Solid Waste Disposal		-	-	-	-	-	-	1 984	-	6 500
5.10 - Property Administration		-	-	-	-	-	-	-	-	-
Vote 6 - Protection Services		4 809	-	-	354	704	704	300	-	-
6.1 - Director: Protection Services					350	700	700	300	-	-
6.2 - Traffic				-	-	-	-	-	-	-
6.3 - Law Enforcement				-	4	4	4	-	-	-
6.4 - Vehicle testing				-	-	-	-	-	-	-
6.5 - Fire Brigade		4 809		-	-	-	-	-	-	-
6.6 - Vehicle Licensing				-	-	-	-	-	-	-
6.7 - Special Task Team Unit		-	-	-	-	-	-	-	-	-
6.8 - Disaster Management		-	-	-	-	-	-	-	-	-
6.9 - Security Services		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 7 - Economic and Social Development & Tourism		-	-	-	45	45	45	45	-	-
7.1 - Director: Economic Development & Planning		-	-	-	45	45	45	45	-	-
7.2 - Tourism		-	-	-	-	-	-	-	-	-
7.3 - Social Development		-	-	-	-	-	-	-	-	-
7.4 - EPWP		-	-	-	-	-	-	-	-	-
7.5 - Thusong Centre: Hawston		-	-	-	-	-	-	-	-	-
7.6 - Parking Services		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Vote 8 - Community Services		66 541	58 300	36 053	4 297	6 267	6 267	735	–	–
8.1 - Director & Administration				–	4 297	6 267	6 267	735	–	–
8.2 - Offices & Community Buildings				–	–	–	–	–	–	–
8.3 - Parks & Townlands, Cemetries				–	–	–	–	–	–	–
8.4 - Libraries				–	–	–	–	–	–	–
8.5 - Sport & Recreation				–	–	–	–	–	–	–
8.6 - Housing & Social Upliftment				–	–	–	–	–	–	–
8.7 - Roads & Stormwater		19 308	24 277	36 053	–	–	–	–	–	–
8.8 - Water		12 270	20 965	–	–	–	–	–	–	–
8.9 - Sewerage		34 963	13 058	–	–	–	–	–	–	–
8.10 - Refuse		–	–	–	–	–	–	–	–	–
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–
9.1 - Departmental Charges & Recoveries		–	–	–	–	–	–	–	–	–
9.2 - Internal Billing		–	–	–	–	–	–	–	–	–
9.3 - Activity Based Costing		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–
10.1 - Main Ledger		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–

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Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total		134 520	73 875	109 765	199 277	172 756	172 756	201 083	102 598	99 011

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WC032 Overstrand - Table A6 Budgeted Financial Position

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS										
Current assets										
Cash		123 988	143 570	202 482	50 829	166 302	166 302	31 308	13 731	9 768
Call investment deposits	1	409 200	510 243	410 241	400 000	400 000	400 000	400 000	400 000	400 000
Consumer debtors	1	74 000	88 509	83 846	84 475	84 475	84 475	92 590	101 407	110 975
Other debtors		61 176	57 060	56 404	38 027	46 027	46 027	59 486	71 464	83 348
Current portion of long-term receivables		7	4	–	–	–	–	–	–	–
Inventory	2	16 029	10 222	12 736	9 940	10 659	10 659	10 908	11 190	11 416
Total current assets		**684 399**	**809 609**	**765 709**	**583 272**	**707 463**	**707 463**	**594 291**	**597 792**	**615 507**
Non current assets										
Long-term receivables		4	–	–	–	–	–	–	–	–
Investments		50 524	46 515	54 278	62 165	62 165	62 165	70 005	77 989	86 123
Investment property		117 433	122 921	127 538	127 346	127 346	127 346	132 846	138 346	143 846
Investment in Associate		–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	3 405 429	3 485 840	3 599 818	3 772 076	3 731 041	3 731 041	3 820 865	3 778 197	3 729 384
Agricultural		–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–
Intangible		8 597	9 168	8 993	4 363	8 603	8 603	8 203	7 783	7 332
Other non-current assets		130 928	130 928	130 928	130 928	130 928	130 928	130 928	130 928	130 928
Total non current assets		**3 712 914**	**3 795 371**	**3 921 556**	**4 096 878**	**4 060 082**	**4 060 082**	**4 162 847**	**4 133 244**	**4 097 614**
TOTAL ASSETS		**4 397 313**	**4 604 980**	**4 687 265**	**4 680 150**	**4 767 546**	**4 767 546**	**4 757 138**	**4 731 037**	**4 713 121**
LIABILITIES										
Current liabilities										
Bank overdraft	1	–	–	–	–	–	–	–	–	–
Borrowing	4	39 725	45 458	53 957	50 263	50 263	50 263	58 592	51 239	155 011
Consumer deposits		40 020	40 992	42 248	64 074	64 074	64 074	66 074	68 074	70 074
Trade and other payables	4	107 963	165 950	164 032	180 596	215 812	215 812	173 931	183 303	197 573
Provisions		33 010	42 460	49 986	46 378	52 351	52 351	48 210	53 034	54 903
Total current liabilities		**220 717**	**294 861**	**310 222**	**341 312**	**382 500**	**382 500**	**346 808**	**355 651**	**477 561**
Non current liabilities										
Borrowing		422 933	431 475	430 400	430 795	430 795	430 795	421 184	419 946	324 935
Provisions		222 157	210 662	247 812	227 039	265 029	265 029	290 101	292 012	292 223
Total non current liabilities		**645 090**	**642 137**	**678 212**	**657 833**	**695 824**	**695 824**	**711 285**	**711 957**	**617 158**
TOTAL LIABILITIES		**865 807**	**936 998**	**988 434**	**999 146**	**1 078 323**	**1 078 323**	**1 058 092**	**1 067 608**	**1 094 718**
NET ASSETS	5	**3 531 506**	**3 667 983**	**3 698 830**	**3 681 004**	**3 689 222**	**3 689 222**	**3 699 046**	**3 663 428**	**3 618 403**
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)		3 528 279	3 664 755	3 695 603	3 677 777	3 685 995	3 685 995	3 695 823	3 660 211	3 615 190
Reserves	4	3 227	3 227	3 227	3 228	3 228	3 228	3 223	3 218	3 213
TOTAL COMMUNITY WEALTH/EQUITY	5	**3 531 506**	**3 667 983**	**3 698 830**	**3 681 004**	**3 689 222**	**3 689 222**	**3 699 046**	**3 663 428**	**3 618 403**

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WC032 Overstrand - Table A7 Budgeted Cash Flows

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		230 566	238 449	262 672	279 664	279 664	279 664	285 907	298 712	312 089
Service charges		643 620	689 210	737 211	792 663	792 663	792 663	843 505	898 236	956 673
Other revenue		128 882	175 357	131 492	159 489	152 925	152 925	146 992	110 143	75 932
Transfers and Subsidies - Operational	1	110 341	120 949	133 792	139 692	157 281	157 281	166 184	174 999	192 746
Transfers and Subsidies - Capital	1	32 017	60 675	37 219	46 354	49 062	49 062	72 254	31 368	32 611
Interest		45 960	53 186	34 748	27 456	27 456	27 456	24 871	25 991	27 161
Dividends		–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees		(929 996)	(971 606)	(1 069 400)	(1 166 090)	(1 193 289)	(1 193 289)	(1 373 971)	(1 382 062)	(1 447 204)
Finance charges		(44 921)	(46 570)	(48 805)	(51 804)	(51 804)	(51 804)	(48 056)	(47 734)	(47 159)
Transfers and Grants	1	(486)	(560)	(8 710)	(12 324)	(12 774)	(12 774)	(13 057)	(13 060)	(13 582)
NET CASH FROM/(USED) OPERATING ACTIVITIES		215 983	319 091	210 220	215 101	201 184	201 184	104 629	96 593	89 267
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		(566)	3 289	940	–	–	–	–	–	–
Decrease (increase) in non-current receivables		8	7	4	–	–	–	–	–	–
Decrease (increase) in non-current investments		(4 980)	(4 980)	(4 878)	(4 980)	(4 980)	(4 980)	(4 980)	(4 980)	(4 980)
Payments										
Capital assets		(172 777)	(211 056)	(254 800)	(274 775)	(239 979)	(239 979)	(236 020)	(102 598)	(99 011)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(178 314)	(212 740)	(258 734)	(279 748)	(244 949)	(244 949)	(241 000)	(107 578)	(103 991)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		54 000	54 000	54 000	50 000	50 000	50 000	50 000	50 000	60 000
Increase (decrease) in consumer deposits		–	–	–	2 000	2 000	2 000	2 000	2 000	2 000
Payments										
Repayment of borrowing		(33 448)	(39 725)	(46 576)	(54 646)	(54 646)	(54 646)	(50 623)	(58 592)	(51 239)
NET CASH FROM/(USED) FINANCING ACTIVITIES		20 552	14 275	7 424	(2 646)	(2 646)	(2 646)	1 377	(6 592)	10 761
NET INCREASE/ (DECREASE) IN CASH HELD		58 220	120 626	(41 091)	(67 293)	(46 410)	(46 410)	(134 994)	(17 577)	(3 963)
Cash/cash equivalents at the year begin:	2	474 967	533 188	653 813	518 129	612 723	612 723	566 302	431 308	413 731
Cash/cash equivalents at the year end:	2	533 188	653 813	612 723	450 836	566 312	566 312	431 308	413 731	409 768

WC032 Overstrand - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available										
Cash/cash equivalents at the year end	1	533 188	653 813	612 723	450 836	566 312	566 312	431 308	413 731	409 768
Other current investments > 90 days		0	–	–	(7)	(10)	(10)	0	(0)	0
Non current assets - Investments	1	50 524	46 515	54 278	62 165	62 165	62 165	70 005	77 989	86 123
Cash and investments available:		583 711	700 328	667 001	512 994	628 466	628 466	501 313	491 720	495 891
Application of cash and investments										
Unspent conditional transfers		–	31 133	24 030	–	12 442	12 442	–	–	–
Unspent borrowing		38 199	–	44 066	44 066	22 761	22 761	22 033	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	(26 508)	(9 362)	(3 156)	59 046	74 998	74 998	24 486	14 876	8 219
Other provisions		6 587	2 612	28 547	10 200	16 936	16 936	12 515	8 330	8 276
Long term investments committed	4	50 524	46 515	54 278	62 165	62 165	62 165	70 005	77 989	86 123
Reserves to be backed by cash/investments	5	3 227	3 227	3 227	3 228	3 228	3 228	3 223	3 218	3 213
Total Application of cash and investments:		72 028	74 124	150 993	178 704	192 531	192 531	132 262	104 413	105 830
Surplus(shortfall)		511 683	626 204	516 008	334 290	435 936	435 936	369 051	387 307	390 061

WC032 Overstrand - Table A9 Asset Management

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CAPITAL EXPENDITURE										
Total New Assets	1	173 682	188 804	199 520	191 795	154 916	154 916	141 955	50 894	24 814
Roads Infrastructure		12 061	5 638	20 553	10 218	9 493	9 493	12 255	7 164	6 000
Storm water Infrastructure		7 247	7 918	14 169	6 590	6 590	6 590	1 636	8 500	–
Electrical Infrastructure		28 893	13 557	9 392	57 808	24 908	24 908	53 500	12 000	9 314
Water Supply Infrastructure		12 270	29 001	22 404	11 372	4 270	4 270	12 483	2 000	3 100
Sanitation Infrastructure		34 963	13 339	12 940	9 368	10 097	10 097	4 020	–	–
Solid Waste Infrastructure		1 499	7 311	12 254	3 262	4 516	4 516	1 470	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*96 933*	*76 763*	*91 712*	*98 618*	*59 873*	*59 873*	*85 364*	*29 664*	*18 414*
Community Facilities		30 804	2 084	10 999	15 352	4 743	4 743	6 701	–	–
Sport and Recreation Facilities		–	2 447	15 000	7 481	7 081	7 081	4 250	–	–
Community Assets		*30 804*	*4 531*	*25 999*	*22 833*	*11 824*	*11 824*	*10 951*	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		3 092	1 749	4 581	6 636	5 617	5 617	3 017	–	–
Housing		34 276	85 753	49 598	52 259	61 765	61 765	38 785	21 230	6 400
Other Assets		*37 368*	*87 502*	*54 179*	*58 895*	*67 383*	*67 383*	*41 802*	*21 230*	*6 400*
Biological or Cultivated Assets		–	–	–	–	226	226	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		1 346	3 345	5 152	3 933	3 463	3 463	1 888	–	–
Furniture and Office Equipment		295	246	802	875	1 225	1 225	765	–	–
Machinery and Equipment		–	533	486	1 641	1 791	1 791	1 185	–	–
Transport Assets		6 936	15 884	21 189	5 000	9 131	9 131	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	–	3 606	15 499	33 945	32 154	32 154	20 730	18 650	29 500
Roads Infrastructure		–	8	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	915	1 000	1 000	1 000	1 058	1 500	2 000
Water Supply Infrastructure		–	887	11 297	32 295	30 084	30 084	19 172	16 450	20 300
Sanitation Infrastructure		–	2 711	3 287	650	1 090	1 090	500	700	700
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	6 500
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	*3 606*	*15 499*	*33 945*	*32 154*	*32 154*	*20 730*	*18 650*	*29 500*
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Upgrading of Existing Assets	6	–	18 646	39 781	49 034	50 909	50 909	73 335	33 054	44 697
Roads Infrastructure		–	–	181	–	–	–	–	–	–
Storm water Infrastructure		–	1 285	12 258	–	–	–	–	–	–
Electrical Infrastructure		–	7 871	120	7 173	7 173	7 173	10 831	8 500	13 000
Water Supply Infrastructure		–	1 863	1 873	8 315	3 000	3 000	8 315	550	–
Sanitation Infrastructure		–	32	14 286	30 873	38 203	38 203	51 581	15 300	18 400
Solid Waste Infrastructure		–	–	3 262	553	90	90	2 074	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	*11 051*	*31 980*	*46 913*	*48 466*	*48 466*	*72 800*	*24 350*	*31 400*
Community Facilities		–	–	830	100	100	100	334	–	–
Sport and Recreation Facilities		–	7 534	6 971	2 021	2 343	2 343	200	8 704	13 297
Community Assets		–	*7 534*	*7 801*	*2 121*	*2 443*	*2 443*	*534*	*8 704*	*13 297*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–

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Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	61	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	61	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4	173 682	211 056	254 800	274 775	237 979	237 979	236 020	102 598	99 011
Roads Infrastructure		12 061	5 645	20 734	10 218	9 493	9 493	12 255	7 164	6 000
Storm water Infrastructure		7 247	9 202	26 427	6 590	6 590	6 590	1 636	8 500	–
Electrical Infrastructure		28 893	21 428	10 427	65 981	33 081	33 081	65 389	22 000	24 314
Water Supply Infrastructure		12 270	31 752	35 574	51 982	37 334	37 334	39 970	19 000	23 400
Sanitation Infrastructure		34 963	16 081	30 513	40 891	49 390	49 390	56 101	16 000	19 100
Solid Waste Infrastructure		1 499	7 311	15 517	3 815	4 606	4 606	3 544	–	6 500
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*96 933*	*91 420*	*139 192*	*179 477*	*140 493*	*140 493*	*178 895*	*72 664*	*79 314*
Community Facilities		30 804	2 084	11 829	15 452	4 843	4 843	7 035	–	–
Sport and Recreation Facilities		–	9 981	21 971	9 502	9 424	9 424	4 450	8 704	13 297
Community Assets		*30 804*	*12 065*	*33 801*	*24 954*	*14 267*	*14 267*	*11 485*	*8 704*	*13 297*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		3 092	1 810	4 581	6 636	5 617	5 617	3 017	–	–
Housing		34 276	85 753	49 598	52 259	61 765	61 765	38 785	21 230	6 400
Other Assets		*37 368*	*87 563*	*54 179*	*58 895*	*67 383*	*67 383*	*41 802*	*21 230*	*6 400*
Biological or Cultivated Assets		–	–	–	–	226	226	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		1 346	3 345	5 152	3 933	3 463	3 463	1 888	–	–
Furniture and Office Equipment		295	246	802	875	1 225	1 225	765	–	–
Machinery and Equipment		–	533	486	1 641	1 791	1 791	1 185	–	–
Transport Assets		6 936	15 884	21 189	5 000	9 131	9 131	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		173 682	211 056	254 800	274 775	237 979	237 979	236 020	102 598	99 011
ASSET REGISTER SUMMARY - PPE (WDV)	5	3 662 386	3 748 856	3 867 277	4 034 713	3 997 918	3 997 918	4 092 842	4 055 255	4 011 491
Roads Infrastructure		1 068 859	1 056 127	1 092 369	977 558	976 832	976 832	951 385	920 218	889 823
Storm water Infrastructure			214 067	233 963	247 201	247 201	247 201	240 845	241 337	234 130
Electrical Infrastructure		525 175	520 173	503 932	552 006	519 106	519 106	555 433	548 549	542 442
Water Supply Infrastructure		464 323	474 519	481 728	532 361	517 713	517 713	534 118	530 038	524 588
Sanitation Infrastructure		582 010	398 307	410 831	435 850	444 350	444 350	482 900	481 350	483 115
Solid Waste Infrastructure		26 500	24 634	40 153	48 809	49 600	49 600	49 883	46 621	50 021
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*2 666 867*	*2 687 827*	*2 762 974*	*2 793 785*	*2 754 801*	*2 754 801*	*2 814 545*	*2 768 114*	*2 724 120*
Community Assets		204 522	206 868	226 656	–	–	–	–	–	–
Heritage Assets		130 928	130 928	130 928	130 928	130 928	130 928	130 928	130 928	130 928
Investment properties		117 433	122 921	127 538	127 346	127 346	127 346	132 846	138 346	143 846
Other Assets		534 039	496 877	494 213	860 822	856 061	856 061	894 435	909 441	914 060
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		8 597	9 168	9 993	4 363	8 603	8 603	8 203	7 784	7 333
Computer Equipment				–	–	–	–	–	–	–
Furniture and Office Equipment			10 174	10 999	15 935	16 285	16 285	15 403	12 174	9 072
Machinery and Equipment			6 022	9 544	5 933	6 159	6 159	5 659	4 106	2 584
Transport Assets			78 074	95 432	95 602	97 734	97 734	90 823	84 363	79 548
Land				–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–		–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	3 662 386	3 748 856	3 867 277	4 034 713	3 997 918	3 997 918	4 092 842	4 055 255	4 011 491
EXPENDITURE OTHER ITEMS										
Depreciation	7	131 114	134 574	140 110	145 663	145 663	145 663	146 596	145 685	148 275
Repairs and Maintenance by Asset Class	3	215 024	188 517	210 901	254 233	258 441	258 441	267 944	282 599	299 166
Roads Infrastructure		61 860	65 691	67 439	67 503	67 114	67 114	72 275	79 183	83 626
Storm water Infrastructure		5 765	4 749	5 584	7 712	7 712	7 712	7 335	7 736	8 154
Electrical Infrastructure		23 082	36 812	31 045	33 421	34 047	34 047	39 232	40 358	43 933
Water Supply Infrastructure		17 367	16 161	21 046	21 537	21 537	21 537	22 142	23 489	24 843
Sanitation Infrastructure		14 987	10 072	12 980	12 162	12 346	12 346	13 044	13 580	14 354
Solid Waste Infrastructure		22 918	1 168	2 535	6 936	6 483	6 483	7 320	7 686	8 123

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	113	110	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	1	–	–	–	–	–	–
Infrastructure		*145 959*	*134 766*	*140 742*	*149 272*	*149 240*	*149 240*	*161 349*	*172 030*	*183 034*
Community Facilities		27 117	29 422	37 364	46 573	42 095	42 095	43 516	43 405	45 873
Sport and Recreation Facilities		12 685	4 176	7 007	15 083	15 567	15 567	14 849	14 910	15 416
Community Assets		*39 801*	*33 597*	*44 371*	*61 656*	*57 662*	*57 662*	*58 365*	*58 315*	*61 289*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		8 009	1 582	2 136	11 914	16 896	16 896	15 246	16 876	17 880
Housing		–	–	1	–	–	–	–	–	–
Other Assets		*8 009*	*1 582*	*2 137*	*11 914*	*16 896*	*16 896*	*15 246*	*16 876*	*17 880*
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	6 009	5 672	6 528	6 413	6 413	6 994	7 381	7 794
Intangible Assets		–	*6 009*	*5 672*	*6 528*	*6 413*	*6 413*	*6 994*	*7 381*	*7 794*
Computer Equipment		4 890	766	1 947	2 280	2 806	2 806	2 280	2 391	2 508
Furniture and Office Equipment		15 364	242	1 128	5 095	6 054	6 054	6 330	6 644	6 951
Machinery and Equipment		–	–	–	5 548	5 379	5 379	5 601	6 518	6 561
Transport Assets		–	11 555	14 904	10 940	13 990	13 990	11 779	12 444	13 149
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		**346 138**	**323 092**	**351 011**	**399 896**	**404 104**	**404 104**	**414 540**	**428 284**	**447 441**
Renewal and upgrading of Existing Assets as % of total capex		*0.0%*	*10.5%*	*21.7%*	*30.2%*	*34.9%*	*34.9%*	*39.9%*	*50.4%*	*74.9%*
Renewal and upgrading of Existing Assets as % of deprecn		*0.0%*	*16.5%*	*39.5%*	*57.0%*	*57.0%*	*57.0%*	*64.2%*	*35.5%*	*50.0%*
R&M as a % of PPE		*6.3%*	*5.4%*	*5.9%*	*6.7%*	*6.9%*	*6.9%*	*7.0%*	*7.5%*	*8.0%*
Renewal and upgrading and R&M as a % of PPE		*6.0%*	*6.0%*	*7.0%*	*8.0%*	*9.0%*	*9.0%*	*9.0%*	*8.0%*	*9.0%*

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WC032 Overstrand - Table A10 Basic service delivery measurement

Description	Ref	-2018	-2019	-2020	-2021-O	-2021-A	-2021-F	-2022	-2023	-2024
		2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Household service targets	1									
Water:										
Piped water inside dwelling		29 800	29 946	30 111	30 111	30 111	30 111	30 412	30 716	31 023
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	3 620	3 675	3 779	3 779	3 779	3 779	4 650	4 900	5 000
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		33 420	33 621	33 890	33 890	33 890	33 890	35 062	35 616	36 023
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	33 420	33 621	33 890	33 890	33 890	33 890	35 062	35 616	36 023
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		29 631	30 060	30 420	30 420	30 420	30 420	30 724	31 031	31 342
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		3 620	3 675	3 779	3 731	3 731	3 731	4 650	4 900	5 000
Minimum Service Level and Above sub-total		33 251	33 735	34 199	34 151	34 151	34 151	35 374	35 931	36 342
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	33 251	33 735	34 199	34 151	34 151	34 151	35 374	35 931	36 342
Energy:										
Electricity (at least min.service level)		5 831	5 946	5 826	5 706	5 706	5 706	5 586	5 466	5 346
Electricity - prepaid (min.service level)		19 464	19 731	20 146	20 561	20 561	20 561	20 976	21 391	21 806
Minimum Service Level and Above sub-total		25 295	25 677	25 972	26 267	26 267	26 267	26 562	26 857	27 152
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	25 295	25 677	25 972	26 267	26 267	26 267	26 562	26 857	27 152
Refuse:										
Removed at least once a week		33 105	33 366	33 895	33 895	33 895	33 895	34 234	34 576	34 922
Minimum Service Level and Above sub-total		33 105	33 366	33 895	33 895	33 895	33 895	34 234	34 576	34 922
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	33 105	33 366	33 895	33 895	33 895	33 895	34 234	34 576	34 922
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		7 630	7 595	7 278	7 400	7 400	7 400	7 000	7 300	7 600
Sanitation (free minimum level service)		7 630	7 595	7 278	7 400	7 400	7 400	7 000	7 300	7 600
Electricity/other energy (50kwh per household per month)		7 630	7 595	7 278	7 400	7 400	7 400	7 000	7 300	7 600
Refuse (removed at least once a week)		7 630	7 595	7 278	7 400	7 400	7 400	7 000	7 300	7 600
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		2 758	3 062	3 065	3 239	3 239	3 239	3 214	3 553	3 921
Sanitation (free sanitation service to indigent households)		4 984	5 244	5 253	5 553	5 553	5 553	9 132	9 933	10 786
Electricity/other energy (50kwh per indigent household per month)		4 812	5 416	5 513	6 423	6 423	6 423	6 530	7 318	8 188
Refuse (removed once a week for indigent households)		15 048	16 906	16 929	17 901	17 901	17 901	17 933	19 805	21 836
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		27 602	30 628	30 760	33 117	33 117	33 117	36 808	40 609	44 730
Highest level of free service provided per household										
Property rates (R value threshold)		220 000	220 000	220 000	220 000	220 000	220 000	220 000	220 000	220 000
Water (kilolitres per household per month)		6	6	6	6	6	6	10	10	10
Sanitation (kilolitres per household per month)		4	4	4	4	4	4	7	7	7
Sanitation (Rand per household per month)		78	82	86	89	89	89	93	99	105
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		210	210	210	210	210	210	210	210	210
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		50 983	–	–	–	–	–	–	–	–
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		50 983	–	–	–	–	–	–	–	–

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WC032 Overstrand - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
REVENUE ITEMS:										
Property rates	6									
Total Property Rates		284 076	240 910	261 222	275 637	275 637	275 637	287 941	300 836	314 308
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		50 983		–	–	–	–	–	–	–
Net Property Rates		233 093	240 910	261 222	275 637	275 637	275 637	287 941	300 836	314 308
Service charges - electricity revenue	6									
Total Service charges - electricity revenue		383 505	421 376	448 305	505 740	505 740	505 740	548 222	589 433	633 745
less Revenue Foregone (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–
less Cost of Free Basic Services (50 kwh per indigent household per month)		4 812	5 416	5 513	6 423	6 423	6 423	6 530	7 318	8 188
Net Service charges - electricity revenue		378 693	415 960	442 792	499 317	499 317	499 317	541 692	582 115	625 557
Service charges - water revenue	6									
Total Service charges - water revenue		132 615	136 100	134 178	135 408	135 408	135 408	141 352	147 907	154 772
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)				–	–	–	–	–	–	–
less Cost of Free Basic Services (6 kilolitres per indigent household per month)		2 758	3 062	3 065	3 239	3 239	3 239	3 214	3 553	3 921
Net Service charges - water revenue		129 858	133 037	131 113	132 168	132 168	132 168	138 138	144 354	150 851
Service charges - sanitation revenue										
Total Service charges - sanitation revenue		82 703	86 170	92 346	93 185	93 185	93 185	100 094	104 807	109 739
less Revenue Foregone (in excess of free sanitation service to indigent households)					–	–	–	–	–	–
less Cost of Free Basic Services (free sanitation service to indigent households)		4 984	5 244	5 253	5 553	5 553	5 553	9 132	9 933	10 786
Net Service charges - sanitation revenue		77 719	80 925	87 094	87 631	87 631	87 631	90 962	94 874	98 953
Service charges - refuse revenue										
Total refuse removal revenue		76 811	85 161	89 128	92 642	92 642	92 642	96 782	103 306	110 262
Total landfill revenue		–	–	–	–	–	–	–	–	–
less Revenue Foregone (in excess of one removal a week to indigent households)		–	–	–	–	–	–	–	–	–
less Cost of Free Basic Services (removed once a week to indigent households)		15 048	16 908	16 929	17 901	17 901	17 901	17 933	19 805	21 835
Net Service charges - refuse revenue		61 763	68 256	72 198	74 741	74 741	74 741	78 850	83 502	88 427
Other Revenue by source										
Fuel Levy				–	–	–	–	–	–	–
Other Revenue										
Discontinued Operations				–	–	–	–	–	–	–
Rent on Land				966	1 106	1 106	1 106	1 229	1 284	1 341
Operational Revenue				9 019	6 039	6 039	6 039	7 419	7 638	7 867
Intercompany/Parent-subsidiary Transactions				–	–	–	–	–	–	–
Surcharges and Taxes				–	–	–	–	–	–	–
Sales of Goods and Rendering of Services		83 673	139 226	86 171	119 765	131 390	131 390	113 250	84 891	48 712
Fuel Levy	3	–	–	–	–	–	–	–	–	–
Total 'Other' Revenue	1	83 673	139 226	96 156	126 909	138 535	138 535	121 898	93 814	57 920
EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries and Wages	2	368 000	382 572	290 839	290 769	298 573	298 573	316 896	335 697	355 617
Pension and UIF Contributions				42 603	48 870	49 249	49 249	52 863	56 007	59 363
Medical Aid Contributions				13 951	17 876	17 905	17 905	17 116	18 143	19 271
Overtime				341	317	29 250	29 250	29 501	31 359	33 335
Performance Bonus				19 229	22 518	22 016	22 016	23 967	25 459	27 045
Motor Vehicle Allowance				8 115	8 255	8 515	8 515	8 321	9 324	8 327
Cellphone Allowance				2 150	2 465	2 498	2 498	2 364	2 364	2 364
Housing Allowances				2 741	2 674	2 701	2 701	1 829	1 829	1 910
Other benefits and allowances				52 802	55 621	27 550	27 550	29 730	31 173	33 000
Payments in lieu of leave					–	–	–	–	–	–
Long service awards				3 047	3 230	3 658	3 658	3 945	3 310	3 739
Post-retirement benefit obligations	4			2 057	11 208	16 272	16 272	17 946	8 956	7 764
sub-total	5	368 000	382 572	437 874	483 804	478 188	478 188	504 478	522 622	551 734
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–
Total Employee related costs	1	368 000	382 572	437 874	483 804	478 188	478 188	504 478	522 622	551 734
Contributions recognised - capital										
List contributions by contract				8 465	14 243	3 597	3 597	12 662	–	–
Total Contributions recognised - capital		–	–	8 465	14 243	3 597	3 597	12 662	–	–
Depreciation & asset impairment										
Depreciation of Property, Plant & Equipment		131 114	132 740	136 560	145 272	145 272	145 272	146 196	145 265	147 824
Lease amortisation					390	390	390	400	420	451
Capital asset impairment			1 835	3 550	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE	10	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	1	131 114	134 574	140 110	145 663	145 663	145 663	146 596	145 685	148 275
Bulk purchases										
Electricity Bulk Purchases		242 614	278 548	298 272	353 707	353 707	353 707	384 161	417 237	453 161
Water Bulk Purchases		–	–	–	–	–	–	–	–	–
Total bulk purchases	1	242 614	278 548	298 272	353 707	353 707	353 707	384 161	417 237	453 161
Transfers and grants										
Cash transfers and grants		486	560	8 710	12 324	12 774	12 774	13 057	13 060	13 582

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Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–
Total transfers and grants	1	486	560	8 710	12 324	12 774	12 774	13 057	13 060	13 582
Contracted services										
Outsourced Services				87 046	107 372	106 201	106 201	119 205	123 861	130 807
Consultants and Professional Services				26 274	38 471	41 210	41 210	45 868	43 228	45 159
Contractors		186 336	178 363	94 775	101 496	103 922	103 922	104 857	112 126	117 257
sub-total	1	**186 336**	**178 363**	**208 095**	**247 340**	**251 333**	**251 333**	**269 929**	**279 215**	**293 223**
Allocations to organs of state:										
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total contracted services		**186 336**	**178 363**	**208 095**	**247 340**	**251 333**	**251 333**	**269 929**	**279 215**	**293 223**
Other Expenditure By Type										
Collection costs					6 642	6 642	6 642	7 041	7 463	7 911
Contributions to 'other' provisions					10 200	16 936	16 936	12 515	8 330	8 276
Audit fees					5 561	5 561	5 561	5 561	5 561	5 561
General expenses	3	71 333	91 133	110 254						
Operating Leases			105	113	1 811	1 084	1 084	281	308	321
Operational Cost					117 606	121 373	121 373	125 260	115 625	99 388
Statutory Payments other than Income Taxes				–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–
Total 'Other' Expenditure	1	**71 333**	**91 238**	**110 367**	**141 620**	**151 597**	**151 597**	**150 658**	**137 287**	**121 456**

by Expenditure Item	8									
Employee related costs		89 415	96 484	101 119	126 792	122 805	122 805	125 413	133 068	141 287
Other materials		17 594	18 615	19 462	20 700	24 260	24 260	25 392	26 801	29 219
Contracted Services		85 762	58 168	80 996	95 771	100 297	100 297	104 388	109 469	114 854
Other Expenditure		22 253	15 250	9 324	10 971	11 079	11 079	12 751	13 262	13 806
Total Repairs and Maintenance Expenditure	9	215 024	188 517	210 901	254 233	258 441	258 441	267 944	282 599	299 166

Inventory Consumed										
Inventory Consumed - Water		(134)	(142)	(206)	(205)	(205)	(205)	(204)	(203)	(202)
Inventory Consumed - Other		(5 754 408)	(5 975 058)	(6 217 806)	(6 563 310)	(6 522 274)	(6 522 274)	(6 786 408)	(6 877 823)	(6 986 402)
Total Inventory Consumed & Other Material		**(5 754 542)**	**(5 975 200)**	**(6 218 012)**	**(6 563 515)**	**(6 522 479)**	**(6 522 479)**	**(6 786 612)**	**(6 878 026)**	**(6 986 604)**

WC032 Overstrand - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description R thousand	Ref 1	Vote 1 - Council & Mayor's Office	Vote 2 - Municipal Manager & Internal Audit	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Infrastructure & Planning	Vote 6 - Protection Services	Vote 7 - Economic and Social Development & Tourism	Vote 8 - Community Services	Vote 9 - Costing Services	Vote 10 - Main Ledger Services	0	0	0	0	0	Total
Revenue By Source																	
Property rates		–	–	–	287 941	–	–	–	–	–	–	–	–	–	–	–	287 941
Service charges - electricity revenue		–	–	–	711	540 981	–	–	–	–	–	–	–	–	–	–	541 692
Service charges - water revenue		–	–	–	16	–	–	–	138 122	–	–	–	–	–	–	–	138 138
Service charges - sanitation revenue		–	–	–	–	–	0	–	90 962	–	–	–	–	–	–	–	90 962
Service charges - refuse revenue		–	–	–	–	–	–	–	78 850	–	–	–	–	–	–	–	78 850
Rental of facilities and equipment		–	–	–	–	0	–	68	4 505	–	–	–	–	–	–	–	4 573
Interest earned - external investments		–	–	–	24 871	–	–	–	–	–	–	–	–	–	–	–	24 871
Interest earned - outstanding debtors		–	–	–	3 981	–	–	–	0	–	–	–	–	–	–	–	3 982
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		0	–	–	0	76	20 168	–	100	–	–	–	–	–	–	–	20 344
Licences and permits		–	–	–	–	–	2 045	–	591	–	–	–	–	–	–	–	2 636
Agency services		–	–	–	–	–	7 838	–	20	–	–	–	–	–	–	–	7 858
Other revenue		116	–	869	8 366	112 414	566	0	7 793	–	–	–	–	–	–	–	130 123
Transfers and subsidies		50 196	–	–	1 550	42 990	5 378	2 743	63 327	–	–	–	–	–	–	–	166 184
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**50 312**	**–**	**869**	**327 436**	**696 461**	**35 995**	**2 811**	**384 269**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 498 153**
Expenditure By Type																	
Employee related costs		22 412	7 081	33 403	53 927	77 048	85 450	13 699	211 458	–	–	–	–	–	–	–	504 478
Remuneration of councillors		12 335	–	–	–	–	–	–	–	–	–	–	–	–	–	–	12 335
Debt impairment		–	–	–	1 705	956	9 447	–	1 456	–	–	–	–	–	–	–	13 564
Depreciation & asset impairment		8	21	2 399	283	30 100	1 637	226	111 922	–	–	–	–	–	–	–	146 596
Finance charges		–	–	–	41	15 578	–	–	32 437	–	–	–	–	–	–	–	48 056
Bulk purchases		–	–	–	–	384 161	–	–	–	–	–	–	–	–	–	–	384 161
Other materials		1 375	59	2 059	484	10 920	2 765	255	34 220	–	–	–	–	–	–	–	52 137
Contracted services		223	540	7 721	13 577	132 660	14 771	1 956	98 483	–	–	–	–	–	–	–	269 929
Transfers and subsidies		–	–	–	12 557	–	500	–	–	–	–	–	–	–	–	–	13 057
Other expenditure		8 240	341	20 308	23 740	83 388	5 163	1 434	8 046	–	–	–	–	–	–	–	150 658
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**44 592**	**8 042**	**65 889**	**106 313**	**734 810**	**119 732**	**17 570**	**498 023**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1 594 971**
Surplus/(Deficit)		**5 719**	**(8 042)**	**(65 021)**	**221 123**	**(38 349)**	**(83 737)**	**(14 759)**	**(113 754)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(96 819)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	–	–	–	21 419	–	–	50 836	–	–	–	–	–	–	–	72 254
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	12 662	–	–	–	–	–	–	–	–	–	–	12 662
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**5 719**	**(8 042)**	**(65 021)**	**221 123**	**(4 268)**	**(83 737)**	**(14 759)**	**(62 918)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(11 902)**

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WC032 Overstrand - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS										
Call investment deposits										
Call deposits		409 200	510 243	410 241	400 000	400 000	400 000	400 000	400 000	400 000
Other current investments		–	–	–	–	–	–	–	–	–
Total Call investment deposits	2	409 200	510 243	410 241	400 000	400 000	400 000	400 000	400 000	400 000
Consumer debtors										
Consumer debtors		100 108	126 996	128 345	126 617	126 617	126 617	138 848	151 823	165 591
Less: Provision for debt impairment		(26 108)	(40 486)	(44 499)	(42 141)	(42 141)	(42 141)	(46 258)	(50 416)	(54 616)
Total Consumer debtors	2	74 000	86 509	83 846	84 475	84 475	84 475	92 590	101 407	110 975
Debt impairment provision										
Balance at the beginning of the year		(21 774)	(26 108)	(40 486)	(40 641)	(40 641)	(40 641)	(42 141)	(46 258)	(50 416)
Contributions to the provision		(4 334)	(14 378)	(4 012)	(1 500)	(1 500)	(1 500)	(4 117)	(4 158)	(4 200)
Bad debts written off		–	–	–	–	–	–	–	–	–
Balance at end of year		(26 108)	(40 486)	(44 499)	(42 141)	(42 141)	(42 141)	(46 258)	(50 416)	(54 616)
Inventory										
Water										
Opening Balance		128	134	142	206	206	206	205	204	203
System Input Volume		6	8	63	(1)	11 118	11 118	11 396	11 681	11 973
Water Treatment Works		6	8	63	(1)	(1)	(1)	(1)	(1)	(1)
Bulk Purchases		–	–	–	–	–	–	–	–	–
Natural Sources		–	–	–	–	11 119	11 119	11 397	11 682	11 974
Authorised Consumption	6	–	–	–	–	(8 785)	(8 785)	(9 004)	(9 230)	(9 460)
Billed Authorised Consumption		–	–	–	–	(8 593)	(8 593)	(8 808)	(9 028)	(9 254)
Billed Metered Consumption		–	–	–	–	(8 593)	(8 593)	(8 808)	(9 028)	(9 254)
Free Basic Water		–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	(8 593)	(8 593)	(8 808)	(9 028)	(9 254)
Billed Unmetered Consumption		–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–
UnBilled Authorised Consumption		–	–	–	–	(192)	(192)	(197)	(202)	(207)
Unbilled Metered Consumption		–	–	–	–	–	–	–	–	–
Unbilled Unmetered Consumption		–	–	–	–	(192)	(192)	(197)	(202)	(207)
Water Losses		–	–	–	–	(2 334)	(2 334)	(2 392)	(2 452)	(2 513)
Apparent losses		–	–	–	–	(2 334)	(2 334)	(2 392)	(2 452)	(2 513)
Unauthorised Consumption		–	–	–	–	(2 334)	(2 334)	(2 392)	(2 452)	(2 513)
Customer Meter Inaccuracies		–	–	–	–	–	–	–	–	–
Real losses		–	–	–	–	–	–	–	–	–
Leakage on Transmission and Distribution Mains		–	–	–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs		–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Custom		–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses		–	–	–	–	–	–	–	–	–
Non-revenue Water		–	–	–	–	(2 526)	(2 526)	(2 589)	(2 654)	(2 720)
Closing Balance Water		134	142	206	205	205	205	204	203	202
Agricultural										
Opening Balance		–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		–	–	–	–	–	–	–	–	–
Consumables										
Standard Rated										
Opening Balance		7 322	9 591	8 782	8 899	8 899	8 899	7 936	8 188	8 471
Acquisitions		13 594	15 894	14 090	15 900	15 900	15 900	15 900	15 900	15 900

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Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Issues	7	(11 320)	(16 704)	(13 498)	(16 861)	(16 861)	(16 861)	(15 650)	(15 617)	(15 673)
Adjustments	8	(2)	–	–	–	–	–	–	–	–
Write-offs	9	(3)	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		9 591	8 782	9 374	7 938	7 938	7 938	8 188	8 471	8 698
Zero Rated										
Opening Balance		–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		–	–	–	–	–	–	–	–	–
Finished Goods										
Opening Balance		–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–
Closing balance - Finished Goods		–	–	–	–	–	–	–	–	–
Materials and Supplies										
Opening Balance		–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–
Closing balance - Materials and Supplies		–	–	–	–	–	–	–	–	–
Work-in-progress										
Opening Balance		–	–	–	–	–	–	–	–	–
Materials		–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–
Closing balance - Work-in-progress		–	–	–	–	–	–	–	–	–
Housing Stock										
Opening Balance		–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–
Transfers		–	–	–	–	–	–	–	–	–
Sales		–	–	–	–	–	–	–	–	–
Closing Balance - Housing Stock		–	–	–	–	–	–	–	–	–
Land										
Opening Balance		6 304	6 304	1 295	3 157	3 157	3 157	2 517	2 517	2 517
Acquisitions		–	–	1 862	–	–	–	–	–	–
Sales		–	(197)	–	–	–	–	–	–	–
Adjustments		–	(4 812)	–	(640)	(640)	(640)	–	–	–
Correction of Prior period errors		–	–	–	–	–	–	–	–	–
Closing Balance - Land		6 304	1 295	3 157	2 517	2 517	2 517	2 517	2 517	2 517
Closing Balance - Inventory & Consumables		16 029	10 219	12 736	10 659	10 659	10 659	10 908	11 190	11 416
Property, plant and equipment (PPE)										
PPE at cost/valuation (excl. finance leases)		5 680 408	5 886 548	6 133 960	6 478 835	6 437 799	6 437 799	6 673 818	6 776 416	6 875 427
Leases recognised as PPE	3	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation		(2 274 979)	(2 400 708)	(2 534 142)	(2 706 758)	(2 706 758)	(2 706 758)	(2 852 954)	(2 998 219)	(3 146 043)
Total Property, plant and equipment (PPE)	2	3 405 429	3 485 840	3 599 818	3 772 076	3 731 041	3 731 041	3 820 865	3 778 197	3 729 384
LIABILITIES										
Current liabilities - Borrowing										
Short term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		39 725	45 458	53 957	50 263	50 263	50 263	58 592	51 239	155 011
Total Current liabilities - Borrowing		39 725	45 458	53 957	50 263	50 263	50 263	58 592	51 239	155 011

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Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Trade and other payables										
Trade Payables		97 922	134 818	140 002	180 596	203 369	203 369	173 931	183 303	197 573
Other Creditors		10 041	–	–	–	–	–	–	–	–
Unspent conditional transfers		–	31 133	24 030	–	12 442	12 442	–	–	–
VAT		–	–	–	–	–	–	–	–	–
Total Trade and other payables	2	**107 963**	**165 950**	**164 032**	**180 596**	**215 812**	**215 812**	**173 931**	**183 303**	**197 573**
Non current liabilities - Borrowing										
Borrowing	4	422 933	431 475	430 400	430 795	430 795	430 795	421 184	419 946	324 935
Finance leases (including PPP asset element)		–	–	–	–	–	–	–	–	–
Total Non current liabilities - Borrowing		**422 933**	**431 475**	**430 400**	**430 795**	**430 795**	**430 795**	**421 184**	**419 946**	**324 935**
Provisions - non-current										
Retirement benefits		108 914	92 981	108 533	110 759	118 853	118 853	130 437	132 502	133 078
List other major provision items										
Refuse landfill site rehabilitation		98 402	99 799	120 448	96 642	126 384	126 384	138 837	137 926	136 498
Other		14 841	17 882	18 831	19 638	19 792	19 792	20 827	21 584	22 647
Total Provisions - non-current		**222 157**	**210 662**	**247 812**	**227 039**	**265 029**	**265 029**	**290 101**	**292 012**	**292 223**
CHANGES IN NET ASSETS										
Accumulated Surplus/(Deficit)										
Accumulated Surplus/(Deficit) - opening balance		3 422 258	3 525 888	3 664 755	3 660 705	3 720 021	3 720 021	3 685 995	3 695 823	3 660 211
GRAP adjustments		(502)	–	–	–	–	–	(220)	–	–
Restated balance		3 421 756	3 525 888	3 664 755	3 660 705	3 720 021	3 720 021	3 685 775	3 695 823	3 660 211
Surplus/(Deficit)		106 526	138 868	30 848	(17 571)	(31 706)	(31 706)	(11 902)	(59 049)	(70 607)
Transfers to/from Reserves		(3)	(0)	(0)	750	750	750	10	10	10
Depreciation offsets		–	–	–	–	–	–	–	–	–
Other adjustments		(0)	0	(0)	33 892	(3 070)	(3 070)	21 941	23 426	25 576
Accumulated Surplus/(Deficit)	1	**3 528 279**	**3 664 755**	**3 695 603**	**3 677 777**	**3 685 995**	**3 685 995**	**3 695 823**	**3 660 211**	**3 615 190**
Reserves										
Housing Development Fund		3 227	3 227	3 227	3 228	3 228	3 228	3 223	3 218	3 213
Capital replacement		–	–	–	–	–	–	–	–	–
Self-insurance		–	–	–	–	–	–	–	–	–
Other reserves							–			
Compensation for Occupational Injuries and Diseases		–	–	–	–	–	–	–	–	–
Employee Benefit Reserve		–	–	–	–	–	–	–	–	–
Non-current Provisions Reserve		–	–	–	–	–	–	–	–	–
Valuation Reserve		–	–	–	–	–	–	–	–	–
Investment in associate account		–	–	–	–	–	–	–	–	–
Capitalisation Reserve		–	–	–	–	–	–	–	–	–
Equity		–	–	–	–	–	–	–	–	–
Non-Controlling Interest		–	–	–	–	–	–	–	–	–
Share Premium		–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–
Total Reserves	2	**3 227**	**3 227**	**3 227**	**3 228**	**3 228**	**3 228**	**3 223**	**3 218**	**3 213**
TOTAL COMMUNITY WEALTH/EQUITY	2	**3 531 506**	**3 667 983**	**3 698 830**	**3 681 004**	**3 689 222**	**3 689 222**	**3 699 046**	**3 663 428**	**3 618 403**

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WC032 Overstrand - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
The provision of democratic, accountable and ethical governance	Good Governance	1		328 011	347 612	362 831	357 072	360 937	360 937	384 994	403 517	424 829
The provision and maintenance of municipal services	Basic Service Delivery	2		752 662	802 791	847 454	939 483	927 890	927 890	1 021 099	1 026 542	1 094 056
The encouragement of structured community participation in the matters of the municipality	Good Governance	3										
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4		70 070	58 673	53 573	56 809	62 245	62 245	55 744	65 535	72 839
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5		64 318	119 873	87 926	124 072	138 140	138 140	121 233	86 571	48 994
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	1 215 062	1 329 949	1 351 784	1 477 435	1 489 212	1 489 212	1 583 069	1 582 164	1 640 719

WC032 Overstrand - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
The provision of democratic, accountable and ethical governance	Good Governance	1		222 134	217 320	257 275	283 779	285 755	295 755	313 331	312 142	324 001
The provision and maintenance of municipal services	Basic Service Delivery	2		576 651	841 935	696 761	761 149	766 057	766 057	810 381	856 098	917 291
The encouragement of structured community participation in the matters of the municipality	Good Governance	3		1 250	725	1 382	1 125	1 125	1 125	2 079	729	729
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4		141 579	171 527	161 460	194 170	197 488	197 488	203 544	208 681	218 906
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5		168 921	159 574	204 057	254 784	260 493	260 493	265 636	263 563	250 398
Allocations to other priorities												
Total Expenditure			1	1 108 536	1 191 082	1 320 936	1 495 006	1 520 918	1 520 918	1 594 971	1 641 213	1 711 326

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WC032 Overstrand - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
The provision of democratic, accountable and ethical governance	Good Governance	1		7 231	4 049	7 054	3 775	3 775	3 775	1 875		
The provision and maintenance of municipal services	Basic Service Delivery	2		84 872	87 384	121 565	171 489	131 231	131 231	166 639	65 500	73 314
The encouragement of structured community participation in the matters of the municipality	Good Governance	3								817		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4		33 896	27 005	47 383	25 640	24 897	24 897	11 736	9 704	13 297
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5		47 683	92 618	78 798	73 871	78 076	78 076	54 953	28 394	12 400
Allocations to other priorities			3									
Total Capital Expenditure			1	**173 682**	**211 056**	**254 800**	**274 775**	**237 979**	**237 979**	**236 020**	**102 598**	**99 011**

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WC032 Overstrand - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Council and Municipal Manager										
Municipal Manager										
Submit 1 progress report on the revision of the top 10 risks as a corrective action to the Top Management Team	Number of progress reports submitted	3	4	4	4	0	4	1	4	3
Percentage of a municipality's capital budget actually spent on capital projects identified for 2022/23 in terms of the municipality's IDP ((Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects) x 100 (MPPMR Reg 10 (c))	% of the capital budget spent	99.39%	76.53%	90.9%	95%	0	95%	95.0%	95.0%	95.0%
Sign section 56 performance agreements with all directors by the end of July	Number of agreements signed	6	6	6	6	0	6	6	6	6
Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit 1 progress report to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	6	5	7	4	0	4	1	4	3
Bi- annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2022 to be completed by Sept 2022	Number of appraisals	12	12	12	12	0	12	6	6	6
Draft the annual report and submit to the Auditor-General by end of August	Draft Annual report submitted	1	1	1	1	0	1	1	1	1
Management Services										
Director: Management Services										
Human Resources										
92% of the approved and funded organogram filled ((actual number of posts filled dived by the funded posts budgeted) x100)	% filled	92.30%	90.64%	92.08%	92.0%	0.0%	92%	92.0%	92.0%	92.0%
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	The number of people from EE target groups employed	68	71	71	74	0	74	75	75	75
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan	% of the training budget spent on implementation of the WSP	100.0%	84.5%	100.0%	100.0%	0.0%	100%	100.0%	100.0%	100.0%
Review the Municipal Organisational Staff Structure by the end of June	Structure reviewed	1	1	1	1	0	1	1	1	1
Finance										
Director: Finance										
Director Finance										
Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ Investments)/ Monthly fixed operating expenditure) (MPPMR Reg 10 (g))	Ratio achieved	6.55	7.63%	6.27%	3	0	3	3	3	3
Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (MPPR Reg 10 (g))	Ratio achieved	22.91%	25.06	23.56%	15	0	15	15	15	15
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPR Reg 10 (g))	% achieved	10.02%	12.33%	11.37%	16.0%	0.0%	16%	16%	16%	16%
Submit a reviewed long term financial plan to the CFO by the end of October 2022	Reviewed long term financial plan submitted	1	1	1	1	0	1	1	1	1
Financial statements submitted to the Auditor General by end August 2022	Financial statements submitted	0	1	1	1	0	1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements	Number of indigent households	7630	7595	7278	7750	7000	7 000	7 000	7 000	7 000
Achieve a debt recovery rate not less than 95% (Receipts/total billed for 12 months period x 100)	% Recovered	98.6%	97.10%	100.15%	80%	0.0%	95%	95%	95%	95%
Community Services										
Director: Community Services										
Director: Community Services										
98% of the operational conditional grant (Libraries, CDW) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, CDW)	100.0%	98.49%	100.0%	98.0%	0.0%	98.0%	98.0%	98.0%	98.0%
m² of roads patched and resealed according to approved Pavement Management System within available budget	m² of roads patched and resealed	112 982	104 952	105 067	110 000	0	110 000	110 000	110 000	110 000
Limit unaccounted water to less than 26% ((Number of kiloliter water purified - Number of kiloliter water sold)/Number of kiloliter purified x 100))	% of water unaccounted for	24.25%	23%	28.3%	18%	0.0%	18.0%	25.0%	25.0%	25.0%
Ward committee meetings held to facilitate consistent and regular communication with residents	No of ward committee meetings per ward per annum	114	77	79	97	97	97	70	70	70
Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded state owned land and private land)	285	317	341	320	320	320	328	328	262

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Provision of cleaned piped water to all formal households within 200 m from households	No of formal households that meet agreed service standards for piped water	29 800	29 946	30 111	30 396	30 111	30 111	30 412	30 716	31 023
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS)	Number of formal households for which refuse is removed at least once a week.	33 105	33 366	33 895	34 098	33 895	33 895	34 234	34 576	34 922
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week	Number of weekly removal of refuse in informal households (once per week = 52 weeks per annum)	52	53	52	52	0	52	52	52	52
The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilette to 5 households (MPPMR Reg 10 (a))	The number of toilets provided in relation to the number of informal households (excluding invaded state owned land and private land)	881	885	934	930	980	980	1 020	785	785
Provision of sanitation services to formal residential households (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS)	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	29 831	30 050	30 420	30 520	30 420	30 420	30 724	31 031	31 342
Provision of water to informal households on invaded land with available funding ("Land invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households)	The number of taps installed for informal households on invaded land with available funding	98	104	80	70		70	70	70	70
The provision of sanitation services to informal households on invaded land with available funding ("Land invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households)	The number of toilets provided for informal households on invaded land with available funding	120	137	139	105	95	95	95	95	95
Infrastructure & Planning										
Director: Infrastructure and Planning										
Water Treatment										
Quality of effluent comply 75% with license and/or general limit in terms of the Water Act (Act 36 of 1998)	% compliance	95.77%	86.34%	79.61%	75.0%	0.0%	75.0%	75.0%	75.0%	75.0%
Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	98.90%	98.45%	98.83%	95%	0.0%	95%	95%	95%	95%
Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	1	1	1	1	0	1	1	1	1
Electricity										
Limit electricity losses to 8% or less ((Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) * 100)	% of electricity unaccounted for	6.45%	6.02%	7.35%	7.5%	0.0%	7.5%	8.0%	8.0%	8.0%
Provision of Electricity: Number of metered electrical connections in formal area (Eskom Areas excluded) (Definition: refers to residential households (RE) and pensioners (PR) as per the Finance department's billed households)	Number of formal household that meet agreed service standards	21 332	21 646	21 914	21 500	-	21 500	22 000	22 000	22 000
MIG										
100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2023 (Actual MIG expenditure/Allocation received)	% Expenditure of allocated funds	100.0%	77.0%	100%	100%	0.0%	100%	100%	100%	100%
Protection Services										
Director Protection Services										
Protection Services										
Arrange public awareness sessions on Protection Services	Number of sessions held	90	103	103	100	0	100	100	100	100
Collect R10 000 000 Public Safety income by 30 June (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income (excluding fines impairment amount)	R15 483 008	R17 347 607	R19 716 064	R10 000 000	R0	R10 000 000	R10 000 000	R10 000 000	R10 000 000
Review Community Safety Plan in three year cycle by end of June 2022 in conjuction with the Department of Community Safety	Plan reviewed	no kpi set	0	0	1	0	1	0	0	1
Disaster and Fire Management										
Annually review and submit draft Disaster Management Plan to Council by the end of March	Reviewed plan submitted	1	1	1	1	0	1	1	1	1
Local Economic Development, Social Development and Tourism										
Director: LED, Social Development and Tourism										
LED, Social Development and Tourism										
Submit monthly update reports on LED, Social Development and Tourism initiatives to Council * *KPI reworded for 2022/23*	Number of monthly update progress reports on LED, Social Development and Tourism initiatives submitted	3	4	3	3	0	3	12	12	12
Support 150 SMME's in terms of the SMME Development Programme by 30 June	Number of SMME's supported	120	160	172	130	0	130	150	150	150
Support 70 Emerging Contractors in terms of the Emerging Contractor Development Programme by 30 June	Number of emerging contractors supported	52	61	65	60	0	30	70	70	70
Report on projects/ initiatives in collaboration with other stakeholders for local economic development and social development	Number of projects / initiatives collaborated on	14	26	13	28	0	28	28	28	28
The number of job opportunities created through the EPWP programme and as per set targets (business plan as per grant agreement - FTE's translates to 1049 work opportunities)	Number of temporary jobs created	1048	1060	1238	1028	0	1028	1049	1049	1049
Managers LED, Social Development and Tourism report on the hosting of at least one joint mobile Thusong outreach during the 2022/23 financial year to the Director Economic, Social Development and Tourism	Report on the Thusong/Outreach programme	no kpi set	no kpi set	no kpi set	1	0	1	1	1	1

WC032 Overstrand - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Borrowing Management										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	7.1%	7.2%	7.2%	7.1%	7.0%	7.0%	6.2%	6.5%	5.7%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	7.5%	7.4%	8.3%	8.3%	8.3%	8.3%	7.4%	7.7%	7.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	65.8%	60.1%	36.6%	30.6%	39.4%	39.4%	44.5%	100.0%	100.0%
Safety of Capital										
Gearing	Long Term Borrowing/ Funds & Reserves	13106.3%	13370.1%	13335.9%	13347.6%	13347.6%	13347.6%	13070.1%	13051.9%	10114.7%
Liquidity										
Current Ratio	Current assets/current liabilities	3.1	2.7	2.5	1.7	1.8	1.8	1.7	1.7	1.3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.1	2.7	2.5	1.7	1.8	1.8	1.7	1.7	1.3
Liquidity Ratio	Monetary Assets/Current Liabilities	2.4	2.2	2.0	1.3	1.5	1.5	1.2	1.2	0.9
Revenue Management										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		99.2%	98.8%	100.5%	100.3%	100.3%	100.3%	99.3%	99.3%	99.3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.7%	11.3%	10.9%	8.6%	9.1%	9.1%	10.2%	11.1%	12.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management										
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))	99.5%	99.6%	99.6%	99.8%	99.8%	99.8%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		18.4%	20.6%	22.8%	40.1%	35.9%	35.9%	40.3%	44.3%	48.2%
Other Indicators										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	16 537 242	14 613 426	18 855 038	15 054 751	15 054 751	15 054 751	15 205 299	15 357 352	15 357 352
	Total Cost of Losses (Rand '000)	12 219	13 111	17 146	13 507	13 507	13 507	13 642	13 779	13 779
	% Volume (units purchased and generated less units sold)/units purchased and generated	0.06	0.06	7.35	0.06	0.06	0.06	0.06	0.06	0.06
Water Distribution Losses (2)	Total Volume Losses (kℓ)	1 701	1 838	2 077	1 892	1 892	1 892	1 910	1 930	1 930
	Total Cost of Losses (Rand '000)	2 308 814	2 428 709	2 616 008	2 502 056	2 502 056	2 502 056	2 527 077	2 552 347	2 552 347
	% Volume (units purchased and generated less units sold)/units purchased and generated	0.24	0.26	28.25	0.25	0.25	0.25	0.25	0.25	0.25
Employee costs	Employee costs/(Total Revenue - capital revenue)	31.8%	29.7%	34.0%	32.7%	33.2%	33.2%	33.7%	33.7%	34.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	32.7%	30.6%	34.9%	33.6%	34.1%	34.1%	34.5%	34.5%	35.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	18.6%	14.6%	16.4%	17.9%	18.0%	18.0%	17.9%	18.2%	18.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	15.2%	14.1%	14.7%	13.9%	13.7%	13.7%	13.0%	12.5%	12.2%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	11.3	14.3	14.0	15.6	15.6	15.6	15.7	17.5	18.1
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	15.2%	15.4%	14.0%	11.4%	12.2%	12.2%	13.3%	14.3%	15.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	7.3	8.4	7.1	4.6	5.7	5.7	4.1	3.8	3.5

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WC032 Overstrand - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.		Basis of calculation	2001 Census	2007 Survey	2011 Census	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
							Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Demographics													
Population		0		55 012	74 546	90 432	102	106	108	111	114	117	120
Females aged 5 - 14		0		2 770	5 837	5 228	8	8	7	7	7	7	8
Males aged 5 - 14		0		2 816	5 892	5 278	8	8	7	7	7	8	8
Females aged 15 - 34		0		5 561	11 567	13 139	17	17	17	18	18	19	19
Males aged 15 - 34		0		6 029	11 235	13 648	17	17	18	19	19	19	20
Unemployment		0		5 165	8 099	4 237	11	11	6	6	6	6	6
Monthly household income (no. of households)	1, 12												
No income		0		2 226	770	4 585	6	6	5	6	6	6	7
R1 - R1 600		0		6 149	5 307	5 325	7	7	7	7	7	7	8
R1 601 - R3 200		0		3 742	3 177	4 878	6	6	5	6	7	7	7
R3 201 - R6 400		0		3 344	3 789	4 382	5	8	6	6	6	6	6
R6 401 - R12 800		0		3 303	2 750	3 830	5	5	5	5	5	5	5
R12 801 - R25 600		0		920	1 947	2 896	4	4	4	4	4	4	4
R25 601 - R51 200		0		227	1 068	1 456	2	2	2	2	2	2	2
R52 201 - R102 400		0		77	184	486	1	1	1	1	1	1	1
R102 401 - R204 800		0		44	176	109	0	0	0	0	0	0	0
R204 801 - R409 600		0				81	0	0	0	0	0	0	0
R409 601 - R819 200		0											
> R819 200		0		–	–	–	–	–	–	–	–	–	–
Poverty profiles (no. of households)													
< R2 060 per household per month	13	0		7 053	9 542	10 295	13 059	13 555	13 799	14 189	14 567	14 948	15 333
	2	0											
Household/demographics (000)													
Number of people in municipal area		0		55 012	74 546	90 432	102	106	108	111	114	117	120
Number of poor people in municipal area		0		8 904	3 080	18 340	23	24	24	24	25	26	26
Number of households in municipal area		0					31	32	36	37	39	40	41
Number of poor households in municipal area		0		2 226	770	4 585	7	8	8	8	8	8	9
Definition of poor household (R per month)		0											
Housing statistics	3												
Formal		0		–	–	–	31 162	31 710	31 776	32 204	34 136	35 184	38 355
Informal		0		–	–	–	3 620	3 675	3 779	3 779	4 650	4 900	5 000
Total number of households				-	-	-	34 782	35 385	35 555	35 983	38 786	41 084	43 355
Dwellings provided by municipality	4	0					171	63	314	300	350	345	300
Dwellings provided by province/s		0											
Dwellings provided by private sector	5	0											
Total new housing dwellings				-	-	-	171	63	314	300	350	345	300
Economic	6												
Inflation/inflation outlook (CPIX)							4.7%	4.1%	4.5%	4.5%	4.5%	4.5%	4.5%
Interest rate - borrowing							10.1%	9.8%	10.0%	9.8%	9.5%	10.4%	10.5%
Interest rate - investment							7.8%	6.8%	4.5%	4.5%	5.0%	5.0%	5.0%
Remuneration increases							7.0%	6.5%	6.4%	3.5%	4.9%	4.5%	4.5%
Consumption growth (electricity)							1.0%	2.0%	3.0%	1.0%	1.0%	1.0%	1.0%
Consumption growth (water)							2.4%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%
Collection rates	7												
Property tax/service charges							98.2%	97.1%	100.4%	99.4%	100.0%	100.0%	100.0%
Rental of facilities & equipment							96.8%	96.1%	97.1%	97.1%	97.1%	97.1%	97.1%
Interest - external investments							100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors							98.2%	98.5%	97.1%	97.1%	97.1%	97.1%	97.1%
Revenue from agency services							100.0%	100.0%	97.1%	97.1%	97.1%	97.1%	97.1%

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WC032 Overstrand Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	533 168	653 813	612 723	450 836	566 312	566 312	–	431 308	413 731	409 768
Cash + investments at the yr end less applications - R'000	18(1)b	2	511 683	626 204	518 008	334 290	435 936	435 936	(11 291)	369 051	387 307	390 061
Cash year end/monthly employee/supplier payments	18(1)b	3	7.3	8.4	7.1	4.6	5.7	5.7	–	4.1	3.8	3.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	106 526	136 868	30 848	(17 571)	(31 706)	(31 706)	52 458	(11 902)	(59 049)	(70 607)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	0.8%	(0.1%)	1.5%	(6.0%)	(6.0%)	(20.4%)	0.4%	(0.0%)	0.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	99.5%	99.0%	102.1%	98.2%	98.4%	98.4%	0.0%	98.3%	97.4%	97.4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	2.0%	2.5%	1.2%	2.0%	1.3%	1.3%	1.0%	1.2%	1.1%	1.1%
Capital payments % of capital expenditure	18(1)c;19	8	99.5%	100.0%	100.0%	100.0%	100.8%	100.8%	0.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	65.8%	57.7%	31.5%	30.6%	39.4%	39.4%	0.0%	44.5%	100.0%	100.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								71.2%	75.4%	87.4%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	7.7%	(3.7%)	(12.7%)	6.5%	0.0%	(100.0%)	16.5%	13.7%	12.4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	6.3%	5.4%	5.9%	6.7%	6.9%	6.9%	0.0%	7.0%	7.5%	8.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	1.7%	6.1%	12.4%	13.5%	13.5%	0.0%	8.8%	18.2%	29.8%

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WC032 Overstrand - Supporting Table SA11 Property rates summary

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Valuation:	1									
Date of valuation:		02/07/2015	02/07/2015	02/07/2015	02/07/2015					
Financial year valuation used		2016/2017	2016/2017	2016/2017	2016/2017			2016/2017		
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)		No	No	No	No			No		
No. of assistant valuers (FTE)	3	2	2	2	2			2		
No. of data collectors (FTE)	3	6	6	6	6			6		
No. of internal valuers (FTE)	3	-	-	-	-			-		
No. of external valuers (FTE)	3	3	3	3	3			3		
No. of additional valuers (FTE)	4	-	-	-	-			-		
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)		48	36	24	12			60		
No. of properties	5	42 823	42 895	43 170	43 655			43 655		
No. of sectional title values	5	2 560	2 210	2 577	2 752			2 752		
No. of unreasonably difficult properties s7(2)		-	-	-	-			-		
No. of supplementary valuations		1	2	2	1			1		
No. of valuation roll amendments		27	10	10	-			-		
No. of objections by rate payers		11	14	14	-			-		
No. of appeals by rate payers		2	12	12	-			-		
No. of successful objections	8	11	14	14	5			-		
No. of successful objections > 10%	8	1	1	1	-			-		
Supplementary valuation		2 566	3 099	1 987	2 552			2 552		
Public service infrastructure value (Rm)	5	84	92	77	289			306		
Municipality owned property value (Rm)		924	894	902	876			928		
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		84	92	770	289	289	289	306	324	344
Valuation reductions-nature reserves/park (Rm)		358	339	359	411	411	411	436	462	490
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		476	475	476	477	477	477	505	536	568
Valuation reductions-public worship (Rm)		175	183	192	183	183	183	194	206	218
Valuation reductions-other (Rm)		2 860	1 107	1 103	1 103	1 103	1 103	1 169	1 239	1 314
Total valuation reductions:		**3 953**	**2 196**	**2 900**	**2 462**	**2 462**	**2 462**	**2 610**	**2 767**	**2 933**
Total value used for rating (Rm)	5	46 907	48 668	50 432	50 077	50 077	50 077	53 082	56 267	59 643
Total land value (Rm)	5	22 595	23 042	23 241	23 037	23 037	23 037	24 419	25 884	27 437
Total value of improvements (Rm)	5	27 770	28 743	28 930	29 338	29 338	29 338	31 099	32 965	34 942
Total market value (Rm)	5	50 364	51 785	52 171	52 375	52 375	52 375	53 458	56 666	60 066
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	5	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)		No	No	No	No	No	No	No	No	No
Special rating area used? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)		No	No	No	No	No	No	No	No	No
Rates policy accompanying budget? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R '000)	6	233 034	243 999	261 559	263 562	263 562	263 562	275 384	287 776	300 726
Rate revenue expected to collect (R'000)	6	233 034	243 999	261 559	263 562	263 562	263 562	275 384	287 776	300 726
Expected cash collection rate (%)		98.2%	97.1%	100.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	7	8 047		8 309	12 074	12 074	12 074	12 590	13 157	13 750
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-
Total rebates,exemptns,reductns,discs (R'000)		-	-	-	-	-	-	-	-	-

WC032 Overstrand - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum'ts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Current Year 2021/22																							
Valuation:																							
No. of properties		37 394	-	1 139	120	352	2 043	786	-	-	-	-	-	175	-	105	-	-	-	-	-	-	42
No. of sectional title property values		2 616	-	135	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	-	-	-	-	-	0
Supplementary valuation (Rm)		TOTAL 2549																-	-	-	-	-	-
No. of valuation roll amendments		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	-	-	-	-	-	0
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		100TOTAL																-	-	-	-	-	-
Years since last valuation (select)		6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6						
Frequency of valuation (select)		7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7						
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market						
Base of valuation (select)		Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr						
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes						
Flat rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No						
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable						
Valuation reductions:																							
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	289	-	-	-	-	-	-	-	-	-	-	-	-	-	-	288 537
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	411	-	-	-	-	-	-	-	-	411 028
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		477	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	476 882
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	183	-	-	-	-	-	-	182 979
Valuation reductions-other (Rm)	2	1 103	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 103 120
Total valuation reductions:																							
Total value used for rating (Rm)	6	44 837	-	3 884	345	476	876	81	-	-	-	-	-	411	-	183	-	-	-	-	-	-	51 092 611
Total land value (Rm)	6	19 636	-	1 454	262	239	623	75	-	-	-	-	-	307	-	73	-	-	-	-	-	-	22 665 110
Total value of improvements (Rm)	6	25 201	-	2 431	83	237	253	6	-	-	-	-	-	104	-	110	-	-	-	-	-	-	28 427 501
Total market value (Rm)	6	44 837	-	3 884	345	476	623	81	-	-	-	-	-	411	-	183	-	-	-	-	-	-	50 839 951
Rating:																							
Average rate	3	0.006200		0.009390	0.001550	0.009390				0.006200								-	-	-	-	-	
Rate revenue budget (R '000)		217 360		42 328	723	3 151												-		-	-	-	263 562
Rate revenue expected to collect (R'000)		217 360		42 328	723	3 151												-	-	-	-	-	263 562
Expected cash collection rate (%)	4	100.0%		100.0%	100.0%	100.0%												0.0%	0.0%	0.0%	0.0%	0.0%	0
Special rating areas (R'000)		10 050		1 854	32	138													-				12 074
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,reductns,discs (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

WC032 Overstrand - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monumnts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Budget Year 2022/23																							
Valuation:																							
No. of properties		38 327	-	1 138	120	352	2 043	786	-	-	-	-	-	175	-	105	-	-	-	-	-	-	43
No. of sectional title property values		2 321	-	430	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		100 TOTAL																					
Years since last valuation (select)		6	6	5	6	6	6	6	6	6	6	6	6	6	6	6	6						
Frequency of valuation (select)		7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7						
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market						
Base of valuation (select)		Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr						
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes						
Flat rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No						
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable						
Valuation reductions:																							
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	306	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	305 838
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	436	-	-	-	-	-	-	-	-	435 690
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		505	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	505 283
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	193 957
Valuation reductions-other (Rm)	2	1 189	-	-	-	-	-	-	-	-	-	-	-	-	-	194	-	-	-	-	-	-	1 169 307
Total valuation reductions:																							
Total value used for rating (Rm)	6	47 527	-	4 117	365	505	928	86	-	-	-	-	-	436	-	194	-	-	-	-	-	-	54 158 168
Total land value (Rm)	6	20 814	-	1 541	277	253	661	77	-	-	-	-	-	325	-	77	-	-	-	-	-	-	24 025 617
Total value of improvements (Rm)	6	26 713	-	2 576	88	252	268	9	-	-	-	-	-	110	-	117	-	-	-	-	-	-	30 133 151
Total market value (Rm)	6	47 527	-	4 117	365	505	661	86	-	-	-	-	-	436	-	194	-	-	-	-	-	-	53 890 348
Rating:																							
Average rate	3	0.006570		0.009940	0.001640	0.009940				0.006570													
Rate revenue budget (R '000)		226 054		44 021	752	3 277						-	-	-	-	-	-	-	-	-	-	-	
Rate revenue expected to collect (R'000)		226 054		44 021	752	3 277						-	-	-	-	-	-	-	-	-	-	-	274 105
Expected cash collection rate (%)	4	100.0%	0.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	274 105
Special rating areas (R'000)																							0
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,reductns,discs (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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WC032 Overstrand - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
							Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Property rates *(rate in the Rand)*	1								
Residential properties			0.0054	0.0057	0.0060	0.0062	0.0066	0.0070	0.0074
Residential properties - vacant land			0.0074	0.0078	0.0082	0.0085	0.0090	0.0095	0.0101
Formal/informal settlements									
Small holdings									
Farm properties - used			0.0013	0.0014	0.0015	0.0016	0.0016	0.0017	0.0018
Farm properties - not used									
Industrial properties									
Business and commercial properties			0.0082	0.0086	0.0090	0.0094	0.0099	0.0105	0.0112
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties			0.0082	0.0086	0.0090	0.0094	0.0099	0.0105	0.0111
Municipal properties									
Public service infrastructure									
Privately owned towns serviced by the owner									
State trust land			-	-	-	-	-	-	-
Restitution and redistribution properties			-	-	-	-	-	-	-
Protected areas			-	-	-	-	-	-	-
National monuments properties			-	-	-	-	-	-	-
Exemptions, reductions and rebates *(Rands)*									
Residential properties									
R15 000 threshhold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
Indigent rebate or exemption			220 000	220 000	220 000	220 000	220 000	220 000	220 000
Pensioners/social grants rebate or exemption			220 000	220 000	220 000	220 000	220 000	220 000	220 000
Temporary relief rebate or exemption			40-100%	40-100%	40-100%	40-100%	40-100%	40-100%	40-100%
Bona fide farmers rebate or exemption									
Other rebates or exemptions	2		75%	75%	75%	75%	75%	75%	75%
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			129	137	143	148	156	165	175
Service point - vacant land *(Rands/month)*			129	137	143	148	156	165	175
Water usage - flat rate tariff *(c/kl)*		0 - 6 kl	502	560	585	608	638	676	717
Water usage - life line tariff		7 - 18 kl	1 085	1 147	1 199	1 247	1 308	1 386	1 470
Water usage - Block 1 (c/kl)		19 - 30 kl	1 761	1 861	1 945	2 023	2 122	2 249	2 384
Water usage - Block 2 (c/kl)		31 - 45 kl	2 711	2 866	2 995	3 115	3 268	3 464	3 672
Water usage - Block 3 (c/kl)		46 - 60 kl	3 521	3 722	3 889	4 045	4 243	4 498	4 767
Water usage - Block 4 (c/kl)		> 60 kl	4 696	4 964	5 187	5 394	5 658	5 997	6 357
Other	2		-	-	-	-	-	-	-
Waste water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			115	122	127	132	138	146	155
Service point - vacant land *(Rands/month)*			115	122	127	132	138	146	155
Waste water - flat rate tariff *(c/kl)*			1 296	1 370	1 432	1 489	1 556	1 649	1 748
Volumetric charge - Block 1 (c/kl)		Basic charge pumps	78	82	86	89	93	99	105
Volumetric charge - Block 2 (c/kl)		Service per pump	529	560	585	608	636	674	714
Volumetric charge - Block 3 (c/kl)									
Volumetric charge - Block 4 (c/kl)			-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-
Electricity tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			292	335	356	408	439	471	507
Service point - vacant land *(Rands/month)*			292	335	356	408	439	471	507
FBE		(how is this targeted?)							
Life-line tariff - meter		(describe structure)							
Life-line tariff - prepaid		(describe structure)	107	120	128	146	157	169	182
Flat rate tariff - meter *(c/kwh)*									
Flat rate tariff - prepaid *(c/kwh)*									

Description	Ref	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
							Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Meter - IBT Block 1 (c/kwh)		Credit Meter							
Meter - IBT Block 2 (c/kwh)		0 - 350 kWh	115	129	137	157	168	181	194
Meter - IBT Block 3 (c/kwh)		351 - 600 kWh	168	189	201	230	247	266	286
Meter - IBT Block 4 (c/kwh)		> 600 kWh	206	232	247	283	304	326	351
Meter - IBT Block 5 (c/kwh)		Prepaid Meter							
Prepaid - IBT Block 1 (c/kwh)		0 - 350 kWh	106	119	126	145	155	167	180
Prepaid - IBT Block 2 (c/kwh)		351 - 600 kWh	158	178	189	217	233	250	269
Prepaid - IBT Block 3 (c/kwh)		> 600 kWh	198	223	237	272	292	314	337
Prepaid - IBT Block 4 (c/kwh)			-	-	-	-	-	-	-
Prepaid - IBT Block 5 (c/kwh)			-	-	-	-	-	-	-
Other	2		-	-	-	-	-	-	-
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/fixed fee			164	185	194	202	213	226	240
80l bin - once a week									
250l bin - once a week			164	185	194	202	213	226	240

WC032 Overstrand - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
							Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Exemptions, reductions and rebates *(Rands)*									
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
Water tariffs									
			129	137	143	148	156	165	175
			129	137	143	148	156	165	175
		0 - 6 kl	502	560	585	608	638	676	717
		7 - 18 kl	1 085	1 147	1 199	1 247	1 308	1 386	1 470
		19 - 30 kl	1 761	1 861	1 945	2 023	2 122	2 249	2 384
		31 - 45 kl	2 711	2 866	2 995	3 115	3 268	3 464	3 672
		46 - 60 kl	3 521	3 722	3 889	4 045	4 243	4 498	4 767
		> 60 kl	4 696	4 964	5 187	5 394	5 658	5 997	6 357
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
Waste water tariffs									
			115	122	127	132	138	146	155
			115	122	127	132	138	146	155
			1 296	1 370	1 432	1 489	1 556	1 649	1 748
		Basic charge pumps	78	82	86	89	93	99	105
		Service per pump	529	560	585	608	636	674	714
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
Electricity tariffs									
		Basic charge/fixed fee	292	335	356	408	439	471	507
		Service point - vacant land	292	335	356	408	439	471	507
		Life-line tariff - prepaid flat rate	107	120	128	146	157	169	182
		Credit Meter							
		0 - 350 kWh	115	129	137	157	168	181	194
		351 - 600 kWh	168	189	201	230	247	266	286
		> 600 kWh	206	232	247	283	304	326	351
		Prepaid Meter							
		0 - 350 kWh	106	119	126	145	155	167	180
		351 - 600 kWh	158	178	189	217	233	250	269
		> 600 kWh	198	223	237	272	292	314	337

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Description	Ref	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
							Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-

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WC032 Overstrand - Supporting Table SA14 Household bills

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23 % incr.	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		233.78	247.14	258.27	268.67	268.67	268.67	5.9%	284.70	301.78	319.89
Electricity: Basic levy		291.60	335.34	356.20	408.17	408.17	408.17	7.5%	438.66	471.43	506.64
Electricity: Consumption		1 558.89	1 753.87	1 862.96	2 134.79	2 134.79	2 134.79	7.5%	2 294.26	2 465.64	2 649.82
Water: Basic levy		129.14	136.50	142.64	148.35	148.35	148.35	4.9%	155.62	164.96	174.85
Water: Consumption		377.69	400.93	419.04	435.81	435.81	435.81	4.9%	449.88	471.92	495.05
Sanitation		387.25	409.35	427.84	444.89	444.89	444.89	4.3%	464.01	483.96	504.77
Refuse removal		164.35	185.49	193.84	201.59	201.59	201.59	5.9%	213.48	226.29	239.87
Other		53.54	56.97	56.97	56.97	56.97	56.97	–	56.97	56.97	56.97
sub-total		3 196.24	3 525.59	3 717.76	4 099.24	4 099.24	4 099.24	6.3%	4 357.58	4 642.95	4 947.86
VAT on Services		422.15	491.77	518.92	574.59	574.59	574.59		623.06	659.93	699.02
Total large household bill:		3 618.39	4 017.36	4 236.68	4 673.83	4 673.83	4 673.83	6.6%	4 980.64	5 302.88	5 646.88
% increase/-decrease			11.0%	5.5%	10.3%	–	–		6.6%	6.5%	6.5%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		161.85	171.10	178.80	186.00	186.00	186.00	5.9%	197.10	208.93	221.46
Electricity: Basic levy		291.60	335.34	356.20	408.17	408.17	408.17	7.5%	438.66	471.43	506.64
Electricity: Consumption		608.63	683.08	725.57	831.44	831.44	831.44	7.5%	893.56	960.30	1 032.04
Water: Basic levy		129.14	136.50	142.64	148.35	148.35	148.35	4.9%	155.62	164.96	174.85
Water: Consumption		285.74	303.75	317.47	330.17	330.17	330.17	4.9%	343.78	360.63	378.30
Sanitation		341.89	361.40	377.72	392.78	392.78	392.78	4.3%	409.66	427.27	445.64
Refuse removal		164.35	185.49	193.84	201.59	201.59	201.59	5.9%	213.48	226.29	239.87
Other		53.54	56.97	56.97	56.97	56.97	56.97	–	56.97	56.97	56.97
sub-total		2 036.74	2 233.63	2 349.21	2 555.47	2 555.47	2 555.47	6.0%	2 708.83	2 876.77	3 055.77
VAT on Services		267.17	309.38	325.56	355.42	355.42	355.42		382.58	405.02	428.81
Total small household bill:		2 303.91	2 543.01	2 674.77	2 910.89	2 910.89	2 910.89	6.2%	3 091.41	3 281.79	3 484.58
% increase/-decrease			10.4%	5.2%	8.8%	–	–		6.2%	6.2%	6.2%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		89.92	95.06	99.33	103.34	103.34	103.34	5.9%	109.50	116.07	123.03
Electricity: Basic levy		291.60	335.34	356.20	408.17	408.17	408.17	7.5%	438.66	471.43	506.64
Electricity: Consumption		371.42	415.98	441.84	506.31	506.31	506.31	7.5%	544.15	584.79	628.48
Water: Basic levy		129.14	136.50	142.64	148.35	148.35	148.35	4.9%	155.62	164.96	174.85
Water: Consumption		197.69	210.70	220.22	229.02	229.02	229.02	4.9%	210.88	221.21	232.05
Sanitation		296.53	313.45	327.60	340.66	340.66	340.66	4.3%	355.99	377.35	399.99
Refuse removal		164.35	185.49	193.84	201.59	201.59	201.59	5.9%	213.48	226.29	239.87
Other		(796.06)	(884.44)	(935.13)	(1 016.56)	(1 016.56)	(1 016.56)	–	(1 166.01)	(1 238.96)	(1 316.56)
sub-total		744.59	808.08	846.54	920.88	920.88	920.88	(6.4%)	862.27	923.14	988.36
VAT on Services		93.29	106.95	112.08	122.63	122.63	122.63		121.47	127.50	133.79
Total small household bill:		837.88	915.03	958.62	1 043.51	1 043.51	1 043.51	(5.7%)	983.74	1 050.64	1 122.15
% increase/-decrease			9.2%	4.8%	8.9%	–	–		(5.7%)	6.8%	6.8%

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WC032 Overstrand - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		409 200	510 243	410 241	400 000	400 000	400 000	400 000	400 000	400 000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)		50 524	46 515	54 278	62 165	62 165	62 165	70 005	77 989	86 123
Repurchase Agreements - Banks										
Municipal Bonds		–	–	–	–	–	–	–	–	–
Municipality sub-total	1	459 723	556 758	464 519	462 165	462 165	462 165	470 005	477 989	486 123
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		459 723	556 758	464 519	462 165	462 165	462 165	470 005	477 989	486 123

WC032 Overstrand - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & Investment ID	Ref 1	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Parent municipality														
LIBERTY 15934476		15 Years	Policy	Yes	Variable	Fair Value Adjustment		#N/A	01/09/2025	19 134 924.52	1 238 342.79		1 500 000.00	21 873 267.31
LIBERTY 21196964		14 Years	Policy	Yes	Variable	Fair Value Adjustment		#N/A	01/09/2025	31 647 280.06	1 444 542.54		3 120 000.00	36 211 822.60
MOMENTUM 3853776		15 Years	Policy	Yes	Variable	Fair Value Adjustment		#N/A	01/07/2026	3 877 805.55	41 662.33		360 000.00	4 279 467.88
Deposits - Bank		2 to 6 Months	Bank investments	Yes	Fixed			#N/A	30/06/2022	410 240 607.00	23 988 458.00	-934 227 065.00	900 000 000.00	400 000 000.00
Municipality sub-total										464 700 617.13		-934 227 065.00	904 980 000.00	462 164 557.79
Entities														
Entities sub-total														
TOTAL INVESTMENTS AND INTEREST	1									464 700 617.13		-934 227 065.00	904 980 000.00	462 164 557.79

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WC032 Overstrand - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality										
Annuity and Bullet Loans		322 933	331 475	330 400	330 795	330 795	330 795	321 184	319 946	224 935
Long-Term Loans (non-annuity)		100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–	–
Municipality sub-total	1	422 933	431 475	430 400	430 795	430 795	430 795	421 184	419 946	324 935
Entities										
Annuity and Bullet Loans		–	–	–	–	–	–	–	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–	–
Entities sub-total	1	–	–	–	–	–	–	–	–	–
Total Borrowing	1	422 933	431 475	430 400	430 795	430 795	430 795	421 184	419 946	324 935
Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		38 199	–	44 066	44 066	22 761	22 761	22 033	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–	–
Municipality sub-total	1	38 199	–	44 066	44 066	22 761	22 761	22 033	–	–
Entities										
Long-Term Loans (annuity/reducing balance)		–	–	–	–	–	–	–	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–	–
Entities sub-total	1	–	–	–	–	–	–	–	–	–
Total Unspent Borrowing	1	38 199	–	44 066	44 066	22 761	22 761	22 033	–	–

WC032 Overstrand - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		99 544	110 994	136 372	127 977	127 977	127 977	152 183	162 487	179 530
Operational Revenue:General Revenue:Equitable Share		96 068	106 697	134 322	123 897	123 897	123 897	141 896	155 547	170 708
Operational Revenue:General Revenue:Fuel Levy		–	–		–	–	–	–	–	–
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Agriculture Research and Technology		–	–		–	–	–	–	–	–
Agriculture Conservation and Environmental		–	–		–	–	–	–	–	–
Arts and Culture Sustainable Resource Management		–	–		–	–	–	–	–	–
Community Library		–	–		–	–	–	–	–	–
Department of Environmental Affairs		–	–		–	–	–	–	–	–
Department of Tourism		–	–		–	–	–	–	–	–
Department of Water Affairs and Sanitation Masibambane		–	–		–	–	–	–	–	–
Emergency Medical Service		–	–		–	–	–	–	–	–
Energy Efficiency and Demand-side [Schedule 5B]		–	–		–	–	–	5 000	4 200	5 000
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 926	2 635	2 500	2 530	2 530	2 530	2 593	–	–
HIV and Aids		–	–		–	–	–	–	–	–
Housing Accreditation		–	–		–	–	–	–	–	–
Housing Top structure		–	–		–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Integrated City Development Grant		–	–		–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–		–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	1 550	1 550	1 550	1 550	1 550	1 550
Mitchell's Plain Urban Renewal					–	–	–	–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]					–	–	–	–	–	–
Municipal Disaster Grant [Schedule 5B]			112		–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]					–	–	–	–	–	–
Municipal Systems Improvement Grant					–	–	–	–	–	–
Natural Resource Management Project					–	–	–	–	–	–
Neighbourhood Development Partnership Grant					–	–	–	–	–	–
Operation Clean Audit					–	–	–	–	–	–
Municipal Disaster Recovery Grant					–	–	–	–	–	–
Public Service Improvement Facility					–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]					–	–	–	–	–	–
Restructuring - Seed Funding					–	–	–	–	–	–
Revenue Enhancement Grant Debtors Book					–	–	–	–	–	–
Rural Road Asset Management Systems Grant					–	–	–	–	–	–
Sport and Recreation					–	–	–	–	–	–
Terrestrial Invasive Alien Plants					–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]					–	–	–	–	–	–
Health Hygiene in Informal Settlements					–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]					–	–	–	1 144	1 200	1 272
Water Services Infrastructure Grant					–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]					–	–	–	–	–	–
Smart Connect Grant					–	–	–	–	–	–
Urban Settlement Development Grant					–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services					–	–	–	–	–	–
Street Lighting					–	–	–	–	–	–
Traditional Leaders - Imbizos					–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook					–	–	–	–	–	–
Integrated National Electrification Programme Grant					–	–	–	–	–	–
Municipal Restructuring Grant					–	–	–	–	–	–
Regional Bulk Infrastructure Grant					–	–	–	–	–	–
Municipal Emergency Housing Grant					–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		23 028	10 691	10 371	65 956	77 186	77 186	71 715	56 692	39 216
Capacity Building			148		–	–	–	–	–	–
Capacity Building and Other		22 891	380		9 570	11 670	11 670	10 903	9 397	9 953
Disaster and Emergency Services		–	–		–	–	–	–	–	–
Health		–	–		–	–	–	–	–	–
Housing		–	–		55 241	57 360	57 360	57 714	46 190	26 000
Infrastructure		–	–		1 145	8 158	8 158	3 098	3 105	3 263
Libraries, Archives and Museums			7 287	7 651	–	–	–	–	–	–
Other			2 750	2 575	–	–	–	–	–	–
Public Transport		–	–		–	–	–	–	–	–
Road Infrastructure - Maintenance		137	126	145	–	–	–	–	–	–
Sports and Recreation					–	–	–	–	–	–
Waste Water Infrastructure - Maintenance					–	–	–	–	–	–
Water Supply Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	90	90	–	–	–
All Grants		–	–	–	–	90	90	–	–	–
Other Grant Providers:		–	–	66 268	–	–	–	–	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households				66 268	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	122 572	121 685	215 011	193 933	205 255	205 255	223 898	221 189	218 746
Capital Transfers and Grants										
National Government:		25 901	39 077	27 618	46 754	44 754	44 754	72 254	31 388	32 811
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		4 262	7 000	6 000	18 519	18 519	18 519	21 331	7 000	7 314
Municipal Infrastructure Grant [Schedule 5B]		21 639	32 010	21 618	23 053	21 053	21 053	23 484	24 388	25 297

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Municipal Water Infrastructure Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Public Transport Infrastructure Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Rural Household Infrastructure Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Urban Settlement Development Grant [Schedule 4B]		–	–		–	–	–	–	–	–
Municipal Human Settlement		–	–		–	–	–	–	–	–
Community Library		–	–		–	–	–	–	–	–
Integrated City Development Grant [Schedule 4B]		–	–		–	–	–	–	–	–
Municipal Disaster Recovery Grant [Schedule 4B]		–	–		–	–	–	–	–	–
Energy Efficiency and Demand Side Management Grant		–	–		–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–		–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)		–	–		–	–	–	–	–	–
Water Services Infrastructure Grant [Schedule 5B]		–	–		5 182	5 182	5 182	27 439	–	–
WiFi Connectivity		–	–		–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–		–	–	–	–	–	–
Aquaponic Project		–	–		–	–	–	–	–	–
Restition Settlement		–	–		–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–		–	–	–	–	–	–
Restructuring Seed Funding		–	–		–	–	–	–	–	–
Municipal Disaster Relief Grant		–	67		–	–	–	–	–	–
Municipal Emergency Housing Grant					–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		25 463	1 500	732	52 859	63 881	63 881	38 785	21 230	6 400
Capacity Building		–		–						
Capacity Building and Other		–		732						
Disaster and Emergency Services										
Health										
Housing		25 463			52 259	61 765	61 765	38 785	21 230	6 400
Infrastructure					600	2 116	2 116	–	–	–
Libraries, Archives and Museums										
Other		–								
Public Transport		–								
Road Infrastructure			1 500							
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
All Grants		–	–	–	–	–	–	–	–	–
Other Grant Providers:		–	–	–	–	–	–	–	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households					–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–					–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Transfer from Operational Revenue		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	51 364	40 577	28 350	99 613	108 835	108 835	111 039	52 598	39 011
TOTAL RECEIPTS OF TRANSFERS & GRANTS		173 936	162 262	243 361	293 546	313 891	313 891	334 937	273 787	257 757

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WC032 Overstrand - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		3 478	4 297	14 184	4 080	10 950	10 950	10 287	8 950	8 822
Operational Revenue:General Revenue:Equitable Share		–	–	10 134	–	6 870	6 870	–	–	–
Operational:Revenue:General Revenue:Fuel Levy		–	–	–	–	–	–	–	–	–
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Agriculture Research and Technology		–	–		–	–	–	–	–	–
Agriculture, Conservation and Environmental		–	–	–	–	–	–	–	–	–
Arts and Culture Sustainable Resource Management		–	–		–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Department of Environmental Affairs		–	–	–	–	–	–	–	–	–
Department of Tourism		–	–	–	–	–	–	–	–	–
Department of Water Affairs and Sanitation Masibambane		–	–	–	–	–	–	–	–	–
Emergency Medical Service		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand-side [Schedule 5B]		–	–	–	–	–	–	5 000	4 200	6 000
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 926	2 635	2 500	2 530	2 530	2 530	2 593	–	–
HIV and Aids		–	–	–	–	–	–	–	–	–
Housing Accreditation		–	–	–	–	–	–	–	–	–
Housing Top structure		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	1 550	1 550	1 550	1 550	1 550	1 550
Mitchell's Plain Urban Renewal		–	–	–	–	–	–	–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Grant [Schedule 5B]		–	112		–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Natural Resource Management Project		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Operation Clean Audit		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant		–	–	–	–	–	–	–	–	–
Public Service Improvement Facility		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring - Seed Funding		–	–	–	–	–	–	–	–	–
Revenue Enhancement Grant Debtors Book		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–	–	–
Sport and Recreation		–	–	–	–	–	–	–	–	–
Terrestrial Invasive Alien Plants		–	–	–	–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Health Hygiene in Informal Settlements		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	1 144	1 200	1 272
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Smart Connect Grant		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant		–	–	–	–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services		–	–	–	–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–	–	–	–
Traditional Leaders - Imbizion		–	–	–	–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Municipal Restructuring Grant		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		19 580	12 147	33 402	65 956	78 704	78 704	71 715	58 692	39 216
Capacity Building		148	18		–	–	–	–	–	–
Capacity Building and Other		448	4 716	1 597	9 570	13 186	13 186	10 903	9 397	9 953
Disaster and Emergency Services					–	–	–	–	–	–
Health					–	–	–	–	–	–
Housing		12 688		24 009	55 241	57 360	57 360	57 714	46 190	26 000
Infrastructure		137	126	145	1 145	8 158	8 158	3 098	3 105	3 263
Libraries, Archives and Museums		6 160	7 287	7 651	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	90	90	–	–	–
All Grants		–	–	–	–	90	90	–	–	–
Other Grant Providers:		–	–	–	–	–	–	–	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions										
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		23 058	16 443	47 586	70 036	89 744	89 744	82 002	65 642	48 038
Capital expenditure of Transfers and Grants										
National Government:		30 445	31 595	35 100	46 754	44 754	44 754	72 254	31 368	32 611

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		4 262	7 000	6 000	18 519	18 519	18 519	21 331	7 000	7 314
Municipal Infrastructure Grant [Schedule 5B]		26 189	24 528	29 100	23 053	21 053	21 053	23 484	24 368	25 297
Municipal Water Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Household Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Integrated City Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)		–	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant [Schedule 5B]		–	–	–	5 182	5 182	5 182	27 439	–	–
WIFI Connectivity		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–	–	–	–	–	–	–	–
Aquaponic Project		–	–	–	–	–	–	–	–	–
Restition Settlement		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring Seed Funding		–	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		–	67		–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		35 815	5 797	46 390	52 659	65 073	65 073	38 785	21 230	6 400
Capacity Building		–			–	–	–	–	–	–
Capacity Building and Other		390	1 849		–	1 192	1 192	–	–	–
Disaster and Emergency Services		–			–	–	–	–	–	–
Health		–			–	–	–	–	–	–
Housing		34 108		46 271	52 259	61 765	61 765	38 785	21 230	6 400
Infrastructure		–		2 119	500	2 116	2 116	–	–	–
Libraries, Archives and Museums		1 117			–	–	–	–	–	–
Other			3 204		–	–	–	–	–	–
Public Transport					–	–	–	–	–	–
Road Infrastructure		–	750		–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
All Grants		–	–	–	–	–	–	–	–	–
Other Grant Providers:		–	–	–	12 942	2 296	2 296	12 662	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households			–	–	–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	12 942	2 296	2 296	12 662	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Transfer from Operational Revenue		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		66 060	37 392	83 490	112 555	112 123	112 123	123 702	52 598	39 011
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		89 116	53 835	131 076	182 591	201 867	201 867	205 703	118 240	87 049

WC032 Overstrand - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	(6 870)	–	–	–	–
Current year receipts		(3 476)	(4 185)	(10 920)	(4 080)	(4 080)	(4 080)	152 039	162 497	179 530
Conditions met - transferred to revenue		(3 476)	(4 185)	(10 920)	(4 080)	(10 950)	(4 080)	152 039	162 497	179 530
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		(16 281)	(9 865)	(11 103)	(11 315)	(17 472)	(17 472)	14 001	12 502	13 216
Conditions met - transferred to revenue		(26 348)	(27 758)	(22 785)	(11 315)	(17 472)	(17 472)	14 001	12 502	13 216
Conditions still to be met - transferred to liabilities		10 067	17 893	11 682	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		(250)	–	–	(12 942)	–	–	57 714	46 190	26 000
Conditions met - transferred to revenue		(250)	–	–	(12 942)	–	–	57 714	46 190	26 000
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		(30 074)	(31 943)	(33 704)	(28 337)	(28 422)	(21 552)	223 754	221 189	218 746
Total operating transfers and grants - CTBM	2	10 067	17 893	11 682	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		(25 901)	(39 010)	(27 618)	(46 754)	(46 754)	(46 754)	72 398	31 368	32 611
Conditions met - transferred to revenue		(25 901)	(39 010)	(27 618)	(46 754)	(46 754)	(46 754)	72 398	31 368	32 611
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		(44 192)	62	–	–	(7 180)	(7 180)			
Conditions met - transferred to revenue		(44 192)	(688)	(750)	–	(7 180)	(7 180)	–	–	–
Conditions still to be met - transferred to liabilities		–	750	750	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	(14 738)	–	–	–	–
Current year receipts		–	(19 900)	–	–	–	–	38 785	21 230	6 400
Conditions met - transferred to revenue		–	(19 900)	–	–	(14 738)	–	38 785	21 230	6 400
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		(70 093)	(59 598)	(28 368)	(46 754)	(68 672)	(53 934)	111 183	52 598	39 011
Total capital transfers and grants - CTBM	2	–	750	750	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		(100 167)	(91 541)	(62 072)	(75 091)	(97 094)	(75 486)	334 937	273 787	257 757
TOTAL TRANSFERS AND GRANTS - CTBM		10 067	18 643	12 432	–	–	–	–	–	–

WC032 Overstrand - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash Transfers to other municipalities										
Operational	1	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms										
Operational	2	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–
Total Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State										
Operational	3	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–
Total Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–
Cash Transfers to Organisations										
Grant in Aid (Animal Welfare)		486	560	–	–	–	–	–	–	–
BARK								100		
HAWS								200		
SAWS								100		
KAWS		–	–	–	–	–	–	100	–	–
Total Cash Transfers To Organisations		486	560	–	–	–	–	500	–	–
Cash Transfers to Groups of Individuals										
Operational		–	–	8 710	12 324	12 774	12 774	12 557	13 060	13 582
Capital		–	–	–	–	–	–	–	–	–
Total Cash Transfers To Groups Of Individuals:		–	–	8 710	12 324	12 774	12 774	12 557	13 060	13 582
TOTAL CASH TRANSFERS AND GRANTS	6	486	560	8 710	12 324	12 774	12 774	13 057	13 060	13 582
Non-Cash Transfers to other municipalities										
Operational	1	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Entities/Other External Mechanisms										
Operational	2	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–
Non-Cash Transfers to other Organs of State										
Operational	3	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–
Non-Cash Grants to Organisations										
Operational	4	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–
Total Non-Cash Grants To Organisations		–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Groups of Individuals										
Operational	5	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–
Total Non-Cash Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS		–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	6	486	560	8 710	12 324	12 774	12 774	13 057	13 060	13 582

WC032 Overstrand - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		9 467	10 174	10 116	11 247	11 062	11 062	11 137	11 638	12 161
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–
Cellphone Allowance		1 106	1 108	1 102	1 154	1 154	1 154	1 199	1 199	1 199
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		–	–	–	–	–	–	–	–	–
Sub Total - Councillors		10 573	11 282	11 219	12 401	12 216	12 216	12 335	12 837	13 360
% increase	4		6.7%	(0.6%)	10.5%	(1.5%)	–	1.0%	4.1%	4.1%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		11 036	11 569	12 036	12 600	12 600	12 600	12 671	13 450	14 058
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		187	136	139	143	143	143	149	159	169
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	187	187	183	187	187	187	181	181	181
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	7	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		11 416	11 891	12 358	12 930	12 930	12 930	13 201	13 790	14 405
% increase	4		4.2%	3.9%	4.6%	–	–	2.1%	4.5%	4.5%
Other Municipal Staff										
Basic Salaries and Wages		215 829	235 625	256 280	278 642	284 245	284 245	302 007	320 102	339 282
Pension and UIF Contributions		36 580	39 697	42 603	48 870	49 249	49 249	52 883	56 007	59 363
Medical Aid Contributions		12 035	13 141	13 951	17 876	17 905	17 905	17 116	18 143	19 271
Overtime		34 501	38 287	42 338	40 311	41 045	41 045	42 848	45 547	48 417
Performance Bonus		675	1 752	402	500	500	500	520	541	563
Motor Vehicle Allowance	3	7 897	7 923	8 115	8 255	8 515	8 515	8 321	8 324	8 327
Cellphone Allowance	3	1 887	1 942	1 957	2 279	2 311	2 311	2 184	2 184	2 184
Housing Allowances	3	2 350	2 507	2 741	2 674	2 701	2 701	1 829	1 829	1 910
Other benefits and allowances	3	25 423	28 529	31 623	39 028	38 856	38 856	41 698	43 889	46 511
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	19 410	277	25 495	14 436	19 930	19 930	21 891	12 267	11 502
Sub Total - Other Municipal Staff		356 584	370 681	425 516	450 874	465 258	465 258	491 277	508 832	537 329
% increase	4		4.0%	14.8%	6.0%	3.2%	–	5.6%	3.6%	5.6%
Total Parent Municipality		378 573	393 854	449 093	476 205	490 404	490 404	516 813	535 458	565 094
			4.0%	14.0%	6.0%	3.0%	–	5.4%	3.6%	5.5%
Board Members of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Board Fees		–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Board Members of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Senior Managers of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Other Staff of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		378 573	393 854	449 093	476 205	490 404	490 404	516 813	535 458	565 094
% increase	4		4.0%	14.0%	6.0%	3.0%	–	5.4%	3.6%	5.5%
TOTAL MANAGERS AND STAFF	5,7	368 000	382 572	437 874	463 804	478 188	478 188	504 478	522 622	551 734

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WC032 Overstrand - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4	1	741 270	–	44 400	–	–	785 670
Chief Whip			–	–	–	–	–	–
Executive Mayor		1	926 586	–	44 400	–	–	970 986
Deputy Executive Mayor		1	741 270	–	44 400	–	–	785 670
Executive Committee		4	2 779 767	–	222 000	–	–	3 001 767
Total for all other councillors		20	5 947 683	–	843 600	–	–	6 791 283
Total Councillors	8	27	11 136 576	–	1 198 800			12 335 376
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1 672 368		27 540	149 304	–	1 849 212
Chief Finance Officer		1	1 939 548		24 480	–	–	1 964 028
Management Services		1	1 847 268		24 480	–	–	1 871 748
Infrastructure and Planning		1	1 949 412		27 540	–	–	1 976 952
Protection Service		1	1 780 092		27 540	–	–	1 807 632
LED		1	1 823 280		24 480	–	–	1 847 760
List of each offical with packages >= senior manager								
Community Services		1	1 859 268	–	24 480	–	–	1 883 748
		–	–	–	–	–	–	–
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		–	–	–	–	–	–	–
Total Senior Managers of the Municipality	8,10	7	12 871 236	–	180 540	149 304		13 201 080
A Heading for Each Entity	6,7							
List each member of board by designation								
		–	–	–	–	–	–	–
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		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
Total for municipal entities	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	34	24 007 812	–	1 379 340	149 304		25 536 456

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WC032 Overstrand - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2020/21			Current Year 2021/22			Budget Year 2022/23		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		25	7		25	7		27	7	
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	7	7		7	7		7	7	
Other Managers	7	53	48		51	51		52	49	
Professionals		*26*	*24*	-	*29*	*23*	-	*30*	*22*	-
Finance		21	19		24	18		24	17	
Spatial/town planning		2	2		2	2		2	2	
Information Technology		1	1		1	1		1	1	
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other		2	2		2	2		3	2	
Technicians		*199*	*172*	-	*200*	*170*	-	*198*	*176*	-
Finance										
Spatial/town planning		12	12		11	10		11	11	
Information Technology		5	4		5	4		6	5	
Roads		9	8		10	7		10	10	
Electricity		31	27		31	27		30	26	
Water		21	18		21	19		21	18	
Sanitation		2	2		2	2		2	2	
Refuse		5	5		6	5		5	5	
Other		114	96		114	96		113	99	
Clerks (Clerical and administrative)		277	246		273	244		279	243	
Service and sales workers		124	108		140	108		143	125	
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		60	57		60	56		60	60	
Elementary Occupations		426	412		426	416		428	406	
TOTAL PERSONNEL NUMBERS	9	1 197	1 081	-	1 211	1 082	-	1 224	1 095	-
% increase					1.2%	0.1%	-	1.1%	1.2%	-
Total municipal employees headcount	6, 10	1 172	1 074		1 186	1 082		1 199	1 095	
Finance personnel headcount	8, 10	113	106		114	104		114	101	
Human Resources personnel headcount	8, 10	18	17		18	17		22	17	

WC032 Overstrand - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source																
Property rates		23 995	23 995	23 995	23 995	23 995	23 995	23 995	23 995	23 995	23 995	23 995	23 995	287 941	300 836	314 308
Service charges - electricity revenue		45 141	45 141	45 141	45 141	45 141	45 141	45 141	45 141	45 141	45 141	45 141	45 141	541 692	582 115	625 557
Service charges - water revenue		11 512	11 512	11 512	11 512	11 512	11 512	11 512	11 512	11 512	11 512	11 512	11 511	138 138	144 354	150 851
Service charges - sanitation revenue		7 580	7 580	7 580	7 580	7 580	7 580	7 580	7 580	7 580	7 580	7 580	7 580	90 962	94 874	98 953
Service charges - refuse revenue		6 571	6 571	6 571	6 571	6 571	6 571	6 571	6 571	6 571	6 571	6 571	6 571	78 850	83 502	88 427
Rental of facilities and equipment		381	381	381	381	381	381	381	381	381	381	381	381	4 573	4 778	4 989
Interest earned - external investments		2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	24 871	25 991	27 161
Interest earned - outstanding debtors		332	332	332	332	332	332	332	332	332	332	332	332	3 982	4 161	4 348
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1 695	1 695	1 695	1 695	1 695	1 695	1 695	1 695	1 695	1 695	1 695	1 695	20 344	22 188	23 174
Licences and permits		220	220	220	220	220	220	220	220	220	220	220	220	2 636	2 750	2 869
Agency services		655	655	655	655	655	655	655	655	655	655	655	655	7 858	8 211	8 580
Transfers and subsidies		13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	166 184	174 999	192 746
Other revenue		10 844	10 844	10 844	10 844	10 844	10 844	10 844	10 844	10 844	10 844	10 844	2 618	121 898	93 814	57 920
Gains		–	–	–	–	–	–	–	–	–	–	–	8 225	8 225	8 225	8 225
Total Revenue (excluding capital transfers and contributions)		**124 846**	**124 846**	**124 846**	**124 846**	**124 846**	**124 846**	**124 846**	**124 846**	**124 846**	**124 846**	**124 846**	**124 845**	**1 498 153**	**1 550 798**	**1 608 108**
Expenditure By Type																
Employee related costs		42 032	42 032	42 032	42 032	42 122	42 032	42 032	42 032	42 032	42 032	42 032	42 033	504 478	522 622	551 734
Remuneration of councillors		1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	12 335	12 837	13 360
Debt impairment		1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	13 564	13 699	13 836
Depreciation & asset impairment		12 216	12 216	12 216	12 216	12 216	12 216	12 216	12 216	12 216	12 216	12 216	12 216	146 596	145 685	148 275
Finance charges		4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	48 056	47 734	47 159
Bulk purchases		32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	384 161	417 237	453 161
Other materials		3 958	3 900	5 176	3 958	3 900	5 176	3 900	3 958	5 176	3 900	3 900	5 235	52 137	51 837	55 539
Contracted services		20 913	20 710	25 859	20 913	20 710	25 859	20 710	20 913	25 859	20 710	20 710	26 064	269 929	279 215	293 223
Transfers and subsidies		1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	13 057	13 060	13 582
Other expenditure		13 084	11 430	13 150	13 084	11 430	13 150	11 430	13 084	13 150	11 430	11 430	14 805	150 658	137 287	121 456
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**131 467**	**129 553**	**137 698**	**131 467**	**129 643**	**137 698**	**129 553**	**131 467**	**137 698**	**129 553**	**129 553**	**139 618**	**1 594 971**	**1 641 213**	**1 711 326**
Surplus/(Deficit)		**(6 621)**	**(4 707)**	**(12 852)**	**(6 621)**	**(4 797)**	**(12 852)**	**(4 707)**	**(6 621)**	**(12 852)**	**(4 707)**	**(4 707)**	**(14 772)**	**(96 819)**	**(90 417)**	**(103 218)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	72 254	31 368	32 611
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises Public Corporatons, Higher Educational Institutions)		1 055	1 055	1 055	1 055	1 055	1 055	1 055	1 055	1 055	1 055	1 055	1 055	12 662	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**455**	**2 369**	**(5 776)**	**455**	**2 279**	**(5 776)**	**2 369**	**455**	**(5 776)**	**2 369**	**2 369**	**(7 696)**	**(11 902)**	**(59 049)**	**(70 607)**
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**455**	**2 369**	**(5 776)**	**455**	**2 279**	**(5 776)**	**2 369**	**455**	**(5 776)**	**2 369**	**2 369**	**(7 696)**	**(11 902)**	**(59 049)**	**(70 607)**

WC032 Overstrand - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote																
Vote 1 - Council & Mayor's Office		4 193	4 193	4 193	4 193	4 193	4 193	4 193	4 193	4 193	4 193	4 193	4 193	50 312	54 357	60 546
Vote 2 - Municipal Manager & Internal Audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Management Services		72	72	72	72	72	72	72	72	72	72	72	72	869	907	946
Vote 4 - Finance		27 286	27 286	27 286	27 286	27 286	27 286	27 286	27 286	27 286	27 286	27 286	27 286	327 436	341 845	356 898
Vote 5 - Infrastructure & Planning		60 879	60 879	60 879	60 879	60 879	60 879	60 879	60 879	60 879	60 879	60 879	60 878	730 542	718 920	732 318
Vote 6 - Protection Services		3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	35 995	38 413	40 148
Vote 7 - Economic and Social Development & Tourism		234	234	234	234	234	234	234	234	234	234	234	234	2 811	71	224
Vote 8 - Community Services		36 259	36 259	36 259	36 259	36 259	36 259	36 259	36 259	36 259	36 259	36 259	36 258	435 105	427 651	449 638
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		**131 923**	**131 923**	**131 923**	**131 923**	**131 923**	**131 923**	**131 923**	**131 923**	**131 923**	**131 923**	**131 923**	**131 922**	**1 583 069**	**1 582 184**	**1 640 719**
Expenditure by Vote to be appropriated																
Vote 1 - Council & Mayor's Office		3 629	3 629	3 890	3 629	3 629	3 890	3 629	3 629	3 890	3 629	3 629	3 890	44 592	34 434	34 589
Vote 2 - Municipal Manager & Internal Audit		610	610	790	610	610	790	610	610	790	610	610	790	8 042	8 437	8 857
Vote 3 - Management Services		4 698	4 698	7 076	4 698	4 698	7 076	4 698	4 698	7 076	4 698	4 698	7 077	65 889	68 244	71 390
Vote 4 - Finance		10 135	8 221	8 221	10 135	8 221	8 221	8 221	10 135	8 221	8 221	8 221	10 136	106 313	106 744	112 252
Vote 5 - Infrastructure & Planning		61 234	61 234	61 234	61 234	61 234	61 234	61 234	61 234	61 234	61 234	61 234	61 235	734 810	764 318	796 956
Vote 6 - Protection Services		9 970	9 970	9 970	9 970	10 060	9 970	9 970	9 970	9 970	9 970	9 970	9 971	119 732	123 434	128 971
Vote 7 - Economic and Social Development & Tourism		1 464	1 464	1 464	1 464	1 464	1 464	1 464	1 464	1 464	1 464	1 464	1 464	17 570	15 510	16 237
Vote 8 - Community Services		39 726	39 726	45 052	39 726	39 726	45 052	39 726	39 726	45 052	39 726	39 726	45 055	498 023	520 094	542 073
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		**131 467**	**129 553**	**137 698**	**131 467**	**129 643**	**137 698**	**129 553**	**131 467**	**137 698**	**129 553**	**129 553**	**139 618**	**1 594 971**	**1 641 213**	**1 711 326**
Surplus/(Deficit) before assoc.		**455**	**2 369**	**(5 776)**	**455**	**2 279**	**(5 776)**	**2 369**	**455**	**(5 776)**	**2 369**	**2 369**	**(7 696)**	**(11 902)**	**(59 049)**	**(70 607)**
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**455**	**2 369**	**(5 776)**	**455**	**2 279**	**(5 776)**	**2 369**	**455**	**(5 776)**	**2 369**	**2 369**	**(7 696)**	**(11 902)**	**(59 049)**	**(70 607)**

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WC032 Overstrand - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional																
Governance and administration		32 083	32 083	32 083	32 083	32 083	32 083	32 083	32 083	32 083	32 083	32 083	32 083	384 994	403 517	424 829
Executive and council		4 206	4 206	4 206	4 206	4 206	4 206	4 206	4 206	4 206	4 206	4 206	4 206	50 470	54 516	60 706
Finance and administration		27 877	27 877	27 877	27 877	27 877	27 877	27 877	27 877	27 877	27 877	27 877	27 877	334 524	349 000	364 123
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		12 715	12 715	12 715	12 715	12 715	12 715	12 715	12 715	12 715	12 715	12 715	12 714	152 578	133 305	105 603
Community and social services		731	731	731	731	731	731	731	731	731	731	731	731	8 776	7 189	7 860
Sport and recreation		914	914	914	914	914	914	914	914	914	914	914	914	10 972	19 932	25 031
Public safety		3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	35 995	38 413	40 148
Housing		8 070	8 070	8 070	8 070	8 070	8 070	8 070	8 070	8 070	8 070	8 070	8 069	96 834	67 770	32 763
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		2 033	2 033	2 033	2 033	2 033	2 033	2 033	2 033	2 033	2 033	2 033	2 033	24 399	18 801	16 231
Planning and development		1 124	1 124	1 124	1 124	1 124	1 124	1 124	1 124	1 124	1 124	1 124	1 124	13 483	11 293	9 880
Road transport		907	907	907	907	907	907	907	907	907	907	907	907	10 879	7 469	6 310
Environmental protection		3	3	3	3	3	3	3	3	3	3	3	3	37	39	41
Trading services		85 092	85 092	85 092	85 092	85 092	85 092	85 092	85 092	85 092	85 092	85 092	85 092	1 021 099	1 026 542	1 094 058
Energy sources		51 294	51 294	51 294	51 294	51 294	51 294	51 294	51 294	51 294	51 294	51 294	51 294	615 533	634 543	684 366
Water management		13 921	13 921	13 921	13 921	13 921	13 921	13 921	13 921	13 921	13 921	13 921	13 921	167 048	162 108	169 918
Waste water management		11 643	11 643	11 643	11 643	11 643	11 643	11 643	11 643	11 643	11 643	11 643	11 643	139 720	126 531	129 741
Waste management		8 233	8 233	8 233	8 233	8 233	8 233	8 233	8 233	8 233	8 233	8 233	8 233	98 797	103 360	110 031
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional		131 923	131 923	131 923	131 923	131 923	131 923	131 923	131 923	131 923	131 923	131 923	131 922	1 583 069	1 582 164	1 640 719
Expenditure - Functional																
Governance and administration		25 937	24 023	28 893	25 937	24 023	28 893	24 023	25 937	28 893	24 023	24 023	30 808	315 410	312 871	324 730
Executive and council		5 383	5 383	7 750	5 383	5 383	7 750	5 383	5 383	7 750	5 383	5 383	7 750	74 067	65 606	67 539
Finance and administration		20 229	18 315	20 750	20 229	18 315	20 750	18 315	20 229	20 750	18 315	18 315	22 665	237 178	242 871	252 551
Internal audit		324	324	393	324	324	393	324	324	393	324	324	393	4 165	4 394	4 640
Community and public safety		23 091	23 091	23 957	23 091	23 181	23 957	23 091	23 091	23 957	23 091	23 091	10 684	267 374	261 327	251 638
Community and social services		1 711	1 711	1 898	1 711	1 711	1 898	1 711	1 711	1 898	1 711	1 711	2 365	21 751	22 212	23 647
Sport and recreation		5 134	5 134	5 534	5 134	5 134	5 534	5 134	5 134	5 534	5 134	5 134	5 356	63 035	53 089	65 995
Public safety		9 801	9 801	9 877	9 801	9 891	9 877	9 801	9 801	9 877	9 801	9 801	10 626	118 758	123 379	129 264
Housing		6 444	6 444	6 646	6 444	6 444	6 646	6 444	6 444	6 646	6 444	6 444	(7 662)	63 829	52 646	32 731
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		16 321	16 321	16 930	16 321	16 321	16 930	16 321	16 321	16 930	16 321	16 321	16 931	196 290	207 251	213 684
Planning and development		4 407	4 407	4 500	4 407	4 407	4 500	4 407	4 407	4 500	4 407	4 407	4 500	53 256	53 030	55 706
Road transport		9 994	9 994	10 511	9 994	9 994	10 511	9 994	9 994	10 511	9 994	9 994	10 511	121 995	129 975	132 972
Environmental protection		1 920	1 920	1 920	1 920	1 920	1 920	1 920	1 920	1 920	1 920	1 920	1 920	23 039	24 246	25 206
Trading services		66 931	66 931	68 732	66 931	66 931	68 732	66 931	66 931	68 732	66 931	66 931	68 733	810 381	856 098	917 291
Energy sources		40 026	40 026	40 026	40 026	40 026	40 026	40 026	40 026	40 026	40 026	40 026	40 026	480 315	513 770	555 174
Water management		11 063	11 063	11 372	11 063	11 063	11 372	11 063	11 063	11 372	11 063	11 063	11 372	133 992	140 048	152 081
Waste water management		8 271	8 271	9 401	8 271	8 271	9 401	8 271	8 271	9 401	8 271	8 271	9 401	103 774	109 313	113 142
Waste management		7 571	7 571	7 933	7 571	7 571	7 933	7 571	7 571	7 933	7 571	7 571	7 933	92 299	92 987	96 894
Other		293	293	293	293	293	293	293	293	293	293	293	293	3 517	3 667	3 763
Total Expenditure - Functional		132 574	130 660	138 805	132 574	130 750	138 805	130 660	132 574	138 805	130 660	130 659	127 449	1 594 971	1 641 213	1 711 326
Surplus/(Deficit) before assoc.		(651)	1 263	(6 882)	(651)	1 173	(6 882)	1 263	(651)	(6 882)	1 263	1 263	4 472	(11 902)	(59 049)	(70 607)
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	(651)	1 263	(6 882)	(651)	1 173	(6 882)	1 263	(651)	(6 882)	1 263	1 263	4 472	(11 902)	(59 049)	(70 607)

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WC032 Overstrand - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Multi-year expenditure *to be appropriated*	1															
Vote 1 - Council & Mayor's Office		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager & Internal Audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Management Services		–	150	225	50	50	383	50	50	375	50	200	233	1 815	–	–
Vote 4 - Finance		–	–	–	15	–	15	–	–	15	–	15	–	60	–	–
Vote 5 - Infrastructure & Planning		942	937	17 196	7 327	9 997	28 820	9 997	16 397	27 473	15 797	16 519	46 728	198 128	102 598	99 011
Vote 6 - Protection Services		–	–	–	–	–	150	–	–	–	–	–	150	300	–	–
Vote 7 - Economic and Social Development & Tourism		–	–	–	–	–	23	–	–	–	–	–	23	45	–	–
Vote 8 - Community Services		–	–	200	–	–	100	61	200	–	–	–	174	735	–	–
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	2	942	1 087	17 621	7 392	10 047	29 490	10 108	16 647	27 863	15 847	16 734	47 307	201 083	102 598	99 011
Single-year expenditure *to be appropriated*																
Vote 1 - Council & Mayor's Office		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager & Internal Audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Management Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Finance		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Infrastructure & Planning		372	372	2 372	372	372	2 372	1 372	2 372	1 872	372	1 680	3 570	17 475	–	–
Vote 6 - Protection Services		–	–	250	–	250	521	–	250	–	–	250	971	2 492	–	–
Vote 7 - Economic and Social Development & Tourism		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - Community Services		–	–	–	–	100	–	–	234	100	200	–	14 335	14 970	–	–
Vote 9 - Costing Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Main Ledger Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	2	372	372	2 622	372	722	2 894	1 372	2 857	1 972	572	1 930	18 876	34 937	–	–
Total Capital Expenditure	2	1 314	1 459	20 244	7 764	10 769	32 383	11 480	19 504	29 836	16 419	18 664	66 183	236 020	102 598	99 011

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WC032 Overstrand - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital Expenditure - Functional	1															
Governance and administration		–	150	225	65	50	398	50	50	390	50	215	233	1 875	–	–
Executive and council		–	–	–	–	–	3	–	–	–	–	–	3	5	–	–
Finance and administration		–	150	225	65	50	395	50	50	390	50	215	230	1 870	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		354	354	10 500	354	704	10 921	415	904	10 050	454	604	17 821	53 438	29 934	19 697
Community and social services		–	–	200	–	100	100	61	300	–	100	–	6 399	7 261	–	–
Sport and recreation		179	179	179	179	179	279	179	179	179	179	179	429	2 500	8 704	13 297
Public safety		–	–	250	–	250	671	–	250	–	–	250	1 121	2 792	–	–
Housing		175	175	9 871	175	175	9 871	175	175	9 871	175	175	9 871	40 885	21 230	6 400
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		25	20	30	30	30	5 387	30	164	130	130	30	8 061	14 068	7 164	6 000
Planning and development		25	20	30	30	30	96	30	30	30	30	30	1 096	1 478	–	–
Road transport		–	–	–	–	–	5 291	–	134	100	100	–	6 965	12 590	7 164	6 000
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		935	935	9 488	7 315	9 985	15 677	10 985	18 385	19 265	15 785	17 815	40 069	166 639	65 500	73 314
Energy sources		–	–	6 553	3 100	4 000	6 742	4 500	7 300	8 200	7 700	8 250	9 043	65 389	22 000	24 314
Water management		–	–	2 000	1 080	1 250	3 450	2 650	5 650	5 850	4 450	6 108	7 483	39 970	19 000	23 400
Waste water management		917	917	917	3 117	4 717	5 467	3 817	5 417	5 117	2 617	2 617	22 103	57 736	24 500	19 100
Waste management		18	18	18	18	18	18	18	18	98	1 018	841	1 440	3 544	–	6 500
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	2	1 314	1 459	20 244	7 764	10 769	32 383	11 480	19 504	29 836	16 419	18 664	66 183	236 020	102 598	99 011
Funded by:																
National Government		–	–	4 200	3 200	6 300	12 935	5 400	9 000	7 500	4 900	6 208	12 612	72 254	31 368	32 611
Provincial Government		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants		18	18	11 988	118	18	11 957	18	218	12 157	1 518	1 111	12 307	51 447	21 230	6 400
Transfers recognised - capital		18	18	16 188	3 318	6 318	24 891	5 418	9 218	19 657	6 418	7 318	24 919	123 702	52 598	39 011
Public contributions & donations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing		917	917	2 497	2 497	3 167	5 417	5 067	7 667	8 725	8 867	10 417	24 024	80 175	50 000	60 000
Internally generated funds		379	524	1 559	1 949	1 284	2 075	995	2 619	1 454	1 134	929	17 240	32 143	–	–
Total Capital Funding		1 314	1 459	20 244	7 764	10 769	32 383	11 480	19 504	29 836	16 419	18 664	66 183	236 020	102 598	99 011

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WC032 Overstrand - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash Receipts By Source													1		
Property rates	23 826	23 826	23 826	23 826	23 826	23 826	23 826	23 826	23 826	23 826	23 826	23 826	285 907	298 712	312 089
Service charges - electricity revenue	44 924	44 924	44 924	44 924	44 924	44 924	44 924	44 924	44 924	44 924	44 924	44 924	539 085	579 206	622 318
Service charges - water revenue	11 380	11 380	11 380	11 380	11 380	11 380	11 380	11 380	11 380	11 380	11 380	11 380	136 561	142 706	149 128
Service charges - sanitation revenue	7 493	7 493	7 493	7 493	7 493	7 493	7 493	7 493	7 493	7 493	7 493	7 493	89 916	93 783	97 816
Service charges - refuse revenue	6 495	6 495	6 495	6 495	6 495	6 495	6 495	6 495	6 495	6 495	6 495	6 495	77 943	82 541	87 410
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	381	381	381	381	381	381	381	381	381	381	381	381	4 573	4 778	4 989
Interest earned - external investments	2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	2 073	24 871	25 991	27 161
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	908	908	908	908	908	908	908	908	908	908	908	908	10 897	12 647	13 537
Licences and permits	220	220	220	220	220	220	220	220	220	220	220	220	2 636	2 750	2 869
Agency services	655	655	655	655	655	655	655	655	655	655	655	655	7 858	8 211	8 580
Transfers and Subsidies - Operational	13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	13 849	166 184	174 999	192 746
Other revenue	10 771	10 771	10 771	10 771	10 771	10 771	10 771	10 771	10 771	10 771	10 771	2 546	121 028	81 758	45 957
Cash Receipts by Source	122 974	122 974	122 974	122 974	122 974	122 974	122 974	122 974	122 974	122 974	122 974	114 749	1 467 459	1 508 081	1 564 601
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	6 021	72 254	31 368	32 611
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	50 000	–	–	–	–	–	–	50 000	50 000	60 000
Increase (decrease) in consumer deposits	167	167	167	167	167	167	167	167	167	167	167	167	2 000	2 000	2 000
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(4 980)	(4 980)	(4 980)
Total Cash Receipts by Source	128 747	128 747	128 747	128 747	128 747	178 747	128 747	128 747	128 747	128 747	128 747	120 522	1 586 733	1 586 469	1 654 232
Cash Payments by Type															
Employee related costs	41 050	41 050	41 050	41 050	41 140	41 050	41 050	41 050	41 050	41 050	41 050	41 051	492 692	520 035	550 870
Remuneration of councillors	1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	1 028	12 335	12 837	13 360
Finance charges	4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	4 005	48 056	47 734	47 159
Bulk purchases - Electricity	32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	32 013	384 161	417 237	453 161
Bulk purchases - Water & Sewer												–	–		
Other materials	3 958	3 900	5 176	3 958	3 900	5 176	3 900	3 958	5 176	3 900	3 900	5 235	52 137	51 837	55 539
Contracted services	20 913	20 710	25 859	20 913	20 710	25 859	20 710	20 913	25 859	20 710	20 710	26 064	269 929	279 215	293 223
Transfers and grants - other municipalities												–	–		
Transfers and grants - other	1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	1 088	13 057	13 060	13 582
Other expenditure	14 088	12 435	14 155	14 088	12 435	14 155	12 435	14 088	14 155	12 435	12 435	15 810	162 716	100 901	81 050
Cash Payments by Type	118 143	116 229	124 374	118 143	116 319	124 374	116 229	118 143	124 374	116 229	116 229	126 294	1 435 084	1 442 856	1 507 945
Other Cash Flows/Payments by Type															
Capital assets	1 314	1 459	20 244	7 764	10 769	32 383	11 480	19 504	29 836	16 419	18 664	66 183	236 020	102 598	99 011
Repayment of borrowing	2 181	1 031	2 788	5 911	1 142	11 634	2 287	1 101	2 943	6 231	1 207	12 169	50 623	58 592	51 239
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	121 638	118 719	147 406	131 819	128 230	168 392	129 997	138 748	157 153	138 879	136 100	204 646	1 721 727	1 604 046	1 658 194

MONTHLY CASH FLOWS	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
NET INCREASE/(DECREASE) IN CASH HELD	7 108	10 027	(16 659)	(3 072)	516	10 355	(1 250)	(10 002)	(28 406)	(10 133)	(7 354)	(84 124)	(134 994)	(17 577)	(3 963)
Cash/cash equivalents at the month/year begin:	566 302	573 410	583 438	564 778	561 706	562 223	572 577	571 327	561 325	532 919	522 786	515 432	566 302	431 308	413 731
Cash/cash equivalents at the month/year end:	573 410	583 438	564 778	561 706	562 223	572 577	571 327	561 325	532 919	522 786	515 432	431 308	431 308	413 731	409 768

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WC032 Overstrand - NOT REQUIRED - municipality does not have entities

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R million		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Financial Performance										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-
Investment revenue		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		-	-	-	-	-	-	-	-	-
Other own revenue		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	-	-	-
Employee costs		-	-	-	-	-	-	-	-	-
Remuneration of Board Members		-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		-	-	-	-	-	-	-	-	-
Finance charges		-	-	-	-	-	-	-	-	-
Materials and bulk purchases		-	-	-	-	-	-	-	-	-
Transfers and grants		-	-	-	-	-	-	-	-	-
Other expenditure		-	-	-	-	-	-	-	-	-
Total Expenditure		-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		-	-	-	-	-	-	-	-	-
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Public contributions & donations		-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-
Total sources		-	-	-	-	-	-	-	-	-
Financial position										
Total current assets		-	-	-	-	-	-	-	-	-
Total non current assets		-	-	-	-	-	-	-	-	-
Total current liabilities		-	-	-	-	-	-	-	-	-
Total non current liabilities		-	-	-	-	-	-	-	-	-
Equity		-	-	-	-	-	-	-	-	-
Cash flows										
Net cash from (used) operating		-	-	-	-	-	-	-	-	-
Net cash from (used) investing		-	-	-	-	-	-	-	-	-
Net cash from (used) financing		-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end		-	-	-	-	-	-	-	-	-

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WC032 Overstrand - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2. R thousand
Outsourcing of sub function water and waste water treatm	Yrs	15	Outsourcing of sub function water and waste water treatm	07 December 2033	1 271 426
Outsourcing of sub function operation of landfil site	Yrs	13	Outsourcing of sub function operation of landfil site	30 November 2032	100 366
Note: Overstrand make use of contractual agreements to support the implementation of core function, but the definition of outsourcing do not apply to the other contracts entered into, due to ownership that is kept within the organisation					

WC032 Overstrand - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework			Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3														-
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-
Contract 9														-
Contract 10														-
Contract 11														-
Contract 12														-
Contract 13														-
Contract 14														-
Contract 15														-
Contract 16														-
Contract 17														-
Contract 18														-
Contract 19														-
Contract 20														-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
Contract 1: SC1890/2018: WATER & WASTE WATER TREATMENT OPERATIONS MANAGEMENT CONTRACT		90 960	55 958	59 819	65 622	69 499	73 614	77 972	82 586	87 485	92 671	98 163	103 992	958 342
Contract 2: SC1892/2018 THE OPERATION OF THE GANSBAAI LANDFILL SITE, THE STANFORD PUBLIC WASTE DROP-OFF FACILITY AND THE PEARLY BEACH PUBLIC WASTE DROP-OFF FACILITY		10 254	5 600	5 943	6 324	6 703	7 127	7 588	8 066	8 576	9 035	9 454	9 930	94 599
Contract 3 SC1933/2018: PROVISION FOR BANKING SERVICES		2 780	1 494	1 582	1 675	-	-	-	-	-	-			7 530
Contract 4														-
Contract 5														-
Contract 6														-
Contract 7														-
Contract 8														-
Contract 9														-
Contract 10														-
Contract 11														-
Contract 12														-
Contract 13														-
Contract 14														-
Contract 15														-
Contract 16														-
Contract 17														-
Contract 18														-
Contract 19														-
Contract 20														-
Total Operating Expenditure Implication		103 994	63 052	67 344	73 621	76 202	80 741	85 560	90 652	96 061	101 706	107 617	113 922	1 060 471
Total Parent Expenditure Implication		103 994	63 052	67 344	73 621	76 202	80 741	85 560	90 652	96 061	101 706	107 617	113 922	1 060 471

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WC032 Overstrand - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**96 933**	**76 763**	**91 712**	**98 618**	**59 873**	**59 873**	**85 364**	**29 664**	**18 414**
Roads Infrastructure		12 061	5 638	20 553	10 218	9 493	9 493	12 255	7 164	6 000
Roads		12 061	5 638	20 553	10 218	9 493	9 493	12 255	7 164	6 000
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		7 247	7 918	14 169	6 590	6 590	6 590	1 636	8 500	–
Drainage Collection				557	1 110	1 110	1 110	–	–	–
Storm water Conveyance		7 247	7 918	13 612	5 480	5 480	5 480	1 636	8 500	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		28 893	13 557	9 392	57 808	24 908	24 908	53 500	12 000	9 314
Power Plants				–	–	–	–	–	–	–
HV Substations				–	–	–	–	–	–	–
HV Switching Station				–	–	–	–	–	–	–
HV Transmission Conductors				–	–	–	–	–	–	–
MV Substations			4 869	693	50 430	15 030	15 030	37 500	5 000	–
MV Switching Stations			–	–	–	–	–	–	–	–
MV Networks		28 893	8 688	8 699	7 378	9 878	9 878	16 000	7 000	9 314
LV Networks				–	–	–	–	–	–	–
Capital Spares				–	–	–	–	–	–	–
Water Supply Infrastructure		12 270	29 001	22 404	11 372	4 270	4 270	12 483	2 000	3 100
Dams and Weirs			–	–	–	–	–	–	–	–
Boreholes			4 356	3 808	6 692	3 590	3 590	4 803	2 000	3 100
Reservoirs		12 270	14 717	15 728	–	–	–	–	–	–
Pump Stations			–	–	4 000	–	–	7 000	–	–
Water Treatment Works				–	–	–	–	–	–	–
Bulk Mains			–	–	–	–	–	–	–	–
Distribution			9 928	2 868	680	680	680	680	–	–
Distribution Points				–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		34 963	13 339	12 940	9 368	10 097	10 097	4 020	–	–
Pump Station			169	–	–	–	–	–	–	–
Reticulation		34 963	9 864	12 940	9 368	10 097	10 097	4 020	–	–
Waste Water Treatment Works			3 306	–	–	–	–	–	–	–
Outfall Sewers				–	–	–	–	–	–	–
Toilet Facilities				–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		1 499	7 311	12 254	3 252	4 516	4 516	1 470	–	–
Landfill Sites			7 311	–	–	–	–	–	–	–
Waste Transfer Stations				–	2 020	2 020	2 020	1 250	–	–
Waste Processing Facilities				12 254	1 242	2 496	2 496	220	–	–
Waste Drop-off Points		1 499		–	–	–	–	–	–	–
Waste Separation Facilities				–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		**30 804**	**4 531**	**25 999**	**22 833**	**11 824**	**11 824**	**10 951**	**–**	**–**
Community Facilities		30 804	2 084	10 999	15 352	4 743	4 743	6 701	–	–
Halls			–	4 759	110	5	5	–	–	–
Centres			–	–	–	–	–	–	–	–
Crèches		559	578	–	475	–	–	–	–	–
Clinics/Care Centres			–	–	–	–	–	–	–	–
Fire/Ambulance Stations			–	–	–	–	–	–	–	–
Testing Stations		4 809	44	–	1 052	1 052	1 052	–	–	–
Museums			–	–	–	–	–	–	–	–
Galleries			–	–	–	–	–	–	–	–
Theatres			–	–	–	–	–	–	–	–
Libraries		1 132	–	295	4 374	–	–	4 374	–	–
Cemeteries/Crematoria		381	207	1 232	–	–	–	–	–	–
Police			–	–	–	–	–	–	–	–
Parks			139	49	100	205	205	87	–	–
Public Open Space		23 923	1 073	3 902	3 517	1 857	1 857	1 050	–	–

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Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Nature Reserves			–	–	4 100	–	–	–	–	–
Public Ablution Facilities			44	140	1 244	1 244	1 244	1 190	–	–
Markets				–	–	–	–	–	–	–
Stalls				278	–	–	–	–	–	–
Abattoirs				–	–	–	–	–	–	–
Airports				–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals				345	380	380	380	–	–	–
Capital Spares				–	–	–	–	–	–	–
Sport and Recreation Facilities		–	2 447	15 000	7 481	7 081	7 081	4 250	–	–
Indoor Facilities				–	–	–	–	–	–	–
Outdoor Facilities			2 447	15 000	7 481	7 081	7 081	4 250	–	–
Capital Spares				–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		37 368	87 502	54 179	58 895	67 383	67 383	41 802	21 230	6 400
Operational Buildings		3 092	1 749	4 581	6 636	5 617	5 617	3 017	–	–
Municipal Offices		3 092	1 749	4 581	6 636	5 617	5 617	3 017	–	–
Pay/Enquiry Points				–	–	–	–	–	–	–
Building Plan Offices				–	–	–	–	–	–	–
Workshops				–	–	–	–	–	–	–
Yards				–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		34 276	85 753	49 598	52 259	61 765	61 765	38 785	21 230	6 400
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		34 276	85 753	49 598	52 259	61 765	61 765	38 785	21 230	6 400
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	226	226	–	–	–
Biological or Cultivated Assets		–	–	–	–	226	226	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		1 346	3 345	5 152	3 933	3 463	3 463	1 688	–	–
Computer Equipment		1 346	3 345	5 152	3 933	3 463	3 463	1 688	–	–
Furniture and Office Equipment		295	246	802	875	1 225	1 225	765	–	–
Furniture and Office Equipment		295	246	802	875	1 225	1 225	765	–	–
Machinery and Equipment		–	533	486	1 641	1 791	1 791	1 185	–	–
Machinery and Equipment			533	486	1 641	1 791	1 791	1 185	–	–
Transport Assets		6 936	15 884	21 189	5 000	9 131	9 131	–	–	–
Transport Assets		6 936	15 884	21 189	5 000	9 131	9 131	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	173 682	188 804	199 520	191 795	154 916	154 916	141 955	50 894	24 814

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WC032 Overstrand - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		–	3 606	15 499	33 945	32 154	32 154	20 730	18 650	29 500
Roads Infrastructure		–	8	–	–	–	–	–	–	–
Roads		–	8	–	–	–	–	–	–	–
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	915	1 000	1 000	1 000	1 058	1 500	2 000
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	915	1 000	1 000	1 000	1 058	1 500	2 000
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	887	11 297	32 295	30 064	30 064	19 172	16 450	20 300
Dams and Weirs				–	–	–	–	–	–	–
Boreholes				–	–	–	–	–	–	–
Reservoirs				–	–	–	–	–	–	–
Pump Stations				1 327	400	2 184	2 184	500	500	500
Water Treatment Works				–	–	–	–	–	–	–
Bulk Mains				–	–	–	–	–	–	–
Distribution			887	9 970	31 895	27 880	27 880	18 672	15 950	19 800
Distribution Points				–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	2 711	3 287	650	1 090	1 090	500	700	700
Pump Station			2 711	–	650	1 090	1 090	500	700	700
Reticulation				–	–	–	–	–	–	–
Waste Water Treatment Works				–	–	–	–	–	–	–
Outfall Sewers				3 287	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	6 500
Landfill Sites		–	–	–	–	–	–	–	–	6 500
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Halls		–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–

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Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	1	–	3 606	15 499	33 945	32 154	32 154	29 730	18 650	29 500
Renewal of Existing Assets as % of total capex		*0.0%*	*1.7%*	*6.1%*	*12.4%*	*13.5%*	*13.5%*	*6.8%*	*18.2%*	*29.8%*
Renewal of Existing Assets as % of deprecn"		*0.0%*	*2.7%*	*11.1%*	*23.3%*	*22.1%*	*22.1%*	*14.1%*	*12.8%*	*19.9%*

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WC032 Overstrand - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**145 959**	**134 766**	**140 742**	**149 272**	**149 240**	**149 240**	**161 349**	**172 030**	**183 034**
Roads Infrastructure		61 860	65 691	67 439	67 503	67 114	67 114	72 275	79 183	83 626
Roads		61 860	61 812	64 190	67 503	67 114	67 114	72 275	79 183	83 626
Road Structures			3 879	3 249	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		5 765	4 749	5 584	7 712	7 712	7 712	7 335	7 736	8 154
Drainage Collection		5 765	2 558	2 515	–	–	–	–	–	–
Storm water Conveyance			2 192	3 069	7 712	7 712	7 712	7 335	7 736	8 154
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		23 082	36 812	31 045	33 421	34 047	34 047	39 232	40 356	43 933
Power Plants			383	136	–	–	–	–	–	–
HV Substations			–	–	–	–	–	–	–	–
HV Switching Station			–	–	–	–	–	–	–	–
HV Transmission Conductors			–	25	–	–	–	–	–	–
MV Substations			–	–	–	–	–	–	–	–
MV Switching Stations			–	–	–	–	–	–	–	–
MV Networks		23 082	33 018	28 149	–	–	–	–	–	–
LV Networks			3 411	2 435	33 421	34 047	34 047	39 232	40 356	43 933
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		17 367	16 161	21 046	21 537	21 537	21 537	22 142	23 489	24 843
Dams and Weirs			–	–	–	–	–	–	–	–
Boreholes			–	–	–	–	–	–	–	–
Reservoirs			–	–	–	–	–	–	–	–
Pump Stations			–	–	–	–	–	–	–	–
Water Treatment Works			–	–	577	577	577	297	316	336
Bulk Mains			–	–	–	–	–	–	–	–
Distribution		17 367	16 161	21 046	18 350	18 477	18 477	19 083	20 257	21 127
Distribution Points				–	2 610	2 483	2 483	2 761	2 916	3 080
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		14 967	10 072	12 980	12 162	12 346	12 346	13 044	13 580	14 354
Pump Station			–	–	–	–	–	–	–	–
Reticulation			800	–	6 946	6 946	6 946	7 386	7 843	8 331
Waste Water Treatment Works		14 967	9 134	12 980	5 216	5 401	5 401	5 658	5 737	6 023
Outfall Sewers			138	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		22 918	1 168	2 535	6 936	6 483	6 483	7 320	7 686	8 123
Landfill Sites			36	61	–	–	–	–	–	–
Waste Transfer Stations		22 918	11	1 186	–	–	–	–	–	–
Waste Processing Facilities			152	272	2 332	2 048	2 048	2 397	2 465	2 588
Waste Drop-off Points			929	1 009	4 604	4 435	4 435	4 924	5 221	5 535
Waste Separation Facilities			39	7	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	113	110	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades			113	110	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	1	–	–	–	–	–	–
Data Centres		–	–	1	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		**39 801**	**33 597**	**44 371**	**61 656**	**57 662**	**57 662**	**58 365**	**58 315**	**61 289**
Community Facilities		27 117	29 422	37 364	46 573	42 095	42 095	43 516	43 405	45 873
Halls		4 187	5 502	5 332	5 069	4 986	4 986	6 029	6 441	6 833
Centres			–	67	–	–	–	–	–	–
Crèches			–	–	–	–	–	–	–	–
Clinics/Care Centres			–	–	–	–	–	–	–	–
Fire/Ambulance Stations			344	440	–	–	–	–	–	–
Testing Stations			–	54	–	–	–	–	–	–
Museums			–	–	–	–	–	–	–	–
Galleries			–	–	–	–	–	–	–	–
Theatres			–	–	–	–	–	–	–	–
Libraries		28	93	121	–	–	–	–	–	–
Cemeteries/Crematoria		1 059	693	967	1 074	316	316	1 112	1 149	1 189
Police			209	358	–	–	–	–	–	–
Parks			20 368	25 542	31 844	32 020	32 020	31 703	30 816	32 569
Public Open Space		21 743	4 213	4 304	8 193	4 424	4 424	3 684	3 948	4 174

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	176	594	348	348	988	1 050	1 108
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		12 685	4 176	7 007	15 083	15 567	15 567	14 849	14 910	15 416
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		12 685	4 176	7 007	15 083	15 567	15 567	14 849	14 910	15 416
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		8 009	1 582	2 137	11 914	16 896	16 896	15 246	16 876	17 880
Operational Buildings		8 009	1 582	2 136	11 914	16 896	16 896	15 246	16 876	17 880
Municipal Offices		8 009	1 539	2 086	11 876	16 858	16 858	15 208	16 838	17 842
Pay/Enquiry Points			–	–	–	–	–	–	–	–
Building Plan Offices			28	35	–	–	–	–	–	–
Workshops			–	–	–	–	–	–	–	–
Yards			–	–	–	–	–	–	–	–
Stores			15	–	–	–	–	–	–	–
Laboratories			–	–	–	–	–	–	–	–
Training Centres			–	–	–	–	–	–	–	–
Manufacturing Plant			–	–	–	–	–	–	–	–
Depots				16	38	38	38	38	38	38
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	1	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	1	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	6 009	5 672	6 526	6 413	6 413	6 994	7 381	7 794
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	6 009	5 672	6 526	6 413	6 413	6 994	7 381	7 794
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications			6 009	5 672	6 526	6 413	6 413	6 994	7 381	7 794
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		4 890	766	1 947	2 280	2 806	2 806	2 280	2 391	2 508
Computer Equipment		4 890	766	1 947	2 280	2 806	2 806	2 280	2 391	2 508
Furniture and Office Equipment		16 364	242	1 128	6 095	6 054	6 054	6 330	6 644	6 951
Furniture and Office Equipment		16 364	242	1 128	6 095	6 054	6 054	6 330	6 644	6 951
Machinery and Equipment		–	–	–	5 548	5 379	5 379	5 601	6 518	6 561
Machinery and Equipment		–	–	–	5 548	5 379	5 379	5 601	6 518	6 561
Transport Assets		–	11 555	14 904	10 940	13 990	13 990	11 779	12 444	13 149
Transport Assets			11 555	14 904	10 940	13 990	13 990	11 779	12 444	13 149
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	215 024	188 517	210 901	254 233	258 441	258 441	267 944	282 599	299 166
R&M as a % of PPE		6.3%	5.4%	5.9%	6.7%	6.9%	6.9%	0.0%	7.4%	7.9%
R&M as % Operating Expenditure		19.4%	15.8%	16.0%	17.0%	17.0%	17.0%	23.3%	17.7%	18.2%

WC032 Overstrand - Supporting Table SA34d Depreciation by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Depreciation by Asset Class/Sub-class										
Infrastructure		112 502	106 974	102 449	115 534	115 534	115 534	119 152	119 085	123 308
Roads Infrastructure		33 523	33 574	34 090	37 546	37 546	37 546	37 723	38 311	36 395
Roads		32 825	33 574	34 090	37 546	37 546	37 546	37 723	38 311	36 395
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		698	–	–	–	–	–	–	–	–
Storm water Infrastructure		5 827	6 342	6 781	7 720	7 720	7 720	7 993	8 008	7 207
Drainage Collection		–	6 342	6 781	7 720	7 720	7 720	7 993	8 008	7 207
Storm water Conveyance		5 827	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		24 965	26 300	12 375	26 902	26 902	26 902	29 061	28 884	30 421
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		24 965	25 917	11 939	26 902	26 902	26 902	29 061	28 884	30 421
Capital Spares		–	383	436	–	–	–	–	–	–
Water Supply Infrastructure		27 676	27 731	28 367	29 397	29 397	29 397	23 565	23 080	28 850
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		27 444	27 731	28 367	29 397	29 397	29 397	23 565	23 080	28 850
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		232	–	–	–	–	–	–	–	–
Sanitation Infrastructure		16 668	9 843	17 969	10 737	10 737	10 737	17 550	17 550	17 335
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		16 390	–	–	–	–	–	–	–	–
Waste Water Treatment Works		–	9 784	17 969	10 737	10 737	10 737	17 550	17 550	17 335
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		278	39	–	–	–	–	–	–	–
Solid Waste Infrastructure		3 843	3 184	2 846	3 231	3 231	3 231	3 260	3 262	3 099
Landfill Sites		481	3 184	2 846	3 231	3 231	3 231	3 260	3 262	3 099
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		3 361	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		–	–	10 055	–	–	–	–	–	–
Community Facilities		–	–	10 055	–	–	–	–	–	–
Halls		–	–	–	–	–	–	–	–	–
Centres		–	–	10 055	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		11 982	11 636	1 993	14 720	14 720	14 720	14 913	14 928	15 077
Operational Buildings		11 982	11 636	1 993	14 720	14 720	14 720	14 913	14 928	15 077
Municipal Offices		11 982	11 636	1 993	14 720	14 720	14 720	14 913	14 928	15 077
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	68	68	68
Biological or Cultivated Assets		–	–	–	–	–	–	68	68	68
Intangible Assets		525	447	431	390	390	390	400	420	451
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		525	447	431	390	390	390	400	420	451
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		525	447	431	390	390	390	400	420	451
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		1 826	8 921	2 060	10 233	10 233	10 233	3 535	3 229	3 102
Furniture and Office Equipment		1 826	8 921	2 060	10 233	10 233	10 233	3 535	3 229	3 102
Machinery and Equipment		764	2 678	19 074	1 077	1 077	1 077	1 617	1 486	1 454
Machinery and Equipment		764	2 678	19 074	1 077	1 077	1 077	1 617	1 486	1 454
Transport Assets		3 516	3 918	4 049	3 709	3 709	3 709	6 911	6 460	4 815
Transport Assets		3 516	3 918	4 049	3 709	3 709	3 709	6 911	6 460	4 815
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Depreciation	1	131 114	134 574	140 110	145 663	145 663	145 663	146 596	145 685	148 275

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WC032 Overstrand - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		–	11 051	31 980	46 913	48 466	48 466	72 800	24 350	31 400
Roads Infrastructure		–	–	181	–	–	–	–	–	–
Roads		–	–	181	–	–	–	–	–	–
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	1 285	12 258	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	1 285	12 258	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	7 871	129	7 173	7 173	7 173	10 831	8 500	13 000
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	7 871	129	7 173	7 173	7 173	10 831	8 500	13 000
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	1 863	1 873	8 315	3 000	3 000	8 315	550	–
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	1 000	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	1 863	1 873	8 315	3 000	3 000	7 315	550	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	32	14 286	30 873	38 203	38 203	51 581	15 300	18 400
Pump Station		–	–	5 074	16 059	16 059	16 059	27 539	4 400	10 000
Reticulation		–	32	8 802	7 283	15 054	15 054	500	800	600
Waste Water Treatment Works		–	–	410	7 530	7 090	7 090	23 542	10 100	7 800
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	3 262	553	90	90	2 074	–	–
Landfill Sites		–	–	1 851	463	–	–	–	–	–
Waste Transfer Stations		–	–	1 412	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	90	90	90	2 074	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		–	7 534	7 801	2 121	2 443	2 443	534	8 704	13 297
Community Facilities		–	–	830	100	100	100	334	–	–
Halls		–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	322	–	–	–	–	–	–
Public Open Space		–	–	482	–	–	–	–	–	–

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	100	100	100	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	26	–	–	–	334	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	7 534	6 971	2 021	2 343	2 343	200	8 704	13 297
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	7 534	6 971	2 021	2 343	2 343	200	8 704	13 297
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		–	61	–	–	–	–	–	–	–
Operational Buildings		–	61	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	61	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on upgrading of existing assets	1	–	18 646	39 781	49 034	50 909	50 909	73 335	33 054	44 697
Upgrading of Existing Assets as % of total capex		*0.0%*	*8.8%*	*15.6%*	*17.8%*	*21.4%*	*21.4%*	*31.1%*	*32.2%*	*45.1%*
Upgrading of Existing Assets as % of deprecn"		*0.0%*	*13.9%*	*28.4%*	*33.7%*	*34.9%*	*34.9%*	*50.0%*	*22.7%*	*30.1%*

WC032 Overstrand - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2022/23 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Present value
Capital expenditure	1							
Vote 1 - Council & Mayor's Office		–	–	–				
Vote 2 - Municipal Manager & Internal Audit		–	–	–				
Vote 3 - Management Services		1 815	–	–				
Vote 4 - Finance		60	–	–				
Vote 5 - Infrastructure & Planning		215 603	102 598	99 011	78 600	62 700		
Vote 6 - Protection Services		2 792	–	–				
Vote 7 - Economic and Social Development & Tourism		45	–	–				
Vote 8 - Community Services		15 705	–	–				
Vote 9 - Costing Services		–	–	–				
Vote 10 - Main Ledger Services		–	–	–				
List entity summary if applicable								
Total Capital Expenditure		**236 020**	**102 598**	**99 011**	**78 600**	**62 700**	**–**	**–**
Future operational costs by vote	2							
Vote 1 - Council & Mayor's Office		44 592	34 434	34 589	36 319	38 135	40 042	103 768
Vote 2 - Municipal Manager & Internal Audit		8 042	8 437	8 857	9 300	9 765	10 253	26 571
Vote 3 - Management Services		64 074	68 244	71 390	74 960	78 708	82 643	214 171
Vote 4 - Finance		106 253	106 744	112 252	117 864	123 758	129 946	336 756
Vote 5 - Infrastructure & Planning		519 207	661 720	697 945	732 842	769 484	807 958	2 093 834
Vote 6 - Protection Services		116 940	123 434	128 971	135 420	142 191	149 300	386 914
Vote 7 - Economic and Social Development & Tourism		17 525	15 510	16 237	17 049	17 902	18 797	48 712
Vote 8 - Community Services		482 318	520 094	542 073	569 177	597 636	627 517	1 626 219
Vote 9 - Costing Services		–	–	–				
Vote 10 - Main Ledger Services		–	–	–				
List entity summary if applicable								
Total future operational costs		1 358 952	1 538 615	1 612 315	1 692 931	1 777 577	1 866 456	4 836 945
Future revenue by source	3							
Property rates		287 941	300 836	314 308	330 023	346 525	363 851	942 924
Service charges - electricity revenue		541 692	582 115	625 557	656 835	689 677	724 161	1 876 671
Service charges - water revenue		138 138	144 354	150 851	158 394	166 313	174 629	452 553
Service charges - sanitation revenue		90 962	94 874	98 953	103 901	109 096	114 551	296 860
Service charges - refuse revenue		78 850	83 502	88 427	92 849	97 491	102 366	265 282
Service charges - other		–	–	–	–	–	–	–
Rental of facilities and equipment		4 573	4 778	4 989	5 238	5 500	5 775	14 967
Interest earned - external investments		24 871	25 991	27 161	28 519	29 945	31 442	81 483
Interest earned - outstanding debtors		3 982	4 161	4 348	4 565	4 793	5 033	13 043
Dividends received		–	–	–	–	–	–	–
Fines, penalties and forfeits		20 344	22 188	23 174	24 333	25 549	26 827	69 522
Licences and permits		2 636	2 750	2 869	3 012	3 163	3 321	8 606
Agency services		7 858	8 211	8 580	9 009	9 459	9 932	25 740
Transfers and subsidies		166 184	174 999	192 746	202 383	212 503	223 128	578 238
Other revenue		121 898	93 814	57 920	60 816	63 857	67 050	173 761
Gains		8 225	8 225	8 225	8 636	9 068	9 521	24 674
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		72 254	31 368	32 611	34 242	35 954	37 751	97 833
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		12 662	–	–				
Transfers and subsidies - capital (in-kind - all)		–	–	–				
List entity summary if applicable								
Total future revenue		**1 583 069**	**1 582 164**	**1 640 719**	**1 722 755**	**1 808 893**	**1 899 337**	**4 922 157**
Net Financial Implications		**11 902**	**59 049**	**70 607**	**48 776**	**31 385**	**(32 881)**	**(85 212)**

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

R thousand

Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	2022/23 Medium Term Revenue & Expenditure Framework		
													Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality: List all capital projects grouped by Function															
EXECUTIVE & COUNCIL											355	5			
	MINOR ASSETS COUNCIL	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			6		
FINANCE AND ADMINISTRATION											6 829	3 728			
	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand			700		
	MINOR ASSETS ICT ORGANIZATION WIDE	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand			400		
	UPS REPLACEMENT	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			500		
	MINOR ASSETS FINANCE	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			60		
	MINOR ASSETS MANAGEMENT SERVICES	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	[illegible]	[illegible]	Overstrand			18		
PUBLIC SAFETY											8 429	9 865			
	GREATER HERMANUS TRAFFIC DEPT REMOVAL OF OBSOLETE OLD ROOFING AND CEILING AND REPL	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Municipal Offices	Ward 03	34°23'52.81'S Degrees	19°15'58.13'E Degrees			1 000		
	GENERATOR FOR TRAFFIC SERVICES	New	Social cohesion and safe communities	Governance	4	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			400		
	INCIDENT COMMAND CENTRE (OLD SQUASH COURTS)(F1/2)	New	Social cohesion and safe communities	Governance	4	Furniture and Office Equipment	Other	Overstrand	34°23'52.81'S 19°15'58.13'E	34°23'52.81'S 19°15'58.13'E			778		
	INCIDENT COMMAND CENTRE (OLD SQUASH COURTS)(F2/2)	New	Social cohesion and safe communities	Governance	4	Computer Equipment	Other	Overstrand	34°23'52.81'S 19°15'58.13'E	34°23'52.81'S 19°15'58.13'E			272		
	MINOR ASSETS PROTECTION SERVICES	New	Social cohesion and safe communities	Governance	4	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			300		
PLANNING & DEVELOPMENT											8 446	3 412			
	MINOR ASSETS LED	New	A capable, ethical and developmental state	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			46		
	HAWSTON INDUSTRIAL BUSINESS HUB	New	A capable, ethical and developmental state	Inclusion and access	6	Community Facilities	Public Open Space	Ward 08	19.134 -34.386 Degrees	19.134 -34.386 Degrees			200		
	PROJECT MANAGEMENT UNIT-ICT EQUIPMENT & FURNITURE	New	A capable, ethical and developmental state	Inclusion and access	6	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			28		
	PURCHASE OF ERF 4013 BETTY'S BAY(ERF 11472 HERMANUS	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 03	19°02'08"E 34°20'23"S	19°02'08"E 34°20'23"S			100		
	KLEINMOND COMMUNITY PROJECT OLD KOH	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 09	34°20'37.0"S Degrees	19°00'48.8"E Degrees			700		
	MINOR ASSETS INFRASTRUCTURE & PLANNING	New	A capable, ethical and developmental state	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			346		
COMMUNITY SERVICES											15 718	5 817			
	MINOR ASSETS COMMUNITY SERVICES	New	A capable, ethical and developmental state	Inclusion and access	3	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			736		
	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F1/2)	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S			557		
	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F2/2)	New	A capable, ethical and developmental state	Inclusion and access	2	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S			630		
	NEW ROOF TRADING SHORTMAN ROAD	New	A capable, ethical and developmental state	Inclusion and access	3	Operational Buildings	Municipal Offices	Ward 12	34.424 19.212 Degrees	34.424 19.212 Degrees			876		
	OUTDOOR GYM EQUIPMENT MOUNTAIN VIEW	New	A capable, ethical and developmental state	Inclusion and access	3	Sport and Recreation Facilities	Outdoor Facilities	Ward 09	34°20'19.6"S 19°02'09.7"E	34°20'19.1"S 19°08'58.9"E			87		
LIBRARIES											395				
	ZWELIHLE LIBRARY	New	A capable, ethical and developmental state	Inclusion and access	4	Community Facilities	Libraries	Ward 12	19.215 Degrees	34.422 Degrees			4 374		
SPORT & RECREATION											23 888	7 474			
	UPGRADE HAWSTON SPORT COMPLEX STADIUM(F1/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.219 Degrees	34.419 Degrees			200	6 830	4 000
	UPGRADE HAWSTON SPORT COMPLEX STADIUM(F2/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.219 Degrees	34.419 Degrees			200		
	UPGRADE MOUNT PLEASANT SPORT GROUNDS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 04	19.219 Degrees	34.419 Degrees					6 500
	HERMANUS SPORT FACILITY IMPROVEMENT	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 03	34.24 Degrees	31.373 Degrees			1 500		
	RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACILITIES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 07	19.190 -34.424	19.190 -34.424			150		
	FLOODLIGHTS OVERHILLS SOCCERFIELD	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 10	34°20'07.1"S Degrees	18°59'27.1"E Degrees				2 082	1 287
	UPGRADE HAWSTON SWIMMING POOL	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	34°23'09.91"S Degrees	19°07'58.01"E Degrees					2 000
HOUSING											40 690	13 566			
	LCH SERVICES CONSTRUCTION CONTRACTS	New	Spatial integration: human settlements and local government	Spatial integration	4	Housing	Social Housing	Overstrand	Overstrand	Overstrand			58 785	21 230	8 400
	HAWSTON NEW HOUSING DEVELOPMENT R43 WALL	New	Spatial integration: human settlements and local government	Spatial integration	4	Housing	Social Housing	Ward 08	19.138 & -34.388	19.138 & -34.388			2 100		
ROADS											20 134	19 799			
	STANFORD TAXI RANK UPGRADE ROOF FOR TRADING	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	Degrees 19.441	34.451 Degrees			334		
	MASAKHANE HOUSING PROJECT BUS ROUTE(PHASE 1)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	19°21'39"E Degrees	34°35'30"S Degrees			7 583	7 104	
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	6	Roads Infrastructure	Roads	Ward 09	34°28'23.6"S 19°27'13.6"E	34°28'23.6"S 19°27'13.6"E			828		
	CURBING AND TARRING PAVING OF SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	19.126 Degrees	34.397 Degrees			188		
	CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWAY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	19.173 Degrees	34.417 Degrees			200		
	CONSTRUCTION AND EXTENSION OF COASTAL PATH	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	19.147 Degrees	34.421 Degrees			200		
	REVITALISATION OF CBD	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	19.458 Degrees	34.410 Degrees			174		
	REHABILITATE ROADS BLOMPARK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 14	34°35'54.06"S Degrees	19°26'49.51"E Degrees			3 040		
	MASAKHANE HOUSING PROJECT BUS ROUTE(PHASE 2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	19°21'39"E Degrees	34°35'30"S Degrees					8 000
ELECTRICITY											19 430	35 311			
	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F1/5)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14 S Degrees	19°20'3.08'E Degrees			6 800	6 000	
	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F2/5)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14'S Degrees	19°20'3.08'E Degrees			3 150		
	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F3/5)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14 S Degrees	19°20'3.08'E Degrees			1 731		
	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F4/5)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14'S Degrees	19°20'3.08'E Degrees			4 500		
	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F5/5)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14'S Degrees	19°20'3.08'E Degrees			14 200		
	ELECTRIFICATION OF LOW COST HOUSING AREAS (F1/2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	1	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand			7 091	7 000	7 314
	ELECTRIFICATION OF LOW COST HOUSING AREAS (F2/2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	1	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand			8 500		
	HERMANUS MV LV UPGRADE REPLACEMENT(F1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 03	34°25'18.87'S Degrees	19°13'08.62'E Degrees			3 000	4 500	2 500
	HERMANUS MV LV UPGRADE REPLACEMENT(F2/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 03	34°25'18.87'S Degrees	19°13'08.62'E Degrees			3 000		
	KLEINMOND MV LV NETWORK UPGRADE(F1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 09	34°20'18.36'S Degrees	19°01'36.31'E Degrees			2 416		
	KLEINMOND MV LV NETWORK UPGRADE(F2/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 10	34°20'18.36'S Degrees	19°01'36.31'E Degrees				2 000	2 500
	HAWSTON MV LV UPGRADE REPLACEMENT(F1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 08	34°21'49.91'S Degrees	19°07'58.01'E Degrees			2 415		
	HAWSTON MV LV UPGRADE REPLACEMENT(F2/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 08	34°23'49.51'S Degrees	19°07'58.01'E Degrees				2 000	2 500
	GANSBAAI STANFORD MV LV UPGRADE REPLACEMENT	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Multi-ward Gb Area	19.332 Degrees	34.599 Degrees					2 500
	ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand			1 088	1 500	2 000
WATER											36 574	37 334			
	REFURBISHMENT OF BULK WATER INFRASTRUCTURE	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			1 000	800	
	FENCING AT WATER INSTALLATIONS	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			730	635	
	REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			13 442	3 000	10 000
	REPLACEMENT OF OVERSTRAND WATER PIPES(F2/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Overstrand	Overstrand	Overstrand			2 838		
	WATER FACILITIES CONTINGENCY	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Overstrand	Overstrand	Overstrand			500	500	500
	REFURBISHMENT OF KLEINMOND BUFFELS RIVER WTW	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	3	Water Supply Infrastructure	Water Treatment Works	Multi-ward Kleinmond Area	19.010° E Degrees	34.321° S Degrees				11 000	9 000
	ACCESS ROADS TO KLEINMOND BUFFELS RIVER WTW UPGRADE	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Multi-ward Kleinmond Area	19.013° E Degrees	34.333° S Degrees			1 000		
	UPGRADE HERMANUS WELL FIELDS PHASE 2(F1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Multi-ward Hermanus Area	19.237° E Degrees	34.378° S Degrees			2 000	2 000	7 100
	UPGRADE HERMANUS WELL FIELDS PHASE 2(F2/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Ward 02	19°21'39"E Degrees	34°25'30"S Degrees			2 283		
	UPGRADE WATER LINES & NEW BOOSTER PUMPSTATION VALVES	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 02	19°21'39"E Degrees	34°25'30"S Degrees			7 000		
	UPGRADE BULK WATER	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Ward 01	34.446745 Degrees	19.448791 Degrees			5 015		
	REFURBISH KRAAIBOSCH PUMP STATION PANEL	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Multi-ward Gb Area	34°37'5.14'S Degrees	19°20'3.08'E Degrees			1 000		

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Function	Project Description	Type	MTEF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
	DE KELDERS WTW MEMBRANE REPLACEMENT	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 14	19°37'0" E / -34°5'6" S	19°37'0" E / -34°5'6" S			500		500
	PEARLY BEACH WATER TOWER REFURBISH	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Ward 11	34°18'25.2"S Degrees	34°18'25.2"S Degrees				700	
	FRANSKRAAL WTW FILTERS REFURBISH	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Multi-ward Gb Area	19.365° E / -34.592° S	19.365° E / -34.592° S			400		
	PREEKSTOEL BIO PLANT FILTERS REFURBISH	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Multi-ward Hermanus	34°23'52.81"S Degrees	34°23'52.81"S Degrees				400	
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Ward 06	34°25'23.6"S 19°27'13.6"E	34°25'23.6"S 19°27'13.6"E			200		
	EHP WATER PROVISION FOR INFORMAL SETTLEMENTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	34°24'23.6"S 19°27'13.6"E	34°24'23.6"S 19°27'13.6"E			150		
	BASIC SERVICES FOR EMERGENCY HOUSING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Mount Pleasant	19.212 -34.400 Degrees	19.212 -34.400 Degrees			200		
SEWERAGE											36 813	49 396			
	SEWERAGE FACILITIES CONTINGENCY	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	Overstrand	Overstrand			500	700	700
	Gansbaai CBD SEWER NETWORK EXTENSION	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 02	19°20" E Degrees	34.586° S Degrees			2 000		
	KLEINMOND WWTW REFURBISH UPGRADE (F1J2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Multi-ward Kleinmond Area	19.166° E Degrees	34.342° S Degrees			9 200	9 900	
	KLEINMOND WWTW REFURBISH UPGRADE (F3J2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Multi-ward Kleinmond Area	19.586° E Degrees	34.342° S Degrees			18 998		
	KLEINMOND WWTW REFURBISH UPGRADE (F3J3)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Multi-ward Kleinmond Area	19.586° E Degrees	34.342° S Degrees			2 042		
	FENCING AT SEWERAGE INSTALLATIONS	Replacement	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	19.218° E Degrees	34.425° S Degrees			500	500	500
	UPGRADING OF PUMPSTATIONS & RISING MAINS (F1J2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	19.209° E Degrees	34.427° S Degrees			7 100	4 400	10 000
	UPGRADING OF PUMPSTATIONS & RISING MAINS (F2J2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	19.209° E Degrees	34.427° S Degrees			16 539		
	UPGRADING OF PUMPSTATIONS & RISING MAINS (F3J2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	19.209° E Degrees	34.427° S Degrees			3 000		
	HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Multi-ward Hermanus Area	19.239° E Degrees	34.427° S Degrees				1 200	
	HAWSTON WWTW REFURBISH AND UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 06	34°25'59.01"S Degrees	19°27'56.01"E Degrees					6 000
	EMERGENCY HOUSING PROJECT SCHULPHOEK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 06	34°25'23.6" S 19°27'13.6"E	34°25'23.6" S 19°27'13.6"E			1 400		
	EHP SEWER PROVISION FOR INFORMAL SETTLEMENTS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	34°25'23.6"S 19°27'13.6"E	34°25'23.6"S 19°27'13.6"E			630		
	REPOUTE HERMANUS WWTW TREATED EFFLUENT IRRIGATION PIPELINE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Multi-ward Hermanus Area	34°25'31.9 Degrees	19°07'vvEDegrees			1 700		1 000
STORMWATER											24 877	6 660			
	MASAKHANE HOUSING PROJECT BULK STORMWATER (PHASE 2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 09	34°25'31" S 19°09'17" E	34°25'31" S 19°09'17"E				4 000	
	STORMWATER NETWORK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward Hermanus Area	19.213 Degree	34.424 Degrees			200		
	SANDBANK STORMWATER PROJECT-LONG STREET	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 07	19 197 Degrees	34.424 Degrees			1 250		
	UPGRADE STORMWATER INFRASTRUCTURE- PROTEADORP, MOUNTAIN VIEW, EXT 6 & OVERHILLS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 09	34°25'31" S 19°09'17"E	34°25'31" S 19°09'17"E				4 000	
WASTE MANAGEMENT											10 365	4 500			
	UPGRADE STANFORD DROP OFF(F1J2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 01	19.447275	19.43248			1 742		
	UPGRADE STANFORD DROP OFF(F2J2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 01	19.447277	19.435748			141		
	HERMANUS TRANSFER STATION UPGRADING OF INFRASTRUCTURE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 12	19.213 Degrees	34.415 Degrees			1 350		
	MOBILE DROP OFF AND MINI DROP OFF ELECTRIC FENCING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 03	19.41242996 Degrees	19.27998674 Degrees			99		
	HERMANUS NEW WASTE MANAGEMENT FACILITY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19.240° E / -34.425° S	19.207° E / -34.425° S			120		
	TROMMEL SCREEN FOR GANSBAAI LANDFILL	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Landfill Sites	Multi-ward Gb Area	19.353° E / -34.582° S	19.195° E / -34.582° S					6 000
Parent Capital expenditure											254 690	237 979	226 629	102 696	69 011

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WC032 Overstrand - Supporting Table SA37 Projects delayed from previous financial year/s

R thousand												Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
Function	Project name	Type	MTEF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Original Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:																
List all capital projects grouped by Function																
PUBLIC SAFETY																
	GREATER HERMANUS TRAFFIC DEPT REMOVAL OF OBSOLETE OLD ROOFING /	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Municipal Offices	Ward 03	34°23'52.61"S Degrees	19°15'58.13"E Degrees		1 000		1 000		
	GENERATOR FOR TRAFFIC SERVICES	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Municipal Offices	Ward 03	34°23'52.61"S Degrees	19°15'58.13"E Degrees			450	450		
PLANNING & DEVELOPMENT																
	PURCHASE OF ERF 4913 BETTY'S BAY&ERF 11472 HERMANUS	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 0?	19°02'08"E 34°20'23"S	19°02'08"E 34°20'23"S		100	100	100		
	KLEINMOND COMMUNITY PROJECT OLD KCIH	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 09	34°20'27.6"S Degrees	19°00'46.8"E Degrees		700	700	700		
	HAWSTON INDUSTRIAL BUSINESS HUB	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 08	19.134 -34.396 Degrees	19.134 -34.396 Degrees		800	800	200		
COMMUNITY SERVICES																
	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F1/2)	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 12	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S		610	310	557		
	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F2/2)	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S		533	533	533		
	NEW ROOF TRADING SWARTDAM ROAD	New	A capable, ethical and developmental state	Inclusion and access	3	Operational Buildings	Municipal Offices	Ward 12	34.424 19.212 Degrees	34.424 19.212 Degrees		875	875	575		
	OUTDOOR GYM EQUIPMENT MOUNTAIN VIEW	New	A capable, ethical and developmental state	Inclusion and access	3	Sport and Recreation Facilities	Outdoor Facilities	Ward 09	34°20'18.6"S 19°02'08.7"E	34°20'18.1"S 19°00'58.9"E			105	37		
	RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACILITIES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 07	19.190 -34.424	19.190 -34.424				150		
LIBRARIES																
	ZWELIHLE LIBRARY	New	Social cohesion and safe communities	Governance 4	[illegible]	Community Facilities	Libraries	Ward 12	19.218 Degrees	34.423 Degrees		[illegible]		4 374		
SPORT & RECREATION																
	HERMANUS SPORT FACILITY IMPROVEMENT	New	A capable, ethical and developmental state	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 02	34°24' Degrees	31.0?2 Degrees		1 900	1 500	1 900		
	UPGRADE HAWSTON SPORT COMPLEX STADIUM(F2/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.219 Degrees	34.418 Degrees		2 031	2 031	250		
HOUSING																
	HAWSTON NEW HOUSING DEVELOPMENT R43 WALL	New	Spatial integration, human settlements and local government	Spatial integration	4	Housing	Social Housing	[illegible]	19.139 & -34.388	19.139 & -34.385		2 100	2 100	2 100		
ROADS																
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Roads Infrastructure	Roads	Ward 08	34°25'23.8"S 19°27'13.8"E	34°25'23.8"S 19°27'13.8"E		926	926	926		
	CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWAY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	19.173 Degrees	34.417 Degrees		200	200	200		
	CONSTRUCTION AND EXTENSION OF COASTAL PATH	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	19.147 Degrees	34.421 Degrees		200	200	200		
	CURBING AND TARRING PAVING OF SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19.124 Degrees	34.357 Degrees		100	100	100		
	REVITALISATION OF CBD	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	19.486 Degrees	34.440 Degrees		400	400	174		
ELECTRICITY																
	FKRAAL KBAAIGHEAD NEW 66 11KV SUBSTATION(F1/3)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°375.14"S Degrees	19°293.08"E Degrees		17 000		9 169		
	FKRAAL KBAAIGHEAD NEW 66 11KV SUBSTATION(F2/3)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°375.14"S Degrees	19°293.08"E Degrees		12 442		1 731		
	FKRAAL KBAAIGHEAD NEW 66 11KV SUBSTATION(F3/3)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°375.14"S Degrees	19°293.08"E Degrees		6 500		6 500		
	HERMANUS MV LV UPGRADE REPLACEMENT(F2/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 03	34°25'14.85"S Degrees	19°13'00.62"E Degrees		4 948	4 948	3 000		
	KLEINMOND MV LV NETWORK UPGRADE(F2/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 09	34°20'16.25"S Degrees	19°01'36.31"E Degrees		1 681	1 681	2 416		
	HAWSTON MV LV UPGRADE REPLACEMENT(F1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 08	34°23'09.97"S Degrees	19°07'58.01"E Degrees		372	372	2 415		
	ELECTRIFICATION OF LOW COST HOUSING AREAS	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand		9 500		8 969		
WATER																
	REPLACEMENT OF OVERSTRAND WATER PIPES	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand		10 000	7 049	7 179		
	UPGRADE HERMANUS WELL FIELDS PHASE 2	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Multi-ward Hermanus Area	19.237" E Degrees	34.378" S Degrees		6 892	3 500	2 393		
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Ward 08	34°28'23.8"S 19°27'13.8"E	34°28'23.8"S 19°27'13.8"E		280	280	280		
	EHP WATER PROVISION FOR INFORMAL SETTLEMENTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	34°28'23.8"S 19°27'13.8"E	34°28'23.8"S 19°27'13.8"E		150	150	150		
	BASIC SERVICES FOR EMERGENCY HOUSING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Mount Pleasant	19.212 -34.400 Degrees	19.212 -34.400 Degrees		250	250	150		
SEWERAGE																
	UPGRADING OF PUMPSTATIONS & RISING MAINS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	19.2??" E Degrees	34.421" S Degrees		4 000	4 000	3 900		
	GANSBAAI CBD SEWER NETWORK EXTENSION	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 02	19.362" E Degrees	34.586" S Degrees		10 877	10 877	2 000		
	KLEINMOND WWTW REFURBISH UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Multi-ward Kleinmond Area	18.946" E Degrees	34.342" S Degrees		3 450	3 450	2 242		
	EMERGENCY HOUSING PROJECT SCHULPHOEK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 08	34°28'23.8"S 19°27'13.8"E	34°28'23.8"S 19°27'13.8"E		1 400	1 400	1 400		
	EHP SEWER PROVISION FOR INFORMAL SETTLEMENTS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Overstrand	34°28'23.8"S 19°27'13.8"E	34°28'23.8"S 19°27'13.8"E		570	420	620		
STORMWATER																
	STORMWATER NETWORK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward Hermanus Area	19.212 Degrees	34.420 Degrees		1 500	1 000	346		
	SANDBAAI STORMWATER PROJECT-LONG STREET	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 07	19.197 Degrees	34.431 Degrees		1 250	1 250	1 250		
WASTE MANAGEMENT																
	UPGRADE STANFORD DROP OFF	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 01	34.447216 Degrees	19.458149 Degrees				1 742		
	HERMANUS NEW WASTE MANAGEMENT FACILITY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19.207" E / -34.425" S	19.207" E / -34.425" S		1 042	2 296	220		
	VOELKLIP DROP OFF AND MINIDROP OFF ELECTRIC FENCING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 03	34.41242964 Degrees	18.27846574 Degrees				90		
	HERMANUS TRANSFER STATION UPGRADING OF INFRASTRUCTURE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 12	19.219 Degrees	34.425 Degrees		1 250	1 250	1 250		

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WC032 Overstrand - Supporting Table SA38 Consolidated detailed operational projects

Municipal Vote/Operational project	Ref	Program/Project description	2022/23 Medium Term Revenue & Expenditure Framework			Project information
R thousand	4		Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Ward location
Parent municipality:						
List all operational projects grouped by Municipal Vote						
Vote 1 - Council General						
		Municipal Running Cost	43 242	34 434	34 589	
		Typical Workstreams	1 350			
Vote 2 - Municipal Manager						
		Municipal Running Cost	8 042	8 437	8 857	
Vote 3 - Management Services						
		Municipal Running Cost	53 948	55 804	58 437	
		Repairs & Maintenance	9 477	9 915	10 445	
		Typical Workstreams	2 464	2 525	2 508	
Vote 4 - Finance						
		Municipal Running Cost	90 500	90 429	95 409	
		Repairs & Maintenance	1 707	1 705	1 711	
		Typical Workstreams	14 107	14 610	15 132	
Vote 5 - Infrastructure & Planning						
		Municipal Running Cost	646 469	686 933	737 449	
		Repairs & Maintenance	28 329	28 712	31 187	
		Typical Workstreams	60 012	48 672	28 319	
Vote 6 - Protection Services						
		Municipal Running Cost	106 504	110 924	116 134	
		Repairs & Maintenance	1 426	1 576	1 639	
		Typical Workstreams	11 802	10 931	11 198	
Vote 7 - Local Economic and Social Develoment & Tourism						
		Municipal Running Cost	12 141	12 695	13 273	
		Repairs & Maintenance	403	253	403	
		Typical Workstreams	5 026	2 562	2 562	
Vote 8 - Community Services						
		Municipal Running Cost	380 332	397 290	413 423	
		Repairs & Maintenance	100 039	106 113	111 236	
		Typical Workstreams	17 653	16 691	17 414	
Parent operational expenditure	1		1 594 971	1 641 213	1 711 326	
Entities:						
List all operational projects grouped by Entity						
Entity A						
Water project A						
Entity B						
Electricity project B						
Entity Operational expenditure			–	–	–	
Total Operational expenditure			1 594 971	1 641 213	1 711 326	

Municipal manager's quality certificate

I, DGI O'Neill, municipal manager of Overstrand Municipality, hereby certify that the **Final Budget** for the **2022/2023 MTREF** and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the draft annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: DGI O'Neill

Municipal manager of Overstrand Municipality (WC032)

Signature: _____

Date: 23|05|2022

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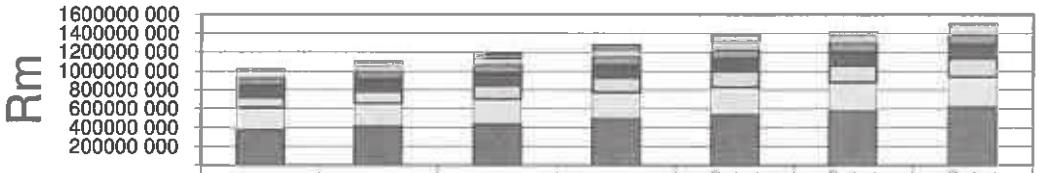
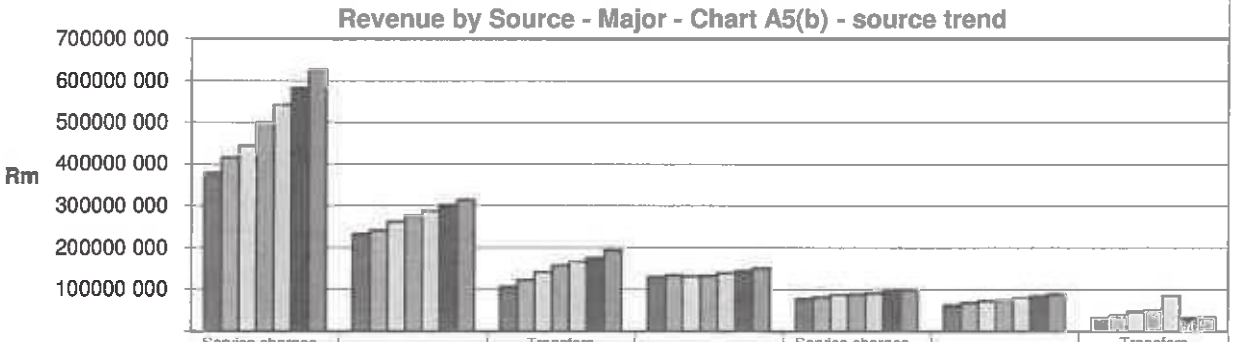
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

Revenue by Source - Major - Chart A5(a)



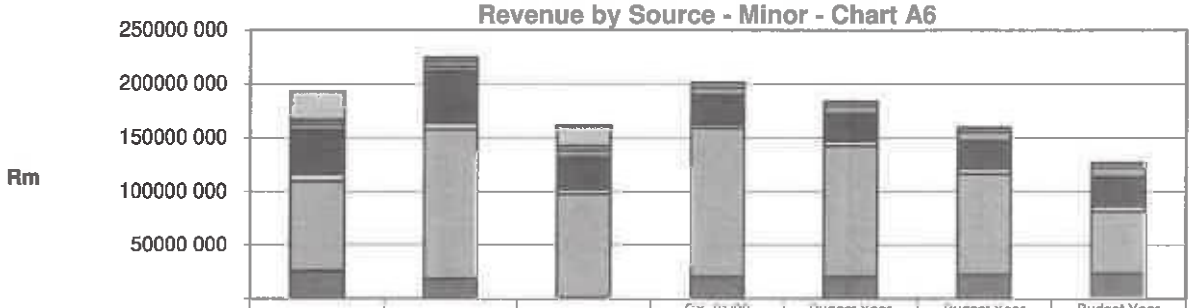
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Transfers recognised - capital	31951 631	37391 853	45684 215	50658 542	84916 682	31368 000	32611 000
Service charges - refuse	61763 313	68255 928	72198 343	74741 200	78849 600	83501 600	88427 400
Service charges - sanitation revenue	77718 851	80925 441	87093 645	87631 400	90962 200	94874 200	98953 200
Service charges - water revenue	129857 575	133037 237	131112 619	132168 400	138138 000	144354 000	150851 000
Transfers recognised - operating	106306 076	123140 481	140895 452	157281 284	166183 796	174999 100	192746 100
Property rates	233092 551	240909 593	261222 295	275636 575	287940 600	300836 000	314308 000

Revenue by Source - Major - Chart A5(b) - source trend



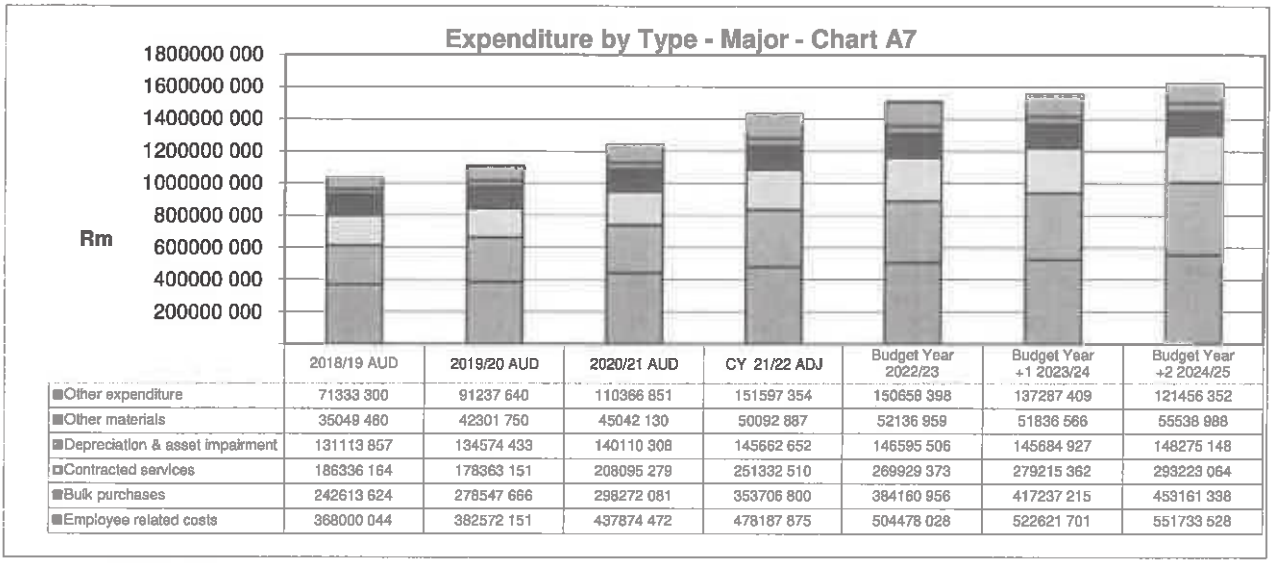
	Service charges - electricity revenue	Property rates	Transfers recognised - operating	Service charges - water revenue	Service charges - sanitation revenue	Service charges - refuse	Transfers recognised - capital
2018/19 AUD	378693 094	233092 551	106306 076	129857 575	77718 851	61763 313	31951 631
2019/20 AUD	415960 047	240909 593	123140 481	133037 237	80925 441	68255 928	37391 853
2020/21 AUD	442791 993	261222 295	140895 452	131112 619	87093 645	72198 343	45684 215
CY 21/22 ADJ	499316 881	275636 575	157281 284	132168 400	87631 400	74741 200	50658 542
Budget Year 2022/23	541692 400	287940 600	166183 796	138138 000	90962 200	78849 600	84916 682
Budget Year +1 2023/24	582115 100	300836 000	174999 100	144354 000	94874 200	83501 600	31368 000
Budget Year +2 2024/25	625557 100	314308 000	192746 100	150851 000	98953 200	88427 400	32611 000

Revenue by Source - Minor - Chart A6

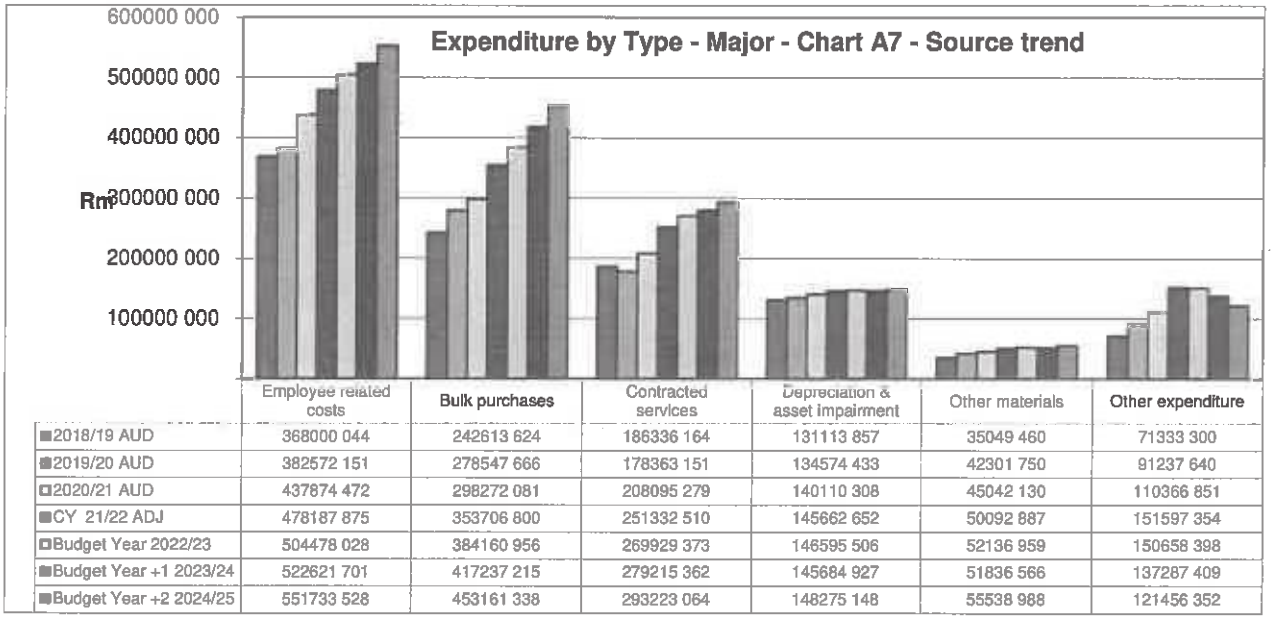


	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Service charges - other							
Contributed assets	26685 272	3729 771	18757 257				
Dividends received							
Contributions							
Interest earned - outstanding debtors	4193 198	5039 652	4243 711	4680 500	3981 500	4160 500	4347 500
Agency services	4884 522	4376 030	6188 587	6680 100	7858 000	8211 000	8580 000
Interest earned - external investments	41766 908	48146 378	30504 485	27456 100	24871 100	25991 100	27161 100
Rental of facilities and equipment	6277 934	5735 481	4067 727	3440 292	4573 000	4778 000	4989 000
Other revenue	83672 946	139228 309	96155 726	138534 830	121898 218	93813 700	57920 400
Fines	25672 161	18210 764	1095 302	20222 601	20344 100	22188 000	23174 000

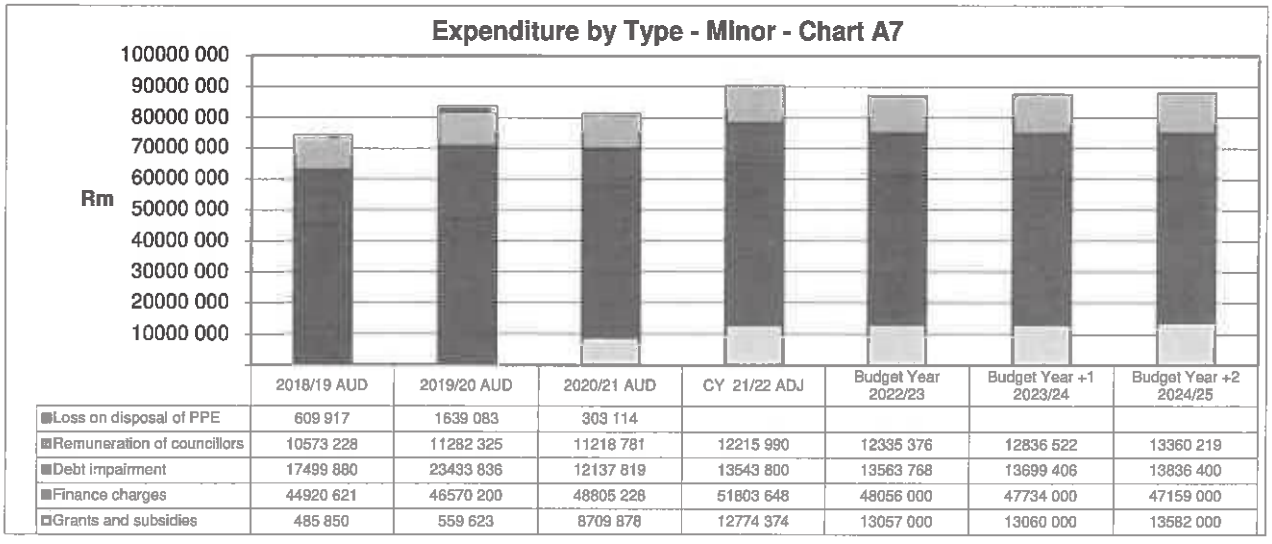
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Other expenditure	71333 300	91237 640	110366 851	151597 354	150658 398	137287 409	121456 352
Other materials	35049 460	42301 750	45042 130	50092 887	52136 959	51836 566	55538 988
Depreciation & asset impairment	131113 857	134574 433	140110 308	145662 652	146595 506	145684 927	148275 148
Contracted services	186336 164	178363 151	208095 279	251332 510	269929 373	279215 362	293223 064
Bulk purchases	242613 624	278547 666	298272 081	353706 800	384160 956	417237 215	453161 338
Employee related costs	368000 044	382572 151	437874 472	478187 875	504478 028	522621 701	551733 528

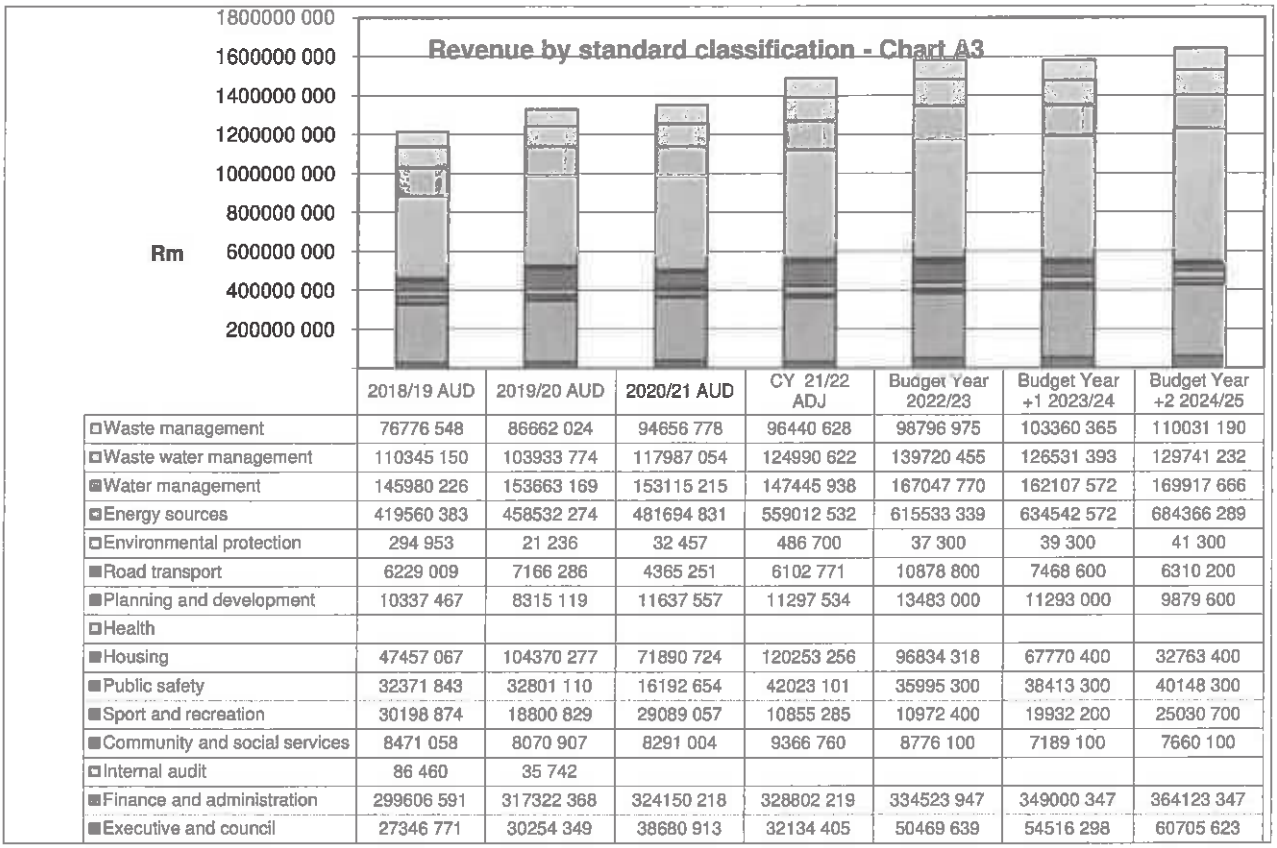


	Employee related costs	Bulk purchases	Contracted services	Depreciation & asset impairment	Other materials	Other expenditure
2018/19 AUD	368000 044	242613 624	186336 164	131113 857	35049 460	71333 300
2019/20 AUD	382572 151	278547 666	178363 151	134574 433	42301 750	91237 640
2020/21 AUD	437874 472	298272 081	208095 279	140110 308	45042 130	110366 851
CY 21/22 ADJ	478187 875	353706 800	251332 510	145662 652	50092 887	151597 354
Budget Year 2022/23	504478 028	384160 956	269929 373	146595 506	52136 959	150658 398
Budget Year +1 2023/24	522621 701	417237 215	279215 362	145684 927	51836 566	137287 409
Budget Year +2 2024/25	551733 528	453161 338	293223 064	148275 148	55538 988	121456 352

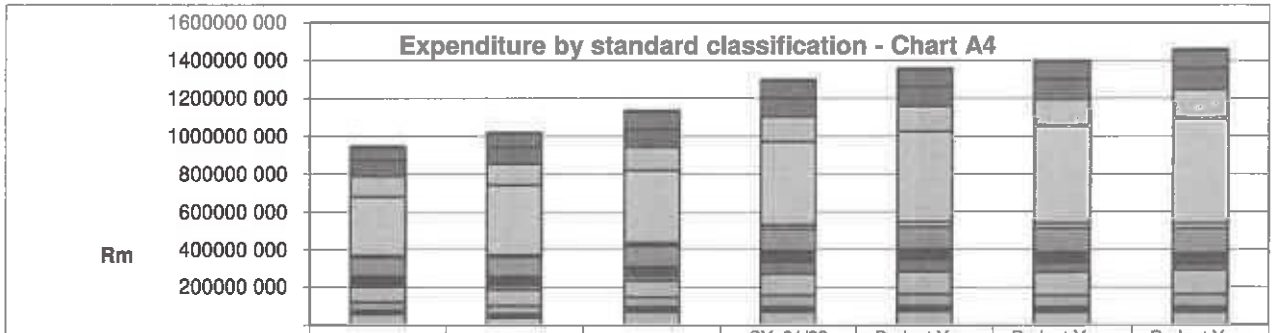


	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Loss on disposal of PPE	609 917	1639 083	303 114				
Remuneration of councillors	10573 228	11282 325	11218 781	12215 990	12335 376	12836 522	13360 219
Debt impairment	17499 880	23433 836	12137 819	13543 800	13563 768	13699 406	13836 400
Finance charges	44920 621	46570 200	48805 228	51803 648	48056 000	47734 000	47159 000
Grants and subsidies	485 850	559 623	8709 878	12774 374	13057 000	13060 000	13582 000

OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET



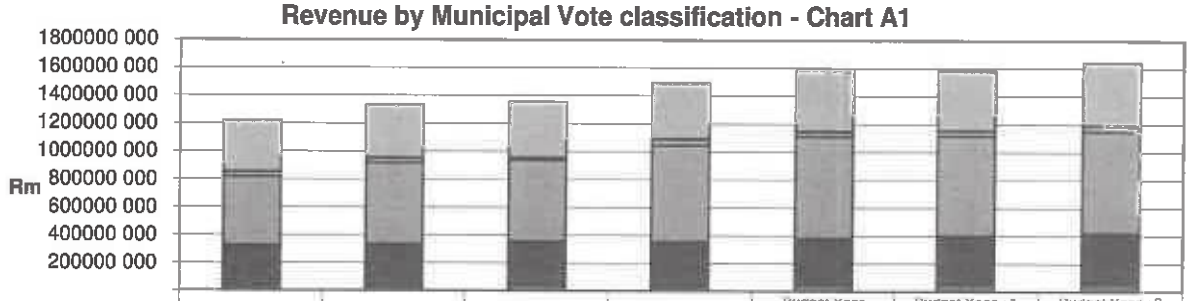
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Waste management	76776 548	86662 024	94656 778	96440 628	98796 975	103360 365	110031 190
Waste water management	110345 150	103933 774	117987 054	124990 622	139720 455	126531 393	129741 232
Water management	145980 226	153663 169	153115 215	147445 938	167047 770	162107 572	169917 666
Energy sources	419560 383	458532 274	481694 831	559012 532	615533 339	634542 572	684366 289
Environmental protection	294 953	21 236	32 457	486 700	37 300	39 300	41 300
Road transport	6229 009	7166 286	4365 251	6102 771	10878 800	7468 600	6310 200
Planning and development	10337 467	8315 119	11637 557	11297 534	13483 000	11293 000	9879 600
Health							
Housing	47457 067	104370 277	71890 724	120253 256	96834 318	67770 400	32763 400
Public safety	32371 843	32801 110	16192 654	42023 101	35995 300	38413 300	40148 300
Sport and recreation	30198 874	18800 829	29089 057	10855 285	10972 400	19932 200	25030 700
Community and social services	8471 058	8070 907	8291 004	9366 760	8776 100	7189 100	7660 100
Internal audit	86 460	35 742					
Finance and administration	299606 591	317322 368	324150 218	328802 219	334523 947	349000 347	364123 347
Executive and council	27346 771	30254 349	38680 913	32134 405	50469 639	54516 298	60705 623



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Other	3031 175	2997 906	2892 959	3594 862	3517 175	3666 671	3782 939
Waste management	71008 858	71807 772	96223 208	92775 967	92299 307	92966 805	96893 571
Waste water management	84119 953	90405 562	95784 692	100134 445	103774 447	109313 386	113142 128
Water management	107916 412	112898 825	120612 237	131066 520	133992 307	140047 898	152081 094
Energy sources	313606 216	368704 925	384141 361	442479 631	480314 815	513769 876	555174 387
Environmental protection	6820 973	9901 742	16340 298	21220 811	23038 730	24245 875	25205 599
Road transport	103331 107	107277 203	110465 478	116706 414	121994 521	129975 168	132972 238
Planning and development	36688 486	39396 933	43395 809	53029 000	53256 290	53029 720	55706 266
Health							
Housing	18299 479	29347 378	30962 520	66629 498	63829 248	52646 015	32731 377
Public safety	80702 403	82675 412	87168 794	113988 659	118757 927	123379 445	129264 394
Sport and recreation	43904 713	44288 568	52169 388	60938 793	63035 102	63089 134	65994 751
Community and social services	16971 724	15215 959	22121 948	21043 815	21751 230	22212 065	23647 046
Internal audit	2667 844	2322 018	2761 163	4091 269	4165 430	4394 245	4640 082
Executive and council	56567 340	39624 200	69529 304	70747 092	74066 632	65605 739	67539 094

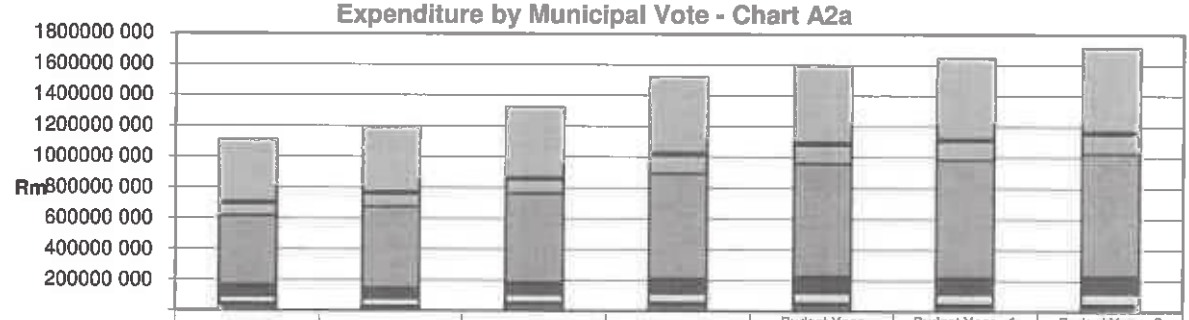
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

Revenue by Municipal Vote classification - Chart A1



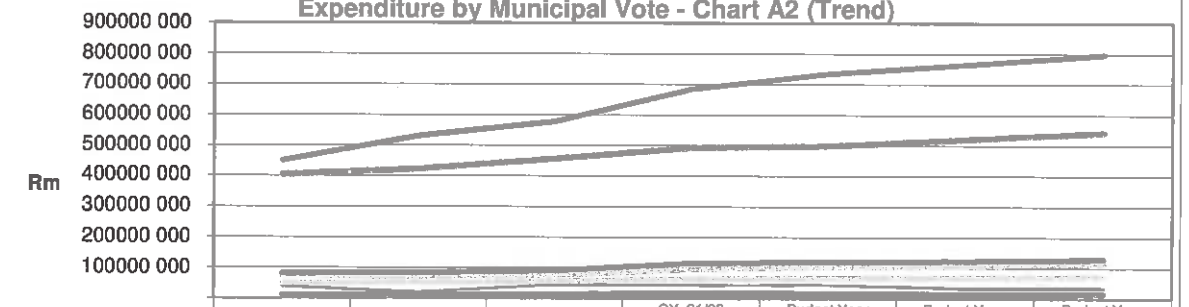
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Community Services	363260 253	378349 951	395739 432	395775 871	435104 622	427650 630	449638 488
Local Economic Development	2030 375	2914 273	3859 559	4773 414	2811 400	71 400	224 400
Protection Services	32267 467	32797 464	16192 654	42673 101	35995 300	38413 300	40148 300
Infrastructure and Planning	496225 065	584066 675	585823 150	692670 324	730542 035	718919 972	732318 289
Finance	292876 473	300505 525	309284 385	318649 922	327435 847	341845 247	356898 247
Management Services	1070 202	1188 788	2563 523	2934 412	868 500	906 500	945 500
Municipal Manager	86 460	35 742					
Council	27246 103	30091 047	38321 010	31734 707	50311 639	54357 398	60545 723

Expenditure by Municipal Vote - Chart A2a



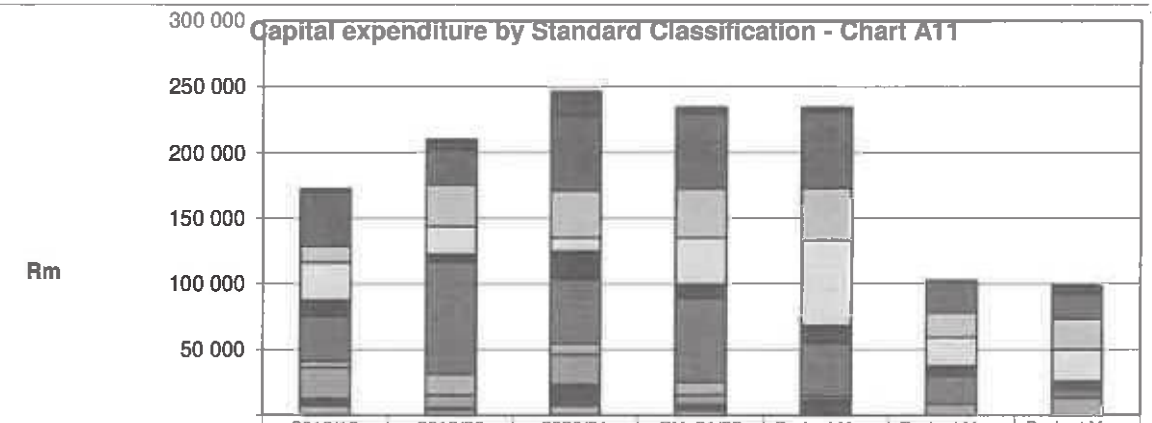
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Community Services	402982 966	420781 572	456221 482	491921 920	498022 997	520093 538	542073 103
Local Economic Development	10302 724	12042 047	13557 713	19247 209	17569 910	15510 264	16237 338
Protection Services	81088 550	83724 913	91325 994	115586 170	119731 844	123433 628	128971 300
Infrastructure and Planning	449522 119	529691 598	577727 549	684868 742	734809 790	764317 571	796955 501
Finance	74679 944	69424 667	77490 315	95289 370	106313 277	106743 631	112251 899
Management Services	46735 602	50129 460	54639 188	62975 703	65889 316	68243 553	71390 409
Municipal Manager	5049 866	5360 939	5884 690	8040 059	8042 030	8437 026	8857 019
Council	38174 175	19926 662	44089 009	42988 717	44592 200	34433 897	34589 468

Expenditure by Municipal Vote - Chart A2 (Trend)



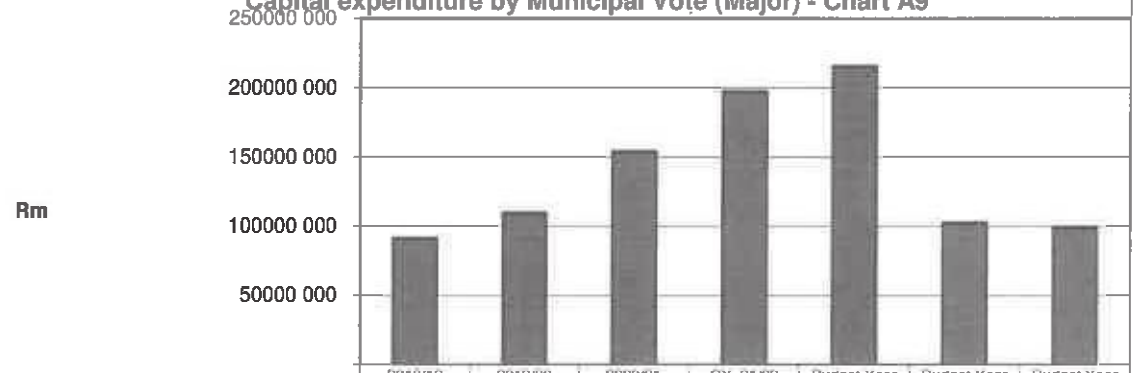
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Council	38174 175	19926 662	44089 009	42988 717	44592 200	34433 897	34589 468
Municipal Manager	5049 866	5360 939	5884 690	8040 059	8042 030	8437 026	8857 019
Management Services	46735 602	50129 460	54639 188	62975 703	65889 316	68243 553	71390 409
Finance	74679 944	69424 667	77490 315	95289 370	106313 277	106743 631	112251 899
Infrastructure and Planning	449522 119	529691 598	577727 549	684868 742	734809 790	764317 571	796955 501
Protection Services	81088 550	83724 913	91325 994	115586 170	119731 844	123433 628	128971 300
Local Economic Development	10302 724	12042 047	13557 713	19247 209	17569 910	15510 264	16237 338
Community Services	402982 966	420781 572	456221 482	491921 920	498022 997	520093 538	542073 103

Capital expenditure by Standard Classification - Chart A11



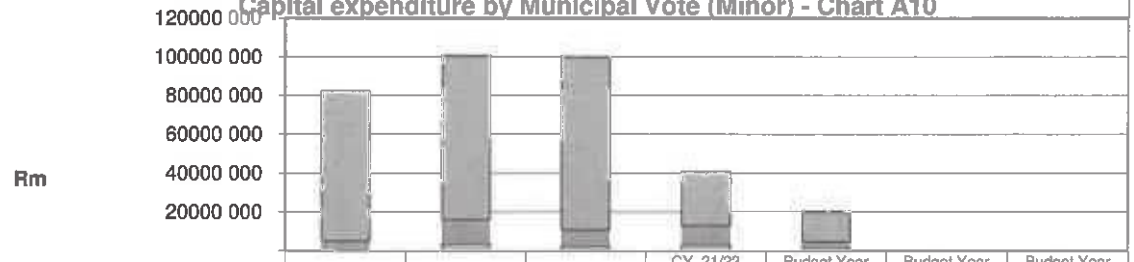
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Waste management	1498 982	7310 874	18365 157	4606 002	3543 720		6500 000
Waste water management	42209 616	26893 030	57190 343	57480 147	57736 427	24500 000	19100 000
Water management	12270 442	31751 721	35573 766	37333 918	39970 201	19000 000	23400 000
Energy sources	28893 042	21428 126	10436 193	35310 944	65389 000	22000 000	24314 000
Environmental protection							
Road transport	12061 188	5645 336	20734 158	10798 658	12589 803	7164 400	6000 000
Health							
Housing	34275 986	85753 090	49598 159	63865 472	40885 000	21230 000	6400 000
Public safety	4809 422	15694 332	8424 813	9605 398	2792 127		
Sport and recreation	23922 928	9980 664	22885 610	7674 251	2500 000	8703 600	13297 000
Community and social services	5163 604	1330 053	16072 292	4117 030	7260 614		
Internal audit							
Finance and administration	6936 200	4047 592	6699 214	3770 000	1870 000		
Executive and council	295 165	1 714	354 702	5 000	5 000		

Capital expenditure by Municipal Vote (Major) - Chart A9



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Vote 7 - Economic and Social Development & Tourism		374 653	498 386	45 000	45 000		
Vote 5 - Infrastructure & Planning	91364 080	109480 066	153933 739	197189 680	215602 863	102598 000	99011 000

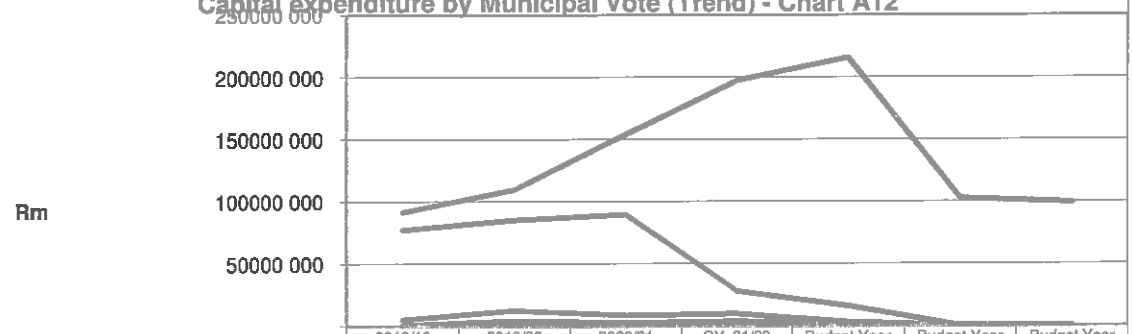
Capital expenditure by Municipal Vote (Minor) - Chart A10



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Vote 8 - Community Services	77213 413	85149 209	89511 513	27841 584	15704 606		
Vote 6 - Protection Services	4809 422	12064 090	8159 659	9597 626	2792 127		
Vote 4 - Finance		22 006	56 818	60 000	60 000		
Vote 3 - Management Services	295 165	3966 439	2287 670	3245 000	1815 000		
Vote 2 - Municipal Manager & Internal Audit							
Vote 1 - Council & Mayor's Office			352 402				

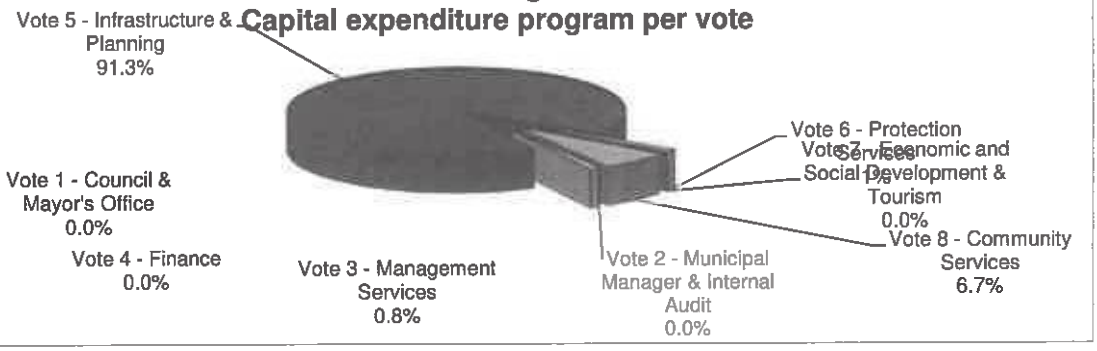
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

Capital expenditure by Municipal Vote (Trend) - Chart A12

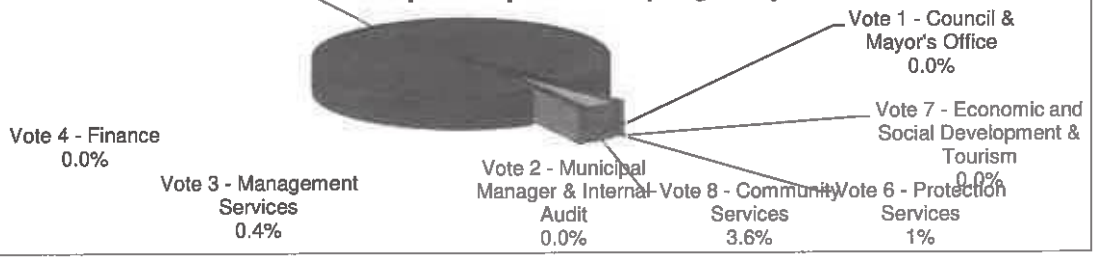


	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Vote 1 - Council & Mayor's Office			352 402				
Vote 2 - Municipal Manager & Internal Audit							
Vote 3 - Management Services	295 165	3966 439	2287 670	3245 000	1815 000		
Vote 4 - Finance		22 006	56 818	60 000	60 000		
Vote 5 - Infrastructure & Planning	91364 080	109480 066	153933 739	197189 680	215602 863	102598 000	99011 000
Vote 6 - Protection Services	4809 422	12064 090	8159 659	9597 626	2792 127		
Vote 8 - Community Services	77213 413	85149 209	89511 513	27841 584	15704 606		
Vote 7 - Economic and Social Development & Tourism		374 653	498 386	45 000	45 000		

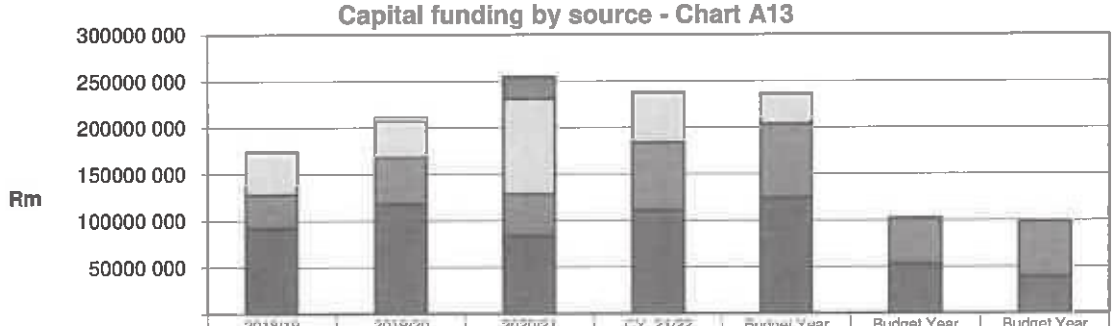
2022/23 Budget Year
Capital expenditure program per vote



2022/23 MTREF (3 year total)
Capital expenditure program per vote



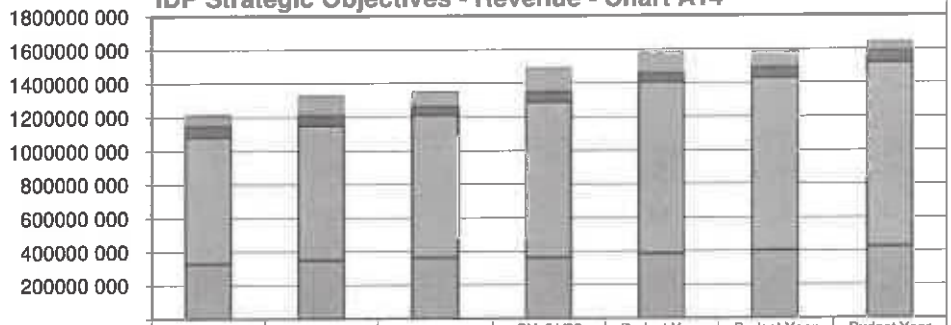
Capital funding by source - Chart A13



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Public contributions & donations		3729 771	23919 136				
Internally generated funds	45612 629	39357 705	101948 647	54094 232	32143 075		
Borrowing	36495 201	50476 397	45442 500	72761 444	80174 839	50000 000	60000 000
Capital transfers recognised	91574 250	117492 590	83489 902	111123 214	123701 682	52598 000	39011 000

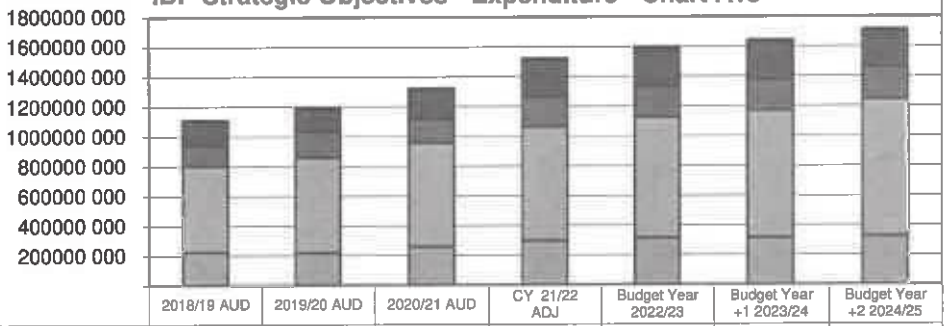
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

IDP Strategic Objectives - Revenue - Chart A14



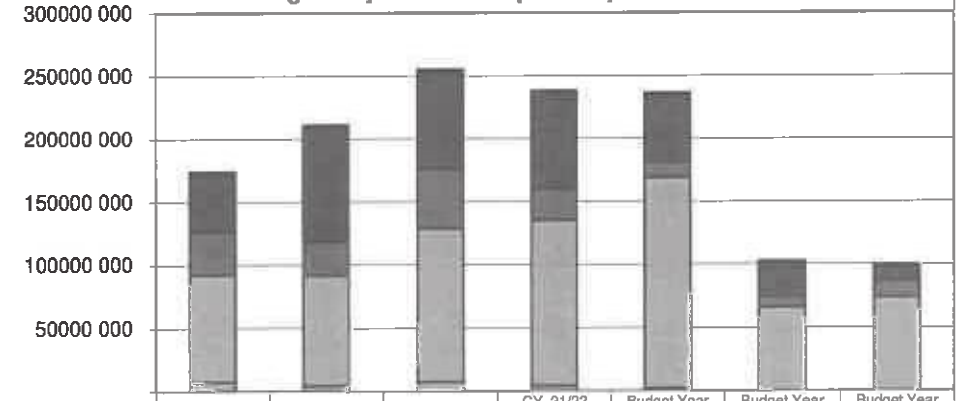
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
The promotion of tourism, economic and social development	64318 429	119872 641	87925 989	138140 261	121233 418	86571 300	48994 500
The creation and maintenance of a safe and healthy environment	70070 345	59673 123	53572 715	62245 146	55743 800	65534 600	72839 100
The encouragement of structured community participation in the matters of the municipality							
Provision and maintenance of municipal services	752662 306	802791 241	847453 878	927889 720	1021098 539	1026541 902	1094056 377
Provision of democratic accountable and ethical governance	328011 317	347612 459	362831 131	360936 624	384993 586	403516 645	424828 970

IDP Strategic Objectives - Expenditure - Chart A15



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
The promotion of tourism, economic and social development	166920 741	159573 785	204057 066	260493 017	265635 964	263563 449	250398 419
The creation and maintenance of a safe and healthy environment	141579 319	171527 316	161460 130	197488 329	203544 259	208680 644	218906 191
The encouragement of structured community participation in the matters of the municipality	1250 000	725 325	1382 484	1125 000	2079 216	729 216	729 216
Provision and maintenance of municipal services	576651 439	641935 415	696760 993	766056 563	810380 876	856097 965	917291 180
Provision of democratic accountable and ethical governance	222134 446	217320 017	257275 267	295754 981	313331 049	312141 834	324001 031

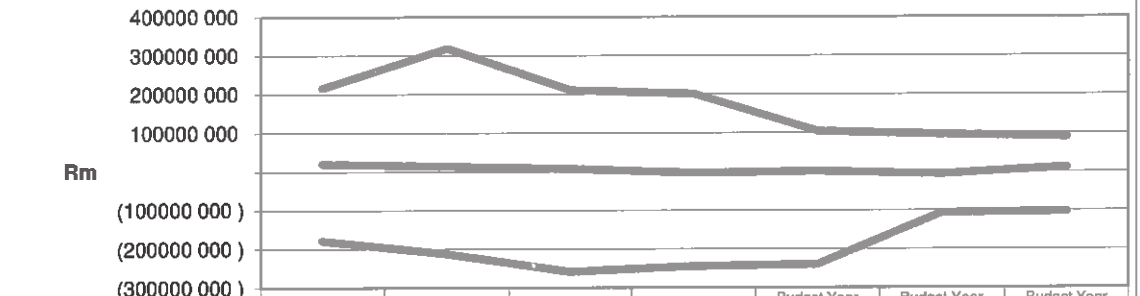
IDP Strategic Objectives - Capital Expenditure - Chart A16



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
The promotion of tourism, economic and social development	47682 633	92618 406	78797 811	78075 879	54952 507	28394 400	12400 000
The creation and maintenance of a safe and healthy environment	33896 000	27005 000	47383 000	24897 000	11735 741	8703 600	13297 000
The encouragement of structured community participation in the matters of the municipality					817 000		
Provision and maintenance of municipal services	84872 082	87383 751	121565 459	131231 011	166639 348	65500 000	73314 000
Provision of democratic accountable and ethical governance	7231 365	4049 306	7053 916	3775 000	1875 000		

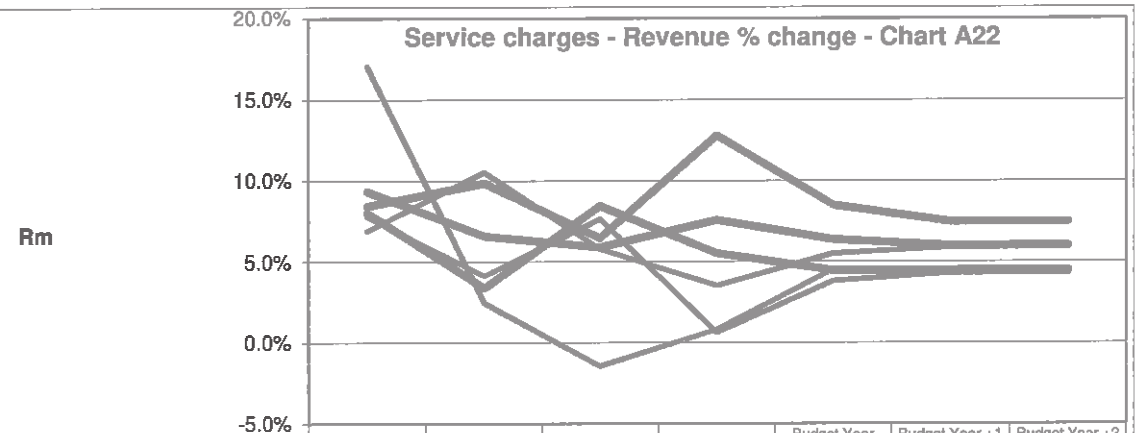
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

Cash flow trend - Chart A23



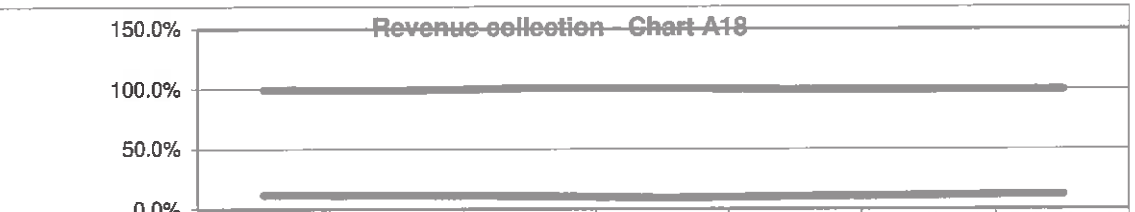
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash Flow - Op. Activities	215983 066	319090 598	210219 518	201184 168	104629 071	96593 374	89266 884
Cash Flow - Investing (used)	(178314 442)	(212740 373)	(258733 785)	(244948 659)	(240899 596)	(107578 000)	(103991 000)
Cash Flow - Financing	20551 553	14275 392	7423 747	(2645 960)	1376 512	(6592 401)	10761 321

Service charges - Revenue % change - Chart A22



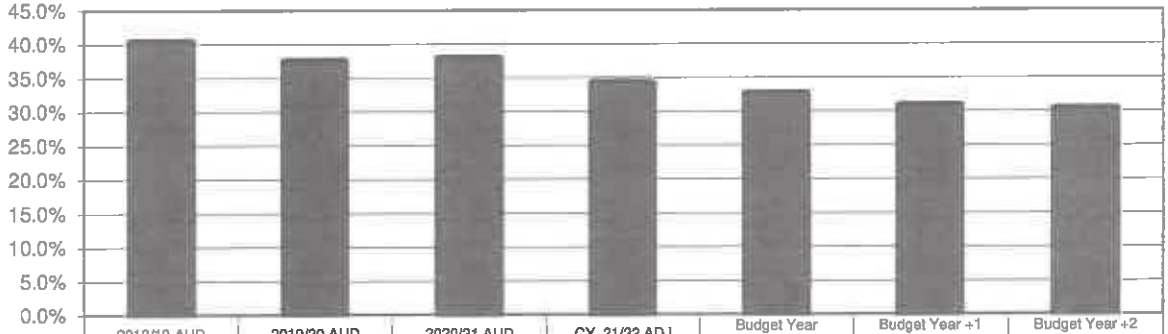
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
% incr total service charges (incl prop rates)	9.3%	6.6%	5.9%	7.5%	6.4%	6.0%	6.0%
% incr Property Tax	8.0%	3.4%	8.4%	5.5%	4.5%	4.5%	4.5%
% incr Service charges - electricity revenue	8.4%	9.8%	6.5%	12.8%	8.5%	7.5%	7.5%
% incr Service charges - water revenue	17.1%	2.4%	-1.4%	0.8%	4.5%	4.5%	4.5%
% incr Service charges - sanitation revenue	7.8%	4.1%	7.6%	0.6%	3.8%	4.3%	4.3%
% incr Service charges - refuse	6.9%	10.5%	5.8%	3.5%	5.5%	5.9%	5.9%

Revenue collection - Chart A18



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Annual Debtors Collection	99.2%	98.8%	100.5%	100.3%	99.3%	99.3%	99.3%
O/S Debtors to Revenue	11.7%	11.3%	10.9%	9.1%	10.2%	11.1%	12.1%

Debt (borrowing as a % of total revenue collection) - Chart A17



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Borrowing	40.4%	37.5%	37.8%	34.2%	32.6%	30.8%	30.3%

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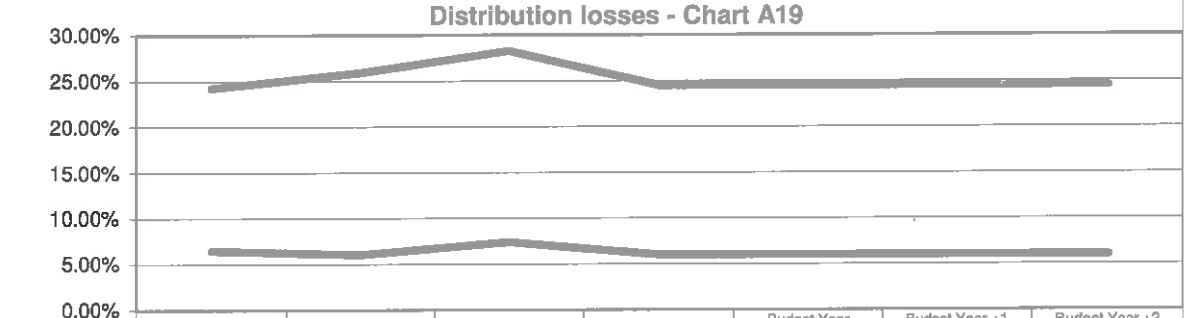
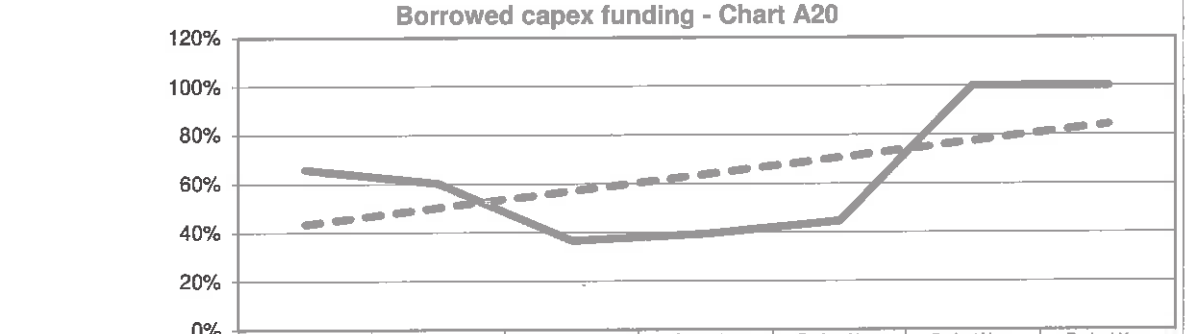
Distribution losses - Chart A19



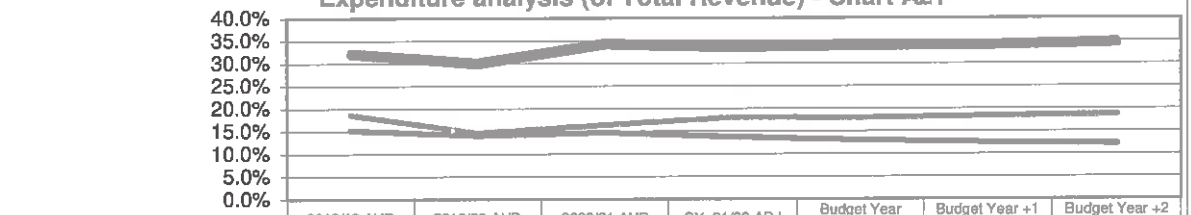
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Electricity	6.45%	6.02%	7.35%	6.00%	6.00%	6.00%	6.00%
Water	24.25%	25.91%	28.25%	24.50%	24.50%	24.50%	24.50%

Borrowed capex funding - Chart A20



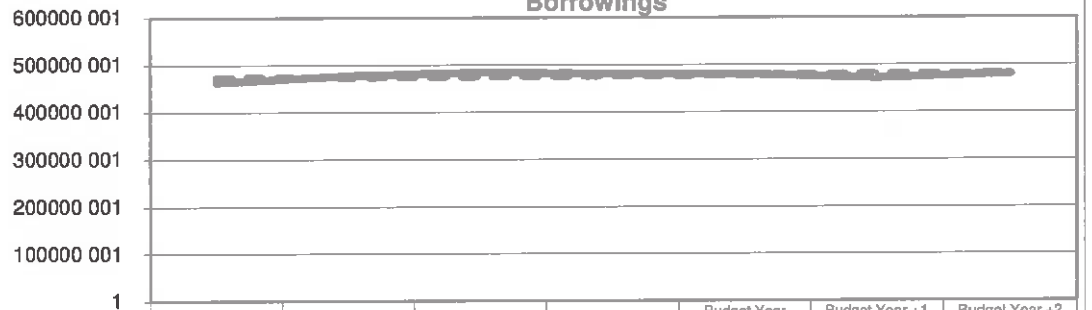
	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Borrowed capex funding	66%	60%	37%	39%	45%	100%	100%

Expenditure analysis (of Total Revenue) - Chart A21



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Employee costs	31.8%	29.7%	34.0%	33.2%	33.7%	33.7%	34.3%
Remuneration	32.7%	30.6%	34.9%	34.1%	34.7%	34.5%	35.1%
Repairs & Maintenance	18.6%	14.6%	16.4%	18.0%	17.9%	18.2%	18.6%
Finance charges & Depreciation	15.2%	14.1%	14.7%	13.7%	13.0%	12.5%	12.2%

Borrowings



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Borrowings	462657 608	476933 000	484358 747	481057 758	479776 719	471184 318	479945 639

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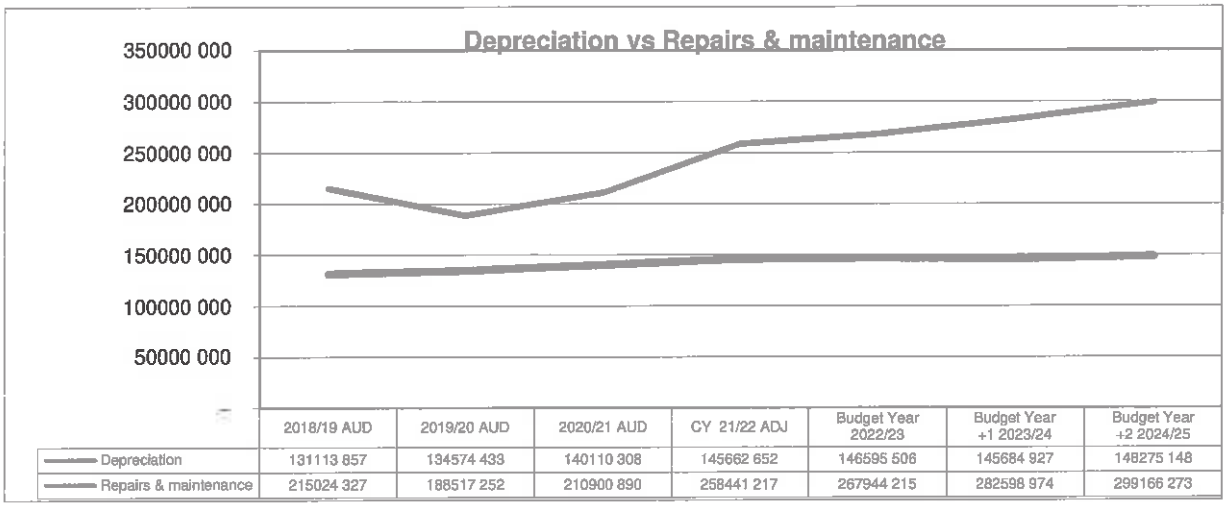
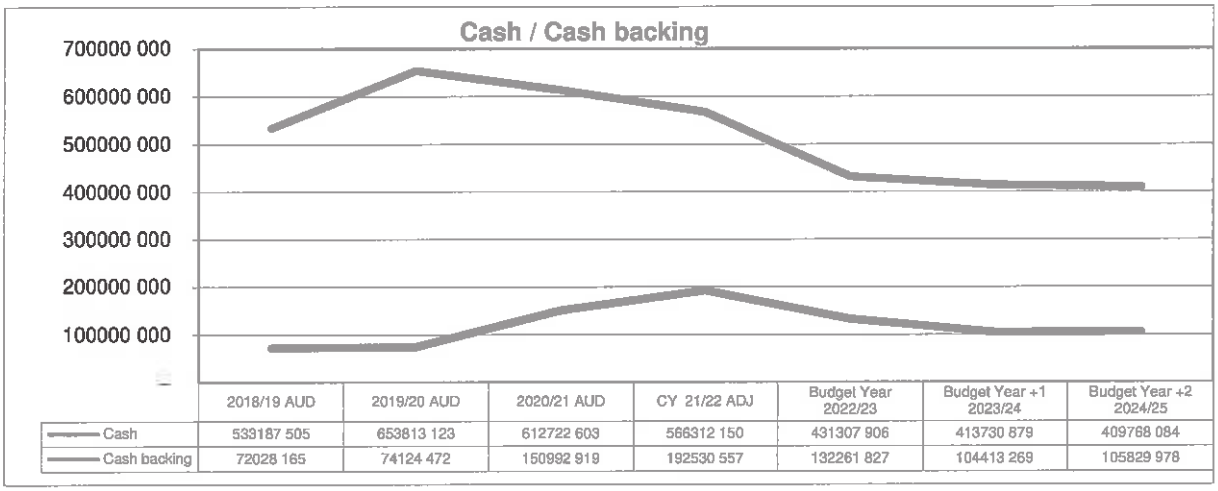


	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Depreciation	131113 857	134574 433	140110 308	145662 652	146595 506	145684 927	148275 148
Repairs & maintenance	215024 327	188517 252	210900 890	258441 217	267944 215	282598 974	299166 273



	2018/19 AUD	2019/20 AUD	2020/21 AUD	CY 21/22 ADJ	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash	533187 505	653813 123	612722 603	566312 150	431307 906	413730 879	409768 084
Cash backing	72028 165	74124 472	150992 919	192530 557	132261 827	104413 269	105829 978

ANNEXURE C

RATES AND TARIFFS

RATES TARIFFS

Tariff Code	Detail	2022/2023		2021/2022	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
		R	R	R	R
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2015				
RATE1*	Commercial Land with Improvements	0.00994	0.00994	0.00939	0.00939
RATE2*	Residential Land with Improvements	0.00657	0.00657	0.00620	0.00620
	** See attached schedule of Exemptions and Rebates applicable*				
RATE3	Municipal Properties: Investment Properties	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential
RATE4	Municipal Properties: Property, Plant and Equipment	0.00000	0.00000	0.00000	0.00000
RATE6	Building Clause	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property
RATE7	Farm/Agriculture (Bona-fide)	0.00164	0.00164	0.00155	0.00155
RATE8	Undeveloped erven	0.00899	0.00899	0.00849	0.00849
	Special Rating Areas				
RAT11	HSRA (Hermanus)	0.00066	0.00066	0.00063	0.00063
RAT12	KSRA (Kleinmond)	0.00052	0.00052	0.00050	0.00050
RAT13	OVSRA (Onrus-Vermont)	0.00036	0.00036	0.00035	0.00035
PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES					

ANNEXURE C1 | 39

ATTACHMENTS TO THE RATES TARIFF SCHEDULE

TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	NO exemptions Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the difference between Bus and Res rate: 1 - 2 X lettable room : 100% 3 X lettable room : 75% 4 X lettable room : 50% 5 X lettable room : 25%
BUSO	General Tax: Tourism and Recreational Resorts outside the municipal service areas	Hotels, Guest Houses, Cottages, Caravan Parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes, Small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax as per the Municipal Propery Rates Act, Section 17 (1) h A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued An Additional rebate of 20% of the levy calculated on such properties is granted Rebate to qualifying property owners as indicated under "Other Retabe"
RESO	General Tax: Residential properties outside the municipal service area	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes	50% of the tax applicable on residential property in urban areas Rebate to qualifying property owners as indicated under "Other Retabe"
FARMS	General Tax: Farming properties	Small holdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of the property for the purpose of ecotourism or for the trading In or hunting game
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes	Not rateable in terms of section 17(1)(e) of the Municipal Property Rates Act
	Other Rebates	Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes	- Property zoned single residential must be occupied permantly by the applicant; - The applicant must be the registered owner; - Applicant may not be the registered owner of more than one property
PR100			* A rebate of 100% to approved applicant in terms of the Property Rates Policy, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month
PR050			* A rebate of 50% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month
PR040			* A rebate of 40% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income more than four times (4X) but less than eight times (8X) of state funded social pensions per month

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EXEMPTIONS FROM PROPERTY RATES (Rates Policy)

Religious organisations	A property registered in the name of and used primarily as a place of public worship by a religious organization/community, including an official residence registered in the name of that organization/community which is occupied by an office bearer who officiates at services at that place of worship in terms of section 17(1)(i) of the MPRA
Health and welfare institutions	Properties used exclusively as a hospital, clinic, mental hospital, orphanage, non-profit retirement village, old age home or benevolent institution, including workshops used by the inmates, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the boundaries of Overstrand Municipality
Private schools and Educational Institutions	Property used by registered private schools for educational purposes only
Charitable institutions	Properties belonging to not-for-gain institutions or organizations that perform charitable work
Sporting bodies	Property used by an organization whose sole purpose is to use the property for sporting purposes, for gain or not. Assistance to professional sporting organizations may differ from that afforded to amateur bodies. The rebate will be award **at the sole discretion of council on an annual basis.**
Cutural institutions	Properties declared in terms of the Cultural Institutions Act, Act 29 of 1969 or the Cultural Institutions Act, Act 66 of 1989.
Museums, libraries, art galleries and botanical gardens	Registered in the name of private persons, open to the public and not operated for gain.
Youth development organisations	Property owned and/or used by organizations such as the Boy Scouts, Girls Guides, Voortrekkers or organizations the Council deems to be similar.
Animal protection	Property owned or used by institutions/organizations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.

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SUNDRY TARIFF LIST (ROUNDING APPLICABLE)

Tariff Code	Detail	2022/2023		2021/2022	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
		R	R	R	R
S1	**BOAT LICENSE/PERMITS, LAUNCHING & ENTRANCE FEE**				
S1J	**Kleinbaai Boat Launching:**				
S1J1	On site Parking pm	1 019.13	1 172.00	1 019.13	1 172.00
S1J2A	Category B1: Shark-view operators/whale-watching (Incl on-site parking) pa	42 756.52	49 170.00	42 756.52	49 170.00
S1J2B	Category B2: Shark-view operators/whale-watching (excl on-site parking) pm	3 273.04	3 764.00	3 273.04	3 764.00
S1J2C	Category B2: Shark-view operators/whale-watching (excl on-site parking) pa	32 633.91	37 529.00	32 633.91	37 529.00
S1J4A	Kelp Collectors pm	4 088.70	4 702.00	4 088.70	4 702.00
S1J4B	Kelp Collectors pa	40 793.91	46 913.00	40 793.91	46 913.00
S1J4C	Kelp Collectors, Whale Watching and Shark Diving per launch	265.22	305.00	265.22	305.00
S1J5	Oversize vessel	tariff + 50%	applicable vat	tariff + 50%	applicable vat
S1J6A	Nature Conservation	no charge	no vat	no charge	no vat
S1J6B	Support Service per month	774.78	891.00	774.78	891.00
S1J6C	Support Service per launch	103.48	119.00	103.48	119.00
S1J7A1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	521.74	600.00	660.00	759.00
S1J7A1A	Recreational Fishing (Overstrand Consumers) Vessels < 7m from 01 July - 31 Dec	260.87	300.00	new	new
S1J7A1B	Recreational Fishing (Overstrand Consumers) Vessels < 7m frrp, 01 January - 30 June	347.83	400.00	new	new
S1J7A2	Recreational Fishing Vessels < 7m per Launch	65.22	75.00	77.39	89.00
S1J7A3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	695.66	800.00	793.04	912.00
S1J7A4	Recreational Fishing Vessels > 7m per Launch	86.96	100.00	103.48	119.00
S1J7B1	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	695.65	800.00	720.00	828.00
S1J7B2	Commercial Fishing Vessels > 7m pa	869.57	1 000.00	953.91	1 097.00
S1J7B3	Commercial Fishing Vessels < 7m per launch	86.96	100.00	90.44	104.00
S1J7B4	Commercial Fishing Vessels > 7m per launch	104.35	120.00	115.65	133.00
S1J8A	Passenger Boats pm	1 521.74	1 750.00	1 633.04	1 878.00
S1J8B	Passenger Boats per launch	152.17	175.00	158.26	182.00
S1J9	Use of Tractor for Boat Launching per month	276.52	318.00	276.52	318.00
S1J11	Formal Shop Rental / month	949.57	1 092.00	949.57	1 092.00
S1J12	Informal Trader under cover rental / month	625.22	719.00	625.22	719.00
S1M	**Kleinmond Slipway:**				
S1M1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	689.57	793.00	660.00	759.00
S1M1A	Recreational Fishing (Overstrand Consumers) Vessels < 7m from 01 July - 31 Dec	260.87	300.00	new	new
S1M1B	Recreational Fishing (Overstrand Consumers) Vessels < 7m frrp, 01 January - 30 June	347.83	400.00	new	new
S1M2	Recreational Fishing Vessels < 7m per Launch	65.22	75.00	77.39	89.00
S1M3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	828.70	953.00	793.04	912.00
S1M4	Recreational Fishing Vessels > 7m per Launch	107.83	124.00	103.48	119.00
S1M5	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	695.65	800.00	720.00	828.00

S1M6	Commercial Fishing Vessels > 7m pa	996.52	1 146.00	953.91	1 097.00
S1M7	Commercial Fishing Vessels < 7m per launch	94.78	109.00	90.44	104.00
S1M8	Commercial Fishing Vessels > 7m per launch	113.04	130.00	107.83	124.00
S1M9	Passenger Boats pm	1 706.96	1 963.00	1 633.04	1 878.00
S1M10	Passenger Boats per launch	165.22	190.00	158.26	182.00
S1T	**Registered Launching Sites managed by the Overstrand Municipality (08:00-16:00) (Western Cape December School Holiday and when declared by Council) EXCLUDING Buffeljahctsbaai, Blue Water Bay, Du Toit Street Site to the Kleinriver at Stanford.**				
S1T1	**Affiliated Members**				
S1T1A	Annually	240.87	277.00	240.87	277.00
S1T1B	Monthly	144.35	166.00	144.35	166.00
S1T1C	Weekly	72.17	83.00	72.17	83.00
S1T1D	Daily	25.22	29.00	25.22	29.00
S1T2	**Non- Affiliated Members**				
S1T2A	Annually	480.87	553.00	480.87	553.00
S1T2B	Monthly	216.52	249.00	216.52	249.00
S1T2C	Weekly	120.87	139.00	120.87	139.00
S1T2D	Daily	37.39	43.00	37.39	43.00
S2	**BUILDING CONTROL**				
S2A1	Building Plan Fees : Minor Building Works	275.65	317.00	263.48	303.00
S2A2	Building Plan Fees : 0 up to 30 m² (Fixed fee)(S2A3 x 30)	1 043.40	1 199.91	991.20	1 139.88
S2A3	Building Plan Fees : Greater than 30 m² up to 100 m² (R/m²)	34.78	40.00	33.04	38.00
S2A4	Building Plan Fees : Greater than 100 m² up to 200 ²m (R/m²)	40.87	47.00	39.13	45.00
S2A5	Building Plan Fees : Greater than 200 m² up to 300 m² (R/m²)	47.83	55.00	46.09	53.00
S2A6	Building Plan Fees : Greater than 300 m² (R/m²)	53.04	61.00	50.44	58.00
S2A7	Building Plan Fees : Government Subsidized Housing Schemes smaller than 80 m² (privatly constructed)	246.09	283.00	235.65	271.00
S2A8	Building Plan Fees : New Government Subsidised Housing Schemes (Government constructed)	no charge	no vat	no charge	no vat
S2A9	Building Plan Fees : Government Subsidized Housing Schemes (verandas < 15 m²)	no charge	no vat	no charge	no vat
S2A10	Building Plan Fees : Agricultural buildings (excluding residential buildings) (R/m²)	22.61	26.00	21.74	25.00
S2A11	Building Plan Fees : Industrial buildings (excluding offices)(R/m²)	22.61	26.00	21.74	25.00
S2A12	Building Plan Fees : Government Buildings (School, etc) (R/m²)	no charge	no vat	no charge	no vat
S2A13	Building plan Fees : Application for temporary structures (Wendy House,Stores,Containers,etc.)	612.17	704.00	586.09	674.00
S2A14	Buildng Plan Fees : Application for temporary structures (Tents for events)	612.17	704.00	586.09	674.00
S2B1	Plan Scrutiny Fees : 0 up to 200 m² (Fixed Fee)	612.17	704.00	586.09	674.00
S2B2	Plan Scrutiny Fees : Greater than 200 m² (R/m²)	5.22	6.00	5.04	5.80
S2C1	Demolition application	623.48	717.00	596.52	686.00
S2D1	Re-inspection fees and Inspections on complaints, rates clearance etc.	351.30	404.00	336.52	387.00
S2E1	Administration / Viewing Request, Filing retrieval and Copying of Plans	68.70	79.00	66.09	76.00
S2F1	Plan validity extension	277.39	319.00	265.22	305.00
S2G1	Heritage Investigation Minor Alterations (no additions)	551.30	634.00	527.83	607.00

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S2G2	Heritage Investigation add and alt smaller than 30 m² (2 X S2G1)	1 102.61	1 268.00	1 055.66	1 214.01
S2G3	Heritage Investigation add and alt greater than 30 m² (2 X S2G2)	2 205.22	2 536.00	2 111.32	2 428.02
S2H1	Signage : Application to erect a sign	612.17	704.00	586.09	674.00
S2H2	Signage : Application fee for consent (S4.2.1)	539.13	620.00	515.65	593.00
S2H3	Signage : Application fee for departure (S4.3.1)	539.13	620.00	515.65	593.00
S2H4	Signage : Advertising Costs Local newspapers for departure application	4 248.70	4 886.00	4 066.09	4 676.00
S3	**BUILDING CONTROL: PLAN PRINTING FEES**				
S3A1	Per sheet - Size A0 (Private copy)	72.17	83.00	68.70	79.00
S3A2	Size A1 (Private copy)	56.52	65.00	53.91	62.00
S3A3	Size A2 (Private copy)	41.74	48.00	40.00	46.00
S3A4	Per sheet - Size A0 (Official copy)	56.52	65.00	53.91	62.00
S3A5	- Size A1 (Official copy)	41.74	48.00	40.00	46.00
S3A6	- Size A2 (Official copy)	28.70	33.00	27.83	32.00
S3B1	Per sheet - Size A0 (Private copy) Colour	358.26	412.00	342.61	394.00
S3B2	Size A1 (Private copy) Colour	273.91	315.00	261.74	301.00
S3B3	Size A2 (Private copy) Colour	182.61	210.00	174.78	201.00
S3B4	Per sheet - Size A0 (Official copy) Colour	182.61	210.00	174.78	201.00
S3B5	- Size A1 (Official copy) Colour	136.52	157.00	130.44	150.00
S3B6	- Size A2 (Official copy) Colour	92.17	106.00	87.83	101.00
S5	**BUSINESS LICENSE**				
S5B1	Business Licence - Formal	875.65	1 007.00	838.26	964.00
S5B2	Business Licence - Informal	313.91	361.00	300.00	345.00
S5B3	Re-inspection Fee	172.17	198.00	164.35	189.00
S5B4	Duplicate Licence Fee	172.17	198.00	164.35	189.00
S5B5	**Liquor Licence per Calender year (January to December) or part there of**				
S5B5A	Application for extended Liquor (Trading Hours up to 2am), per annum	1 890.44	2 174.00	1 808.70	2 080.01
S5B5B	Application for extended Liquor (Trading on Sunday) per annum *** (to be applicable according By-law)	1 890.44	2 174.00	1 808.70	2 080.01
S15	**CEMETERY**				
	Residents (RES):				
S15A	**Plot Cost (Fixed)**				
Note 1	**Grave Depths** - Infill grave (between two existing graves) must have a soil coverage of not less than 1 meter; - Other single graves (not infill) must have a soil coverage of not less than 1.5 meters; - Double depht graves (in depth) must have a soil coverage of not less than 1 meters with a 300mm soil between the coffins; - Child grave must have a soil coverage of not less than 1 meter.				
Note 2	**Rebate of 50% for grave site: Applicable to Tariffs S15A1, S15A2, S15A4 & S15B**1 -Overstrand local household with gross household income per application of 0 - R4100 -Applications must be accompanied by sworn declaration of household income of the immediate family of the deceased.				
S15A1	All cemeteries - single grave	680.00	782.00	650.44	748.00

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S15A2	All cemeteries - Doubble graves - depth for two coffins	1 053.91	1 212.00	1 008.70	1 160.00
S15A4	Children under 12years	510.44	587.00	488.70	562.00
S15A5	Wall of Remembrance Fees	248.70	286.00	238.26	274.00
S15A6	Overstrand Reginal Cemetary: COVID-19 related funerals	0.00	0.00	0.00	0.00
S15B	**Indication of grave**				
S15B1	New graves (include inspection before and after funeral)	673.91	775.00	645.22	742.00
S15B2	Existing graves	216.52	249.00	206.96	238.00
S18	**COMMERCIAL FILMING/PHOTOGRAPHING (Tariff of 50% less charged, when compliant to pre-determined criteria)**				
S18A	Large per day or part thereof ≥ 50 people	16 091.30	18 505.00	15 398.26	17 708.00
S18B	Small per day or part thereof more than 10 but < 50 people	7 826.09	9 000.00	5 400.87	6 211.00
S18C	Small per day or part thereof ≤ 10 people	4 347.83	5 000.00	1 549.57	1 782.00
S18D	Application Fee per application	1 817.39	2 090.00	1 739.13	2 000.00
S18F	**Addition to Shoot**				
S18F1	Animals (per animal per day or part of a day)	201.74	232.00	193.04	222.00
S18F2	Area required for production and catering (per m² per day or part of a day)	46.09	53.00	44.35	51.00
S18F3	Cancellation Fee (per application at full permit fee)	15% of Fee	applicable vat	15% of Fee	applicable vat
S18F4	Enviromental Control Officer: Fees per hour or part thereof	472.17	543.00	452.17	520.00
S18F5	Vehicles off Public Roads per Parking Bay (per vehicle per day/part of a day)	169.57	195.00	162.61	187.00
S20	**CREDIT CONTROL AND DEBT COLLECTION**				
S20A1	Admin fee on arrear accounts Notices	226.09	260.00	226.09	260.00
S20A2	Admin fee on 24 hour Notices - Bulk users	226.09	260.00	226.09	260.00
S20B	Admin fee on arrear accounts Disconnection and Reconnection Fee	530.44	610.00	530.44	610.00
S20C	SMS admin fee on arrear accounts Notices	17.39	20.00	17.39	20.00
S23	**FIRE SERVICES & DISASTER MANAGEMENT**				
S23A	Plot Clearing	Actual Cost + R1 222.86 admin. Fee	applicable vat	Actual Cost + R1 170.20 admin. Fee	applicable vat
S23B	Re-inspection Fee under By-law	182.61	210.00	174.78	201.00
S23C	**Extinghuising of Fires**				
S23C1	Extinguishing of structural fires per hour or part thereof per incident	R2 069.27 + add cost incurred	applicable vat	R1 980.16 + add cost incurred	applicable vat
S23C2	Extinguishing of structural fires - indigent households	no charge	no vat	no charge	no vat
S23C3	Control and Extinguishing of Veld fires payable by registered owner if fire had its sole origin on said owner's property: per hour or part thereof, excluding goFPA Members	R616.13 + add cost incurred	applicable vat	R587.60 + add cost incurred	applicable vat
S23C4	Extinguishing of vehicle/equipment fires per hour or part thereof	R526.01 + add cost incurred	applicable vat	R503.36 + add cost incurred	applicable vat
S23C5	Assistance at motor vehcile accidents and rescues	no charge	no vat	no charge	no vat
S23D	**Standby at fire scene**				
S23D1	Per hour or part thereof for vehicle and fire fighters excluding goFPA members	690.44	794.00	660.87	760.00
S23E	**Fire Prevention Inspections**				
S23E1	Tank installation - per tank	390.44	449.00	373.91	430.00

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S23E2	LP Gas - per installation 48Kg and more incl bulk tanks	390.44	449.00	373.91	430.00
S23F	**Fire Safety (excluding municipal buildings)**				
S23F1	1st compliance inspection per 20 minutes	159.13	183.00	152.17	175.00
S23F2	2nd and continuing compliance inspection per 20 minutes	159.13	183.00	152.17	175.00
S23F3	Rates Clearance Inspection	211.30	243.00	202.61	233.00
S23F5	Fire Compliance Certificate excluding goFPA members	526.96	606.00	504.35	580.00
S23G	**Events**				
S23G1	Inspection of location and issuing of Population Certificate	260.87	300.00	249.57	287.00
S23G2	Standby at event per event per day or part thereof for vehicle and fire fighters	1 300.87	1 496.00	1 245.22	1 432.00
S23H	**Burn Permits**				
S23H1	Burn Permit Inspection	326.09	375.00	312.17	359.00
S23J	**Special Services**				
S23J1	Ad hoc services	709.57	816.00	679.13	781.00
S23J2	Water Supply per hour, excluding water tariff as set out in the water tariff structure	709.57	816.00	679.13	781.00
S25	**LAW ENFORCEMENT**				
S25B	**Impoundment of Abanded or Obstructing items**				
S25B1	Per Impoundment	776.52	893.00	new	new
S25B2	Storage Fee per day	206.96	238.00	new	new
S25C	**Impoundment of Informal Traders (Hawkers) Goods**				
S25C1	Per Impoundment	776.52	893.00	743.48	855.00
S25C2	Removal of illegal structure per structure	3 186.09	3 664.00	3 048.70	3 506.00
S25C3	Storage Fee per day	206.96	238.00	198.26	228.00
S25D	**Pound fee: Dogs and Cats**				
S25D1	Impoundment of Dogs and Cats per animal	85.22	98.00	81.74	94.00
S25D2	Pound fee: from day 2 per day per animal	53.91	62.00	51.30	59.00
S25E	**Pound fee: Other Animals (not listed here)**				
S25E1	Impoundment fee per week per animal	834.78	960.00	799.13	919.00
S25F	**Pound fee: Horses**				
S25F1	Impoundment of Horses per animal	842.61	969.00	806.09	927.00
S25F2	Pound fee: per day per animal	211.30	243.00	202.61	233.00
S25G	**Pound fee: Sheep and Goats**				
S25G1	Impoundment of Sheep and Goats per animal	211.30	243.00	202.61	233.00
S25G2	Pound fee: per day per animal	106.09	122.00	101.74	117.00
S25H	**Pound fee: Cattle**				
S25H1	Impoundment of Cattle per animal	842.61	969.00	806.09	927.00
S25H2	Pound fee: per day per animal	159.13	183.00	152.17	175.00
S25I	**Pound fee: Pigs**				
S25I1	Impoundment of Pigs per animal	421.74	485.00	403.48	464.00
S25I2	Pound fee: per day per animal	159.13	183.00	152.17	175.00
S25J	**Pound fee: Poultry**				

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S25J1	Impoundment of Poultry per animal	106.09	122.00	101.74	117.00
S25J2	Pound fee: per day per animal	21.74	25.00	20.87	24.00
S25K	**Pound fee: Shopping Trolley**				
S25K1	Impoundment of Shopping Trolley per trolley	472.17	543.00	452.17	520.00
S25P	**Bylaw on Outdoor Advertising**				
S25P1	Impoundment of illegal Advertising/Agent boards (per board) - small <2400cm²	85.22	98.00	81.74	94.00
S25P2	Impoundment of illegal Advertising/Agent boards (per board) - large >2400cm²	836.52	962.00	800.87	921.00
S25R	**Business & Other Events**				
S25R1	Per officer per hour or part thereof - Mon - Sat	531.30	611.00	new	new
S25R2	Per officer per hour or part thereof - Sundays and public Holidays	607.83	699.00	new	new
S25R3	Administrative fee for provision of officers - per application	145.22	167.00	new	new
S28	**LIBRARY**				
S28A1	Copies: A3 / page	3.48	4.00	4.52	5.20
S28A3	Copies: A3 page Colour	5.22	6.00	8.17	9.40
S28A5	Copies: A4/page (Library content only)	0.87	1.00	0.87	1.00
S28A6	Copies: A4/page (Non-Library content)	1.74	2.00	1.91	2.20
S28A7	Copies: A4 page Colour	3.48	4.00	5.48	6.30
S28B1	Deposit to person/s non-residents - Fiction & Non-Fiction	450.00	no vat	452.00	no vat
S28D1	Lost Cards: Laminated (R/card) first time	17.39	20.00	27.83	32.00
S28D1A	Lost Cards: Laminated (R/card)(subsequent lost card)	34.78	40.00	57.39	66.00
S28D2	Laminated Cost A3	4.35	5.00	6.96	8.00
S28D3	Laminated Cost A4	3.48	4.00	4.35	5.00
S28E1	Penalty per book per week	2.00	no vat	3.00	no vat
S28E2	Penalty per record/CD per week	2.00	no vat	3.00	no vat
S28E3	Penalty per video/DVD per day	2.00	no vat	5.00	no vat
S28F1	Scanning of Document - Black & White	0.87	1.00	22.61	26.00
S28F2	Scanning of Document - Colour	1.74	2.00	24.35	28.00
S28G1	Special Requests - Hold per Book	6.09	7.00	6.09	7.00
S28G2	Special Requests - ILL per Book	13.04	15.00	13.04	15.00
S28H1	Subscriptions/ reader - Adults (Non residents)	170.44	196.00	170.44	196.00
S28H2	Subscriptions/ reader - Children (Non residents)	107.83	124.00	107.83	124.00
S28H3	Subscriptions/ reader - Family max 5 (Non residents)	420.00	483.00	420.00	483.00
S28L1	Hire of Library Hall per Hour - Fundraising event	165.22	190.00	165.22	190.00
S28L2	Hire of Library Hall per Hour - NON- Fundraising event	30.44	35.00	32.17	37.00
S28M1	Minor Damage to book (per book)	26.09	30.00	32.17	37.00
S28M2	Damage or lost library material	As per System Price Rounded	applicable vat	As per System Price Rounded	applicable vat
S33	**OPERATIONAL COST**				
S33A	Application fee for Installation of Street Signage (brown direction boards)	cost + 15%	applicable vat	cost + 15%	applicable vat
S34	**PROPERTY ADMINISTRATION**				
S34A	**Application**				

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S34A1	Lease or purchase of/or encroachment on municipal land (excluding Sport Facilities/Stalls and organs of state)	2 608.70	3 000.00	2 608.70	3 000.00
S34A2	Lease or purchase of municipal land - Social Care Institutions / Registered Organisations / NPO's / PBO's/Community organisations	600.00	690.00	600.00	690.00
S34A3	Tempory lease of municipal land for the storage of building materials next to building sites	600.00	690.00	600.00	690.00
S34C	**Encroachment Fee:**				
S34C1	Encroachments of Veranda, Balcony, Sign, Signboards or similar structure over/onto municipal land (per annum)	521.74	600.00	499.50	574.43
S34C2	Encroachments onto municipal land where a lease is not applicable (per annum)	521.74	600.00	499.50	574.43
S34C3	Enclosure or exclusive use of portions of the Commonage, Public Open Spaces, Road Reserves or Public Thoroughfares for gardening purposes where a lease is not applicable (per m² per month)	15.04	17.30	14.40	16.56
S34G	**Leases**				
S34G1	Tempory use (<12months) of municipal land for general purposes (per m² per month)	6.09	7.00	5.74	6.60
S34G2	Lease of municipal land for outdoor seating adjoining a Restaurant (per m² per month)	33.91	39.00	32.61	37.50
S34G3	Lease of municipal land to Social Care Institutions / Registered Organisations / NPO's/ PBO's/ Sport facilities/Community organisations (per month)	167.83	193.00	160.87	185.00
S34G6	Lease of municipal land for the displaying of vehicles (per m² per month)	6.35	7.30	6.09	7.00
S34H	**Radio Mast**				
S34H1	Equipment on municipal mast - per month per mast	2 307.83	2 654.00	2 208.70	2 540.00
S34H2	Space in building adjacent to the mast (per m² per month)	607.83	699.00	581.74	669.00
S34H3	Space outside the building adjacent to the mast (per m² per month)	305.22	351.00	292.17	336.00
S34H4	Lease of municipal land with a mast on or for the erection of a new mast (per m² per month)	77.39	89.00	73.91	85.00
S34J	**Memorial Benches**				
S34J1	Application for a new memorial bench on municipal land	3 794.78	4 364.00	3 631.30	4 176.00
S34J2	Fee for a memorial bench on municipal land (per annum)	305.22	351.00	292.17	336.00
S36	**PROPERTY INFORMATION**				
S36A1	Clearance Certificate (R/certificate) - ELECTRONIC	115.65	133.00	110.44	127.00
S36A2	Clearance Certificate (R/certificate) - MANUAL	351.30	404.00	336.52	387.00
S36B1	Deeds office registrations with sales information (R/100 erven or part)	152.17	175.00	145.22	167.00
S36B2	Deeds office registrations with sales information (R/erf)	40.00	46.00	38.26	44.00
S36C	Extract from the Valuation Roll (R/page)	13.04	15.00	12.35	14.20
S36F	Revaluation fee	2 171.30	2 497.00	2 077.39	2 389.00
S36G1	Valuation Certificate (R/certificate) - ELECTRONIC	53.91	62.00	51.30	59.00
S36G2	Valuation Certificate (R/certificate) - MANUAL	182.61	210.00	174.78	201.00
S36H	Access of valuation roll Information on CD	415.65	478.00	397.39	457.00
S40	**RENTAL: COMMUNITY HALLS**				
S40.1	All events hosted where the municipal council or administration is the official host	free of charge	no vat	free of charge	no vat
S40.3	Elections by the Electoral Commission	as per IEC policy	applicable vat	as per IEC policy	applicable vat

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S40.4	Events of Government Departments directly in interest of community	free of charge	no vat	free of charge	no vat
S40A	**Auditorium & Banqueting Hall**				
S40A1	Deposit for all functions (refundable) - excluding meetings	2 065.00	no vat	1 976.00	no vat
S40A2	Hire of Auditorium and Banqueting Hall per Hour or part of a hour	726.09	835.00	694.78	799.00
S40A3	Hire of Auditorium per Hour or part of a hour	424.35	488.00	406.09	467.00
S40A4	Hire of Banqueting Hall per Hour or part of a hour	424.35	488.00	406.09	467.00
Note	Hiring of Kitchen (Banqueting Hall & Auditorium) used for the serving of food only is included in the hiring fee mentioned above as this facility forms an integral part of the building and cannot be separated there from.				
S40A5	Non-fundraising events for Schools, other training institutions and sport & recreation per day	551.30	634.00	527.83	607.00
S40A6	Piano per event	Actual Tuning Cost	applicable vat	Actual Tuning Cost	applicable vat
S40A7	Sound and/or Ligthing Equipment per event per hour	115.65	133.00	110.44	127.00
S40A8	Use of Kitchen per day	759.13	873.00	726.09	835.00
S40A9	Hire of Glasses or Cups, Sauers and teaspoons per event	222.61	256.00	213.04	245.00
S40A10	Local NGO's and CBO's per hour per venue - all events	237.39	273.00	226.96	261.00
S40A12	Preparation for event - per hour	150.44	173.00	144.35	166.00
S40A13	Meetings: Government departments (private meetings), NGO's and CBO's from outside the municipal area, per hour (Banquet hall)	334.78	385.00	320.00	368.00
S40A14	Meetings: Local CBO's & NGO's per hour (Banquet hall only)	32.17	37.00	30.87	35.50
S40A15	Weddings, Birthdays and Special Occasions per day (including the Kitchen)	2 106.09	2 422.00	2 015.65	2 318.00
S40A16	Festivals/Exhibitions/Events per day (max 14 days). Both venues, excluding extras - more than 14 days refer to general tariffs	726.09	835.00	694.78	799.00
S40C	**Rental Units - Kleinmond**				
S40C1	Hire per room per month	51.30	59.00	48.87	56.20
S40E	**Baardskeerdersbos / Betty's Bay / Blompark / Buffelsjags /Eluxolweni/Fernkloof Hall /Hawston Abalone *Hall* /Kleinmond Youth Centre / Kleinmond Club House / Masakane / Moffat Hall / Mooluitsig / Overhills / Pringle Bay / Proteadorp / Stanford / Stanford Committee Room / Zwelihle**				
S40E4	Fundraising: (Karaoke) Per daytime *or* evening	334.78	385.00	320.00	368.00
S40E5	Funeral Tea (three hours)	138.26	159.00	132.17	152.00
S40E6	Local CBO's of vulnerable groups: one booking allowed 24 hours in advance of a social gathering to be scheduled only on week days between 08:00 - 16:30	no charge	no vat	no charge	no vat
S40E7	Non-fundraising events for Schools, other training institutions and sport & recreation	277.39	319.00	265.22	305.00
S40E8	Meetings: Local CBO's and NGO's per hour - Meetings free of charge for Hawston Local Organisation for the Elderly	32.17	37.00	30.87	35.50
S40E9	Non-fundraising (parties) Per daytime *or* evening	167.83	193.00	160.87	185.00
S40E10	Use of Kitchen - Fundraising events per event	305.22	351.00	292.17	336.00
S40E11	Use of Kitchen - Non Fundraising	305.22	351.00	292.17	336.00
Note	**Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)**				
S40J	**Kleinmond Civic Center Hall, & Hawston Thusong Centre**				
S40J1	Deposit: (refundable) Government Imbizos & Government Meetings.	602.00	no vat	576.00	no vat

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S40J2	Deposit (refundable): Hawston Thusong Centre	1 087.00	no vat	1 040.00	no vat
S40J3	Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening	759.13	873.00	726.09	835.00
S40J4	Church Services per day	105.22	121.00	100.87	116.00
S40J5	Funeral Tea (three hours)	138.26	159.00	132.17	152.00
S40J6	Government Imbizos (per day)	2 339.13	2 690.00	2 238.26	2 574.00
S40J7	Non-fundraising events for Schools, other training institutions and sport & recreation	277.39	319.00	265.22	305.00
S40J8	Meetings: Government Departments (private meetings) & CBO's outside Municipal area per hour	334.78	385.00	320.00	368.00
S40J9	Meetings: Local CBO's, NGO's, Non-fund-raising indoor sports per hour (only large groups > 30) - (No Deposits)	32.17	37.00	30.87	35.50
S40J10	Preparation for event - per hour	79.13	91.00	75.65	87.00
S40J11	Non-fundraising: Parties, weddings, indoor sports, etc. per daytime or evening	380.00	437.00	363.48	418.00
S40J12	Tariff for events continuing after midnight (24h00) per hour	233.04	268.00	222.61	256.00
S40J13	Sound OR Ligthing Equipment per event (each item) per hour	116.52	134.00	111.30	128.00
S40J14	Use of kitchen (per event per day)	366.09	421.00	350.44	403.00
S40J15	Use of kitchen for water jugs and glasses or tea cups & sauces (per event per day)	53.04	61.00	50.44	58.00
Note	**Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)**				
S43	**RENTAL: INFORMAL TRADERS' (HAWKERS') STALLS, OPEN SPACES & BEACHES (applicable Overstrand Wide)**				
S43A	**CBD**				
S43A1	All open stalls per day (demarcated area)(excluding Western Cape December Holiday plus Easter Weekend)	32.17	37.00	30.87	35.50
S43A2	Open Stalls per day (Western Cape December Holiday plus Easter Weekend)	46.96	54.00	45.22	52.00
S43B	**Outside the CBD**				
S43B1	Open Stalls Rental –December - January pm	104.35	120.00	100.00	115.00
S43B2	Open Stalls Rental - February to November pm	44.35	51.00	42.61	49.00
S43D	**Public Open Space**				
S43D1	Car Park - Private Car Sales per day (demarcated areas)	41.74	48.00	40.00	46.00
S43D2	Funfair, Circus etc per day	987.83	1 136.00	945.22	1 087.00
S43D3	Welfare, churches, non-profit organizations	no charge	no vat	no charge	no vat
S43D4	Sport Events per day	4 477.39	5 149.00	4 284.35	4 927.00
S43F	**Beaches**				
S43F1	Beach Rentals - per day (Private functions)	1 442.61	1 659.00	1 380.87	1 588.00
S43F2	Rental December to January pm	260.87	300.00	new	new
S43F3	Rental February to November pm	86.96	100.00	new	new
S43G	**Leases**				
S43G4	Lease of stalls/containers on municipal land for informal trading (full stall/container) (per month)	203.48	234.00	194.78	224.00
S43G5	Lease of stalls/containers on municipal land for informal trading (half a stall/container) (per month)	84.35	97.00	80.87	93.00
S46	**RENTAL: OFFICE**				
S46A	Rental for office space (Hermanus Administration) (per m² per month)	138.26	159.00	132.17	152.00
S46A1	Rental for office space (Gansbaai, Stanford & Kleinmond Administrations) (per m² per month)	68.70	79.00	66.09	76.00

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S46A2	Rental for office space to NGO's/NPO's/Government Departments/State Owned Enterprises irrespective of area (per m² per month)	41.74	48.00	40.00	46.00
S46B	Rental for office space - Local Council Functions	no charge	no vat	no charge	no vat
S48	**RENTAL: SPORT FACILITIES**				
S48A	**Spaces for Sport - Gansbaai / Hawston / Kleinmond / Mount Pleasant / Overhills / Stanford / Zwelihle**				
S48A1	Club House - per hour (private events)	190.44	219.00	182.61	210.00
S48A2	Club House - Sport events hosted by Overstrand Sport and Recreation structures per 2 hours or part thereof	46.96	54.00	45.22	52.00
S48A3	Club House - Sport Event hosted by non Overstrand Sport and Recreation structures - per hour	95.65	110.00	91.30	105.00
S48A4	Sport grounds -Per event hosted by non Overstrand Sport and Recreation structures	1 876.52	2 158.00	1 795.65	2 065.00
S48A6	Sport grounds - Functions/Events (excluding departmental events)	1 035.65	1 191.00	991.30	1 140.00
S48A8	Change Rooms - Sport events hosted by Overstrand Sport and Recreation Structures	no charge	no charge	no charge	no charge
Note	**Sportgrounds refer to playing surfaces**				
S49	**RENTAL: VACANT SERVICED ERVEN FOR LOW COST HOUSING**				
S49A	Wetcore Stands (Social Housing) - rent per month	39.13	45.00	37.39	43.00
S50	**SCHUSS HOUSES KLEINMOND (Meerenvlei)**				
S50A	Rental per unit per month	1 124.35	1 293.00	1 075.65	1 237.00
S55	**SUNDRY**				
S55A	Access to Information as per Act (2 of 2000) - Tariffs	As Stipulated in the Act	applicable vat	As Stipulated in the Act	applicable vat
S55B1	Administration Cost - RD ACB	actual cost + R52.00	applicable vat	actual cost + R52.00	applicable vat
S55B2	Administration Cost - RD cheques, Post Dated Cheques	actual cost + R52.00	applicable vat	actual cost + R52.00	applicable vat
S55B3	Administration Cost - Trace of Direct Deposit	actual cost + R106.00	applicable vat	actual cost + R106.00	applicable vat
S55D1	Copies: A3 page	4.70	5.40	4.52	5.20
S55D2	Copies: A3 page Colour	8.52	9.80	8.17	9.40
S55D3	Copies: A4 page	2.00	2.30	1.91	2.20
S55D4	Copies: A4 page Colour	5.74	6.60	5.48	6.30
S55E	Foreign Bank Cost	actual cost	applicable vat	actual cost	applicable vat
S55F1	Fax per page - excluding 0865/6 numbers	5.74	6.60	5.48	6.30
S55F2	Fax per page - 0865/6 numbers	9.48	10.90	9.04	10.40
S55G1	Interest on accounts in arrear	prime + 4%	no vat	prime + 4%	no vat
S55G2	Placard / Poster Deposit for Elections	5 193.65	no vat	4 970.00	no vat
S55G4	Placard / Poster Deposit for Political Parties	5 193.65	no vat	4 970.00	no vat
S55H	Placard / Poster each	19.04	21.90	18.26	21.00
S55I	Multiple Duplicate Consumer Accounts per request	9.04	10.40	9.04	10.40
S55I1	Duplicate PayDay pay slip	9.04	10.40	9.04	10.40
S55J	Section 62 of local Government: Systems Act: appeal deposit (refundable if appeal is upheld)	1 800.00	no vat	1 800.00	no vat
S55K1A	Tender objection deposit (refundable if appeal is upheld)	1 800.00	no vat	3 365.00	no vat
S55K1B	Tender objection deposit (partially upheld -50% refundable)	1 675.00	no vat	1 675.00	no vat
S55K2	Tender documentation Fee: (less than 50 pages)	34.78	40.00	34.78	40.00
S55K3	Tender documentation Fee: (more than 51 pages less than 200 pages)	182.61	210.00	182.61	210.00

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S55K4	Tender documentation Fee: (more than 200 pages)	391.30	450.00	391.30	450.00
S55K5	Tender documentation Fee (Consultant/CIDB)	695.65	800.00	695.65	800.00
S55L	Advertising Signs Auctioneers per 14days	563.48	648.00	539.13	620.00
S55K1	Laminated Cost A3	7.30	8.40	6.96	8.00
S55K2	Laminated Cost A4	4.52	5.20	4.35	5.00
S60	**SWIMMING POOL**				
S60A	**Daily Tariffs (01 December - 31 March & Easter Weekend & Events approved by the Administration)**				
S60A1	Persons older than 12years of age - per person per DAY or part of a day	4.35	5.00	4.35	5.00
S60A2	Children (< 12years) per child per day or part of a day	No Charge	no vat	No Charge	no vat
S60A4	Galas	106.09	122.00	106.09	122.00
S60A5	Training sessions (Schools & Clubs) per season	167.83	193.00	167.83	193.00
S65	**TOP MANAGEMENT CONSULTATIONS**				
S65A1	Consultation Fee (Top Management) per hour	1 117.39	1 285.00	1 069.57	1 230.00
S72	**TOWN PLANNING: APPLICATION FEES**				
S72A	Amendment, deletion or additional contitions in respect of an existing approval	2 440.00	2 806.00	2 334.78	2 685.00
S72B	Application for deviation of SDF/Sectoral Plans	2 872.17	3 303.00	2 748.70	3 161.00
S72F	**Removal of Title Deed Restrictions**				
S72F1	Erven 150m² and smaller	282.60	325.00	270.44	311.00
S72F2	Erven between 150 m² and 400 m²	565.22	650.00	540.87	622.00
S72F3	Erven 400 m² and larger	4 298.26	4 943.00	4 113.04	4 730.00
S72G	**Consolidations**				
S72G1	Erven 150m² and smaller	264.35	304.00	253.04	291.00
S72G2	Erven between 150 m² and 400 m²	532.17	612.00	509.57	586.00
S72G3	Erven 400 m² and larger	3 034.78	3 490.00	2 904.35	3 340.00
S72H	**Subdivision (cumulative)**				
S72H1	up to 5 erven	4 101.74	4 717.00	3 925.22	4 514.00
S72H2	6 to 10 erven	6 981.74	8 029.00	6 680.87	7 683.00
S72H3	More than 10	6 981.74	8 029.00	6 680.87	7 683.00
S72H3A	Additional per erf after 10	105.22	121.00	100.87	116.00
S72I	**Application for Consent Use/Special Use/Additional Consent**				
S72I1	Erven 150m² and smaller	240.00	276.00	229.57	264.00
S72I2	Erven between 150m² and 400m²	639.13	735.00	611.30	703.00
S72I3	Erven 400 m² and larger	3 035.65	3 491.00	2 905.22	3 341.00
S72J	**Application for Rezoning**				
S72J1	Erven 150 m² and smaller	639.13	735.00	611.30	703.00
S72J2	Erven between 150 m² and 400 m²	1 045.22	1 202.00	1 000.00	1 150.00
S72J3	Erven between 400m² and 5000m²	6 981.74	8 029.00	6 680.87	7 683.00
S72J4	Erven 5000m² and larger	7 994.78	9 194.00	7 650.44	8 798.00
S72K	**Departure ito Section 16(2)(b) and (c) of OM Land Use Planning Bylaw**				
S72K1A	Erven 150m and smaller	240.00	276.00	229.57	264.00

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S72K1B	Erven between 150m² and 400m²	531.30	611.00	508.70	585.00
S72K1C	Erven 400 m² and larger	3 035.65	3 491.00	2 905.22	3 341.00
S72L	**Appeal deposit in terms of Section 79(5) of the Bylaw on Municipal Land Use Planning (refundable if appeal is upheld)**				
S72L1	Erven 150m² and smaller	346.00	no vat	331.00	no vat
S72L2	Erven between 150m² and 400 m²	649.00	no vat	621.00	no vat
S72L3	Erven 400 m² and larger	3 502.00	no vat	3 351.00	no vat
	Note: No appeal fee payable in case of appeal submitted by the Municipal Manager				
S72M	Amendment of site development plan, Constitution/Architectural Guidelines, Phasing, amendement or cancellation of a plan of subdivision or a part thereof	2 208.70	2 540.00	2 113.91	2 431.00
S72N	**Determination of Zoning**				
S72N1	Erven 150m² and smaller	639.13	735.00	611.30	703.00
S72N2	Erven between 150 m² and 400 m²	2 008.70	2 310.00	4 793.04	5 512.00
S72N3	Erven 400 m² and larger	6 981.74	8 029.00	6 680.87	7 683.00
S72N4	Disestablishment of HOA	3 035.65	3 491.00	2 905.22	3 341.00
S72P	**Relaxation of Title Deed** (if combined with departure application only the higest fee applies)				
S72P0	Erven 150m² and smaller	272.17	313.00	260.87	300.00
S72P1	Erven between 150m² and 400m²	531.30	611.00	508.70	585.00
S72P2	Erven larger than 400m²	3 021.74	3 475.00	2 891.30	3 325.00
S72Q	**Permission in terms of Zoning Scheme**				
S72Q1	Erven 150m² and smaller	240.00	276.00	229.57	264.00
S72Q2	Erven between 150m² and 400m²	531.30	611.00	508.70	585.00
S72Q3	Erven 400 m² and larger	3 035.65	3 491.00	2 905.22	3 341.00
S72Q4	Closure of Public Place/Part thereof (if combined with rezoning application only the highest fee is applicable	6 981.74	8 029.00	6 680.87	7 683.00
S72R	Extention of Time	762.61	877.00	729.57	839.00
S72S	Exemption in terms of Section 26	120.87	139.00	115.65	133.00
S75	**TOWN PLANNING: LAND USE PLANNING FEE**				
S75A1	Advertising Costs Government Gazette	4 248.70	4 886.00	4 066.09	4 676.00
S75A2	Advertising Costs Local newspapers	4 248.70	4 886.00	4 066.09	4 676.00
S75A3	Advertising Costs Local Newspaper (Removal of Restriction only)	8 497.39	9 772.00	8 131.30	9 351.00
S75A4	Advertising Costs - Placing of Final Notice in the Government Gazette	1 200.87	1 381.00	1 149.57	1 322.00
S75B	Regulations of Zoning schemes (printing)	273.04	314.00	260.87	300.00
S75C	Spatial Development Framework (printing)	273.04	314.00	260.87	300.00
S75D	Zoning Certificate	305.22	351.00	292.17	336.00
S75D1	Zoning Certificate - Non Profit Organisation (NPO)	No Charge	no vat	No Charge	no vat
S75E	Registered Letters - more than 10 letters, applicant to pay applicable tariffs according to the South African Post Office Rates	applicable rate	applicable vat	applicable rate	applicable vat
S75G	Search Fee	305.22	351.00	292.17	336.00
S75H	Section 30(2) Certification / Clearance (only for the first transfer)	1 800.00	2 070.00	1 722.61	1 981.00

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S75I	Determination of Administrative Penalty: in terms of Section 90(5) of the Overstrand Municipality Land Use Planning Amendment By-Law, 2020				
S75I1	Formal structure - habitable (erven 150m² and smaller) per sqm	5 225.22	6 009.00	5 000.00	5 750.00
S75I2	Formal structure - habitable (erven larger than 150m²) per sqm	15 673.91	18 025.00	15 000.00	17 250.00
S75I3	Formal structure non-habitable per sqm	average of two formal quotations	average of two formal quotations	new	new
S80	**TRAFFIC**				
S80J	**Business & Other Events**				
S80J1	Per officer per hour or part thereof - Mon - Sat	531.30	611.00	508.70	585.00
S80J2	Per officer per hour or part thereof - Sundays and public Holidays	607.83	699.00	581.74	669.00
S80J4	Administrative fee for provision of officers - per application	145.22	167.00	139.13	160.00
S80K	**Removal of Vehicles/Towing Fee**				
S80K1	Removal of Vehicles per vehicle	1 275.65	1 467.00	1 220.87	1 404.00
S80K2	Storage Fees per day	350.44	403.00	335.65	386.00
S80K3	Towing Charge	Cost plus 15%	applicable vat	Cost plus 15%	applicable vat
S80K4	Wheel Clamping per vehicle	472.17	543.00	452.17	520.00
S80L	**Traffic Cones**				
S80L1	Hire of Traffic Cones per Cone per day	75.65	87.00	72.17	83.00
S80P	**Disabled Parking Token**				
S80P1	Disabled Parking Token per application - valid for 2year period	139.13	160.00	133.04	153.00
S80R	**Impoundment of Boats**				
S80R1	Impoundment Fee per boat	1 890.44	2 174.00	1 808.70	2 080.00
S80T1	NLTA impoundments of public transport vehicles according the Government Notice 5/2009	6 086.96	7 000.00	new	new
S80T2	NLTA Deviating of the routes public transport	2 173.91	2 500.00	new	new
S85	**WAYLEAVES AND THE USE OF MUNICIPAL ROAD RESERVES FOR THE INSTALLATION OF SERVICES.**				
S85A	**Administration and Supervision Fee**				
S85A1	Administration fee for a miscellaneous permit to use the road reserve for a period of one month or less other than to install an underground service **per permit/event/incident**	480.00	552.00	459.13	528.00
S85A2	Administration fee for a wayleave or permit to use the road reserve to install an underground service **per permit/event/incident**	1 670.44	1 921.00	1 598.26	1 838.00
S85A3	Supervision fee for a wayleave or permit to install an underground service **per permit/event/incident**	3 090.44	3 554.00	2 957.39	3 401.00
S85A4	Unauthorised commencement of use of the road reserve **per permit/event/incident**	200% of applicable above administration and supervision fee	applicable vat	200% of applicable above administration and supervision fee	applicable vat
S85B	**Remedying, Repairing and Cleaning**				

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S85B1	Remedying substandard reinstatement or reinstatement which does not comply with the road reserve or other Overstrand Municipality infrastructure; cleaning the site; or ensuring compliance with any other requirement the Overstrand Municipality . For the costs incurred by the Overstrand Municipality resulting from any work in, or use of, the road reserve by any person other than the Overstrand Municipality .	Actual costs plus 10% administration fee	applicable vat	Actual costs plus 10% administration fee	applicable vat
S85C	**Roadway Trench Fee**				
S85C1	Tariff for authorised trenching across a roadway: Local Road per m - measured from 0.5m behind kerb face or road edge (where no kerb is present)	236.52	272.00	226.09	260.00
S85C2	Tariff for unauthorised trenching across a roadway: Local Road per m - measured from 0.5m behind kerb face or road edge (where no kerb is present)	10 840.00	12 466.00	10 373.04	11 929.00

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REFUSE (SOLID WASTE) TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2022/2023		2021/2022	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
		R	R	R	R
	DOMESTIC WASTE				
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week **(R/Month)**	213.48	245.51	201.59	231.83
SA1A2	Residential Indigent subsidy as per paragraph A of the Indigent Policy (All registered erven/unit with approved building plan) 1 x removal per week **(R/Month)**	213.48	245.51	201.59	231.83
SA1A3	Residential Indigent subsidy as per paragraph B, C & D of the Indigent Policy (All registered erven/unit with approved building plan) 1 x removal per week **(R/Month)** fom 01/07/2022 - 31/10/2022	185.49	213.31	185.49	213.31
SA1A3	Residential Indigent subsidy as per paragraph B, C & D of the Indigent Policy (All registered erven/unit with approved building plan) 1 x removal per week **(R/Month)** from 01/11/2022 - 28/02/2023	123.66	142.21	185.49	213.31
SA1A3	Residential Indigent subsidy as per paragraph B, C & D of the Indigent Policy (All registered erven/unit with approved building plan) 1 x removal per week **(R/Month)** from 01/03/2023 - 30/06/2023	61.83	71.10	185.49	213.31
	BUSINESS WASTE				
SAN1C	Commercial/Business (Hostels, Old Age Homes, Caravan Sites, Semi-permanent Resorts etc) **(R/Month)**	213.48	245.51	201.59	231.83
SA1N1	Bulk Container 240L (Wheeley bin) **(R/Month) 1** X per week (if available)	213.48	245.51	201.59	231.83
SAN1N	Bulk Container 240L (Wheeley bin) **(R/Month) 2** X per week (if available)	426.95	491.00	403.17	463.64
SA1N3	Bulk Container 240L (Wheeley bin) **(R/Month) 3** X per week CBD (if available)	640.42	736.48	604.74	695.45
SA1N4	Bulk Container 240L (Wheeley bin) **(R/Month) 4** X per week CBD (if available)	853.90	981.99	806.33	927.28
SA1N2	Bulk Container 240L (Wheeley bin) **(R/Month) 5** X per week CBD (if available)	1 067.39	1 227.50	1 007.92	1 159.11
SAN1O	Camphill Route **(R/Month)** (If available)	1 677.31	1 928.90	1 583.86	1 821.44
SAN1P	Additional Removals per week on **Saturday** per Bin **(R/Month)** per removal	320.21	368.24	302.37	347.73
SA1P1	Additional Removals on request Central Town (CBD) per bin **(R/Month)** (Sunday or Public Holidays) per removal	426.95	491.00	403.17	463.64
SA1P2	All CBD's additional Removal during normal working week, per Bin, per removal	49.36	56.76	46.61	53.60
SA1P3	All CBD's additional Removal on Saturday, per Bin per removal	74.03	85.14	69.91	80.40
SA1P4	All CBD's additional Removal during Sunday or Public Holidays, per Bin per removal	98.72	113.53	93.22	107.20
SA1Q	Caravan Sites, Chalets, Semi-permanent & Resorts **(R/Month)** (Uilenskraalmond Vakansieoord; Franskraal Vakansieoord; Pearly Beach Camp, Micheal Fuchs Guesthouse) **NO REMOVAL (per unit/site)**	68.68	78.98	64.85	74.58
SAN1R	Departmental Consumption (Municipal Consumption per removal site per **month**)	213.48	245.51	201.59	231.83
SAN1U	Schools **(R/Month)**	213.48	245.51	201.59	231.83
SAN1T	Removal outside service area (per removal per hour) (If available)	1 601.07	1 841.23	1 511.87	1 738.65

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SAN1V	Single Quarters & Transit Camps per unit	68.61	78.90	64.79	74.51
SAN1W	Guesthouses, Bed & Breakfast **(R/Month)**	213.48	245.51	201.59	231.83
SAN1X	Removal of food waste for safe disposal **(R/per Collection)**	425.04	488.80	401.36	461.56
SAN2	**SELF DUMPING TRANSFER STATIONS & DROP OFF'S: SAND AND CLEAN BUILDERS RUBBLE: (rounding applicable)**				
SA2A1	Vehicles up to 1 ton load capacity: clean builders rubble (<250mm) and sand: only at Kleinmond Transfer Station, Stanford Drop Off, Pearly Beach Drop Off, Hawston Drop Off and Zwelihle Drop Off. **(All vehicles above 1 ton load capacity only to landfills).**	no Charge	no vat	no Charge	no vat
SAN2B	**SELF DUMPING TRANSFER STATIONS & DROP OFF'S: GENERAL AND GARDEN REFUSE**				
SA2B1	Vehicles up to 1 Ton per vehicle load capacity (maximum volume of 5m³)	no Charge	no vat	no Charge	no vat
SA2B2	Vehicles >1 & up to 2 Ton per vehicle load capacity (2 X SAN3B)	490.44	564.01	463.93	533.52
SA2B3	Vehicles >2 & up to 3 Ton per vehicle load capacity (3 X SAN3B)	735.66	846.01	695.44	799.76
SAN2C	**WEIGH BRIDGE - SELF DUMPING ZWELIHLE DROP OFF: GENERAL REFUSE (rounding applicable)**				
SA2C1	Up to 1 ton load weighed	no Charge	no vat	new	new
SA2C2	Above 1 ton load weighed per ton load weighed (maximum 3 tons)	245.22	282.00	new	new
SA2C3	Weighing - Commercial vehicles (Cars, pick-ups / bakkies, campers, caravans and trailers)	190.44	219.00	new	new
SA2C4	Weighing - Large vehicles (trucks and busses)	488.70	562.00	new	new
SAN3	**WEIGH BRIDGE - GANSBAAI LANDFILL (rounding applicable)**				
SAN3A	Up to 1 ton load weighed	no Charge	no vat	no Charge	no vat
SAN3B	Above 1 ton load weighed per ton load weighed	245.22	282.00	231.51	266.24
SAN3D	Clean builders rubble and sand	no Charge	no vat	no Charge	no vat
SAN3F	Mixed builders rubble per ton weighed (load contaminated with waste eg wood, plasitc, paper , cardboard, etc)	245.22	282.00	231.51	266.24
SAN3G	Weighing - Commercial vehicles (Cars, pick-ups / bakkies, campers, caravans and trailers)	190.19	218.72	new	new
SAN3H	Weighing - Large vehicles (trucks and busses)	489.06	562.42	new	new
SAN4	**BASIC FEE REFUSE SERVICE (Erven without approved building plans)**				
SAN4A	All registered erven without approved building plans **(R/Month)**	106.73	122.74	100.79	115.90
SAN5	**SUNDRIES (rounding applicable)**				
SAN5A	Rental of Bulk Container per day (including disposal)	113.04	130.00	107.83	124.00
SAN5B	Deposit - rental of bulk containers per 4 bins or less	852.00	no vat	815.00	no vat
SAN5C	Asbestos Sheet - per unit (Limited to **max 10m² per six month period**)	137.39	158.00	131.30	151.00
SAN5D	Baboon Resistant 240L Wheeley bin with lock delivered to homes - projects	1 341.74	1 543.00	1 284.35	1 477.00
SAN5E	Replacement lock on baboon resistant wheelie bin	417.39	480.00	399.13	459.00
SAN5F	**Chipped Organic Material at Gansbaai landfill site**				
SAN5F1	Per ton (when available and for self loading)	0.00	0.00	0.00	0.00
SAN5F2	Per cubic (m³) (when available and for self loading)	0.00	0.00	0.00	0.00

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SEWER TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2022/2023		2021/2022	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
SE7A	**SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)**				
SE7A1	0 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month , Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	15.53	17.86	14.89	17.12
SE7A2	Where no municipal water is used - per RUE per month. Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	137.88	158.56	131.57	151.31
	SEWERAGE - REGISTERED INDIGENT HOUSEHOLDS				
SE7A4	0 - 7 kl - **subsidised**	15.53	17.86	14.89	17.12
SE7A5	8 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month , Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	15.53	17.86	14.89	17.12
SE7B	**SEWERAGE - GENERAL RESIDENTIAL (Blocks of flats and Residential Buildings)**				
SE7B1	0 - 45kl per kl (based on 90% of max 50kl water usage) per unit per month	15.53	17.86	14.89	17.12
SE7C	**SEWERAGE - GUEST HOUSE; BED & BREAKFAST ESTABLISHMENTS**				
SE7C1	per kl (based on 70% of water usage) per unit per month.	15.53	17.86	14.89	17.12
SE7D	**CONSUMPTION - ALL OTHER (Including Commercial, Industrial, School, Sport, etc)**				
SE7D1	per kl (based on 90% of water usage) per unit per month - this percentage may be adjusted according to the Tariff Policy after investigation	15.53	17.86	14.89	17.12
SE7E	**CONSUMPTION - DEPARTMENTAL**				
SE7E1	0 - 35 kl per kl (based on 70% of max 50kl water usage) per unit per month	15.53	17.86	14.89	17.12
SE8	**BASIC CHARGE**				
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	137.88	158.57	132.20	152.03
SE8A1	Basic Monthly Subsidy Residential Indigent as per paragraph A of the Indigent Policy per month	137.88	158.57	132.20	152.03
SE8A2	Basic Monthly Subsidy Residential Indigent as per paragraph B, C & E of the Indigent Policy per month from 01/07/2022 - 31/10/2022	115.09	132.35	115.09	132.35
SE8A2	Basic Monthly Subsidy Residential Indigent as per paragraph B, C & E of the Indigent Policy per month from 01/11/2022 - 28/02/2023	76.73	88.24	115.09	132.35
SE8A2	Basic Monthly Subsidy Residential Indigent as per paragraph B, C & E of the Indigent Policy per month from 01/03/2023 - 30/06/2023	38.36	44.11	115.09	132.35
SE8B	Basic Monthly Charge Undeveloped sites - can not connect to the network per erf/unit per month	92.91	106.85	89.08	102.44
SE8C	Basic Monthly Charge Undeveloped sites - can connect to the network per erf/unit per month	137.88	158.57	132.20	152.03
SE8D	Basic Monthly Charge Developed sites - with a septic Tank per erf/unit per month	92.91	106.85	89.08	102.44
SE8E	Basic Monthly Charge - Low Cost Housing & Single Quarters per erf/unit per month	92.91	106.85	89.08	102.44

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SE8F	**Infrastructure**				
SE8F1	Fixed Infrastructure Basic Charge per erf/unit per month (No 1 end date 30 June 2026)	9.60	11.04	9.60	11.04
SE8F2	Fixed Infrastructure Basic Charge per erf/unit per month (No 2 end date 30 June 2029)	3.43	3.94	3.43	3.94
SE8F3	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households (No 2 end date 30 June 2029)	3.43	3.94	3.43	3.94
SE9	**OTHER SEWERAGE CHARGES**				
SE9A	**Vacuum Tanker Service for users not paying tariffs SE7 above - PROVIDED ON REQUEST**				
SE9A1	Vacuum Tanker Service provided on request < 6kl (per 6kl or part thereof)	634.29	729.43	608.14	699.36
SE9A2	Vacuum Tanker Service provided on request < 5kl (per 5kl or part thereof)	634.29	729.43	608.14	699.36
SE9A4	Vacuum Tanker Service provided on request > 6kl (per 6kl or part thereof)	634.29	729.43	608.14	699.36
SE9A5	Call out fee for Tank Service request but no service due to another defect	634.29	729.43	608.14	699.36
SE9A6	More than 3 pipes an additional fee per pipe for users not paying tariff SE7 above	92.91	106.85	89.08	102.44
SE9BA	**After Hours Vacuum Tanker Service - PROVIDED ON REQUEST**				
SE9B1	After Hours - per request < 6kl (per 6kl or part thereof)	1 268.58	1 458.87	1 216.28	1 398.72
SE9B2	After Hours - per request > 6kl (per 6kl or part thereof)	1 268.58	1 458.87	1 216.28	1 398.72
SE9B3	After Hours - per request < 5kl (per 5kl or part thereof)	1 268.58	1 458.87	1 216.28	1 398.72
SE9B2	After Hours Businesses with Public Toilets per removal	380.90	438.04	365.20	419.98
SE9C	**Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST**				
SE9C1	Normal Applicable Tariff (SE9A1 or SE9A2 or SE9A4) PLUS additional per hour **PLUS SE9C2**	380.91	438.05	365.21	419.99
SE9C2	Normal ApplicableTariff (SE9A2) plus additional per km	18.60	21.39	17.83	20.50
	After Hours for Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST				
SE9C6	After Hours Applicable Tariff (SE9B1 or SE9B2 or SE9B3) **PLUS additional per hour PLUS SE9C7**	380.90	438.04	365.20	419.98
SE9C7	After Hours Applicable Tariff (SE9B2) plus additional per km	18.60	21.39	17.83	20.50
SE10	**SUNDRY CHARGES**				
SE9D	**Testing and Connection Fees**				
SE9D1	Testing of the septic and conservancy tanks per test	1 650.44	1 898.00	1 582.61	1 820.00
SE9D2	Smallbore sewerage connection fee + tank test	7 573.04	8 709.00	7 260.87	8 350.00
SE9D3	Sewer Connection	5 682.61	6 535.00	5 448.70	6 266.00
SE9E	**Disposal with own tanker truck**				
SE9E1	Charge per kl or part thereof	15.65	18.00	80.00	92.00
SE11	**ILLEGAL CONNECTION / TAMPERING FEE**				
SE11A	1st Offence	7 783.00	no vat	7 462.00	no vat
SE11B	2 nd Offence (SE11A X 2)	15 566.00	no vat	14 924.00	no vat

NOTE: Any requests for tanker services after 15:00 will be charged at the after hour rate

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ELECTRICITY TARIFFS (ROUNDING APPLICABLE) (BEFORE NERSA approval)

Tariff Code	Detail		2022/2023		2021/2022	
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
ED	**CONSUMER DEPOSITS**					
ED1	Large Power User Group tariff E5 (excluding Kleinmond)	R	0.00	no vat	0.00	no vat
ED2	Large Power User Group tariff E5 Kleinmond 2 weeks highest average consumption	R	calculated	no vat	calculated	no vat
ED3	Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity	R	3 229.00	no vat	3 005.00	no vat
ED4	Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity	R	5 660.00	no vat	5 267.00	no vat
ED5	Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity	R	12 937.00	no vat	12 038.00	no vat
ED6	Domestic & Commercial Single Phase Pre-paid (Two Part Tariff) - Electricity	R	744.00	no vat	692.00	no vat
ED7	Domestic & Commercial Three Phase Pre-paid (Two Part Tariff) - Electricity	R	1 487.00	no vat	1 384.00	no vat
ED8	Indigent Registered (including UISP)	R	240.00	no vat	223.00	no vat
EDD	**Deposit Defaulters**					
EDD1	Large Power User Group tariff E5 : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat
EDD2	Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat
EDD3	Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat
EDD4	Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat
EF	**FIXED CHARGES**					
EF1	Infrastructure Charge per Meter per month (No 1 end date 30 June 2026)	R	16.65	19.15	16.65	19.15
E1	**SINGLE PHASE : DOMESTIC**					
E1A	**Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)**					
E1A1	Basic Monthly charge per meter	R	438.66	504.46	408.17	469.40
	kWH Unit cost					
E1A2	IBT BLOCK 1 0 - 350 kWh	c	168.31	193.56	156.61	180.10
E1A3	IBT BLOCK 2 351 - 600 kWh	c	247.19	284.27	230.01	264.51
E1A4	IBT BLOCK 3 > 600 kWh	c	303.71	349.27	282.60	324.99
E1B	**Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)**					
E1B1	Basic Monthly charge per meter	R	438.66	504.46	408.17	469.40
	kWH Unit cost					
E1B2	IBT BLOCK 1 0 - 350 kWh	c	155.47	178.79	144.66	166.36
E1B3	IBT BLOCK 2 351 - 600 kWh	c	232.94	267.88	216.75	249.26
E1B4	IBT BLOCK 3 > 600 kWh	c	291.94	335.73	271.65	312.40
E1C	**SINGLE PHASE : COMMERCIAL**					
E1C1	Basic Monthly charge per meter	R	438.66	504.46	408.17	469.40
E1C2	kWH Unit cost - Credit Meters	c	251.90	289.68	234.39	269.55

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E1C3	KwH Unit cost - Pre-paid meters	c	237.38	272.99	220.88	254.01
E1D	**Life Line One part tariff (Pre-paid meters only) ≤ 30 Amp with Maximum consumption of 350 kWH with average measured over twelve month period. Only available to informal dwellings**					
	kWH Unit cost					
E1D1	IBT BLOCK 1 0 - 350 kWh	c	157.16	180.74	146.24	168.18
E1E	**One part tariff (Pre-paid meters only) Local Economic Development Projects**					
	kWH Unit cost					
E1E1	IBT BLOCK 1 0 - 350 kWh	c	271.54	312.28	252.67	290.57
E3	**THREE PHASE: COMMERCIAL & DOMESTIC**					
E3E	**Two-Part Tariff: Credit up to 100A (70 kVA BDMD) DOMESTIC**					
E3E1	Basic Monthly charge per meter	R	877.31	1 008.91	816.33	938.78
	kWH Unit cost					
E3E2	IBT BLOCK 1 0 - 350 kWh	c	169.90	195.38	158.09	181.80
E3E3	IBT BLOCK 2 351 - 600 kWh	c	248.21	285.44	230.96	265.60
E3E4	IBT BLOCK 3 > 600 kWh	c	301.83	347.10	280.85	322.98
E3E	**Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) DOMESTIC**					
E3E5	Basic Monthly charge per meter	R	877.31	1 008.91	816.33	938.78
	kWH Unit cost					
E3E6	IBT BLOCK 1 0 - 350 kWh	c	156.95	180.49	146.04	167.95
E3E7	IBT BLOCK 2 351 - 600 kWh	c	233.90	268.98	217.64	250.29
E3E8	IBT BLOCK 3 > 600 kWh	c	290.13	333.64	269.96	310.45
E3E	**Two-Part Tariff: Credit up to 100A (70 kVA BDMD) COMMERCIAL**					
E3E9	Basic Monthly charge per meter	R	877.31	1 008.91	816.33	938.78
E3E10	**kWH Unit cost**	c	251.90	289.68	234.39	269.55
E3E	**Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) COMMERCIAL**					
E3E11	Basic Monthly charge per meter	R	877.31	1 008.91	816.33	938.78
E3E12	**kWH Unit cost**	c	237.38	272.99	220.88	254.01
E3G	**One-Part Tariff: Pre-paid only; up to 100A (70 kVA BDMD) Businesses, Flats, Sport grounds, Churches.(minimum of 800kWH average for twelve months)**					
E3G1	kWH Unit cost	c	299.62	344.56	278.79	320.61
E5	**TIME OF USE TARIFF**					
	Service Charge (per month) for MV and LV consumers					
E5A1	Administrative and Service Charge **Medium Voltage** per month	R	4 171.66	4 797.41	3 881.70	4 463.96
E5A1A	Administrative and Service Charge **Low Voltage** per month	R	3 689.45	4 242.86	3 433.00	3 947.95
E5A2	Network Demand Charge kVA: Utilised capacity	R	41.15	47.32	38.29	44.03
E5A3	Network Capacity Charge kVA: Notified Maximum Demand (NMD)	R	32.80	37.72	30.52	35.10
	Medium Voltage Metering Points (11000V)					
E5A4	Off Peak kWh Unit Charge	c	69.23	79.62	64.42	74.08

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E5A5	Standard kWh Unit Charge	c	124.63	143.33	115.97	133.37
E5A6	Peak kWh Unit Charge	c	405.03	465.79	376.88	433.41
	Low Voltage Metering Points (400V)					
E5A7	Off Peak kWh Unit Charge	c	74.44	85.61	69.27	79.66
E5A8	Standard kWh Unit Charge	c	129.81	149.28	120.79	138.91
E5A9	Peak kWh Unit Charge	c	410.23	471.77	381.72	438.98
	Sundry Charges					
E5A10	Exceed NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month	R	1 280.56	1 472.64	1 191.55	1 370.28
E6	**SUBSIDIZED TARIFFS: Grant to be shown separately**					
E6A	Basic Monthly Charge: Residential Indigent as per paragraph A of the Indigent Policy per meter	R	438.66	504.46	408.17	469.40
E6B	Basic Monthly Charge: Residential Indigent as per paragraph B, C & D of the Indigent Policy per meter from 01/07/2022 - 31/10/2022	R	291.60	335.34	291.60	335.34
E6B	Basic Monthly Charge: Residential Indigent as per paragraph B, C & D of the Indigent Policy per meter from 01/11/2022 - 28/02/2023	R	194.40	223.56	291.60	335.34
E6B	Basic Monthly Charge: Residential Indigent as per paragraph B, C & D of the Indigent Policy per meter from 01/03/2023 - 30/06/2023	R	97.20	111.78	291.60	335.34
E7	**PUBLIC LIGHTING & CCTV**					
E7A1	Streetlights & CCTV (metered) per kWh (no basic charge)	c	101.84	117.12	101.84	117.12
E7A2	Streetlights & CCTV (consumption) (per unit/per month) (no basic charge)	R	38.40	44.16	35.73	41.09
E7A5	Illuminated street sign boards per month	R	38.40	44.16	35.73	41.09
E8	**CASUAL SUPPLIES**					
E8A1	Per connection includes disconnection excluding hire of kiosk	R	1 511.80	1 738.57	1 406.72	1 617.73
E8A2	Consumption per day if not metered	R	98.23	112.96	91.40	105.11
E8A3	Hire of temporary distribution kiosk, per kiosk, per occasion	R	592.42	681.28	551.24	633.93
E8A4	Deposit (Usage will be subtracted)	R	2 039.36	no vat	1 897.61	no vat
E8A5	One part tariff : Prepaid or Credit Casual Supply	c	297.95	342.64	277.24	318.83
E9	**NETWORK CHARGES: SERVICED LAND**					
E9A1	Network charge per serviced plot per month	R	438.66	504.46	408.17	469.40
E9A2	Infrastructure per vacant plot per month	R	16.65	19.15	16.65	19.15
E10	**SUNDRY CHARGES**					
E10A1	Call-out Fee - office hours (Based on 2 hours for electr & assist + 30km)	R	787.83	906.00	753.91	867.00
E10A2	Call-out Fee - after hours: Weekdays & Saturdays (Based on 2 hrs (time and a half) for electr & assist + 30km)	R	1 106.09	1 272.00	1 058.26	1 217.00
E10A3	Call-out Fee - after hours: Sundays & Public Holidays (Based on 2 hrs (double time) for electr & assist + 30km)	R	1 422.61	1 636.00	1 361.74	1 566.00
E10A4	MV. Switching on Council's equipment office hours (Based on 3 hours for superintendent & electr + 60km)	R	2 293.91	2 638.00	2 194.78	2 524.00
E10A5	MV. Switching on Council's equipment -after hours: Weekdays & Saturdays (Based on 3 hours (time and a half) for a superintendent and an electrician plus 60km)	R	3 286.96	3 780.00	3 145.22	3 617.00

E10A6	MV. Switching on Council's equipment -after hours: Sundays & Public holidays (Based on 3 hours (double time) for a superintendent and an electrician plus 60km)	R	4 281.74	4 924.00	4 097.39	4 712.00
E10A7	Contractor Inspection 2nd	R	771.30	887.00	738.26	849.00
E10A8	Contractor Inspection 3rd	R	1 164.35	1 339.00	1 113.91	1 281.00
E10A9	Change of Circuit Breaker - S/Phase(1/annum) contact Electricity Department for approval (Based on Circuit Breaker cost + 1 hour for an electrician and assistant + 30km)	R	616.52	709.00	589.57	678.00
E10A10	Change of Circuit Breaker - 3 Phase(1/annum) contact Electricity Department for approval (Based on Circuit Breaker cost + 1 hour for an electrician and assistant + 30km)	R	1 572.17	1 808.00	1 504.35	1 730.00
E10A11	Disconnection	R	378.26	435.00	361.74	416.00
E10A12	Reconnection	R	378.26	435.00	361.74	416.00
E10A13	Verification of a Meter Reading	R	378.26	435.00	361.74	416.00
E10A14	Administration fee - recalculation due to no meter access	R	196.52	226.00	187.83	216.00
E10A15	Test of Meter: 1 & 3 Phase (Conditionally Refundable) External testing	R	726.09	835.00	694.78	799.00
E10A16	Test of Meter: All other Meters (Conditionally Refundable) External testing	R	cost + 15%	applicable vat	cost + 15%	applicable vat
E10A17	Tariff change - change between one part and two-part	R	257.39	296.00	246.09	283.00
E10A18	Damage elect meter (based on meter cost + call out X 2)	R	2 582.61	2 970.00	2 471.30	2 842.00
E10A19	Damage elect meter 3 phase (based on meter cost + call out X 2)	R	3 943.48	4 535.00	3 773.91	4 340.00
E10A20	Replacement of CIU (Meter keypad) (Based on keypad cost and call out fee)	R	1 300.00	1 495.00	1 244.35	1 431.00
E10A21	Damage of Bulk meter or change to SSEG (Based on 3 hours for a superintendent and electrician + 60km + bulk meter cost + modem cost)	R	8 535.65	9 816.00	8 167.83	9 393.00
E10A22	Change to Time of Use (with existing bulk meter) + Deposit	R	770.44	886.00	737.39	848.00
E10A23	Change to Time of Use (without existing bulk meter) + Deposit	R	133 368.70	153 374.00	12 793.04	14 712.00
E10A24	Commission of Bulk meter, supplied by customer (call out fee x 3)	R	2 363.48	2 718.00	2 261.74	2 601.00
E10A25	Damage of HV Cable	R	cost + R43 045.97	applicable vat	cost + R41 192.32	applicable vat
E10A26	Damage of MV Cable	R	cost + R11 252.73	applicable vat	cost + R10 768.16	applicable vat
E10A27	Damage of LV Cable	R	cost + R 4 531.96	applicable vat	cost + R 4 336.80	applicable vat
E10A28	Damage of Service Connection Cable	R	cost + R 1 133.55	applicable vat	cost + R 1 084.72	applicable vat
E10A29	Working without Way leave	R	5 809.57	6 681.00	5 559.13	6 393.00
E10A30	Refundable Wayleave **deposit** for HV cables	R	82 962.00	no vat	79 389.00	no vat
E10A31	Refundable Way leave **deposit** for MV cables	R	20 741.00	no vat	19 848.00	no vat
E10A32	Refundable Way leave **deposit** for LV cables	R	4 482.00	no vat	4 289.00	no vat
E10A33	Cancellation Fee of requested service	R	15% of Service Value	no vat	15% of Service Value	no vat
E10A34	Erection and removal of Banners, signs & lights (per hour) (Vehicle cost + labour)	R	940.00	1 081.00	899.13	1 034.00
E10A35	Replacement of damaged overhead service connection cable (Tariff E13A9 - E10A18)	R	3 992.17	4 591.00	3 800.87	4 371.00
E12	**CONVERSION OF METERS**					
E12A1	Convert Credit Meter to Pre-paid: SP (no cable work) (based on meter cost + call out)	R	1 795.65	2 065.00	1 718.26	1 976.00
E12A2	Convert Credit Meter to Pre-paid: 3P (no cable work) (based on meter cost + call out)	R	3 156.52	3 630.00	3 020.87	3 474.00
E12A3	Convert Credit Three Phase to Singe Phase Pre-paid meter (based on meter cost + call out + CB)	R	1 998.26	2 298.00	1 552.17	1 785.00

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E12A4	Convert Credit Three Phase to Single Phase Credit (Commercial only)	R	1 224.35	1 408.00	1 171.30	1 347.00
E12A5	Convert Pre-paid Single Phase to Three Phase Pre-paid (based on tariff E13A8) cost includes cable to boundary	R	R13 073.12 + ext fee	applicable vat	R12 510.16 + ext fee	applicable vat
E12A6	Convert pre-paid Three phase to Single phase pre-paid (based on meter cost + call out + CB)	R	1 998.26	2 298.00	1 912.17	2 199.00
E12A7	Removal of Meter (based on call out fee)	R	787.83	906.00	753.04	866.00
E12A8	Repositioning of Meter (excl. cable) (based on call out fee)	R	787.83	906.00	753.04	866.00
E12A9	Repositioning of Meter (incl. cable) (based on call out fee + 30m cable)	R	2 599.13	2 989.00	2 486.96	2 860.00
E13	**SERVICE CONNECTIONS**					
E13A1	Builders connection (plus applicable service connection tariff)	R	998.26	1 148.00	955.65	1 099.00
E13A4	Single Phase (Credit - 60A) option for Commercial users only (Based on 30m cable + meter cost + average labour cost + 15% admin fee)	R	7 080.87	8 143.00	6 775.65	7 792.00
E13A6	Single Phase - (Pre-paid meters - 60A) applicable to Domestic users (Network Permitted) (Based on: 30m cable + meter cost + average labour cost + 15% admin fee)	R	7 080.87	8 143.00	6 775.65	7 792.00
E13A7	Three Phase : (Credit - 60A) Plus Extension fee : Extension fee not applicable to Industrial erven up to 60 Amp (Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee)	R	R13 530.66 + ext fee	applicable vat	R12 948.00 + ext fee	applicable vat
E13A8	Three Phase : (Pre-paid - 60A) Plus Extension fee : Extension fee not applicable to Industrial erven up to 60 Amp (Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee)	R	R13 530.66 + ext fee	applicable vat	R12 948.00 + ext fee	applicable vat
E13A9	Non Standard : Pre-paid 30 Amp Single phase (Sub economic connections) (Based on 30m (10mm) cable + meter cost + average labour cost + 15% admin fee)	R	6 574.78	7 561.00	6 291.30	7 235.00
E13A10	Single Phase (Credit 60A- Developer install cable to boundary) option for Commercial users only (Based on meter cost + call out fee + 15% admin fee)	R	2 064.35	2 374.00	1 975.65	2 272.00
E13A11	Single Phase (Pre-paid 60A-Developer install cable to boundary) applicable to Domestic users (Network permitted) (Based on meter cost + call out fee + 15% admin fee)	R	2 064.35	2 374.00	1 975.65	2 272.00
E13A12	Three Phase (Credit 60A- Developer install cable to boundary) : Extension fee not applicable to Industrial erven up to 60 Amp (Based on meter cost + call out fee + 15% admin fee)	R	R3 629.48 + ext fee	applicable vat	R3 473.19 + ext fee	applicable vat
E13A13	Three Phase (Pre-paid 60A-Developer install cable to boundary) : Extension fee not applicable to Industrial erven up to 60 Amp (Based on meter cost + call out fee + 15% admin fee)	R	R3 629.48 + ext fee	applicable vat	R3 473.19 + ext fee	applicable vat
E13A14	Any other none standard connections		cost + 15% admin	applicable vat	cost + 15% admin	applicable vat
E14	**ILLEGAL AND UNSAFE CONNECTION / TAMPERING FEE (Including SSEG and damage or bypass of the DSM Hot Water Cylinder Control Unit**					
E14A1	1 st Offence	R	4 599.00	no vat	4 401.00	no vat
E14A2	2 nd Offence (E14A1 X 2)	R	9 198.00	no vat	8 802.00	no vat
E14A3	3 rd Offence and re-occurance (Disconnection of service and remedial action fee = double previous* offence fee) *based on current tariffs		2 X E14A2	applicable vat	2 X E14A2	applicable vat

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E14A4	Unsafe / Illegal supply of electricity (per visit) **(reconnection fee included)**	R	2 060.00	2 369.00	1 971.30	2 267.00
E15	**UPGRADING CONTRIBUTIONS (BULK INFRASTRUCTURE CONTRIBUTION LEVIES - BICL) (Network permitted : to be approved by Electricity Department)**					
E15A1	Primary Cost p/kVA -include all HV Equipment UP to HV Substation or identified point of supply excluding Dist. TF	R	1 282.61	1 475.00	1 227.19	1 411.27
E15A2	Primary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply excluding Dist. TF	R	3 820.00	4 393.00	3 655.37	4 203.68
E15A3	Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF	R	4 655.65	5 354.00	4 455.58	5 123.92
E15A4	Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF and Kiosk	R	6 074.78	6 986.00	5 813.05	6 685.01
E15A5	Buying/Refund of spare capacity cost/kVA	R	100% of approved installation cost	applicable vat	100% of approved installation cost	applicable vat
E15A6	Investigation Fee	R	4 563.48	5 248.00	4 367.10	5 022.17
E15A7	FACTOR OF 0,36 APPLICABLE ON DOMESTIC USERS : TARIFF : applicable on E15A3 AND E15A4 (Commercial /Business no factor apply)	R	Factor 0.36	applicable vat	Factor 0.36	applicable vat
E18	**SMALL SCALE EMBEDDED GENERATION (SSEG)**					
	This tariff is available only for approved SSEG connections, where the customers offset their small scale generation (kWh) against purchases from the Municipality, provided that their purchases exceed their generation (kWh). This tariff will only be implemented after NERSA's approved Guidelines have been received. The consumer will stay on his existing tariff **(All prepaid customers excluded) Prepaid customers to convert to credit meter and tariff:**					
E18A2	Feed-in Tariff c/kWh	c	90.17	103.69	83.90	96.49
DC2	**DEVELOPMENT CONTRIBUTIONS (BULK INFRASTRUCTURE CONTRIBUTION LEVIES - BICL)**					
DC2A	**Sub Division of existing erf**					
DC2A1	Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A4 = P/ERF **PLUS** STANDARD CONNECTION FEES	R	30 373.90	34 929.99	28 925.51	33 264.34
DC2B	**New Developments**					
DC2B1	Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (13.8 kVA xE15A2 x.36)	R	18 977.76	21 824.42	18 072.58	20 783.47
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2x.36)	R	57 758.40	66 422.16	55 003.50	63 254.03
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	R	3 819.86	4 392.84	3 655.37	4 203.68
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	R	4 656.08	5 354.49	4 455.58	5 123.92

WATER TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2022/2023		2021/2022	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
WD	**CONSUMER DEPOSITS**				
WD1	Domestic - Water	678.00	no vat	646.00	no vat
WD2	Commercial - Water - Consumption < 40kl	2 709.00	no vat	2 582.00	no vat
WD3	Commercial - Water - Consumption 40 - 100kl	9 479.00	no vat	9 036.00	no vat
WD4	Commercial - Water - Consumption 100 kl +	16 249.00	no vat	15 490.00	no vat
WD5	Domestic - Water RUE's	Applicable Rue's X WD1A	no vat	Applicable Rue's X WD1A	no vat
WD6	Indigent - registered (including UISP)	217.00	no vat	207.00	no vat
WDD	**Deposit Defaulters**				
WDD1	Domestic - Water - Two Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
WDD2	Commercial - Water - Consumption < 40kl Two Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
WDD3	Commercial - Water - Consumption 40 - 100kl Two Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
WDD4	Commercial - Water - Consumption 100 kl + Two Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
WDD5	Domestic - Water RUE'sTwo Times average monthly consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
W1	**BASIC CHARGE**				
W1A1	Basic Monthly Charge per erf/unit per month	155.62	178.96	148.35	170.60
W1A2A	Basic Monthly Subsidy : Residential Indigent as per paragraph A of the Indigent Policyper erf/unit per month	155.62	178.96	148.35	170.60
W1A2B	Basic Monthly Subsidy: Residential Indigent as per paragraph B, C & D of the Indigent Policy per erf/unit per month from 01/07/2022 - 31/10/2022	129.14	148.51	129.14	148.51
W1A2B	Basic Monthly Subsidy: Residential Indigent as per paragraph B, C & D of the Indigent Policy per erf/unit per month from 01/11/2022 - 28/02/2023	86.09	99.00	129.14	148.51
W1A2B	Basic Monthly Subsidy: Residential Indigent as per paragraph B, C & D of the Indigent Policy per erf/unit per month from 01/03/2023 - 30/06/2023	43.05	49.51	129.14	148.51
W1A3	**Infrastructure**				
W1A3A	Fixed Infrastructure Basic Charge per erf/unit per month (No 1 end date 30 June 2026)	15.45	17.77	15.45	17.77
W1A3B	Fixed Infrastructure Basic Charge per erf/unit per month (No 2 end date 30 June 2029)	8.41	9.67	8.41	9.67
W1A3C	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households (No 2 end date 30 June 2029)	8.41	9.67	8.41	9.67
	See attachment for the amount of RUE's allocated to different household consumers				
W1B	**CONSUMPTION - HOUSEHOLDS**				

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	Normal Tariff & Level 1 water restrictions				
W1B1	0 - 6 kl per kl	6.38	7.33	6.08	6.99
W1B2	7 - 18 kl per kl	13.08	15.04	12.47	14.34
W1B3	19 - 30 kl per kl	21.22	24.40	20.23	23.26
W1B4	31 - 45 kl per kl	32.68	37.58	31.15	35.82
W1B5	46 - 60 kl per kl	42.43	48.80	40.45	46.52
W1B6	>60kl per kl	56.58	65.07	53.94	62.03
	Restriction Tariff 1 (level 2 & 3 water restrictions)				
W1B7	0 - 6 kl per kl	6.38	7.33	6.08	6.99
W1B8	7 - 18 kl per kl	17.01	19.56	16.21	18.64
W1B9	19 - 30 kl per kl	27.59	31.73	26.30	30.24
W1B10	31 - 45 kl per kl	42.48	48.85	40.50	46.57
W1B11	46 - 60 kl per kl	55.16	63.44	52.59	60.47
W1B12	>60kl per kl	73.56	84.59	70.12	80.64
	Restriction Tariff 2 (level 4 & 5 water restrictions)				
W1B13	0 - 6 kl per kl	6.38	7.33	6.08	6.99
W1B14	7 - 18 kl per kl	20.93	24.07	19.95	22.94
W1B15	19 - 30 kl per kl	33.95	39.05	32.37	37.22
W1B16	31 - 45 kl per kl	52.28	60.12	49.84	57.32
W1B17	46 - 60 kl per kl	67.89	78.07	64.72	74.43
W1B18	>60kl per kl	90.53	104.11	86.30	99.25
	Restriction Tariff 3 (level 6 water restrictions)				
W1B19	0 - 6 kl per kl	6.38	7.33	6.08	6.99
W1B20	7 - 18 kl per kl	26.16	30.09	24.94	28.68
W1B21	19 - 30 kl per kl	42.44	48.81	40.46	46.53
W1B22	31 - 45 kl per kl	65.35	75.16	62.30	71.65
W1B23	46 - 60 kl per kl	84.86	97.59	80.90	93.04
W1B24	>60kl per kl	113.17	130.14	107.88	124.06
W1BI	**CONSUMPTION - REGISTERED INDIGENT HOUSEHOLDS**				
	Normal Tariff & Level 1 water restrictions				
W1BI1	0 - 10 kl per kl - **subsidised**	6.38	7.33	6.08	6.99
W1BI2	11 - 18 kl per kl	13.08	15.04	12.47	14.34
W1BI3	19 - 30 kl per kl	21.22	24.40	20.23	23.26
W1BI4	31 - 45 kl per kl	32.68	37.58	31.15	35.82
W1BI5	46 - 60 kl per kl	42.43	48.80	40.45	46.52
W1BI6	>60kl per kl	56.58	65.07	53.94	62.03
	Restriction Tariff 1 (level 2 & 3 water restrictions)				
W1BI7	0 - 10 kl per kl - **subsidised**	6.38	7.33	6.08	6.99
W1BI8	11 - 18 kl per kl	17.01	19.56	16.21	18.64
W1BI9	19 - 30 kl per kl	27.59	31.73	26.30	30.24

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W1BI10	31 - 45 kl per kl	42.48	48.85	40.50	46.57
W1BI11	46 - 60 kl per kl	55.16	63.44	52.59	60.47
W1BI12	>60kl per kl	73.56	84.59	70.12	80.64
	Restriction Tariff 2 (level 4 & 5 water restrictions)				
W1BI13	0 - 10 kl per kl - **subsidised**	6.38	7.33	6.08	6.99
W1BI14	11 - 18 kl per kl	20.93	24.07	19.95	22.94
W1BI15	19 - 30 kl per kl	33.95	39.05	32.37	37.22
W1BI16	31 - 45 kl per kl	52.28	60.12	49.84	57.32
W1BI17	46 - 60 kl per kl	67.89	78.07	64.72	74.43
W1BI18	>60kl per kl	90.53	104.11	86.30	99.25
	Restriction Tariff 3 (level 6 water restrictions)				
W1BI19	0 - 10 kl per kl - **subsidised**	6.38	7.33	6.08	6.99
W1BI20	11 - 18 kl per kl	26.16	30.09	24.94	28.68
W1BI21	19 - 30 kl per kl	42.44	48.81	40.46	46.53
W1BI22	31 - 45 kl per kl	65.35	75.16	62.30	71.65
W1BI23	46 - 60 kl per kl	84.86	97.59	80.90	93.04
W1BI24	>60kl per kl	113.17	130.14	107.88	124.06
W1C	**CONSUMPTION - ALL OTHER**				
	Normal Tariff & Level 1 water restrictions				
W1C1	0 - 18 kl per kl	14.47	16.64	13.79	15.86
W1C2	19 - 30 kl per kl	21.22	24.40	20.23	23.26
W1C3	31 - 45 kl per kl	32.68	37.58	31.15	35.82
W1C4	46 - 60 kl per kl	42.43	48.80	40.45	46.52
W1C5	>60 kl per kl	56.58	65.07	53.94	62.03
	Restriction Tariff 1 (level 2 & 3 water restrictions)				
W1C6	0 - 18 kl per kl	18.81	21.63	17.93	20.62
W1C7	19 - 30 kl per kl	27.59	31.73	26.30	30.24
W1C8	31 - 45 kl per kl	42.48	48.85	40.50	46.57
W1C9	46 - 60 kl per kl	55.16	63.44	52.59	60.47
W1C10	>60 kl per kl	73.56	84.59	70.12	80.64
	Restriction Tariff 2 (level 4 & 5 water restrictions)				
W1C11	0 - 18 kl per kl	23.15	26.62	22.06	25.37
W1C12	19 - 30 kl per kl	33.95	39.05	32.37	37.22
W1C13	31 - 45 kl per kl	52.28	60.12	49.84	57.32
W1C14	46 - 60 kl per kl	67.89	78.07	64.72	74.43
W1C15	>60 kl per kl	90.53	104.11	86.30	99.25
	Restriction Tariff 3 (level 6 water restrictions)				
W1C16	0 - 18 kl per kl	28.93	33.27	27.58	31.72
	19 - 30 kl per kl	42.44	48.81	40.46	46.53
	31 - 45 kl per kl	65.35	75.16	62.30	71.65

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	46 - 60 kl per kl	84.86	97.59	80.90	93.04
W1C17	>60 kl per kl	113.17	130.14	107.88	124.06
W1D	**OTHER CONSUMERS**				
W1D1	Departmental per Kl (Including temporary connection for municipal purposes)	28.46	32.73	25.19	28.97
W1D2	Fire Hoses: Basic per Month	198.04	227.75	188.79	217.11
W1D3	Bulk usage (Unconnected to networks) per Kl - Consumers Permanently residing within Overstrand municipality area	16.02	18.42	15.27	17.56
W1D3A	Restriction Tariff 1 (level 2 & 3 water restrictions)	20.82	23.95	19.85	22.83
W1D3B	Restriction Tariff 2 (level 4 & 5 water restrictions)	25.63	29.47	24.43	28.10
W1D3C	Restriction Tariff 3 (level 6 water restrictions)	32.04	36.84	30.54	35.12
W1D4	Kid Brooke (Van Cauter 0 - 8000kl per year)	0.08	0.09	0.08	0.09
W1D5	Onrus Small Holdings tariff 2 (Van Cauter)	0.08	0.09	0.08	0.09
W1D6	Onrus Small Holdings tariff 4 (Per agreement)	1.11	1.28	1.11	1.28
W1D7	Contractors water consumption - temporary connection (only for municipal purposes)	28.46	32.73	25.19	28.97
W1D8	Bulk usage (Unconnected to networks) per Kl - People residing outside the Overstrand municipal area	59.40	68.32	56.63	65.12
W1D8A	Restriction Tariff 1 (level 2 & 3 water restrictions)	77.23	88.81	73.62	84.66
W1D8B	Restriction Tariff 2 (level 4 & 5 water restrictions)	95.05	109.30	90.61	104.20
W1D8C	Restriction Tariff 3 (level 6 water restrictions)	118.81	136.63	113.26	130.25
W1E	**WET COMMERCIAL, SPORT, PARKS etc (must apply for this tariff)**				
	Normal Tariff & Level 1 water restrictions				
W1E1	0 - 500kl per kl	21.05	24.21	20.07	23.08
W1E2	501 - 1000kl per kl	31.84	36.61	30.35	34.90
W1E3	>1000kl per kl	42.45	48.82	40.47	46.54
	Restriction Tariff 1 (level 2 & 3 water restrictions)				
W1E4	0 - 300kl per kl	27.37	31.47	26.09	30.00
W1E5	301 - 700kl per kl	41.39	47.60	39.46	45.37
W1E6	>700kl per kl	55.19	63.47	52.61	60.50
	Restriction Tariff 2 (level 4 & 5 water restrictions)				
W1E7	0 - 250kl per kl	33.69	38.74	32.11	36.93
W1E8	251 - 500kl per kl	50.94	58.58	48.56	55.84
W1E9	>500kl per kl	67.92	78.11	64.75	74.46
	Restriction Tariff 3 (level 6 water restrictions)				
W1E10	0 - 100kl per kl	42.11	48.42	40.14	46.16
W1E11	>100 kl per kl	84.91	97.64	80.94	93.08
W1F	**WET INDUSTRY (Marine etc. must apply for this tariff) (Average of 100kl per day over previous 365 days**				
	Normal Tariff & Level 1 water restrictions				
W1F1	0 - 5800kl per kl	21.93	25.22	20.91	24.05
W1F2	> 5800kl per kl	42.45	48.82	40.47	46.54
	Restriction Tariff 1 (level 2 & 3 water restrictions)				

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W1F3	0 - 5800kl per kl	28.51	32.79	27.18	31.26
W1F4	> 5800kl per kl	55.19	63.47	52.61	60.50
	Restriction Tariff 2 (level 4 & 5 water restrictions)				
W1F5	0 - 5800kl per kl	35.10	40.36	33.46	38.47
W1F6	> 5800kl per kl	67.92	78.11	64.75	74.46
	Restriction Tariff 3 (level 6 water restrictions)				
W1F7	0 - 5 800kl per kl	43.87	50.45	41.82	48.09
W1F8	>5 800 kl per kl	84.91	97.64	80.94	93.08
W2A	**AVAILABILITY CHARGES**				
W2A1	Overstrand per month	155.62	178.96	148.35	170.60
W2A2	Farms connected to water pipe line	155.62	178.96	148.35	170.60
W2J	**REBATES (This can be granted by the Municipal Manager after application) refer to Policy # 6.8.1**				
W2J1	Kl above average - per kl	28.46	32.73	25.19	28.97
W3A	**IRRIGATION WATER ("LEI WATER") & RAW WATER**				
W3A1	Use and pump water (80-90 min) per MONTH Stanford	47.56	54.70	45.34	52.14
W3A2	Pearly Beach Small Holdings: Basic	58.04	66.75	55.33	63.63
W3A3	Pearly Beach Small Holdings: Consumption 0- 70 kl per kl	4.52	5.20	4.33	4.98
W3A4	Pearly Beach Small Holdings: Consumption >70 kl per kl	10.63	12.22	10.13	11.65
W3A5	Others per kl	4.52	5.20	4.33	4.98
W3A6	Farm Rem 1/722 Stanford as per agreement, 0.875% of raw water abstraction from municipal boreholes, to a maximum of 4380 kl/a, per kl	0.00	0.00	0.00	0.00
W3A6A	Farm 10/722 Stanford as per agreement, 0.875% of raw water abstraction from municipal boreholes, to a maximum of 4380 kl/a, per kl	0.00	0.00	0.00	0.00
W3A6B	Farms Rem 1/722 and 10/722 Stanford as per agreement, raw water abstraction from boreholes in excess of 0.875% of municipal abstraction per property, per kl	4.52	5.20	new	new
W3A7	Farm 586 Volmoed raw water from De Bos pipeline consumption 0 - 300 kl/month per kl	0.00	0.00	0.00	0.00
W3A8	Farm 586 Volmoed raw water from De Bos pipeline consumption >300 kl/month per kl	4.52	5.20	4.31	4.96
W3B	**IRRIGATION WATER - (TREATED EFFLUENT)**				
W3B2	Hermanus Golf Club per month	51 630.30	59 374.85	49 218.59	56 601.38
W3B3	All other per kl	2.91	3.34	2.77	3.19
W3B4	Schools, municipal sports grounds & project sport grounds as per agreement	no charge	no vat	no charge	no vat
W3B5	Curro Holdings - 250kl free per day as per deed of sale	2.91	3.34	2.77	3.19
W4	**SUNDRY CHARGES**				
W4A1	Testing of a Meter (Call-out Fee incl)	1 035.65	1 191.00	991.30	1 140.00
W4A2	Testing of a Meter (Ind/Bulk Meter) **** Minimum charge of R500***	Cost plus 15%	applicable vat	Cost plus 15%	applicable vat
W4A3	Disconnection	469.57	540.00	449.57	517.01
W4A4	Reconnection	469.57	540.00	449.57	517.01
W4A5	Reconnection After Normal Working Hours	940.00	1 081.00	899.13	1 034.00
W4A6	Administration fee - recalculation due to no meter access	182.61	210.00	175.05	201.31

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W4A7	Verification of a Meter Reading	257.39	296.00	246.09	283.00
W4A8	Final and Special Readings	235.65	271.00	225.22	259.00
W4A9	Call-out Fee - Normal Working Hours	468.70	539.00	448.70	516.01
W4A10	Call-out Fee - After Hours	938.26	1 079.00	898.26	1 033.00
W4A11	Replacement of damage meter	1 259.13	1 448.00	1 205.22	1 386.00
W4A12	Removal of Meter (based on call out fee)	1 035.65	1 191.00	991.30	1 140.00
W4A13	Registration of Borehole (Including inspection fee)	351.30	404.00	336.52	387.00
W4A14	Repositioning of Meter (excl. pipe)	1 031.30	1 186.00	986.96	1 135.00
W4A15	Convert to Water Flow Restrictor Meter	3 357.39	3 861.00	3 213.04	3 695.00
W4A16	Temporary Connections - Deposit	8 835.00	no vat	8 455.00	no vat
W4A17	Temporary Connection - Usage per kl	28.46	32.73	25.19	28.97
W4A18	Damage of Water Meter	Actual cost plus 15%	applicable vat	Actual cost plus 15%	applicable vat
W4A19	Damage of Watermain	Actual cost plus R3 551.66	applicable vat	Actual cost plus R3 398.72	applicable vat
W4A20	Damage of Service Connection (including water meter)	Actual cost plus R933.56	applicable vat	Actual cost plus R893.36	applicable vat
W5	**ILLEGAL CONNECTION / TAMPERING FEE**				
W5A1	1st Offence	7 838.00	no vat	7 500.00	no vat
W5A2	2 nd Offence Must convert to a flow-restriction watermeter at applicable tariff plus	9 196.00	no vat	8 800.00	no vat
W5A3	3rd Offence (Restriction of service and remedial action fee = double previous offence fee)	Previous offence amount X 2	no vat	Previous offence amount X 2	no vat
W6	**CONNECTION FEE**				
W6A1	20 mm Connection Conventional Meter	5 741.74	6 603.00	5 494.78	6 319.00
W6A2	20 mm Connection Water Flow Restrictor Meter	6 819.13	7 842.00	6 525.22	7 504.00
W6A3	Other Connections	Actual cost plus 15%	applicable vat	Actual cost plus 15%	applicable vat
W6A4	Connections (Erf Boundary - by Developer)	1 493.04	1 717.00	1 428.70	1 643.01
W7	**BULK SERVICES DEVELOPMENT FEES**				
	Tariffs set out in Development Contribution Tariff list				

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ANNEXURE TO WATER TARIFFS

ALLOCATION OF RUE's TO CATEGORIES OF CONSUMERS

Clinics - Out patients	* 1 RUE
Flats	* 1 RUE per Unit
Guest Houses and B & B's	* 1 RUE
Household related consumers that do not fall in one of the above household consumer categories	* Upon application the Engineering & Financial Departments will assess the validity within the tariff's structural framework
Old Age Homes, Hostels & Boarding School	* 1 RUE per 7 beds
Retirement Villages, Hospital & Hospice	* 1 RUE per 1 residential unit * 1 RUE per 7 beds
Single Residential erven	* 1 RUE
Townhouse and Group developments	* 1 RUE per unit (Please note that Townhouse/Group Developments must apply should they require more than 1 RUE during development) * RUE's only applicable from date of application and approval

RUE = Residential Unit Equivalent

DEVELOPMENT CONTRIBUTION TARIFFS (BULK INFRASTRUCTURE CONTRIBUTION LEVIES - BICL) (ROUNDING APPLICABLE)

Tariff Code	Detail	2022/2023		2021/2022	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
		R	R	R	R
DC1	**WATER**				
DC1A	Standard Fee per Equivalent Unit	22 640.00	26 036.00	21 665.22	24 915.00
DC2	**ELECTRICITY**				
DC2A	**Sub Division of Existing Erf**				
DC2A1	Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A4 = P/ERF **PLUS** Standard Connection Fees	30 373.90	34 929.99	28 925.51	33 264.34
DC2B	**New Developments**				
DC2B1	Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (Based on 13.8 kVA xE15A2 x.36)	18 977.76	21 824.42	18 072.58	20 783.47
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (Based on 42kVA x E15A2x.36)	57 758.40	66 422.16	55 003.50	63 254.03
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	3 819.86	4 392.84	3 655.37	4 203.68
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	4 656.08	5 354.49	4 455.58	5 123.92
DC3	**SEWERAGE**				
DC3A	Standard Fee per Equivalent Unit	15 265.22	17 555.00	14 607.93	16 799.12
DC4	**ROADS**				
DC4A	Standard Fee per Equivalent Unit	6 845.22	7 872.00	6 550.19	7 532.72
DC5	**STORMWATER**				
DC5A	Standard Fee per Equivalent Unit	7 897.39	9 082.00	7 557.64	8 691.29
DC6	**SOLID WASTE**				
DC6A	Standard Fee per Equivalent Unit	1 368.70	1 574.00	1 309.50	1 505.93
DC7	**OFF-GRID DEVELOPMENT/UNITS**				
DC7A	As per signed agreement as recommended by the Director: Infrastructure and Planning and approval by the Municipal Manager	as per agreement	applicable vat	as per agreement	applicable vat
DC8	**EVALUATION/INVESTIGATION LEVIES are payable OVER and ABOVE the Bulk Service Levies**				
DC8A	**Water**				
	No. of Equivalent units				
DC8A1	1 - 4	no charge	no vat	no charge	no vat
DC8A2	5 - 10	9 482.61	10 905.00	9 073.91	10 435.00
DC8A3	11 - 25	15 966.96	18 362.00	15 279.13	17 571.00
DC8A4	26 - 50	21 968.70	25 264.00	21 022.61	24 176.00
DC8A5	51 - 100	25 209.57	28 991.00	24 124.35	27 743.00
DC8A6	101 - 250	27 970.44	32 166.00	26 766.09	30 781.00
DC8A7	251 - 500	32 652.17	37 550.00	31 246.09	35 933.00

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DC8A8	501 - 2000	36 853.04	42 381.00	35 266.09	40 556.00
DC8A9	2000 – 5000	44 296.52	50 941.00	42 388.70	48 747.01
DC8A10	> 5001	50 299.13	57 844.00	48 133.04	55 353.00
DC8E	**Sanitation**				
	No. of Equivalent units				
DC8E1	1 - 4	no charge	no vat	no charge	no vat
DC8E2	5 - 10	9 482.61	10 905.00	9 073.91	10 435.00
DC8E3	11 - 25	15 966.96	18 362.00	15 279.13	17 571.00
DC8E4	26 - 50	21 968.70	25 264.00	21 022.61	24 176.00
DC8E5	51 - 100	25 209.57	28 991.00	24 124.35	27 743.00
DC8E6	101 - 250	27 970.44	32 166.00	26 766.09	30 781.00
DC8E7	251 - 500	32 652.17	37 550.00	31 246.09	35 933.00
DC8E8	501 - 2000	36 853.04	42 381.00	35 266.09	40 556.00
DC8E9	2000 – 5000	44 296.52	50 941.00	42 388.70	48 747.01
DC8E10	> 5001	50 299.13	57 844.00	48 133.04	55 353.00

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RESORTS TARIFF LIST (ROUNDING APPLICABLE)

Tariff Code	Detail	2022/2023		2021/2022	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
	** A deposit of 50% of the total amount payable is applicable to secure the booking				
	** On cancellation of the booking an administration fee of 15% will deducted from the deposit				
	** On cancellation of the booking less than 14 days prior to the commencement of the booking period, the deposit **will not** be paid back				
R 1	**PALMIET & KLEINMOND CARAVAN PARKS**				
R1A	**Peak Season - 1 December - 31 January & Easter Weekend**				
R1A1	A Stands per day	450.44	518.00	431.30	496.00
R1A2	B Stands per day	361.74	416.00	346.09	398.00
R1A3	C Stands per day	321.74	370.00	307.83	354.00
R1B	**Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)**				
R1B1	A Stands per day	249.57	287.00	239.13	275.00
R1B2	B Stands per day	214.78	247.00	205.22	236.00
R1B3	C Stands per day	196.52	226.00	187.83	216.00
	The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day				
R1F	**Sundry Costs**				
R1F1	Electricity if available per stand per day	28.04	32.24	26.09	30.00
R1F2	Additional persons up to a maximum of two (2) - per person per day	65.22	75.00	62.61	72.00
R1F3	Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day	37.39	43.00	35.65	41.00
R1F4	Day visitors for campers up to a maximum of four (4) per person per day	65.22	75.00	62.61	72.00
R1F5	Day visitors vehicle per day	49.57	57.00	47.83	55.00
	NOTE: Special arrangements must be made with the Camp Manager to allow day visitors				
R1F6	Children under two (2) years	no charge	no vat	no charge	no vat
R1F7	Children under twelve (12)	32.17	37.00	30.44	35.01
R1F8	Gate Card / Key Deposit per set - Refundable	189.00	no vat	181.00	no vat
R1J	**Off-Peak: Pensioners,Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers**				
	Note: Pensioners to be defined as persons sixty (60) years and older				
R1J1	May get a discount on the stands	50%	applicable vat	50%	applicable vat
R1J2	Qulify for a reduced tariff for a period of 30 days	3 034.78	3 490.00	2 904.35	3 340.00
R 10	**KLEINMOND: FRANK ROBB HUT**				
R10A	Camping per person per day (Maximum of 10 persons)	106.96	123.00	102.61	118.00
R 20	**ONRUS CARVAN PARK: PLETT HOUSE**				
R20A	Peak Season - 1 December - 31 January & Easter Weekend	498.26	573.00	476.52	548.00
R20B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)	308.70	355.00	295.65	340.00
R 30	**ONRUS CARVAN PARK**				
R30A	**Peak Season - 1 December - 31 January & Easter Weekend**				

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R30A1	A Stands per day	490.44	564.00	469.57	540.01
R30A2	B Stands per day	376.52	433.00	360.00	414.00
R30A3	C Stands per day	344.35	396.00	329.57	379.01
R30B	**Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)**				
R30B1	A Stands per day	271.30	312.00	260.00	299.00
R30B2	B Stands per day	229.57	264.00	220.00	253.00
R30B3	C Stands per day	214.78	247.00	205.22	236.00
	The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day				
R30F	**Sundry Costs**				
R30F1	Electricity if available per stand per day	28.04	32.24	26.09	30.00
R30F2	Additional persons up to a maximum of two (2) - per person per day	72.17	83.00	68.70	79.01
R30F3	Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day	39.13	45.00	37.39	43.00
R30F4	Children under two (2) years	no charge	no vat	no charge	no vat
R30F5	Children under twelve (12)	37.39	43.00	35.65	41.00
R30F6	Daily Functions (pre-arrangement) per day	178.26	205.00	170.44	196.01
R30F7	Full 30 day Rental	4 851.30	5 579.00	4 642.61	5 339.00
R30F8	Gate Card / Key Deposit per set - Refundable	192.00	no vat	184.00	no vat
R30J	**Annual Rental**				
R30J1	Rental per annum	15 873.04	18 254.00	15 189.57	17 468.01
	Plus:				
R30J2	Pergola with covering per annum	1 701.74	1 957.00	1 628.70	1 873.01
R30J3	Water tap per annum	362.61	417.00	346.96	399.00
R30J4	Structure for storing purposes per annum	362.61	417.00	346.96	399.00
R30J5	Permanent fireplace structure per annum	362.61	417.00	346.96	399.00
R30J6	Electricity per stand per annum	1 419.97	1 632.96	1 321.27	1 519.46
R30L	**Off-Peak: Pensioners,Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers**				
	Note: Pensioners to be defined as persons sixty (60) years and older				
R30L1	May get a discount on the stands	50%	applicable vat	50%	applicable vat
R30L2	Qualify for a reduced tariff for a period of 30 days	3 335.65	3 836.00	3 192.17	3 671.00
R 60	**GANSBAAAI CARAVAN PARK**				
R60A	**Peak Season - 1 December - 31 January & Easter Weekend**				
R60A1	A+ Stands per day	400.00	460.00	382.61	440.00
R60A2	A Stands per day	318.26	366.00	304.35	350.00
R60A3	B Stands per day	249.57	287.00	239.13	275.00
R60A4	C Stands per day	226.96	261.00	217.39	250.00
R60B	**Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)**				
R60B1	A+ Stands per day	273.04	314.00	260.87	300.00
R60B2	A Stands per day	236.52	272.00	226.09	260.00

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R60B3	B Stands per day	213.91	246.00	204.35	235.00
R60B4	C Stands per day	195.65	225.00	186.96	215.00
	The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day				
R60F	**Sundry Costs**				
R60F1	Additional persons up to a maximum of two (2) - per person per day	65.22	75.00	62.61	72.00
R60F2	Additional vehicle or small trailer or small boat - per unit per day	46.96	54.00	45.22	52.00
R60F3	Children under two (2) years	no charge	no vat	no charge	no vat
R60F4	Children under twelve (12)	32.17	37.00	30.44	35.01
R60F5	Day visitors for campers up to a maximum of four (4) per person per day	46.96	54.00	45.22	52.00
R60F6	Gate Card / Key Deposit per set - Refundable	188.00	no vat	180.00	no vat
R60J	**Annual Rental**				
R60J1	Rental per annum	8 910.44	10 247.00	8 526.96	9 806.00
E60K	**Off-Peak: Pensioners,Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers**				
	Note: Pensioners to be defined as persons sixty (60) years and older				
R60K1	May get a discount on the stands	50%	applicable vat	50%	applicable vat
R 80	**HAWSTON DAY CAMPING SITE**				
R80A	**Peak Season - 1 December - 31 January & Easter Weekend**				
R80A1	Camping Sites	214.78	247.00	205.22	236.00
R80A2	Parking Fees per vehicle (excluding busses >20 seats)	16.52	19.00	15.65	18.00
R80A3	Per Bus >20 seats	183.48	211.00	175.65	202.00
R80A4	Entrance Fee: Adults (per person)	16.52	19.00	15.65	18.00
R80A5	Entrance Fee: Children (per child < 12)	4.52	5.20	4.35	5.00
R80B	**Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)**				
R80B1	Camping Sites	116.52	134.00	111.30	128.00
R80B2	Parking Fees per vehicle (excluding busses >20 seats)	16.52	19.00	15.65	18.00
R80B3	Per Bus >20 seats	183.48	211.00	175.65	202.00
R80B4	Entrance Fee: Adults (per person)	16.52	19.00	15.65	18.00
R80B5	Entrance Fee: Children (per child < 12)	4.52	5.20	4.35	5.00
R80B6	The above tariffs include for up to six (6) persons and one (1) vehicle with one trailor or caravan or small boat per day				
R80E	**Sundry Costs**				
R80E1	Electricity if available per stand per day	28.70	33.00	26.09	30.00
R80E2	Additional vehicle or small trailer or small boat - per unit per day	44.35	51.00	42.61	49.00
R80E3	Events - partial or whole day camp site, per day or portion of the day (Excluding other services eg. Refuse collection, electricity etc.)	606.96	698.00	580.87	668.00
R80J	**Off-Peak: Pensioners,Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers**				
	Note: Pensioners to be defined as persons sixty (60) years and older				
R80J1	May get a discount on the stands	50%	applicable vat	50%	applicable vat

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ANNEXURE D

TARIFF BASKETS

MONTHLY BASKET OF TARIFFS - SINGLE RESIDENTIAL 2022/2023

Residential			Year	Year	Increase/Decrease	
High Consumption with credit elect meter			2021/2022	2022/2023	Amount	%
Valuation	R3 500 000					
Rates			1 426.00	1 510.13	84.13	5.90
Sewer	SE7A1+SE8A		653.35	681.44	28.09	4.30
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week		201.59	213.48	11.89	5.90
Water	50 kl		1 246.73	1 307.82	61.09	4.90
VAT		15%	323.28	338.44	15.16	4.69
SUB TOTAL			**3 904.49**	**4 104.86**	**200.37**	**5.13**
Electricity Credit Meter	1500 kWh		4 074.73	4 379.11	304.38	7.47
VAT		15%	611.21	656.87	45.66	7.47
TOTAL			**8 590.43**	**9 140.84**	**550.41**	**6.41**
SRA Rate as might be applicable to be added						

High Consumption with prepaid elect meter			2021/2022	2022/2023	Amount	%
Valuation	R3 500 000					
Rates			1 426.00	1 510.13	84.13	5.90
Sewer	SE7A1+SE8A		653.35	681.44	28.09	4.30
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week		201.59	213.48	11.89	5.90
Water	50 kl		1 246.73	1 307.82	61.09	4.90
VAT		15%	323.28	338.44	15.16	4.69
SUB TOTAL			**3 904.49**	**4 104.86**	**200.37**	**5.13**
Electricity Prepaid Meter	1500 kWh		3 901.21	4 192.63	291.42	7.47
VAT		15%	585.18	628.89	43.71	7.47
TOTAL			**8 390.88**	**8 926.38**	**535.51**	**6.38**
SRA Rate as might be applicable to be added						

Medium Consumption with credit elect meter			2021/2022	2022/2023	Amount	%
Valuation	R2 500 000					
Rates			1 012.67	1 072.41	59.75	5.90
Sewer	SE7A1+SE8A		392.78	409.66	16.89	4.30
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week		201.59	213.48	11.89	5.90
Water	25 kl		476.08	499.41	23.33	4.90
VAT		15%	168.60	176.41	7.82	4.64
SUB TOTAL			**2 305.25**	**2 424.92**	**119.68**	**5.19**
Electricity Credit Meter	800 kWh		2 096.53	2 253.14	156.61	7.47
VAT		15%	314.48	337.97	23.49	7.47
TOTAL			**4 716.26**	**5 016.04**	**299.78**	**6.36**
SRA Rate as might be applicable to be added						

Medium Consumption with prepaid elect meter			2021/2022	2022/2023	Amount	%
Valuation	R2 500 000					
Rates			1 012.67	1 072.41	59.75	5.90
Sewer	SE7A1+SE8A		392.78	409.66	16.89	4.30
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week		201.59	213.48	11.89	5.90
Water	25 kl		476.08	499.41	23.33	4.90
VAT		15%	168.60	176.41	7.82	4.64
SUB TOTAL			**2 305.25**	**2 424.92**	**119.68**	**5.19**
Electricity Prepaid Meter	800 kWh		1 999.66	2 149.03	149.37	7.47
VAT		15%	299.95	322.35	22.41	7.47
TOTAL			**4 604.85**	**4 896.31**	**291.46**	**6.33**
SRA Rate as might be applicable to be added						

Low Consumption with credit meter			2021/2022	2022/2023	Amount	%
Valuation	R1 000 000					
Rates			392.67	415.83	23.17	5.90
Sewer	SE7A1+SE8A		288.55	300.95	12.41	4.30
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week		201.59	213.48	11.89	5.90
Water	15 kl		297.06	311.62	14.56	4.90
VAT		15%	126.11	131.94	5.83	4.62
SUB TOTAL			**1 359.51**	**1 427.37**	**67.85**	**4.99**
Electricity Credit Meter	600 kWh		1 531.33	1 645.72	114.39	7.47
VAT		15%	229.70	246.86	17.16	7.47
TOTAL			**3 120.54**	**3 319.94**	**199.40**	**6.39**
SRA Rate as might be applicable to be added						

Low Consumption with prepaid elect meter				2021/2022	2022/2023	Amount	%
	Valuation	R1 000 000					
Rates				392.67	415.83	23.17	5.90
Sewer	SE7A1+SE8A			288.55	300.95	12.41	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			201.59	213.48	11.89	5.90
Water		15 kl		297.06	311.62	14.56	4.90
VAT			15%	126.11	131.94	5.83	4.62
SUB TOTAL				1 359.51	1 427.37	67.85	4.99
Electricity Prepaid Meter		600 kWh		1 456.36	1 565.14	108.79	7.47
VAT			15%	218.45	234.77	16.32	7.47
SUB TOTAL				3 034.32	3 227.28	192.96	6.36
SRA Rate as might be applicable to be added							

Life-Line Consumption (ONE PART) (Indigent)				2021/2022	2022/2023	Amount	%
	Valuation	R50 000					
Rates				0.00	0.00	0.00	0.00
Sewer	SE7A1			20.85	21.74	0.90	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	1X Per Week			0.00	0.00	0.00	0.00
Water		6 kl		24.94	0.00	-24.94	-100.00
VAT			15%	13.12	9.52	-3.61	-27.48
SUB TOTAL				100.61	72.96	-27.65	-27.48
Electricity Pre-paid		300 kWh		438.72	471.49	32.77	7.47
VAT			15%	65.81	70.72	4.92	7.47
TOTAL				605.14	615.17	10.04	1.66
SRA Rate as might be applicable to be added							

Conservancy Tanks						
If tariff SE7 is not applicable		2021/2022	2022/2023	Amount	%
Smaller than 6kl		608.14	634.29	26.15	4.30
Greater than 6kl		608.14	634.29	26.15	4.30
Outside urban area Plus	per km	17.83	18.60	0.77	4.30
Plus	Per hour	365.20	380.90	15.70	4.30
After hours					
Smaller than 6kl		1 216.28	1 268.58	52.30	4.30
Greater than 6kl		1 216.28	1 268.58	52.30	4.30

Sub-Economic Consumption (Indigent)				2021/2022	2022/2023	Amount	%
	Valuation	R50 000					
Rates				0.00	0.00	0.00	0.00
Sewer	SE7A1			0.00	0.00	0.00	0.00
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	1X Per Week			0.00	0.00	0.00	0.00
Water		6 kl		0.00	0.00	0.00	0.00
VAT			15%	6.26	6.26	0.00	0.00
SUB TOTAL				47.96	47.96	0.00	0.00
Electricity Prepaid Meter		150 kWh		216.99	233.20	16.21	7.47
VAT			15%	32.55	34.98	2.43	7.47
TOTAL				297.49	316.13	18.64	6.27

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MONTHLY BASKET OF TARIFFS - BUSINESS 2018/2019

Business - Large (Time of Use)				2021/2022	2022/2023	Amount	%
	Valuation	R35 000 000					
Rates				27 387.50	29 003.36	1 615.86	5.90
Sewer	SE7D1+SE8A		30	10 130.46	10 566.07	435.61	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	Bins 2X Per Week		30	12 095.01	12 808.62	713.61	5.90
Water		460 kl		23 289.33	24 430.51	1 141.18	4.90
VAT			15%	6 835.25	7 178.81	343.56	5.03
SUB TOTAL				79 791.09	84 040.90	4 249.81	5.33
Electricity Credit Meter		108751 + 436kVA		181 162.59	194 695.44	13 532.85	7.47
VAT			15%	27 174.39	29 204.32	2 029.93	7.47
TOTAL				288 128.07	307 940.66	19 812.59	6.88
SRA Rate as might be applicable to be added							

Business - Medium (Three Phase)				2021/2022	2022/2023	Amount	%
	Valuation	R3 200 000					
Rates				2 504.00	2 651.74	147.74	5.90
Sewer	SE7D1+SE8A		1	668.24	696.97	28.73	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week		3	604.77	640.45	35.68	5.90
Water		40 kl		950.83	997.42	46.59	4.90
VAT			15%	341.61	358.26	16.65	4.87
SUB TOTAL				5 122.99	5 398.38	275.39	5.38
Electricity Credit Meter		7000 kWh		17 223.63	18 510.24	1 286.61	7.47
VAT			15%	2 583.54	2 776.54	192.99	7.47
TOTAL				24 930.16	26 685.15	1 754.99	7.04
SRA Rate as might be applicable to be added							

Business - Small (Three Phase)				2021/2022	2022/2023	Amount	%
	Valuation	R3 200 000					
Rates				2 504.00	2 651.74	147.74	5.90
Sewer	SE7D1+SE8A		1	668.24	696.97	28.73	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week		2	403.18	426.97	23.79	5.90
Water		40 kl		950.83	997.42	46.59	4.90
VAT			15%	311.37	326.24	14.87	4.77
SUB TOTAL				4 891.16	5 152.87	261.72	5.35
Electricity Credit Meter		4000 kWh		10 191.93	10 953.27	761.34	7.47
VAT			15%	1 528.79	1 642.99	114.20	7.47
TOTAL				16 611.88	17 749.13	1 137.25	6.85
SRA Rate as might be applicable to be added							

Business - Small (Three Phase)				2021/2022	2022/2023	Amount	%
	Valuation	R3 200 000					
Rates				2 504.00	2 651.74	147.74	5.90
Sewer	SE7D1+SE8A		1	668.24	696.97	28.73	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week		2	403.18	426.97	23.79	5.90
Water		40 kl		950.83	997.42	46.59	4.90
VAT			15%	311.37	326.24	14.87	4.77
SUB TOTAL				4 891.16	5 152.87	261.72	5.35
Electricity Credit Meter		1000 kWh		3 160.23	3 396.30	236.07	7.47
VAT			15%	474.03	509.44	35.41	7.47
TOTAL				8 525.42	9 058.62	533.20	6.25
SRA Rate as might be applicable to be added							

Business - Small (Three Phase) Prepaid Electricity				2021/2022	2022/2023	Amount	%
	Valuation	R3 200 000					
Rates				2 504.00	2 651.74	147.74	5.90
Sewer	SE7D1+SE8A		1	668.24	696.97	28.73	4.30
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week		2	403.18	426.97	23.79	5.90
Water		40 kl		950.83	997.42	46.59	4.90
VAT			15%	311.37	326.24	14.87	4.77
SUB TOTAL				4 891.16	5 152.87	261.72	5.35
Electricity Pre-paid		1000 kWh		3 025.13	3 251.11	225.98	7.47
VAT			15%	453.77	487.67	33.90	7.47
TOTAL				8 370.06	8 891.65	521.59	6.23
SRA Rate as might be applicable to be added							

MONTHLY BASKET OF TARIFFS - VACANT ERVEN 2017/2018

Valuation High			2021/2022	2022/2023	Amount	%
	Valuation	R780 000				
Rates			551.85	584.41	32.56	5.90
Sewer can connect	Availability		132.20	137.88	5.68	4.30
Refuse	Availability		100.79	106.73	5.95	5.90
Electricity	Availability		408.17	438.66	30.49	7.47
Water	Availability		148.35	155.62	7.27	4.90
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
VAT		15%	126.46	133.87	7.41	5.86
TOTAL			1 521.35	1 610.71	89.36	5.87
SRA Rate as might be applicable to be added						

Valuation Average			2021/2022	2022/2023	Amount	%
	Valuation	R250 000				
Rates			176.88	187.31	10.44	5.90
Sewer can connect	Availability		132.20	137.88	5.68	4.30
Refuse	Availability		100.79	106.73	5.95	5.90
Electricity	Availability		408.17	438.66	30.49	7.47
Water	Availability		148.35	155.62	7.27	4.90
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
VAT		15%	126.46	133.87	7.41	5.86
TOTAL			1 146.38	1 213.61	67.23	5.86
SRA Rate as might be applicable to be added						

Valuation Lower			2021/2022	2022/2023	Amount	%
	Valuation	R110 000				
Rates			77.83	82.42	4.59	5.90
Sewer can connect	Availability		132.20	137.88	5.68	4.30
Refuse	Availability		100.79	106.73	5.95	5.90
Electricity	Availability		408.17	438.66	30.49	7.47
Water	Availability		148.35	155.62	7.27	4.90
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
VAT		15%	126.46	133.87	7.41	5.86
TOTAL			1 047.33	1 108.72	61.39	5.86
SRA Rate as might be applicable to be added						

Valuation Low			2021/2022	2022/2023	Amount	%
	Valuation	R15 000				
Rates			10.61	11.24	0.63	5.90
Sewer can connect	Availability		132.20	137.88	5.68	4.30
Refuse	Availability		100.79	106.73	5.95	5.90
Electricity	Availability		408.17	438.66	30.49	7.47
Water	Availability		148.35	155.62	7.27	4.90
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
VAT		15%	126.46	133.87	7.41	5.86
TOTAL			980.12	1 037.54	57.43	5.86
SRA Rate as might be applicable to be added						

ANNEXURE E

CAPITAL BUDGET & HOUSING PROGRAMME

CAPITAL BUDGET 2022/23-2024/25 MTREF

Area	Local Area	Ward	Project Description	Project Manager	Funding Source	2022/23 BUDGET COUNCIL FUNDED	2022/23 BUDGET EXTERNAL (GRANTS)	2022/23 BUDGET TOTAL	2023/24 BUDGET COUNCIL FUNDED	2023/24 BUDGET EXTERNAL (GRANTS)	2023/24 BUDGET TOTAL	2024/25 BUDGET COUNCIL FUNDED	2024/25 BUDGET EXTERNAL (GRANTS)	2024/25 BUDGET TOTAL
			EXECUTIVE & COUNCIL			**5 000**		**5 000**						
Overstrand	Overstrand	Overstrand	MINOR ASSETS COUNCIL	D Arrison	Surplus	5 000		5 000						
			FINANCE AND ADMINISTRATION			**1 870 000**		**1 870 000**						
Overstrand	Overstrand	Overstrand	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS	C Johnson	Surplus	700 000		700 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS ICT ORGANIZATION WIDE	C Johnson	Surplus	600 000		600 000						
Overstrand	Overstrand	Overstrand	UPS REPLACEMENT	C Johnson	Surplus	500 000		500 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS FINANCE	S Reyneke	Surplus	60 000		60 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS MANAGEMENT SERVICES	D Arrison	Surplus	10 000		10 000						
			PUBLIC SAFETY			**2 792 127**		**2 792 127**						
Hermanus	Hermanus	Ward 03	GREATER HERMANUS TRAFFIC DEPT REMOVAL OF OBSOLETE O	R Fraser	Surplus-Non-Tarif	1 000 000		1 000 000						
Overstrand	Overstrand	Overstrand	GENERATOR FOR TRAFFIC SERVICES	R Fraser	Surplus-Non-Tarif	450 000		450 000						
Overstrand	Overstrand	Overstrand	INCIDENT COMMAND CENTRE (OLD SQUASH COURTS)(F1/2)	L Smith	Surplus(Ins)	770 000		770 000						
Overstrand	Overstrand	Overstrand	INCIDENT COMMAND CENTRE (OLD SQUASH COURTS)(F2/2)	C Johnson	Surplus	272 127		272 127						
Overstrand	Overstrand	Overstrand	MINOR ASSETS PROTECTION SERVICES	N Micheals	Surplus	300 000		300 000						
			PLANNING & DEVELOPMENT			**1 390 000**	**87 704**	**1 477 704**						
Overstrand	Overstrand	Overstrand	MINOR ASSETS LED	S Madikane	Surplus	45 000		45 000						
Hermanus	Hawston	Ward 08	HAWSTON INDUSTRIAL BUSINESS HUB	D Hendriks	Land Sales-R/O-2	200 000		200 000						
Overstrand	Overstrand	Overstrand	PROJECT MANAGEMENT UNIT-ICT EQUIPMENT & FURNITURE	D Hendriks	MIG		87 704	87 704						
Kleinmond	Kleinmond	Ward 09	PURCHASE OF ERF 4013 BETTY'S BAY&ERF 11472 HERMANUS	A le Roux	Surplus-R/O-22	100 000		100 000						
Kleinmond	Kleinmond	Ward 09	KLEINMOND COMMUNITY PROJECT OLD KCIH	D Hendriks	Surplus-R/O-22	700 000		700 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS INFRASTRUCTURE &PLANNING	S Muller	Surplus	345 000		345 000						
			COMMUNITY SERVICES			**2 887 003**		**2 887 003**						
Hermanus	Onrus/Vermo	Ward 13	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F1/2)	T Marx	Surplus-Non-Tarif	556 527		556 527						
Hermanus	Onrus/Vermo	Ward 13	ONRUS BEACH ABLUTION AND FACILITIES UPGRADE(F2/2)	T Marx	Land Sales-R/O-2	633 476		633 476						
Hermanus	Zwelihle	Ward 12	NEW ROOF TRADING SWARTDAM ROAD	T Marx	Surplus-R/O-22	875 000		875 000						
Kleinmond	Kleinmond	Ward 09	OUTDOOR GYM EQUIPMENT MOUNTAIN VIEW	D Van Rhodie	Operating Cash-V	87 000		87 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS COMMUNITY SERVICES	R Williams	Surplus	735 000		735 000						
			LIBRARIES			**4 373 611**		**4 373 611**						
Hermanus	Zwelihle	Ward 12	ZWELIHLE LIBRARY	A Wyngaard	Surplus(Ins)R/O-2	4 373 611		4 373 611						
			SPORT & RECREATION			**2 300 000**	**200 000**	**2 500 000**		**8 703 600**	**8 703 600**		**13 297 000**	**13 297 000**
Hermanus	Hawston	Ward 08	UPGRADE HAWSTON SPORT COMPLEX STADIUM(F1/2)	D Hendriks	MIG		200 000	200 000		5 835 600	5 835 600		4 000 000	4 000 000
Hermanus	Hawston	Ward 08	UPGRADE HAWSTON SPORT COMPLEX STADIUM(F2/2)	D Hendriks	Surplus-Non-Tarif	250 000		250 000						
Hermanus	Mount Pleasa	Ward 04	UPGRADE MOUNT PLEASANT SPORT GROUNDS	D Hendriks	MIG								6 000 000	6 000 000
Hermanus	Hermanus	Ward 03	HERMANUS SPORT FACILITY IMPROVEMENT	R Kuchar	Surplus-R/O-22	1 900 000		1 900 000						
Hermanus	Sandbaai	Ward 07	RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACIL	T Marx	Operating Cash-V	150 000		150 000						
Kleinmond	Overhills	Ward 10	FLOODLIGHTS OVERHILLS SOCCERFIELD	D Hendriks	MIG					2 868 000	2 868 000		1 297 000	1 297 000
Hermanus	Hawston	Ward 08	UPGRADE HAWSTON SWIMMING POOL	D Hendriks	MIG								2 000 000	2 000 000
			HOUSING			**2 100 000**	**38 785 000**	**40 885 000**		**21 230 000**	**21 230 000**		**6 400 000**	**6 400 000**
Overstrand	Overstrand	Overstrand	LCH SERVICES CONSTRUCTION CONTRACTS	D Hendriks	Construction Contracts		38 785 000	38 785 000		21 230 000	21 230 000		6 400 000	6 400 000
Hermanus	Hawston	Ward 08	HAWSTON NEW HOUSING DEVELOPMENT R43 WALL	D Hendriks	Surplus-R/O-22	2 100 000		2 100 000						
			ROADS			**2 008 203**	**10 581 600**	**12 589 803**		**7 164 400**	**7 164 400**		**6 000 000**	**6 000 000**
Stanford	Stanford	Ward 01	STANFORD TAXI RANK UPGRADE ROOF FOR TRADING	F Myburgh	Surplus(Ins)	334 466		334 466						
Gansbaai	Masakhane	Ward 02	MASAKHANE HOUSING PROJECT BUS ROUTE(PHASE 1)	D Hendriks	MIG		7 581 600	7 581 600		7 164 400	7 164 400			
Hermanus	Zwelihle	Ward 06	EMERGENCY HOUSING PROJECT SCHULPHOEK	T Steenberg	Surplus-Non-Tarif	920 000		920 000						
Hermanus	Fisherhaven	Ward 08	CURBING AND TARRING PAVING OF SIDEWALKS	T Marx	Operating Cash-V	180 000		180 000						
Hermanus	Onrus	Ward 13	CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWA	T Marx	Operating Cash-V	200 000		200 000						
Hermanus	Vermont	Ward 13	CONSTRUCTION AND EXTENSION OF COASTAL PATH	T Marx	Operating Cash-V	200 000		200 000						
Stanford	Stanford	Ward 01	REVITALISATION OF CBD	F Myburgh	Surplus-Non-Tarif	173 737		173 737						
Gansbaai	Blompark	Ward 14	REHABILITATE ROADS BLOMPARK	D Hendriks	MIG		3 000 000	3 000 000						
Gansbaai	Masakhane	Ward 02	MASAKHANE HOUSING PROJECT BUS ROUTE(PHASE 2)	D Hendriks	MIG								6 000 000	6 000 000

ANNEXURE E 1/4

CAPITAL BUDGET 2022/23-2024/25 MTREF

Area	Local Area	Ward	Project Description	Project Manager	Funding Source	2022/23 BUDGET COUNCIL FUNDED	2022/23 BUDGET EXTERNAL (GRANTS)	2022/23 BUDGET TOTAL	2023/24 BUDGET COUNCIL FUNDED	2023/24 BUDGET EXTERNAL (GRANTS)	2023/24 BUDGET TOTAL	2024/25 BUDGET COUNCIL FUNDED	2024/25 BUDGET EXTERNAL (GRANTS)	2024/25 BUDGET TOTAL
			ELECTRICITY			**33 358 000**	**32 031 000**	**65 389 000**	**15 000 000**	**7 000 000**	**22 000 000**	**17 000 000**	**7 314 000**	**24 314 000**
Gansbaai	Gansbaai	Multi-ward G	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F1/5)	D Maree	EL23/24	5 800 000		5 800 000	5 000 000		5 000 000			
Gansbaai	Gansbaai	Multi-ward G	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F2/5)	D Maree	EL22-R/O	9 169 000		9 169 000						
Gansbaai	Gansbaai	Multi-ward G	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F3/5)	D Maree	DBSA-R/O-22		1 731 000	1 731 000						
Gansbaai	Gansbaai	Multi-ward G	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F4/5)	D Maree	BICL-R/O-22	6 500 000		6 500 000						
Gansbaai	Gansbaai	Multi-ward G	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F5/5)	D Maree	INEP		14 300 000	14 300 000						
Overstrand	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS (F1/2)	K d Plessis	INEP		7 031 000	7 031 000		7 000 000	7 000 000		7 314 000	7 314 000
Overstrand	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS (F2/2)	K d Plessis	DBSA-R/O-22		8 969 000	8 969 000						
Hermanus	Hermanus	Ward 03	HERMANUS MV LV UPGRADE REPLACEMENT(F1/2)	K d Plessis	EL23/24/25	3 000 000		3 000 000	4 500 000		4 500 000	8 000 000		8 000 000
Hermanus	Hermanus	Ward 03	HERMANUS MV LV UPGRADE REPLACEMENT(F2/2)	K d Plessis	EL22-R/O	3 000 000		3 000 000						
Kleinmond	Kleinmond	Ward 09	KLEINMOND MV LV NETWORK UPGRADE(F1/2)	K d Plessis	EL22-R/O	2 416 000		2 416 000						
Kleinmond	Kleinmond	Ward 09	KLEINMOND MV LV NETWORK UPGRADE(F2/2)	K d Plessis	EL24/25				2 000 000		2 000 000	2 500 000		2 500 000
Hermanus	Hawston	Ward 08	HAWSTON MV LV UPGRADE REPLACEMENT(F1/2)	K d Plessis	EL22-R/O	2 415 000		2 415 000						
Hermanus	Hawston	Ward 08	HAWSTON MV LV UPGRADE REPLACEMENT(F1/2)	K d Plessis	EL24/25				2 000 000		2 000 000	2 500 000		2 500 000
Gansbaai	Gansbaai	Multi-ward G	GANSBAAI STANFORD MV LV UPGRADE REPLACEMENT	D Maree	EL25							2 000 000		2 000 000
Overstrand	Overstrand	Overstrand	ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTING	S Muller	EL23/24/25	1 058 000		1 058 000	1 500 000		1 500 000	2 000 000		2 000 000
			WATER			**27 355 201**	**12 615 000**	**39 970 201**	**19 000 000**		**19 000 000**	**23 400 000**		**23 400 000**
Overstrand	Overstrand	Overstrand	REFURBISHMENT OF BULK WATER INFRASTRUCTURE	H Blignaut	EL23/24	1 000 000		1 000 000	800 000		800 000			
Overstrand	Overstrand	Overstrand	FENCING AT WATER INSTALLATIONS	H Blignaut	EL23/24	700 000		700 000	550 000		550 000			
Overstrand	Overstrand	Overstrand	REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2)	H Blignaut	EL23/24/25	13 642 000		13 642 000	3 000 000		3 000 000	10 000 000		10 000 000
Overstrand	Overstrand	Overstrand	REPLACEMENT OF OVERSTRAND WATER PIPES(F2/2)	H Blignaut	EL22-R/O	2 830 000		2 830 000						
Overstrand	Overstrand	Overstrand	WATER FACILITIES CONTINGENCY	H Blignaut	EL23/24/25	500 000		500 000	500 000		500 000	500 000		500 000
Kleinmond	Kleinmond	Multi-ward K	REFURBISHMENT OF KLEINMOND BUFFELS RIVER WTW	H Blignaut	EL24/25				11 000 000		11 000 000	9 000 000		9 000 000
Kleinmond	Kleinmond	Multi-ward K	ACCESS ROADS TO KLEINMOND BUFFELS RIVER WTW UPGRADE	H Blignaut	EL23	1 000 000		1 000 000						
Hermanus	Hermanus	Multi-ward H	UPGRADE HERMANUS WELL FIELDS PHASE 2(F1/2)	H Blignaut	EL23/24/25	2 600 000		2 600 000	2 000 000		2 000 000	3 100 000		3 100 000
Hermanus	Hermanus	Multi-ward H	UPGRADE HERMANUS WELL FIELDS PHASE 2(F2/2)	H Blignaut	EL21-R/O	2 203 201		2 203 201						
Gansbaai	Masakhane	Ward 02	UPGRADE WATER LINES & NEW BOOSTER PUMPSTATION VALVE	D Hendriks	MIG		7 000 000	7 000 000						
Stanford	Stanford	Ward 01	UPGRADE BULK WATER	D Hendriks	MIG		5 615 000	5 615 000						
Gansbaai	Gansbaai	Multi-ward G	REFURBISH KRAAIBOSCH PUMP STATION PANEL	H Blignaut	EL23	1 000 000		1 000 000						
Gansbaai	De Kelders	Ward 14	DE KELDERS WTW MEMBRANE REPLACEMENT	H Blignaut	EL23/25	800 000		800 000						
Gansbaai	Pearly Beach	Ward 11	PEARLY BEACH WATER TOWER REFURBISH	H Blignaut	EL24				750 000		750 000	800 000		800 000
Gansbaai	Gansbaai	Multi-ward G	FRANSKRAAL WTW FILTERS REFURBISH	H Blignaut	EL23	400 000		400 000						
Hermanus	Zwelihle	Ward 06	EMERGENCY HOUSING PROJECT SCHULPHOEK	T Steenberg	Surplus-Non-Tarif	280 000		280 000						
Overstrand	Overstrand	Overstrand	EHP WATER PROVISION FOR INFORMAL SETTLEMENTS	T Steenberg	Surplus-Non-Tarif	150 000		150 000						
Hermanus	Mount Please	Ward 04	BASIC SERVICES FOR EMERGENCY HOUSING	T Steenberg	Land Sales-R/O-2	250 000		250 000						
Hermanus	Hermanus	Multi-ward H	PREEKSTOEL BIO PLANT FILTERS REFURBISH	H Blignaut	EL24				400 000		400 000			
			SEWERAGE			**28 661 638**	**27 439 000**	**56 100 638**	**16 000 000**		**16 000 000**	**13 100 000**	**6 000 000**	**19 100 000**
Overstrand	Overstrand	Overstrand	SEWERAGE FACILITIES CONTINGENCY	H Blignaut	EL23/24/25	500 000		500 000	700 000		700 000	700 000		700 000
Gansbaai	Gansbaai	Ward 02	GANSBAAI CBD SEWER NETWORK EXTENSION	H Blignaut	EL22-R/O	2 000 000		2 000 000						
Kleinmond	Kleinmond	Multi-ward K	KLEINMOND WWTW REFURBISH UPGRADE (F1/3)	H Blignaut	EL23/24	9 300 000		9 300 000	8 900 000		8 900 000			
Kleinmond	Kleinmond	Multi-ward K	KLEINMOND WWTW REFURBISH UPGRADE (F2/3)	H Blignaut	EL22-R/O	2 241 638		2 241 638						
Kleinmond	Kleinmond	Multi-ward K	KLEINMOND WWTW REFURBISH UPGRADE (F3/3)	H Blignaut	WSIG		10 900 000	10 900 000						
Overstrand	Overstrand	Overstrand	FENCING AT SEWERAGE INSTALLATIONS	H Blignaut	EL23/24/25	500 000		500 000	800 000		800 000	600 000		600 000
Overstrand	Overstrand	Overstrand	UPGRADING OF PUMPSTATIONS & RISING MAINS (F1/3)	H Blignaut	EL23/24/25	7 100 000		7 100 000	4 400 000		4 400 000	10 000 000		10 000 000
Overstrand	Overstrand	Overstrand	UPGRADING OF PUMPSTATIONS & RISING MAINS (F2/3)	H Blignaut	WSIG		16 539 000	16 539 000						
Overstrand	Overstrand	Overstrand	UPGRADING OF PUMPSTATIONS & RISING MAINS (F3/3)	H Blignaut	EL22-R/O	3 900 000		3 900 000						
Hermanus	Hermanus	Multi-ward H	HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATER	H Blignaut	EL24				1 200 000		1 200 000			
Hermanus	Hawston	Ward 08	HAWSTON WWTW REFURBISH AND UPGRADE	H Blignaut	MIG								6 000 000	6 000 000
Hermanus	Zwelihle	Ward 06	EMERGENCY HOUSING PROJECT SCHULPHOEK	T Steenberg	Surplus-Non-Tarif	1 400 000		1 400 000						
Overstrand	Overstrand	Overstrand	EHP SEWER PROVISION FOR INFORMAL SETTLEMENTS	T Steenberg	Surplus-Non-Tarif	620 000		620 000						
Hermanus	Hermanus	Multi-ward H	REROUTE HERMANUS WWTW TREATED EFFLUENT IRRIGATION F	H Blignaut	EL23/25	1 100 000		1 100 000				1 800 000		1 800 000
			STORMWATER			**1 635 789**		**1 635 789**		**8 500 000**	**8 500 000**			
Gansbaai	Masakhane	Ward 02	MASAKHANE HOUSING PROJECT BULK STORMWATER (PHASE 2)	D Hendriks	MIG					4 500 000	4 500 000			
Hermanus	Hermanus	Multi-ward H	STORMWATER NETWORK	T Marx	Surplus-Non-Tarif	385 789		385 789						
Hermanus	Sandbaai	Ward 07	SANDBAAI STORMWATER PROJECT-LONG STREET	T Marx	Land Sales-R/O-2	1 250 000		1 250 000						
Kleinmond	Proteadorp	Ward 09	UPGRADE STORMWATER INFRASTRUCTURE- PROTEADORP, MO	D Hendriks	MIG					4 000 000	4 000 000			

CAPITAL BUDGET 2022/23-2024/25 MTREF

Area	Local Area	Ward	Project Description	Project Manager	Funding Source	2022/23 BUDGET COUNCIL FUNDED	2022/23 BUDGET EXTERNAL (GRANTS)	2022/23 BUDGET TOTAL	2023/24 BUDGET COUNCIL FUNDED	2023/24 BUDGET EXTERNAL (GRANTS)	2023/24 BUDGET TOTAL	2024/25 BUDGET COUNCIL FUNDED	2024/25 BUDGET EXTERNAL (GRANTS)	2024/25 BUDGET TOTAL
			WASTE MANAGEMENT			**1 581 342**	**1 962 378**	**3 543 720**				**6 500 000**		**6 500 000**
Stanford	Stanford	Ward 01	UPGRADE STANFORD DROP OFF(F1/2)	C Mitchell	DBSA-R/O-22		1 742 378	1 742 378						
Stanford	Stanford	Ward 01	UPGRADE STANFORD DROP OFF(F2/2)	C Mitchell	Surplus(Ins)	241 342		241 342						
Hermanus	Zwelihle	Ward 12	HERMANUS TRANSFER STATION UPGRADING OF INFRASTRUCTL	D Nel	Surplus-Non-Tarif	1 250 000		1 250 000						
Hermanus	Voelklip	Ward 03	VOELKLIP DROP OFF AND MINI DROP OFF ELECTRIC FENCING	C Mitchell	Surplus-Non-Tarif	90 000		90 000						
Overstrand	Overstrand	Overstrand	HERMANUS NEW WASTE MANAGEMENT FACILITY	C Mitchell	DBSA-R/O-22		220 000	220 000						
Gansbaai	Gansbaai	Multi-ward C	TROMMEL SCREEN FOR GANSBAAI LANDFILL	C Mitchell	EL25							6 500 000		6 500 000
			GRAND TOTAL			**112 317 914**	**123 701 682**	**236 019 596**	**50 000 000**	**52 598 000**	**102 598 000**	**60 000 000**	**39 011 000**	**99 011 000**
			FUNDING:											
			EXTERNAL LOAN 23/24/25(GENERAL CAPITAL)			50 000 000		50 000 000	50 000 000		50 000 000	60 000 000		60 000 000
			EXTERNAL LOAN 21(ROLL OVER)			2 203 201		2 203 201						
			EXTERNAL LOAN 22(ROLL OVER)			27 971 638		27 971 638						
			SURPLUS			3 572 127		3 572 127						
			SURPLUS 21/22 ROLL OVER			5 675 000		5 675 000						
			SURPLUS NON TARIFF INFRASTRUCTURE 21/22 (ROLL OVER)			7 526 053		7 526 053						
			LAND SALES 20-21(ROLL OVER)			2 333 476		2 333 476						
			OPERATING CASH-WSP-R/O			817 000		817 000						
			SURPLUS INSURANCE			1 345 808		1 345 808						
			SURPLUS INSURANCE 21-22(ROLL OVER)			4 373 611		4 373 611						
			BULK CONTRIBUTIONS INFRASTRUCTURE LEVY 21-22(BCIL)(ROLL OVER)			6 500 000		6 500 000						
			DBSA-PUBLIC CONTRIBUTION 21-22(ROLL OVER)				12 662 378	12 662 378						
			CONSTRUCTION CONTRACTS				38 785 000	38 785 000		21 230 000	21 230 000		6 400 000	6 400 000
			MIG				23 484 304	23 484 304		24 368 000	24 368 000		25 297 000	25 297 000
			INEP				21 331 000	21 331 000		7 000 000	7 000 000		7 314 000	7 314 000
			WATER SERVICES INFRASTRUCTURE GRANT				27 439 000	27 439 000						
			GRAND TOTAL			**112 317 914**	**123 701 682**	**236 019 596**	**50 000 000**	**52 598 000**	**102 598 000**	**60 000 000**	**39 011 000**	**99 011 000**

EM
F

PROPOSED 3 YEAR HOUSING BUDGET 2022-2025

Project	Original Budget 2022/2023	Funding to be spent in 2021/2022	Revised Budget 2022/2023	Budget 2023/2024	Budget 2024/2025
Hawston TS (378)					
Blompark TS (539)	R 22 360 000.00	R (10 654 175.00)	R 11 705 825.00	R 20 190 000.00	R 13 000 000.00
Swartdamweg Site C1 TS (150)	R 195 000.00		R 195 000.00		
Masakhane TS (295)	R 26 000 000.00	R (3 586 907.00)	R 22 413 093.00	R 13 000 000.00	R -
Stanford TS (783)	R 23 400 000.00		R 23 400 000.00	R 13 000 000.00	R 13 000 000.00
TOTAL OPEX	**R 71 955 000.00**	**R (14 241 082.00)**	**R 57 713 918.00**	**R 46 190 000.00**	**R 26 000 000.00**
Masakhane UISP (1179)	R 19 933 000.00	R -	R 16 522 638.00		
Site C1 & C2, Swartdamroad Boundary Wall			R 3 410 362.00		
Masakhane UISP Wetcores (1179)	R 8 892 000.00		R 8 892 000.00	R 5 130 000.00	R -
Tambo Square & New Camp (82)				R 8 500 000.00	R 1 700 000.00
Mount Pleasant IRDP Infill (315)	R 8 260 000.00	R (1 000 000.00)	R 7 260 000.00		
Kleinmond IRDP	R 800 000.00		R 800 000.00	R 1 000 000.00	R 1 500 000.00
Kleinmond Overhills UISP	R 600 000.00		R 600 000.00	R 1 000 000.00	R 1 200 000.00
Greater Hermanus (Hawston Seafarms)	R 1 000 000.00		R 1 000 000.00		
Buffeljagsbaai	R 300 000.00		R 300 000.00	R 600 000.00	R 1 000 000.00
Afdaksrivier Purchase				R 5 000 000.00	R 1 000 000.00
TOTAL CAPEX	**R 39 785 000.00**	**R (1 000 000.00)**	**R 38 785 000.00**	**R 21 230 000.00**	**R 6 400 000.00**
GRAND TOTAL	**R 111 740 000.00**	**R (15 241 082.00)**	**R 96 498 918.00**	**R 67 420 000.00**	**R 32 400 000.00**

DORA 2022/2023	**R 116 740 000.00**
Provincial Projects (to be spent by DoHS)	R (5 000 000.00)
Municipal Budget	**R 111 740 000.00**
Funding Spent in 2021/2022	R (15 241 082.00)
Reduced 2022/2023 Budget	**R 96 498 918.00**

ANNEXURE F

SERVICE LEVEL STANDARDS

ANNEXURE F1 3

Province: Municipality(WC032) - Schedule of Service Delivery Standards	
Description	
Standard	**Service Level 2022/2023**
Solid Waste Removal	
Premise based removal (Residential Frequency)	WEEKLY
Premise based removal (Business Frequency)	UP TO 7 TIMES PER WEEK (AS PER REQUEST)
Bulk Removal (Frequency)	NO
Removal Bags provided(Yes/No)	NO
Garden refuse removal Included (Yes/No)	YES (1 bag)
Street Cleaning Frequency in CBD	DAILY
Street Cleaning Frequency in areas excluding CBD	DAILY ON ROTATIONAL BASIS
How soon are public areas cleaned after events (24hours/48hours/longer)	WITHIN 24 HRS
Clearing of illegal dumping (24hours/48hours/longer)	48 HOURS (from notification)
Recycling or environmentally friendly practices(Yes/No)	Yes
Licenced landfill site(Yes/No)	Yes
Water Service	
Water Quality rating (Blue/Green/Brown/N0 drop)	Programme discontinued by DWS
Is free water available to all? (All/only to the indigent consumers)	Indigent Consumers only
Frequency of meter reading? (per month, per year)	Monthly
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	Estimate consumption are calculated over a 12 months period (Estimates are only done in exceptional cases eg meter readers capacity challenges)
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	1 Month
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)	
One service connection affected (number of hours)	4.00
Up to 5 service connection affected (number of hours)	4.00
Up to 20 service connection affected (number of hours)	8.00
Feeder pipe larger than 800mm (number of hours)	N/A
What is the average minimum water flow in your municipality?	Min 4 Bar pressure
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	Yes. Groundwater Monitoring Programs
How long does it take to replace faulty water meters? (days)	5 days
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No
Electricity Service	
What is your electricity availability percentage on average per month?	98,78% (Eskom Loadshedding included) 99.7% (Eskom Loadshedding excluded)
Do your municipality have a ripple control in place that is operational? (Yes/No)	YES
How much do you estimate is the cost saving in utilizing the ripple control system?	R 1 477 732.00 p/a
What is the frequency of meters being read? (per month, per year)	PER MONTH
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	IMMEDIATE
Are accounts normally calculated on actual readings? (Yes/no)	YES
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	NO
How long does it take to replace faulty meters? (days)	1

Description	
Standard	**Service Level 2022/2023**
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	YES
How effective is the action plan in curbing line losses? (Good/Bad)	GOOD
How soon does the municipality provide a quotation to a customer upon a written request? (days)	7
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)	5
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)	5
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)	21
Sewerage Service	
Are your purification system effective enough to put water back in to the system after purification?	YES, effective to put water back into water resources in accordance with license conditions.
To what extent do you subsidize your indigent consumers?	Basic charges plus 7kl of sewer unit charges
How long does it take to restore sewerage breakages on average	
Severe overflow? (hours)	6.00
Sewer blocked pipes: Large pipes? (Hours)	6.00
Sewer blocked pipes: Small pipes? (Hours)	8.00
Spillage clean-up? (hours)	8.00
Replacement of manhole covers? (Hours)	4.00
Road Infrastructure Services	
Time taken to repair a single pothole on a major road? (Hours)	24.00
Time taken to repair a single pothole on a minor road? (Hours)	72.00
Time taken to repair a road following an open trench service crossing? (Hours)	72.00
Time taken to repair walkways? (Hours)	72.00
Property valuations	
How long does it take on average from completion to the first account being issued? (one month/three months or longer)	3 months
Do you have any special rating properties? (Yes/No)	yes
Financial Management	
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)	Decrease
Are the financial statement outsources? (Yes/No)	No
Are there Council adopted business process tsructuing the flow and managemet of documentation feeding to Trial Balalnce?	Standard Operating Procedures
How long does it take for an Tax/Invoice to be paid from the date it has been received?	30 days
Is there advance planning from SCM unit linking all departmental plans quaterly and annualy including for the next two to three years procurement plans?	Yes
Administration	
Reaction time on enquiries and requests?	1 to 10
Time to respond to a verbal customer enquiry or request? (working days)	1 to 10
Time to respond to a written customer enquiry or request? (working days)	10
Time to resolve a customer enquiry or request? (working days)	10
What percentage of calls are not answered? (5%,10% or more)	1
How long does it take to respond to voice mails? (hours)	N/A
Does the municipality have control over locked enquiries? (Yes/No)	yes

Description	
Standard	**Service Level 2022/2023**
Is there a reduction in the number of complaints or not? (Yes/No)	no
How long does in take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	1 day
How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	Weekly progress reports and monthly Demand Management Plan reports
Community safety and licensing services	
How long does it take to register a vehicle? (minutes)	30min
How long does it take to renew a vehicle license? (minutes)	10min
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	72hours
How long does it take to de-register a vehicle? (minutes)	10min
How long does it take to renew a drivers license? (minutes)	30min
What is the average reaction time of the fire service to an incident? (minutes)	Varies monthly, as per Jan 2022 response time the average reaction time is overall 3.22 min
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	The Emergency Control Room will activate the Ambulance Service as and when the need arise. Not a Cat B mun service, no record kept of their reaction time to an incident
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	The Emergency Control Room will activate the Ambulance Service as and when the need arise. Not a Cat B mun service, no record kept of their reaction time to an incident
Economic development	
How many economic development projects does the municipality drive?	9
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	6
What percentage of the projects have created sustainable job security?	39
Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)	No
Other Service delivery and communication	
Is a information package handed to the new customer? (Yes/No)	Yes - available on www.overstrand.gov.za Monthly news letters and Social Media
Does the municipality have training or information sessions to inform the community? (Yes/No)	Yes
Are customers treated in a professional and humanly manner? (Yes/No)	Yes

ANNEXURE G

WATER & WASTE WATER QUALITY

ANNEXURE G1/22

2014 Blue Drop Report











water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

blue drop
CERTIFICATION
drinking water quality
REGULATION

Blue Drop Requirements for 2014

2014 BLUE DROP REQUIREMENTS		
(1) WATER SAFETY PLANNING 35%	(1.1) WATER SAFETY PLANNING PROCESS (10%)	**a)** The Water Safety Planning Process is steered by a group of people which includes the technical, financial and management staff of the municipality. Where a Water Services Provider arrangement exist the WSA and Water Services Provider should partake in this process **b)** There should be clear indication that the Water Services Institution conducted a water safety planning process and not only drafted a document **c)** There should be clear reference to the specific water supply system at hand and not only global risk management measurements put in place
	(1.2) RISK ASSESSMENT (35%)	**a)** The Risk Assessment must cover catchment, treatment and reticulation **b)** The Water Services Institution (WSI) must provide information on findings of the Risk Assessment (and detail Risk Prioritisation method followed) for the specific water supply system including water resource quality. Format not important but it should be proven not to be a desktop study **c)** The Water Safety Planning process must include (adequate) Control Measures for each significant hazard or hazardous event identified **d)** A Water Quality Analyses conducted for at least 95% of the SANS 241 list of determinands (min 80%) (SANS 241). This is to verify whether treatment technology is adequate to treat the raw water to comply with national standard limits **e)** The WSI to proof implementation of mitigation measures from previous Water Safety Plans
	(1.3) MONITORING PROGRAMME (30%)	**a)** Prove **Operational Monitoring** is: i) Informed by the Risk Assessment ii) Required sites to monitor: Raw water, after filtration (per process unit) and final water iii) Determinands (minimum): pH, turbidity and disinfectant residual iv) Frequency of analyses: at least every 8 hours v) Equipment used + calibration records
		b) Prove **Compliance Monitoring** is: i) Informed by the Risk Assessment and SANS 241 compliant ii) Monitoring programme is registered on BDS iii) Actual monitoring occur according to registered BDS monitoring programme (>80%) iv) Required sites to monitor: Water works final & distribution network + Frequency of analyses: Water works final according SANS 241; distribution network according SANS 241 v) Coverage of population served must at least be 80%
	(1.4) CREDIBILITY of DWQ DATA (15%)	**a)** Certificate of Accreditation for applicable methods OR Z-scores results (z-scores must be ≥–2 & ≤ 2 are acceptable) in a recognised Proficiency Testing Scheme **b)** DWQ Data credibility on the BDS (Blue Drop Certified Data)
	(1.5) INCIDENT MANAGEMENT (10%)	**a) Protocol to specify:** 1) Alert levels 2) Response times 3) Required actions 4) Roles & responsibilities 5) Communication vehicles/methods and 6) Must include response on possible risks identified in the Risk Assessment of the Water Safety Planning process **b) Incident Register to include:** 7) Date, location and description of incident 8) Action taken and date of resolution 9) Outcome of cause investigation
	BONUS (1): Sampler's Training	To be eligible for this bonus, WSI's must provide proof of training of samplers or Sampling Quality Control measures (Name the Sampling Training Course, Duration, Service Provider, and detail of Attendees)

		1) Evidence of relevant sampling training that will ensure credibility of the sampling process; or 2) Evidence of control measures to ensure sampling credibility
	BONUS (2): Incident Management Protocol Communication	Communication on the Incident Management Protocol process with all relevant staff within the Municipality
(2) DWQ PROCESS MANAGE-MENT & CONTROL 8%	**(2.1) WORKS CLASSIFICATION COMPLIANCE** (15%)	Treatment works classified according the requirements of Regulation 2834- ONLY the classification as it appears on BDS will be used. Supporting evidence to allow the correct classification to be loaded on BDS, Water Services Institutions remains accountable for correctness of information / classification Certificate to be displayed at treatment works (*confirmed during on-site assessments*)
	(2.2) PROCESS CONTROL REGISTRATION COMPLIANCE (50%)	**a)** Process Control Staff must be Registered according to Regulation 2834 with the Department of Water Affairs. Water Services Institutions to prove per treatment works that Process Control Staff complies with the legislative requirements of: i) Number of Process Controllers' ii) Complying with the required Classification levels **b)** The Supervisor must comply with legislative requirements Information as it appears on BDS will be used ONLY, WSI's to ensure correct classification of all staff per treatment plant
	(2.3) WATER TREATMENT WORKS' LOGBOOK (35%)	**a)** A logbook is in place to record all incidents and observations at the water treatment works **b)** Evidence is presented that the logbook process is (i.e. communication medium between process controllers and shifts) being implemented (It is NOT required to be implemented for the entire assessment period)
	BONUS (1): Process Control Training	Proof of Process Control staff being subjected to relevant training in past 12 months to allow Process Controllers to meet the education requirements towards higher level draft Regulation 813 Registration (Year 2013)
	BONUS (2): Process Control Excellence	a) Process Control Staff classified according the requirements of draft Regulation 813 on the Blue Drop System b) Process Control Staff and Supervisor compliance confirmed against draft Regulation 813 (must comply at least 75% in each of the shifts)- WSI must indicate shift patterns and Supervisor on BDS. WSI to explain measures in place when a shift does not comply with regulatory process control requirements c) WSI must indicate process controllers and/or supervisors that are 'shared' across different plants/sites
Water Quality Data Period – 1 January 2013 - 31 December 2013		
(3) DRINKING WATER QUALITY VERIFICATION 30%	**(3.1.1) MICROBIOLOGICAL DWQ COMPLIANCE** (50%)	The Microbiological Quality of the water supply must comply with the South African National Standard (specifically, the 2014 Blue Drop Limits which have been derived from SANS241: 2006 and 2011) as per the Excellent Requirements set by the Blue Drop Programme (*E coli*) - Excellent Compliance (97% for <100 000 population) & (99% for >100 000 population)
	(3.1.2) CHEMICAL DWQ COMPLIANCE (45%)	The Chemical Quality of the water supply must comply with the Excellent Requirements set by the Blue Drop Programme for all chemical-health determinands listed in the South African National Standard (the 2014 Blue Drop Limits, derived from SANS241: 2006 and 2011) Chemical – Health (Acute and Chronic): - Excellent Compliance (95% for <100 000 population) & (97% for >100 000 population) - Good Compliance (93% for <100 000 population) & (95% for >100 000 population)
	(3.1.3) OPERATIONAL	The compliance of operational determinands must comply with the 2014 Blue Drop Excellent Limits set by the Blue Drop Programme

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	COMPLIANCE (5%)	- Excellent Compliance (93% for <100 000 population & 95% for >100 000 population) - Good Compliance (90% for <100 000 population & 93% for >100 000 population)
	BONUS (1): Aesthetic DWQ Compliance	The Aesthetic Quality of the water supply must comply with the Excellent Requirements set by the Blue Drop Programme for all aesthetic determinands listed in the 2014 Blue Drop Limits - Excellent Compliance (93% for <100 000 population & 95% for >100 000 population) - Good Compliance (90% for <100 000 population & 93% for >100 000 population)
	PENALTY (1): Data Difference	Should there be a difference between data available on BDS and that which is presented in hardcopy for verification the penalty will apply
	PENALTY (2): <11 Months' Data	Less than 11 months data available to assess Microbiological and Chemical compliance
	PENALTY (3): Notification of Failure	If there is any significant (sustained) failure with no evidence of a Water Quality Alert Notice (Boil Water Notice) being issued, this penalty will apply. NB! This may have an implication on qualification for certification
(4) MANAGE-MENT, ACCOUNTA-BILITY, & LOCAL REGULATION 10%	**(4.1) MANAGEMENT COMMITMENT** (30%)	Management's commitment to effective Drinking Water Quality Operations & Management should be portrayed by Proof of signature approval of the: **a)** Water Safety Plan **b)** DWQ Monitoring Programme **c)** Water Treatment Plant Logbook **d)** Operations and Maintenance Budget **e)** Water Services Development Plan
	(4.2) PUBLICATION OF PERFORMANCE (25%)	Evidence should be provided on the various means of drinking water quality information made public to the constituencies supplied with drinking water from this specific water supply system Forms of Publication: >Newspaper publication >Municipal Billing >Community Radio >Annual Report >Posters & Pamphlets >Population and Promotion of "My Water" >Electronic Webpage Water Services Institutions must provide evidence of adequate marketing of Existing Blue Drop Certified water supply systems
	(4.3) SERVICE LEVEL AGREEMENT/ PERFORMANCE AGREEMENT (15%)	Should there be an institutional arrangement between the Water Services Authority and the Water Services Provider, then it is essential that the legislatively required contract (Section 19 of the Water Services Act) stipulate the Service Level Agreements between the two entities. A copy of this document is required, **OR** Should the Water Services Authority fulfil the function of Water Services Provider as per Section 78 arrangements, then it is required that the responsible manager (official) have a Performance Agreement (Workplan) in place which stipulates Drinking Water Quality Management Responsibilities
	(4.4) SUBMISSION OF DWQ DATA (30%)	**a)** 12 months of data had been submitted on the Blue Drop System (BDS) (DWA will only consider data available on the BDS) **b)** All compliance monitoring test results are required to be submitted **c)** As per a requirement of the Water Services Act, compliance data submission occurred monthly (Section 62 of the Water Services Act, Section 9 Regulations) (measured as BDS submission compliance)
	BONUS (1): Publication of Performance	Availing information on Drinking Water to relevant publics in 3 or more forms listed
	BONUS (2):	Workplans of Process Controllers aligned to Operations and

	Performance Agreement	Maintenance Manual
	BONUS (3): Procurement processes	Proof that systems are in place to monitor stock of chemicals & consumables required for treatment
	PENALTY: Submission of DWQ Data	Penalty will apply should the Department find proof during / post assessment that the WSI are guilty of an offence as per Section 82 of the Water Services Act, by only submitting partial information in order to present a false impression of DWQ Performance and/or compliance
(5) ASSET MANAGE-MENT 14%	**(5.1) ANNUAL PROCESS AUDIT** (20%)	Process Audit Report on technical inspection/assessment of treatment facility and evidence of implementation of findings This process assessment should've been done within the 12-month assessment period
	(5.2) ASSET REGISTER (15%)	The Institution must present a complete Asset Register. The asset register must: **a)** Detail relevant equipment and infrastructure **b)** Indicate asset description **c)** Location **d)** Condition (remaining life) **e)** Replacement value
	(5.3) AVAILABILITY & COMPETENCE of MAINTENANCE TEAM (15%)	**a)** The Institution must present evidence of a competent Maintenance Team (in form of Organogram; Contract or Invoice). Logbook with maintenance entries will serve as adequate evidence (for Mechanical, Electrical, Instrumentation and Civil work) **b)** Additional prove required on team competency (e.g. Qualification & Experience & Trade-test)
	(5.4) OPERATIONS & MAINTENANCE MANUAL (15%)	O&M manual to contain: **a)** Civil, mechanical, electrical detail / drawings of plant **b)** Design capacity of plant **c)** Operational schedules, maintenance schedules **d)** Process detail and control **e)** Mechanical and electrical equipment specification **f)** Fault finding **g)** Monitoring
	(5.5) OPERATIONS & MAINTENANCE BUDGET and EXPENDITURE (20%)	The Institution must present credible evidence of: **a)** Maintenance Budget (as part of Operations Budget) **b)** Maintenance Expenditure (as part of the Operations Expenditure) **c)** Maintenance Expenditure should be more than 5% of the Operations Expenditure in Total for the preceding Financial Year Financial expenditure to apply as per Municipal Budget Year: Jul 2012 to Jun 2013
	(5.6) DESIGN CAPACITY vs. OPERATIONAL CAPACITY (15%)	Proof to be submitted of the documented design capacity and documented daily operating capacity over the past 12 months Groundwater dependant systems must have an acceptable plan which stipulates abstraction patterns that will prevent aquifer damage Flow meters must be calibrated at least annually
Blue Drop Requirements= TOTAL 97%		

2014 NO DROP REQUIREMENTS (Water use efficiency)

(6) WATER USE EFFICIENCY & WATER LOSS MANAGE-MENT 3%	(6.1) WATER BALANCE (30%)	Provide MONTHLY and ANNUAL composite IWA water balance diagrams and supporting documents for the complete system as part of the water audit (as a component in the WSDP) as per Regulation 509 of 2001 Clause 10 of the Water Supply Regulations. Balance diagram to specify as a minimum the main components of the IWA balance including Water Losses broken down into: **a)** System input volumes **b)** Billed metered and unmetered usage **c)** Unbilled Authorised Consumption **d)** Water losses broken down into Real and Apparent Losses **e)** Free Basic Water, and **f)** Non Revenue Water and to be supported by a schematic showing bulk meters, zones and main infrastructure components *Note: WSI's to ensure that units are clearly indicated against numeric values in water balance (e.g. 100 kl/annum, 50 m^3/day, etc)*
	(6.2) WDM STRATEGY and BUSINESS PLAN and IMPLEMENTATION (30%)	**a)** Evidence must be provided of a Council approved WDM strategy and business plan consisting of at least the following: - Background and Context - Situation Assessment including a Needs Statement - Key Issues and Challenges - Focus Areas of Intervention - List of Proposed Interventions - Set targets for demand, NRW, commercial and real losses - Budget and Multi-year Implementation Timeline **b)** Provide evidence of implementation against the above Plan in terms of: - List of Interventions (Projects) - Movement against targets for demand, NRW, commercial and real losses - Budget and Multi-year Implementation Timeline *(Reg 509 of 2001 Clause 10)*
	(6.3) COMPLIANCE and PERFORMANCE (40%)	**a)** Provide historic data in order to calculate the following: - Physical (real) water loss trend - Commercial water loss trend - Water use efficiency trend **b)** Provide the following data (grey cells only) with supporting documentation, in order to calculate the WSI baseline profile for: - Physical (real) water loss status - Commercial water loss status - Water use efficiency status

Population number served:		SIV (System Input Volume) (kl/annum):		Average system pressure (m):	
Households served:		Authorised, Billed and Metered (kl/annum):		Usage (l/cap/day):	
Total connections:		Authorised, Billed and Unmetered (kl/annum):		Non-revenue (l/cap/day):	
Metered connections:		Authorised and Unbilled (kl/annum):		Real losses (l/cap/day):	
Unmetered connections:		Authorised Consumption (kl/annum):		% Metering	
Households with deemed of flat rate billing:		Revenue water (kl/annum):		Efficiency =	
Number of metered		Non-revenue water			

		connections billed:		(kl/annum):			
		Proven Industrial use (kl/annum):		Water losses (kl/annum):			
		Length of mains installed :		Apparent or Commercial losses (kl/annum):		Water loss	
		Assumed commercial losses ;		Real or Physical water losses (kl/annum):			
	PENALTY: Inclusion in the IDP	Components listed under Criteria 1.2 were not included in the IDP					
	BONUS (1): Training in WDM	a) The Institution must present evidence of a competent Water Loss Management Team (in form of an Organogram) with <20% vacancy ratio in accordance with Clause 66 (Staff matters) of the Municipal Systems Act 32 of 2000 b) Proof required on team manager competency (Qualification & Experience) with the following additional requirement: Manager to have suitable tertiary qualification with suitable experience c) The Institution must present evidence of a competent structured Maintenance Team (in form of Organogram with well-defined positions and job descriptions; Contract or Invoice). Logbook with maintenance entries will serve as adequate evidence d) Additional proof required on team competency for the team presented under (c) above (e.g. Qualification & Experience & Trade-test) e) Indicate number of suitably qualified plumbers per 1000 connections					
No Drop Requirements= TOTAL 3%							

Quality of Drinking Water

Quality of Drinking Water	
Colour Drop	Indication of Drop
	Blue Drop Certified, water is safe to drink
	Micro > 97% Chemical > 95%
	Micro > 97% Chemical < 95% (or no Information)
	Micro < 97% Chemical > 95%
	Micro > 90% < 95% Chemical > 90% < 95%
	Micro < 90% Chemical < 90%

Water Services Authority	Overstrand Local Municipality
Water Services Provider(s)	Overstrand LM, Overstrand LM

2014 Municipal Blue Drop Score	90.79%
2012 Municipal Blue Drop Score	96.82%
2011 Municipal Blue Drop Score	90.56%

Performance Area	Baardskeerdersbos	Buffeljags Bay	Buffels River	Greater Gansbaai
Water Services Provider(s)	Overstrand LM	Overstrand LM	Overstrand LM	Overstrand LM
Water Safety Planning (35%)	29.75	23.54	33.43	31.50
Treatment Process Management (8%)	4.28	5.60	4.00	6.80
DWQ Compliance (30%)	0.00	15.75	23.25	23.25
Management Accountability (10%)	8.95	8.20	9.25	9.25
Asset Management (14%)	8.72	9.24	11.03	10.50
Use Efficiency, Loss Management (3%)	3.00	3.00	3.00	3.00
Bonus Scores	9.17	6.50	3.25	4.00
Penalties	0.00	0.00	0.00	0.00
2014 BLUE DROP Score	63.87%	71.83%	87.20%	88.30%
2012 Blue Drop Score	91.6%	93.8%	95.0%	97.1%
2011 Blue Drop Score	93.7%	75.4%	95.1%	95.1%
System Design Capacity (Ml/d)	0.15	0.1	5.5	7.1
Operational Capacity (% ito Design)	100%	105%	44%	100%
Average daily Consumption (l/p/d)	655.0	310.3	803.4	445.9
Microbiological Compliance (%)	90.0%	95.5%	99.9%	99.9%
Chemical Compliance (%)	92.0%	99.9%	96.4%	96.1%
Blue Drop Risk Rating (2012)	75.5%	52.7%	72.1%	76.7%
Blue Drop Risk Rating (2013)	20.6%	12.2%	12.5%	12.7%
Blue Drop Risk Rating (2014)	47.2%	60.1%	57.3%	57.6%

Performance Area	Greater Hermanus	Kleinmond	Pearly Beach	Stanford
Water Services Provider(s)	Overstrand LM	Overstrand LM	Overstrand LM	Overstrand LM
Water Safety Planning (35%)	33.43	31.15	24.59	29.75
Treatment Process Management (8%)	8.00	6.40	6.80	4.70
DWQ Compliance (30%)	29.60	23.25	29.60	30.00
Management Accountability (10%)	9.25	9.25	9.25	9.25
Asset Management (14%)	11.90	10.29	10.29	11.38
Use Efficiency, Loss Management (3%)	3.00	3.00	3.00	3.00
Bonus Scores	1.27	3.25	3.83	2.86
Penalties	0.00	0.00	0.00	0.00
2014 BLUE DROP Score	96.44%	86.59%	87.35%	90.94%
2012 Blue Drop Score	97.9%	95.0%	95.2%	92.7%
2011 Blue Drop Score	87.2%	93.1%	94.3%	95.2%
System Design Capacity (Ml/d)	28.0	5.8	1.4	1.5
Operational Capacity (% ito Design)	29%	39%	100%	57%
Average daily Consumption (l/p/d)	192.4	230.1	1605.4	159.9
Microbiological Compliance (%)	98.9%	99.9%	99.9%	99.9%
Chemical Compliance (%)	96.4%	96.4%	99.9%	96.4%
Blue Drop Risk Rating (2012)	76.1%	72.1%	83.5%	64.9%
Blue Drop Risk Rating (2013)	13.5%	12.5%	12.7%	15.6%
Blue Drop Risk Rating (2014)	17.2%	57.3%	56.1%	27.1%

Regulatory Impression

The Overstrand Local Municipality team was well prepared and demonstrated their commitment to the Blue Drop assessment and water quality excellence. The Municipality is to be congratulated for obtaining Blue Drop status for the Greater Hermanus system. A decreased municipal score was however achieved during this assessment. The reason for the observed decrease in compliance includes:

- Full compliance with the requirements of SANS 241 with regard to monitoring and analysis could not be demonstrated. No chemical determinants have been analysed in the reticulation network to monitor the chemical quality of water provided to the consumer and identify any potential health impacts. In addition, the frequency of analysis does not comply with the requirements for the final water produced at treatment facilities receiving surface water or within the reticulation network. The Municipality however confirmed that subsequent to the assessment that a service provider has been appointed to implement a risk based monitoring programme that fully complies with the requirements of SANS 241, sampler training and uploading of analytical data to the BDS.
- Detailed annual process audits could not be demonstrated that assessed the performance of the treatment systems and each process unit with the design capacity of the plant. Recommendations should be incorporated into the review process of water safety plan.
- Poor microbiological compliance was observed in the Baardskeerdersbos system. This should be mitigated when the new plant to treat borehole water is commissioned in August 2014.

Significant progress has been made by the municipality with regard to WC/WDM and projects have been ongoing for the last three years. Good baseline information and a formal strategy are available that enables the municipality to make informed decisions regarding ongoing planning to minimise non-revenue water.

It is anticipated that the identified gaps will be addressed by the Overstrand Local Municipality and that an upward trend towards Blue Drop compliance will once again be achieved in the next assessment.

Based on the Audit results, the DWS has serious concerns on the poor microbiological drinking water quality and the resultant risk to consumers of the Baardskeerdersbos water supply system. These concerns have to be addressed as a matter of urgency and drinking water quality results and appropriate actions must be communicated to consumers should the water be found to be unfit for human consumption.

The overall **2014 Risk Rating** for Overstrand LM is 41% which translates into the 10th best performance in the Western Cape. Note that this value is based on the 3 specific areas indicated below and shows concerns (medium to critical risks) for

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Process Control (which risks reflect compliance in terms of draft Regulation 813) in 6 of the 8 systems; Drinking Water Quality in 2 out of the 8 systems; and Risk Management in none of 8 systems.

Water Supply System	Beaverskeerdersbos		
	2012	2013	2014
A: Process Control RR	77.8%	22.2%	55.6%
B: Drinking Water Quality RR	11.1%	55.6%	70.4%
C: Risk Management RR	13.0%	13.0%	17.4%

Water Supply System	Buffeljags Bay		
	2012	2013	2014
A: Process Control RR	76.5%	17.6%	71.1%
B: Drinking Water Quality RR	11.1%	11.1%	55.6%
C: Risk Management RR	13.0%	13.0%	26.1%

Water Supply System	Buffels River		
	2012	2013	2014
A: Process Control RR	79.5%	28.2%	64.1%
B: Drinking Water Quality RR	11.1%	11.1%	40.7%
C: Risk Management RR	13.0%	13.0%	13.0%

Water Supply System	Greater Gansbaai		
	2012	2013	2014
A: Process Control RR	79.5%	34.8%	74.4%
B: Drinking Water Quality RR	40.7%	11.1%	40.7%
C: Risk Management RR	13.0%	13.0%	26.1%

Water Supply System	Greater Hermanus		
	2012	2013	2014
A: Process Control RR	80.5%	31.7%	34.1%
B: Drinking Water Quality RR	11.1%	14.8%	25.9%
C: Risk Management RR	13.0%	17.4%	17.4%

Water Supply System	Kleinmond		
	2012	2013	2014
A: Process Control RR	79.5%	28.2%	64.1%
B: Drinking Water Quality RR	11.1%	11.1%	40.7%
C: Risk Management RR	13.0%	13.0%	13.0%

Water Supply System	Pearly Beach		
	2012	2013	2014
A: Process Control RR	78.9%	26.3%	71.1%
B: Drinking Water Quality RR	11.1%	11.1%	11.1%
C: Risk Management RR	13.0%	13.0%	26.1%

Water Supply System	Stanford		
	2012	2013	2014
A: Process Control RR	83.8%	29.7%	40.5%
B: Drinking Water Quality RR	11.1%	11.1%	11.1%
C: Risk Management RR	13.0%	13.0%	13.0%

Site Inspection Scores

The **Preekstoel and Buffels River Base WTWs**were inspected to verify the Overstrand Local Municipality Blue Drop findings.

Preekstoel WTW:	**88%**
Buffels River WTW:	**90%**

The site inspection impression at the **Preekstoel WTW** was considered to be good. A number of drinking water quality management practices still require attention, including:

- A flow chart was displayed of the incident management protocol that indicates roles and responsibilities but alert levels were not included.
- Records of the results of the jar tests that are routinely undertaken could not be provided.
- Emergency shower and eye wash facilities were not located at the chemical dosing room.
- Manual post dosing of lime was being undertaken at the time of the assessment due to equipment failure. This was to be repaired as part of the maintenance contract with an external service provider. Standby equipment was not installed.
- Standby chlorine dosing equipment is not installed.



Flocculent dosing at point of high turbulence tanks



Bunded area for chemical storage

The site inspection impression at the **Buffels River WTW** was considered to be good. A number of drinking water quality management practices still require attention, including:

- A flow chart was displayed of the incident management protocol that indicates roles and responsibilities but alert levels were not included.
- The original O&M manual for the WTW is not available. Standard operating procedures have been compiled.
- Records of jar tests undertaken by the service provider could not be provided.
- Chemical tanks are not contained within a bunded area.
- Standby chlorine dosing equipment is not installed.
- Standby air compressor is not installed.



Gravity flow dosing system of flocculent



Chemical tanks not bunded

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2013 GREEN DROP REPORT

VOLUME 1:

MUNICIPAL AND PRIVATE WASTEWATER SYSTEMS

FINAL DRAFT

water affairs
Department:
Water Affairs
REPUBLIC OF SOUTH AFRICA

green drop
CERTIFICATION
waste water service
REGULATION

Together committed to excellent Water Quality for the future

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ACRONYMS

ACRONYMS	DESCRIPTION
ADWF	Average Dry Weather Flow
CFO	Chief Financial Officer
COD	Chemical Oxygen Demand
CRR	Cumulative Risk Rating
DPW	Department of Public Works
DWA	Department of Water Affairs
GA	General Authorisation
GDC	Green Drop Certification
GDS	Green Drop System (www.dwa.gov.za/greendrop)
GWSA	Green Water Services Audit
IMP	Incident Management Protocol
KPA / KPI	Key Performance Area / Indicator
LM	Local Municipality
NA	[Not assessed]
NI	[No information]
O&M	Operation and Maintenance
RPMS	Service Level Agreement
SLA	Regulatory Performance Measurement System
SS	Suspended Solids
W_2RAP	Wastewater Risk Abatement Plan
WIN-SA	Water Information Network of South Arica
WRC	Water Research Commission
WSA	Water Services Authority
WSP	Water Services Provider
WSI	Water Services Institutions
WWTP/W	Wastewater Treatment Plant / Works
PROVINCES	
EC	Eastern Cape Province
FS	Free State Province
GP	Gauteng Province
LP	Limpopo Province
MP	Mpumalanga Province
NW	North West Province
NC	Northern Cape Province
KZN	Kwa-Zulu Natal Province
WC	Western Cape Province

How to Read the Report Card

The following is an example of a typical municipal report card that appears in the Green Drop Report 2013. Results are provided in colour coded format – each colour has a specific meaning and performance reference.

Water Services Authority	ABC Local Municipality
Water Services Provider(s)	ABC WSP

2013 Municipal Green Drop Score	**81.63%**
2011 Municipal Green Drop Score	**63.80%**
2009 Municipal Green Drop Score	**75.00%**

The Municipal Green Drop score is a **Performance Indicator** of the overall municipal wastewater business (function of the available design capacity and the individual Green Drop scores).
Arrows: Depict the current Green Drop status of the plant. A ↑ arrow shows improvement upon the 2009situation, ↓ shows digress, → shows unchanged situation

Key Performance Area	Weight	System X
Process Control & Maintenance Skills	10%	**67**
Monitoring Programme	15%	**95**
Submission of Results	5%	**100**
Effluent Quality Compliance	30%	**16**
Risk Management	15%	**90**
Local Regulation	5%	**100**
Treatment Capacity	5%	**100**
Asset Management	15%	**94**
Bonus Scores		8.48
Penalties		1.90
Green Drop Score (2013)		**74.88%**
2011 Green Drop Score		47.00%
2009 Green Drop Score		66.00%
System Design Capacity	Ml/d	2.3
Capacity Utilisation (% ADWF ito Design Capacity)		112.0%
Resource Discharged into		Pienaars River (sensitive, special standard apply)
Microbiological Compliance	%	12.95%
Chemical Compliance	%	24.35%
Physical Compliance	%	20.69%
Overall Compliance	%	20.90%
Wastewater Risk Rating (2012)		**76.50%**
Wastewater Risk Rating (2013)		**76.47%**

Colour codes	Appropriate action by institution
90-100%	Excellent situation, need to maintain via continued improvement
80-<90%	Good status, improve where gaps identified to shift to 'excellent'
50-<80%	Fair performance, ample room for improvement
31-<50%	Very poor performance, need targeted intervention towards gradual sustainable improvement
0-<31%	Critical state, need urgent intervention for all aspects of the wastewater services business

≥90% = Green Drop Certification
<30% = Purple Drop Status

Plant is receiving 12% more wastewater compared to its original design capacity (ADWF)

Effluent quality compliance to legislative standards carries a high (30%) weight in the GDC score

The CRR% Deviation (CRR/ CRRmax) score is specific to the wastewater "treatment" function of the service. This score indicates the actual risk as a % of the maximum risk that the plant potentially can reach. An orange and **red**block indicate that the plant is in high- or critical risk that warrants urgent attention. A higher value reflects a high risk state (undesirable). A lower value reflects a lower risk state.

Note: volumetric capacity refers to Average Dry Weather Flow

CRR% Deviation	90 – 100% Critical risk WWTP
	70 - <90% High Risk WWTP
	50-<70% Medium risk WWTP
	<50% Low Risk WWTP

1. GREEN DROPSCORECARD 2012/13

The Stockdale paradox:
Confront the brutal truth of the situation, yet at the same time, never give up hope.

Green Water Services Audits are conducted by a panel consisting of a qualified wastewater professional as Lead Assessor, supported by 2 Assessors. The team selection is done based on the outcomes of a Green Drop Examination which tests the assessor's knowledge and competence in the subject field.

The following scorecard outlines the key requirements of the Green Drop assessment and indicates the Portfolio of Evidence that was required by each Water Services Institution to calculate a Green Drop score per wastewater system.

Green Water Services Audit Period : 1 July 2011 – 30 June 2012

Green Drop Key Performance Area	Requirements	Sub-Requirements
(1) Process Control and Maintenance	**(1.1)** **WORKS REGISTRATION**	**a)** The wastewater treatment facility is registered as per the Requirements of Regulation 2834/17.
[10%]	**(1.2)** **PROCESS CONTROLLER & SUPERVISOR REGISTRATION**	**a)** Copies of Registration Certificates of Process Controllers and Supervisor(s) **b)** Copies of the classification certificates of all process controllers/operators and supervisors/ superintendents must be uploaded on the GDS; **c)** Compliance with Regulation 2834 (must comply at least 50% in each of the shifts); WSI must indicate shift patterns or measures in place when a shift does not comply with Regulatory Process Control Requirements. **d)** WSI must indicate process controllers and/or supervisors that are 'shared' across different plants/sites.
	1.3) **MAINTENANCE TEAM**	**a)** Evidence of Maintenance Team used for general maintenance work at the plant & pump-stations(both mechanical and electrical) **b)** Information on in-house staff (or organogram) or external contractor/s **c)** Provide additional proof of competency of team (e.g. Qualification & Experience & Trade-test) **d)** Provide a site specific operation and maintenance schedule (routine / scheduled) **e)** Contract or Logbook with maintenance entries to serve as evidence of the above aspects
	1.4) **OPERATIONS & MAINTENANCE MANUAL**	**a)** Proof of a 'site-specific' Operation & Maintenance Manual O&M manual to contain: *1. structural,* *2. mechanical,* *3. electrical detail of plant,* *4. design specifications of plant,* *5. reference to drawings,* *6. operational schedules,* *7. maintenance schedules,* *8. process detail and control,* *9. instrumentation specification/type,* *10. fault finding,* *11. monitoring,* *12. pump curves,* *13. supportive appendices*
	(1.5) **OPERATIONAL LOGBOOK**	**a)** A logbook is in place to record all incidents at the wastewater treatment works. **b)** Evidence is presented that the logbook process is being implemented.

	BONUS **(Process Control)**	**BONUS**: Proof of Process Controller staff being subjected to relevant training the past 24 months 1. Names of trainees and signature of attendance / Certificate 2. Date and training subject field 3. Training provider and content of training
(2) **Wastewater Monitoring Programme** **[15%]**	**(2.1)** **OPERATIONAL MONITORING**	Details of Operational Monitoring: **a)** Proof of Operational Monitoring sites, determinands and frequency; **b)** Samples must include: i) *inflow* *ii) outflow* *iii) process flows* *iv) industrial* *v) sludge* **c)** Determinands monitored; **d)** as per Authorisation / as per best practice per technology type; **e)** Frequency: as per Authorisation /as per best practice (1/month for micro & small plants, 1 /week for medium plants, and 1/day for large & macro plants)
	(2.2) **COMPLIANCE MONITORING**	Details of Compliance Monitoring (For ALL Effluent Discharges). **a)** Sampling Sites as per Authorisation; **b)** Determinands as per Authorisation (This would include determinands not categorised as Microbiological, Chemical or Physical, e.g. SAR) ; **c)** Sampling frequency occurs as Authorisation Requirements Note 1: For zero-effluent treatment systems - still need to monitor for impact on catchment / environment (for both lined and unlined systems). Where oxidation ponds are producing effluent for irrigational purposes then General Limits apply. Note 2: A monitoring programme alone will not be sufficient to obtain full score; Analyses results should proof implementation of the monitoring programme.
	(2.3) **LABORATORY USED**	**a)** Name lab(s) for operational analysis (in-house or on-site) and lab for compliance analysis/checks (in-house or external) **b)** Provide the turnaround in laboratory analysis (in hours: from time of submission to time of results dissemination)
	(2.3) **LABORATORY CREDIBILITY**	**a)** Certificate of Accreditation for applicable methods, **b)** Or Z-scores results following participation a recognised Proficiency Testing Scheme ($-2 \geq z\text{-score} \geq 2$ are unacceptable) **c)** Or Proof of Intra- and Inter-laboratory proficiency (quality assurance as prescribed in Standard Methods)
	(2.4) **PROCESS CONTROL / MONITORING RESULTS**	**a)** Explain how monitoring results are used to amend/improve process controlling *[The assessor will select at random analytical parameter/s from the presented analytical results to present an audit question. This might be checked during on-site assessment.]*
(3) **Submission of Wastewater Quality Results** **[5%]**	**(3.1)** **DATA SUBMISSION**	1. 12 months of data submitted to DWA on the GDS **2.** WSA must ensure that 12 months' sets of results are submitted and recorded on the GDS prior to the assessment. Note: All compliance results' data required
	PENALTY (1): Data Not Captured OR	Penalty will apply should Wastewater results be available but not captured on GDS
	PENALTY (2): Section 82	Penalty will apply should the Department find proof during / post assessment that the WSI is guilty of an offence as per Section 82 of the Water Services Act, by only submitting partial information for GDS in order to prevent a false impression of WWQ Performance and/or compliance.

(4)Wastewater Effluent Quality Compliance	**(4.1) WATER USE AUTHORISATION**	**a)** Copy of authorisation, detailing Effluent Quality Standards. **NOTE:** List Standards to comply with.
[30%]	**(4.2)** **EFFLUENT QUALITY COMPLIANCE**	**a)** 90% **Microbiological Compliance** (e.g. E Coli; Faecal Coliforms) **b)** 90% **Chemical Compliance** (e.g. COD, Ammonia, Nitrogen, Nitrate, Nitrite, Residual Chlorine, Ortho-Phosphates, Fluoride, Arsenic, Cadmium, Copper, Manganese, Iron, Selenium, Zinc, Boron, etc.) **c)** 90% **Physical Compliance** (e.g. pH, Suspended Solids, Electrical Conductivity, Soap, Oil or Grease, etc)
	BONUS **(GDIP)**	**a)** A practical Green Drop Improvement Plan (GDIP) in place – with baseline (current) score, tasks, responsible person, completion date, budget, target GDC score; **b)** Implementation evidence and proof of management of process
	PENALTY: **(Sludge Management)**	a) Sludge treatment not managed / monitored (Monitoring records must be produced) b) In case of ponds systems, provide schedule for desludging of system
(5) **Wastewater Quality Risk Management**	**(5.1)** **WASTEWATER RISK ABATEMENT PLAN (W_2RAP)**	**a)** A practical and site specific Wastewater Risk Abatement Plan (W_2RAP) is in place which identify and prioritise risks, with measures to mitigate inefficiencies/inadequacies that result in non-compliance **b)** Implementation evidence and proof of management commitment
[15%]	**(5.2)** **INCIDENT REGISTER**	**a)** Provide evidence of implementation of Protocol **b)** Wastewater Quality Failure Incident and Sewer Spillage Incident register.
	(5.3) **WASTEWATER INCIDENT MANAGEMENT PROTOCOL**	**a)** Evidence of a documented Wastewater Incident Management Protocol **b)** Protocol to specify alert levels, response times, required actions, roles & responsibilities and communication measures/vehicles. **c)** NB. Include Pumpstation failure (sewer collector system spillages)
	BONUS **(Energy)**	WSI is able to provide DWA with: a) Electricity consumption over last financial year (in KWh/day) and Rand value (R/year) of treatment plant; b) Energy demand projections over next >3 years (in KWh/day) and in Rand value (R/year); and c) Calculate cost of energy (KWh/kl wastewater treated)
(6) **Local Regulation**	**(6.1)** **BYLAWS**	Proof of the Bylaws providing for the regulation of: *1. industrial (trade) influent (volumes & quality) discharged into municipal system,* *2. package plants,* *3. decentralized systems,* *4. vacuum tank discharges and* *5. Spillages into the environment.* *6. Storm-water connections to sewer system.*
[5%]	**(6.2)** **ENFORCEMENT**	1. Proof of application of Bylaw clause in practice, supported by written notice/s to offender **OR** 2. Proof of adequate enforcement (informing relevant sectors and means of monitoring industrial or other sewer influent.) 3. Records of Package Plants in area of jurisdiction (where development was approved by the Authority (Local Government).

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	PENALTY (Industrial Monitoring)	No evidence of any industrial influent monitoring 1. There must be proof in form of results to indicate WSA is performing its local regulation function as per Waste water Services
	BONUS **(Publication)**	1. Annual Publication of wastewater management performance against the requirements of the site-specific License conditions or General Authorisations 2. Name and date of publication, copy of information pertaining to audit question 3. Note: Communication must include compliance summary
(7) **Wastewater Treatment Capacity**	**(7.1)** **DESIGN CAPACITY**	**a)** Documented design capacity (hydraulic and organic) of the wastewater treatment facility 1. Design capacity as Average Dry Weather Flow (ADWF) and COD load to the plant and **b)** Documented daily receiving flows over the 12 months of assessed period (ideally ≤ than design capacity) 1. Evidence of daily flows and subsequent calculated averages. Measurement method to be explained 2. Evidence of peak wet weather flow to plant during rain events (record rain event and flow to plant) 3. Evidence of minimum night flow (minimum monitoring: monthly) 4. Water services institution is required to provide motivation/proof of accuracy of meter readings. **c)** Monitoring of outflow volumes (available records) - provide proof of verification system and/or calibration of meters)
[5%]	**(7.2)** **WWTW CAPACITY PLANNING**	Medium to long term planning to ensure sufficient capacity for treatment system and to ensure effluent quality compliance; 1. Detailed Work-plan which stipulates: *i) type of work,* *ii) associated budget,* *iii) projected timeframe* *iv) planned output of this work.*
	(7.3) **COLLECTOR CAPACITY PLANNING**	Medium to long term planning to ensure sufficient capacity for collecting system1. Detailed Work-plan which stipulates: *i) type of work,* *ii) associated budget* *iii) projected timeframe* *iv) iv) the planned output of this work* Note for 7.2 and 7.3: When the WSI is motivating that 'no work' is needed, then provide basis for such standpoint (i.e. quantified design versus operational capacity, usage of system, expected housing developments, condition of treatment system)
	PENALTY	Capacity Utilisation >40%, >80%, >100%
(8) **Wastewater Asset Management**	**(8.1)** **PROCESS AUDIT**	**a)** Process Audit reporting (evidence required of audit findings and recommendations) on treatment facility efficacy. The audit to include the (design) capability of the plant to meet compliance standards, as well as actual performance of plant. Should've been done between July 2010 and June 2012. **b)** Evidence/plan of implementation of findings during year following Audit Report required.
[15%]	**(8.2)** **SEWER MAIN INSPECTION**	**c)** Site inspection of sewer reticulation network and pump-station/s. Provide evidence in form of capacity and condition assessment and recommendations of system. Report to include flow balance that provides evidence which % of total sewage is received at treatment plant. Note: both the process audit and sewer network report could serve as baseline to the W_2RAP (may run concurrently with "system description and risk identification/rating)

	(8.3) **WASTEWATER ASSET REGISTER**	**d)** Updated sanitation / wastewater Infrastructure Asset Register 1. Proof of Asset Register, evidence to be submitted. Asset register to include movable equipment and immovable infrastructure / assets with matching detail. The asset register must detail : a) relevant equipment and infrastructure b) indicate asset description c) location d) condition (remaining life) e) replacement value
	(8.4) **O&M BUDGET &EXPENDITURE**	**e)** Operation and maintenance budget and comparative expenditure detail for: 1. *wastewater treatment (in cents/m^3), and* *2. collection system (R/m^3)* The assessor will require the WSI to explain how these figures compare or are benchmarked to determine whether budget is (in)sufficient NOTE: Indicate whether WSI could only provide global figures or system specific figures.
	(8.5) **PUMPSTATION MAINTENANCE**	Proof of maintenance work done on mechanical, electrical, civil per pumpstation
Additional Bonuses	**(AB 1) CROSS-POLLINATION**	WSI is able to provide evidence of improvement partnership initiatives with smaller municipalities (Cross-pollination). Green Drop scores will serve as good evidence to measure the outcomes of such initiative/s.
	(AB 2) STORMWATER MANAGEMENT	Proof of a Storm-water management plan detailing how storm-water entry is quantified, managed and monitored to prevent entry to sewer systems. Plan should also include measures to prevent sewage from entering stormwater systems. Evidence of implementation required
	(AB 3) WATER DEMAND MANAGEMENT	Water Demand Management Plan which provides a strategy and/or work plan that identify, quantify, monitor and manage leakages and water losses of any kind that (may) create an artificial water demand due to higher hydraulic loading of wastewater collection and treatment infrastructure. The bonus will be maximised should a wastewater flow balance be provided

Green Drop Certification status = ≥90% score against the above criteria.

Purple Drop status = <30% against the above criteria.

"If you are going to achieve excellence in big things, you develop the habit in little matters. Excellence is not an exception, it is a prevailing attitude."

Colin Powell

1. Overstrand Local Municipality

Water Services Authority	Overstrand Local Municipality
Water Services Provider(s)	Overstrand Local Municipality

2013 Municipal Green Drop Score	89.14%
2011 Municipal Green Drop Score	88.80%
2009 Municipal Green Drop Score	63.00%

Key Performance Area	Weight	Hermanus	Hawston	Stanford	Gansbaai
Process Control & Maintenance Skills	10%	84	100	100	100
Monitoring Programme	15%	93	95	95	100
Submission of Results	5%	100	100	100	100
Effluent Quality Compliance	30%	68	69	85	77
Risk Management	15%	96	73	73	73
Local Regulation	5%	100	100	100	100
Treatment Capacity	5%	100	100	100	96
Asset Management	15%	96	93	96	93
Bonus Scores		4.86	5.48	3.55	4.43
Penalties		0.20	0.23	0.30	0.37
Green Drop Score (2013)		91.17%	90.03%	93.39%	91.76%
2011 Green Drop Score		92.10%	87.90%	83.00%	75.80%
2009 Green Drop Score		66.00%	57.00%	61.00%	66.00%
System Design Capacity	Ml/d	7.3	1	0.5	2
Capacity Utilisation (% ADWF ito Design Capacity)		56.89%	30.00%	79.20%	55.00%
Resource Discharged into		Sea outfall (shallow)	Natural Wetland to Dunes	Kleinrivier	Lined wetlands, sportsfield irrigate
Microbiological Compliance	%	91.67%	91.67%	91.67%	100.00%
Chemical Compliance	%	87.50%	81.25%	90.00%	93.75%
Physical Compliance	%	66.67%	91.67%	94.44%	80.56%
Overall Compliance	%	80.21%	86.46%	91.67%	89.58%
Wastewater Risk Rating (2012)		34.70%	33.30%	44.40%	38.90%
Wastewater Risk Rating (2013)		45.45%	29.41%	29.41%	35.29%

Key Performance Area	Weight	Kleinmond
Process Control & Maintenance Skills	10%	80
Monitoring Programme	15%	95
Submission of Results	5%	100
Effluent Quality Compliance	30%	29
Risk Management	15%	73
Local Regulation	5%	100
Treatment Capacity	5%	56
Asset Management	15%	100
Bonus Scores		8.84
Penalties		0.91
Green Drop Score (2013)		77.61%
2011 Green Drop Score		82.50%

G22/22

2009 Green Drop Score		66.00%
System Design Capacity	Ml/d	2
Capacity Utilisation (% ADWF ito Design Capacity)		44.90%
Resource Discharged into		Sea (shallow outfall)
Microbiological Compliance	%	83.33%
Chemical Compliance	%	77.08%
Physical Compliance	%	100.00%
Overall Compliance	%	86.46%
Wastewater Risk Rating (2012)		44.40%
Wastewater Risk Rating (2013)		47.06%

Regulatory Impression



The Overstrand Local Municipality is to be congratulated with an outstanding performance and able presentation of their Portfolio of Evidence. The Inspection team were impressed with "... *the team's enthusiasm, expertise and knowledge of the wastewater business.*" As result, Overstrand is awarded **with four Green Drop Certificates**. The overall management of all five systems is consistent and indicative of the personnel's dedication and discipline to wastewater management. Regrettable, the Kleinmond system did not perform on par with the other 3 systems, which weakened the **municipal Green Drop score to 89.14%,** just short of overall Green Drop award.

The points of strength include the high overall compliance of effluent quality, prominent risk abatement, and technical skilled staff with strong management support and involvement. The presence of the Finance department contributed to the positive score received for asset management and ringfenced costing. The Hermanus WWTW is currently in the process of upgrading the works to 12ML/d. Monitoring programs should be revised to include sludge monitoring at all systems and to ensure sufficient sampling frequency where process upgrades have occurred.

Overall, Overstrand has managed to produce a polished Green Drop Performance. Overstrand is also one of very few municipalities that were using the opportunity to score against all the bonus criteria. ***Well done.*** The absolute consistency displayed in keeping all systems in **low risk zones** using the W_2RAP process, is commendable. Overstrand is an accomplished service provider in wastewater management, and deserves to be mentioned amongst the top performers in the Province.







Green Drop findings:

1. Regulation 17 compliance need to receive attention
2. Sea outfall monitoring frequency need to be revised for Hermanus
3. Sludge monitoring and handling could improve going forward
4. Some shortcomings are evident on process assessment which might possibly resolve some of the lower compliance to ammonia, EC, O-PO_4, SS/COD at some plants, given that ample capacity exist at all plants.

Site Inspection Report

Kleinmond **75%**

The Kleinmond plant was inspected to verify the Green Drop findings:

- The plant is beautifully set, with notices, PFD, manuals and signage in place
- Process control logbooks can be improved, as well as instrumentation
- Flows recorded, except nightflow, 60% tankered, daily pumpstations checks
- Aeration of wastewater well maintained, goo process control, lime slightly slug dosed, MLSS used along temperature
- Disinfection via ultraviolet radiation, clear overflows to reed beds (Phragmites) for polishing. UV performance questioned.

ANNEXURE H

NT & PT BUDGET CIRCULARS & FINANCIAL RATIOS AND NORMS

ANNEXURE H1/119

NATIONAL TREASURY

MFMA Circular No. 112

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2022/23 MTREF

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Introduction

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2022/23 Medium Term Revenue and Expenditure Framework (MTREF). This circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts (*m*SCOA), and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial reform agenda by focussing on key "game changers". These game-changers include ensuring that municipal budgets are funded, revenue management is optimised, assets are managed efficiently, supply chain management processes are adhered to, *m*SCOA is implemented correctly and that audit findings are addressed.

Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that is not covered in this circular.

1. The South African economy and inflation targets

The National Treasury projects real economic growth of 5.1 per cent in 2021, following an expected contraction of 6.4 per cent in 2020. Real GDP growth is expected to moderate to 1.8 per cent in 2022,1.6 per cent in 2023 and 1.7 per cent in 2024.

South Africa experienced its largest recorded decline in economic output in 2020 due to the strict COVID-19 lockdown. Real GDP contracted by 7.2 per cent in 2020 compared to 0.1 per cent increase in 2019. It is expected to increase by 6.2 per cent in 2021/22 and moderate by an average increase of 1.7 per cent over the 2022/23 MTEF.

Manufacturing production grew by 17 per cent in the first six months of 2021 compared with the same period in 2020. Production has not recovered to pre-pandemic levels, although the Absa Purchasing Managers' Index remains above the neutral 50-point mark. Electricity disruptions, raw material shortages and rising input costs will continue to limit output in the short to medium term.

The main risks to the economic outlook are slowdown in economic growth. The evolution of COVID-19 and slow progress in vaccine rollout reinforces uncertainty and poses risks to economic recovery.

Slow implementation of structural reforms continues to weigh on business confidence and private investment. Electricity supply constraints, which could worsen over the short term, are a drag on economic growth. In contrast, progress on energy reforms poses upside risks to fixed investment and the overall economic outlook.

A further deterioration in the public finances due to various spending pressures and the materialisation of contingent liabilities could trigger further credit rating downgrades. Pressures on the government wage bill ceiling, including the implementation of the non-pensionable salary increases undermine fiscal consolidation measures.

The fiscal framework does not include any additional support to state-owned companies, but the poor financial condition and operational performance of several of these companies remains a large contingent risk. A number of entities may request further bailouts.

Government is strictly enforcing minimum criteria before guaranteeing the debt of state-owned companies, as outlined in the 2021 Budget, which has led to a decline in guarantee requests. Nonetheless, the broader context of financial distress, weak governance and unsustainable operations in many of these companies remains unaddressed.

Since the 2008 global financial crisis, economic growth has trended downwards, resulting in persistent shortfalls in tax revenue that have not been matched by adjustments to spending growth. This in turn has led to wider budget deficits, higher borrowing and a rapid increase in the ratio of debt to GDP. The reason that the debt servicing costs are growing at a pace that is faster than the rate of GDP growth, and this ratio will continue to increase until government runs a sufficiently large primary budget surplus.

To maximise the value of spending, government needs to contain costs, more especially consumption related spending, exercise prudent and compliant financial management, and eradicate wasteful treatment of public funds and resources. Compensation of employees remains a major cost pressure. It remains critical for municipalities to adhere to compensation ceilings, manage headcounts proactively and conduct staff audit to ensure the staff complement is aligned to the approved organogram. This will assist government is to improve its fiscal position.

Medium-term priorities include: reindustrialising through implementation of the master plans; growing exports through the African Continental Free Trade Area; implementing the Tourism Sector Recovery Plan; supporting township and rural economies; and promoting localisation, inclusive economic growth and job creation.

In 2021/22, gross tax revenue is expected to be R120.3 billion higher than projected in the 2021 Budget, with corresponding improvements of R69.8 billion and R59.5 billion expected in 2022/23 and 2023/24 respectively. This is still well below pre-pandemic revenue estimates, but it provides space for government to deal with immediate fiscal pressures while continuing to stabilise the public finances.

Headline inflation is expected to remain between 3 to 6 per cent target range over the 2022/23 MTEF.

In summary, the tax revenue in 2021/22 was higher than projections and this was mainly due to commodity price rally. However, these are projected to be short term, and as such long-term spending commitments should not be made based on short term revenue benefits. There are measures in place to reduce expenditure to narrow the budget deficit.

The following macro-economic forecasts must be considered when preparing the 2022/23 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2020 - 2025

Fiscal year	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Estimate	Forecast		
CPI Inflation	2.9%	4.9%	4.0%	4.4%	4.5%

Source: Medium Term Budget Policy Statement 2021.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

2. Key focus areas for the 2022/23 budget process

2.1 Local government conditional grants allocations

Over the 2022 MTEF period, transfers to municipalities will grow below inflation. Over the next three years, local government resources increase by 4.1 per cent.

Transfers to local government will be increased by R17.8 billion, including R9.3 billion from the local government equitable share, R1.5 billion from the general fuel levy and R6.9 billion in direct conditional grants over the 2022 MTEF period. The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2022 MTEF period.

The annual Division of Revenue Bill will be published in February 2022 after the Minister of Finance's budget speech. The Bill will specify grant allocations and municipalities must reconcile their budgets to the numbers published herein.

Municipalities are advised to use the indicative numbers presented in the 2021 Division of Revenue Act to compile their 2022/23 MTREF. In terms of the outer year allocations (2023/24 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2021 Division of Revenue Act for 2021/22. The DoRA is available at:
http://www.treasury.gov.za/documents/national%20budget/2021/default.aspx

Division of Revenue Amendment Bill, 2021: changes to local government allocations

Budget Facility for Infrastructure Funding – R81 million is added to the direct regional bulk infrastructure grant for George Local Municipality for the implementation of the potable water security and remedial works project. Due to delays in the implementation of projects approved through Budget Facility for Infrastructure (BFI), the projects sponsors have requested funding to be reduced to align with the planned project rollout.

R1.3 billion is reduced from the public transport network grant for City of Cape Town to align to its revised implementation plan of myCiti phase 2A.

Neighbourhood Development Partnership Grant – R841 million is added to the direct neighbourhood development partnership grant for local government to create 32 663 jobs through precinct management, community safety, place-making, greening, integrated waste management and digitalisation, with special focus on poor and marginalised areas and economic nodes.

Roll-over of indirect regional bulk infrastructure grant – R582 million is rolled over in the indirect regional bulk infrastructure grant to fund the operational payments for the Vaal River pollution remediation project in Emfuleni Local Municipality. This change is shown in Schedule 6, Part B of this Bill.

Reprioritisation in the neighbourhood development partnership grant – In the neighbourhood development partnership grant, R90 million is shifted from the direct component to the indirect component of the grant, to fund project preparation, planning and implementation for municipalities facing implementation challenges. The affected municipalities are City of Johannesburg, Mogale City, Kwa-Dukuza, West Rand, Sol Plaatje, Ray Nkonyeni and City of Cape Town. These changes are shown in Schedule 5, Part B and Schedule 6, Part B of this Bill.

Changes to gazetted frameworks and allocations

Neighbourhood development partnership grant – The grant framework for the neighbourhood development partnership grant is amended to remove reference to Built

Environment Performance Plans and include the conditions attached to the approval of funds from the Presidential Youth Employment Initiative. The conditions require cities to expand the existing Expanded Public Works Programme projects and enter into new partnerships with the private sector and civil society.

Regional bulk infrastructure grant – The grant framework for the regional bulk infrastructure grant is amended to include the conditions attached to the approval of funding from the BFI for the implementation of the potable water security and remedial works project in George Local Municipality. The conditions require that the municipality submit a business plan, a cost-benefit analysis report and enter into a co-financing agreement with the Department of Water and Sanitation and the Department of Cooperative Governance.

Integrated urban development grant – The grant framework for the integrated urban development grant is amended to include a provision for purchasing special vehicles for waste management. This correction is needed to ensure alignment with conditions in the municipal infrastructure grant as municipalities can move between the two grants.

Municipal infrastructure grant – The grant framework for the municipal infrastructure grant is amended to correct for the omission of the baseline allocation of R14.8 billion in 2019/20 in the past performance section of the framework. The amount was erroneously not captured. This correction is needed to show the audited past financial performance of the grant.

3. IDP Consultation Process Post 2021 Local Government Elections

Municipalities are advised to refer to the guidance (refer to the email sent by CoGTA to all municipalities on 20 October 2021) provided through the joint National Treasury/ Department of Cooperative Governance/ South African Local Government Association (NT/DCoG/SALGA) Joint Circular No.1 on the transitional measures in relation to the IDP consultation process. This circular indicates that the previous municipal councils had an obligation to ensure that the legislative stipulations were complied with. Therefore, they were expected to continue the process of the development of the IDP starting with the development and adoption of the process plans as provided for in section 28 of the Municipal Systems Act. Municipalities should then implement the adopted budget process plan and conduct the public engagements as per dates they have indicated in the process plan.

4. Municipalities unable to pass the annual budget after 1 July

The provincial executive council must urgently request the Mayor to submit a report outlining detailed reasons and or circumstances that led to failure to approve the annual budget by the 1 July.

The provincial executive council must intervene in terms of section 139(4) of the Constitution and take appropriate steps by issuing a directive to the municipal council to approve a budget and any revenue raising measures necessary to give effect to the budget within a reasonable period.

Section 26(4) and (5) of the MFMA provides for how the expenses can be met pending the approval of a budget through a directive. Provincial Treasuries should establish clear internal processes for reviewing and recommending the approval of withdrawals by their MEC (templates can be obtained from National Treasury).

The provincial executive council must upon issuing of a directive to the Municipal Council conduct an assessment of the budget tabled by the Mayor against the norms and standards, approved budget process plan, and the outcome of public participation processes.

In the event the Municipal Council fails to approve a budget due to walk out or individual misconduct by a majority of councillors, the Speaker must immediately investigate the conduct of those identified councillors in terms of the Code of Conduct for councillors as provided for in the Municipal Systems Act, 2000.

If in terms of the assessment by the provincial executive council of the tabled budget, it is found that there are no justifiable grounds for not approving the budget, the former must submit/ present the outcome of the assessment to the Municipal Council with a directive to consider the assessment and adopt the budget. If the assessment of the provincial executive council of the tabled budget finds that it does not adhere to the required norms and standards, the directive from the provincial executive council should instruct the council to first amend the budget to remedy this before adopting the budget.

The provincial executive council must, if necessary give the municipal council a further 14 days to approve a tabled budget that complies with norms and standards and incorporates the outcome of public participation, failing which the provincial executive council must consider dissolution of municipal council, approval of a temporary budget and appointment of an administrator as a last resort.

5. Municipal Standard Chart of Accounts (*m*SCOA)

5.1 Release of Version 6.6 of the Chart

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.6 is released with this circular.

Version 6.6 of the chart will be effective from 2022/23 and must be used to compile the 2022/23 MTREF and is available on the link below:
http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx

The Project Summary Document (PSD) on the National Treasury webpage will be aligned to the chart changes in version 6.6 where applicable. The PSD is also available on the above link.

*m*SCOA chart changes are issued annually in December. For the National Treasury to consider a new chart change, the issue must be logged with all relevant background and details on the Frequently Asked Questions (FAQ) database. The FAQ database can also be accessed on the above link.

The matter will then be further investigated by the FAQ committee of the National Treasury. If it is found that a chart change is required in the next chart version, then the matter will be elevated to the *m*SCOA Technical Committee and if in agreement, it will be recommended for approval to the *m*SCOA Steering Committee. Requests for chart changes in the next version of the chart must be logged for consideration by 31 August of each year.

5.2 Credibility of *m*SCOA data strings

The credibility of the *m*SCOA data strings remains a concern although we have observed a marked improvement in some areas. At the core of the problem is:

- The incorrect use of the *m*SCOA chart and segments, balance sheet budgeting, movement accounting and basic municipal accounting practices by municipalities;
- Some municipalities are not budgeting, transacting and reporting directly in/ from their core financial systems; have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (*m*SCOA enabling) version of their financial systems;
- A number of municipalities are still transacting on their legacy systems that are not *m*SCOA enabling or they are using Ms Excel spreadsheets that are not incorporated in the functionality of their financial systems, while they are paying for maintenance and support for the *m*SCOA enabling system that was procured. This constitute fruitless and wasteful expenditure; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2022/23, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

Municipalities should refer to the guidance provided in the *m*SCOA circulars issued by the National Treasury to classify their transactions correctly.

The credibility and accuracy of the data strings must be verified by municipalities before submission as the data strings submitted will be used as the single source for all analysis and publications in the 2022/23 municipal financial year.

5.3 Regulation of Minimum Business Processes and System Specifications

One of the key objectives of the *m*SCOA reform is to ensure that municipalities are planning, budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the *m*SCOA Regulations.

All municipalities and municipal entities had to comply with the *m*SCOA Regulations by 1 July 2017. MFMA Circular No. 80 (Annexure B) provided guidance on the minimum business processes and system specifications for all categories of municipalities (A, B and C). A number of Regulations and best practices as per the MFMA Circulars have been introduced since the issuing of MFMA Circular No. 80 in 2016.

The National Treasury will expand and regulate the business processes and system specifications in 2022/23 to these new developments. If your municipality has not yet achieved the minimum required level of *m*SCOA implementation, then a detailed action plan (road map) must be developed to indicate how the municipality will fast track the implementation of *m*SCOA. The action plan should include the following focus areas, as applicable to the municipality:

- **System landscape** – does the municipality has access to updated ICT hardware, software and licences that is sufficient to run the chosen financial management systems solution;
- **Governance and institutional arrangements** – is there a functional *m*SCOA steering committee or equivalent structure consisting of representatives from all business units, that meet regularly to monitor and report on *m*SCOA related issues to Management Committee (MANCO), Executive Committee (EXCO) and Council. Furthermore, did the

municipality appoint a suitably qualified System Administrator and the required IT securities are in place;

- **System functionality** – is the functionality of the system complying with the minimum business processes and system specifications articulated in MFMA Circular No 80; is the municipality utilising the core financial system solution and its modules optimally; and are 3rd party sub-systems seamlessly integrating with the *m*SCOA enabling financial system; and
- **Proficiency of municipal officials to use the financial system** – are the relevant municipal officials sufficiently capacitated on all system modules and functionalities to use the financial systems solution; are relevant officials in the organisation familiar with the *m*SCOA chart, balance sheet budgeting and movement accounting; and have change management taken place to ensure that *m*SCOA is institutionalised as an organisational reform and not only a financial reform.

It should be emphasised that the onus to ensure compliance with the *m*SCOA Regulations and minimum system specifications as per MFMA Circular No. 80 and its Annexure B rests with the municipality and not the system vendor. Municipalities should ensure that they budget sufficiently to become and remain *m*SCOA compliant.

The progress against the action plan must be monitored by the municipality's *m*SCOA Project Steering Committee and should also be reported at the 2021/22 Mid-year Budget and Performance engagements and the Budget and Benchmark engagements with the National and the respective provincial treasury. Copies of the action plan and progress reports should also be shared with the National and the respective provincial treasury.

5.4 Extension of RT25-2016 Service Level Agreements (SLA) for Financial Systems

The National Treasury has received numerous queries about the extension of the SLA for the transversal contract for the procurement of municipal systems of financials management and internal control (RT25-2016).

The RT25-2016 contract has expired in May 2019. Therefore, the RT25-2016 cannot be utilised to procure financial systems and Service Level Agreements (SLAs) entered into through the transversal contract cannot be extended when they expire. Municipalities that procured systems through the RT25-2016 transversal tender must approach the market to procure a new service provider for system support and maintenance. Due to the high financial investment in procuring financial systems, it is not cost effective to change financial systems every 3 to 5 years. Also, the expiry of the SLA does not necessitate the procurement of a new financial system - unless the system that is being used is not complying with the required business processes and system specifications.

Furthermore, the Municipal SCM Regulations does not prohibit the use of long-term contracts as long as the needs analysis and market analysis are done to justify the continuous need for the service. Municipalities may utilise Section 33 of the MFMA, taking into account the municipality's specific circumstances, provided that the decision is legally sound and there is evidence to support the municipality's decision.

Where a municipality has entered into a SLA for the provision of system support and maintenance through an open procurement process, the SLA may be extended in terms of Section 116(3) of the MFMA.

Notwithstanding the above, since the ICT environment changes very quickly the municipal needs must be re-evaluated to ensure that the IT systems in place are still 1) compatible with the needs and systems of the municipality, 2) aligned to modern technology and new legislative requirements and 3) cost effective prior to concluding long-term maintenance and support agreements in the event that there are other financial management solutions or

systems that may be better or even more cost effective as opposed to the current ones that may be outdated.

5.5 *m*SCOA Monthly Trial Balance

Municipalities are required to submit the following documents to GoMuni Upload portal on a monthly basis in PDF format:

1. C Schedule
2. Primary Bank Statement
3. Bank Reconciliation
4. Quality certificate
5. Monthly budget statement (Section 71 Report)
6. Trial balance

To date, the trial balances were submitted in various formats with varying levels of detail – some of them unreadable, making it difficult to identify the submission of the trial balances. From 1 July 2022, the trial balance must include the following minimum information:

- *m*SCOA item description
- Balance brought forward (i.e. opening balance)
- Movement Debit
- Movement Credit
- Balanced closing balance at the end of the document

The name of the municipality, municipal code and relevant period (year and month) must be clearly identified in the submission. Municipalities should ensure that the monthly data string aligns to the trail balance submitted to the GoMuni Upload portal.

5.6 Budgeting for the COVID-19 pandemic

In terms of *m*SCOA Circular No. 9 municipalities are reminded to record and ring fence all funding and expenditure pertaining to the COVID-19 pandemic when budgeting and transacting.

It is evident from the *m*SCOA data strings that were submitted by municipalities in terms of the monthly Section 71 reporting that not all municipalities are budgeting and reporting on COVID-19 related allocations and expenditure as per the guidance provided. Therefore, the National Treasury is not able to draw complete COVID-19 reports from the *m*SCOA data strings inclusive of the data for all municipalities as yet and the weekly manual reporting is still required.

Once the National Treasury is able to draw COVID-19 reports from the *m*SCOA data strings for the majority of municipalities and the Covid-19 restrictions is lifted as per the Disaster Management Act, 2002 (Act 57 of 2002) and its regulations, the weekly manual reporting will be stopped.

5.7 Costing Segment

The purpose of the costing segment in *m*SCOA is to provide for the recording of the full cost for the four core municipal functions, namely: electricity, water, waste water and waste management as a minimum requirement. These four services are the most significant revenue generating functions within municipalities and essential for setting cost reflective tariffs.

The costing segment does not impact on the financial statements and will be recorded as a 'below the line cost' and are recorded in the management accounts to make decisions in

formulating tariffs and cost control. Municipalities must refer to the PSD for the detailed application of the costing segment.

5.8 Classification of the Skills Development Levy

Employers must pay 1 per cent of their employees pay to the skills development levy. This is a contribution of 1 per cent of the total amount paid in respect of salaries to employees, which includes overtime payments, leave pay, bonuses etc. Therefore, this does not constitute employee related cost because it is not a compensation to employees, nor social contributions. Skills Development levy must be classified as operational costs as indicated in the *m*SCOA Project Summary Document (PSD).

5.9 Revised Municipal Property Rates Act Categories

Reference is made to paragraph 4.3 of MFMA Circular No. 107. Municipalities are reminded that section 8 of the Municipal Property Rates Act on the determination of categories of **rateable** properties has been revised through the Local Government Municipal Property Rates Amendment Act, 2014 ("the Amendment Act").

Municipalities were required to implement the new property categorisation framework by not later than 1 July 2021. The *m*SCOA chart Version 6.6 makes provision for the new and the old framework. However, the old framework will be retired in the next version of the chart and municipalities are advised to implement the new property categorisation framework as legislated. Therefore, municipalities cannot use both frameworks to avoid duplication and overstatement of revenue from property rates.

6. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. The weak economic growth has put pressure on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, Water Boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending.

Municipalities must ensure that they render basic services, maintain their assets and clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to improve the municipality's reputation. This will assist in attracting investment in the local economy which may result in reduced unemployment. Some municipalities are experiencing serious liquidity challenges. Therefore, the new leadership is advised to:

- Decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection; and
- Address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

It should be noted that it is easier for consumers to pay for services if they are reliable and when the environment is well maintained.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore,

municipalities are required to ***justify all increases in excess of the*** **projected inflation target for 2022/23** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

6.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circulars No. 93, paragraph 3.1 and No. 98, paragraph 4.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2022/23 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates.

It is essential that municipalities reconcile their most recent valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities should undertake this exercise annually as a routine practice during the budget process. The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this information with the Deeds Office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their annual reconciliation of the valuation roll to the billing system to the National Treasury by no later than **04 February 2022**.

The above information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: https://lguploadportal.treasury.gov.za/. If the municipality experience any challenge uploading the information a request for an alternative arrangement may be emailed to linda.kruger@treasury.gov.za.

6.2 Setting cost-reflective tariffs

Reference is made to MFMA Circular No. 98, paragraph 4.2. The setting of cost-reflective tariffs is a requirement of Section 74(2) of the Municipal Systems Act which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (Financial and Fiscal Commission (FFC), 2011). Credible budgets are critical for local government to fulfil its mandate and ensure financial sustainability.

A credible expenditure budget reflects the costs necessary to provide a service efficiently and effectively, namely:

- A budget adequate to deliver a service of the necessary quality on a sustainable basis; and
- A budget that delivers services at the lowest possible cost.

Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular No. 98, item 4.2. This tool will assist in setting tariffs that are cost-reflective and would enable a municipality to recover costs to fulfil its mandate. The National Treasury Municipal Costing Guide is available on the link below on the National Treasury website.

http://mfma.treasury.gov.za/Guidelines/Documents/Forms/AllItems.aspx?RootFolder=%2fGuidelines%2fDocuments%2fMunicipal%20Costing%20Guide&FolderCTID=0x0120004720FD2D0551AE409361D6CB3E122A08

It is also imperative that every municipality is utilising the *m*SCOA cost segment correctly.

6.3 Bulk Account Payments and Concessions

During 2018/19, intense work was undertaken to resolve systemic and structural issues pertaining to the electricity function in municipalities. Core to this work was addressing the escalating Eskom debt that threatened the sustainability of Eskom as well as that of municipalities.

During the process, Eskom agreed to provide relieve in certain areas. Municipalities are reminded of the following concessions that remain in place:

- The interest rate charged on overdue municipal bulk accounts were reduced from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms were extended from 15 days to 30 days for municipal bulk accounts; and
- Eskom allocation of municipality payments to capital first and then to interest.

These concessions align to the MFMA and are meant to curb municipal growing debt levels by allowing a more conducive payment regime than what was previously employed. In addition, municipalities are urged to budget for and ring-fence their payment of bulk services. Bulk current account payments must be honoured religiously to avoid stringent application of the bulk suppliers' credit control policy.

Municipalities are also advised to enforce a culture of payment for services through their normal credit control processes. In this regard it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. As such, a municipality's allocation of free basic services to all of the municipality's consumers is not funded in the equitable share. Every municipality, during the budget process, must consider the affordability to the municipality when allocating free basic services above the national norm and to consumers other than indigent consumers. **If a municipality has any arrears on any of its bulk supplier's accounts, it must limit its provision of free basic services to registered indigent consumers only**.

In this regard municipalities are reminded to take note of the Constitutional Court decision in **Mazibuko and Others vs City of Johannesburg and Others (CCT 39/09) [2009] ZACC 28; 2010 (3) BCLR 239 (CC); 2010 (4) SA 1 (CC) (8 October 2009)**. The Constitutional Court confirmed that a municipality has the right to disconnect the water service in the event of non-payment. In the case of registered indigent users, water may not be disconnected but can and should be restricted to the national policy limit of 6 kilolitres of water monthly.

6.4 Timeous allocations and clearing of the control accounts

Municipalities are encouraged to clear the control accounts on a monthly basis and to allocate trade and other receivable payments in these suspense accounts to the relevant debtor accounts regularly before the monthly submissions as required by the MFMA. Implementing and enforcing the credit control policy of the municipality whilst payments are not cleared in the control account is negligent and irresponsible. Municipalities are warned against this bad practice, and this must be avoided at all costs.

6.5 Smart Prepaid Meters Solution

The Inter-Ministerial Task Team (IMTT) of the 5th administration appointed a panel to investigate the electricity function to better understand what is causing the non-payment to Eskom. Cabinet subsequently endorsed the panel's recommendation that a smart prepaid solution for all municipalities must be explored. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a

transversal contract to standardise prepaid smart meter solutions for electricity that align to minimum and critical technical specifications for local government.

If your municipality or entity is currently in the process of procuring any smart meter solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal prepaid smart meter Terms of Reference (ToR); and
- That, with immediate effect, you must obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for any smart meter solution or similar system solution. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any smart meter solution or similar system solution or component thereof, must be directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) Sadesh.Ramjathan@treasury.gov.za.

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

6.6 Completeness and credibility of revenue related information in the Budget

The Municipal Budget and Reporting Regulations (MBRR) regulates the minimum level of information required from municipalities when compiling, implementing, monitoring, and evaluating the municipality's financial management situation. Failure to include the minimum required information hampers the municipal council, the public and stakeholders' ability to make informed decisions and engage on the matter. It also limits research, studies, and benchmarking undertaken for local, provincial, and national purposes.

The National Treasury would like to take this opportunity to caution municipalities that the MBRR prescribe the minimum level of information municipalities must include as part of their legal reporting obligations.

Going forward the Treasuries will place increased attention and focus on the adequacy of municipalities' submissions. The National Treasury regards this non-compliance to include the minimum level of information as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution. In this context, National Treasury will particularly focus on the completeness of asset management related information as well as the statistical information required in the A, B and C schedules during the 2022/23 MTREF.

6.7 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. Bulk electricity costs are consistently much higher than inflation, having gone as high as 17.8 per cent in the 2021/22 municipal financial year. Eskom's need for increased funding means that over the period ahead they are applying for much higher tariff increases. In their Multi-Year Price Determination (MYPD 5) application Eskom requested approval for municipal bulk tariff increases of 20.5 per cent in 2022/23, 15 per cent in 2023/24 and 10 per cent in 2024/25. NERSA rejected this revenue application at the end of September 2021 and in October 2021 ESKOM filed an application in the High Court to review NERSA's decision. The matter is still in court with a decision anticipated to be made shortly. If Eskom succeeds, the court will compel NERSA to process the rejected application for tariffs for the year starting 1 April 2022 in terms of the existing MYPD methodology. NERSA will then be expected to immediately publish Eskom's application for public comment.

6.8 Long Term Financial Strategies

National Treasury is supporting municipalities to develop and implement long-term financial models and strategies. This reform seeks to develop more sustainable, and integrated infrastructure development programmes over the longer term, informed by strategic plans, and financed in the most effective and efficient manner.

Although some municipalities have long-term financial models (LTFM), they are not always integrated with municipal plans, or based on actual cash flow analysis and investment programmes, or able to consider alternative financial scenarios and outcomes in relation to the ability to borrow and the structuring of market transactions.

Municipalities need to develop LTFM that support decisions on investment selection and assesses the financial impact of policy choices, by forecasting future financial performance and the impact of infrastructure projects on borrowing capacity. The LTFM needs to inform the municipality's long-term financial strategy, which must articulate a sustainable, efficient and effective borrowing strategy and practices for the municipality and provide a clear statement of intent for lenders and other stakeholders.

National Treasury has initiated this reform in the metropolitan municipalities and some of the Intermediate City municipalities and will continue with this reform in the next financial year. Based on the piloting of this reform, guidance will be provided to all municipalities to develop and implement LTFM's and strategies.

7. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2022/23 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates;
- Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water;
- Prioritise the filling of critical vacant posts, especially linked to the delivery of basic services; and
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of chapter 15 of the MFMA, read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

7.1 Employee related costs

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2022/23 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2022 and 01 July 2023 an increase based on the projected average CPI percentages for 2022 and 2023. The forecasts of the Reserve Bank, in terms of the January 2022 and January 2023, shall be used to determine the projected average CPI. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once-a-year manual salary disbursement, in order to root out ghost employees.

7.2 Remuneration of Councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councilor(s) concerned.

8. TRANSFERS TO MUNICIPALITIES

8.1 Criteria for the release of the Equitable Share

Section 216(2) of the Constitution of South Africa requires that the National Treasury must enforce compliance with the measures established to ensure both transparency and expenditure control in each sphere of government and may stop the transfer of funds to an organ of state if that organ of state commits a serious or persistent material breach of those measures.

The criteria for the release of the Equitable Share Instalments for the 2022/23 municipal financial year are as follows:

- The 2022/23 adopted budget must be funded and adopted by Council as per the legal framework, as required in terms of section 18 of the MFMA and consistent with the Budget Council and Budget Forum resolutions;
  a. The adopted budget must include budget allocations for bulk suppliers current account payments;
  b. Should the adopted budget still be unfunded, then a funding plan will be required to show how the municipality intends moving progressively out of this position into a funded state, if this plan has been adopted in the past, then a progress report must be submitted on the framework previously shared to guide municipalities which is aligned to the rescue phase of the new approach to Municipal Financial Recovery Service (MFRS);
  c. Those municipalities that adopted an unfunded budget must work with their respective Provincial Treasuries to rectify this position in the lead up to the main adjustments budget process in February 2023; and
  d. A council resolution showing commitment to address the unfunded position must be submitted by these municipalities to the National Treasury by 01 July 2022.

- Credible *m*SCOA data strings and source documents for the 2022/23 MTREF and 2021/22 audits must be generated directly from the core municipal financial system and successfully uploaded to the Local Government GoMuni Portal. Source documents must be submitted in PDF and no excel based spreadsheet/ templates will be accepted;
- The report submitted by bulk suppliers in terms of section 41 of the MFMA must indicate that the current account has been paid timeously in terms of section 65(2)(e) of the MFMA. In addition, where the municipality has a repayment plan with Eskom and/ or the water boards, proof that the current accounts have been paid and a copy of the agreed upon payment plan (or evidence of negotiations underway with creditors) must be submitted to the National and provincial treasuries;
- Municipalities must provide evidence that SARS, pension and other staff benefits deducted from municipal officials have been paid over the appropriate Funds and/ or institutions;
- The information requested in MFMA Circulars No. 93, 98 and 107 on the reconciliation of the valuation roll have been submitted to the National Treasury as per the required timeframes;
- The Competency Regulations reporting requirements have been complied with;
- Provide a copy of the Unauthorised, Irregular, Fruitless and Wasteful (UIF&W) expenditure register, the latest copy of the Municipal Public Accounts Committee (MPAC) recommendations, Council Resolution on UIFW as well as council approved UIFW Reduction Strategy, proof of establishment of the Disciplinary Committee Board (or evidence of progress towards their establishment) and updated audit action plan (where the audit has been completed);
- Those municipalities that received an adverse or disclaimed opinions for the 2020/21 financial year will not receive their funding allocation unless there is a council resolution committing to address these opinions with an implementable plan. The resolution must be signed by each member of the Council and submitted to National Treasury by 1 October 2022;
- The Municipal Financial Recovery Service progress reporting framework for financial recovery plans must be complied with by municipalities under intervention in terms of S139 of the Constitution;
- Additionally, those municipalities that have outstanding audits for both the 2019/20 and 2020/21 financial years as well as municipalities with outstanding 2020/21 audit opinions that also received an adverse or disclaimer opinion in 2019/20, will also not receive their allocation; and
- Any other outstanding documents as per the legal framework have been submitted including the AFS submission (municipality only and consolidated AFS).

Failure to comply with the above criteria will result in National Treasury invoking section 38 of the MFMA which empowers National Treasury to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(2) of the Constitution which includes reporting obligations set out in the MFMA and National Treasury requests for information in terms of Section 74 of the MFMA.

9. The Municipal Budget and Reporting Regulations

9.1 Schedule A - version to be used for the 2022/23 MTREF

National Treasury has released Version 6.6 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.6 of the *m*SCOA classification framework and must be used when compiling the 2022/23 MTREF budget.

All municipalities must prepare their 2022/23 MTREF budgets in their financial systems and produce the Schedule A1 directly from their financial system.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module in the financial system and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on A1 schedule version 6.6 is not allowed** in terms of the *m*SCOA Regulations.

National Treasury has protected the A1 schedule version 6.6 in order to ensure that the Schedule A1 generated directly from the financial system and not populated manually.

The budget, adjustments budget and Section 71 monthly reporting Schedules that have been regulated in terms of the MBRR have also been aligned to the *m*SCOA chart version 6.6. The revised MBRR Schedules for the 2022/23 MTREF and its linkages to the financial and non-financial data string are available on the link below:

http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx

9.2 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
	Abigail Maila	012-395 6737	Abigail.Maila@Treasury.gov.za
Buffalo City	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Free State	Sifiso Mabaso	012-315 5952	Sifiso.mabaso@treasury.gov.za
	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
	Abigail Maila	012-395 6737	Abigail.Maila@Treasury.gov.za
Johannesburg and Tshwane	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
Ekurhuleni	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
eThekwini	Sifiso Mabaso	012-315 5952	Sifiso.mabaso@treasury.gov.za
Limpopo	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Lesego Leqasa		Lesego.Leqasa@treasury.gov.za
Northern Cape	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Phumelele Gulukunqu	012-315 5539	Phumelele.Gulukunqu@treasury.gov.za
North West	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Makgabo Mabotja	012-315 5156	Makgabo.Mabotja@treasury.gov.za
Western Cape	Willem Voigt	012-315-5830	WillemCordes.Voigt@treasury.gov.za
Cape Town	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
George	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Sephiri Tlhomeli	012-406 9064	lgdataqueries@treasury.gov.za

National and provincial treasuries will analyse the credibility of the data string submissions.

9.3 Assessing the 2022/23 MTREF budget

National and provincial treasuries will assess the 2022/23 MTREF budgets to determine if it is complete, funded and complies with the *m*SCOA requirements. The *m*SCOA data strings for the tabled (TABB) and adopted (ORGB) budgets will be used for this assessment.

The **assessment period** of all municipal budget will therefore be from **01 April to 30 June 2022 for both the tabled and adopted budgets**. In this period, the National and provincial treasuries will evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that need to be made must be done before the start of the municipal financial year on 1 July.

Importantly, in order to generate an adopted budget (ORGB) data string, the budget must be locked on the financial system by the 10th working day of July each year. Therefore, once the ORGB data string has been generated, errors in the ORGB can only be corrected via an adjustments budget in February of each year. In terms of the design principles of *m*SCOA, municipalities are not allowed to open the budget on the system for corrections after it has been locked. This means that the tabled budget data string (TABB) should in fact be verified and errors in the TABB should be corrected in the ORGB **before the adopted budget is locked on the financial system and the ORGB data string is generated**.

Amending an unfunded, incomplete and erroneous budget through an adjusted budget is also not encouraged as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes. This will result in overspending and unauthorised expenditure not been monitored in the first six months of the financial year.

The National Treasury would like to emphasise that ***where municipalities have adopted an unfunded budget without a* credible funding plan, *they will be required to correct the funding plan and ensure that it is credible. The credible funding plan must be immediately adopted by the Municipal Council, and the changes to the budget must be effected in the mid-year adjustments budget to ensure compliance with Section 18 of the MFMA.***

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The budget and data strings that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities). The budget of each entity must be submitted on the D Schedule in pdf format.

In the past it was noted that municipalities have challenges to align the audited outcomes on the financial system to A1 Schedule. Municipalities must ensure that the audited figures and

adjusted budget figures captured on the A1 Schedule aligns to the annual financial statements and Schedule B respectively.

10. Submitting budget documentation and A1 schedules for 2022/23 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2022**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Friday, 01 April 2022**; and
- Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget. However, given that municipalities are generating the annual budgets directly from the financial system as required by the *m*SCOA Regulations and that the budgets must be verified before it is locked on the financial system and transacted against, municipalities must submit the approved budget to the National Treasury and the relevant provincial treasury in electronic formats ***immediately*** after approval by the municipal council. Therefore, if the annual budget is tabled to council **on 31 May 2022**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Wednesday, 01 June 2022.**

Since the 2020/21 MTREF, municipalities are no longer required to submit hard copies of all required documents including budget related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in pdf format to the GoMuni Upload portal.

10.1 Expected submissions for 2022/23 MTREF

The following information should be submitted for the 2022/23 MTREF:

- The budget documentation as set out in the MBRR. The budget document must include the main A1 Schedule Tables (A1 - A10);
- The non-financial supporting tables (A10, SA9, SA11, SA12, SA13, SA22, SA23, SA24 etc. and any other information not contained in the financial data string) in the A1 schedule must be submitted in the prescribed *m*SCOA data string in the format published with Version 6.6 of the A1 schedule;
- The draft and final service delivery and budget implementation plan (SDBIP) in electronic PDF format;
- The draft and final IDP;
- The council resolution for the tabled and adopted budgets;
- Signed Quality Certificate as prescribed in the MBRR for the tabled and adopted budgets;
- D Schedules specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

10.2 Go Muni Upload Portal

The National Treasury is in the process of finalising the development work on the GoMuni Upload portal. Municipalities, provincial treasuries, system vendors and sector departments should ensure that the names and contact details of the data uploaders or users of the data, as reflected on the LG Database, for their respective institutions are correct and updated as and when changes occur.

10.3 Portals for the submission of information

Municipalities must ensure that the documents are submitted to the correct portals/ mailboxes. These portals/ mailboxes are:

https://lguploadportal.treasury.gov.za (GoMuni Upload Portal) – All documents required in terms of legislation, including:

- *m*SCOA Data Strings by approved registered users;
- Budget-related and in-year documents and schedules (A, B and C) by approved registered users; and
- Reconciliation of the valuation roll to the financial system (as per MFMA Circular No. 93).

Budget related documents and schedules must be uploaded by approved registered users using the GoMuni Upload Portal at: https://lguploadportal.treasury.gov.za/. The GoMuni Upload Portal does not have the same size restrictions encountered with lgdocuments@treasury.gov.za, but requires all documents to:

- Be in PDF format only; and
- Each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document. Each document type must be identified clearly and uploaded separately.

Municipalities may ***only*** send electronic versions of the above documents to lgdocuments@treasury.gov.za when experiencing problems with the GoMuni Upload Portal.

lgdataqueries@treasury.gov.za – Database related and submission queries and the grant rollover templates.

lgdocuments@treasury.gov.za – Any additional information required by National Treasury that is not listed under the GoMuni Upload portal such as the manual COVID-19 reports.

Please do not submit the same document to ALL the platforms listed above as it means that our Database Team must register the same documents three times which slows down the process. ***Any document/ queries that are submitted to the incorrect portal/ mailbox will be deleted and not processed.***

10.4 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Pages/Default.aspx. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

10.5 Communication by municipal entities to National Treasury

Municipal entities should not request meetings directly from National Treasury. National Treasury will only engage the entities through the parent municipalities. This includes all communications apart from the legislative reporting requirements.

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	Private Bag X115, Pretoria 0001
Phone	012 315 5009
Fax	012 395 6553
Website	http://www.treasury.gov.za/default.aspx

JH Hattingh
Chief Director: Local Government Budget Analysis
06 December 2021



NATIONAL TREASURY

MFMA Circular No. 115

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2022/23 MTREF

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Introduction

This budget circular is a follow-up to MFMA Circular No. 112 that was issued on 06 December 2021. It aims to provide further guidance to municipalities with the preparation of their 2022/23 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2022 Budget Review and the 2022 Division of Revenue Bill are also key focus areas in this circular. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that is not covered in this circular.

1. The South African economy and inflation targets

The world economy is expected to grow by 4.4 per cent this year. This is lower than the 4.9 per cent that was anticipated when tabling the medium-term budget policy statement (MTBPS). The Omicron variant of the coronavirus caused many countries to impose restrictions to manage its spread. In addition, continued imbalances in global value chains have limited the pace of the world's economic recovery.

The South African economy has not been shielded from these global developments. National Treasury has revised South Africa's economic growth estimate for 2021 to 4.8 per cent, from 5.1 per cent at the time of the MTBPS.

This revision reflects a combination of the impact of changes in the global environment, along with South Africa's own unique challenges. Commodity prices, which have supported South Africa's economic recovery, slowed in the second half of 2021.

Also, violent unrest in July, and restrictions imposed to manage the third wave of COVID-19 further eroded the gains South Africa made in the first half of the year.

Industrial action in the manufacturing sector, and the re-emergence of loadshedding, also slowed the pace of the recovery.

Real Gross Domestic Product (GDP) growth of 2.1 per cent is projected for 2022. Over the next three years, GDP growth is expected to average 1.8 per cent.

Headline inflation is expected to remain between 3 to 6 per cent target range over the 2022/23 MTEF.

In summary, the tax revenue in 2021/22 was higher than projections and this was mainly due to commodity price rally. However, these are projected to be short term, and as such long-term spending commitments should not be made based on short term revenue benefits. There are measures in place to reduce expenditure to narrow the budget deficit.

The following macro-economic forecasts must be considered when preparing the 2022/23 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2020 - 2025

Fiscal year	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Estimate	Forecast		
CPI Inflation	2.9%	4.5%	4.8%	4.4%	4.5%

Source: Budget Review 2022.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

2. Key focus areas for the 2022/23 budget process

2.1 Local government conditional grants allocations

Over the 2022 MTEF period, direct transfers to municipalities will grow above inflation, at an annual average rate of 7.9 per cent. Direct conditional grants grow at an annual average rate of 5.3 per cent over the MTEF, while the Local Government Equitable Share (LGES) grows faster, at an annual average rate of 10.3 per cent over the same period.

The higher than inflation growth of allocations to local government is due to additional allocations over the medium term as follows:

- The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2022 MTEF period. R28.9 billion is added to the LGES over the MTEF to increase coverage of the provision of free basic services; and
- An amount of R1.7 billion over the MTEF is added to the Neighbourhood Development Partnership Grant to fund the continuation of the upscaling of city-led public employment programmes, as part of the Presidential Youth Employment Intervention; and an amount of R347 million over the first two years of the MTEF period is allocated to fund the introduction of the Municipal Disaster Recovery Grant. More detail is provided below.

The Division of Revenue Bill was published on 23 February 2022, following the tabling of the Budget in Parliament. The Bill specifies all local government transfers and municipalities must reconcile their budgets to the numbers published herein.

In terms of the outer year allocations (2023/24 and 2024/25), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2022 Division of Revenue Act. The DoRB is available at: http://www.treasury.gov.za/documents/national%20budget/2022/dor.aspx

2.2 Division of Revenue Bill, 2022: changes to local government allocations

Budget Facility for Infrastructure (BFI) Funding – There are reductions of R754 million in 2022/23 and R105 million in 2023/24; and an increase of R621 million in 2024/25 in the *Public Transport Network Grant* to align to the revised implementation plan and cash flow projections for the City of Cape Town's MyCiTi public transport network.

Neighbourhood Development Partnership Grant – R1.7 billion is added to the direct component of the *Neighbourhood Development Partnership Grant* for the eight metropolitan municipalities to fund the continuation of the upscaling of city-led public employment programmes that contribute to informal settlement upgrading, public space and asset maintenance, development and management, greening and cleaning, food security, innovative service delivery, local knowledge and information sharing and management, community safety, environmental services and management and community tourism. This is part of the Presidential Youth Employment Intervention and is a continuation of government's response to job losses due to COVID-19, introduced as part of the stimulus package to respond to the impact of the COVID-19 pandemic during 2020.

Regional Bulk Infrastructure Grant – R1 billion is added to the *Regional Bulk Infrastructure Grant,* funded from the BFI, to fund the continuation of the implementation of the Potable Water Security and Remedial Works project in George Local Municipality.

Integrated National Electrification Programme (Eskom) Grant – R50 million is reprioritised from the *Integrated National Electrification Programme (Eskom) Grant* to finance the operational requirements of the Independent Power Producer Office in 2022/23.

Energy Efficiency and Demand Side Management Grant – R8 million in 2022/23 and 2023/24, respectively is reprioritised from the *Energy Efficiency and Demand-Side Management Grant* to finance the operational requirements within the vote of the Department of Mineral Resources and Energy.

R10 million is shifted from the sport component of the ***Municipal Infrastructure Grant*** **(MIG)** to the ***Integrated Urban Development Grant*** **(IUDG)** in 2022/23, to fund a sport project in Polokwane Local Municipality.

The ***Municipal Disaster Recovery Grant*** is introduced to fund infrastructure recovery in municipalities in KwaZulu-Natal. This grant is allocated R347 million between 2022/23 and 2024/25.

2.3 Changes to gazetted frameworks and allocations

Infrastructure Skills Development Grant (ISDG) – The grant framework for the infrastructure skills development grant is amended to include a condition that municipalities must have a capacitated Project Management Units with qualified people to act as supervisors in terms of the relevant statutory council requirements.

Municipal Infrastructure Grant (MIG) – Over the 2022 MTEF, the Department of Cooperative Governance (DCoG) will introduce an indirect component to the MIG. This is to improve efficiency in grant expenditure to develop more and better-quality infrastructure. The conversion will be done in-year. The criteria as determined by DCoG includes indicators related to expenditure and reliability of infrastructure.

Municipal Systems Improvement Grant – Over the MTEF, a portion of the grant will be utilised to continue to support institutionalisation of the district development model.

Municipal Disaster Relief Grant – The name of the *Municipal Disaster Relief Grant* is changed to the *Municipal Disaster Response Grant.* The objective of the grant remains the same and the change aligns to existing National Disaster Management Centre (NDMC) processes in responding to disasters that have occurred.

Local Government Financial Management (FMG) Grant – Over the 2022 MTEF, the grant framework for the FMG will make provision for the preparation of asset registers.

3. IDP Consultation Process Post 2021 Local Government Elections

Municipalities are advised to refer to the guidance (refer to the email sent by the Department of Cooperative Governance and Traditional Affairs (CoGTA) to all municipalities on 20 October 2021) provided through the joint South African Local Government Association (SALGA)/ Department of Cooperative Governance (DCoG) and National Treasury (NT) Joint Circular No.1 on the transitional measures in relation to the integrated development plan (IDP) consultation process. This circular indicates that the previous municipal councils had an obligation to ensure that the legislative stipulations were complied with. Therefore, they were expected to continue the process of the development of the IDP starting with the development and adoption of the process plans as provided for in section 28 of the Municipal Systems Act,

2000. Municipalities should then implement the adopted budget process plan and conduct the public engagements as per dates they have indicated in the process plan.

4. Municipalities unable to pass the annual budget after 1 July

The provincial executive council must urgently request the Mayor to submit a report outlining detailed reasons and or circumstances that led to failure to approve the annual budget by the 1 July.

The provincial executive council must intervene in terms of section 139(4) of the Constitution and take appropriate steps by issuing a directive to the municipal council to approve a budget and any revenue raising measures necessary to give effect to the budget within a reasonable period.

Section 26(4) and (5) of the MFMA provides for how the expenses can be met pending the approval of a budget through a directive. Provincial Treasuries should establish clear internal processes for reviewing and recommending the approval of withdrawals by their MEC for Finance (templates can be obtained from National Treasury).

The provincial executive council must upon issuing of a directive to the Municipal Council conduct an assessment of the budget tabled by the Mayor against the norms and standards, approved budget process plan, and the outcome of public participation processes.

In the event the Municipal Council fails to approve a budget due to walk out or individual misconduct by a majority of councillors, the Speaker must immediately investigate the conduct of those identified councillors in terms of the Code of Conduct for councillors as provided for in the Municipal Systems Act, 2000.

If in terms of the assessment by the provincial executive council of the tabled budget, it is found that there are no justifiable grounds for not approving the budget, the former must submit/ present the outcome of the assessment to the Municipal Council with a directive to consider the assessment and adopt the budget. If the assessment of the provincial executive council of the tabled budget finds that it does not adhere to the required norms and standards, the directive from the provincial executive council should instruct the council to first amend the budget to remedy this before adopting the budget.

The provincial executive council must, if necessary give the municipal council a further 14 days to approve a tabled budget that complies with norms and standards and incorporates the outcome of public participation, failing which the provincial executive council must consider dissolution of municipal council, approval of a temporary budget and appointment of an administrator as a last resort.

5. Municipal Standard Chart of Accounts (*m*SCOA)

5.1 Release of Version 6.6.1 of the Chart

Version 6.6.1 of the chart will be released through a patch to accommodate the following changes/conditions published in the 2022 Division of Revenue (DoR) Bill:

- The capital leg of the Local Government Financial Management (FMG) grant that was retired in chart version 6.2 of the chart. As per the conditions published in the 2022 DoR Bill, the grant may be used, inter alia, for the acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, service

delivery and budget implementation plans, annual financial statements, annual reports and automated financial management practices including the *m*SCOA;

- Allocation-in-kind for the MIG grant to make provision for the indirect grant portion of the grant; and
- The name change from Municipal Disaster relief grant to Municipal Disaster Response Grant. Municipalities should take note of this change when they report on COVID-19 in terms of *m*SCOA Circular No. 9.

Version 6.6.1 of the chart will be effective from 01 July 2022 and must be used to compile the 2022/23 MTREF. The patch is available on the link below:
http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx

5.2 Funding Depreciation

From the analysis of the *m*SCOA data strings it is evident that a number of municipalities are allocating non-funding as the funding source in the fund segment for depreciation charges. Depreciation charges must be funded from operational funds such as service charges for electricity if assets are utilised for electricity purposes, service charges water for water management purposes, waste and wastewater management in the same manner and property rates for services like roads that is primarily funded from property rates.

When deprecation is funded, it will assist the municipalities to accumulate sufficient surpluses that must be transferred to cash backed reserves. Depreciation is the method to provide for the replacement of the assets. If depreciation remains a journal without the funds being ring-fenced, municipalities will not be in a financial position to fund future infrastructure assets.

5.3 Application of Costing

The mapping for Table A2 on Financial Performance of the regulated Schedule A was updated to include the costing segment. The costing segment in *m*SCOA provides for the recording of the full cost for the four core municipal functions, namely: electricity, water, wastewater and waste management. It also allows for the charge out of costs between functions and projects. Costing: recoveries was previously recorded as 'revenue: default' in the item segment. However, as the charge out of cost does not present revenue, municipalities must use 'expenditure: default' in the item segment to record the debit and credit of all costing transactions where the charges increase cost and the recoveries decrease the cost per function or project.

Municipalities are also reminded that one of the validation rules that are applied when *m*SCOA data strings are submitted is that costing transactions for charges and recoveries must balance to zero.

5.4 Change in calculation of consumer deposits

The addition of consumer deposits as a funding source in version 6.6 of the *m*SCOA chart impacts on the population of Tables SA30 and A7 in the Schedule A. The calculation will be changed in the 6.6 chart version to the following:

CASH FLOWS FROM FINANCING ACTIVITIES	
Increase in consumer deposits	Consumer deposits FD001001001014 linked to IA001 Deposits
(Decrease) in consumer deposits	Consumer deposit IL001002 :Withdrawals

All payments received in respect of consumer deposits will be picked up utilising the consumer deposit fund source linked to the bank: deposits posting level. The payment of consumer

deposits will be picked up from item liability: consumer deposits: withdrawals posting levels, which represent the outflow of cash.

5.5 NERSA reporting

Municipalities are reminded to complete the D-Forms that the National Energy Regulator of South Africa (NERSA) requires. The National Treasury is currently looking into ways of how the *m*SCOA data strings can be used to populate the NERSA reports and will provide guidance in this regard during 2022.

5.6 Restructuring of the Long-Term Component of Trade Payables

In an effort to assist municipalities to get to a funded budget position, the National Treasury have requested municipalities to negotiate with their major trade creditors like Eskom, Water Boards and the Department of Water Affairs to restructure their outstanding trade creditors. Where the debt owed by a municipality was restructured, in terms of a debt repayment agreement, and the repayment period exceeds a period of 12 months, the debt will remain under *current liabilities trade payables* as per the version 6.6 of the *m*SCOA chart.

The restructuring of debt in the Statement of Financial Position to include the non-current portion through the reclassification of the debt to a *non-current liability of trade payables* under non-current liabilities has a major impact on the working capital requirement disclosure in the funding compliance assessment on Table A8 of the Schedule A and on the entire funding methodology of the National Treasury. The restructuring of debt also affects a number of liquidity measurement ratios such as the Current Ratio, Liquidity Ratio and Creditors to Cash Ratio.

Detailed analysis and careful consideration of the appropriate accounting treatment to ensure that future adjustments to the chart will not compromise the funding methodology of the National Treasury is required. Therefore, any changes required to the *m*SCOA Chart to accommodate the restructuring of the long-term component of trade payables will only be considered for inclusion in version 6.7 of the chart.

The restructuring of the non-current portion should not only impact on the Statement of Financial Position as it requires that municipalities include additional cost in the operation budget for the repayment of the non-current liability, including any finance charges that may be payable as per the repayment agreement. The restructuring of the trade payables without the inclusion of the interest and redemption payments of the non-current liability on the cash flow statement will significantly misstate the funding position of the municipality.

The Budget Funding Assessment Tool used by the National and provincial treasuries to assess the funding position of municipal budgets has been enhanced to include a *Restructuring of Trade Payables Module* to assess the full impact of the restructuring on both the Statement of Financial Position and the impact of interest charges and repayment of the non-current liability on the cash flow position of the municipality. Municipalities that have restructured their trade payables should:

- Indicate this to the respective National and provincial treasuries when submitting their tabled and adopted 2022/23 MTREF budget; and
- Submit the approved agreement with the supplier to the respective National and provincial treasuries with their budget documentation.

The necessary restructuring will then be taken into account in the funding assessment by the respective National and provincial treasuries prior to determining the funding position of the municipality.

5.7 *m*SCOA eLearning

A web-based eLearning course on *m*SCOA will available on the National School of Government (NSG) website from April 2022. This is a self-paced course aimed at all government and municipal officials, especially new employees and interns to on-board them on *m*SCOA.

The course is structured as follows:

Module 1 – The fundamentals of mSCOA (for financial and non-financial officials)
- An overview of the Local Government Budget and Financial Management Reform Agenda and *m*SCOA Legislative Framework;
- *m*SCOA implementation oversight (including the role of internal audit, risk management and councilors); and
- Understanding the *m*SCOA segments.

Module 2 – System and reporting requirements (for financial and non-financial officials)
- An overview of the reporting requirements in a *m*SCOA environment;
- Key business processes that underpins *m*SCOA;
- Minimum system specifications required to comply with the *m*SCOA Regulations;
- Submission of documents and data strings to the National Treasury (i.e. registration process and upload process); and
- Period Control and how to transact and report in period 13, 14 and 15.

Module 3 – Budgeting and transacting on the mSCOA chart (for financial officials)
An understanding of accounting principles and GRAP is required to complete this module.

Municipalities are reminded to budget for the course in their 2022/23 MTREF. For further information, contact the NSG on their website link: https://www.thensg.gov.za.

6. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. The weak economic growth has put pressure on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, Water Boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending.

Municipalities must ensure that they render basic services, maintain their assets and clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to improve the municipality's reputation. This will assist in attracting investment in the local economy which may result in reduced unemployment. Some municipalities are experiencing serious liquidity challenges. Therefore, the new leadership is advised to:

- Decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection; and
- Address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

It should be noted that it is easier for consumers to pay for services if they are reliable and when the environment is well maintained.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the*** **projected inflation target for 2022/23** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

6.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circulars No. 93, paragraph 3.1 and No. 98, paragraph 4.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2022/23 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates.

It is essential that municipalities reconcile their most recent valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities should undertake this exercise as a routine practice during the budget process so that supplementary adjustments to the valuation roll are kept up to date. The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this information with the Deeds Office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their reconciliation of the valuation roll to the billing system to the National Treasury on a quarterly basis.

The above information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: https://lguploadportal.treasury.gov.za/. If the municipality experience any challenge uploading the information a request for an alternative arrangement may be emailed to linda.kruger@treasury.gov.za.

6.2 Setting cost-reflective tariffs

Reference is made to MFMA Circular No. 98, paragraph 4.2. The setting of cost-reflective tariffs is a requirement of Section 74(2) of the Municipal Systems Act, 2000 which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (Financial and Fiscal Commission (FFC), 2011). Credible budgets are critical for local government to fulfil its mandate and ensure financial sustainability.

A credible expenditure budget reflects the costs necessary to provide a service efficiently and effectively, namely:

- A budget adequate to deliver a service of the necessary quality on a sustainable basis; and
- A budget that delivers services at the lowest possible cost.

Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular No. 98, item 4.2. This tool will assist in setting tariffs that are cost-reflective and would enable a municipality to recover costs to fulfil its mandate. The National Treasury Municipal Costing Guide is available on the link below on the National Treasury website.

http://mfma.treasury.gov.za/Guidelines/Documents/Forms/AllItems.aspx?RootFolder=%2fGuidelines%2fDocuments%2fMunicipal%20Costing%20Guide&FolderCTID=0x0120004720FD2D0551AE409361D6CB3E122A08

It is also imperative that every municipality is utilising the *m*SCOA cost segment correctly.

6.3 Bulk Account Payments and Concessions

During 2018/19, intense work was undertaken to resolve systemic and structural issues pertaining to the electricity function in municipalities. Core to this work was addressing the escalating Eskom debt that threatened the sustainability of Eskom as well as that of municipalities.

During the process, Eskom agreed to provide relieve in certain areas. Municipalities are reminded of the following concessions that remain in place:

- The interest rate charged on overdue municipal bulk accounts were reduced from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms were extended from 15 days to 30 days for municipal bulk accounts; and
- Eskom allocation of municipality payments to capital first and then to interest.

These concessions align to the MFMA and are meant to curb municipal growing debt levels by allowing a more conducive payment regime than what was previously employed. In addition, municipalities are urged to budget for and ring-fence their payment of bulk services. Bulk current account payments must be honoured religiously to avoid stringent application of the bulk suppliers' credit control policy.

Municipalities are also advised to enforce a culture of payment for services through their normal credit control processes. In this regard it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. As such, a municipality's allocation of free basic services to all of the municipality's consumers is not funded in the equitable share. Every municipality, during the budget process, must consider the affordability to the municipality when allocating free basic services above the national norm and to consumers other than indigent consumers. **If a municipality has any arrears on any of its bulk supplier's accounts, it must limit its provision of free basic services to registered indigent consumers only.**

In this regard municipalities are reminded to take note of the Constitutional Court decision in **Mazibuko and Others vs City of Johannesburg and Others (CCT 39/09) [2009] ZACC 28; 2010 (3) BCLR 239 (CC); 2010 (4) SA 1 (CC) (8 October 2009)**. The Constitutional Court confirmed that a municipality has the right to disconnect the water service in the event of non-payment. In the case of registered indigent users, water may not be disconnected but can and should be restricted to the national policy limit of 6 kilolitres of water monthly.

6.4 Timeous allocations and clearing of the control accounts

Municipalities are encouraged to clear the control accounts on a monthly basis and to allocate trade and other receivable payments in these suspense accounts to the relevant debtor accounts regularly before the monthly submissions as required by the MFMA. Implementing and enforcing the credit control policy of the municipality whilst payments are not cleared in the control account is negligent and irresponsible. Municipalities are warned against this bad practice, and this must be avoided at all costs.

6.5 Smart Prepaid Meters Solution

The Inter-Ministerial Task Team (IMTT) of the 5th administration appointed a panel to investigate the electricity function to better understand what is causing the non-payment to Eskom. Cabinet subsequently endorsed the panel's recommendation that a smart prepaid solution for all municipalities must be explored. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a transversal contract to standardise prepaid smart meter solutions for electricity that align to minimum and critical technical specifications for local government.

If your municipality or entity is currently in the process of procuring any smart meter solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal prepaid smart meter Terms of Reference (ToR); and
- That, with immediate effect, you must obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for any smart meter solution or similar system solution. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any smart meter solution or similar system solution or component thereof, must be directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) Sadesh.Ramjathan@treasury.gov.za.

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

6.6 Critical Notice Affecting STS Meters

Municipalities are alerted that there is a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens. The remedy is to visit each meter and enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government.

If your municipality or entity is currently in the process of procuring for a solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters Terms of Reference (ToR); and
- That, with immediate effect, you must obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for this purpose or any related solution or similar. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any related solution or similar or component thereof, must be directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) Sadesh.Ramjathan@treasury.gov.za.

In this regard, municipalities will have two options to choose from:

- Firstly, to pursue the route of auditing, re-calibrating and re-configuring services for standard transfer specification compliant prepayment meters; and
- Secondly, to replace the old meter with a new smart prepaid meter.

For both options, the municipality will have to budget accordingly as no additional funding will be available through the national fiscus.

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

6.7 Completeness and credibility of revenue related information in the Budget

The Municipal Budget and Reporting Regulations (MBRR) regulates the minimum level of information required from municipalities when compiling, implementing, monitoring, and evaluating the municipality's financial management situation. Failure to include the minimum required information hampers the municipal council, the public and stakeholders' ability to make informed decisions and engage on the matter. It also limits research, studies, and benchmarking undertaken for local, provincial, and national purposes.

The National Treasury would like to take this opportunity to caution municipalities that the MBRR prescribe the minimum level of information municipalities must include as part of their legal reporting obligations.

Going forward the Treasuries will place increased attention and focus on the adequacy of municipalities' submissions. The National Treasury regards this non-compliance to include the minimum level of information as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution. In this context, National Treasury will particularly focus on the completeness of asset management related information as well as the statistical information required in the A, B and C schedules during the 2022/23 MTREF.

6.8 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. Bulk electricity costs are consistently much higher than inflation, having gone as high as 17.8 per cent in the 2021/22 municipal financial year. Eskom's need for increased funding means that over the period ahead they are applying for much higher tariff increases. In their Multi-Year Price Determination (MYPD 5) application Eskom requested approval for municipal bulk tariff increases of 20.5 per cent in 2022/23, 15 per cent in 2023/24 and 10 per cent in 2024/25. NERSA rejected this revenue application at the end of September 2021 and in October 2021 ESKOM filed an application in the High Court to review NERSA's decision. Following the deliberations, NERSA has approved a 9.6 per cent tariff increase for Eskom starting from April 2022 and this figure accounts for a 3.49 per cent increase in 2022/23.

6.9 Long Term Financial Strategies

National Treasury is supporting municipalities to develop and implement long-term financial models and strategies. This reform seeks to develop more sustainable, and integrated infrastructure development programmes over the longer term, informed by strategic plans, and financed in the most effective and efficient manner.

Although some municipalities have long-term financial models (LTFM), they are not always integrated with municipal plans, or based on actual cash flow analysis and investment programmes, or able to consider alternative financial scenarios and outcomes in relation to the ability to borrow and the structuring of market transactions.

Municipalities need to develop LTFM that support decisions on investment selection and assesses the financial impact of policy choices, by forecasting future financial performance and the impact of infrastructure projects on borrowing capacity. The LTFM needs to inform the municipality's long-term financial strategy, which must articulate a sustainable, efficient

and effective borrowing strategy and practices for the municipality and provide a clear statement of intent for lenders and other stakeholders.

National Treasury has initiated this reform in the metropolitan municipalities and some of the Intermediate City municipalities and will continue with this reform in the next financial year. Based on the piloting of this reform, guidance will be provided to all municipalities to develop and implement LTFM's and strategies.

6.10 Water management

Reference is made to the 2011, Chapter 8 of the Local Government Budget and Expenditure Review (LGBER) which emphasizes the importance of water management.

It has been observed recently in various platforms where municipalities engage with treasuries and the sector deportments that there is no uniformity in reporting water and electricity losses. These are material items and need to be disclosed in planning, budgeting, reporting and in the annual report and Annual Financial Statements in uniform ways in order to track performance. In order to ensure consistency of reporting, the following information must be provided:

Accounting for water sold, non-revenue water and water losses:

- System input volume (kl)
- Water Billings (sum of accounts issued) – volume in kl and rand value
- Free basic water allowance (not included in billings) - volume in kl and rand value
- Physical water losses (estimated): volume in kl and rand value
- Water revenue collected (Rand value)

Accounting for electricity sold and electricity losses:

- Electricity purchased and generated (Electricity input) (kWh)
- Electricity Billings (sum of accounts issued) (KWh and Rand value)
- Free basic electricity allowance (not included in billings) (KWh and Rand value)
- Technical losses (estimated) (KWh and Rand value)
- Electricity revenue collected (Rand value)

In addition, the norms articulated in MFMA Circular No. 71 should also be taken into consideration.

6.11 Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIFW)

Cabinet adopted the Medium-Term Strategic Framework (MTSF) for 2019-2024 wherein it amongst others, committed that government will reduce irregular expenditure by 75 per cent and fruitless and wasteful expenditure by 100 per cent by 2024. It is important to note that these targets are applicable to each sphere of government. To this end, the Minister of Finance approved the UIFW Reduction Strategy for municipalities which was issued through MFMA Circular No. 111 in November 2021. The latter strategy advocated for municipalities to develop UIFW reduction plans that is approved by the municipal council, with the aim being for municipalities to utilize their 2018/19 UIFW figures as contained in their audited annual financial statements for that financial year as a baseline to develop the reduction plans. Whilst progress has been slow in terms of municipalities developing and submitting these plans to the National Treasury, some municipalities has made strides in this regard.

National Treasury would like again to encourage municipalities to develop the UIFW reduction plans and have it approved by the municipal councils through a council resolution for submission to the National Treasury to the MFMA helpdesk at mfma@treasury.gov.za for the attention of Mr. Wayne McComans on wayne.mccomans@treasury.gov.za. Municipalities are also advised to report progress against these UIFW reduction plans as part of their monthly

section 71 reporting to enable the necessary monitoring and oversight by the National Treasury on the implementation of these plans.

Going forward the Treasuries will place increased attention and focus on the processing of UIFW by municipalities as required by section 32(2) of the MFMA read with MFMA Circular No. 68. The National Treasury regards this consistent non-compliance for failure to adequately process and investigate UIFW as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution.

7. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2022/23 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates;
- Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water;
- Prioritise the filling of critical vacant posts, especially linked to the delivery of basic services; and
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of chapter 15 of the MFMA, read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

7.1 Employee related costs

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2022/23 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2022 and 01 July 2023 an increase based on the projected average CPI percentages for 2022 and 2023. The forecasts of the Reserve Bank, in terms of the January 2022 and January 2023, shall be used to determine the projected average CPI. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once-a-year manual salary disbursement, in order to root out ghost employees.

7.2 Remuneration of Councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of

Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councilor(s) concerned.

7.3 Equitable Share allocation

As highlighted in Minister Enoch Godongwana's 2022 Budget Speech, municipalities must be mindful that the Equitable Share is meant to fund basic municipal services to the indigent. Municipalities must ensure that monies are used for the purpose they were allocated for.

8. Transfers to Municipalities

The circular reiterates the requirements of the rollover and unspent conditional grants process in line with conditions outlined in the annual Division of Revenue Act. Municipalities are required to request for a rollover approval against any unspent conditional grants that were allocated through the annual Division of Revenue Act, therefore this section provides guidance to municipalities with regard to the preparation for the 2021/22 unspent conditional grants and roll-over process and should be referenced against previous annual budget circulars.

8.1 Criteria for the rollover of conditional grant funds

In terms of Section 21 of the Division of Revenue Act, 2021 (Act No.9 of 2021) (DoRA) read in conjunction with the Division of Revenue Amendment Act, 2021 (Act No. 17 of 2021) (DoRAA), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2021/22 financial year reverts to the National Revenue Fund (NRF), unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and transferring national officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 21(2) of the 2021 DoRA, municipalities must include the following information with their submission to National Treasury:

- A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 21(2) of the 2021 DoRA;
- A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
- The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):

    a) Proof that a contractor or service provider was appointed for delivery of the project before 31 March 2022; or
    b) Proof of project tender and tender submissions published and finalised before 31 March 2022 with the appointment of contractor or service provider for delivery of the service before 30 June 2022 in cases where additional funding was allocated during the course of the final year of the project. Further, municipalities must note the letters issued by National Treasury dated 25 February and 03 March 2022 respectively regarding the Preferential Procurement Regulation, 2017;
    c) Incorporation of the Appropriation Statement; and

d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2022 (attach cash flow projection for the applicable grant).

- A progress report (also in percentages) on the status of each project's implementation that includes an attached legible implementation plan);
- The value of the committed project funding, and the conditional allocation from the funding source;
- Reasons why the grants were not fully spent during the year of original allocation per the DoRA;
- Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
- An indication of the time-period within which the funds are to be spent if the roll-over is approved; and
- Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy, this also includes acting appointments as a result of suspensions of either MM or CFO that are more than 12 months.

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2022, the application will not be considered.

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

- Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2021 DoRA, including the municipal manager and Chief Financial Officer signing-off on the information sent to National Treasury;
- Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2022;
- Accurate disclosure of grant performance in the 2021/22 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
- Despite the fact that local government is required to comply to different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relates to rollover processes and disclose conditional grant performance in the 2021/22 pre-audited Annual Financial Statements in order to verify grant expenditure; and
- Cash available in the bank (net position including short-term investments) as at 30 June 2022 is equivalent to the amount that is unspent as at the end of the financial year. If the amount that is requested for roll-over is not entirely cash backed, such a roll-over will not be approved. National Treasury will also not approve portions of rollover requests.

It should be noted that under no circumstances will the National Treasury consider requests to roll-over:

- The entire 2021/22 allocation to the municipality, in cases whereby the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2021/22 allocation;
- Rollover request of the same grant for the third consecutive time;

- Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
- A portion of an allocation where the proof of commitment for the rollover application is linked to invoices that were issued before or on 31 May 2022.

8.2 Unspent conditional grant funds for 2021/22

The 2021/22 unspent conditional process will be managed in accordance with section 21 of DoRA, in order to ensure that the unspent conditional grants against the 2021/22 financial year return to the National Revenue Fund (NRF). In addition to the previous MFMA Circulars, the following practical arrangements will apply:

Step 1: Municipalities must submit their 30 June 2022 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile;

Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2022. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately; and

Step 3: If the receiving officer wants to motivate in terms of section 21(2) of the 2021 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2022.

National Treasury will not consider any rollover requests that are incomplete or received after this deadline.

Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 21 October 2022;

Step 5: National Treasury will communicate the unspent conditional grants amount by 08 November 2022. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund (NRF) by 18 November 2021; and

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund (NRF) by 18 November 2021, and for which a municipality has not requested a repayment arrangement, these funds will be offset against the municipality's 07 December 2022 equitable share allocation.

Annexure to MFMA Circular No. 86 addresses all the issues pertaining to Appropriation Statement and reporting on approved roll-overs.

8.3 Importance of section 16 of the Division of Revenue Act

The circular again reiterates the importance of compliance to section 16 of DoRA in relation to the allocation or transfer of funds by municipalities to other organs of state in order to implement projects on behalf of the municipalities.

Section 16 (3) of DoRA states that a receiving officer may not allocate any portion of a schedule 5 allocation to any other organ of state for the performance of a function, unless the receiving officer and the organ of the state agree on the obligation of both parties and a payment schedule, the receiving officer has notified the transferring officer, the relevant provincial treasury and National Treasury of the agreed payment schedule and:

- The allocation
  - i) Is approved in the budget for the receiving provincial department or municipality; or
  - ii) If not already approved;
    - aa) the receiving officer notifies the National Treasury that the purpose of the allocation is not to artificially inflate the expenditure estimates of the relevant municipality and indicates the reasons for the allocation; and
    - bb) the National Treasury approves the allocation; or
- The allocation is for the payment for goods or services procured in accordance with the procurement prescripts applicable to the relevant province or municipality and, if it is an advance payment, paragraph (a) (ii) applies with the necessary changes.

Further, section 16 (4) states that the receiving officer must submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury before payment is made.

This section requires municipalities to comply with section 16 (3) before any DoRA allocated funds that are allocated or transferred to any organ of state and the municipality should first seek approval from National Treasury. The allocation includes transfers made to any organ of state in order to perform a function using conditional grants allocated through the DoRA.

Note that National Treasury considers the following when assessing the request from the municipality for approval:

- If the municipality is benefitting and utilising from the five per cent from capital grants that may be utilized for Project Management Unit (PMU). In terms of the capital grant framework (i.e. MIG and the Integrated Urban Development Grant (IUDG) and three per cent for the Urban Settlements Development Grant (USDG) municipalities are allowed to utilise a certain per cent of the grant for PMU or capacity support in order to implement capital projects. Therefore, if municipalities are benefiting from this initiative the PMU should be capacitated enough to implement capital project;
- Municipalities that are benefiting from the added technical support from Municipal Infrastructure Support Agent (MISA) will not be granted approval because MISA would assist with providing support and develop technical capacity towards sustained accelerated municipal capacity and service delivery. This implies that the municipality would be capacitated and be in a better position to implement capital projects; and
- If the request does not comply to the grant conditions, framework and if the transfer artificially inflates the expenditure estimates.

The following information must be submitted to National Treasury before approval is granted to municipalities to transfer funds to other organs of the state:

- In consultation with the relevant transferring officer municipalities must submit their request to National Treasury for approval;
- Provide the time frames regarding the duration of this arrangement between the municipality and the organ of the state;
- Provide the Service Level Agreement (SLA) between the municipality and the organ of state in consultation with the relevant transferring officer;
- Provide the agreed payment schedule reflecting the disbursement of the funds;
- Must provide the reasons why such a decision has been taken by the municipality;
- If amongst the reasons for the request is related to capacity challenges the municipality must therefore prove beyond reasonable doubt that there are capacity challenges and the reasons thereof; and
- Upon approval the municipality must submit the approved budget that includes the allocation.

Note that once the allocation or transfer has been approved the payment for goods or services must be procured in accordance with or in compliance to the procurement prescripts applicable to the relevant municipality. If there is an agreement for an advancement, subsection (a) (ii) will apply in order to determine if the payment does not artificially inflate the expenditure estimates. Further, before funds are transferred, the transferring national officer and National Treasury must agree on the payment schedule.

Therefore, if any expenditure incurred which emanates from such an arrangement while there was non-compliance with section 16, grant conditions and framework, such expenditure will not be recognised by both National Treasury and relevant transferring officer and will be classified as unauthorised expenditure.

9. The Municipal Budget and Reporting Regulations

9.1 Schedule A - version to be used for the 2022/23 MTREF

National Treasury has released Version 6.6.1 of the Schedule A1 (the Excel Specimen) which is aligned to Version 6.6.1 of the *m*SCOA classification framework and must be used when compiling the 2022/23 MTREF budget.

All municipalities **must** prepare their 2022/23 MTREF budgets in their financial systems and produce the Schedule A1 directly from their financial system.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module in the financial system and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on A1 schedule version 6.6.1 is not allowed** in terms of the *m*SCOA Regulations.

National Treasury has protected the A1 schedule version 6.6 in order to ensure that the Schedule A1 generated directly from the financial system and not populated manually.

The budget, adjustments budget and Section 71 monthly reporting Schedules that have been regulated in terms of the MBRR have also been aligned to the *m*SCOA chart version 6.6.1. The revised MBRR Schedules for the 2022/23 MTREF and its linkages to the financial and non-financial data string are available on the link below:

http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx

9.2 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
	Abigail Maila	012-395 6737	Abigail.Maila@Treasury.gov.za
Buffalo City	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Free State	Sifiso Mabaso	012-315 5952	Sifiso.mabaso@treasury.gov.za
	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za

Gauteng	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
	Abigail Maila	012-395 6737	Abigail.Maila@Treasury.gov.za
Johannesburg and Tshwane	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
Ekurhuleni	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
eThekwini	Sifiso Mabaso	012-315 5952	Sifiso.mabaso@treasury.gov.za
Limpopo	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Lesego Leqasa		Lesego.Leqasa@treasury.gov.za
Northern Cape	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Phumelele Gulukunqu	012-315 5539	Phumelele.Gulukunqu@treasury.gov.za
North West	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Makgabo Mabotja	012-315 5156	Makgabo.Mabotja@treasury.gov.za
Western Cape	Willem Voigt	012-315-5830	WillemCordes.Voigt@treasury.gov.za
Cape Town	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
George	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Sephiri Tlhomeli	012-406 9064	lgdataqueries@treasury.gov.za

National and provincial treasuries will analyse the credibility of the data string submissions.

9.3 Assessing the 2022/23 MTREF budget

National and provincial treasuries will assess the 2022/23 MTREF budgets to determine if it is complete, funded and complies with the *m*SCOA requirements. The *m*SCOA data strings for the tabled (TABB) and adopted (ORGB) budgets will be used for this assessment.

The **assessment period** of all municipal budget will therefore be from **01 April to 30 June 2022 for both the tabled and adopted budgets**. In this period, the National and provincial treasuries will evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that need to be made must be done before the start of the municipal financial year on 1 July.

Importantly, in order to generate an adopted budget (ORGB) data string, the budget must be locked on the financial system by the 10th working day of July each year. Therefore, once the ORGB data string has been generated, errors in the ORGB can only be corrected via an adjustments budget in February of each year. In terms of the design principles of *m*SCOA, municipalities are not allowed to open the budget on the system for corrections after it has been locked. This means that the tabled budget data string (TABB) should in fact be verified and errors in the TABB should be corrected in the ORGB **before the adopted budget is locked on the financial system and the ORGB data string is generated**.

Amending an unfunded, incomplete and erroneous budget through an adjusted budget is also not encouraged as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes. This will result in overspending and unauthorised expenditure not been monitored in the first six months of the financial year.

The National Treasury would like to emphasise that ***where municipalities have adopted an unfunded budget without a* credible funding plan, *they will be required to correct the funding plan and ensure that it is credible. The credible funding plan must be***

immediately adopted by the Municipal Council, and the changes to the budget must be effected in the main adjustments budget to ensure compliance with Section 18 of the MFMA.

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The budget and data strings that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities). The budget of each entity must be submitted on the D Schedule in pdf format.

In the past it was noted that municipalities have challenges to align the audited outcomes on the financial system to A1 Schedule. Municipalities must ensure that the audited figures and adjusted budget figures captured on the A1 Schedule aligns to the annual financial statements and Schedule B respectively.

10. Submitting budget documentation and A1 schedules for 2022/23 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2022**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Friday, 01 April 2022**; and
- Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget. However, given that municipalities are generating the annual budgets directly from the financial system as required by the *m*SCOA Regulations and that the budgets must be verified before it is locked on the financial system and transacted against, municipalities must submit the approved budget to the National Treasury and the relevant provincial treasury in electronic formats ***immediately*** after approval by the municipal council. Therefore, if the annual budget is tabled to council **on 31 May 2022**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Wednesday, 01 June 2022.**

Since the 2020/21 MTREF, municipalities are no longer required to submit hard copies of all required documents including budget related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in pdf format to the GoMuni Upload portal.

10.1 Expected submissions for 2022/23 MTREF

The following information should be submitted for the 2022/23 MTREF:

- The budget documentation as set out in the MBRR. The budget document must include the main A1 Schedule Tables (A1 - A10);
- The non-financial supporting tables (A10, SA9, SA11, SA12, SA13, SA22, SA23, SA24 etc. and any other information not contained in the financial data string) in the A1 schedule must be submitted in the prescribed *m*SCOA data string in the format published with Version 6.6 of the A1 schedule;
- The draft and final service delivery and budget implementation plan (SDBIP) in electronic PDF format;
- The draft and final IDP;
- The council resolution for the tabled and adopted budgets;
- Signed Quality Certificate as prescribed in the MBRR for the tabled and adopted budgets;
- D Schedules specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

10.2 GoMuni Upload Portal

The development work on the GoMuni Upload portal has been concluded and municipalities must submit all documents required for the 2022/23 MTREF in terms of legislation, as per the guidance provided in MFMA Circular No 112 dated 06 December 2021, via the GoMuni Upload Portal. The upload portal can be accessed on https://lguploadportal.treasury.gov.za from 01 April 2022.

All municipal officials that currently have access to the LG Upload portal will be granted access to the GoMuni Upload portal. New users will have to complete and submit a *Request for Access* to lgdataqueries@treasury.gov.za. The request form will be available on the GoMuni login page under new registrations.

10.3 Additional validation rules applicable to data string submissions

To ensure that credible data strings are submitted to the GoMuni Upload portal, additional validation rules will be introduced in the 2022/23 MTREF. The credibility and accuracy of the data strings must be verified by municipalities before submission on the GoMuni Upload. The additional validation rules will be implemented on the stage 1 validation. In other words, a data strings that fails the validation will be rejected. The additional rules are as follows:

1. A balanced data string must be submitted. This means that the data strings that is submitted must always be in balance. All the transactions should be included for Revenue, Expenditure, Gains and Losses, Assets, Liabilities and Net Assets;
2. All secondary cost data strings may only be linked to Item: Expenditure: Default. All costing transactions must be linked to Item: Expenditure default as it refers to the reallocation of cost from one function to another or one operational project to another operational project. Where cost is capitalised the costing segment is not used;
3. Inventory for water must be linked to the Function: Water Management. Bulk purchases of Water must only be recorded against the Water management function; and
4. Opening balances must be linked to Project default and Fund: non funding. All opening balances that are not linked to Project default and Non funding will not be valid.

The new validation rules will come into effect from 01 July 2022.

10.4 Publication of municipal documents

Going forward, the following municipal documents will be published on the GoMuni/ Go Public portal:

- Integrated Development Plans;
- Budget Documentation;
- Service Delivery and Budget Implementation Plans;
- Annual Financial Statements;
- Annual Reports; and
- Audit Reports.

Municipal documents submitted to the National Treasury prior to 2022 will be available on the MFMA webpage and can be accesses via the MFMP Share Point Documents option on GoMuni/ Go Public.

GoMuni/ Go Public can be accessed on the following link: https://lg.treasury.gov.za

10.5 Communication by municipal entities to National Treasury

Municipal entities should not request meetings directly from National Treasury. National Treasury will only engage the entities through the parent municipalities. This includes all communications apart from the legislative reporting requirements.

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JH Hattingh
Chief Director: Local Government Budget Analysis
04 March 2022

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NATIONAL TREASURY

MFMA Circular No. 116

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular on disaster funding framework

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TO: ACCOUNTING OFFICERS OF MUNICIPALITIES AND MUNICIPAL ENTITIES

1 Purpose:

The purpose of this budget circular is to summarise the sources of funding available for municipalities to respond in terms of the disaster funding provisions in the Division of Revenue Act, 2021 (Act No. 9 of 2021 – "the 2021 DoRA"), Division of Revenue Bill, 2022 ("the 2022 DoRB"), Disaster Management Act, 2002 (Act No. 57 of 2002 - "the DMA") and Municipal Finance Management Act, 2003 (Act No. 56 of 2003 - "the MFMA").

2 Background:

Following the severe weather events and the consequent damage caused in various provinces, a national disaster was declared in terms section 27(1) of the Disaster Management Act, 2002. The response, as announced by the President in his address to the nation on 18 April 2022, will be undertaken in a phased approach; the first being immediate humanitarian relief, second phase relates to stabilisation and recovery which includes rehousing people who have lost homes and restoring provision of services; and the third phase will focus on reconstruction and rehabilitation.

3 Available funding sources:

There are four main sources of funding available:

- Reprioritisation within the existing municipal budget;
- Disaster relief/response conditional grants;
- Reallocations within other conditional grants; and
- Utilisation of the contingency reserve for 2022/23.

The first two sources of funding are available to support spending in the remaining months of the current financial year ending June 2022. However, all four sources of funding will be considered as part of the ongoing response to the severe weather events.

3.1 Reprioritisations within the existing municipal budget

Section 56(2)(a) of the DMA provides that when a disaster occurs, the national, provincial and local organs of state may contribute financially to the response efforts, post-disaster recovery and rehabilitation. Municipalities are therefore expected to also contribute from their own resources and budgets. The affected municipalities have probably already begun to reprioritise resources in response to the disaster. Such measures are consistent with the requirements of the DMA. In doing so, municipalities are advised to adhere to the requirements outlined in section 29 of the MFMA. These requirements provide that municipalities may in emergency or other exceptional circumstances authorise unforeseeable and unavoidable expenditure for which no provision was made in an approved budget.

Municipalities are advised to consider the option to use section 29 of the MFMA to fund the response to the disaster in both the 2021/22 and 2022/23 financial years, noting that assessments on the damage and resources required to address them, may take time to be confirmed.

3.2 Disaster response grants

Funds for immediate relief can be applied for from the *Municipal Disaster Response Grant (formerly known as the Municipal Disaster **Relief** Grant) ("MDRG").* This grant is provided for

in Schedule 7 to the Division of Revenue Act, which provides for the immediate release of disaster relief funds. The funds from this grant for the 2021/22 financial year are depleted, so the 2022/23 grant allocation of R371.4 million will be the main source of additional funding for immediate relief for municipalities. Applications for funding from the MDRG need to be submitted to the National Disaster Management Centre (NDMC), which assesses the applications and recommends the amount of funding to be released.

A further R175.4 million is available in the *Municipal Emergency Housing Grant ("MEHG")* for the 2022/23 financial year. Municipalities are required to submit applications to the national Department of Human Settlements (DHS) within 14 days of the agreement by the mayor that a housing emergency exists in terms of section 2.3.1(a) and (b) of the Emergency Housing Programme as per the Housing Code. DHS assesses the applications and recommends the amount of funding to be released to the National Treasury.

Table 1: Funds for immediate relief in 2022/23

R'000	2022/23
Municipal Disaster Response Grant	371 420
Municipal Emergency Housing Grant	175 412
Total	**546 832**

Source: Division of Revenue Bill,2022.

The frameworks setting out the grant rules and application process for the *Municipal Disaster Response Grant* and *Municipal Emergency Housing Grant* can be found on pages 207 and 227 of the 2022 DoRB.

As the 2022 DoRB is yet to be enacted (the 2022 DoRB is expected to be enacted in June 2022), only 45 per cent (R246 million) of the R549 million allocated in 2022/23 can be released prior to the enactment of the Bill. This will be done in terms of section 27 of 2021 Division of Revenue Act, which permits the transfer of 45 per cent of the 2022/23 equitable shares and conditional grants to provinces and municipalities before commencement of the DoRA for the 2022/23 financial year.

Schedule 7 allocations can also be converted between provinces and municipalities. Section 21(7), read with section 27, of the 2021 DoRA allows for the conversion of funds between the provincial and municipal *disaster relief* grants and the provincial and municipal *emergency housing* grants if the allocation for one sphere is exhausted and additional funds are needed for that sphere before the allocation for the other sphere is fully used. Such a conversion can be done at the request of the NDMC, or on National Treasury's initiative, after consulting the NDMC.

As Schedule 7 grants are intended to allow for the rapid transfer of funds, the allocation to each municipality only has to be gazetted after the funds have already been transferred. The provisions allowing for the rapid release of these funds are set out in section 26(3), read with section 27, of the 2021 DoRA. i.e Funds can be released immediately upon approval by the National Treasury.

3.3 Reallocation of conditional grant funds

Funds from any conditional grants to municipalities may also be reallocated to pay for the alleviation of the impact of a classified disaster. Section 20(6)(a), read with section 27 of the 2021 DoRA provides for such a reallocation, if it is requested by both the department that administers that conditional grant and the NDMC. Section 26(6)(b), read with section 27, requires that the receiving officer must confirm that the funds proposed to be reallocated are not already committed before National Treasury can approve such a reallocation. Section 26(6)(c), read with section 27, of the 2021 DoRA, then requires that the funds be used in the same financial year, same sphere and for the same functional area they were originally allocated for. Reprioritised funds can be made subject to new conditions set by the

transferring officer – after consulting the NDMC and receiving approval for the conditions from National Treasury.

Given that municipalities are in the last quarter of the 2021/22 financial year, it is possible that some funds can be repurposed to respond to the disaster especially as in the affected areas, implementation of some projects has been affected by the extreme weather events. The 2022 MTEF conditional grant allocations, as outlined in the 2022 DoRB, also present a wider scope for reprioritisation in 2022/23. The national departments that administer municipal conditional grants will need to do assessments with the receiving municipalities and agree on the amounts that can be repurposed and submit to National Treasury for approval.

Municipalities are advised to balance the need to provide resources for the response to this disaster, while maintaining as much as possible of the planned implementation of projects in the 2022 MTEF as possible.

3.4 Utilisation of the contingency reserve for 2022/23

Following a disaster, the repair and rebuilding of damaged infrastructure is typically funded through ring-fenced allocations in the Adjustment Budget or the next Budget. While the funding sources outlined above emphasise making funding available rapidly to address the immediate impacts of a disaster, it typically takes longer to assess and plan for the rebuilding or repair of damaged infrastructure, as rebuilt infrastructure has to be redesigned so that it will not be vulnerable to damage in a similar disaster in the future. All disaster recovery requests are assessed by the NDMC, and it then recommends to the National Treasury the amounts to be funded.

Because disasters do not necessarily align with the budget process, which allows for funding, in terms of section 30(2)(d) of the PFMA, to be appropriated for unforeseeable and unavoidable expenditure, funding for post-disaster reconstruction and recovery is typically provided for in the contingency reserve.

Despite section 30 of the PFMA, clause 6 of the 2022 Appropriation Bill allows the Minister of Finance to approve expenditure if it cannot be reasonably delayed without negatively affecting service delivery. However, this provision only comes into effect once the Appropriation Bill is enacted. Similar provisions to allow for this type of expenditure in municipalities are provided for in clauses 6(4) and 8(4) of the 2022 DoRB. These clauses provide that if any expenditure from the contingency reserve is approved in terms of section 6 of the 2022 Appropriation Act, any increases to the equitable share or conditional grants to municipalities may be released after the National Treasury has published the additional allocations by notice in the Gazette. The use of these provisions, however, will only come into effect once the 2022 DoRB is enacted.

4 Reporting and monitoring:

4.1 Reporting and monitoring of expenditure and the procurement process

Funding to respond to this disaster will be subject to the procurement processes and reporting conditions. Municipalities are urged to spend funds in line with the applicable conditions and adhere to the relevant reporting requirements in DoRA. Furthermore, municipalities will have to record the expenditure on disaster relief in their respective financial systems. The National Treasury will issue further guidance on the weekly and monthly reporting of disaster relief expenditure in terms of the Municipal Standard Chart of Accounts (*m*SCOA).

The need for increased pro-active governance measures with regard to supply chain management and procurement processes during this time needs to be stressed. Municipalities are advised consider using their internal audit committees to undertake preventative audits for quality assurance on procurement to respond to the effects of the damage caused by the 2022 April floods.

4.2 Real time auditing

The Auditor-General of South Africa (AGSA) will conduct real-time audits on the disaster response funds made available to provide much-needed relief to affected communities. The audits will provide independent assurance on whether public funds have been appropriately accounted for and used for their intended purpose.

A real-time audit is still reactive and, therefore, transactions must take place for the audit to provide independent assurance that the transaction was performed correctly, that the purchased goods or services were of the right quality and that it reached the intended beneficiaries. It must also determine that the transactions that took place complied with the requisite laws and regulations.

In essence, a real-time audit is an early audit aiming to prevent, detect and report on the findings to ensure an immediate response to prevent leakage, potential fraud, financial mismanagement and wastage. Real-time audits will equip municipal accounting officers to act quickly on weaknesses in controls and prevent further losses. They also enable immediate oversight and consequence management.

The focus of the real-time audits will be on:

- Prevention – the AGSA will be testing the implementation of the preventative controls to address the increased risks and significant changes in operations and will report to the accounting officer on the remaining risks;
- Detection – high-risk transactions will be subjected to an audit and any key observations are reported to the accounting officer as soon as they are identified to be addressed before any additional payments are made; and
- Reporting – work done by the AGSA, the outcome thereof and the responses by the accounting officers to any weaknesses identified are reported in a special report.

Through an early audit, the AGSA will provide real-time insights into the management and usage of funds earmarked for disaster relief in accordance with the objectives and targets set for those funds.

5 Dissemination of information contained in this circular:

Accounting officers are requested to bring the contents of this circular to the attention of all relevant municipal officials, municipal entities, councillors and municipal support personnel. There has also been huge interest from the general public on the utilisation of disaster relief funds and hence it will also be imperative that the municipality and municipal entity prepare special detailed reports that must be published on their websites on a monthly basis on projects, spending, and progress made.

6 Notification to the Auditor-General:

A copy of this circular will be submitted to the Auditor-General for notification.

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JH HATTINGH
CHIEF DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS
26 APRIL 2022

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Western Cape Government

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TREASURY CIRCULAR MUN. NO. 7/2022

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THE PROVINCIAL AUDITOR

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MUNICIPAL BUDGET CIRCULAR FOR THE 2022/23 MTREF AND ASSOCIATED 2022 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS

1. INTRODUCTION

This Circular is a follow-up to the Provincial Treasury (PT) Circular 01/2022 issued on 24 January 2022 and should be read in conjunction with National Treasury (NT) MFMA Circulars No. 112 and No. 115 issued on 06 December 2021 and 04 March 2022 respectively.

The purpose of this circular is to:

- provide guidance to municipalities with the finalisation of the 2022/23 Medium Term Revenue and Expenditure Framework (MTREF) Budgets and accompanied budget documentation, and
- brief municipalities on the 2022 Strategic Integrated Municipal Engagements (SIME) process and related matters.

2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government (WCG) has institutionalised the Strategic Integrated Municipal Engagements (SIME; previously referred to as LGMTEC) process in fulfilment of its obligations under:

- Sections 5, 22 and 23 of the Local Government: Municipal Finance Management Act (MFMA), Act No. 56 of 2003;
- Chapter 5 of the Local Government: Municipal Systems Act (Act No. 32 of 2000) [MSA];
- Chapter 3 of the National Environmental Management Act (Act No. 107 of 1998) (NEMA); and
- Chapter 4 of the Spatial Planning and Land Use Management Act (Act No. 16 of 2013) (SPLUMA).

The 2022 SIME process will give effect to the "Integrated Work Plan" adopted in 2017. It builds on the 2021 integrated municipal and provincial processes to strengthen alignment between municipal and provincial planning and budgeting and drives the theme of "Integrated service delivery", specifically as municipalities are preparing for the new Integrated Development Planning Cycle.

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3. FISCAL AND ECONOMIC CONTEXT

3.1 2022 National Budget

The key highlights of the 2022 National Budget are summarised below.

- The world economy is expected to grow by 4.4 per cent in 2022 which is slightly lower than the 4.9 per cent that was anticipated when tabling the Medium-term Budget Policy Statement (MTBPS). The Omicron variant of the coronavirus caused many countries to impose restrictions to manage its spread. In addition, continued imbalances in global supply chains, global geopolitical risk (particularly the Russian invasion of Ukraine) and reduced fiscal and monetary policy support have limited the pace of the world's economic recovery.

- The South African economy has not been shielded from these global developments; hence real GDP growth is estimated at 4.9 per cent in 2021, bouncing back from a 6.4 per cent contraction in 2020 and is projected to be followed by growth averaging 1.9 per cent over the next two years. The Western Cape GDP is expected to follow the national trajectory, expanding by 4.3 per cent in 2021, by 2.0 per cent in 2022 and by 1.9 per cent in 2023. This outlook partly reflects a slowing recovery. A more rapid implementation of economic reforms, complemented by fiscal consolidation, will ease investor concerns and support faster recovery and higher levels of economic growth over the long term. Significant risks to the economic outlook include new COVID-19 variants leading to new waves of infections, continued interruptions in power supply, rising inflation resultant from supply chain disruptions and increasing energy prices, fiscal risks as well as global economic uncertainty.

- Headline inflation is expected to remain between the 3 - 6 per cent target range over the 2022/23 MTEF as seen in the CPI inflation projections below. Although prime lending rates are increasing ,borrowing conditions remain favourable. Lending rates are however expected to increase in the short-term.

Table 1: CPI Performance and Projections, 2020-2025[1]

Fiscal year	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Estimate	Forecast		
CPI Inflation	2.9%	4.5%	4.8%	4.4%	4.5%

Source: National Treasury, 2022

- A consolidated budget deficit of 6 per cent of GDP is projected for 2022/23, narrowing to 4.2 per cent of GDP in 2024/25. Gross debt is projected to stabilise at 75.1 per cent of GDP in 2024/25. Gross tax revenue for 2021/22 is expected to be R181.9 billion higher than projections in the 2021 budget. Government will continue to focus on broadening the tax base, improving administration and lowering taxes.

- Government's medium-term spending plans include an allocation of R3.3 trillion for the social wage, and R18.4 billion to support youth employment and the creation of short-term jobs in 2022/23 and 2023/24. Additional allocations since the 2021 MTBPS support policy priorities in higher education, teacher retention in basic education, health budgets for new hires and the continued response to COVID-19. Debt-service costs account for 15.1 per cent of total spending and grow faster than all functions, including learning and culture and health.

[1] Updated from the 2021 National Medium Term Budget Policy Statement (MTBPS). The Provincial Government inflation assumptions are based on the 2021 MTBPS projections.

- Over the 2022 MTEF period, after budgeting for debt-service costs, the contingency reserve and provisional allocations, 48.8 per cent of nationally raised funds are allocated to national government, 41.4 per cent to provinces and 9.8 per cent to local government.

The 2022 National Budget documentation is available at: http://www.treasury.gov.za/documents/National%20Budget/2022/

3.2 2022 Western Cape Provincial Budget

On Monday, 14 March 2022, the Western Cape Minister for Finance and Economic Opportunities, Mr. David Maynier, tabled the 2022 Western Cape Budget in the provincial legislature. The 2022 Budget focuses on implementing the Western Cape Recovery Plan priorities namely, Jobs, Safety, and Wellbeing, while maintaining a response to COVID-19. The budget policy priorities will support economic growth and job creation; strengthen law enforcement and social protection; and ensure human dignity by protecting human rights and supporting mental wellbeing.

The 2022 Budget is informed by the WCG's Fiscal Strategy which is based on four key fiscal decision-making principles, namely, *Protect basic services outcomes; Unlock allocative efficiency; Enhance productive efficiency;* and *Enable long-run fiscal sustainability*.

The 2022 Budget, named, "***A Budget to Push Forward***" will over the medium term spend R19.6 billion on "Jobs"; R4.4 billion on "Safety"; R111.3 billion on "Wellbeing"; and R30.3 billion over the medium term on infrastructure in the Western Cape.

The 2022 MTEF budget will over the medium term also allocate an additional R6.2 billion to education; R2.4 billion to healthcare; R136 million to social development; and R2.6 billion on infrastructure in the Western Cape.

These budgetary allocations support the WCGs fiscal principles and ensures that the WCG continues to –

- sustain the fight against the COVID-19 pandemic, including the successful rollout of the vaccination programme;
- support the recovery plan priorities of Jobs, Safety and Wellbeing;
- protect frontline services, including education, health and social development;
- rebalance the composition of expenditure by increasing spending on infrastructure;
- supports effective local governance;
- significantly improves the efficiency of expenditure by driving value for money in procurement;
- mitigate risks including drought, fire and flooding; and
- ensure long-term fiscal sustainability replenishing provincial reserves.

The 2022/23 Budget will spend R76.8 billion across the five districts and the metro in the Western Cape as follows: R8.7 billion in the Cape Winelands District; R3.8 billion in the West Coast District; R6.4 billion in the Garden Route District; R2.8 billion in the Overberg District; R989 million in the Central Karoo District; and R54.2 billion in the City of Cape Town.

To further support municipalities to drive economic growth, a new Municipal Ease of Doing Business Fund will be launched, which will allocate R10 million to projects which reduces red tape in municipalities in the Western Cape.

The budget also allocates an additional R30 million over the medium term to strengthen forensic investigation capability, and legal services capability, in the municipal space in order to support clean governance.

These priority objectives are as relevant to the local government space as it is to the Western Cape as a whole and has informed the formulation of the 2022 SIME theme i.e., Enabling Sustainability and Growth. Municipalities are urged to familiarise themselves with the fiscal strategy underlining the 2022 WCG MTEF Budget and to take cognisance of the Provincial expenditure allocations (including infrastructure investments) within the respective municipal areas. The allocations to be made per school and per hospital in the province, as well as those by Casidra and CapeNature, will be finalised and published in April 2022. The 2022 Main Budget documentation can be found here:

https://www.westerncape.gov.za/provincial-treasury/news/western-cape-budget-202223

4. NATIONAL AND PROVINCIAL BUDGET GUIDELINES

Municipalities are advised to consult MFMA Circulars No. 112 (2021) and No. 115 (2022) as well as the Provincial Treasury Circular No. 1/2022 (24 January 2022) for guidance in respect of planning and budgeting towards the 2022 MTREF.

Municipalities MUST include the National and Provincial Treasury 2022 Budget Circulars as part of the source documents consulted in the preparation of the 2022 MTREF Budget documents and table it as part of the budget documentation in the municipal council.

The NT and PT circulars provide guidance to municipalities on revenue, expenditure and accounting related matters for consideration when compiling their 2022/23 MTREF budgets. Although municipalities must thoroughly scrutinise these circulars in their own time, PT wishes to highlight the following key consideration:

4.1 Direct Transfers to Local Government

The Division of Revenue Bill (DORB) was published on 23 February 2022, following the tabling of the 2022 National Budget in Parliament. The Bill specifies all local government transfers and municipalities must reconcile their budgets to the numbers published therein. Note that in terms of the outer year allocations (2023/24 and 2024/25) it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2022 Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website at the following link:

http://www.treasury.gov.za/documents/national%20budget/2022/dor.aspx

According to the DORB, direct transfers to municipalities will grow at an annual average rate of 7.9 per cent over the 2022 MTREF; direct conditional grants at 5.3 per cent, while the local government equitable share (LGES) will grow at 10.3 per cent on average per annum over this period. These growth rates are all above the inflationary estimates provided above.

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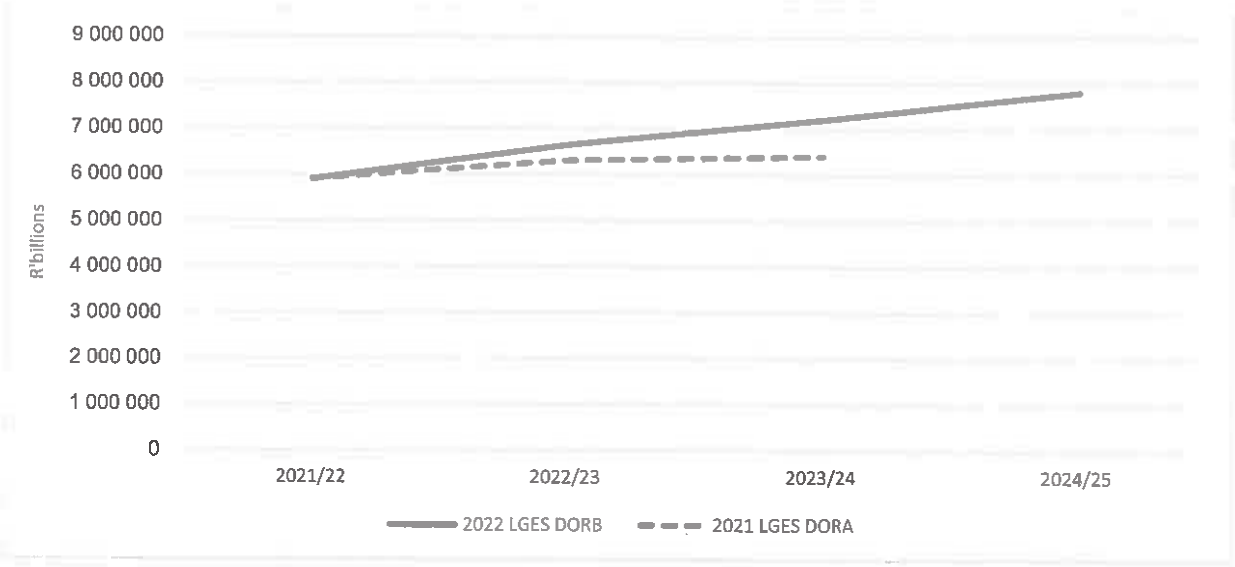
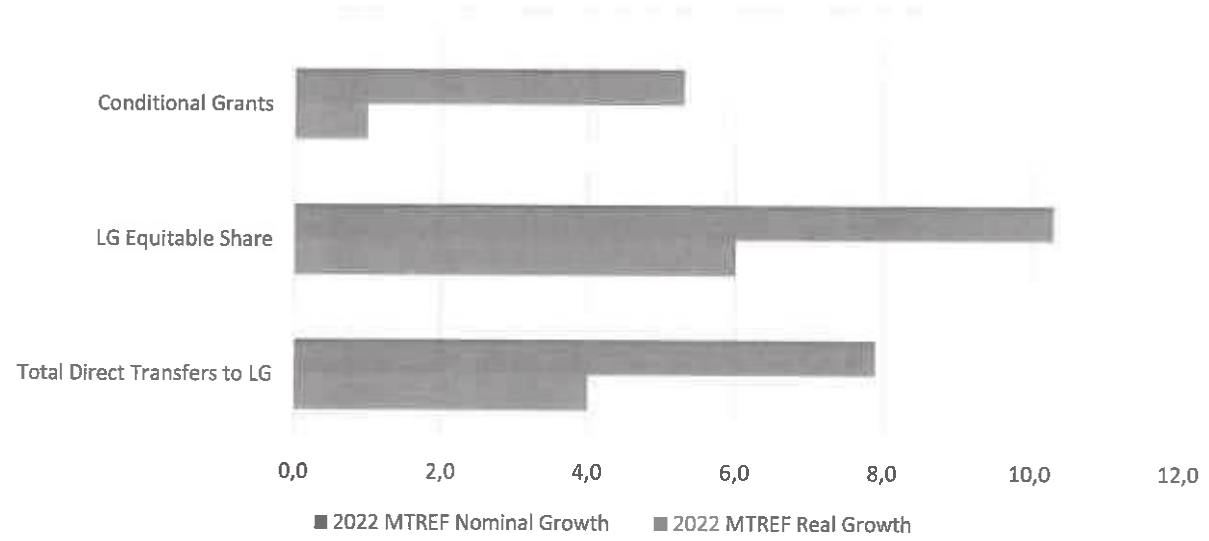
Graph 1: Equitable Share Estimates, 2021 DORA vs 2022 DORB



Graph 2: Nominal vs Real LGES Growth across the 2022 MTEF



Source: Financial and Fiscal Commission; National Treasury, 2022

The two graphs above illustrate the impact of the significant additions to the equitable share over the MTEF. Graph 1 compares projected allocations in the 2021 DoRA with the new allocations in the 2022 DoRA. Graph 2 provides a comparison of average annual LGES growth rates in real and nominal terms for the 2022 MTREF allocations. When adjusted for inflation, the overall allocations to local government (equitable share, direct grants as well as fuel levels) show strong positive growth. This will help municipalities to offset the ever-increasing cost of basic services. The higher than inflation growth of allocations in the local government equitable share ensures that it fully compensates for the annual data updates made to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2022 MTREF. Growth in conditional grant allocations has been more modest.

An amount of R28.9 billion has been added to the LGES allocation over the MTREF to increase coverage for the provision of free basic services. Municipal budgets should demonstrate how the additional funds they have been allocated are being used to sustain and/or expand the provision of basic services to poor households. Municipalities are advised to prioritise ensuring that the full cost of providing free basic services to existing indigent households are fully covered before providing for expanded services.

Municipalities must be mindful that the Equitable Share is primarily meant to fund basic municipal services to indigents. Municipalities must ensure that monies are used for the purpose they were allocated for.

4.2 Salary and Wage Considerations

In line with the 2021 Multi-year Salary and Wage Collective Agreement for the 2022/23 financial year, and as instructed by the South African Local Government Bargaining Council Circular 1 of 2022 (9 March 2022), salary and wage increases shall, as of 1 July 2022, be as follows:

- In terms of Clauses 6.4 and 6.5, the salary and wage increase shall be 4.9 per cent.
- In terms of clause 7.2, the minimum wage shall increase to R9 043.21.
- In terms of clause 9.1.2, the flat rate homeowners' allowance shall increase to R1 011.77.
- In terms of clause 10.1.2, the medical aid maximum employer contribution shall increase to R5 007.00.
- In terms of clause 11.1, all benefits linked to salary shall increase by 4.9 per cent.

Municipalities that cannot afford to implement the above, may in terms of Clause 15 of the Agreement, apply for exemption. Municipalities that want to apply for exemption are requested to inform SALGA of such a decision as soon as possible, but not later than 31 May 2022.

4.3 Eskom Bulk Tariff Increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. Bulk electricity costs are consistently much higher than inflation, having gone as high as 17.8 per cent in the 2021/22 municipal financial year. Eskom's need for increased funding means that over the period ahead they have in their Multi-Year Price Determination (MYPD 5) applied for much higher tariff increases of 20.5 per cent in 2022/23, 15 per cent in 2023/24 and 10 per cent in 2024/25. NERSA has, after deliberation, approved a 9.61 per cent tariff increase for Eskom starting from April 2022 and includes the 2022/23 tariff approval of 3.49 per cent.

NERSA's "Municipal Tariff Guidelines Increases, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2021/22 financial year" publication should be consulted before the tabling of the budgets. This guideline will include the maximum increase for tariffs for municipal consumers. Municipalities that table their budgets before the NERSA Guideline is published are advised to base their electricity tariff increases in their tabled budgets on the 9.6 per cent increase published for Eskom customers for the 2022/23 national financial year. Municipalities can then update with the corrected tariff for the 2022/23 municipal financial year as published in the NERSA Guideline when they finalise their budgets for adoption.

4.4 Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Municipalities are reminded to develop council approved Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIF&W) reduction plans as advocated for by MFMA Circular No.111 of November 2021. These reduction plans must align to the targets outlined in the 2019 – 2024 Medium Term Strategic Framework (MTSF). Progress reporting against these plans must be institutionalised as part of the monthly section 71 process to enable effective monitoring and oversight by National and Provincial Treasury, in addition to the reporting to the MEC for Local Government that is already required.

4.5 Unspent conditional grant funds for 2021/22

Municipalities must familiarise themselves with the provisions of Section 21 of the Division of Revenue Act, 2021 (Act No.9 of 2021) (DoRA), read in conjunction with the Division of Revenue Amendment Act, 2021 (Act No. 17 of 2021) (DoRAA), which outlines the process to be followed in dealing with unspent conditional grant funding for 2021/22.

Noteworthy action steps and deadlines are briefly as follows:

- Roll-over applications must be submitted to NT by no later than 31 August 2022.
- Outcomes of the roll-over application process will be communicated to municipalities by 21 October 2022.
- Specific unspent grant amounts will be communicated by 8 November 2022 whereafter municipalities will have until 18 November 2022 to return the funds in question to the National Revenue Fund (NRF).
- Any unspent conditional grant funds that should have, but are not repaid to the NRF by 18 November 2021, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's equitable share allocation transfer on 07 December 2022.

When requesting a rollover in terms of section 21(2) of the 2021 DoRA, municipalities must include the information as outlined in section 8.1 of the MFMA Budget Circular 115 with their submission to NT.

Provincial Treasury will shortly issue a circular to guide municipalities in terms of unspent provincial grant allocations for 2021/22 and the roll-over process that should be followed.

4.6 Provincial Conditional Grant Allocations

Total departmental transfers to local government in the Western Cape will in 2022/23 amount to R2.591 billion which equates to a 20.7 per cent decrease from R3.266 billion in 2021/22 (revised estimates). Looking forward, transfers will decrease towards 2023/24 (-0.04 per cent) and 2024/25 (-6.3 per cent). The decline is because of significant amounts being retained by the Department of Human Settlements across the MTREF.

The structure of provincial grants to municipalities remains largely the same as it has been in previous years. Municipalities were briefed on proposed changes to grants in a CFO Forum Technical Engagement workshop on 21 February 2022.

Two of the grants previously transferred by Provincial Treasury have been merged into a consolidated new Western Cape Financial Management Capability Grant. Details of this and all other conditional grants were published in Provincial Gazette 8566 (14 March 2022) and can be accessed at:

https://www.westerncape.gov.za/provincial-treasury/news/western-cape-budget-202223).

Municipalities must ensure that the provincial transfer receipts detailed in their budgets, align to the Provincial Gazette.

4.7 Municipal Standard Chart of Accounts

The 2022 MTREF budgets must be compiled making use of Version 6.6.1 of the mSCOA Chart, which will come into effect on 01 July 2022.

Municipalities must take note of the technical changes to the new version of the chart and follow the guiding recommendations made by NT (within MFMA Circular 115) insofar the successful completion of the budget is concerned.

Municipalities are reminded to complete the D-Forms required by NERSA. National Treasury is currently looking into how the mSCOA data strings can be used to populate the NERSA reports and will provide guidance in this regard during 2022.

To ensure that credible data strings are submitted to the GoMuni Upload portal, additional validation rules are being introduced in the 2022/23 MTREF. The credibility and accuracy of the data strings must be verified by municipalities before submission on the GoMuni Upload. The additional rules are outlined in NT MFMA Circular 115.

A web-based eLearning course on mSCOA will be available on the National School of Government (NSG) website from April 2022. This is a self-paced course aimed at all government and municipal officials, especially new employees and interns to on-board them on mSCOA. The course covers fundamentals of mSCOA, system and reporting requirements and budgeting and transacting on the mSCOA chart. Municipalities are reminded to budget for the course in their 2022/23 MTREF budgets.

5. OTHER MATTERS

5.1 Performance Reporting Obligations: Implementation of MFMA Circular 88 (2017) for the 2022/23 municipal financial year

Municipalities are once again reminded to familiarise themselves with MFMA Circular No. 88 of 2017, its accompanying annexures and subsequent addendums which provide guidance to municipalities on the adoption and internalisation of a common set of performance indicators. Experience since the 2018/19 implementation of the original circular has shown that the on-going planning, budgeting and reporting reforms process is complex and requires sufficient time and change management for incremental roll-out, growth and institutionalisation.

Addendum 2 (released in December 2020) introduced a significant shift in the reforms in four respects: 1) it more closely integrates and guides planning, budgeting and reporting reforms; 2) it significantly expands and revises the set of MFMA Circular No. 88 indicators applicable to metropolitan municipalities; 3) it expands the application of the reforms and the indicators to differential categories of municipalities and levels of readiness, for application in 2021/22 MTREF cycle going forward; and 4) it introduces evaluations in the context of these reforms.

For immediate implementation purposes, municipalities should be able to identify the indicators in Appendix A to Addendum 2 that are listed as Tier 1 or Tier 2 for their category of municipality and start establishing baselines for those measurements (if they are not already being tracked). Understanding the standard definitions will require engaging with the technical indicator descriptions (TID) in Appendix B to Addendum 2. Municipalities should be able to navigate Appendix A without any further guidance to understand what is going to apply to them for the 2022/23

financial year and be able to refer to Appendix B to get the detail on the standard formulation of each indicator.

Importantly, please note that intermediate cities, districts and local municipalities will still not yet for 2022/23 be required to incorporate these indicators in their IDPs and SDBIPs. Instead, the relevant indicators should be included as an annexure to the IDP and SDBIP. Although the indicators do not formally have to be included in the IDP/SDBIP, municipalities will be required to report on performance against said indicators on a quarterly and annual basis. Municipalities are therefore advised to put in place the necessary standard operating procedures and portfolios of evidence to ensure timeous reporting throughout 2022/23 to ultimately strengthen the link between planning, budgeting and reporting. Please do note that the roll-out process currently remains a pilot project. Reporting against these indicators will as such not be audited for 2022/23.

6. 2022/23 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS (SIME) PROCESS

6.1 Municipal Budget Day

According to sections 16(2) and 17(3)(d) of the MFMA, the Mayor of a municipality must table the annual budget at a council meeting at least 90 days (i.e. by 31 March 2022) before the start of the budget year.

It is important to note that there is no explicit requirement for council to endorse or approve the tabled budget or draft IDP tabled by the mayor for public participation. The municipal council only has the legal authority to consider a tabled budget and draft IDP after the completion of one or more public participation processes undertaken pursuant to Section 22, read with section 23 of the MFMA. Council will only consider for approval "*the product of an inclusive budget preparation and consultative process*" when the proposed annual budget (as amended, if applicable) is tabled before council in terms of section 24(1) of the MFMA.

Given that the preparation, consultation, adoption and implementation of a municipality's annual budget is inextricably linked to, and must be substantially aligned to and informed by the contents of that municipality's IDP, it would be procedurally flawed for the mayor to proceed with the tabling of the proposed annual budget (and commence with public participation process required in terms of section 22 of the MFMA) at a time when the municipality's draft IDP has not been completed.

6.2 Consequence Management

If a municipality has failed to complete the relevant processes applicable for the review and revision of the annual budget and the compilation of an IDP in time for the deadline applicable to the tabling of the proposed annual budget (i.e. 31 March), the mayor must submit an application for an extension of the said deadline. As per section 27 of the MFMA, the mayor of a municipality must, upon becoming aware of any impending non-compliance by the municipality of any provisions of the Act or any other legislation pertaining to the tabling or approval of the annual budget or compulsory consultation processes, inform the MEC for Finance in the province in writing of any impending non-compliance.

If the impending non-compliance pertains to a time provision, except section 16(1) of the MFMA, the mayor may apply to the MEC for Finance for an extension, which must be in accordance with Schedule G of the Municipal Budget and Reporting Regulations (MBRR). In addition to the requirement to inform the MEC of impending non-compliance with the MFMA, mayors and accounting officers are requested to inform PT should they have reasons to believe that that their municipality's budget might not be tabled/approved timeously due to dynamics in council. This will

enable PT to engage with municipal officials to prepare for any possible action (including in terms of 139(4) of the Constitution) that may be required if a budget is not adopted.

In the event of actual non-compliance by a municipality with time provisions concerning the annual budget, the mayor must inform council, the MEC for Finance and NT, in writing, of such non-compliance and any remedial action or corrective measures the municipality intends to implement. Such a notification must be done in accordance with section 63 and Schedule G of the MBRR.

Municipalities are cautioned that any delay to table the budget in terms of section 16(2) of the MFMA could compromise the ability to approve the budget before the start of the financial year as required by section 16(1) of the MFMA. Failure to approve the budget before the start of the financial year will automatically invoke the provisions of sections 25(1) and 55 of the MFMA. Should a municipality not approve the budget by the start of the new financial year, the provincial executive MUST intervene in terms of section 139(4) of the Constitution by taking any appropriate steps to ensure that the budget or revenue-raising measures are approved. These steps include, but are not limited to, dissolving council and appointing an administrator and approving a temporary budget or revenue raising measures to provide for the continued functioning of the municipality.

Municipalities are kindly requested to communicate any changes to the confirmed tabling dates (as it appears in **Appendix A)** to PT via Tania.Bosser@westerncape.gov.za by **23 March 2022**.

6.3 Submitting budget documentation and schedules for 2022/23 MTREF

Section 22 (b)(i) of the MFMA requires that, immediately after an annual budget is tabled in municipal council, it must be submitted to NT and the relevant provincial treasury. If the annual budget is tabled in council on 31 March 2022, the **final date of submission of the electronic budget documents and corresponding mSCOA data strings is Friday, 01 April 2022**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget. However, given that municipalities are generating the annual budgets directly from the financial system as required by the *m*SCOA Regulations and that the budgets must be verified before it is locked on the financial system and transacted against, municipalities must submit the approved budget to NT and the relevant provincial treasury in electronic formats ***immediately*** after approval by the municipal council. Therefore, if the annual budget is tabled to council **on 31 May 2022**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Wednesday, 01 June 2022.**

The accompanying document submission checklist (***see Appendix B***) provides a list of the documentation required by Provincial Government. Electronic budget related documents must be provided in PDF format. The designated municipal official needs to complete and sign the accompanying checklist (***Appendix B***) as confirmation that the set of budget, IDP and related documents have been submitted.

Municipalities should note that NT will no longer accept submissions by email, NT will now only accept uploads via the GoMuni portal. The development work on the GoMuni Upload portal has been concluded and municipalities must submit all documents required for the 2022/23 MTREF in terms of legislation, as per the guidance provided in MFMA Circular No 112 (2021), via the **GoMuni Upload Portal**. The upload portal can be accessed on ***https://lguploadportal.treasury.gov.za*** from 01 April 2022. All municipal officials that currently have access to the LG Upload portal will be granted access to the GoMuni Upload portal. New users will have to complete and submit a *Request for Access* to

lgdataqueries@treasury.gov.za. The request form will be available on the GoMuni login page under *New Registrations*.

Municipalities must also submit electronic documents to **Provincial Treasury** to: **MFMA.MFMA@westerncape.gov.za** or if too large (exceeds 3 MB), must be submitted via One Drive. Instructions for uploading the budget and related documents via **One Drive** are provided in **Appendix C**. Provincial Treasury will engage further with NT and municipalities to establish whether in future it is feasible for documentation to only be uploaded to the GoMuni portal. At present, municipalities are still required to separately submit all documentation to PT (as required in the MFMA).

If municipalities require advice with the compilation of their respective budgets, they should direct their enquiries to the following WC Provincial Treasury officials:

Directorate	Official	Tel. No.	Email
MFMA Co-Ordination	Steven Kenyon	021 483 0811	Steven.kenyon@westerncape.gov.za
Public Finance	Isaac Tsie	021 483 6241	Isaac.Tsie@westerncap.gov.za
	Thobelani Ntshingila	021 483 6100	Thobelani.Ntshingila@westerncape.gov.za
Budget Office	Malcolm Booysen	021 483 3386	Malcolm.Booysen@westerncape.gov.za
	Dian Cronje	021 483 0390	Dian.Cronje@westerncape.gov.za
Fiscal Policy	Shafeeqa Davids	021 483 9192	Shafeeqa.Davids@westerncape.gov.za
Accounting	Faez Salie	021 483 4252	Faez.Salie@westerncape.gov.za

Municipalities may also contact the following officials at NT for assistance.

Responsible Area	Official	Tel. No.	Email
Western Cape	Willem Voigt	012 315 5830	WillemCordes.Voigt@treasury.gov.za
Cape Town	Kgomotso Baloyi	012 315 5866	Kgomotso.Baloyi@treasury.gov.za
George	Mandla Gilimani	012 315 5807	Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Sephiri Tlhomeli	012 406 9064	lgdataqueries@treasury.gov.za

6.4 Publication of budgets on municipal website

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the Municipality's website. This will aid in promoting public accountability and good governance.

6.5 Strategic Integrated Municipal Engagement (SIME) Process

Integrated planning and budgeting focusses on strengthening the alignment of planning and budgeting in the Province, and places particular emphasis on enhancing the provincial and local government interface. The SIME engagements, which takes place in May 2022, precedes the approval and implementation of municipal budgets. The engagements afford the WCG the opportunity to provide feedback on its assessment of the municipal planning and budgeting efforts for the upcoming financial year and for the 2022 MTREF.

The assessments are based on compliance and performance information obtained from the Western Cape Monitoring and Evaluation System (WCMES) as well as an assessment on conformance, responsiveness, credibility, and sustainability of the municipality's draft budget, IDP, SDF and supporting plans. It is therefore important that all Municipalities timeously submit all the required information. The assessment of the tabled IDPs will be undertaken by the Department of Local Government, in close contact with all relevant sector departments in the Province impacting on municipalities, to ensure alignment between the IDPs and all the Provincial strategic priorities and plans.

The SIME engagements will primarily focus on strategic issues emanating from municipalities' draft IDPs and tabled annual budgets to gear municipalities for sustainable growth and development.

The overall objectives of the 2022/23 SIME process and the key messages therefore emphasises:

- Aligning strategic intent as encapsulated within the Integrated Development Plans (IDP) and municipal budgets to create public value based on the community needs/priorities identified through the public participation processes;
- Safeguarding of municipal sustainability by ensuring that municipalities table funded budgets and the strengthening of municipal financial management;
- Ensure optimal and targeted service delivery through strategic spatial planning and alignment;
- Deepening of an integrated approach to service delivery with the intention of creating synergies through the consolidation/concentration of resources across all spheres of government;
- Identification of areas that require support as well as opportunities for collaboration and partnerships.

The 2022 SIME engagements are planned to be in person, with a hybrid approach where officials can also join in via Microsoft Teams where such facilities can be accommodated by the municipality. Confirmation of the arrangements will be confirmed individually with each municipality.

- The SIME engagements are provisionally scheduled to take place from 3 May 2022 to 18 May 2022, subject to confirmation from the municipalities. PT will communicate with each Municipality on an individual basis to confirm the date and time of the engagement.

7. CONCLUSION

Municipalities should consider and apply the contents of this budget circular in the 2022/23 planning and budgeting process.

Please direct any queries regarding this circular to Dian Cronje at:
Dian.Cronje@westerncape.gov.za.

Roy Havemann Digitally signed by Roy Havemann Date: 2022.03.18 21:08:43 +02'00'

DR R HAVEMANN
DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES
DATE: 18 March 2022

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ANNEXURE A

CONFIRMED 2022 BUDGET TABLING DATES

Municipality	Confirmed date
City of Cape Town	Thursday, 31 March 2022
Matzikama	Tuesday, 29 March 2022
Cederberg	Thursday, 31 March 2022
Bergrivier	Tuesday, 29 March 2022
Saldanha Bay	Thursday, 31 March 2022
Swartland	Thursday, 31 March 2022
West Coast District Municipality	Friday, 25 March 2022
Witzenberg	Wednesday, 30 March 2022
Drakenstein	Wednesday, 30 March 2022
Stellenbosch	Wednesday, 30 March 2022
Breede Valley	Tuesday, 29 March 2022
Langeberg	Thursday, 31 March 2022
Cape Winelands District Municipality	Thursday, 24 March 2022
Theewaterskloof	Wednesday, 30 March 2022
Overstrand	Wednesday, 30 March 2022
Cape Agulhas	Tuesday, 29 March 2022
Swellendam	Thursday, 31 March 2022
Overberg District Municipality	Monday, 28 March 2022
Kannaland	Thursday, 31 March 2022
Hessequa	Friday, 18 March 2022
Mossel Bay	Thursday, 31 March 2022
George	Friday, 25 March 2022
Oudtshoorn	Thursday, 31 March 2022
Bitou	Thursday, 31 March 2022
Knysna	Wednesday, 30 March 2022
Garden Route District Municipality	Tuesday, 29 March 2022
Laingsburg	Wednesday, 30 March 2022
Prince Albert	Tuesday, 29 March 2022
Beaufort West	Thursday, 31 March 2022
Central Karoo District Municipality	Monday, 28 March 2022

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ANNEXURE B

DOCUMENT SUBMISSION CHECKLIST FOR THE 2022/23 TABLED INTEGRATED DEVELOPMENT PLAN, BUDGET, AND RELATED DOCUMENTATION

MUNICIPALITY: _____

In completing and signing the Budget and IDP documentation checklist below, the municipality confirms that Schedule A1 **complies with the Municipal Budget and Reporting Regulations (MBRR)** and that the main tables and the relevant supporting tables (as listed below) are in ***version 6.6.1*** of Schedule A1 and **drawn directly from the municipal financial system.**

The Integrated Development Plan as set out in Section 26, 32 and 34 of the Local Government: Municipal Systems Act, No 32 of 2000 and Regulations (MSA) and Section 21 of the Local Government Municipal Finance Management Act 56 of 2003 (MFMA).

The Spatial Development Framework, Disaster Management Framework and additional documents must be submitted as required in terms of budget circulars.

Budget Documentation	**Yes**	**No**	**N/A**
Council Resolution in terms of the Tabled Budget			
The Budget Documentation as set out in the MBRR. The Budget Document must include the main A1 Schedule Tables (A1-A10)			
The non-financial supporting tables A10, SA9, SA11, SA12, SA13, SA22, SA23, SA24 **and any information not contained in the financial data string** in ***the A1 in the prescribed mSCOA data string in the format published with Version 6.6.1 of the A1 schedule***			
Draft Service Delivery and Budget Implementation Plan			
Procurement Plan			
Draft Service Level Standards			
Signed Quality Certificate as prescribed in the MBRR			
D Schedules specific for the entities (where applicable)			
Budget Related Policies			
Information on any amendments to budget related policies			
Suite of budget related policies			
IDP and Related Documentation			
Council Resolution in terms of the IDP			
Draft Integrated Development Plan			
If the predecessors IDP with amendments, the draft memorandum referred to in Regulation 3(2) of the Local Government: Municipal Planning and Performance Management Regulations of 2001			
If a District Municipality, the IDP District Framework according to Section 27 of the MSA			
Process Plan according to Section 28 of the MSA			
Spatial Development Framework			
Council Resolution in terms of the adoption of the Spatial Development Framework			
Applicable Disaster Management Plan			
Council Resolution in terms of the adoption of the Disaster Management Plan			

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ANNEXURE B

Budget Documentation	Yes	No	N/A
Integrated Waste Management Plan			
Council Resolution in terms of the adoption of the Integrated Waste Management Plan			
Air Quality Management Plan			
Council Resolution in terms of the adoption of the Air Quality Management Plan			
Coastal Management Plan *(Coastal Municipalities only)*			
Council Resolution in terms of the adoption of the Coastal Management Plan			
Biodiversity Management Plan *(if relevant)*			
Invasive Species Monitoring, Control and Eradication Plan			
Climate Change Strategy			
Human Settlement Plan			
Local Economic Development Strategy			
Water Services Development Plan			
Storm Water Master Plan			
Integrated Transport Plan			
Electricity Master Plan			
Infrastructure Growth Plan			
Workplace Skills Plan			

MUNICIPAL REPRESENTATIVE:

Designation: _____

Name: _____

Signature: _____

Date: _____

ANNEXURE C

The following instructions provide a guide for the upload of budget documentation onto OneDrive.

- **How to upload documents to One drive:**

  You can use this option if you have OneDrive linked to your Microsoft Office or Office 365

  1. In any Office document, select File > Save As, choose your OneDrive, and then pick the folder where you want to save the file. Create a new folder (e.g. DC1 2022 Budget Documents) and place all the budget related documents within it.



  2. To share the link to that folder, Go into OneDrive
  3. Select the file that you want to share and right click on it
  4. Choose "share"
  5. Ensure that sharing is defaulted to "Anyone with the link can edit"
  6. Enter the MFMA email address: MFMA.MFMA@westerncape.gov.za and email addresses of anyone else that you want to share the link with.
  7. Click the Share Button

  File names in following sequence for budget related documents to be submitted to MFMA:

  - Demarcation code
  - "ccyy" century and year (eg.2022)
  - Name of document submitted (e.g. Draft Budget, Draft IDP, Draft SDBIP etc.)

    E.g.: DC1 2022 Draft IDP

    E.g.: DC1 2022 MTREF Main Budget

    E.g.: DC1 2022 Draft SDBIP

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NATIONAL TREASURY

MFMA Circular No. 71

Municipal Finance Management Act No. 56 of 2003

Uniform Financial Ratios and Norms

The purpose of this Circular is to provide a set of uniform key financial ratios and norms suitable and applicable to municipalities and municipal entities. Section 216 (1)(c) of the Constitution and section 2 of the Municipal Finance Management Act (MFMA) enable National Treasury to introduce uniform treasury norms and standards to ensure sound and sustainable management of fiscal and financial affairs of municipalities and municipal entities.

A number of institutions currently use a variety of financial ratios and norms to assess and compare the financial health and performance of municipalities. Municipalities also use different financial ratios and norms to assess their own performance and set benchmarks for improvement to be measured over time. Results of our research show that there are in excess of two hundred different sets of financial ratios, with different derivatives used to assess municipality's financial status. This results in conflicting interpretation, inconsistent application and misunderstanding of the financial status of a municipality, often with incorrect diagnosis of the challenges and therefore inappropriate responses.

This Circular aims to bring consistency in interpretation and application of certain financial information using standardised financial ratios. It is important that any one of these ratios should not be read in isolation of one another, as this could lead to distortions in interpretation. Ideally, a number of interrelated ratios should be analysed together in order to get a broader picture of a municipality's or municipal entity's financial performance. When used in a combined manner analysis of different ratios will provide policy makers and the public with a very good sense of the financial status of the municipality and its entity. This Circular will also assist in municipalities being able to identify areas of financial management that need constant monitoring and improvement.

The Circular addresses different categories of ratios norms, interpretation and covers various aspects of a municipality's finances, such as financial position, financial performance and budget implementation, so that these can be used as part of in-year and end of year analysis. This will also aid in long-term financial planning and can be used to track progress over a number of years. Each ratio is explained to remove ambiguity and misinterpretation. The source of such information is also explained in the annexures to this Circular. Norms or standards have been assigned to each financial ratio, which are explained later in this Circular.

Categorisation Financial Ratios, Formulas, Norms and Interpretation

Categorisation

In order to perform a holistic financial analysis of a municipality or municipal entity all financial aspects of the institution should be considered. Ratios are divided into various

categories to address the different financial aspects and operations of a municipality or municipal entity.

1) **Financial Position**

2) **Financial Performance**

3) **Budget Implementation**

Financial Ratios, Formulas, Norms and Interpretation

The ratios presented in this Circular are categorised in accordance with the previous section, and are presented in further detail to include the following:

- Purpose/ description of the Financial Ratio;
- Formula to be Used;
- Norms per Ratio; and
- Interpretation of Ratio Analysis Results.

Tables that provide a summary of the financial ratios, formulas, data source and norms are presented in Annexure 1.

1. FINANCIAL POSITION

A. Asset Management

1. Capital Expenditure to Total Expenditure

Purpose/Description of the Ratio

This Ratio is used to assess the level of Capital Expenditure to Total Expenditure, which indicates the prioritisation of expenditure towards current operations *versus* future capacity in terms of Municipal Services.

Formula

Total Capital Expenditure / Total Expenditure (Total Operating Expenditure + Capital Expenditure) × 100

Norm

The norm range between **10% and 20%**

Interpretation of Results

When assessing the level of Investment in Assets, a ratio less than 10% reflects lower spending by the municipality in infrastructure and holds potential risks to service delivery. A ratio of more than 20% reflects higher spending on infrastructure and acceleration in service delivery, but could also hold financial sustainability risks if the infrastructure do not include both economic (revenue generating) and social type infrastructure.

The environment of the municipality should be considered when assessing the level of Investment in Assets. A municipality that has already invested in assets to address service delivery backlogs, would be required to maintain and improve such service levels, and therefore the percentage of spending allocated to new assets may not be significant higher.

On the other hand a municipality where the infrastructure and level of services provided is low and the associated expenditure is also low, the percentage of investment in new assets to total expenditure would be significantly higher.

The results from this ratio should be read together with the results from the analysis of the funding mix for capital expenditure.

It is critical that capital expenditure is largely directed toward service delivery infrastructure and not administrative assets.

2. ***Impairment of Property, Plant and Equipment and Investment Property and Intangible Assets (Carrying Value)***

Purpose/ Description of the Ratio

Asset impairment refers to the loss in future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation.

This implies that the utilisation of assets did not deliver the value or service levels envisaged when approval was originally obtained for procuring the assets. When the approval is obtained to invest in Property, Plant and Equipment or Intangible Assets by the Municipality or Municipal Entity, the value should be realised through utilisation and reflected as Depreciation and not through unexpected losses due the Impairment of Property, Plant and Equipment or Intangible Assets. Impairment is therefore unexpected and only detected when the assessment for Impairment is performed as per the requirements of the applicable GRAP standards. It is therefore not planned for or expected and will not be budgeted.

Formula

Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/ (Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100

Norm

The norm is **0%**

Interpretation of Results

The purpose of the Ratio is to indicate the percentage of Impairments compared to the Carrying Value of the Assets; a ratio above 0% reflects a risk in service delivery and therefore corrective measures should be implemented.

3. ***Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value)***

Purpose/ Use of the Ratio

The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of services.

Formula

Total Repairs and Maintenance Expenditure / Property, Plant and Equipment and Investment Property (Carrying Value) x 100

Norm

The norm is **8%**

Interpretation of Results

A ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets.

An increasing expenditure trend may be indicative of high asset-usage levels, which can prematurely require advanced levels of Repairs and Maintenance or a need for Asset Renewal / Replacements. Also, should an increasing expenditure trend suddenly drop to lower levels without an increase in the fixed asset value, this may be indicative of challenges in spending patterns. This may also indicates that the Municipality is experiencing cash flow problems and therefore unable to spend at

appropriate levels on its repairs to existing assets or purchase of new assets thus impacting negatively on service delivery.

B. Debtors Management

1. *Collection Rate*

Purpose/ Use of the Ratio

The Ratio indicates the collection rate; *i.e.* level of payments. It measures increases or decreases in Debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration.

Formula

Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100

Norm

The norm is **95%**

Interpretation of Results

Assessing the Collection Ratio will provide an indication of the performance against a number of areas, for example:

- Quality of Credit Control - ensuring that what is billed is collected; and
- Quality of Revenue Management - the ability to set affordable tariffs and bill correctly.

If the ratio is below the norm this is an indication that revenue collection of the municipality requires urgent attention and corrective measures should be implemented. A municipality with outstanding debtors should aim at achieving a collection rate of more than 100%. The results from this ratio should be viewed along with results from the age analysis and net debtor's day's ratio.

2. *Bad Debts Written-off as % of the Bad Debt Provision*

Purpose/ Use of the Ratio

The Ratio compares the value of Bad Debts Written-off on Consumer Debtors to Bad Debts Provided for Consumer Debtors to ensure that the Provision for Bad Debts is sufficient.

Formula

Bad Debts Written-off (Period under review)/ Provision for Bad Debt (Period under review x 100

Norm

The norm is **100%**

Interpretation of Results

Municipality should only write-off Bad Debts already provided for and, if the results are less than 100%, it should be ideally due to the recoverability of debtors. When 100% is exceeded, it indicates that the Municipality had not previously identified the Debtor/s as having the potential for defaults, which could indicate weakness in calculation of the Provision for Bad Debt, the methodology used and/or poor credit control processes.

3. Net Debtors Days

Purpose/ Use of the Ratio

This ratio reflects the collection period. Net Debtor Days refers to the average number of days required for a Municipality or Municipal Entity to receive payment from its Consumers for bills/invoices issued to them for services.

The Ratio exclude balances for Debtors, which the Municipality or Municipal Entity has assessed as potentially irrecoverable, and is also a good indication of the effectiveness of credit control procedures within the Municipality or Municipal Entity as well as the extent to which the Municipality or Municipal Entity has provided for Doubtful Debts.

Formula

((Gross Debtors - Bad Debt Provision) / Billed Revenue)) × 365

Norm

The norm is **30 Days**

Interpretation of Results

This Ratio adjusts for Municipality's who have had significant write-offs of Irrecoverable Debtor balances in the Gross Debtors Days analysis as it only assesses the performance of collectable Debtors. In addition, it provides an indication of the quality of credit control policy, effectiveness of the implementation thereof and quality of revenue management. If the ratio is above the norm, this indicates that the Municipality is exposed to significant Cash Flow risk. This is also an indication that the municipality is experiencing challenges in the collection of outstanding amounts due to it. In addition,

this indicates that a significant amount of potential cash is tied up in consumer debtors and the municipality must improve its revenue and cash flow management.

C. Liquidity Management

1. Cash/ Cost Coverage Ratio (Excluding Unspent Conditional Grants)

Purpose/ Use of the Ratio

The Ratio indicates the Municipality's or Municipal Entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.

The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal Municipal day-to-day operational expenditure but rather reserved for Grant related expenditure.

Formula

((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).

Norm

The norm range between **1 month to 3 months.**

Interpretation of Results

If a municipality has a ratio below the norm it would be vulnerable and at a higher risk in the event of financial "shocks/set-backs" and its ability to meet its obligations to provide basic services or its financial commitment is compromised. The results from this ratio should be viewed along with results from analysis on Debtor Management to fully assess Cash Flow Risk. The more cash reserves a municipality or municipal entity has available the lower the risk of it being unable to fund monthly fixed operational expenditure and to continue rendering services.

2. Current Ratio

Purpose/ Use of the Ratio

The Ratio is used to assess the Municipality's or Municipal Entity's ability to pay back its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables).

Formula

Current Assets / Current Liabilities

Norm

The norm range between **1.5 to 2 :1**

Interpretation of Results

The higher the current Ratio, the more capable the Municipality or Municipal Entity will be to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality or Municipal Entity would be unable to pay all its current or short-term obligations if they fall due at any specific point.

If current liabilities exceed current assets, it highlights serious financial challenges and likely liquidity problems *i.e.* insufficient cash to meet short-term financial obligations. Current assets must therefore be increased to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities.

D. Liability Management

1. Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure

Purpose/ Use of the Ratio

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as a percentage of Total Operating Expenditure.

Formula

Capital Cost (Interest Paid and Redemption) / Total Operating Expenditure x 100

Norm

The norm is between **6% to 8%**

Interpretation of Results

Operating below the Norm could indicate that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects or it could relate to cash flow problems where it is unable to access borrowed funds or the funding decisions of the municipality impacts of these levels. On the other hand, exceeding the Norm could pose a risk to the Municipality should changes or fluctuations in financing costs arise.

When assessing this ratio, the cash flow requirements of the Municipality or Municipal Entity should also be considered.

2. *Debt (Total Borrowings)/ Total Operating Revenue*

Purpose/ Use of the Ratio

The Ratio indicates the extent of Total Borrowings in relation to Total Operating Revenue. It indicates short and long term debt financing relative to operating revenue of the municipality.

The purpose of the Ratio is to provide assurance that sufficient Revenue will be generated to repay Liabilities. Alternatively stated, the Ratio indicates the affordability of the Total Borrowings.

Formula

Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant

Norm

The norm is **45%**

Interpretation of Results

If the result of the Ratio analysis indicates less than 45% then the Municipality still has capacity to take increase funding from borrowings, however, this should be considered within the cash flow requirements of the Municipality or Municipal Entity.

E. *Sustainability*

1. *Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)*

Purpose/ Use of the Ratio

The Ratio measures the extent to which the Other Reserves, which are required to be cash backed are actually backed by Cash Reserves.

Formula

(Cash and Cash Equivalents - Bank Overdraft + Short Term Investment + Long Term Investment - Unspent Conditional Grants) / (Net Assets - Accumulated Surplus – Non Controlling Interest – Share Premium – Share Capital – Fair Value Adjustment – Revaluation Reserve)

Norm

The norm is **100%**

Interpretation of Results

If a Municipality or Municipal Entity has less than 100% Cash Reserves it could negatively impact the Municipality's or Municipal Entity ability to comply with the conditions for creating the Reserves and on its ability to fund current and future operations.

2. FINANCIAL PERFORMANCE

A. Efficiency

1. Net Operating Surplus Margin

Purpose/ Use of the Ratio

The Ratio assesses the extent to which the Municipality generates Operating Surpluses.

Formula

(Total Operating Revenue – Total Operating Expenditure)/ Total Operating Revenue x 100%

Norm

The norm is equal to or greater than **0%**

Interpretation of Results

Municipalities should at least recover operational costs for the services being delivered. In addition, a ratio which is greater than 0% will enable the municipality to generate a surplus which will assist to contribute towards its capital funding requirements. If the result is less than 0% it implies that the municipality is operating at a deficit and measures must be implemented to address this situation to ensure sustainable service delivery. In a case of an operating deficit it is critical to ascertain the extent to which the accounting policy, i.e. revaluation method has impacted on the calculations to avoid any distortions in interpretation of the outcome. Refer to Circular 58 section 4.3 regarding revaluation in terms of GRAP 17 and treatment of depreciation and GRAP 24.

2. Net Surplus /Deficit Electricity

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering electricity service. The purpose of the Ratio is to determine the contribution

made by the provision of Electricity Services, being one of the major functions of a municipality.

Formula

Total Electricity Revenue less Total Electricity Expenditure /Total Electricity Revenue x 100%

Norm

The Norm range between **0% and 15%**

It should be noted that this norm will be superseded by sector determinations from time to time, as other regulatory bodies address the appropriate level of tariffs and surpluses.

Interpretation of Results

A ratio below 0% depicts that electricity service is rendered at a deficit/loss and will be unsustainable if other revenue is not allocated to fund such services. The results must be between the range to ensure services are sustainable and that all costs associated with the delivery of Electricity Services are at least recovered with a margin for future growth and/ or capital funding for electricity assets.

3. ***Net Surplus / Deficit Water***

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering water service. The purpose of the Ratio is to determine the contribution made by the provision of water service being one of the major functions of a municipality.

Formula

Total Water Revenue less Total Water Expenditure / Total Water Revenue x 100%

Norm

The norm is equal to or greater than **0%** and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

Interpretation of Results

A ratio below 0% depicts that water service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Water Services are at least recovered with a margin for future growth and/ or capital funding for water assets.

4. *Net Surplus /Deficit Refuse*

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering refuse service. The purpose of the Ratio is to determine the contribution made by the provision of refuse service being one of the major functions of a municipality.

Formula

Total Refuse Revenue less Total Refuse Expenditure /Total Refuse Revenue x 100%

Norm

The Norm is equal to or greater than **0%** and will be superseded by the Sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

Interpretation of Results

A ratio below 0% depicts that refuse service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Refuse Services are at least recovered with a margin for future growth and/ or capital funding for Refuse assets.

5. *Net Surplus / Deficit Sanitation and Waste Water*

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipality generates surplus or deficit in rendering sanitation and waste water service. The purpose of the Ratio is to determine the contribution made by the provision of sanitation and waste water services being one of the major functions of a municipality.

Formula

Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure / Total Sanitation and Waste Water Revenue x 100%

Norm

The norm is equal to or greater than **0%** and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

Interpretation of Results

A ratio below 0% depicts that sanitation and waste water is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of sanitation and waste water are at least recovered with a margin for future growth and / or capital funding for assets.

B. Distribution Losses

1. Electricity Distribution Losses (Percentage)

Purpose/ Use of the Ratio

The purpose is to measure the percentage loss of potential revenue from Electricity Services through electricity units purchased and generated but not sold as a result of losses incurred through theft (illegal connections), non or inaccurate metering or wastage. It is expected that implementation of the free basic service policy is included in the calculation for sale of electricity.

Formula

(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and / or Generated) × 100

Norm

The Norm is between **7% and 10%** and will be superseded by the sector determination.

Interpretation of Results

A ratio below the norm depicts that electricity losses are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, deteriorating electricity infrastructure or poor management of the networks, affecting the Municipality or Municipal Entity, which would require further analysis to determine the reasons for such losses. In addition, the root causes should be addressed.

2. Water Distribution Losses (Percentage)

Purpose/ Use of the Ratio

The purpose of this ratio is to determine the percentage loss of potential revenue from water service through kilolitres of water purchased but not sold as a result of losses incurred through theft (illegal connections), non- or incorrect metering or wastage as a result of deteriorating water infrastructure. It is expected that implementation of the free basic service policy is included in the calculation for sale of water.

Formula

(Number of Kiloliters Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kiloliters Water Purchased or Purified × 100

Norm

The Norm is between **15% and 30%**

Interpretation of Results

A ratio within the norm depicts that water losses and water infrastructure are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, ageing water infrastructure or poor management, affecting the Municipality or Municipal Entity, which would require further analysis and explanation to determine the reasons for such losses. In addition, the root causes should be addressed.

C. Revenue Management

1. *Growth in Number of Active Consumer Accounts*

Purpose/ Use of the Ratio

The ratio measures the actual growth in the Revenue base of the Municipality brought about by an increase in the Consumer base rather than tariff increases.

Formula

(Period under Review's Number of Active Debtor Accounts - Previous Period's Number of Active Debtor Accounts) / Previous Period Number of Active Debtor Accounts x 100

Norm

No Norm is currently being proposed for this Ratio but will be monitored and a determined in the future. Municipalities are requested to report on this aspect to its Council.

Interpretation of Results

The results from this analysis will have to be taken into consideration when assessing the Growth in Revenue to determine the Real Growth in the Customer base vs growth due to tariff and inflationary adjustments. Growth in number of active consumers indicates an increase in revenue base.

Further, the impact of growth on the Indigent Base vs Growth in Paying Consumers should be assessed regularly as this must be used to inform Councils policy.

2. ***Revenue Growth (%)***

Purpose/ Use of the Ratio

This Ratio measures the overall revenue growth. In addition, this ratio will assist in determining if the increase in Expenditure will be funded by an increase in Revenue base or by some other means.

Formula

(Period Under Review's Total Revenue - Previous Period's Total Revenue) / Previous Period's Total Revenue) x 100

Norm

The norm is at the rate of **CPI**

Interpretation of Results

The Revenue Growth has to be assessed in conjunction with the growth in the Revenue base and number of consumer accounts to determine the real Growth in Revenue.

3. ***Revenue Growth (%) - Excluding Capital Grants***

Purpose/Use of the Ratio

This Ratio measures the overall Revenue Growth adjusted for Capital Grants. In addition, this ratio will assist in determining if the increase in Expenditure will be funded by the increased Revenue Base or by some other means.

Formula

((Period Under Review's Total Revenue Excluding Capital Grants - Previous Period's Total Revenue Excluding Capital Grants)/ Previous Period's Total Revenue Excluding Capital Grants) x 100

Norm

The norm is at the rate of **CPI**

Interpretation of Results

The Revenue Growth has to be assessed in conjunction with the growth in the Revenue base, number of consumer accounts to determine the real Growth.

D. Expenditure Management

1. Creditors Payment Period (Trade Creditors)

Purpose/ Use of the Ratio

This ratio indicates the average number of days taken for Trade Creditors to be paid.

Formula

Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365

Norm

The norm is **30 days**

Interpretation of Results

A period of longer than 30 days to settle creditors is normally an indication that the Municipality may be experiencing cash flow problems, however in certain instances this may be as a result of disputes, processing of payments, etc. In addition, a ratio that exceeds the norm indicates that the Municipality may not be adequately managing its Working Capital or that effective controls are not in place to ensure prompt payments. The municipality will be required to provide further explanations in this regard.

2. Irregular, Fruitless and Wasteful and Unauthorised Expenditure/ Total Operating Expenditure

Purpose/ Use of the Ratio

The ratio measures the extent to which the Municipality has incurred Irregular, Fruitless and Wasteful and Unauthorised Expenditure.

Formula

(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x 100

The net amount after condonement should be used in this calculation.

Norm

The norm is **0%**

Interpretation of Results

A ratio that exceeds 0% must be investigated and acted upon.

3. **Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure)**

Purpose/ Use of the Ratio

The ratio measures the extent of Remuneration to Total Operating Expenditure.

Formula

Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x 100

Norm

The norm range between **25% and 40%**

Interpretation of Results

If the ratio exceed the norm it could indicate inefficiencies, overstaffing or even the incorrect focus due to misdirected expenditure to non-essentials or non-service delivery related expenditure. Various factors need to be considered when commenting on this ratio, such as the powers and functions performed by the municipality or entity, as this can create distortions in the outcomes, if the analysis ignores such factors.

4. ***Contracted Services % of Total Operating Expenditure***

Purpose/ Use of the Ratio

This ratio measures the extent to which the municipalities resources are committed towards contracted services to perform Municipal related functions.

Formula

Contracted Services / Total Operating Expenditure x 100

Norm

The norm range between **2% and 5%**

Interpretation of Results

A ratio in excess of the Norm could indicate that many functions are being outsourced to Consultants, or that Contracted Services are not effectively utilised. This also depends on the model of service delivery selected by the municipality. In addition, outsourcing decisions will have to be weighed against the ability to attract skills; however, increases in this ratio can further expose the municipality to other risks, such as its inability to build capacity and ongoing reliance on Contractors.

E. Grant Dependency

1. Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) to Total Capital Expenditure

Purpose/ Use of the Ratio

The Ratio measures the extent to which the municipality's Total Capital Expenditure is funded through Internally Generated Funds and Borrowings.

Formula

Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) / Total Capital Expenditure x 100

Norm

No norm is proposed at this time. It is critical that the funding mix of capital expenditure is undertaken in such a manner that affordable borrowing is directed towards addressing service delivery needs and that there is also opportunity for increased capacity on internally generated funding to attain an improved balance of the funding sources.

2. *Own Funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure*

Purpose/ Use of the Ratio

The Ratio measures the extent to which Total Capital Expenditure of the Municipality is funded through Internally Generated Funds.

Formula

Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100

Norm

No norm is proposed at this time. The funding mix for capital expenditure is dependent on the municipal policy and ability to raise revenue from different sources. Increased capacity for internally generated funding is required in some circumstances, which could also improve the balance in funding sources.

3. *Own Source Revenue to Total Operating Revenue (Including Agency Revenue)*

Purpose/ Use of the Ratio

The Ratio assesses the extent of Own Source Revenue to Total Operating Revenue, including Agency Revenue hence self-sufficiency.

Formula

Own Source Revenue (Total Revenue - Government Grants and Subsidies – Public Contribution and Donations)/ Total Operating Revenue (Including Agency Services) x 100

Norm

No norm is proposed at this time. The municipal specific circumstances, including the powers and functions assigned to it, must be considered when assessing the level of own source revenue or its self-sufficiency. An analysis of the trends and levels of own source of revenue will also inform the municipality and users of measures taken to optimise own revenues. The ratio measuring own source revenue should be increasing over time as it reflects municipal efforts towards self-sufficiency.

3. BUDGET IMPLEMENTATION

1. *Capital Expenditure Budget Implementation Indicator*

Purpose/ Use of the Ratio

This ratio measures the extent to which Budgeted Capital Expenditure has been spent during the financial year, under review. Further, this ratio measures the municipality's ability to implement capital projects and monitor the risks associated with non-implementation. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

Formula

Actual Capital Expenditure / Budget Capital Expenditure x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

This can be used in-year to monitor progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented.

Under-spending is also an indicator that the Municipality might be experiencing possible cash flow difficulties to implement projects. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control.

2. ***Operating Expenditure Budget Implementation Indicator***

Purpose/ Use of the Ratio

This ratio measures the extent to which Budgeted Operating Expenditure has been spent during the financial year, under review. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

Formula

Actual Operating Expenditure / Budgeted Operating Expenditure x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

Any variance from 100% indicates either challenge in capacity to implement, issues of financial controls and management and/or poor budgeting.

Under-spending normally is an indicator that the Municipality experiences possible Cash Flow difficulties or capacity challenges to undertake Budgeted/ planned service delivery, and/ or does not prepare accurate and credible Budgets. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control in respect of budget control.

3. ***Operating Revenue Budget Implementation Indicator***

Purpose/ Use of the Ratio

This ratio measures the extent of Actual Operating Revenue (Excl. Capital Grant Revenue) received in relation to Budgeted Operating Revenue during the financial year, under review.

Formula

Actual Operating Revenue / Budgeted Operating Revenue x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

A ratio below 95% indicates either a challenge in capacity to implement, ineffective billing and credit control, weakness in compilation of budgets or issues of financial controls and management of the Municipality.

4. ***Service Charges and Property Rates Revenue Budget Implementation Indicator***

Purpose/ Use of the Ratio

The ratio measures the extent of Actual Service Charges and Property Rates Revenue received in relation to Budgeted Service Charges and Property Rates Revenue during the financial year, under review.

Formula

Actual Service Charges and Property Rates Revenue / Budgeted Service Charges and Property Rates Revenue x 100

Norm

The norm range between **95% and 100%**

Interpretation of Results

A ratio below 95% indicates either a challenge in capacity to implement, ineffective billing and credit control, weakness in compilation of budgets or issues of financial controls and management of the Municipality.

Monitoring

It is important that these indicators are not seen or used in isolation of one another but used in a combined manner so as to provide a holistic picture of the financial status of the municipality or municipal entity. Poor outcomes with relation to these indicators can also point to weaknesses in Institutional and Governance aspects in a municipality that need attention. Therefore, Councillors, Municipal Managers, Chief Financial Officers, Accounting Offices of Municipal Entities, and all financial officials should derive benefits from a deeper understanding of these Ratios and Norms and their implications. The primary responsibility to avoid, identify and resolve financial problems in a municipality rests with the municipality and proper monitoring and use of these indicators, will support decision-makers overcome such challenges.

The use of these Ratios and Norms should assist Municipalities and Municipal Entities to predict, identify, prevent, avoid, and resolve financial problems/crisis timeously and serve as an early warning mechanism. Moreover, this will ensure that Municipalities and Municipal Entities make strategic decisions based on empirical and factual information and analysis for a sustainable outcome. Monitoring and trend analysis of these ratios is critical to ensure that measures are introduced to address areas needing attention and that there is progressive improvements of municipalities own position against the norms. These indicators and their norms, when viewed holistically, provide an overview of the financial position and performance of the Municipalities and Municipal Entities, while recognising institutional differences. Sound and effective financial management practices form the basis for an effective long term sustainable municipality.

The oversight role played by the Municipal Executive, Audit Committee, and Municipal Public Account Committee will also be enhanced with the use of these financial Ratios and Norms through implementation and reporting of financial information. The financial ratios and norms will strengthen financial management and accountability and be used throughout the cycle - integrated development plans (including long term financial plan), budgets, in-year reports for example section 52, 71 and 72 reports, annual financial statements, annual report and oversight reports. Comparison with other municipalities is now possible.

An Excel template has been developed (Annexure 2 of this Circular) to assist municipalities and Municipal Entities to populate relevant financial information, automate calculations, and assist in interpretation thereof.

These Ratios and Norms will be used to assess financial position and performance, quality of budgeting, management, and other characteristics of Municipalities and Municipal Entities, and should holistically provide an overview of the financial health of the Municipality or Municipal Entity, taking the respective and unique circumstances into account. Benchmarking and comparisons between Municipalities and Municipal Entities can also be undertaken, made simpler in future, and will further assist in targeting assistance and support, where needed.

Different institutions including, financial institutions, research organisations, rating agencies, national and provincial government, legislatures, amongst others, can use these uniform set of financial indicators, ratios and norms to monitor the financial position and performance of municipalities.

Implementation

The ratios and norms provided in this Circular and elaborated in the annexures are to be understood in an aspirational context and utilised as soon as possible to enable municipal councils to commence with the process of introducing measures to address areas needing attention. Municipalities and Municipal Entities should take advantage of the transition period, covering the medium term, to allow for progressive improvements of their own status against the ratios and norms.

Conclusion

The variety of financial ratios and norms, over 200, used by various institutions to assess and compare the financial health and performance of Municipalities and Municipal Entities has resulted in confusion across the sector, as users formulate assumptions based on different interpretation of the same financial information.

The Circular creates a uniform categorisation of ratios, standardising formulas and inputs, providing guidance on norms and interpretation of the financial ratio analysis, as applicable to Municipalities and Municipal Entities. There may be other ratios and norms used by analysts that are more appropriate to the financial status of private sector institutions, therefore, the use, differentiation and range described in this Circular should be understood within the context of a public sector institution.

This Circular therefore attempts to address the above challenges and also provide a more structured approach for holistic analysis, taking into cognisance the different type of Municipalities and Municipal Entities. The consistent use of these ratios and norms will assist in reporting accurately the status of municipal finances.

Institutions performing financial ratio analysis for Municipalities and Municipal Entities should therefore refer to this Circular and interpretation therein to ensure uniformity and consistency of application.

It is important that the Municipal Manager ensure that this Circular is brought to the attention of the Municipal Council, Board of Directors of Municipal Entities, relevant oversight structures (Municipal Executive, Audit Committee, and Municipal Public Account) and all other relevant stakeholders. Training providers are also requested to bring this Circular to the attention of trainees.

The introduction and application of these uniform norms, coupled with other financial reforms, will allow for comparisons with different type of municipalities and municipal entities and it is expected that they will replace earlier regulations issued that cover financial ratios and norms as these are based on the latest reforms in financial management.

National Treasury

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TV PILLAY
Chief Director: MFMA Implementation
17 January 2014

Annexure 1: Summary of the financial ratios, norms, formulae and data sources
Annexure 2: Excel template for calculation of the ratios and interpretation of results

SUMMARY OF UNIFORM FINANCIAL RATIO, FORMULAE, DATA SOURCE AND NORMS

1. FINANCIAL POSITION

A. Asset Management

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible Assets (Carrying Value)	Property, Plant and Equipment Impairment + Investment Property Impairment + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100	Statement of Financial Position, Notes to the AFS and AR	0%
3	Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property(Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%

B. Debtors Management

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget , In-Year Reports, IDP and AR	95%
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off /Provision for Bad Debt x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days

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C. Liquidity Management

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1

D. Liability Management

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non Finance Lease Obligation + Short Term Borrowings + Long Term Borrowings) / Total Operating Revenue	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%

E. Sustainability

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest - Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve)	Statement Financial Position, Budget and AR	100%

2. FINANCIAL PERFORMANCE

A. Efficiency

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Assets	= or > 0%
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue × 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue × 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue × 100	Statement of Financial Performance, Notes to AFS Budget, IDP, In-Year reports and AR	= or > 0%

B. Distribution Losses

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%

C. Revenue Management

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period number of Active Debtor Accounts)/ previous period number of Active Debtor Accounts x 100	Debtors System	None
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI

D. Expenditure Management

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%

E. Grant Dependency

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None

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3. BUDGET IMPLEMENTATION

	RATIO	FORMULA	DATA SOURCE AND POLICY DOCS	NORM
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%

NATIONAL TREASURY

MFMA Circular No 71

Municipal Finance Management Act No. 56 of 2003

Annexure 2

Interpretation of results

	The green colour indicates that the result is within the norm and is acceptable
	The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results.
	Data should be captured in the blue colour cell to calculate a ratio.
#	In situations where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced

Template for Calculation of Uniform Financial Ratios and Norms 2022/23 Projected

	RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS #
						" R 000 "		
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		12%		
					Total Operating Expenditure	1 594 971 364		
					Taxation Expense	-	*2022/23 Projected 3*	
					Total Capital Expenditure	236 019 596		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%		0%		
					PPE, Investment Property and Intangible Impairment			
					PPE at carrying value	3 820 864 727	*2022/23 Projected 3*	
					Investment at carrying value	132 846 000		
					Intangible Assets at carrying value	8 202 881		
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%		7%		Repairs & maintenance compises 16.80% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	267 944 215	*2022/23 Projected 3*	
					PPE at carrying value	3 820 864 727		
					Investment Property at Carrying value	132 846 000		
B. Debtors Management								
1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year	95%		[illegible]		
					Gross Debtors closing balance	138 847 954		
					Gross Debtors opening balance	126 616 877	*2022/23 Projected 3*	

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		Written Off)/Billed Revenue x 100	Reports, IDP and AR		Bad debts written Off	-		
					Billed Revenue	1 137 582 800		
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%	Consumer Debtors Bad debts written off	-	2022/23 Projected 3	The norm range appears incorrect
					Consumer Debtors Current bad debt Provision	46 258 377		
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days	Gross debtors	138 847 954	2022/23 Projected 3	Taking into account/providing for the high risk regarding the COVID19 lockdown consequences
					Bad debts Provision	46 258 377		
					Billed Revenue	1 137 582 800		
C. Liquidity Management								
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months	Cash and cash equivalents	31 307 906	2022/23 Projected 3	
					Unspent Conditional Grants			
					Overdraft			
					Short Term Investments	400 000 000		
					Total Annual Operational Expenditure	1 434 812 090		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1	Current Assets	594 291 116	2022/23 Projected 3	
					Current Liabilities	346 807 516		
D. Liability Management								
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%	Interest Paid	48 056 000	2022/23 Projected 3	
					Redemption	50 623 488		
					Total Operating Expenditure	1 594 971 364		
					Taxation Expense			
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%	Total Debt	479 776 719	2022/23 Projected 3	
					Total Operating Revenue	1 498 152 661		
					Operational Conditional Grants	166 183 796		
E. Sustainability								
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Cash and cash Equivalents	31 307 906	2022/23 Projected 3	
					Bank Overdraft			
					Short Term Investment	400 000 000		
					Long Term Investment	70 005 332		
					Unspent Grants			
					Net Assets	3 699 045 798		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
					Fair Value Adjustment Reserve			
					Accumulated Surplus	3 695 823 298		

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2. FINANCIAL PERFORMANCE

A. Efficiency

1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%	Total Operating Revenue	1 498 152 661	*2022/23 Projected 3*	Refer to flactuations in the housing grant (operational vs capital)
					Depreciation - Revalued Portion *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)*			
					Total Operating Expenditure	1 594 971 364		
					Taxation Expense			
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%	Total Electricity Revenue	578 502 339	*2022/23 Projected 3*	
					Total Electricity Expenditure	543 799 630		
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Water Revenue	154 432 770	*2022/23 Projected 3*	
					Total Water Expenditure	148 858 064		
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Refuse Revenue	96 834 597	*2022/23 Projected 3*	We noted that this indicator went below zero and the organisation will be proactive in this regard
					Total Refuse Expenditure	97 766 118		
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%	Total Sanitation and Water Waste Revenue	112 181 355	*2022/23 Projected 3*	
					Total Sanitation and Water Waste Expenditure	106 907 803		

B. Distribution Losses

1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%	Number of units purchased and/or generated	253 421 633	*2022/23 Projected 3*	
					Number of units sold	238 216 335		
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%	Number of kilolitres purchased and/or purified	7 797 824	*2022/23 Projected 3*	
					Number of kilolitres sold	5 887 357		

C. Revenue Management

1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100	Debtors System	None		1%		
					Number of Active Debtors Accounts (Previous)	53 000	*2022/23 Projected 3*	
					Number of Active Debtors Accounts (Current)	53 721		
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI				
					CPI	5%	*2022/23 Projected 3*	
					Total Revenue (Previous)	1 491 211 751		
					Total Revenue (Current)	1 583 069 343		
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI				
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 438 553 209	*2022/23 Projected 3*	
					Total Revenue Exl.Capital (Current)	1 498 152 661		
D. Expenditure Management								
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days				
					Trade Creditors	89 059 900		
					Contracted Services	165 541 017		
					Repairs and Maintenance	142 531 005		
					General expenses	137 907 429		
					Bulk Purchases	384 160 956	*2022/23 Projected 3*	
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	236 019 596		
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%				
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-		
					Total Operating Expenditure	1 594 971 364	*2022/23 Projected 3*	
					Taxation Expense	-		
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%				
					Employee/personnel related cost	504 478 028		
					Councillors Remuneration	12 335 376	*2022/23 Projected 3*	
					Total Operating Expenditure	1 594 971 364		
					Taxation Expense	-		
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%				
					Contracted Services	269 929 373	*2022/23 Projected 3*	Cost analysis conducted to deliver cost effective services.
					Total Operating Expenditure	1 594 971 364		
					Taxation Expense			
E. Grant Dependency								

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1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		48%	2022/23 Projected 3	
					Internally generated funds	32 143 075		
					Borrowings	80 174 839		
					Total Capital Expenditure	236 019 596		
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		14%	2022/23 Projected 3	
					Internally generated funds	32 143 075		
					Total Capital Expenditure	236 019 596		
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		93%	2022/23 Projected 3	
					Total Revenue	1 583 069 343		
					Government grant and subsidies	166 183 796		
					Public contributions and Donations	12 662 378		
					Capital Grants	72 254 304		
B. BUDGET IMPLEMENTATION								
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%			2022/23 Projected 3	
					Actual Capital Expenditure	236 019 596		
					Budget Capital Expenditure	236 019 596		
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%			2022/23 Projected 3	
					Actual Operating Expenditure	1 594 971 364		
					Budget Operating Expenditure	1 594 971 364		
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%			2022/23 Projected 3	
					Actual Operating Revenue	1 498 152 661		
					Budget Operating Revenue	1 498 152 661		
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	2022/23 Projected 3	
					Actual Service Charges and Property Rates Revenue	1 137 582 800		
					Budget Service Charges and Property Rates Revenue	1 137 582 800		

NATIONAL TREASURY

MFMA Circular No 71

Municipal Finance Management Act No. 56 of 2003

Annexure 2

Interpretation of results

	The green colour indicates that the result is within the norm and is acceptable
	The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results.
	Data should be captured in the blue colour cell to calculate a ratio.
#	In situations where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced

Template for Calculation of Uniform Financial Ratios and Norms 2023/24 Projected

	RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if any)
						" R 000 "		
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%	Total Operating Expenditure	1 641 213 108	*2023/24 Projected 2*	
					Taxation Expense			
					Total Capital Expenditure	102 598 000		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%	PPE, Investment Property and Intangible Impairment		*2023/24 Projected 2*	
					PPE at carrying value	3 778 197 344		
					Investment at carrying value	138 346 000		
					Intangible Assets at carrying value	7 783 337		
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	Total Repairs and Maintenance Expenditure	282 598 974	*2023/24 Projected 2*	Repairs & maintenance compises 17.22% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					PPE at carrying value	3 778 197 344		
					Investment Property at Carrying value	138 346 000		
B. Debtors Management								
1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year	95%	Gross Debtors closing balance	151 823 400	*2023/24 Projected 2*	
					Gross Debtors opening balance	138 847 954		

		Written Off)/Billed Revenue x 100	Reports, IDP and AR		Bad debts written Off	-		
					Billed Revenue	1 205 680 900		
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%	Consumer Debtors Bad debts written off	-	2023/24 Projected 2	The norm range appears Incorrect
					Consumer Debtors Current bad debt Provision	50 416 496		
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days	Gross debtors	151 823 400	2023/24 Projected 2	Taking into account/providing for the high risk regarding the COVID19 lockdown consequences
					Bad debts Provision	50 416 496		
					Billed Revenue	1 205 680 900		
C. Liquidity Management								
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months	Cash and cash equivalents	13 730 879	2023/24 Projected 2	
					Unspent Conditional Grants			
					Overdraft			
					Short Term Investments	400 000 000		
					Total Annual Operational Expenditure	1 481 828 775		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1	Current Assets	597 792 485	2023/24 Projected 2	
					Current Liabilities	355 650 808		
D. Liability Management								
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%	Interest Paid	47 734 000	2023/24 Projected 2	
					Redemption	58 592 401		
					Total Operating Expenditure	1 641 213 108		
					Taxation Expense			
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%	Total Debt	471 184 318	2023/24 Projected 2	
					Total Operating Revenue	1 550 796 447		
					Operational Conditional Grants	174 999 099		
E. Sustainability								
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Cash and cash Equivalents	13 730 879	2023/24 Projected 2	
					Bank Overdraft			
					Short Term Investment	400 000 000		
					Long Term Investment	77 989 145		
					Unspent Grants			
					Net Assets	3 663 428 353		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
					Fair Value Adjustment Reserve			
					Accumulated Surplus	3 660 210 853		

2. FINANCIAL PERFORMANCE

A. Efficiency

1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%			2023/24 Projected 2	Refer to flactuations in the housing grant (operational vs capital)
					Total Operating Revenue	1 550 796 447		
					Depreciation - Revalued Portion *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)*			
					Total Operating Expenditure	1 641 213 108		
					Taxation Expense			
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%			2023/24 Projected 2	
					Total Electricity Revenue	621 716 464		
					Total Electricity Expenditure	584 383 221		
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%			2023/24 Projected 2	
					Total Water Revenue	161 909 976		
					Total Water Expenditure	156 152 109		
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%			2023/24 Projected 2	We noted that this indicator went below zero and the organisation will be proactive in this regard
					Total Refuse Revenue	102 547 838		
					Total Refuse Expenditure	103 534 319		
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%			2023/24 Projected 2	
					Total Sanitation and Water Waste Revenue	117 005 153		
					Total Sanitation and Water Waste Expenditure	111 504 839		

B. Distribution Losses

1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%			2023/24 Projected 2	
					Number of units purchased and/or generated	255 955 850		
					Number of units sold	240 598 498		
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%			2023/24 Projected 2	
					Number of kilolitres purchased and/or purified	7 875 800		
					Number of kilolitres sold	5 946 229		

C. Revenue Management

1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100	Debtors System	None		0%	2023/24 Projected 2	
					Number of Active Debtors Accounts (Previous)	53 721		
					Number of Active Debtors Accounts (Current)	53 721		
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI			2023/24 Projected 2	
					CPI	4%		
					Total Revenue (Previous)	1 583 069 343		
					Total Revenue (Current)	1 582 164 447		
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI			2023/24 Projected 2	
					CPI	4%		
					Total Revenue Exl.Capital (Previous)	1 498 152 681		
					Total Revenue Exl.Capital (Current)	1 550 796 447		
D. Expenditure Management								
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days			2023/24 Projected 2	
					Trade Creditors	80 400 000		
					Contracted Services	169 746 760		
					Repairs and Maintenance	149 531 154		
					General expenses	124 025 398		
					Bulk Purchases	417 237 215		
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	102 598 000		
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%			2023/24 Projected 2	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure			
					Total Operating Expenditure	1 641 213 108		
					Taxation Expense			
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%			2023/24 Projected 2	
					Employee/personnel related cost	522 621 701		
					Councillors Remuneration	12 836 522		
					Total Operating Expenditure	1 641 213 108		
					Taxation Expense			
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%			2023/24 Projected 2	Cost analysis conducted to deliver cost effective services.
					Contracted Services	279 215 362		
					Total Operating Expenditure	1 641 213 108		
					Taxation Expense			
E. Grant Dependency								

1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		49%	*2023/24 Projected 2*	
					Internally generated funds	-		
					Borrowings	50 000 000		
					Total Capital Expenditure	102 598 000		
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		0%	*2023/24 Projected 2*	
					Internally generated funds	-		
					Total Capital Expenditure	102 598 000		
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		91%	*2023/24 Projected 2*	
					Total Revenue	1 582 164 447		
					Government grant and subsidies	174 999 099		
					Public contributions and Donations	-		
					Capital Grants	31 368 000		
B. BUDGET IMPLEMENTATION								
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%			*2023/24 Projected 2*	
					Actual Capital Expenditure	102 598 000		
					Budget Capital Expenditure	102 598 000		
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%			*2023/24 Projected 2*	
					Actual Operating Expenditure	1 641 213 108		
					Budget Operating Expenditure	1 641 213 108		
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%			*2023/24 Projected 2*	
					Actual Operating Revenue	1 550 796 447		
					Budget Operating Revenue	1 550 796 447		
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	*2023/24 Projected 2*	
					Actual Service Charges and Property Rates Revenue	1 205 680 900		
					Budget Service Charges and Property Rates Revenue	1 205 680 900		

NATIONAL TREASURY

MFMA Circular No 71

Municipal Finance Management Act No. 56 of 2003

Annexure 2

Interpretation of results

	The green colour indicates that the result is within the norm and is acceptable
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	Data should be captured in the blue colour cell to calculate a ratio.
#	In situations where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced

Template for Calculation of Uniform Financial Ratios and Norms 2024/25 Projected

	RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
						" R 000 "		
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		[illegible]	*2024/25 Projected 1*	
					Total Operating Expenditure	1 711 326 037		
					Taxation Expense			
					Total Capital Expenditure	99 011 000		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100	Statement of Financial Position, Notes to the AFS and AR	0%		0%	*2024/25 Projected 1*	
					PPE, Investment Property and Intangible Impairment			
					PPE at carrying value	3 729 384 272		
					Investment at carrying value	143 846 000		
					Intangible Assets at carrying value	7 332 261		
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%		[illegible]	*2024/25 Projected 1*	Repairs & maintenance compises 17.48% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	299 166 273		
					PPE at carrying value	3 729 384 272		
					Investment Property at Carrying value	143 846 000		
B. Debtors Management								
1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year	95%		[illegible]	*2024/25 Projected 1*	
					Gross Debtors closing balance	165 591 188		
					Gross Debtors opeining balance	151 823 400		

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		Written Off)/Billed Revenue x 100	Reports, IDP and AR		Bad debts written Off	-		
					Billed Revenue	1 278 096 700		
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%	Consumer Debtors Bad debts written off	-	2024/25 Projected 1	The norm range appears incorrect
					Consumer Debtors Current bad debt Provision	54 616 196		
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days	Gross debtors	165 591 188	2024/25 Projected 1	Taking into account/providing for the high risk regarding the COVID19 lockdown consequences
					Bad debts Provision	54 616 196		
					Billed Revenue	1 278 096 700		
C. Liquidity Management								
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months	Cash and cash equivalents	9 768 084	2024/25 Projected 1	
					Unspent Conditional Grants			
					Overdraft			
					Short Term Investments	400 000 000		
					Total Annual Operational Expenditure	1 549 214 489		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1	Current Assets	615 507 238	2024/25 Projected 1	We noted that this indicator went below the norm and the organisation will be proactive in this regard.
					Current Liabilities	477 560 731		
D. Liability Management								
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%	Interest Paid	47 159 000	2024/25 Projected 1	
					Redemption	51 238 679		
					Total Operating Expenditure	1 711 326 037		
					Taxation Expense			
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%	Total Debt	479 945 639	2024/25 Projected 1	
					Total Operating Revenue	1 608 107 947		
					Operational Conditional Grants	192 746 100		
E. Sustainability								
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Cash and cash Equivalents	9 768 084	2024/25 Projected 1	
					Bank Overdraft			
					Short Term Investment	400 000 000		
					Long Term Investment	86 123 151		
					Unspent Grants			
					Net Assets	3 618 402 671		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
					Fair Value Adjustment Reserve			

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					Accumulated Surplus	3 615 190 171		

2. FINANCIAL PERFORMANCE

A. Efficiency

1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%			2024/25 Projected 1	Refer to flactuations in the housing grant (operational vs capital)
					Total Operating Revenue	1 608 107 947		
					Depreciation - Revalued Portion *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)*			
					Total Operating Expenditure	1 711 326 037		
					Taxation Expense			
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%			2024/25 Projected 1	
					Total Electricity Revenue	668 156 684		
					Total Electricity Expenditure	626 043 996		
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%			2024/25 Projected 1	
					Total Water Revenue	169 937 975		
					Total Water Expenditure	183 803 562		
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%			2024/25 Projected 1	We noted that this indicator went below zero and the organisation will be proactive in this regard
					Total Refuse Revenue	108 598 161		
					Total Refuse Expenditure	109 642 844		
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%			2024/25 Projected 1	
					Total Sanitation and Water Waste Revenue	122 036 375		
					Total Sanitation and Water Waste Expenditure	116 299 547		

B. Distribution Losses

1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%			2024/25 Projected 1	
					Number of units purchased and/or generated	255 955 850		
					Number of units sold	240 598 498		
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%			2024/25 Projected 1	
					Number of kilolitres purchased and/or purified	7 875 800		
					Number of kilolitres sold	5 946 229		

C. Revenue Management

1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100	Debtors System	None		0%		
					Number of Active Debtors Accounts (Previous)	53 721	*2024/25 Projected 1*	
					Number of Active Debtors Accounts (Current)	53 721		
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI				
					CPI	5%	*2024/25 Projected 1*	
					Total Revenue (Previous)	1 582 164 447		
					Total Revenue (Current)	1 640 718 947		
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI				
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 550 796 447	*2024/25 Projected 1*	
					Total Revenue Exl.Capital (Current)	1 608 107 947		

D. Expenditure Management

1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days				
					Trade Creditors	83 206 050		
					Contracted Services	178 369 098		
					Repairs and Maintenance	157 879 389		
					General expenses	107 650 401		
					Bulk Purchases	453 161 338	*2024/25 Projected 1*	
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	99 011 000		
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%				
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure			
					Total Operating Expenditure	1 711 326 037	*2024/25 Projected 1*	
					Taxation Expense			
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%				
					Employee/personnel related cost	551 733 528		
					Councillors Remuneration	13 360 219	*2024/25 Projected 1*	
					Total Operating Expenditure	1 711 326 037		
					Taxation Expense			
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%				
					Contracted Services	293 223 064	*2024/25 Projected 1*	Cost analysis conducted to deliver cost effective services.
					Total Operating Expenditure	1 711 326 037		
					Taxation Expense			

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E. Grant Dependency

1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		61%	*2024/25 Projected 1*	
					Internally generated funds	-		
					Borrowings	60 000 000		
					Total Capital Expenditure	99 011 000		
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		0%	*2024/25 Projected 1*	
					Internally generated funds	-		
					Total Capital Expenditure	99 011 000		
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		90%	*2024/25 Projected 1*	
					Total Revenue	1 640 718 947		
					Government grant and subsidies	192 746 100		
					Public contributions and Donations	-		
					Capital Grants	32 611 000		

F. BUDGET IMPLEMENTATION

1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%			*2024/25 Projected 1*	
					Actual Capital Expenditure	99 011 000		
					Budget Capital Expenditure	99 011 000		
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%			*2024/25 Projected 1*	
					Actual Operating Expenditure	1 711 326 037		
					Budget Operating Expenditure	1 711 326 037		
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%			*2024/25 Projected 1*	
					Actual Operating Revenue	1 608 107 947		
					Budget Operating Revenue	1 608 107 947		
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%			*2024/25 Projected 1*	
					Actual Service Charges and Property Rates Revenue	1 278 096 700		
					Budget Service Charges and Property Rates Revenue	1 278 096 700		

Name Of Municipality

Ratio Analysis Report			Restated	Audited	Projected				
		Norm	2019	2020	2021	2022	2023	2024	2025
FINANCIAL POSITION									
Asset Management/Utilisation									
1	Capital Expenditure to Total Expenditure	10% - 20%	14%	15%	16%	14%	13%	6%	6%
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	0%	0%	0%	0%	0%	0%	0%	0%
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	8%	6%	5%	6%	7%	7%	7%	8%
Debtors Management									
1	Collection Rate	95%	98%	96%	100%	100%	99%	99%	99%
2	Bad Debts Written-off as % of Provision for Bad Debt	100%	3%	1%	1%	0%	0%	0%	0%
3	Net Debtors Days	30 days	31 days	52 days	45 days	29 days	30 days	31 days	32 days
Liquidity Management									
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	1 - 3 Months	7 Month	7 Month	6 Month	5 Month	4 Month	3 Month	3 Month
2	Current Ratio	1.5 - 2:1	3.10	2.75	2.47	1.85	1.71	1.68	1.29
Liability Management									
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	6% - 8%	7%	7%	7%	7%	6%	6%	6%
2	Debt (Total Borrowings) / Revenue	45%	44%	41%	41%	38%	36%	34%	34%
FINANCIAL PERFORMANCE									
Efficiency									
1	Net Operating Surplus Margin	= or > 0%	4%	8%	0%	-6%	-6%	-6%	-6%
2	Net Surplus /Deficit Electricity	0% - 15%	13%	8%	9%	6%	6%	6%	6%
3	Net Surplus /Deficit Water	= or > 0%	16%	16%	10%	2%	4%	4%	4%
4	Net Surplus /Deficit Refuse	= or > 0%	-6%	5%	-13%	0%	-1%	-1%	-1%
5	Net Surplus /Deficit Sanitation and Waste Water	= or > 0%	10%	-2%	4%	7%	5%	5%	5%
Distribution Losses									

1	Electricity Distribution Losses (Percentage)	7% - 10%	6%	6%	7%	6%	6%	6%	6%
2	Water Distribution Losses (Percentage)	15% - 30%	24%	26%	28%	25%	25%	25%	25%
Revenue Management									
1	Growth in Number of Active Consumer Accounts	None	0%	0%	3%	6%	1%	0%	0%
2	Revenue Growth (%)	= CPI	6%	9%	2%	10%	6%	0%	4%
3	Revenue Growth (%) - Excluding capital grants	= CPI	7%	11%	0%	11%	4%	4%	4%
Expenditure Management									
1	Creditors Payment Period (Trade Creditors)	30 days	26 days	33 days	31 days	30 days	30 days	30 days	30 days
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	0%	3%	0%	0%	0%	0%	0%	0%
3	Remuneration as % of Total Operating Expenditure	25% - 40%	34%	33%	34%	32%	32%	33%	33%
4	Contracted Services % of Total Operating Expenditure	2% - 5%	17%	15%	16%	17%	17%	17%	17%
Grant Dependency									
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	None	47%	43%	85%	53%	48%	49%	61%
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	None	26%	19%	68%	23%	14%	0%	0%
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	None	89%	90%	87%	92%	93%	91%	90%
BUDGET IMPLEMENTATION									
1	Capital Expenditure Budget Implementation Indicator	95% - 100%	100%	77%	91%	100%	100%	100%	100%
2	Operating Expenditure Budget Implementation Indicator	95% - 100%	96%	91%	97%	100%	100%	100%	100%

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3	Operating Revenue Budget Implementation Indicator	95% - 100%	107%	100%	100%	100%	100%	100%	100%	
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	95% - 100%	102%	101%	103%	100%	100%	100%	100%	

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ANNEXURE I

mSCOA IMPLEMENTATION STATUS

ANNEXURE I1/6

MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA):

POST IMPLEMENTATION STATUS OF mSCOA PROJECT - MAY 2022

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1. Executive Summary

The purpose of this submission to Council is to:

1. Inform Council on specific initiatives to date by National Treasury to enable a full and complete understanding of the scope and extent of the SCOA implementation as applicable to all municipalities and municipal entities;
2. Report to Council on progress made to date with the implementation of mSCOA at the Overstrand Municipality since the previous report to Council.
3. Maintain an on-going awareness of specific mSCOA initiatives in the Overstrand Municipality; and
4. Considerations on the way forward with the core financial system, being Samras Classic, currently in use by the Overstrand Municipality.

A comprehensive supplementary report in this regard, providing the necessary detail with regard to background and historic information over the past number of years for this National Treasury project, was also included previously (up to 31 December 2019), as part of the reporting to Council.

2. Updated status - March 2022 (Quarter 3)

National Treasury budgetary mSOCA guidance / communications:

The absence of any clear direction from National Treasury in terms of the anticipated outcome of the mSCOA systems audits as previously communicated, inclusive of National Treasury's envisaged transversal tender process and specifications, compounded challenges for municipalities. NT did not share any further information regarding the mentioned audits and confirmed in MFMA Budget Circular No. 112 (6 Dec 2021) the following: "However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and mSCOA Circulars No 5 and 6. In addition, National Treasury has not accredited any of the municipal financial systems available in the market and this should therefore not be advertised as a requirement in municipal tender documents.
National and Provincial Treasuries held extensive engagements with key system providers during which the system functionality on the following were demonstrated: IDP and budget, supply chain management (SCM), asset management, annual financial statements, revenue management, cash flow and period control. These engagements provided National and Provincial Treasuries with an understanding of what functionality is available on each system and what the key system related challenges are."

The following was furthermore stated: "Municipalities that procured systems through the RT25-2016 transversal tender must approach the market to procure a new service provider for system support and maintenance. Due to the high financial investment in procuring financial systems, it is not cost effective to change financial systems every 3 to 5 years. Also, the expiry of the SLA does not necessitate the procurement of a new financial system - unless the system that is being used is not complying with the required

business processes and system specifications." From before-mentioned it can be derived that NT will not provide for any furhter communication to Local Government with regard to the before-mentioned release of audit results to assist municipalities with the outcome of their process in this regard. It is rather stated in the circular again that "It should be emphasised that the onus to ensure compliance with the mSCOA Regulations and minimum system specifications as per MFMA Circular No. 80 and its Annexure B rests with the municipality and not the system vendor. Municipalities should ensure that they budget sufficiently to become and remain mSCOA compliant."

National Treasury issued the following Circulars and guidance relating to mSCOA from December 2021 to March 2022:

i. *Municipal Budget Circular (No 112) for the 2022/23 MTREF - 04 December 2021;*
ii. *Municipal Budget Circular (No 115) for the 2022/23 MTREF - 04 March 2022:)*

The Draft and Final budgets were compiled according to the latest chart available on the financial system:

- mSCOA Segment Detail – (Final Version 6.6 – 6 Dec 2021) for implementation 2022/22
- mSCOA Segment Detail – (6.6.1. Patch to Version 6.6 – 4 Mar 2022) for implementation 2022/23

It was furthermore now advised in the Budget Circular for this draft budget cycle (No 112): "That the credibility of the mSCOA data strings remains a concern although we have observed a marked improvement in some areas. At the core of the problem is:

- The incorrect use of the mSCOA chart and segments, balance sheet budgeting, movement accounting and basic municipal accounting practices by municipalities;
- Some municipalities are not budgeting, transacting and reporting directly in/ from their core financial systems; have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (mSCOA enabling) version of their financial systems;
- A number of municipalities are still transacting on their legacy systems that are not the functionality of their financial systems, while they are paying for maintenance and support for the mSCOA enabling system that was procured. This constitute fruitless and wasteful expenditure; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2022/23, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

Municipalities should refer to the guidance provided in the mSCOA circulars issued by the National Treasury to classify their transactions correctly."

Section 5.3 of the circular also addresses the Regulation of Minimum Business Processes and System Specifications as follows:

"One of the key objectives of the mSCOA reform is to ensure that municipalities are planning, budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the mSCOA Regulations.
All municipalities and municipal entities had to comply with the mSCOA Regulations by 1 July 2017. MFMA Circular No. 80 (Annexure B) provided guidance on the minimum business processes and system specifications for all categories of municipalities (A, B and C). Anumber of Regulations and best practices as per the MFMA Circulars have been introduced since the issuing of MFMA Circular No. 80 in 2016.
The National Treasury will expand and regulate the business processes and system specifications in 2022/23 to these new developments. If your municipality has not yet achieved the minimum required level of mSCOA implementation, then a detailed action plan (road map) must be developed to indicate how the municipality will fast track the implementation of mSCOA."

The Overstrand mSCOA Committee will at all times consider the appropriate approach in ensuring that the municipality will not be exposed to risk from either an operational- and/or monitary perspective in this regard, this also in accordance with previous confirmations in this regard.

3. SAMRAS Usergroup Workshops & Meetings:

The most recent SOLVEM SAMRAS Usergroup workshop and Usergroup meeting took place as a hibrid virtual/physical sessions on 3 - 4 November 2021.

The service provider is still in process of continuous development of the Web system modules, with ongoing efforts to migrate West Coast District Municipality, Stellenbosch Municipality, George Municipality, Breede Valley Municipality and Bitou Municipality among other, starting with the initial steps (organogram, commodity codes, contract management data), in preparing (municipalities at various stages currently) for the roll-out of primarily the SCM web module, as the new version to replace the current classic version of the system ultimately. On request of Overstrand Municipality to view a demo of the Asset Register, the municipality was advised that the web version is not ready yet. This is regarded as one of the critical considerations of a desirable The next SAMRAS Usergroup workshop and Usergroup meetings scheduled for March 2022 were phost-phoned on request of the service provider, to April 2022.

The necessary evidence and confirmation required, confirming that the service provider is in a position to provide the required resources is currently considered by the Overstrand mSCOA / conversion committee. Before-mentioned, inclusive of an updated and detailed project plan for a viable migration process, with regard to the SCM module to the web-based platform identified by SAMRAS as a critical priority, and during 2021 listed for actioning in the third quarter of the 2021/2022 financial year. The municipality is however currently aware of one municipality where this module has been implemented and funtional, though not representing the complete supply chain management functionality and workflow areas representative of formal procurement

processes. During the next quarter (Apr 2022 onwards) a site visit to a municipality, who will be able to demonstrate the functionality of the implementation in the production environment, is envisaged.

It is again confirmed that the administration will consider the appropriate approach in ensuring that the municipality will not be exposed to risk from either an operational- and/or monetary perspective in this regard. As stated in previous reporting, the status as at 31 December 2021 remains the same with regard to the absence of any clear direction from National Treasury in terms of the outcome of systems audits.

The mSCOA committee currently follows a process of monitoring progress with regard to before-mentioned development and implementation of web-based modules at sites as we become aware of information. Assurance of sucessfull implementation of web-based modules is regarded as a pre-requisite for embarking on implementation of these modules.

Matters regarded of impportance and impacting on the Overstrand contract, service rendering levels, etc will be reported to Council, with the continuation of quarterly reports as part of the Budget Report, due to the process currently still not leading to a close-out report in the current financial period.

4. Previous quarter/historic status up to December 2021

mSCOA Project Governance and Management: Solvem (previously Bytes Systems Integration) and engagements with regard to the Samras Financial System)

It was reported to Council (Dec 2020, Quarter 2) that Overstrand Municipality received correspondence on 31 December 2020 from the service provider (Bytes Systems Integration) for the financial system currently in use (SAMRAS), inclusive of the following notification as corresponded to National Treasury:

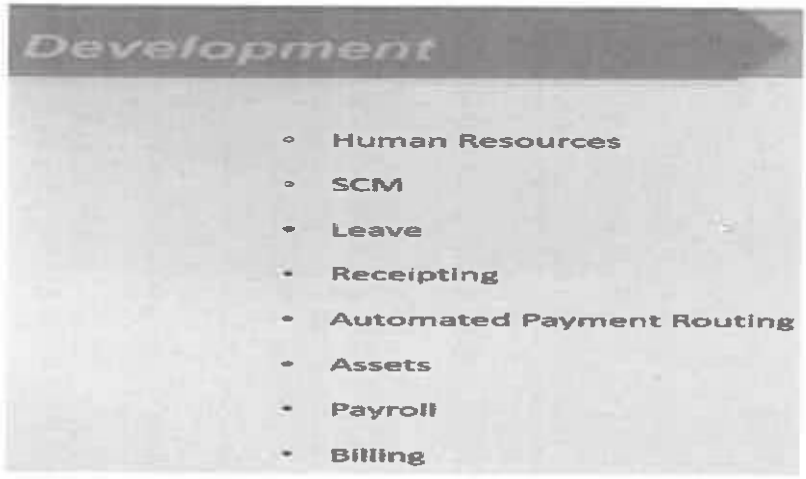
"this letter serves to advise that the service provider for the SAMRAS system has changed from Altron TMT (Pty) Ltd to Solvem Consulting (Pty) Ltd. The effective date of the business transfer is the 1 December 2020. The transfer of the resources will be the 1 January 2021. The SAMRAS product and service offerings remain the same. The full resource team transfers in a section 197 process and hence continuity of service will be uninterrupted to our current clients."

It was also confirmed that this development will be closely monitored and any important matters impacting on the Overstrand contract, service rendering levels, etc. will be reported to Council, with the continuation of this quarterly report, due to the process still not leading to a close-out report in the near future.

The feedback provided to municipalities a year ago (March 2021) focused on the continuous development of the Web system modules and importantly, efforts currently with regard to the gradual migration of West Coast District Municipality, Stellenbosch Municipality, and lately George Municipality, in particular to the web modules. Progress with these efforts are currently at various stages, which could not be established as completed migration processes from the classic environment to the web. Other instances of municipalities involved and the extent of these municipal sites where specific web module testing is currently underway, or planning processes could not be

established during these workshops and the usergroup meeting on the 4th of March 2021, to provide the necessary evidence and confirmation that the service provider is currently in a position to provide the required resources and detailed project plan for a viable migration process with regard to any substantial module or section of a module, to the web-based platform.

The service provider provided the following feedback in terms of further development of web modules attended to, since the previous usergroup meeting towards the end of 2020, up to the end of February 2021:



The Overstrand mSCOA Committee awaited detailed information requested from the service provider, in order to consider the appropriate approach in ensuring that the municipality will not be exposed to risk from either an operational- and/or monitary perspective.

mSCOA Circulars

The inclusion of the following reference with regard to most recent mSCOA circulars in the past 2 years aims to provide Council with an overview of progress made by National Treasury in the roll-out of the mSCOA Regulation thus far -

Municipal SCOA Circular No. 7 - 02 March 2020: Guide on Construction Work in Progress (CWIP)
The principles stated in this circular were implemented during the 2019/2020 General Adjustments Budget, which served before Council on 26 February 2020 and was carried forward into the 2020/2021 Budget Cycle

Municipal SCOA Circular No. 8 - 24 April 2020: Guidance on Virement Policies for Municipalities
The guidance in this circular already forms an integral part of Overstrand municipality's Virement Policy.

Municipal SCOA Circular No. 9 - 09 June 2020: Reporting on COVID-19 using the mSCOA chart
The principle of Typical Workstream Projects relating to COVID-19 was implemented for the Special Adjustments Budget in June 2020, notwithstanding that is circular was

issued on the same day that the Special Adjustments Budget was submitted to be tabled in Council.

Municipal SCOA Circular No. 10 – 14 October 2020: Cash Flow Guidance
This circular is to provide further guidance to municipalities on the correct use of the municipal standard chart of accounts (mSCOA) data strings to populate the cash flows tables in Schedules A, B and C of the Municipal Budget Reporting Regulations (MBRR)To ensure that the MBRR cash flow tables (A7, SA30, B7 and C7) are linked correctly to the mSCOA data strings.

National Treasury corrected the linkages in the segment item: asset and liabilities.

Municipal SCOA Circular No. 11 – 4 December 2020: Guidance on the use of the Fund Segment
The purpose of this circular is to provide guidance to municipalities on the use of the Fund segment.

Following the guidance provided in Circular 10, the following cash flow issues still had to be corrected and/or clarified:

- The recording of unallocated deposits;
- The duplication of capital assets other expenditure (trade and other payables – payables and accruals);
- The linking of construction Work-In-Progress (CWIP) to capital assets in Table A9 of the A1 Schedule;
- The linking of advance payments and retentions to the cash flow tables;
- The distinction of and payment between Inventory, Contracted Services and Other Expenditure line items not specifically listed under Liabilities in the mSCOA chart; and
- The linking of Income tax receivable, Income tax payables, Value Added Tax (VAT) receivable, VAT payable, Accrued interest on receivables to cash flow/payments.

Municipal SCOA Circular No. 12 – 01 October 2021: Guidance on Value Added Tax (VAT)
The purpose of this circular is to provide guidance to municipalities on how to budget, transact and report for Value Added Tax (VAT) using the Municipal Standard Chart of Accounts (mSCOA) chart.

The following guidance is provided in Circulr 12:

- When municipalities prepare their MTREF budgets, it must be exclusive of VAT and therefore the regulated budget Tables A4 and A5 must be VAT exclusive.
- It should also be noted that the accounts for Input and Output Tax on the mSCOA chart is named Input and Output VAT and irrecoverable debt is referred to as bad debt. Therefore, where reference is made to the VAT accounts in the chart in the examples used to explain the VAT transactions, Input and Output VAT and bad debt is used as per the mSCOA chart.
- These discrepancies in the terminology will be corrected in version 6.6 of the chart.

ANNEXURE J

DMP 2022-2023

DEMAND MANAGEMENT PLAN 2022/2023

DMP REF #	Directorate [R]	Project Name / Tender Description	Existing Contract Number	Expiry Date of current contract	New Tender Number	Contract Owner	Estimated Total Project Cost	Procurement Process / Method	Planned dates: Submission of specifications	BSC	Advert	Closing Date	BEC	BAC	Commencement of contract	Contract expiry date
SECTION A: REPEATABLE CONTRACTS																
A1	COMMUNITY SERVICES	SUPPLY AND DELIVERY OF 500 PPM FARM GRADE DIESEL FUEL FOR ONRUS CARAVAN PARK	SC2110/2020	30 06 2023		A WYNGAARD	R 2 000 000.00	Tender	17 01 2023	28 01 2023	02 02 2023	02 03 2023	01 04 2023	07 04 2023	01 07 2023	30 06 2026
A2	COMMUNITY SERVICES	SOFTWARE AND WEBSITE FOR CARAVAN PARK/CAMPING RESERVATIONS	SC1701C/2016	30 06 2023		D LAKEY	R 475 000.00	Tender	01 02 2023	15 02 2023	24 02 2023	10 03 2023	28 04 2023	05 05 2023	01 07 2023	30 06 2026
A3	COMMUNITY SERVICES	PROVISION OF CLEANING SERVICES FOR THE GANSBAAI / STANFORD AREAS	SC2087/2020	30 06 2023		F MYBURGH	R 1 397 500.00	Tender	06 03 2023	21 03 2023	30 03 2023	28 04 2023	19 05 2023	26 05 2023	01 07 2023	30 06 2026
A4	COMMUNITY SERVICES	SUPPLY & INSTALLATION OF WEB BASED/ONLINE BULK SMS SENDING SOFTWARE SERVICE	SC2089/2020	30 06 2023		R WILLIAMS	R 265 000.00	Tender	06 02 2023	21 02 2023	07 03 2023	07 04 2023	19 05 2023	26 05 2023	01 07 2023	30 06 2026
A5	COMMUNITY SERVICES	SUPPLY AND DELIVERY OF BUILDING MATERIAL	SC2147/2020	30 06 2023		R WILLIAMS	R 265 000.00	Tender	06 02 2023	21 02 2023	07 03 2023	07 04 2023	19 05 2023	26 05 2023	01 07 2023	30 06 2026
A6	COMMUNITY SERVICES	PROVISION OF SPORTS FIELD AERATION SERVICES IN THE OVERSTRAND AREA	SC2102/2020	30 06 2023		T MARX	R 954 673.65	Tender	01 08 2022	22 08 2022	05 10 2022	05 10 2022	07 11 2022	14 11 2022	05 12 2022	30 06 2025
A7	COMMUNITY SERVICES	SUPPLY AND DELIVERY OF CONSTRUCTION MATERIAL	SC2132/2020	30 06 2023		T STEENBERG	R 3 000 000.00	Tender	01 03 2023	14 03 2023	25 03 2023	25 04 2023	16 05 2025	30 05 2023	01 07 2023	30 06 2026
A8	COMMUNITY SERVICES	RESEAL, UPGRADING AND REHABILITATION OF ROADS IN OVERSTRAND	SC2134/2020	30 06 2023		T STEENBERG	R 25 000 000.00	Tender	01 03 2023	14 03 2023	25 03 2023	25 04 2023	16 05 2025	30 05 2023	01 07 2023	30 06 2026
A9	COMMUNITY SERVICES	SUPPLY AND DELIVERY OF BITUMEN PRODUCTS	SC2139/2020	30 06 2023		T STEENBERG	R 850 000.00	Tender	01 03 2023	14 03 2023	25 03 2023	25 04 2023	16 05 2025	30 05 2023	01 07 2023	30 06 2026
A10	COMMUNITY SERVICES	APPLICATION OF ROADMARKINGS ON THE MUNICIPAL ROAD NETWORK	SC2140/2020	30 06 2023		T STEENBERG	R 1 000 000.00	Tender	01 03 2023	14 03 2023	25 03 2023	25 04 2023	16 05 2025	30 05 2023	01 07 2023	30 06 2026
A11	COMMUNITY SERVICES	TRANSVERSAL TERM CONTRACT RT46-2020: APPOINTMENT OF CONTRACTORS FOR THE PROVISION OF VEHICLE FLEET MANAGEMENT SERVICES TO THE STATE FOR A PERIOD OF FIVE YEARS - 1 APRIL 2021 TO 31 MARCH 2026	SC2214/2021	30 06 2023		T STEENBERG	R -	Transversal Contract	N/A	N/A	N/A	N/A	02 05 2023	16 05 2023	01 07 2023	31 03 2026
A12	FINANCE	CASEWARE LICENSE RENEWAL	SCD3281/2021	31 07 2022		B KING	R 90 000.00	Deviation	06 07 2022	N/A	N/A	N/A	N/A	N/A	01 08 2022	31 07 2023
A13	FINANCE	SUPPLY, DELIVERY OF PLUMBING MATERIALS, MANHOLES, PLUMBING TOOLS, PLASTIC TOILETDOORS AND IRRIGATION ITEMS	SC2097/2020	30 06 2023		C ROETS	R 10 323 651.00	Tender	30 09 2022	15 10 2022	29 10 2022	29 11 2022	27 02 2023	13 03 2023	01 07 2023	30 06 2026
A14	FINANCE	SUPPLY AND DELIVERY OF PRINTING PAPER, INK TONERS, CARTRIDGES, AND RIBBONS	SC2098/2020	30 06 2023		C ROETS	R 7 054 358.30	Tender	30 08 2022	14 09 2022	28 09 2022	29 10 2022	27 01 2023	10 02 2023	01 07 2023	30 06 2026
A15	FINANCE	SUPPLY & DELIVERY OF ELECTRICAL ITEMS	SC2099/2020	30 06 2023		C ROETS	R 13 429 458.79	Tender	31 10 2022	15 11 2022	29 11 2022	31 01 2023	01 05 2023	15 05 2023	01 07 2023	30 06 2026
A16	FINANCE	PRINTING AND DISTRIBUTION OF MUNICIPAL ACCOUNTS AND NEWSLETTERS	SC2091/2020	30 06 2023		E HOONEBERG	R 1 500 000.00	Tender	30 09 2022	19 10 2022	28 10 2022	28 11 2022	09 02 2023	24 02 2023	07 01 2023	30 06 2023
A17	FINANCE	DISCONNECTION AND RECONNECTION OF ELECTRICITY SUPPLY AND INSTALLATION AND REMOVAL OF WATER FLOW RESTRICTORS	SC2131/2020	30 06 2023		E HOONEBERG	R 1 550 000.00	Tender	30 09 2022	19 10 2022	28 10 2022	28 12 2022	03 02 2023	17 02 2023	07 01 2023	30 06 2023
A18	FINANCE	PROVISION OF AUCTIONEERING SERVICES	SC2066/2020	30 06 2023		H VORSTER	% indication	Tender	16 11 2022	14 12 2022	13 01 2023	17 02 2023	06 04 2023	21 04 2023	01 07 2023	30 06 2026
A19	INFRASTRUCTURE & PLANNING	PROVISION OF LABORATORY SERVICES FOR THE MONITORING OF WATER QUALITY IN THE OVERSTRAND AREA	SC2081/2020	30 06 2023		H BLIGNAUT	TBD	Tender	TBD	TBD	TBD	TBD	TBD	TBD	TBU	TBD
A20	INFRASTRUCTURE & PLANNING	CONSULTING ENGINEERS FOR ENGINEERING AND GROUNDWATER PROJECTS	SC1969/2019	30 06 2022		H BLIGNAUT	TBD	Tender	03 02 2023	17 02 2023	28 02 2023	30 03 2023	30 05 2023	07 06 2023	01 07 2023	30 06 2026
A21	INFRASTRUCTURE & PLANNING	ENVIRONMENTAL MANAGEMENT MAINTENANCE	SC2149/2020	30 06 2023		L DE VILLIERS	TBD	Tender	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
A22	INFRASTRUCTURE & PLANNING	BABOON MANAGEMENT PROGRAMME	SCD3209/2020	30 06 2023		L DE VILLIERS	TBD	Tender	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
A23	INFRASTRUCTURE & PLANNING	PROVISION OF GEOGRAPHIC INFORMATION SYSTEMS (GIS) SERVICES IN THE OVERSTRAND MUNICIPALITY	SC1634B/2015	30 06 2023		S MULLER	TBD	Tender	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
A24	MANAGEMENT SERVICES	BCX - 3 YEAR HOSTED BUSINESS TELEPHONE (HBT) SYSTEM	SITA	31 01 2023		C JOHNSON	R9 720 000	Other organ of state	N/A	N/A	N/A	N/A	N/A	N/A	01 02 2023	31 01 2026
A25	MANAGEMENT SERVICES	UPGRADE, MAINTENANCE AND SUPPORT OF OVERSTRAND MUNICIPALITY'S RADIO FREQUENCY NETWORK	SC1675B/2016	30 06 2023		C JOHNSON	R7 050 000	S.116(3)	01 03 2023	14 03 2023	25 03 2023	25 04 2023	16 05 2025	30 05 2023	01 07 2023	30 06 2026
A26	MANAGEMENT SERVICES	APPOINTMENT OF ATTORNEYS FOR THE RENDERING OF LEGAL SERVICES	SC214B/2020	30 06 2023		L WALLACE	TBD	Tender	30 11 2022	30 01 2023	28 02 2023	30 03 2023	07 05 2023	14 05 2023	01 07 2023	01 07 2023
A27	MANAGEMENT SERVICES	GRAPHIC DESIGN SERVICES	SC2248/2021	18 11 2022		T ZWENI	TBD	Tender	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
A28	MANAGEMENT SERVICES	PRINTING SERVICES FOR THE OVERSTRAND MUNICIPALITY	SC2277/2021	17 02 2023		T ZWENI	TBD	Tender	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
A29	PROTECTION SERVICES	MONITORING, ARMED RESPONSE, INSTALLATION OF ALARM SYSTEMS AND CCTV CAMERA CALL-OUTS	SC2086/2020	30 06 2023		L SMITH	R 850 000,00	Other organ of state	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SECTION B: CAPITAL PROJECTS																
B1	COMMUNITY SERVICES	ABLUTION FACILITIES ONRUS SWIMMING BEACH PHASE 2	N/A	N/A		T MARX	R 1 243 842.00	Tender	01 09 2022	07 09 2022	15 09 2022	14 10 2022	01 12 2022	09 12 2022	01 01 2023	30 06 2023
B2	COMMUNITY SERVICES	RESTORATION AND UPGRADE OF BEACH AREA INCLUDING BEACH FACILITIES SANDBAAI	N/A	N/A		T MARX	R 300 000.00	Tender	01 09 2022	06 09 2022	15 09 2022	14 10 2022	01 12 2022	09 12 2022	01 01 2023	30 06 2023
B3	COMMUNITY SERVICES	ZWELIHLE LIBRARY	N/A	N/A		A WYNGAARD	R 4 373 611.00	Tender	03 10 2022	12 10 2022	20 10 2022	18 11 2022	19 01 2023	27 01 2023	01 02 2023	30 06 2023
B4	INFRASTRUCTURE & PLANNING	UPGRADE STANFORD DROP OFF	N/A	N/A		C MITCHELL	R 1 983 720.00	TENDER	01 09 2022	07 09 2022	30 09 2022	04 11 2022	19 01 2023	03 02 2023	01 03 2023	30 06 2023
B5	INFRASTRUCTURE & PLANNING	REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2)	N/A	N/A		H BLIGNAUT	R 16 650 000.00	TENDER	29 04 2022	13 05 2022	27 05 2022	01 07 2022	18 08 2022	26 08 2022	01 10 2022	30 06 2024
B6	INFRASTRUCTURE & PLANNING	REFURBISHMENT OF KLEINMOND BUFFELS RIVER WTW	N/A	N/A		H BLIGNAUT	R 18 000 000.00	TENDER	31 05 2023	15 06 2023	30 06 2023	05 08 2023	30 09 2023	07 10 2023	01 11 2023	30 06 2025
B7	INFRASTRUCTURE & PLANNING	UPGRADE HERMANUS WELL FIELDS PHASE 2(F1/2)	N/A	N/A		H BLIGNAUT	R 4 000 000.00	TENDER	31 05 2023	15 06 2023	30 06 2023	05 08 2023	30 09 2023	07 10 2023	01 11 2023	30 06 2025
B8	INFRASTRUCTURE & PLANNING	PEARLY BEACH WATER TOWER REFURBISH	N/A	N/A		H BLIGNAUT	R 700 000.00	TENDER	31 05 2023	15 06 2023	30 06 2023	05 08 2023	30 09 2023	07 10 2023	01 11 2023	30 06 2024
B9	INFRASTRUCTURE & PLANNING	KLEINMOND WWTW REFURBISH UPGRADE (F1/2)	N/A	N/A		H BLIGNAUT	R 24 000 000.00	TENDER	29 04 2022	13 05 2022	27 05 2022	01 07 2022	18 08 2022	26 08 2022	01 10 2022	30 06 2024
B10	INFRASTRUCTURE & PLANNING	UPGRADING OF PUMPSTATIONS & RISING MAINS (F1/2)	N/A	N/A		H BLIGNAUT	R 7 000 000.00	TENDER	14 10 2022	28 10 2022	11 11 2022	15 12 2022	31 01 2023	07 02 2023	01 03 2023	30 06 2024

ANNEXURE T1.3

DMP REF #	Directorate [R]	Project Name / Tender Description	Existing Contract Number	Expiry Date of current contract	New Tender Number	Contract Owner	Estimated Total Project Cost	Procurement Process / Method	Submission of specifications	BSC	Advert	Closing Date	BEC	BAC	Commencement of contract	Contract expiry date
B11	INFRASTRUCTURE & PLANNING	UPGRADE STANFORD DROP OFF	N/A	N/A		C MITCHELL	R 1 983 720.00	TENDER	01 09 2022	07 09 2022	30 09 2022	04 11 2022	18 01 2023	03 02 2023	01 03 2023	30 06 2023
B12	INFRASTRUCTURE & PLANNING	MASAKHANE HOUSING PROJECT BUS ROUTE(PHASE 1)	N/A	N/A		D HENDRIKS	R 16 013 000.00	Tender	15 06 2022	29 06 2022	15 07 2022	19 08 2022	22 09 2022	30 09 2022	03 11 2022	30 06 2024
B13	INFRASTRUCTURE & PLANNING	MASAKHANE UPGRADE WATER LINES & NEW BOOSTER PUMPSTATION VALVES	N/A	N/A		D HENDRIKS	R 7 000 000.00	Tender	31 05 2022	15 06 2022	30 06 2022	29 07 2022	01 09 2022	09 09 2022	14 10 2022	30 06 2023
B14	INFRASTRUCTURE & PLANNING	STANFORD UPGRADE BULK WATER	N/A	N/A		D HENDRIKS	R 5 615 000.00	Tender	31 05 2022	15 06 2022	30 06 2022	29 07 2022	01 09 2022	09 09 2022	14 10 2022	30 06 2023
B15	INFRASTRUCTURE & PLANNING	HERMANUS MV LV UPGRADE REPLACEMENT(F1/2)	N/A	N/A		K DU PLESSIS	R 6 000 000.00	Tender	31 05 2022	15 06 2022	30 06 2022	29 07 2022	01 09 2022	09 09 2022	14 10 2022	30 06 2023
B16	INFRASTRUCTURE & PLANNING	KLEINMOND MV LV NETWORK UPGRADE(F1/2)	N/A	N/A		K DU PLESSIS	R 2 416 000.00	Tender	31 05 2022	15 06 2022	30 06 2022	29 07 2022	01 09 2022	09 09 2022	14 10 2022	30 06 2023
B17	INFRASTRUCTURE & PLANNING	HAWSTON MV LV UPGRADE REPLACEMENT(F1/2)	N/A	N/A		K DU PLESSIS	R 2 415 000.00	Tender	31 05 2022	15 06 2022	30 06 2022	29 07 2022	01 09 2022	09 09 2022	14 10 2022	30 06 2023
B18	PROTECTION SERVICES	MINOR ASSET	N/A	N/A		N MICHAELS	R 150 000.00	Other organ of state	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	SECTION C: AD-HOC PROJECTS FUNDED FROM OPERATIONAL BUDGET															
C1	COMMUNITY SERVICES	ONRUS CARAVAN PARK: REPAIRS AND MAINTENANCE OF ABLUTITION BLOCKS	N/A	N/A		A WYNGAARD	R 900 000.00	Tender	06 10 2022	12 10 2022	20 10 2022	18 11 2022	19 01 2023	27 01 2023	01 02 2023	30 06 2023
C2	COMMUNITY SERVICES	ZWELIHLE COMMUNITY HALL. REPAIRS AND MAINTENANCE	N/A	N/A		A WYNGAARD	R 200 000.00	Formal Quotation	06 10 2022	12 10 2022	20 10 2022	04 11 2022	01 12 2022	N/A	15 12 2023	30 06 2023
C3	COMMUNITY SERVICES	MUNICIPAL OFFICE BUILDING: ALTERATIONS AND RENOVATIONS FOR DISABLE TOILET AND STORAGE	N/A	N/A		A WYNGAARD	R 300 000.00	Tender	06 10 2022	12 10 2022	20 10 2022	18 11 2022	19 01 2023	27 01 2023	01 02 2023	30 06 2023
C4	COMMUNITY SERVICES	SUPPLY AND DELIVERY OF OFFICE FURNITURE AND ITEMS	N/A	N/A		A WYNGAARD	R 200 000.00	Formal Quotation	04 08 2022	10 08 2022	18 08 2022	02 09 2022	22 09 2022	N/A	01 10 2022	30 06 2023
C5	COMMUNITY SERVICES	MAINTENANCE OF HAWSTON ABALONE HALL	N/A	N/A		B PLAATJIES	R 300 000.00	Tender	02 02 2023	08 02 2023	09 02 2023	10 03 2023	13 04 2023	21 04 2023	01 05 2023	30 06 2023
C6	COMMUNITY SERVICES	UPGRADING OF HAWSTON SWIMMING POOL (REFURBISHMENT OF SWIMMING POOL AND OR PUMPS)	N/A	N/A		B PLAATJIES	R 400 000.00	Tender	02 02 2023	08 02 2023	09 02 2023	10 03 2023	13 04 2023	21 04 2023	11 05 2023	30 06 2023
C7	COMMUNITY SERVICES	HERMANUS AREA: LATTE SHADES PORTS	N/A	N/A		D NEL	R 200 000.00	Formal Quotation	04 08 2022	10 08 2022	18 08 2022	09 09 2022	22 09 2022	N/A	01 10 2022	30 06 2023
C8	COMMUNITY SERVICES	DAVIES TIDAL POOL: ALTERATIONS AND BUILDING MAINTENANCE	N/A	N/A		D NEL	R 300 000.00	Tender	03 11 2022	09 11 2022	17 11 2022	15 12 2022	19 01 2023	27 01 2023	01 02 2023	30 06 2023
C9	COMMUNITY SERVICES	BEACH ABLUTION FACILITIES: ALTERATIONS AND BUILDING MAINTENANCE	N/A	N/A		D NEL	R 1 200 000.00	Tender	31 01 2023	01 02 2023	09 02 2023	10 03 2023	06 04 2023	14 04 2023	01 05 2023	30 06 2023
C10	COMMUNITY SERVICES	SUPPLY AND DELIVERY OF POLYWOOD PRODUCTS	N/A	N/A		D NEL	R 200 000.00	Formal Quotation	04 08 2022	10 08 2022	18 08 2022	02 09 2022	29 09 2022	N/A	01 10 2022	30 06 2023
C11	COMMUNITY SERVICES	SUPPLY AND DELIVER BURLOUW WOOD AND SAP PINE	N/A	N/A		T MARX	R 400 000.00	Tender	04 08 2022	10 08 2022	18 08 2022	16 09 2022	13 10 2022	21 10 2022	01 11 2022	30 06 2023
C12	COMMUNITY SERVICES	SUPPLY AND DELIVER NEW ROOF SHEETS	N/A	N/A		T MARX	R 300 000.00	Tender	04 08 2022	10 08 2022	18 08 2022	16 09 2022	13 10 2022	21 10 2022	01 11 2022	30 06 2023
C13	COMMUNITY SERVICES	CONSTRUCTION OF STONE WALLS AND SEATING	N/A	N/A		T MARX	R 300 000.00	Tender	06 10 2022	10 10 2022	18 08 2022	16 09 2022	13 10 2022	21 10 2022	01 11 2022	30 06 2023
C14	COMMUNITY SERVICES	REMOVAL OF WOODEN AND IRON WINDOWS AND SUPPLY, DELIVER AND INSTALL ALUMINIUM WINDOWS	N/A	N/A		T MARX	R 500 000.00	Tender	04 08 2022	10 08 2022	18 08 2022	16 09 2022	13 10 2022	21 10 2022	01 11 2022	30 06 2023
C15	COMMUNITY SERVICES	INSTALLATION OF PIGMENTED FLOORS AND WALLS	N/A	N/A		T MARX	R 500 000.00	Tender	03 11 2022	16 11 2022	24 11 2022	23 12 2022	09 02 2023	17 02 2023	01 03 2023	30 06 2023
C16	COMMUNITY SERVICES	PAINTING OF MUNICIPAL BUILDINGS	N/A	N/A		T MARX	R 200 000.00	Formal Quotation	04 08 2022	10 08 2022	18 08 2022	02 09 2022	29 09 2022	N/A	01 10 2022	30 06 2023
C17	COMMUNITY SERVICES	CLEANING OF CARPETS IN MUNICIPAL BUILDINGS	N/A	N/A		T MARX	R 200 000.00	Formal Quotation	05 08 2022	10 08 2022	18 06 2022	02 09 2022	29 09 2022	N/A	01 10 2022	30 06 2023
C18	COMMUNITY SERVICES	REPLACEMENT OF WINDOWS - KLEINMOND TOWN HALL	N/A	N/A		D LAKEY	R 80 000.00	Formal Quotation	05 10 2022	12 10 2022	28 10 2022	04 11 2022	15 12 2022	N/A	09 05 2023	30 06 2023
C19	COMMUNITY SERVICES	REPARATION OF ROOF MOQUITSIG, BETTY'S BAY	N/A	N/A		D LAKEY	R 50 000.00	Formal Quotation	05 10 2022	12 10 2022	28 10 2022	04 11 2022	15 12 2022	N/A	09 01 2023	30 06 2023
C20	COMMUNITY SERVICES	GARDEN SERVICES AT MUNICIPAL BUILDINGS IN KLEINMOND ADMINISTRATION	N/A	N/A		D VAN RHODIE	R 200 000.00	Formal Quotation	11 07 2022	25 07 2022	05 08 2022	19 08 2022	30 09 2022	N/A	10 10 2022	30 06 2023
C21	COMMUNITY SERVICES	SUPPY & DELIVERY OF WHEELIE BIN SWIVEL STANDS AND BIN BRACKETS WITH SELF LOCKING MECHANISM	N/A	N/A		D VAN RHODIE	R 100 000.00	Formal Quotation	11 07 2022	25 07 2022	05 08 2022	19 08 2022	30 09 2022	N/A	10 10 2022	30 06 2023
C22	COMMUNITY SERVICES	REPAIR & MAINTENANCE OF PLAYPARK & OUTDOOR GYM EQUIPMENT IN KLEINMOND ADMINISTRATION	N/A	N/A		D VAN RHODIE	R 60 000.00	Formal Quotation	11 07 2022	25 07 2022	05 08 2022	19 08 2022	30 09 2022	N/A	10 10 2022	30 06 2023
C23	COMMUNITY SERVICES	REPAIR & MAINTENANCE OF ARTIFICIAL GRASS	N/A	N/A		F MYBURGH	R 225 000.00	Tender	08 08 2022	23 08 2022	08 09 2022	14 10 2022	01 11 2022	11 11 2022	01 07 2023	30 06 2023
C24	COMMUNITY SERVICES	MINOR ASSETS	N/A	N/A		R WILLIAMS	R 735 000.00	Tender	19 08 2022	09 09 2022	16 09 2022	30 09 2022	03 11 2022	18 11 2022	12 09 2022	30 06 2023
C25	COMMUNITY SERVICES	AD-HOC STORMWATER PROJECT-DE KELDERS & FRANSKRAAL	N/A	N/A		J SOLOMONS	R 200 000.00	Tender	11 08 2022	23 08 2022	08 09 2022	14 10 2022	01 11 2022	11 11 2022	01 07 2023	30 06 2023
C26	COMMUNITY SERVICES	INSTALLATION OF FENCE-STORMWATER DETENTION POND	N/A	N/A		J SOLOMONS	R 100 000.00	Tender	12 08 2022	23 08 2022	08 09 2022	14 10 2022	01 11 2022	11 11 2022	01 07 2023	30 06 2023
C27	COMMUNITY SERVICES	INSTALLATION OF KERBING IN HOOFWAY-DE KELDERS	N/A	N/A		J SOLOMONS	R 200 000.00	Tender	13 08 2022	23 08 2022	08 09 2022	14 10 2022	01 11 2022	11 11 2022	01 07 2023	30 06 2023
C28	MANAGEMENT SERVICES	FIRST AID, FIRE MARSHALL & HEALTH & SAFETY REPS	N/A	N/A		L BUCHIANERRI	R 180 000.00	Formal Quotation	01 07 2022	01 07 2022	01 08 2022	01 08 2022	N/A	N/A	01 10 2022	01 06 2023
C29	MANAGEMENT SERVICES	WEEDEATER & BRUSHCUTTER	N/A	N/A		L BUCHIANERRI	R 90 000.00	Formal Quotation	01 07 2022	01 07 2022	01 08 2022	01 08 2022	N/A	N/A	01 10 2022	01 06 2023
C30	MANAGEMENT SERVICES	FAULT FINDING LOCATION COURSE	N/A	N/A		L BUCHIANERRI	R 170 000.00	Formal Quotation	01 07 2022	01 07 2022	01 08 2022	01 08 2022	N/A	N/A	01 10 2022	01 06 2023
C31	MANAGEMENT SERVICES	SUPERVISION	N/A	N/A		L BUCHIANERRI	R 150 000.00	Formal Quotation	01 07 2022	01 07 2022	01 08 2022	01 08 2022	N/A	N/A	01 10 2022	01 06 2023
C32	MANAGEMENT SERVICES	HERBICIDE & PRUNING OF TREES	N/A	N/A		L BUCHIANERRI	R 80 000.00	Formal Quotation	01 07 2022	01 07 2022	01 08 2022	01 08 2022	N/A	N/A	01 10 2022	01 06 2023
C33	PROTECTION SERVICES	GREATER HERMANUS TRAFFIC DEPT REMOVAL OF OBSOLETE OLD ROOF	N/A	N/A		R FRASER	R 2 000 000.00	Tender	01 09 2022	07 09 2022	23 09 2022	28 10 2022	01 12 2022	08 12 2022	08 12 2022	N/A
	SECTION D: LAND SALES / LEASING															
D1	INFRASTRUCTURE & PLANNING	SALE OF UNREGISTERED ERF 12308 (A PORTION OF ERF 384) HERMANUS FOR THE DEVELOPMENT OF MEDICAL AND RELATED COMMUNITY FACILITIES	N/A	N/A		R KUCHAR	Income Tender	Tender	01 07 2022	06 07 2022	08 07 2022	05 08 2022	23 08 2022	02 09 2022	N/A	N/A

DMP REF #	Directorate [R]	Project Name / Tender Description	Existing Contract Number	Expiry Date of current contract	New Tender Number	Contract Owner	Estimated Total Project Cost	Procurement Process / Method	Submission of specifications	BSC	Advert	Closing Date	BEC	BAC	Commencement of contract	Contract expiry date
D2	INFRASTRUCTURE & PLANNING	THE LEASE, DEVELOPMENT, MANAGEMENT AND MAINTENANCE OF A RESTAURANT AND THE LEASE, ALTERATION, MANAGEMENT AND MAINTENANCE OF THE STRUCTURE KNOWN AS THE DUCTHIES RESTAURANT HERMANUS AS A SHOP, ON PORTIONS OF ERF NO 4771 HERMANUS FOR A CONTRACT PERIOD OF 25 (TWENTY-FIVE) YEARS	N/A	N/A		R KUCHAR	Income Tender	Tender	08 07 2022	13 07 2022	22 07 2022	26 08 2022	07 09 2022	16 09 2022	TBD	TBD
D3	INFRASTRUCTURE & PLANNING	SALE OF ERF 6924 KLEINMOND (284M² IN EXTENT) FOR RESIDENTIAL PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	08 07 2022	13 07 2022	22 07 2022	26 08 2022	07 09 2022	16 09 2022	N/A	N/A
D4	INFRASTRUCTURE & PLANNING	SALE OF ERF 1886 FRANSKRAALSTRAND (1,5447HA IN EXTENT) FOR TOWN HOUSING PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	08 07 2022	13 07 2022	22 07 2022	26 08 2022	07 09 2022	16 09 2022	N/A	N/A
D5	INFRASTRUCTURE & PLANNING	LEASE, MANAGEMENT AND MAINTENANCE OF ERF 9199 HERMANUS (SITUATED IN ZWELIHLE) FOR COMMUNITY PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	08 07 2022	13 07 2022	22 07 2022	26 08 2022	07 09 2022	16 09 2022	TBD	TBD
D6	INFRASTRUCTURE & PLANNING	LEASE, MANAGEMENT, MAINTENANCE & SUB-LEASE OF A PORTION OF ERF 9515 ZWELIHLE	N/A	N/A		A LE ROUX	Income Tender	Tender	08 07 2022	13 07 2022	22 07 2022	26 08 2022	07 09 2022	16 09 2022	TBD	TBD
D7	INFRASTRUCTURE & PLANNING	LEASING FOR THE OPERATION OF ILLUMINATED STREET SIGNS IN THE OVERSTRAND MUNICIPAL AREA	N/A	N/A		A LE ROUX	Income Tender	Tender	22 07 2022	27 07 2022	05 08 2022	09 09 2022	26 09 2022	04 10 2022	TBD	TBD
D8	INFRASTRUCTURE & PLANNING	SALE OF ERF 6214 HERMANUS (361M² IN EXTENT) FOR RESIDENTIAL PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	22 07 2022	27 07 2022	05 08 2022	09 09 2022	26 09 2022	04 10 2022	N/A	N/A
D9	INFRASTRUCTURE & PLANNING	SALE OF ERF 484 GANSBAAI (694M² IN EXTENT) FOR RESIDENTIAL PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	22 07 2022	27 07 2022	05 08 2022	09 09 2022	26 09 2022	04 10 2022	N/A	N/A
D10	INFRASTRUCTURE & PLANNING	SALE OF ERF 7082 HERMANUS (312M² IN EXTENT) FOR RESIDENTIAL PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	05 08 2022	10 08 2022	19 08 2022	23 09 2022	12 10 2022	21 10 2022	N/A	N/A
D11	INFRASTRUCTURE & PLANNING	LEASE, DEVELOPMENT, MANAGEMENT AND MAINTENANCE OF TWO PORTIONS OF PORTION 242 OF FARM AFDAKS RIVIER NO. 575 FOR THE PURPOSE OF A CREMATORIUM COMPLEX	N/A	N/A		A LE ROUX	Income Tender	Tender	05 08 2022	10 08 2022	19 08 2022	23 09 2022	12 10 2022	21 10 2022	TBD	TBD
D12	INFRASTRUCTURE & PLANNING	LEASE, DEVELOPMENT, MANAGEMENT AND MAINTENANCE OF A PORTION OF REMAINDER ERF 5462 KLEINMOND AS A PUBLIC RESORT	N/A	N/A		A LE ROUX	Income Tender	Tender	05 08 2022	10 08 2022	19 08 2022	23 09 2022	12 10 2022	21 10 2022	TBD	TBD
D13	INFRASTRUCTURE & PLANNING	THE SALE AND DEVELOPMENT OF UNREGISTERED ERF 11869 (A PORTION OF ERF 243) MOUNT PLEASANT, HERMANUS, FOR THE DEVELOPMENT OF COMMERCIAL UNITS AND RENTAL HOUSING UNITS	N/A	N/A		R KUCHAR	Income Tender	Tender	05 08 2022	10 08 2022	19 08 2022	23 09 2022	12 10 2022	21 10 2022	N/A	N/A
D14	INFRASTRUCTURE & PLANNING	SALE OF FOUR PORTIONS OF ERF 1 HAWSTON FOR BUSINESS PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	09 09 2022	14 09 2022	23 09 2022	28 10 2022	16 11 2022	25 11 2022	N/A	N/A
D15	INFRASTRUCTURE & PLANNING	LEASE, DEVELOPMENT, MANAGEMENT AND MAINTENANCE OF THREE PORTIONS OF ERF 407 HAWSTON FOR COMMUNITY PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	09 09 2022	14 09 2022	23 09 2022	28 10 2022	16 11 2022	25 11 2022	TBD	TBD
D16	INFRASTRUCTURE & PLANNING	SALE OF UNREGISTERED ERF 3231 HAWSTON (2,812M² IN EXTENT) FOR BUSINESS PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	07 10 2022	12 10 2022	21 10 2022	25 11 2022	07 12 2022	15 12 2022	N/A	N/A
D17	INFRASTRUCTURE & PLANNING	SALE OF ERF 6559 KLEINMOND (575M² IN EXTENT) FOR RESIDENTIAL PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	07 10 2022	12 10 2022	21 10 2022	25 11 2022	07 12 2022	15 12 2022	N/A	N/A
D18	INFRASTRUCTURE & PLANNING	SALE OF ERF 3274 KLEINMOND (595M² IN EXTENT) FOR RESIDENTIAL PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	07 10 2022	12 10 2022	21 10 2022	25 11 2022	07 12 2022	15 12 2022	N/A	N/A
D19	INFRASTRUCTURE & PLANNING	SALE OF ERF 3300 KLEINMOND (595M² IN EXTENT) FOR RESIDENTIAL PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	07 10 2022	12 10 2022	21 10 2022	25 11 2022	07 12 2022	15 12 2022	N/A	N/A
D20	INFRASTRUCTURE & PLANNING	SALE OF FOUR PORTIONS OF ERF 407 HAWSTON FOR RESIDENTIAL PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	14 01 2023	19 01 2023	28 01 2023	04 03 2023	23 03 2023	01 04 2023	N/A	N/A
D21	INFRASTRUCTURE & PLANNING	LEASE/SALE OF REMAINDER ERF 3374 GANSBAAI (MASAKHANE) FOR CHURCH PURPOSES	N/A	N/A		A LE ROUX	Income Tender	Tender	14 01 2023	19 01 2023	28 01 2023	04 03 2023	23 03 2023	01 04 2023	TBD	TBD
D22	INFRASTRUCTURE & PLANNING	LEASE OF VARIOUS PORTIONS OF MUNICIPAL PROPERTIES FOR THE ERECTION OF TELECOMMUNICATION MASTS	N/A	N/A		A LE ROUX	Income Tender	Tender	14 01 2023	19 01 2023	28 01 2023	04 03 2023	23 03 2023	01 04 2023	TBD	TBD

ANNEXURE K

COMMENTS ON THE DRAFT BUDGET & RESPONSES

	PUBLIC COMMENTS ON DRAFT 2022/2023 BUDGET								
#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNERATION	OTHER (SPECIFIED, COMBINED)
1	**Ward 7**	**Clr H Lombard (various - compiled by ward committee members)**	25-Apr-22		2b. Motivation for investigation and possible upgrade or re-engineering of the current sewage system in Sandbaai. Refer to actual comments for detail.				***Comment:*** ***1. Lighting in End Street not sufficient – costing proposal submitted*** Kommentaar rakende End straat se beligting wat nie voldoende is. Epos t.o.v kostes ontvang vanaf JH Du plessi:END STRAAT KOSTES VIR NUWE LED BELIGTING. 1. Ligte @ R2472 x 23 = R 56865 2. Pale @ R5300 x 23 = R 121900 3. Kabel R38000 = R 38000 4. Arbeid = R 75000 Totaal R 291765 *Refer to actual comment for detail* 2a. Motivation to upgrade storm-rain water dranage system in Sandbaai. *Refer to actual comments for detail.* 3. Problem Statement - Sandbaai Hall: The SSBK tries it's best to keep tariffs as low as possible to accommodate the community and encourage them to use the Hall. Therefore, the income derived from letting out the Hall, are just enough to cover the monthly Municipal fees and do the basic cleaning and repairs to the Hall and grounds. Up to know, the

ANNEXURE K1 | 1st

									Overstrand Municipality has not identified any bigger projects for the improvement and maintenance of the Sandbaai Hall. Recommendations: The SSBK will submit a comprehensive list to the Overstrand Municipality on all the problems and needs, whether it be existing or new, for them to assess and decide on the way forward. Opportunities should also be identified for long term improvements and ways to generate more income to finance all that must be done. *Refer to actual comments for detail.* 4. The Sandbaai beach area needs urgent attention to stop the alien grass of invading the beach. The alien grass and various species of alien trees were planted many years ago to stop sand blowing from the beach area to the residential houses next to the beach. Over a period of years, the alien grass has extended closer to the sea thus reducing the size of the beach area to a very small strip of sand. The problem is man-made and the solution must be man-made. A further problem at the Sandbaai beach is the accumulation of kelp that is washed out onto the beach. There appears to be no dedication from the Overstrand Municipality to

K2/15

									try and clear the beach of kelp on a regular basis. RECOMMENDATION The reinstatement of the annual ward grant will assist with much of the expenditure to address the current issues at the Sandbaai beach. The Sandbaai Coastal Path Management Group is also willing and able to contribute financially to the construction of a boardwalk. The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable. *Refer to actual comments for detail.* 5. Traffic Calming: Sandbaai is a residential area with a large component of elderly as well as many school-going children. A comprehensive traffic calming drive will ensure the safety of those individuals and at the same time enhance residential opportunities and our town as a whole. The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable. *Refer to actual comment for detail.*

									6. Motivation for improving sandbaai safety & security: Both the Ward 7 committee, as well as the Sandbaai Ratepayers Association committee have unanimously voted that, above all else, improved Safety and Security of our Ward is the foremost focus area to be listed in our IDP for the 2022/2023 financial year. It is conceivable, that this will remain our top focus for a few consecutive years. The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable. *Refer to actual comment for detail.* 7. Motivation to prevent crime in sandbaai & coastal section: Both the Ward 7 committee, as well as the Sandbaai Ratepayers Association committee have unanimously voted that, above all else, improved Safety and Security of our Ward is the foremost focus area to be listed in our IDP for the 2022/2023 financial year. It is conceivable, that this will remain our top focus for a few consecutive years. The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming

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									budget year, and be brought forward as a key deliverable. *Refer to actual comment for detail.*

Comment:

1. Lighting in End Street not sufficient – costing proposal submitted:
Projects of a CAPEX nature can only be budgeted for on the basis that funding is available.

2a. Motivation to upgrade storm-rain water dranage system in Sandbaai / **2b.** Motivation for investigation and possible upgrade or re-engineering of the current sewage system in Sandbaai.
From the first attachment (stormwater) it is clear that there is a stormwater drainage problem in Sandbaai. A sewer system is designed to be a closed system, and should therefore ideally not be used as a rainwater drainage system, but because of the problems on the stormwater system and the fact that some properties in Sandbaai are situated below street level, the sewerage system most probably serves as drainage conduit for excess rainwater in some instances, by e.g. lifting of manhole covers, and modifying rodding eyes and tanks, and also as a result of e.g. broken plastic rodding eyes.
The sewer system should have been designed originally to accommodate the expected Sandbaai sewerage flow. All developers of planned new developments are instructed to have an ad hoc analysis of the sewer system done by master plan specialists to evaluate the anticipated effect of the development on the capacity of the existing sewer system. If needed, the developer is held responsible for specific upgrades to the sewer system to ensure adequate capacity is created in the bigger system to accommodate the development.
The proposed short term intervention is supported, i.e. an investigation by Operational Services into the current situation at the properties listed in the report, as well as identification of properties with a high frequency of suction tanker activity, and an inspection of main lines for defects.
The root cause of stormwater ingress into the sewer system is however most probably a lack of capacity in the stormwater drainage system, which should be addressed before expensive upgrades are done to the sewer system to accommodate unintended/undesirable stormwater ingress.

3. Problem Statement:The SSBK tries it's best to keep tariffs as low as possible to accommodate the community and encourage them to use the Hall:
The recommendation by the SSBK to submit a comprehensive list to the Overstrand Municipality on all the problems and needs, whether it be existing or new, for them to assess and decide on the way forward, is supported – before-mentioned consdierations need to keep into account that the hall is currently rented to the SSBK i.t.o. a formal contract.

4. The Sandbaai beach area needs urgent attention to stop the alien grass of invading the beach:
Discussions with the municipality must be attended to in order to determine the areas of responsibility/mandates, inclusive of the proposals made by the ward committee.

5. Traffic Calming:
Both Community Services and Protection Services to be consulted in this regard, as funding (Draft Opex Budget) for Re-seal are reprioritised in accordance to most pressing needs identified. The administration (Theo Steenberg) indicated approach to be on Tarr raised intersections & Speedhumps. Before-mentioned also in view of a global budget available, where the most pressing needs is annually prioritised.

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6. Motivation for improving sandbaai safety & security / **7. Motivation to prevent crime in sandbaai & coastal section:**
The Overstrand Joint Public Safety Forum was launched at the Overstrand Municipal head office by Deputy Mayor Lindile Ntsabo on Wednesday, 11 May 2022 and was well represented by key role players of SAPS, CPF's, Neighbourhood Watches, SRA's, Cape Nature, Dept of Home Affairs, Dept of Education, AfriForum and Overstrand Municipality Protection Services.
This joint integrated effort is to commit ourselves to create a safer Overstrand for all.
The main objective is to identify hot spot areas and to strategise on how to address the challenges on the table.

It was agreed that:

- Resources must be shared to combat certain crimes which is on the increase.
- An intelligence and result driven approach to operations conducted will be maintained.
- Partnership and one force are needed

Law enforcement agencies must join and work together going forward to combat crime as partnership remain a key element of this integrated approach.
The Draft CCTV Policy was developed and the installation of cameras will be informed in terms of the policy. The following is furthermore indicated in the draft amended IDP:
Initiatives planned for the short to medium term include:
....
CCTV Camera's for council.
Progress (July 2017 – January 2022) on the initiatives stated above are:
....
• CCTV Camera – phase 1 completed, 5 cameras installed to date.

Finally, the following considerations -

- The installation of subsequent phases will be dependent on CAPEX funding available (cash surplus).
-
- The establishment of a special rating area is another viable consideration (below extract from Overstrand Special Rating Area Policy (especially in view of the fact tha the two (2) existing established Special Rating Areas (HSRA & OVSRA) are currently in the second year of a five year cycle, and any considerations of entended borders (mapped SRA areas) in possibly including direct neighbourhoods based on the same goals, cost efficiency etc:

  The purposes of a special rating area is to –
  5.2.1 enhance and supplement the municipal services provided by the Overstrand Municipality;
  5.2.2 facilitate investment in the special rating area;
  5.2.3 facilitate a co-operative approach between the Municipality and the private sector in the provision of municipal services;
  5.2.4 halt the degeneration and facilitate the upliftment of distressed business and mixed use areas;
  5.2.5 promote economic growth and sustainable development and in this way assist the Council in the fulfilment of its objects and developmental duties as set out in its Integrated Development Plan ("IDP").

2	**Hermanus Ratepayers Association**	**Brian Wridgway Ward03**	13-Apr-22	The electricity basic charge is significantly higher that the Cape Metro and needs explanation. Secondly, That water is paid for twice by ratepayers, Once on the basis of consumtion and then for a second time under sewer charges. This is iniquitous and needs review.			Ratepayers is the fact that historically property rates and other municipal charges have exceeded the rate of inflation by some margin. It is therefore of some concern that the total monthly basket of services is budgeted to increase by 8,3% (Table 11). This is unsustaina ble.		Budgeting on a top up basis or whether it has been done on the zero base principle. Comments on Informal Settlements,Employee related cost, Contracted Services, Other Expenditure & Capital Budget & Other Comments *Refer to actual comment for detail*

Response:

The Budget Speech of the Executive Mayor, Dr Annalie Rabie (Annexure A) contains comprehansive background to many of the issues raised in the comments received.

Further to this, the following:
It must be acknowledged that the whole of the Overstrand municipal area can to a large extend be regarded as a holiday destination with many holiday homes and still with a substantial number of vacant erven with no improvements on. City of Cape Town is a metro municipality with large industries as well as a

much larger customer base and a municipality like Overstrand cannot be compared to them. A comparison between different municipalities per service can also not be considered, due to the fact that all municipalities are not neccesarily presenting fully cost reflective tariffs per service (cross subsidising between property rates and basic/trading services). The municipality attends to benchmarking for assurance. Research regarding structuring of tariffs - fair and equitable, as well as cost reflective. Benchmarking with other muni's (Policies/application/tariffs) -confirming application and uniformity in approach.

A basic charge for electricity forms part of the electricity tariff structure, since the costs of service rendering for this service also have a large component representing overheads/fixed costs. The basic charge must be associated with the fixed costs to render electricity services to the community, inclusive of capital costs for replacement of electricity infrastructure.

The draft budget provided for a increase in Electricity tariffs for municipal consumers of 10,33%. Important to note however that the final recommendation to Council for Electricity tariffs for municipal consumers are now 7,47%, based on the percentage increase stipulated in the NERSA consultation paper, published on 30 March 2022, in accordance with electricity tariffs for Eskom, already approved by the National Energy Regulator of South Africa (NERSA) as from 1 April 2022. The applicable tariffs for municipal consumers are annually implemented from 1 July, the starting date of the municipal financial year.
To be noted, that the final tariffs applicable on Overstrand residents will be aligned to the final approval of the municipal electricity tariffs by NERSA.

As an example (current year)The Eskom tariff structure applicable on the bulk account payable by Overstrand Municipality to Eskom, for July 2021 consisted of the following Administrative charges:
TX Network Charge/Network capacity charge/Network Demand charge/Ancillary service charge/High season peak/High season standard/High season off peak/Electrification and rural subsidy/High season reactive/Premium connection/Service charge.

The National Energy Regulator of South Africa (NERSA) now approved a Municipal Tariff Guideline increase ('Guideline increase') for the 2022/23 financial year of 7,47%, applicable to consumers of the municipality (for sale of electricity by the municipality), accordingly implemented for Overstrand consumers.
The municipality however, must provide for an increase of 8.61% on the monthly account for bulk electricity purchases of the municipality from Eskom. Taking into account that 70.8% of the Revenue for Electricity Service Charges will be spend on expenditure for the Bulk Purchases payable to Eskom, excluding maintenance costs of an extensive Electricity Infrastructure of billions, and all other overheads and operational costs, it is clear that tariff increase is realistic, aiming to maintain this critical service to the benefit of the Overstrand community.
Important to note that the approved tariffs applicable on Overstrand municipal consumers, provide for the different categories of users, as well as a sliding scale, allowing household consumers to pay less per unit in the instance of consumption up to 350 units per month, with an inclining trend in the brackets of the sliding scale, for higher consumption (second step up to 600 units, third step above 600 units.
The municipality budgeted for a surplus far below the allowed maximum of 15%. The vehicle fleet and interest on loans, for electricity infrastructure for Overstrand are funded from the surplus realised since these items are not budgeted for in the operational budget for this service.

The increase in the monthly municipal account, exclusive of electricity, amounts to about 5%, and with the electricity included (elec increase 7,47%), the average consumer account will now still be slightly more than 6%, depending on the electricity units consumed.

In order to present a balanced budget to Council, the respective municipal directorates were requested to cut back on initial expenditure budget requests.

3	**Individual**	**L.Nieuwen-huyzen**	4-Apr-22						***Comment: Complaint regarding the level of rebate applicable in the instance of water leaks*** 1) Afspraak met MM. 2) 'n Verlenging van die uitstel van betaling v/d volle uitstaande rekening met 'n maand om my die geleentheid te gee om hierdie saak verder te neem soos protokol vereis. 3) Die geleentheid om offisieel beswaar aan te teken voor die volgende raadsvergadering t.o.v die rebate koste, asook 'n afspraak met die Burgermeester om my kwelling onder haar aandag te bring. *Refer to actual comment for detail*

Response:

The conditions/requirements in qualifying for a rebate in the instance of water leaks are overwhelming generous in comparison with other municipalities. The calculation of excess water billed (determined based on a normal average consumption as defined, where spillage occured with the water leak undetected), are based on actual cost to purify water, and not at the excessive level charged normally, for consumption in accordance with the sliding scale applied.

4	**Mariners Village Homeowners Association**	**Chris Waterworth**	14-Apr-22						Application of Tariffs & Residential housing schemes. *Refer to actual comment for detail*

Response:

Mariners Village Homeowners Association and individual properties are correctly levied for Property Rates and Services.

Individual Accounts to Property Owners:

All properties receive individual accounts for –

Property Rates

Refuse

Sewer Basic charges

The following items are charged to the Home Owners Account (HOA) –

Water:

Basic Charge, calculated as follows: (Tariff X Number of Properties) = Total charged

Water consumption charged as follows:

0-6kl X Number of Properties
7-18kl X Number of Properties
19-30kl X Number of Properties
31-45kl X Number of Properties
46-60kl X Number of Properties
>60kl X Number of Properties

Electricity:
Electricity is charged monthly to the HOA account in accordance with the Bulk Time of Use (TOU) tariffs, consisting of monthly service charge as well as the relevant TOU tariffs (Peak / Off-Peak) as might be applicable.
IMPORTANT: The HOA must charge fees and sell electricity through their own vending, to the Mariners Village customers, according to the approved Overstrand Municipal tariffs for residential electricity connection (Basic and unit charges)

Sewerage:
The HOA is charged for sewer in accordance with the approved tariff (SE7A1) for consumption. The HOA must allocate the costs to the individual properties accordingly.

General comment: The HOA must at all times notify the municipality of vacant erven, in process of building on the properties.

5	**Individual**	**David Botha**	29-Apr-22						Concern about the intention to do away with the "current" R500 000 for Ward Specific projects. Appeal that it the allocation should be retained. (Refer to actual comment for detail) Please clarify the Hash tag Overstrand/4/ALL and consider the real implications . Please embark on equity for all in terms of the issues as mentioned above. *Refer to actual comment for detail*

K10/154

Response:

1. The Budget Steering committee, on recommendation of the Executive Mayor decided that the R500 000 allocation will not be re-instituted during this coming financial cycle. It might be a decision from next year (2023/24) to re-introduce it from a lower base, after due consideration and re-evaluation.
2. As it is, the biggest challenge and unhappiness the Executive Mayor had to address was the traffic round abouts requested during the last part of the previous term and to which the Sandbaai Ratepayer's Association was vehemently opposed.
3. The #Overstrand4all is perfectly well understood, and discussed or referenced or explained at each and every public meeting.

6	Individual	Duncan Heard Ward13	29-Apr-22						Concerned w.r.t battle against Invasive Alien Vegetation (IAV), and the economic & other impacts of IAV. Request that action is required a.s.a.p to facilitate a sustainable answer to the growing threat of IAV in our municipal area. *Refer to actual comment for detail*

Response:

The following budgetary provision was also made with regard to Alien Vegetation for the Overstrand Area by the following departments in attending to their repective areas of responsibility:

Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services

R909,389

Department	Long Description	Current B	Draft budg
Area Manager: Gansbaai	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	58,300	58,300
Parks & Townlands: Kleinmond	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	556,800	556,800
Parks & Townlands: Hermanus	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	3,585,400	3,585,400
Parks & Townlands: Stanford	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	258,976	258,976
Office Buildings: Hermanus	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	159,000	159,000
Caravan Park: Onrus	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	71,881	71,881

Environmental Management Serv	**Forestry**	Expenditure : Contractec	**1,150,000**
Environmental Management Serv	**Fire Services**	Expenditure : Contractec	**900,000**
Environmental Management Serv	**Chipping**	Expenditure : Contractec	**65,000**
Environmental Management Serv	**Pest Control and Fumigation**	Expenditure : Contractec	**330,000**

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7	**Individual / : Local Government / Media and PR Consultant**	**Fanie Krige**	29-Apr-22						***Comments: 1. Dissapointed w.r.t. Ward Specific Allocations no longer applicable 2. Concerned re the level of provision for low cost housing in the budget 3. Comments re draft budget and budget related policies*** Teleurgestel dat wykspesifieke projekte vervang word met voorsiening vir sogenaamde omgeeprojekte, asook geen duidelikheid wat omgeeprojekte is. Besorgd dat daar nie veel laekoste behuising in die Konsep-begrotingsverslag vir 2022/23 gemaak is, aangesien die behuisingsnood in die Hangklip-Kleinmond area intussen skerp toegeneem het. Draft Budget 2022-23 Budget related policies *Refer to actual comment for detail*

Response:

1. The Budget Steering committee, on recommendation of the Executive Mayor decided that the R500 000 allocation will not be re-instituted during this coming financial cycle. It might be a decision from next year (2023/24) to re-introduce it from a lower base, after due consideration and re-evaluation.
2. The municipality shares the dissapointed at the level of funding available to Local Government, and in this instance in particular to the Overstand Municipality, to provide for this.
3. The Budget Steering Committee considered the detailed inputs related to the Draft Budget 2022-23 Budget related policies as received.

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8	**Individual**	**Ian Martin**	17-Apr-22						Need arise for a permanent standby generator for Pearly Beach water provision for more than two years, but nothing has been done to address the situation. *Refer to actual comment for detail*
Response: Feedback From Infrasttructure and Planning Directorate The needs are continuously evaluated and Pearly Beach is on the list – in the instance that funds might allow for this, the Pearly Beach Pump Station will be addressed during the 2022/23 financial year.									
9	**Individual**	**JH Briers**	28-Apr-22	Cost of water above 6kl, sanitation, and refuse unit/use tariffs can be increased by 6% (if above fixed cost is not increased or more if reduced). Free water should not be increased above 6kl (it devalues a valuable resource, encourages wastage and does not make sense). The cost difference of water use above 18kl	Basic charges or fixed cost water, sanitation, electricity and refuse tariffs remain unchanged or reduced.		Increase in property rates should not be increased by more than 4,5%.	Approve lower salary increases for personnel and councillors for 2022/2023. Salary increases should be linked to economic growth of 1.8% rather than inflation	Freezing all vacant positions in principle and only filling those positions that would ensure basic service delivery The fixed costs should rather be included in tax as it is not and has not been used to build up funds to replace such infrastructure. This will be honest and save your taxpayers the 14% sales tax. Replacing water pipes in the Hangklip area should be an absolute obvious priority. Account for Alien Invasive tree eradication as well as controlled burning in the budget and IDP. *Refer to actual comment for detail & other considerations.*

				should be indicated as a fine of tax and not a service. Thus not being charged sales tax as it is more like a tax of fine. The Basic or Monthly charge per electricity meter, namely R 408, must remain unchanged or reduced and a way found to further reduce it in future. The unit cost price of water for 0-6 kl use, should remain unchanged.					

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Response:

The Budget Speech of the Executive Mayor, Dr Annalie Rabie (Annexure A) contains comprehansive background to many of the issues raised in the comments received.

Further to this, the following:
It must be acknowledged that the whole of the Overstrand municipal area can to a large extend be regarded as a holiday destination with many holiday homes and still with a substantial number of vacant erven with no improvements on. City of Cape Town is a metro municipality with large industries as well as a much larger customer base and a municipality like Overstrand cannot be compared to them. A comparison between different municipalities per service can also not be considered, due to the fact that all municipalities are not neccesarily presenting fully cost reflective tariffs per service (cross subsidising between property rates and basic/trading services). The municipality attends to benchmarking for assurance. Research regarding structuring of tariffs - fair and equitable, as well as cost reflective. Benchmarking with other muni's (Policies/application/tariffs) -confirming application and uniformity in approach.

A basic charge for electricity forms part of the electricity tariff structure, since the costs of service rendering for this service also have a large component representing overheads/fixed costs. The basic charge must be associated with the fixed costs to render electricity services to the community, inclusive of capital costs for replacement of electricity infrastructure.

The draft budget provided for a increase in Electricity tariffs for municipal consumers of 10,33%. Important to note however that the final recommendation to Council for Electricity tariffs for municipal consumers are now 7,47%, based on the percentage increase stipulated in the NERSA consultation paper, published on 30 March 2022, in accordance with electricity tariffs for Eskom, already approved by the National Energy Regulator of South Africa (NERSA) as from 1 April 2022. The applicable tariffs for municipal consumers are annually implemented from 1 July, the starting date of the municipal financial year.
To be noted, that the final tariffs applicable on Overstrand residents will be aligned to the final approval of the municipal electricity tariffs by NERSA.

As an example (current year)The Eskom tariff structure applicable on the bulk account payable by Overstrand Municipality to Eskom, for July 2021 consisted of the following Administrative charges:
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10	**Hermanus Baboon Action Group**	**Pat Redford Ward 03**	27-Apr-22						Comments w.r.t the LEAP, Funding for assistance with the management of Betty's bay baboon troop, Enviromental management matters, Concerns at the Fernkloof Nature reserve, No allocation of funds for enhanced refuse management for Hawston Heights, (or Onrus/Vermont) in the budget, also for the waste management and Voelklip Drop off. *Refer to actual comment for detail*

Response:

The following response was received from Infrastructure & Planning Directorate:

- The Hawston Heights area does have an active contract in place with a local contractor to perform area cleaning.
- We also take EPWP staff to assist the on an adhoc basis. to try and improve the area.
- This area is getting attention and both the operational department and local Ward Cllr are looking for funds to try and secure additional wheelie bins.
- The is no plan for the provision of a waste drop off area Hawston Heights.
- It is correct there are no additional funds allocated.
- By-law enforcement will be improved with aditional resources been allocated to assist with the issuing of notices.
- Note that Vermont is not currently part of the declared animal problem areas. It is agreed that the roll-out of animal proof containers for needs to be actioned for Onrus and this should be promoted via an awareness campaign and the local ward committee. The use of Eco monitors as per Betties Bay would provide great support but is not included in the proposed budget.
- Groups to get involved - noted and agreed
- The replacement bins have been ordered in current year 2021/22 budget. The structural repairs will be covered out of 2022/23 operational costs, an insurance claim was also submitted to recover some of the costs.

11	**Individual**	**Louis Roodt**	27-Apr-22						Submissions made w.r.t following: 1) That the section in the Foreword dedicated to the Ward Committees be removed from the budget. 2) That the Ward Specific Project funding be reinstated in the budget. *Refer to actual comment for detail*

K16/154

Response:

1. Response related to IDP Comments for response not addressed in this document.
2. The Budget Steering committee, on recommendation of the Executive Mayor decided that the R500 000 allocation will not be re-instituted during this coming financial cycle. It might be a decision from next year (2023/24) to re-introduce it from a lower base, after due consideration and re-evaluation.

12	Individual	J C Roberts	28-Apr-22						During the past few years, a topic often discussed among members of the community is the high rates and taxes being paid by ratepayers in the Overstrand Municipality (OM). With the current budgeting process in full swing, and after the meeting held in Sandbaai Hall where the proposed increases in rates and taxes were discussed, it is clear that there will again be increases to the ratepayer that are higher than the average inflation rate. Recommendations: • OM should be benchmarked against areas with similar population size. • The financial model in terms of which the OM generates its revenue from different streams should be investigated to ascertain if it is still fit for purpose. • The cost of employment at the OM should be examined for sustainability. • It should be determined if the number of people employed is appropriate. • A moratorium on the fixed cost increases of services across the board should be considered. • Increasing the amount of water and electricity available at the lowest rate should be considered.

									Refer to actual comment for detail

Response:

The Budget Speech of the Executive Mayor, Dr Annalie Rabie (Annexure A) contains comprehansive background to many of the issues raised in the comments received.

Further to this, the following:
It must be acknowledged that the whole of the Overstrand municipal area can to a large extend be regarded as a holiday destination with many holiday homes and still with a substantial number of vacant erven with no improvements on. City of Cape Town is a metro municipality with large industries as well as a much larger customer base and a municipality like Overstrand cannot be compared to them. A comparison between different municipalities per service can also not be considered, due to the fact that all municipalities are not neccesarily presenting fully cost reflective tariffs per service (cross subsidising between property rates and basic/trading services). The municipality attends to benchmarking for assurance. Research regarding structuring of tariffs - fair and equitable, as well as cost reflective. Benchmarking with other muni's (Policies/application/tariffs) -confirming application and uniformity in approach.

A basic charge for electricity forms part of the electricity tariff structure, since the costs of service rendering for this service also have a large component representing overheads/fixed costs. The basic charge must be associated with the fixed costs to render electricity services to the community, inclusive of capital costs for replacement of electricity infrastructure.

The draft budget provided for a increase in Electricity tariffs for municipal consumers of 10,33%. Important to note however that the final recommendation to Council for Electricity tariffs for municipal consumers are now 7,47%, based on the percentage increase stipulated in the NERSA consultation paper, published on 30 March 2022, in accordance with electricity tariffs for Eskom, already approved by the National Energy Regulator of South Africa (NERSA) as from 1 April 2022. The applicable tariffs for municipal consumers are annually implemented from 1 July, the starting date of the municipal financial year.
To be noted, that the final tariffs applicable on Overstrand residents will be aligned to the final approval of the municipal electricity tariffs by NERSA.

As an example (current year)The Eskom tariff structure applicable on the bulk account payable by Overstrand Municipality to Eskom, for July 2021 consisted of the following Administrative charges:
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The National Energy Regulator of South Africa (NERSA) now approved a Municipal Tariff Guideline increase ('Guideline increase') for the 2022/23 financial year of 7,47%, applicable to consumers of the municipality (for sale of electricity by the municipality), accordingly implemented for Overstrand consumers.

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The municipality however, must provide for an increase of 8.61% on the monthly account for bulk electricity purchases of the municipality from Eskom. Taking into account that 70.8% of the Revenue for Electricity Service Charges will be spend on expenditure for the Bulk Purchases payable to Eskom, excluding maintenance costs of an extensive Electricity Infrastructure of billions, and all other overheads and operational costs, it is clear that tariff increase is realistic, aiming to maintain this critical service to the benefit of the Overstrand community.									
13	**Fisherhaven Homeowners Association**	**Rob McDavid**	28-Apr-22						A request was submitted for a small permanent cleaning crew to be assigned to Fisherhaven together with basic gardening equipment, which are not actioned. No provision for the supply of security cameras for Fisherhaven. Previously promised that MIG funding would be provided annually for the purposes of Dust Controlling the roads in Fisherhaven. We do not see any mention of this in the Budget proposals. The control of alien vegetation continues to be a major concern for Fisherhaven residents both from an environmental point of view as well as safety concerns *Refer to actual comment for detail & other considerations.*
<u>Response</u>: An amount of R7 420 000 (greater Hermanus area) are budgeted for Litter Picking and Street Cleaning for 2022/23. The Directorate Community Services to consider all needs and prioritise with the available funding available for the whole of the Greater Hermanus Area. Security Cameras: The Overstrand Joint Public Safety Forum was launched at the Overstrand Municipal head office by Deputy Mayor Lindile Ntsabo on Wednesday, 11 May 2022 and was well represented by key role players of SAPS, CPF's, Neighbourhood Watches, SRA's, Cape Nature, Dept of Home Affairs, Dept of Education, AfriForum and Overstrand Municipality Protection Services. This joint integrated effort is to commit ourselves to create a safer Overstrand for all. The main objective is to identify hot spot areas and to strategise on how to address the challenges on the table. It was agreed that: • Resources must be shared to combat certain crimes which is on the increase.								

- An intelligence and result driven approach to operations conducted will be maintained.
- Partnership and one force are needed

Law enforcement agencies must join and work together going forward to combat crime as partnership remain a key element of this integrated approach. The Draft CCTV Policy was developed and the installation of cameras will be informed in terms of the policy. The following is furthermore indicated in the draft amended IDP:

Initiatives planned for the short to medium term include:

....

CCTV Camera's for council.

Progress (July 2017 – January 2022) on the initiatives stated above are:

....

• CCTV Camera – phase 1 completed, 5 cameras installed to date.

Finally, the following considerations -

- The installation of subsequent phases will be dependent on CAPEX funding available (cash surplus).
- The establishment of a special rating area is another consideration (extract from Overstrand Special Rating Area Policy:

  The purposes of a special rating area is to –

  5.2.1 enhance and supplement the municipal services provided by the Overstrand Municipality;

  5.2.2 facilitate investment in the special rating area;

  5.2.3 facilitate a co-operative approach between the Municipality and the private sector in the provision of municipal services;

  5.2.4 halt the degeneration and facilitate the upliftment of distressed business and mixeduse areas;

  5.2.5 promote economic growth and sustainable development and in this way assist the Council in the fulfilment of its objects and developmental duties as set out in its Integrated Development Plan ("IDP").

Dust Control: Budgetary provision for the Overstrand to be prioritised after the approval of the budget in view of most desirable/critical needs in terms of funding available.

The following budgetary provision was also made with regard to Alien Vegetation for the Overstrand Area by the following departments in attending to their repective areas of responsibility:

Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services

R909,389

Department	Long Description	Current Bi	Draft budg
Area Manager: Gansbaai	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	58,300	58,300
Parks & Townlands: Kleinmond	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	556,800	556,800
Parks & Townlands: Hermanus	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	3,585,400	3,585,400
Parks & Townlands: Stanford	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	258,976	258,976
Office Buildings: Hermanus	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	159,000	159,000
Caravan Park: Onrus	Expenditure:Contracted Services:Outsourced Services:Clearing and Grass Cutting Services	71,881	71,881

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Environmental Management Serv	Forestry	Expenditure : Contractec	1,150,000
Environmental Management Serv	Fire Services	Expenditure : Contractec	900,000
Environmental Management Serv	Chipping	Expenditure : Contractec	65,000
Environmental Management Serv	Pest Control and Fumigation	Expenditure : Contractec	330,000

14	Individual	Tommy Snibbe	28-Apr-22						Draft Budget Inputs re a number of areas, statement - I do not say that the service tariffs should be replaced by alternative sources of income. All I am saying is that the current policy of increasing the service tariffs every year to the maximum percentage allowed b NT, is not sustainable and should urgently be reviewed! *Refer to actual comment for detail.*

Response:

The Budget Speech of the Executive Mayor, Dr Annalie Rabie (Annexure A) contains comprehansive background to many of the issues raised in the comments received.

Further to this, the following:
It must be acknowledged that the whole of the Overstrand municipal area can to a large extend be regarded as a holiday destination with many holiday homes and still with a substantial number of vacant erven with no improvements on. City of Cape Town is a metro municipality with large industries as well as a much larger customer base and a municipality like Overstrand cannot be compared to them. A comparison between different municipalities per service can also not be considered, due to the fact that all municipalities are not neccesarily presenting fully cost reflective tariffs per service (cross subsidising between property rates and basic/trading services). The municipality attends to benchmarking for assurance. Research regarding structuring of tariffs - fair and equitable, as well as cost reflective. Benchmarking with other muni's (Policies/application/tariffs) -confirming application and uniformity in approach.

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To be noted, that the final tariffs applicable on Overstrand residents will be aligned to the final approval of the municipal electricity tariffs by NERSA.

As an example (current year)The Eskom tariff structure applicable on the bulk account payable by Overstrand Municipality to Eskom, for July 2021 consisted of the following Administrative charges:
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15	**Individual**	**Gerhard Ras**	28-Apr-22	The proposed increase of 10,29% in the basic charge cannot and respectfully should not be linked to the Nersa approved Escom price increase. Unless there is a valid explanation for the huge increase in the basic electricity charge, I respectfully request you to reconsider this proposed increase. Certainly the	I therefore find it unfair to have to pay a basic charge for waste water services in that I do not make use of the municipality's waste water services at all. The argument that it is an availability charge because the service is available on call, is an irrational assumption				

Kay | 1st

				availability of electricity to the respective sites of individual consumers cannot increase so much more than the availability charges for other services.	because the french drain does not require the pump service of the municipality. Neither is my property's waste water discharged in the municipality's sewer system. You are respectfully reminded that section 74(2) of the Municipal Systems Act 32 of 2000 determines that the amount individual users pay for services should generally be in proportion to their use of that service. You are furthermore reminded that section				

K23/15th

					74(2) is peremptory, which makes your Tariff Policy in respect of Waste Water Services contestable for the fact that it is unlawful in respect of properties serviced by french drains. Without arguing the validity of my afore-mentioned statement, your levying of tariffs for which you do not render a service is simply unfair.				

Kayfish

Response:

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Sewer tariff: The Overstrand Municipality complies to section 74(2) of the Municipal Systems Act 32 of 2000 in determining tariffs. Where a property or registered erf is not connected to the network / reticulation /system, or recieving a service, but can reasonably be so connected or receiving a service, an availability tariff/basic fee will be payable per registered erf.

With regard to the current year, consumers with conservancy or septic tanks (inclusive of French Drains) that CANNOT connect to a sewerage network, may apply to have their tariff changed at the beginning of a financial year before 30 September, or with a change in the property's occupancy status.

Option 1: (Single Residential consumers)
Pay a basic fee of R102.44 plus the infrastructure levy of R14.98 per month only, with the understanding that every time a tanker service is requested, this service will be charged at R699.36 per 6kl or part thereof (office hours, i.e. weekdays before 15:00) or R1 398.72 per 6kl or part thereof (after hours) per removal.
Option 2: (Single Residential consumers)
Pay a basic fee of R152.04 plus R17.13 per kℓ of water used per month, based on a maximum of 35 kℓ per month (70% of 50 kℓ), plus the infrastructure levy of R14.98 per month, which will entitle you to tanker callouts during office hours at no additional charge. As per option 1 above, all after hours tanker service requests, will be charged at R1 398.72 per 6kl or part thereof.

16	**Councillors**	**Cllr Connie Tafu Nwankwo**	26-Apr-22						I hereby write this email as mandated by the councillors copied on this communication to state that the draft budget presented do not necessarily speak on the realities on the ground that are facing our people specifically those of Zwelihle . Would also like to get clarity on the MIG Fund can be stated how much is going to each area please explain on this. There was a mention of funds that will be allocated for electrification in the overstrand which areas will be electrified and benefit on this considering number of informal settlements in Zwelihle that are in need of electricity . *Refer to actual comment for detail.*

Response:
A meeting with the councillors involved was attended to in the 2nd week of May to discuss their questions. The Capex projects were identified on the draft Capex Budget impacting Greater Hermanus and specifically also where Zwelihle Ward 12 was mentioned (ZWELIHLE LIBRARY PROJECT: R4,373,611)
For the Overstrand as a whole area, the following was budgeted for electricity: ELECTRIFICATION OF LOW COST HOUSING AREAS: R8,969,000 . MIG Funding are utilized for Low Cost Housing infrastructure, with projects for the next year (2022/23) applicable on Stanford and Masakhane.

17	**Onrus-Vermont SRA**	**A Du Preez Chairperson OVSRA**	29-Apr-22						Comments related to: The OVSRA understands that the levy income should remain as per the approved Business Plan and Budget and that only the cent in the rand levy is adjusted due to the changes in property values in the SRA. Kindly please respond and clarify our enquiry or misunderstanding. *Refer to actual comment for detail*

Response:

The following framework, provided for in the Special Rating Area Policy and the Property Rates Policy respectively, information relevant to the determination of the increase in the additional Rate (Special rating area) apply, which states as following:

"additional rate" means a rate as contemplated in sections 19(1)(d) and 22(1)(b) of the MPRA read together with section 10 of the Municipality's Property Rates Policy and section 12(2) of the Municipality's Special Ratings Area By-law, which Additional Rate shall be determined on an annual basis by the Municipality and shall be a debt due to the Municipality by the registered owner of a property within the SRA, and collected in the same manner as other property rates imposed by the Municipality;"

The OVSRA communicated via e-mail the considerations for "OVSRA - Begroting en volgende stappe vir Februarie 2022" and was susequently advised in a discussion that the Budget Steering Committee (BSC) provided provisional direction of a 4% increase for rates and tariff increases.
The status of outstanding additional rates for OVSRA (reconciliation, also distributed to the respective SRA's monthly) as at the end of December 2021 placed further emphasis on the fact that this particular mapped area is vunerable to any increases, further to the directive of the BSC. OVSRA was requested to communicate the direction with the board, based on the authority and responsibility on the Budget Steering Committee in advising and recommending to Council in accordance with viability and financial sustainability of budgets, inclsive of determining additional rates on an annual basis.
The HSRA and KSAG (KSRA) confirmed budgets in accordance with the directive.

18	**Pringle Bay Ratepayers Association**	**AW Vorster**	29-Apr-22	c) Potable water reticulation system upgrades and maintenance, and		d) Provision and maintenance of waste management facilities.			Of particular interest is the allocation of funding for the next planning horizon (5 years) related to: a) Stormwater system upgrading and maintenance, b) Road/Street network upgrading and maintenance, c) Potable water reticulation system upgrades and maintenance, and d) Provision and maintenance of waste management facilities. *Refer to actual comment for detail.*

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Response:

a)Stormwater: Capex budget can only be considered if funding (Grants, Cash Surplus) is available for this purpose. In the past number of years (pre-Covid) a number of Stormwater projects as prioritised, could be attended to. Opex funding are provided annually for programmes in accordance with the scheduled planning. Details can be obtained from Community Services: Greater Kleinmond Area Manager.

b)Road/Street network upgrading and maintenance: Funding (Draft Opex Budget) for Re-seal, reprioritised in accordance to most pressing needs identified. Opex funding are provided annually for programmes as well in accordance with the scheduled planning. Details can be obtained from Community Services: Greater Kleinmond Area Manager.
Furthermore, Capex budget can only be considered if funding (Grants, Cash Surplus) is available for this purpose. In the past number of years (pre-Covid) projects as prioritised, could be attended to.

c)Water: Capex Provision for water pipe replacement Overstrand wide as follows:

Overstrand	REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2)	H Blignaut	EL23/24/25	13,642,000
Overstrand	REPLACEMENT OF OVERSTRAND WATER PIPES(F2/2)	H Blignaut	EL22 -R/O	2,830,000

d)Waste Management:
Waste is collected in informal settlements in the form of communal collection points (bins and skips). In addition to collection services at households, there are numerous public drop-off facilities where the public can offload their waste for collection and disposal. These facilities are either larger drop-off facilities which accommodate vehicles and large loads or "weekend" drop-offs which are smaller and convenient for weekend visitors who cannot put out their waste on collection days to deposit their waste before leaving the Overstrand.
These facilities are the following: – Hermanus Transfer Station & Public Drop-off – Kleinmond Transfer Station & Public Drop-off – **Pringle Bay Mini Drop-off** – Betty's Bay Garden Waste Drop-off – Betty's Bay Mini drop-off – Hawston Drop-off – Voëlklip Mini Drop-off – Voëlklip Drop-off – Stanford Drop-off – Pearly Beach Drop-off

19	**Fynbos Park**	**Jurrie Hamman**	29-Apr-22						The document summarises FP's case as a continuation of our previous objections. This document will only concentrate on 2 key issues: OSM's non compliance with Municipal Systems Act No. 32 of 2000 (STA), Section 74(2), by using Fixed Tariffs unrelated to usage instead of proportional to use tariffs. OSM's disregard for Sectional Title Body Corporate Functions and non compliance with Sectional Titles Act, No. 95 of 1986 (STA), Section 37 and Sectional Titles Schemes

									Management Act, 8 of 2011 (STSMA), Section 3, by invoicing wrong liable legal person, being Unit Owners instead of Body Corporate. *Refer to actual comment for detail.*

Response:

That said, **section 73(2)(c)** clearly emphasises and requires **"financial sustainability"** of the **"service"** rendered by a municipality, but this seems to be ignored as overall statutory requirement. Should Overstrand adopt or accept the argued approach we will not be able to ensure the **"financial sustainability"** of the **"service', ie**, throughout the whole Overstrand? And furthermore, is our current waste disposal system financially sustainable, and will it be detrimental to service delivery should we adopt the argued approach? And finally, if our system is financially sustainable are these tariffs then the absolute minimum required to sustain the service?

Section 74(2)(a) states that **"users"** of services should be treated **equitably** in the application of tariffs- **"users"** and may different "users" be treated differently given their prevailing circumstances – see **sections 74(2)(c), 74(3) and 75(2)** (and not referring to the Equitable Share subsidy for indigent people), but **is a Body Corporate also a "user"?**

Section 3(1) of the Sectional Titles Scheme Management Act states the following:

A Body Corporate (BC)

(a) **To establish and maintain an administrative fund sufficient to cover estimated annual operating costs;**

(i) for the repair, maintenance, management and admin of the common property...;

(ii) for the payment of rates and taxes and other local municipal charges for the supply of electricity,...water,...or other services to the building or land.

Section 2(1)(5)

The Body Corporate is...responsible for the enforcement of the rules and for the control, administration, and management of the common property for the benefit of all the owners.

What the above means is that should the **Body Corporate** for example generate waste; use electricity; use water etc, with regard to the **common property** it will be and is liable to pay the municipality for those services which it will do from the proceeds of the **administrative fund** to which individual section owners **must** make **"contributions"** in relation to their participation quota in the Sectional Titles Scheme – see **section 3(1)(c)**- and are these "contributions" referred to as "levies". It follows **that owners of units / sections** must also pay from their **own funds** for their individual private use of municipal services **above and beyond** the "contributions" they pay to the administrative fund described above. The act does not stipulate that a Body Corporate must pay individual unit/section owners' use of municipal services such as **waste removal** for example, because a unit/section does not constitute "common property". Water and electricity usage ***per se*** is readily measurable / metered but not waste disposal so as far as households are concerned, per household per week is "equitable"

Furthermore, if a household does not generate waste in a particular week / month / part of a year that household is still be liable for the monthly flat rate imposed by the municipality because this ensures the financial sustainability of the overall service – Overstrand's water, electricity and waste disposal system

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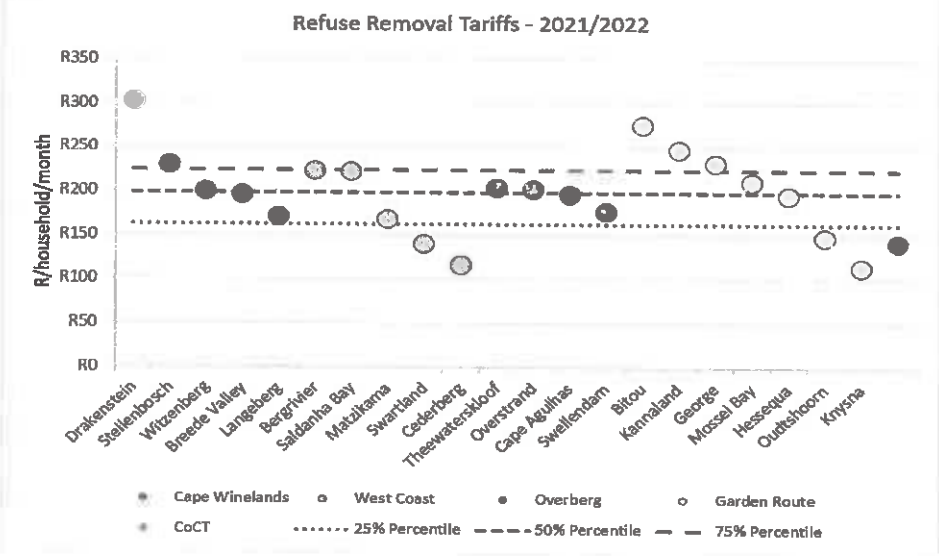
will crash should we allow owners whom own holiday house to only pay for their usage when they occupy said residences once or twice a year for a month or two, and as I understand it, these owners do not mind doing that.

The rate charged for the provision of refuse collection is based an all-inclusive rate for the provision of the entire waste management service provided to Overstrand residents and this charged per registered erven / unit. The service rate charged includes provision for the following listed activities :

- Waste collection
- Operation of the Transfer Stations and public drop-offs
- Operations of the Martials Recovery facilities (for recycling)
- Waste haulage and chipping contract
- Waste disposal charges at the regional landfill site
- Landfill site operation of our own landfill site
- Rehabilitation and post closure costing for all our landfill sites.
- Area cleaning

For the provision of the above listed waste management services the Overstrand municipality charges a market related tariff for the waste service that is provided. This can be seen when one compares the current 2020/2021 financial years rates charged with the other local municipalities within the Western Cape:



20	**Individual**	**Michael Puttick**					This Council does absolutely nothing for		We taxpayers are milked continuously by our socialist national government and I am starting to get the impression that the Overstrand DA council is following in the same

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							pensioners who are over the various thresholds perhaps by a couple of Rand, as I have mentioned above. I know for a fact that in Durban, irrespectiv e of your income, if you are over 65 years of age you get a rates discount. Why not here?		vein. It certainly seems that only the previously disadvantaged and indigent are receiving preferential treatment and we elderly rate payers must just pay. *Refer to actual comment for detail.*

Response:

Pensioners Rebate: The Overstrand Municipality offers a Retired (Pensioners) and Disabled Persons special rebates if they qualify according to the set conditions. Any similar benefit will always have a monitary value not to be exceeded, to qualify. The Property Rates Policy provides as follows:

Rebate percentages

- A rebate of 100% to approved applicant in terms of this Policy, who's gross monthly household income may not exceed the amount of two times (2x) the state funded social pensions per month;
- A rebate of 50% to approved applicant in terms of this Policy, who are older than 60 with a gross monthly household income less than four times (4x) the state funded social pensions per month;
- A rebate of 40% to approved applicant in terms of this Policy, who are older than 60 with a gross monthly household income more than four times (4x) but less than eight times (8x) the state funded social pensions per month.

Indigent and Previously Disadvantaged:

To be noted that the Indigent Benefit applies to ALL residents, not only previously disadvantaged.

In order to qualify for Indigent benefits in accordance with the Indigent Policy, the following conditions/criteria apply:

A. Indigent household with income less than four times the Government Old Age Pension and electricity units purchase less than 500 kWh

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(i) The total household income may not be more than four times the Government State Old Age pension amount plus R1 per month;
(ii) Average monthly units purchase of electricity over the previous 6 months may not exceed 500 kWh;
(iii) Average monthly consumption of water over the previous 6 months may not exceed 20 kℓ;
Or: A flow limiter meter will be installed immediately on application for a flow limiter meter and flow will be limited to a maximum of 20 kl per month;
(iv) Occupy the property as his/her primary residence;
(v) Must be a South African citizen; and
(vi) [The applicant may] The recipient of an indigent benefit in terms of this policy must not be the registered owner of more than one property.
(vii) The property may only be used for residential purposes.

If any of the above criteria is not complied with, the household will immediately be given notice and will loose the status of "indigent" and the subsidy will be forfeited.

Subsidy

(i) 100% of the basic levy for electricity for one service point per month;
(ii) 100% of the basic levy for water for one service point per month;
(iii) 100% of the basic levy for sewage for one service point per month;
(iv) 100% of 1 X vacuum tanker service after hours, per annum;
(v) 100% of the basic levy for refuse removal for one service point per month;
(vi) The first 50 kWh in the tariff block 0-350 of electricity per month shall be free of charge;
(vii) 10 kℓ of water;
(viii) 7 kℓ of water consumption for sewerage; and
(ix) R11.84 in regard of Infrastructure Levy.

21	**Individual**	**M Nowers**							***Comment: Objection w.r.t. levies applicable on vacant erven.*** Hiermee my beswaar as belastingbetaler teen onbillike en onwettige beskikbaarheidsheffings op kaal erwe wat tans dieselfde bedrae beloop as wonings wat van die dienste gebruik maak. *Refer to actual comment for detail.*

Response:

The following cost elements may be used to calculate the tariffs of the different services:- (a) "Fixed costs" which consist of the capital costs (interest and redemption) on external loans as well as internal advances and/or depreciation, whichever are applicable to the service, and any other costs of a permanent nature as determined by the Council from time to time. (b) "Variable costs" which include all other variable costs that have reference to the service. (c) "Total cost" which is equal to the fixed costs and variable costs.

It must be acknowledged that the whole of the Overstrand municipal area can to a large extend be regarded as a holiday destination with many holiday homes and still a substantial number of vacant erven with no improvements on. An availability charges or alternatively a Basic charges are needed to ensure that the

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fixed costs to have a 365 day operational service and networks in place to provide a service to every erf across the Overstrand, at any time that the service is required and at the capacity and place where it is, and will be, needed.									
22	**Ward Commitee Member Ward 8**	**D Laaks**							As a member of the Ward 8 Committee (representing the Lake Marina Yacht and Boat Club (LMYBC)) and a resident of Fisherhaven I am writing to voice my dissatisfaction at the fact that No funding has been allocated to any of the wards for this financial year. *Refer to actual comment for detail.*
Response: The Budget Steering committee, on recommendation of the Executive Mayor decided that the R500 000 allocation will not be re-instituted during this coming financial cycle. It might be a decision from next year (2023/24) to re-introduce it from a lower base, after due consideration and re-evaluation.									
24	**Individual**	**D & M McDonald**		We have seen all the correspondence in regard to a backup generator for Pearly Beach and can see the importance of such generator and fully support this suggestion and ask that the cost of this item be added to the budget for our area.					
Response: Feedback From Infrasttructure and Planning Directorate: The needs are continuously evaluated and Pearly Beach is on the list – in the instance that funds might allow for this, the Pearly Beach Pump Station will be addressed during the 2022/23 financial year.									

T23/14

ANNEXURE A

Mayor's Draft budget speech - 30 March 2022

Dave Ramsey said, "a budget is telling your money where to go, instead of wondering where it went"

Drafting a budget is never an easy task. Budgets are a balancing act and more often than not it is regarded as a guideline only. In our own lives we often will overspend on one item and believe ourselves that next month we will top it up again.....that seldom happens.

Government budgets are notoriously short cashed. Budgets also invariably fall short of meeting citizen expectations, fuelled by election undertakings.

The interface between the 3 spheres of government in relation to the transfer of public funding from the national fiscus to local municipalities remain problematic.

The census is one vehicle used by National Government to allocate funding to provincial and local spheres of government.

Hence participation in the census is a key driver of whether Overstrand will receive our rightful share from the national fiscus.

Municipal Councils and the Mayor specifically, are the custodians of public money and legislation places a huge responsibility on our shoulders to accrue and expend public money.

The MFMA S52, inter alia, states: The Mayor of a Municipality:

(a) MUST provide general political guidance over the fiscal and financial affairs of the municipality – no choices, MUST

(b) In providing such general political guidance, may monitor and, to the extent provided in this Act, OVERSEE the exercise of responsibilities assigned to the Accounting Officer, but MAY NOT interfere in the exercise of those responsibilities

(c) MUST take all reasonable steps to ensure that the Municipality performs its constitutional and statutory functions within the limits of the Municipality's approved budget

Over the years many mechanisms have been put in place to ensure compliance, checks and balances to monitor and evaluate how Councils expend the public's money.

Hence my commitment to open and transparent government.

Ethical business processes are the cornerstone of a corruption free government.

In terms of S152 of the Constitution, the objects of local government are

1- To provide democratic and accountable government for local communities
2- To ensure the provision of services to communities in a sustainable manner
3- To promote social and economic development
4- To promote a safe and healthy environment and
5- To encourage the involvement of communities and community organisations in the matters of local government.

The above is important as these have to reflect in the IDP, which in turn informs the Budget and translates into the high-level Service Delivery Budget Implementation Plan (SDBIP).

The sustainability of a Municipality is a key driver of building investment trust. Whilst Overstrand Municipality is currently financially sound and meets the prescripts of sustainability, we do have to cut our coat according to our cloth.

We currently have sufficient funding to cover 4,6 months of operational expenditure. The norm set by National Treasury is 1 to 3 months. I am comfortable that we are in a safe position.

The economic and wealth profile of Overstrand often blurs the reality of a growing level of generic poverty, systemic unemployment and inability to create personal sustainable livelihoods.

Political stability, good governance and operational infra-structure drive investment, which drives the creation of career-based job opportunities. This is the only sustainable road out of poverty and inequality.

Mr Speaker, today I am presenting to you and Council, a DRAFT budget with the request that Council supports the document. Please may it, on adoption, be circulated and published widely so that the public can engage with the document.

Myself and Mayco will visit each town to discuss the draft to listen to alternative suggestions.

Similarly, I requested the Accounting Officer to ensure that the immediate next meeting of Ward Committees will engage with the document as part of their representation of the organisations and/or geographical blocks they represent.

It is therefore incumbent on ward committee members to ensure that their constituencies are afforded the opportunity to engage with the document.

Insofar as the document before us is concerned, I wish to express that it does not as yet meet all my expectations of the 3 C objectives of this term of office.

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Whilst it is a good start, it needs further translation into the next generation IDP.

As you are aware, Mr Speaker, Council adopted a resolution that the lifespan of the existing IDP will be extended for the 2022/23 financial year.

This gives us an opportunity to with effect August 2022 start the design of the new generation IDP with full focus on manifesting the 3C's in pursuit of our overall vision of an #overstrand4all.

Let me turn to the proposed budget for the 2022/23 financial year:

1. The budgeted revenue excluding capital grants received, amounts to R1,537,183 billion.
2. The budgeted operational expenditure amounts to R1,615,768 billion – this includes non cash items like depreciation.

   Hence an accounting deficit of R 78,586 million is reflected
3. The Capital budget amounts to R 212,808 million – It is to be used for very specific Capital projects

B. Projected Revenue per functional classification, including capital grants are:

Governance and administration	R 379, 688 million
Community and Public Safety	R 167,619 million
Economic and Environmental services	R 24, 599 million
Trading services	R1 050,266 Billion

Trading services include electricity/energy; water management, waste water management, and waste management

TOTAL R1,622,023 Billion

C. Projected Operational Expenditure per functional classification, are:

Governance and administration	R 315,492 million
Community and Public Safety	R 280,648 million
Economic & Environmental Services	R 198,519 million
Trading services	R 817,550 million

TOTAL **R1,615,768 Billion** (with a nett surplus of R6,255 million)

A surplus on any trading service is crucial as it is intended and required to generate surplus cash to partly fund capital expenditure such as vehicles and ICT infra-structure.This is to ensure adequate cash backing of reserves and funds.

D. Employee and Councillor related remuneration.

In the budget a provision of R519,5 million is made for employee related costs and the remuneration of Councillors. This is 32,15% of the total operating expenditure and is within the National Treasury norm of 25 – 40%.

An additional amount of R22.4million is provided for as a long term liability (post-retirement benefits) and therefore not cash remuneration. This is a statutory provision which we may not ignore.

In respect of Councillors, the amount provided for is R12,4 million

After LGE2021 the number of Councillors increased from 25 to 27.

During the past two financial years, councillors have not received an increase. The remuneration of councillors is contained in the so-called Upper Limits document and it is signed at the behest of the President. No indication as yet has been given whether councillors will receive an increase for the 22/23 financial year.

The Upper Limits document for Municipal Managers was published earlier this week and no increase is provided for.

In keeping with this, it is proposed that no increase be awarded the current Directors and other senior managers.

However, the SALGBC in 2021 signed a wage and salary collective agreement for Municipalities for for a 3 year period from 1 July 2021 to 30 June 2024. It must be implemented by all municipalities countrywide.

The proposed increase in the salary budget is 4.9% and notch increases, which average 2% have also been budgeted for in view of the Agreement, iow a 6.9% increase.

Staff vacancies are still frozen and may only be filled following a motivation to The Municipal Manager. No new posts were considered for inclusion in this draft budget.

E. Mr Speaker before I announce the new tariffs on basic services for the next financial year, allow me to reference the cost of rendering services.

With regards to electricity our total expenditure is R558,465,874 million and our income R606,288.589 million which allows for a surplus of R47,822,715 million or a margin of 7.89%

In the case of water, our expenditure is R145,657,065 million against an income of R153,274,053 giving us a surplus margin of 4.97% or R7,616,988 million

Waste water management provides for a net surplus of 9.64% or R11,428,755 million. This is against an income of R118.510,514 and an expenditure of R107,081,759

Waste management, Mr Speaker carries with a total income of R98,115,500 million against an expenditure of R98,107,860, leaving a surplus of 0.01% or R7,640 million.

F. Mr Speaker, allow me to now deal with the tariffs for the next financial year.

The following increases are proposed:

1) Rates 5.9% .
   A rebate of R15 000 on all residential properties will be rewarded. An additional R35 000 on improved residential properties will also be awarded.

   The cent in the Rand assessment on urban residential erven with improvements, will be R0,00657 X the property value = R XYZ plus a further 20% rebate of the property rates payable if used for residential purposes only.

   The cent in the Rand assessment for bona fide agricultural land is R0,00164 X the property value

2) Sewer 4.3%)

3) Refuse 5.9%)

4) Water 4.9%)

5) Electricity 10.33%, indicative, based on Eskom increases

   The average increase of this basket of services EXCLUDING Electricity amounts to an average increase between 5% and 6%.Adding the Electricity increase results in a basket increase above 8%

6) Sundry tariffs - ranging from 4.5% to variable deductions or to a cost recovery adjustment. The extended list of tariffs is attached for ease of reference.

7) Interesting to note that as part of our pro-poor approach to this budget, I am pleased to announce that for indigent households, the benefit of 6 kl of free water will be increased to 10 kl of water effective 1 July 2022 and in respect of sewerage the 4.2 kl free sewerage will increase to 7 kl.

8) Overstrand at the moment has a total household count of 35 983 with the informal count being 3 779.

   As a further contribution to our pro-poor approach, the increase in tariffs under the control of the municipality are contained.

   For example we reduced the tariffs to launch fishing boats substantially. In other instances we kept the tariffs at the same level as in 2021/22 and/or we scrapped tariffs all together.

9) Rebate of 50% for grave site:

   Applicable to Tariffs S15A1, S15A2, S15A4 & S15B on the following conditions:

   * Overstrand local household with gross household income per application of R0-R4100
   * Applications must be accompanied by sworn declaration of household income of the immediate family of the deceased.

10) We also embarked on an adjusted indigent policy trajectory in that we wish to use an increased amount of our equitable share to provide for indigent subsidies. During the budget roadshows this matter will be further explained and highlighted.

Comparison between basic charges 2021/22 and the increases for 22/23 (Vat excluded)

Electricity from R408.17 to R450.33 (10.25%)

Water from R148.35 to R155.62 (4.9%)

Refuse from R201.59 to R213.28 (5.9%)

Sanitation (1) from R132.20 to R137.88 (4.3%) (can connect to network)

(2) from R 89.08 to R 92.91 (4.3%) (cannot connect to network)

Basic or Availability charges are needed to ensure that the fixed costs to have a 365 day operational service and networks in place to provide a service to every erf across the Overstrand, at any time that the service is required and at the capacity and place where it is needed.

G. Division of revenue allocation (DORA) grants have been published and are therefore receivable from the National and/or Provincial Governments-to an amount of R350,178,000 million

The contribution is as follows:

NATIONAL

Equitable Share	R141,896,000 million
FMG	R 1,550,000 million
EPWP	R 2,593,000 million
MIG	R 24,628,000 million
INEP (electricity)	R 21,331,000 million
Energy efficiency & demand side management	R 5,000,000 million
Water infrastructure grant	R 27,439,000 million
TOTAL	R 224,437,000 million

PROVINCIAL

Resource funding K9 unit	R 2,420,000 million'
Reaction Unit	R 2,958,000 million
Human Settlements Development grant	R 111,740,000 million
Construction of Transport Infra-structure	R 140,000 thousand
Provincial Library Services Grant	R 8,258,000 million
Thusong services centres grant	R 150,000 thousand
Community Development Workers	R 75,000 thousand
TOTAL	R 125,741,000 million

It is important to note that these amounts consist of both operational and capital budget transfers.
MIG, INEP, Water Infrastructure grands and a portion of the Housing grant are examples of capital grants.

H. CAPITAL BUDGET.

The Overstrand Capital budget ONLY amounts to R212.8 million for 2022/23 and is 11,3% less than 2021/22. The decreased own funding from surplus is due to the limited availability of cash for capital investment for the 2022/23 capital budget.

KH/1st

The dedicated infrastructure upgrading and/or replacement project for water and sewerage networks had a 3 year lifespan, which came to an end on 30 June 2021, except for a roll-over amount of R54 million which was spend during the current financial year.

Our own funding through new borrowings is anticipated at R50million. Borrowings contribute 43,9% of the funding over the 2022/23 MTREF. Internally generated funds contribute 3,8% and capital grants 52,18%

For 2022/23 an amount of R152,6million has been appropriated for the development of basic services infrastructure which represents 71.1% of the total capital budget f R212,8 million

Waste water infrastructure has the second highest allocation at R45,9 million or 31.1%;

Water management at 25,7% or R3,2 million

Waste management represents 1,3% or R1,9 million and 42,8 % or R65,3 million is going towards electricity.

Over the 3 year MTREF, the capital housing grant expenditure relating to housing infrastructure provision amounts to R67,4 million.

The top 10 capital projects are:

1. Low cost housing construction contracts across the Overstrand @ R39,785,000 million
2. The new 66 kilovolt substation for Franskraal, Kleinbaai & Birkenhead in Gansbaai @ R37,500,000 million
3. The upgrading of pumpstations & rising mains across Overstrand @R23,639.000
4. Kleinmond Waste Water Treatment Works refurbish/upgrade @ R20,200,000 million
5. Replacement of waterpipes across the Overstrand receives R16,472,000
6. Electrification of low cost housing areas also across the Overstrand receives R16,000,000 million
7. R11,013,000 for the Masakhane Housing project in Ward 2 comes in at number 7
8. Number 8 also goes to Ward 2 for the upgrade of water lines & a new booster pumpstation valves
9. Ward 1 receives R5,615,000 for the upgrading of bulk water supplies
10. And nr 10 relates is the Zwelihle Library in Ward 12 at an amount of R4,373,611 million.

These are only the Top 10 and the budget schedules reflect further capital projects and are open for inspection.

I wish to thank the CFO , the Directors and the Municipal Manager for their support in drafting this budget.
Let this be the beginning of the journey to an **#overstrand for all.**

K43|154

CFO

From: Hybre Lombard <hybre@lantic.net>
Sent: Monday, April 25, 2022 10:48 AM
To: CFO
Cc: Annelie Rabie; M Moolman; A Wyngaard
Subject: Ward 7 Motivations
Attachments: Motivation to upgrade storm-rain water drainage system in Sandbaai.pdf; Sandbaai Sewage System Motivation.pdf; Ward 7 IDP Motivation - Traffic Calming.doc; Ward 7 IDP Motivation - Beach.doc; Ward 7 IDP Motivation to prevent Crime in Sandbaai and the Coastal Reserve.docx; Upgrading and maintenance of the Sandbaai Hall BUsiness Plan 2022.docx; Ward 7 IDP Motivation for Security Infrastrucure and Services.docx; Sandbaai Street Lights_20220425_0001.pdf; End Street - version 01.pdf; End Street - version 02.pdf

Dear Mrs Reyneke-Naude,

At the Ward Committee Meeting held on the 14th April, we discussed the draft IDP and the daft Budget. As there are no specific items for Ward 7 in the budget, the members of the committee compile the following motivations. Will you be so kind to consider it.

Kind regards,

Hybrè Lombard

Councillor/Ward 7
Overstrand
0827895126

More

Vind aangeheg ons versoek ten opsigte van straatligte .

End straat se beligting is nie voldoende nie. Indeendeel swak. Sien voorbeeld en oplossing wat voorgestel is deur die Overstrand se elektriese department . Ek stel voor dat hierdie projek voorkeur moet geniet weens dat End straat meestal 'n hoof stap roete is vir werkers in die donkerte en die gaan vermeerder sodra die Dezandt projek begin.

Daar is heelwat ander strate wat ook enkel lig tekortes het. 'n Volledige ondersoek moet plaasvind omrede van die inwoners wil nie straatligte voor hul huise hê nie.

Die spreiligte in kusweg ook nie meer nodig nie aangesien die nuwe ligte wat vervang word voldoende lig gee.

Vind ook onder die epos van JH Du Plessis tov kostes vir ligte in End Straat

Vind aangeheg die ontwerp en kostes vir bg. hieronder. Ek heg 2 ontwerpe aan aangesien ons gepoog het om minder ligte (minder kostes) met dieselfde effek daar te stel. Die 2de opsie is waarna ons kyk. Net die lig ontwerp en afstande tussen pale verskil maar paal lengtes bly dieselfde.

Die kostes is geskoei op die hele End straat vir so 23 ligte en pale. Prys is excl.vat.

END STRAAT KOSTES VIR NUWE LED BELIGTING.

1. Ligte @ R2472 x 23 = R 56865
2. Pale @ R5300 x 23 = R 121900
3. Kabel R38000 = R 38000
4. Arbeid = R 75000

Totaal **R 291765**

JH DU PLESSIS
SENIOR MANAGER ELECTRICAL SERVICES
INFRASTRUCTURE & PLANNING
OVERSTRAND MUNICIPALITY
M: 083 457 2384 / T: 028 3165600 / E:kduplessis@overstrand.gov.za

Groete

Julia van Zyl
Namens Sandbaai Belasting Betalers Veraniging
Wyk 7

Schréder
Experts in lightability™

Schréder

Overstrand Municipality

Standard CIE 140
Designer dclaassen
Date 2021-04-21
Application Ulysse 3.5.2
Description Sandbaai, End Street - Class B2

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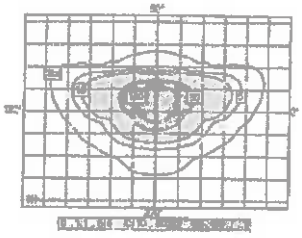
1. Fixtures

1.1. LEDLUME MINI LED16 5117 37W

Type	LEDLUME MINI 5117 16 LED
Source	LEDLUME MINI 5117
Source flux	5.157 klm
Luminaire wattage	37.0 W
MF	0.80
Matrix	LEDLUME MINI LED16 5117 37W
Luminaire flux	4.519 klm
Efficacy	122 lm/W

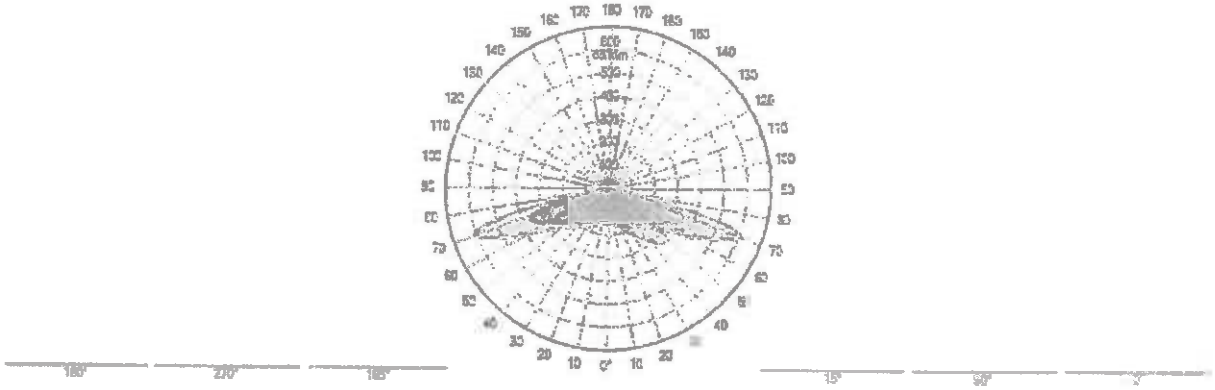




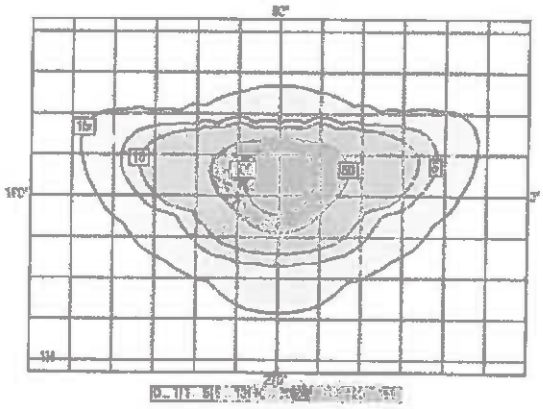
2. Photometric documents

2.1. LEDLUME MINI LED16 5117 37W

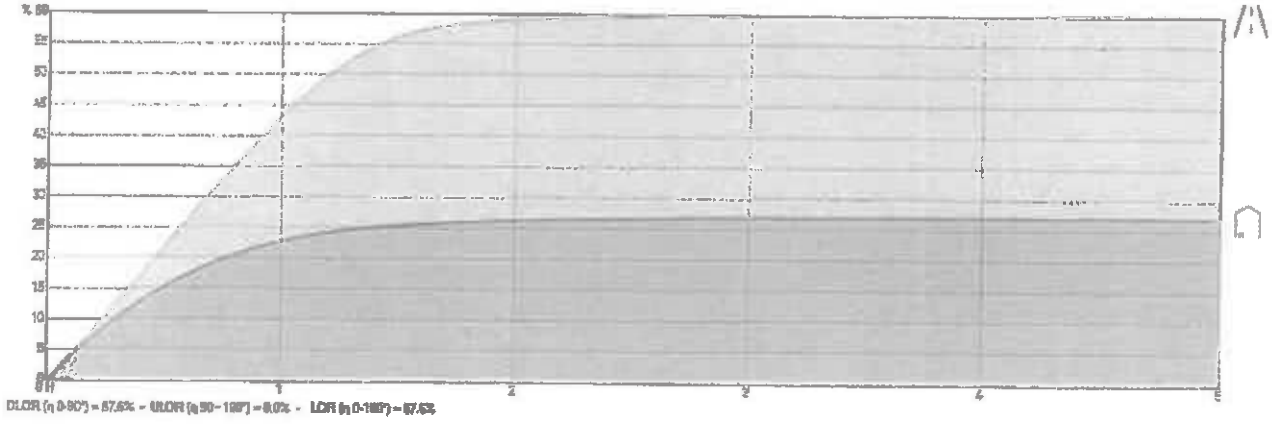
Polar/Cartesian diagram



Isolux



Utilization curve



3. Results

3.1. Grid summary

Single lane with level (iL)

B2 (iL : Min = 0.60 lux Ave = 3.00 lux)

1. Z positive illuminance	Ave (A) (lx)	Min/Ave (%)	Min/Max (%)	Min (lx)	Max (lx)
Dynamic cross section	6.4	9	3	0.6	18.2

Multi-lanes (iL)

B2 (iL : Min = 0.60 lux Ave = 3.00 lux)

1. Z positive illuminance	Ave (A) (lx)	Min/Ave (%)	Min/Max (%)	Min (lx)	Max (lx)
Dynamic cross section	6.8	17	6	1.1	18.0

Single lane with level (iL) (1)

B2 (iL : Min = 0.60 lux Ave = 3.00 lux)

1. Z positive illuminance	Ave (A) (lx)	Min/Ave (%)	Min/Max (%)	Min (lx)	Max (lx)
Dynamic cross section	4.0	27	10	1.1	11.2

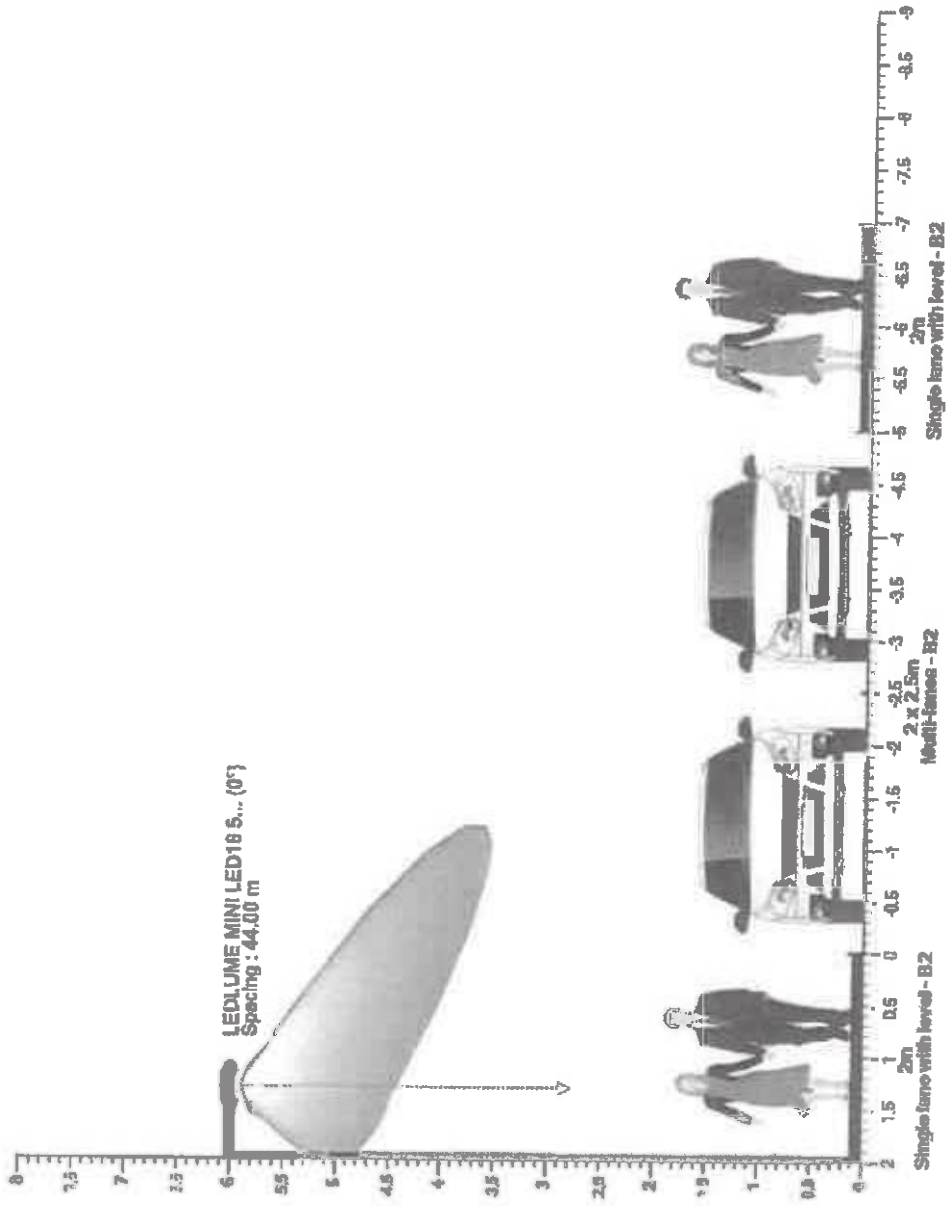
4. Power consumption

4.1. Dynamic cross section

Fixture	Current [mA]	Qty	Dimming	Power / Fixture	Total
LEDLUME MINI LED16 5117 37W	0	23	100 %	37 W	841 W

5. Cross section

5.1. 2D View



6. Dynamic cross section

6.1. Matrix description

Ph. color	Description	Current [mA]	Source flux [klm]	Luminaire flux [klm]	Power [W]	Efficacy [lm/W]	MF	Height [m]	Fixture
	LEDLUME MINI LED16 5117 37W		5.157	4.519	37.0	122	0.800	3 x 6.00	

6.2. Luminaire positions

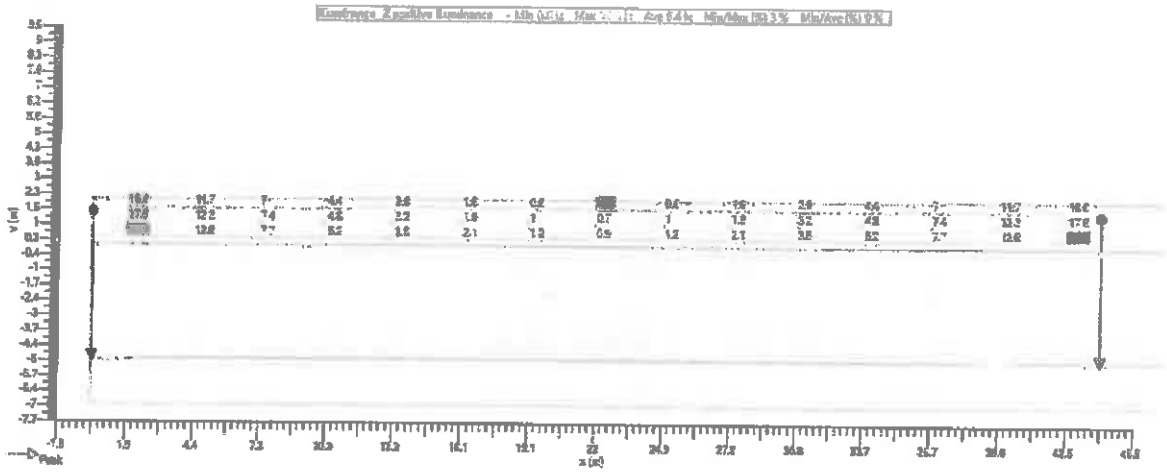
	Color	N°	Position			Luminaire							Target		
			X [m]	Y [m]	Z [m]	Name	Current [mA]	Az [°]	Incl [°]	Rot [°]	Flux [klm]	MF	X [m]	Y [m]	Z [m]
☑		1	0.00	1.50	6.00	LEDLUME MINI LED16 5117 37W	-	180.0	0.0	0.0	5.157	0.800	0.00	1.50	0.00
☑		2	44.00	1.50	6.00	LEDLUME MINI LED16 5117 37W	-	180.0	0.0	0.0	5.157	0.800	44.00	1.50	0.00
☑		3	88.00	1.50	6.00	LEDLUME MINI LED16 5117 37W	-	180.0	0.0	0.0	5.157	0.800	88.00	1.50	0.00

6.3. Luminaire groups

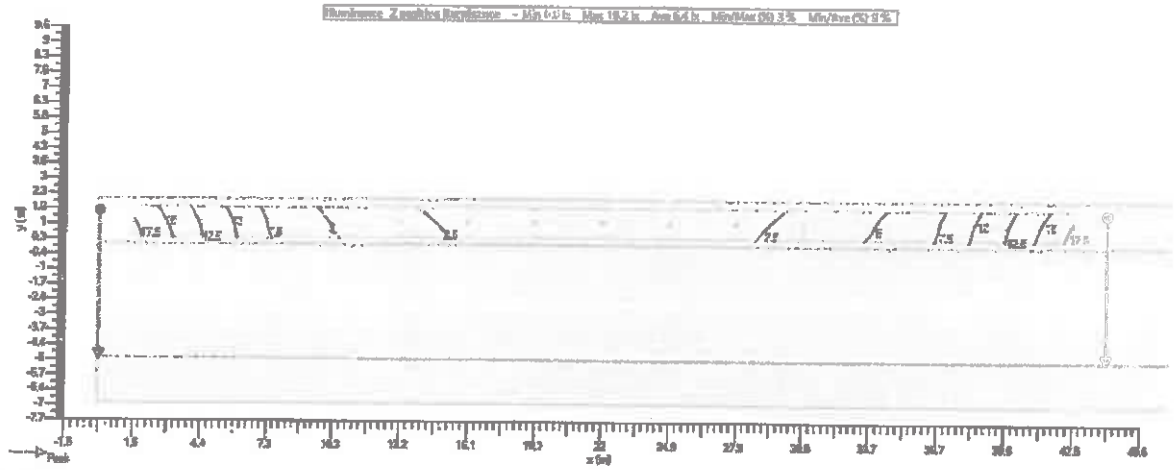
Linear															
	Color	N°	Position			Luminaire					Dimension			Rotation		
			X [m]	Y [m]	Z [m]	Name	Az [°]	Incl [°]	Rot [°]	Dim [%]	Count	Spacing [m]	Size [m]	X [°]	Y [°]	Z [°]
☑		1	0.00	1.50	6.00	Fixture left	180.0	0.0	0.0	100	3	44.00	88.00	0.0	0.0	0.0

6.4. Single lane with level (IL) - Z positive

Values



Isolevel



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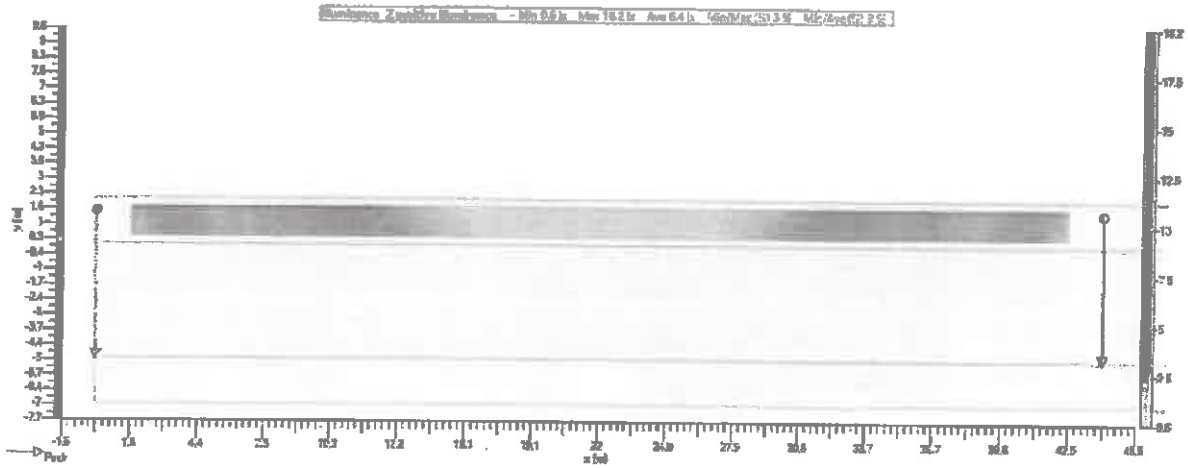
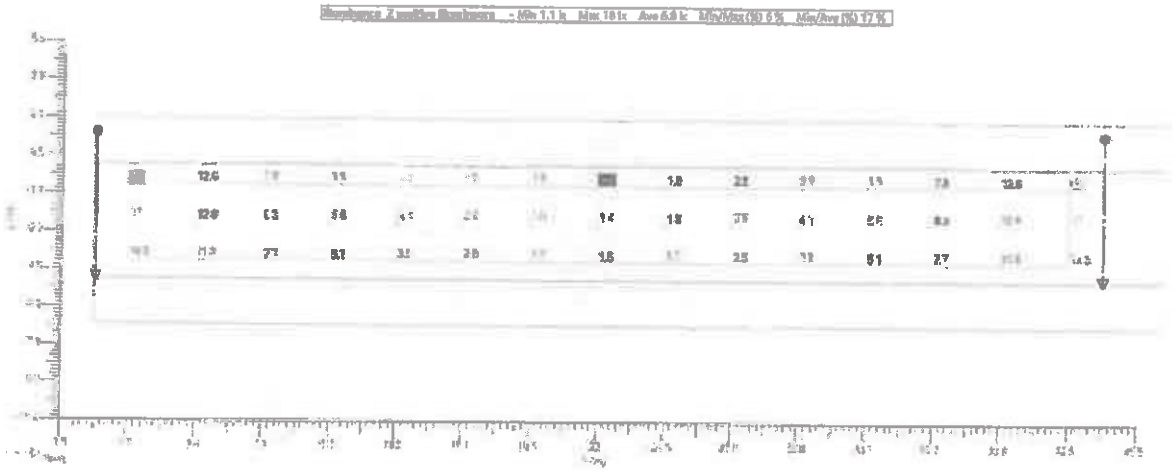
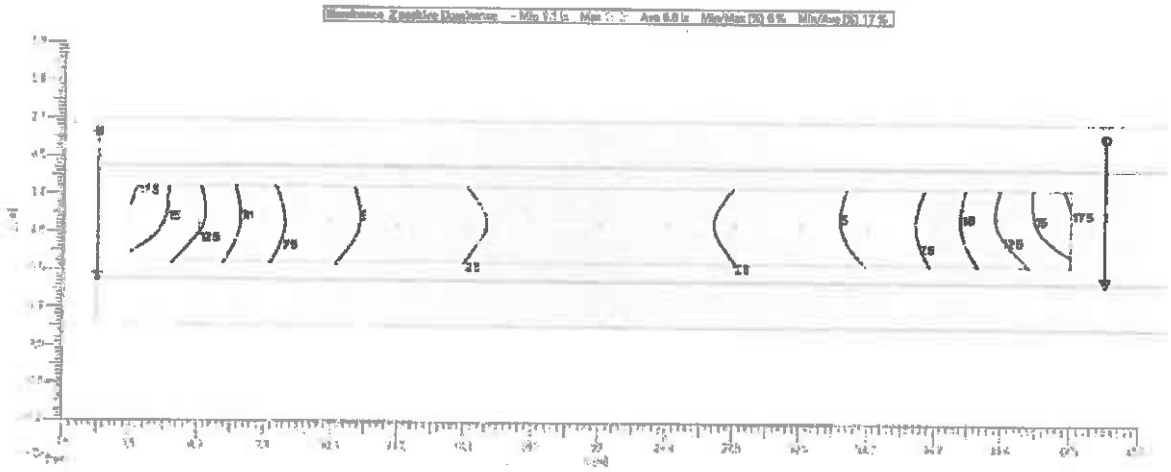


6.5. Multi-lanes (IL) - Z positive

Values



Isolevel



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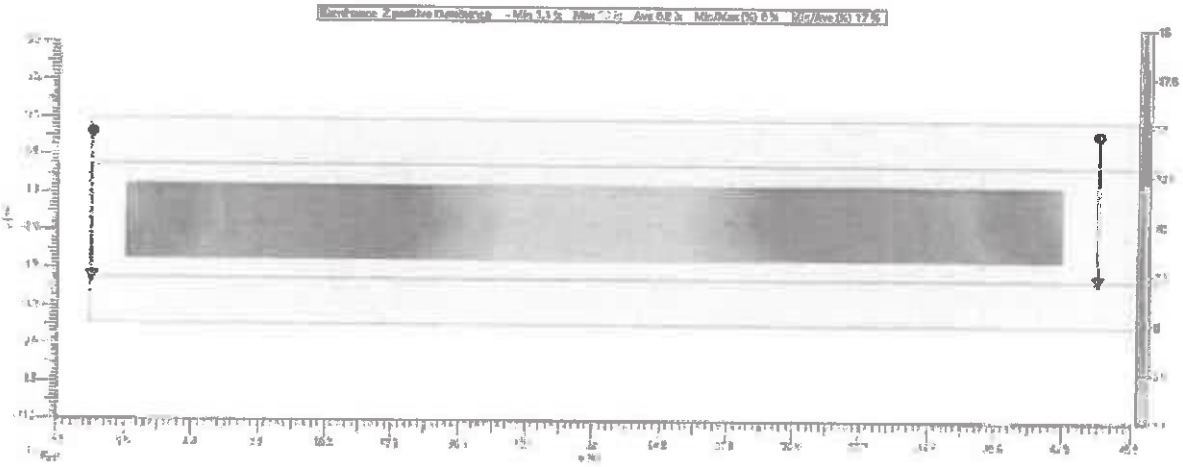
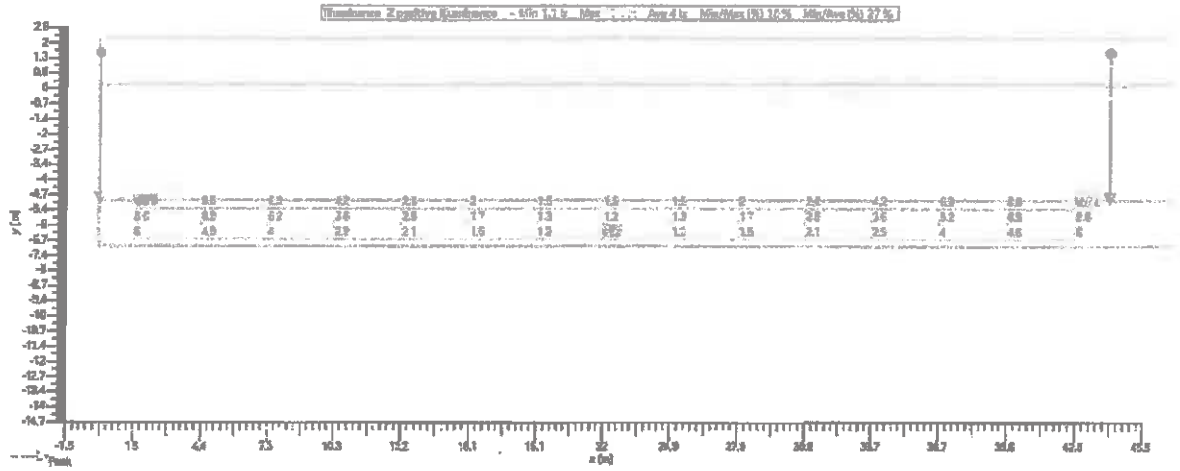
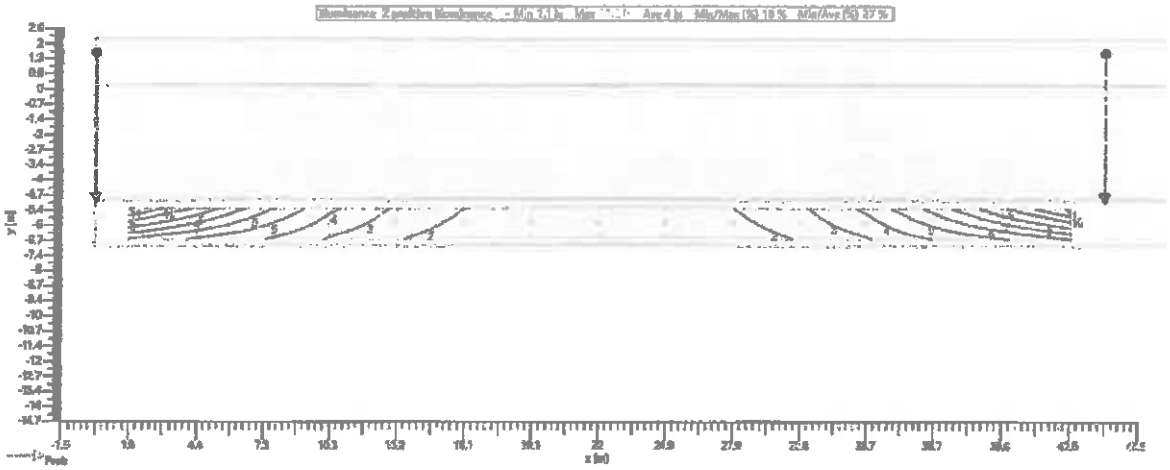


6.6. Single lane with level (IL) (1) - Z positive

Values



Isolevel



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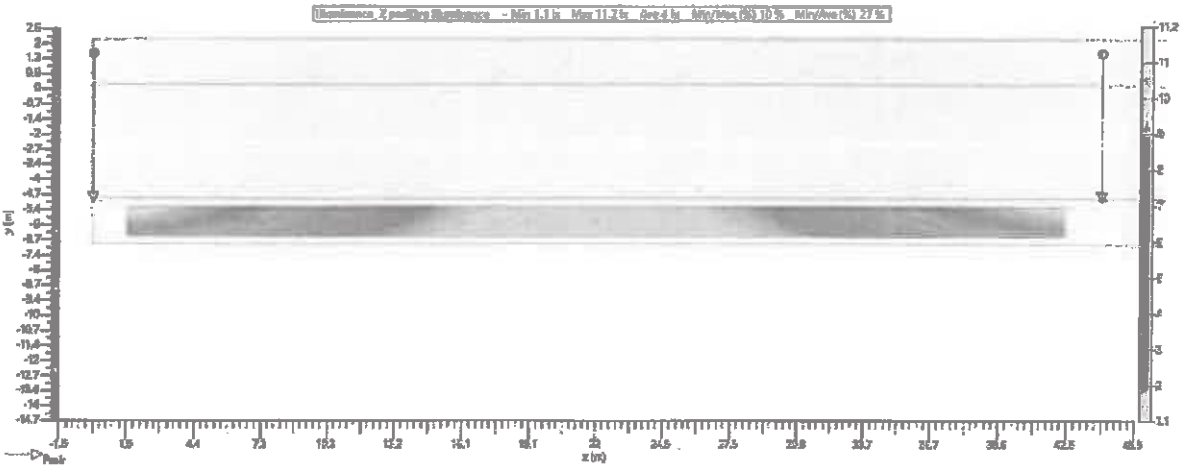

K55/154

Schréder
Experts in lightability™

Schréder

Sandbaai, Endstraat - Class B2

Standard CIE 140

Designer dclaassen

Date 2021-04-29

Application Ulysse 3.5.2

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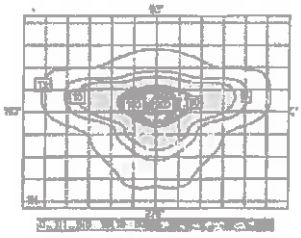
1. Fixtures

1.1. LEDLUME MINI LED 16 5248 37W

Type	LEDLUME MINI 5248 16 LED: () LEDLUME ...
Source	LEDLUME MINI 5248 16 LED
Source flux	5.157 klm
Luminaire wattage	37.0 W
MF	0.80
Matrix	LEDLUME MINI LED 16 5248 37W
Luminaire flux	4.230 klm
Efficacy	114 lm/W

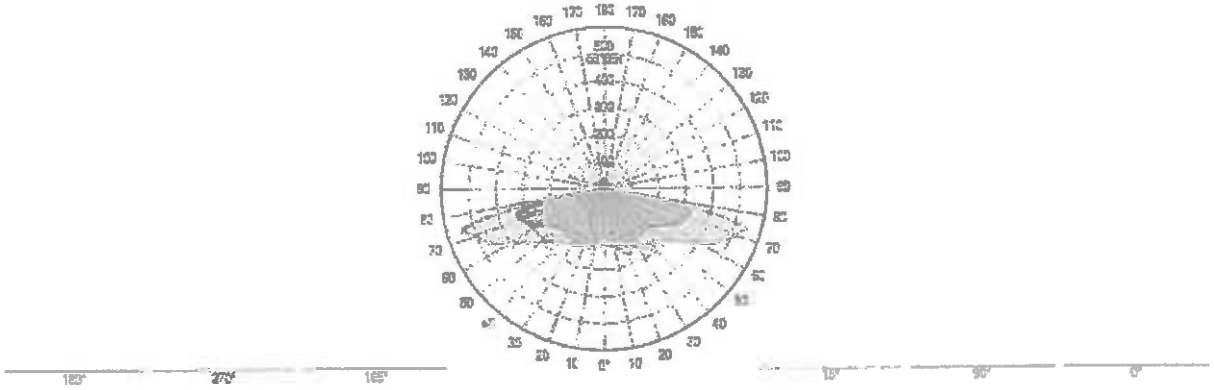




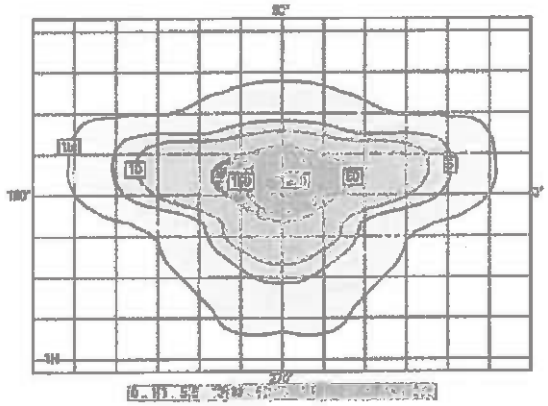
2. Photometric documents

2.1. LEDLUME MINI LED 16 5248 37W

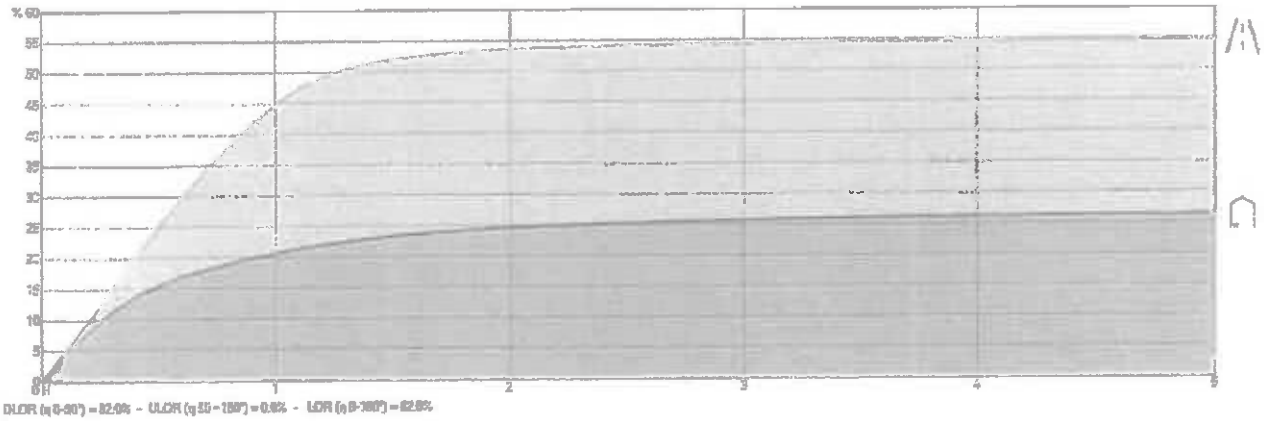
Polar/Carteslan diagram



Isolux



Utilization curve

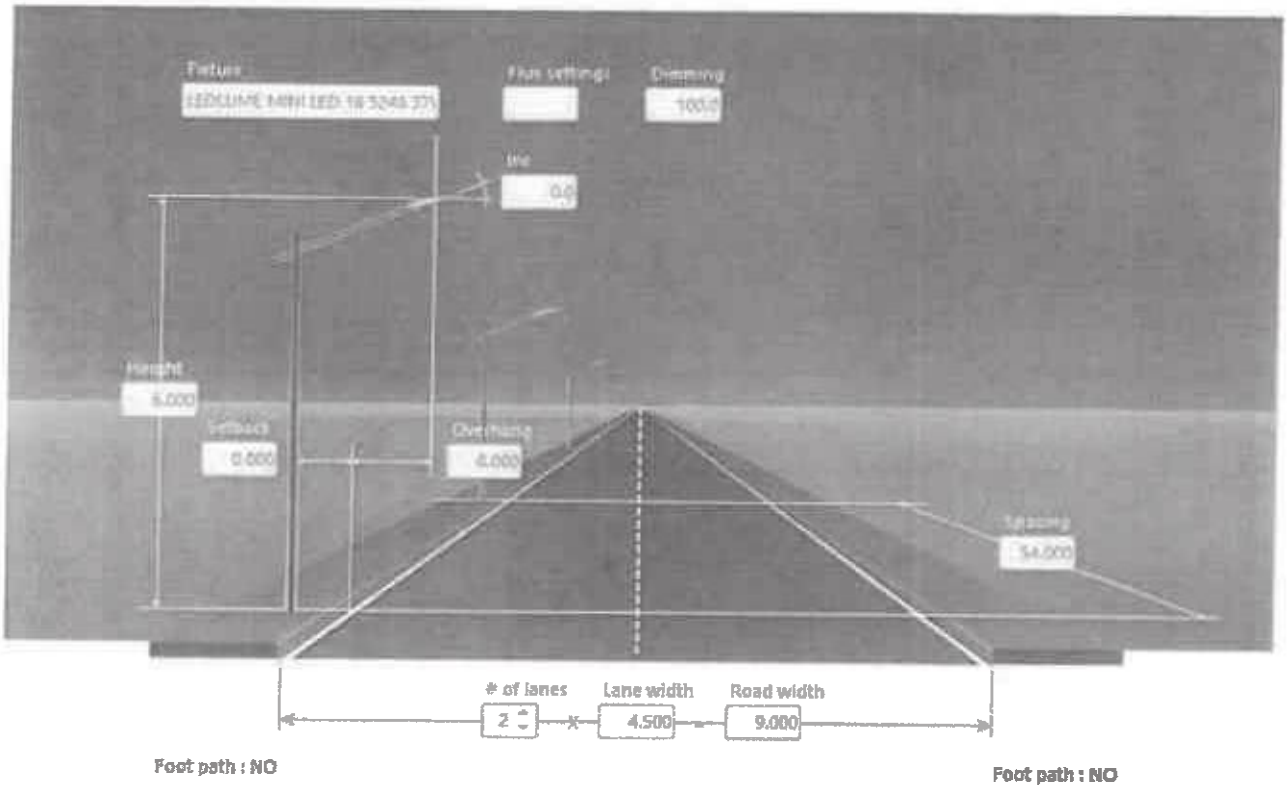


3. Standard

3.1. Standard summary

Calculations according to CIE 140

Selected lighting class Road : B2 - IL : Min = 0.60 lux Ave = 3.00 lux



3.2. Results

Power per km 0.685 kW

Road (IL-HS)

Illuminance

Min 0.6 lx	✓	0.6 lx
Ave 4.5 lx	✓	3.0 lx
Max 24.2 lx	N/A	
Uo 12 %	N/A	

K60/154

OVERSTRAND

IDP MOTIVATION:
WARD 7 / WYK 7

IMPORTANT MOTIVATION FOR:

Investigation and possible upgrade or re-engineering of the current sewage system in Sandbaai.

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OVERVIEW

The existing sewage system in Sandbaai is based on conservancy tanks per residential household that are connected to a small bore pipe system that facilitates the removal of excess water from the tank. It is a documented fact that Sandbaai underwent a cover densification over the past 15 years, with little or no upgrading of the sewage system.

The geographical location of Sandbaai has become very popular amongst the populaces lately, since the completion of the Whale Coast Mall and its proximity to Hermanus and Health Facilities that are on offer in the area. A further advantage is the proximity of Curro School that falls within the boundaries of Sandbaai.

Currently, the sewage system is constrained and especially so during the rainy season. The possible ingress of rainwater into the system is also a matter of concern. This is evident where conservancy tanks covers are covered with rain water during the rainy season that inevitably allows spillage into the tanks.

The Sandbaai Ratepayers Association(SRPA) recently asked its members to compile a list of affected households. Although SRPA only represents approximately 10 percent of the inhabitants of Sandbaai, a significant amount of members lamented about the sewage system. Below is a list of the affected residential areas as per the survey:

Sandbaai Sewage Problems	Sandbaai Sewage Problems
Aloe Laan 1	Jimmy Smuts Straat 48
Belladonna Straat 10	Kusweg 116
De Villiers Straat 10	Kusweg 32
De Villiers Straat 125	Lang Straat 96
Dirkie Uys 10	Myrtle Straat 6
Dirkie Uys 33	Piet Retief 326
Disa Straat 18	Piet Retief 38
Disa Straat 21	Piet Retief en Kusweg 3
Jan van Riebbeck Crescent 177	Piet Retief Singel 292
Jan van Riebbeck Crescent 179	Piet Retief Straat 173
Jan van Riebeeck 33	Piet Retief Straat 286
Jan van Riebeeck en Disa Strrat (H/V)	Schneider Straat 3
Jan van Riebeeck en Jimmy Straat (H/V)	Vader Visser Straat 9
	West End Straat 15

Any spillage that may occur, being it frequently or occasionally, poses a health and environmental risk. Adding to the risk, it is also detrimental to the residents and tourists alike. The assessment is being created that the local authorities neglect the area.

It also creates an reluctance amongst possible investors in the area, being it potential new housing developments or business developments, that the sewage reticulation system in Sandbaai is inadequate and therefore people will shy away from investing in the area. This poses a financial risk to the local area but more so the local government. We need to attract more sustainable rate payers to ensure the sustainability of the greater Hermanus area, as a world renown destination.

Likewise, Sandbaai has numerous guest houses and holiday accommodation available, and to attract tourism into the area, we aught to ensure that visitors experience a carefree, safe and healthy stay, to guarantee a viable tourism environment.

If the sewage reticulation system is not modified to alleviate the current situation, and being allowed to deteriorate further in the future, the result may be catastrophic to the inhabitants of Sandbaai. Ecological damage to the pristine coastal area can become a real threat as is the health risk for the residents. The financial burden it would place on the municipality in terms of constant mechanical drainage of septic tanks or to engineer excessive replacements and maintenance, would place a huge burden on all concerned.

Blow is a risk assessment with possible outcomes:

Risk assessment matrix *Possible outcome*						
		A	B	C	D	E
Occurance		Catastrophic	Hazardous	Major	Minor	Negligible
Frequent	5					
Occasional	4					
Remote	3					
Improbable	2					
Extremely Improbable	1					

Table 1 indicates a risk assessment matrix

Risk	RMA	Possible Mitigation	Residual Risk
Health risk to Residents	4A	Disinfect Area	3B
Environmental Risk	4B	Containment	4C
Reputational damage	4C	Commitment to solution	3D
Financial Risk to Residence and OM	4D	Current Budget Assigned	3E

Table 2 indicates the outcome of the risk assessment

Short term plan.

The short term plan is to start a comprehensive investigation into the extend of the sewage problem in Sandbaai. This can be achieved by interrogating the GIS system to ensure all properties are connected to the small bore system and that all owners of properties did receive a certificate of connection from the Overstrand Municipality.

Thereafter, the documented proof of mechanical interventions to empty a conservancy tank and the frequency of such interventions in Sandbaai, will add to identifying the spread of the problem. The mechanical draining of conservancy tanks must be seen as an unnecessary financial expenditure that can be eliminated once the sewage system performs to its design capacity.

The OM needs to inform the residents of Sandbaai of its intention to investigate this concern. This can be facilitated by the ward councillor or alternatively, through any other means that the OM deems fit for purpose.

Longer term Plan

Once the initial identification of the above matter has been concluded, a task evaluation can be developed which will indicate the scope of resolving the matter. This may well extend over more that one financial period, and therefor the appropriate financial allowance must be assigned to the project.

Financial Implications

Since the entire extend of the current inadequacies of Sandbaai Sewage system has not been identified yet, the financial implication is complicated to define. However, the initial stages can be funded through operational expenditure whereafter, in the new financial year, be funded under capital expenditure.

Recommendation

It is recommended that, without any delay, the failing sewage system in Sandbaai receives the necessary attention with the view of repairing and possible upgrade in certain areas.

This project will in the longer term, add value not only to the residents of Sandbaai, but to the OM as well. The constant draining of conservancy tanks will become a less frequent occurrence and therefor results in a monetary saving to the administration.

The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable.

H LOMBAARD

COUNCILLOR: WARD 7

This document was prepared by the Sandbaai Ratepayers Association OBO ward 7.

K64/154

OVERSTRAND

IDP MOTIVATION:
WARD 7 / WYK 7

IMPORTANT MOTIVATION FOR:

Investigation and possible upgrade or re-engineering of the current storm- and rain water drainage system in Sandbaai.

Contents

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Long Term Plan 6

Financial Implications 8

Recommendation 9

Overview

Sandbaai is a residential area within the greater Overstrand Municipal (OM) area and consist of mixed single housing apartments, and communal housing areas. Sandbaai consist of approximately four thousand housing units in total. The majority of these are outside communal housing areas.

The north-eastern boundary is in close proximity of mountainous terrain whereas the south-western boundary is formed by the Atlantic Ocean. The approximate geographical area is 3.85 square kilometres with an average gradient of 1.0026^0 or 1.75mm fall towards the coast per linear meter. In other words the gradient is a mere 1:600 ratio. This low gradient is ineffective to drain a huge area effectively, if the amount of water to be facilitated exceeds the design capacity of the system.

K15/154



Figure 1 Please note the contours in Sandbaai which indicates a very low gradient. Source OM Website under GIS

From the above it can be inferred that Sandbaai would be prone to flooding given the catchment area and the very low drainage gradient. It is therefore of the utmost importance that the entire storm- and rainwater drainage system is investigated to determine its volume capacity, effectiveness during a rainstorm and in what time the majority of the water can be accommodated in the system to facilitate an effective drainage. The areas where the water disperse into the ocean, must also be investigated to prevent possible damage to the shoreline and unintended damage to public infrastructure.

Currently, the structure consist two distinct systems, interconnected in a few places. The main drainage system, along Main Street that facilitate rain water as far upstream as the northern boundary of the Hemel and Aarde Estate, consist of a combination of closed pipes and open trenches, which disperse at Baboo beach into the ocean. The secondary system consist of open trenches on the sidewalks that occasionally link into the main system. Otherwise, the secondary system will disperse its content into the ocean at various locations.

The secondary system is under designed and not maintained for extended periods of time. What adds to the risk of flooding, is the fact that a huge number of houses were constructed before the final roads were built. The result of this is that numerous constructions are below the final road elevation and that the roads now act as obstructions to constrain water drainage.

The recent flooding in Kwa Zulu Natal (KZN) with the accompanied devastation to life and limb, should encourage the OM to actively investigate this situation. This must happen sooner rather than later to mitigate a possible disaster, which will be detrimental to the entire community. By not giving urgent attention to the stormwater drainage system may result in unnecessary damage to private and public infrastructure. The result of this could be costly to both individual residents and OM alike.

In addition to the above, a further risk of rain water not being effectively and rapidly dispersed, is the flooding of the sewage system where conservancy tanks are under water during a downpour. This adds a risk at a total different dimension with has its own associated complications.

k66/154

Please find below a few pictures taken in the recent past of flooded areas:



Figure 2 indicating a lack of rain water drainage on the eastern side of Main road



Figure 3 A typical situation where rain water drainage is ineffective in Sandbaai

K67/154



Figure 4 Note the excess water spillage from a sewer line during a downpour

Please find below a Risk matrix and associated Risk Assessment:

		Risk assessment matrix				
		Possible outcome				
		A	B	C	D	E
Occurrence		Catastrophic	Hazardous	Major	Minor	Negligible
Frequent	5					
Occasional	4					
Remote	3					
Improbable	2					
Extremely Improbable	1					

Figure 5 Risk Assessment Matrix

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Risk	RMA	Possible Mitigation	Residual Risk
Health risk		Ensure drainage system dries off effectively	
Environmental risk		Ensure effective drainage	
Damage to private property		Maintain infrastructure	3D
Damage to municipal infrastructure		Divert Water Flow to drainage areas	
Erosion on beach		Divert water flow to designated areas.	
Loss of Life and Limb		Create an effective drainage system	
Constraint on Sewage System		Prevent water influx by elevating sewage inspection covers	

Figure 6 Risk Assessment on Storm- and rain water drainage system

Short Term Plan

The short term plan can consist of a visual inspection of all inlets into the drainage system and ensure these are free from any obstructions. In addition to this, the system must be cleared of any debris that may have already entered the system, unintentionally.

In the secondary gullies, remove all vegetation that creates an obstacle that facilitates a stoppage.



Figure 7 A typical example of a water gully in Sandbaai that is overgrown with vegetation

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Figure 8A typical example of a concrete gully with algae growth

Long Term Plan

The longer term plan is to conduct a comprehensive engineering survey shortly in Sandbaai to establish areas of concerns and plan an effective solution. This solution may be based on enlarging gullies on the sidewalks and to line some of theses gullies with concrete. It may also entail that where storm- and rainwater disperses onto the beach, this water is collected in a piped system an diverted to a more suitable place to daylight from.

K10/154



Figure 9 Beach erosion as a result of uncontrolled rain water spillage



Figure 10 Soil erosion on the beach.

K11/154

Financial Implications

The initial financial implications to conduct a comprehensive survey in Sandbaai should be minimal since competent engineers are already employed by the OM. Town planners together with the engineers will then develop a thorough solution.

The implementation of this solution can be categorised under normal operational expenditure and must be facilitated within this financial year already. If a financial constrained exist to carry out the survey shortly, it must be prioritised under the new budget for the coming year.

Where construction is necessary to upgrade the drainage system, this must be planned for under capital expenditure for the next financial year. This may even be planned for in different stages if the estimated financial outlay will be deemed to excessive of one year. It is crucial that this item is listed on the IDP since failing to attend to this, may have serious consequences.

Please see below of a project under operational coast that was successfully complete during this financial year:



Figure 11 Branderdraai Street experienced a water log during the rainy season

K12/154



Figure 12 After a successful intervention and re-engineering of the water flow the problem was solved

Recommendation

It is recommended that this project receives the utmost attention to resolve the items as listed above. The benefits of this project will entail the conservation of our coastal area as well as the protection of private and public property.

Accumulation of water, especially close or on road surfaces are known facts that causes road surface to develop potholes and road edges to deteriorate. By making this a priority project the future cost of maintaining road surfaces will be minimised, resulting in a financial saving to the administration.

The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable.

H LOMBAARD

COUNCILLOR: WARD 7

Document prepared by the Sandbaai Ratepayer Association OBO ward 7.

K13/154

Upgrading and maintenance of the Sandbaai Hall

Background

The Sandbaai Hall is a Community Hall owned by the Overstrand Municipality. The Sandbaaisaalbestuurskomitee (SSBK), a committee consisting of residents of Sandbaai, rents the Hall from the Overstrand Municipality. The latest Lease Agreement was drawn up and agreed to in 2020 and is valid until July 2029. The basic agreement states that the SSBK will be responsible for the upkeep, maintenance, renewal and improvements to the Hall and equipment, depending on several conditions. One of these is that the premises are made available to the Municipality free of charge. The SSBK is also responsible for paying these expenses as well as paying for basic services, namely water, electricity, sewage and refusal removal and the insurance premiums. To finance these expenses, the Hall is rented out for functions, meetings, church services, classes etcetera. To maintain the Hall and grounds, projects are identified and if possible, some maintenance are done by the Municipality, but otherwise organised and funded by the SSBK.

The Hall is also used for emergency situations to house people in case of, for instance, fires, unrest and when people were evacuated due to unsafe circumstances. Schools may also be accommodated if need be.

Problem Statement

The SSBK tries it's best to keep tariffs as low as possible to accommodate the community and encourage them to use the Hall. Therefore, the income derived from letting out the Hall, are just enough to cover the monthly Municipal fees and do the basic cleaning and repairs to the Hall and grounds. Up to know, the Overstrand Municipality has not identified any bigger projects for the improvement and maintenance of the Sandbaai Hall.

Proposal

The SSBK have identified all the major problems that currently exist and highlighted them all to the Building Planning Department of the Municipality, but do not see that any projects are identified to fix or repair these problems. The SSBK will therefore compile a list of all major and minor problems that exist which should be addressed. Also, a list of maintenance items will be compiled as well as a list of improvements which the SSBK have identified, will be given to the Overstrand Municipality for them to place on the IDP to find budget to address these lists. Due to changing circumstances, new opportunities will also arise which have to be planned and budgeted for.

Major issues

1 Structure of the Hall:
   - 1.1 The Hall has a major damp problem which causes all the inside walls to have damp patches, black mould growth and crumbling plaster. The causes of this problem could be structural, cracks or other causes.
   - 1.2 The Hall has big and deep cracks on the outside and inside walls.
   - 1.3 The roof, facia boards, gutters and walls need to be regularly maintained. For the past 10 years, only the outside walls have been painted once.

2 Inside of the Hall:
   - 2.1 The Hall floor consists of concrete on the outside and wooden springboard in the middle. These floors have not been maintained for more than 10 years and are in desperate need to be upgraded.

2.2 Due to the damp problem, all the inside walls have crumbling plaster. Re painting the walls only lasts for a couple years then the damp seeps through again.

2.3 All other maintenance and repairs are done by the SSBK.

3 The exterior grounds around the Hall:

3.1 Although plans were drawn for roads and parking in front of the Hall, only the basics were originally done. Most of the parking areas are sand, gravel and rocks with no demarcation as to where to park.

3.2 The gardens must be maintained and developed by the SSBK.

4 New opportunities

4.1 The Hall does not have the ability to cater for loss of electricity and water. The need for a generator or even better, solar, or similar alternative energy sources, have become critical for the Hall to fulfil its functions.

4.2 To maintain the gardens, trees, and grass, it must be watered in times of water scarcity. The Hall has a large roof to gather water and water tanks would tremendously assist to store water for use in the garden.

4.3 There is no storage space available to house furniture especially chairs except for inside the hall. Storage rooms must be built, or containers could be used as storage space.

4.4 More and more organisations and people are requesting that Wi-Fi should be available. To have this facility available, would make the Sandbaai Hall much more attractive for more diverse use.

Financial Implications

The areas that the SSBK are responsible for must be financed from income derived through renting the Hall to interested parties for functions, shows etcetera. In the past the SSBK once received funding from the allocation the Municipality gave to each ward yearly. The funds earned this way only covers paying the Municipal services as well as cleaning and basic maintenance and repair. All other expenses will have to be budgeted for by the Overstrand Municipality.

If the Overstrand Municipality does not identify any projects or do allocations to the upkeep and maintenance, apart from new developments, of the Sandbaai Hall, it might in the end become an unsafe building that cannot be used for what it was intended for.

Recommendations

The SSBK will submit a comprehensive list to the Overstrand Municipality on all the problems and needs, whether it be existing or new, for them to assess and decide on the way forward. Opportunities should also be identified for long term improvements and ways to generate more income to finance all that must be done.

The Sandbaaisaalbestuurskomitee

April 2022

K76/154

IDP MOTIVATION:
WARD 7 / WYK 7

IMPORTANT MOTIVATION FOR SANDBAAI BEACH

1. OVERVIEW

The Sandbaai beach area needs urgent attention to stop the alien grass of invading the beach.
The alien grass and various species of alien trees were planted many years ago to stop sand blowing from the beach area to the residential houses next to the beach.
Over a period of years, the alien grass has extended closer to the sea thus reducing the size of the beach area to a very small strip of sand.
The problem is man-made and the solution must be man-made.

A further problem at the Sandbaai beach is the accumulation of kelp that is washed out onto the beach.
There appears to be no dedication from the Overstrand Municipality to try and clear the beach of kelp on a regular basis.

2. SHORT TERM PLAN

During 2021 an expert was identified and appointed to do an impact study of the Sandbaai beach and make recommendations how the deterioration of the beach can be curbed.
This initiative is supported and must continue until it's conclusion.

The municipality must further include Sandbaai beach in their programme of cleaning beaches.

3. LONGER TERM PLAN

The outcome of the impact study regarding the deterioration of the beach must be evaluated and appropriated action taken.
The Sandbaai Coastal Path Management Group has given notice of the intention to construct a boardwalk from the Eastern to the Western beaches. It is envisaged that the boardwalk would be located at the back of the dune area.

4. FINANCIAL IMPLICATIONS

It is envisaged that the R500 000 per annum ward grant be reinstated and that much of the expenses could be paid for by the said grant.

As a reward the area will be upgraded and property values **will** improve dramatically and the children of Sandbaai will have access to the ocean.

5. **RECOMMENDATION**

K77/154

The reinstatement of the annual ward grant will assist with much of the expenditure to address the current issues at the Sandbaai beach.
The Sandbaai Coastal Path Management Group is also willing and able to contribute financially to the construction of a boardwalk.

The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable.

Author:

Pierre le Roux (Ward Committee member)

Submitted:

H LOMBAARD
COUNCILLOR: WARD 7

K18/154

OVERSTRAND

IDP MOTIVATION:
WARD 7 / WYK 7

IMPORTANT MOTIVATION FOR TRAFFIC CALMING

1. OVERVIEW

The current road system of Sandbaai can barley cope with the vehicular and pedestrian traffic. In the very near future a new residential area, De Zand, will become a reality and in addition, a technical school of 1 400 pupils is planned on a site in the centre of Sandbaai. This will significantly increase the number of vehicles as well as pedestrians on our roads.

The increased lawlessness of drivers of vehicles has reached a level of extreme unsafe conditions for pedestrians and children in our streets.
Due to the lack of sidewalks, pedestrians and children must use the road surface as a means of travel.
Drivers of vehicles and motorcycles show no respect for elderly citizens walking to the shop or the beachfront.
The situation has reached a stage where a fatal incident is almost unavoidable.
Without policing of our roads, the speeding and blatant ignoring of traffic rules will only escalate to an untenable stage.

2. SHORT TERM PLAN

The short-term solution will be to effectively police the traffic flow in the area.
This should be implemented for a period of not less than three weeks.
The community should be informed via social media and the press and the motivation for such action must be made very clear.

The Overstrand Municipality should also investigate and research methods of implementing traffic calming.

3. LONGER TERM PLAN

A more permanent plan would be to introduce traffic calming measures on certain roads.
Mini circles and other appropriate measures could be part of a longer-term plan.
During 2021 a sub-committee of the Ward Committee considered various options and an affordable mini circle was planned for the intersection of Jimmy Smith Street and Main Road.

In determining a long-term plan, the community must be consulted to establish where traffic calming is most needed.

4. FINANCIAL IMPLICATIONS

Whilst the mini circle is a capital expenditure, it could also be funded from the ward grant of R500 000 per year, should such grant be reinstated.

Briefly describe the financial parameters for the proposed solution and its implementation. Where possible, indicate:

5. **RECOMMENDATION**

K19|154

Sandbaai is a residential area with a large component of elderly as well as many school-going children.
A comprehensive traffic calming drive will ensure the safety of those individuals and at the same time enhance residential opportunities and our town as a whole.

The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable.

Authored by

Pierre le Roux (Ward Committee member)
Vos le Roux (Ward Committee member)

Submitted by

H LOMBARD
COUNCILLOR: WARD 7

K80/154

OVERSTRAND

IDP MOTIVATION: WARD 7

MOTIVATION FOR IMPROVING SANDBAAI SAFETY & SECURITY

1. OVERVIEW

Sandbaai has experienced a sharp rise in crime related incidents such as burglaries, theft and robberies over the past three years, with incidents focused mainly along the Eastern border and centre of Sandbaai, the industrial area and along the coastal path between Sandbaai and Onrus. Monthly statistics reported to the ward committee meeting in March 2022, indicated a 30% increase in reported crime levels from the previous year. We expect this negative trend to continue in the future, mainly driven by the large number of unemployed migrants settling in Hermanus and the lack of employment opportunities.

Due to the steep rise in fuel prices, private security firms no longer do as frequent patrols as in the past and have turned into reactive protection units, while SAPS are seldom seen in the area and their response is largely ineffective. Criminals are well aware of this fact and grow bolder by the day, as reported by affected residents, criminals break into their homes at night and day without fear. Furthermore, ineffective prosecution and lack of surveillance, leads to repeat offenders roaming our neighbourhoods.

These problems need to be addressed urgently by trusted mechanisms and services to improve the safety and security of Sandbaai residents and the unsuspecting tourists that visit our town. If not addressed soon, we may experience a gradual decline in visitors and Sandbaai will lose its attraction as an unspoilt natural haven in this part of our region. Residents already feel unsafe and fear walking along the coastal path unaccompanied.

2. SHORT TERM PLAN

Movement of suspicious persons and vehicles need to be monitored day and night in hotspot areas to ensure early response to possible transgressions. This can be done by foot patrols during daylight hours along the coastal path, bicycle patrols and monitoring by CCTV cameras, and a combination of these.

Over the short term, we propose:

Phase 1:

- *Adopt zero tolerance policy against crime of any nature. This should extend throughout all aspects of protection services, SAPS and justice systems.*
- *Establish a hotspot CCTV surveillance infrastructure in Ward 7, 24x7 monitoring and coordinated Response Services. Deploy surveillance at hotspots as identified from time to time by appropriate authorities, and link including with private neighbourhood watches.*
- *Foot patrols to be done along the coastal path by two patrollers in 3 three-hour shifts (to ensure focussed surveillance) during daylight hours.*
- *The appointed task force to address poaching with more vigour – poachers operate daily and remove their loot after 17:00.*
- *Facilitate an operational grid plan, involving neighbourhood watches, security firms, law enforcement officers and SAPS.*
- *Utilise the monthly municipal newsletter to communicate anti-crime actions and successes for public awareness.*
- *Address inappropriate costs in tenders, as this hinders amongst others, the volume of cameras that can be deployed per annum.*

3. LONGER TERM PLAN

It is widely recognised that the most efficient and cost-effective way of managing crime and suspicious movements is by way of a continuously monitored CCTV camera network, focused in pre-determined hotspot areas. The long-term plan therefore is a Phased delivery approach for expansion of CCTV cameras, functionality and associated services done annually against an overall plan.

Phase 2:

- *Add more surveillance cameras to the existing system, and introduce LPR license plate recognition cameras at all main access routes to Ward 7.*
- *Introduce community contribution via SRA for specialised security services.*

Phase 3:

- *Add more surveillance cameras to the existing system, and introduce Thermal imaging cameras at strategic hotspots in Ward 7. Target is 15 camera points across ward 7 based upon completed formal assessments.*



The above proposed CCTV camera positions were selected after consultations between a large CCTV company and members of the local security community, who pinpointed the crime hotspot access areas. The statistics used was provided by Lourens Theron of Alpha Neighbourhood Watch, Clinton Coetzee of Sandbaai Neighbourhood Watch and HPP.
The orange demarcated area is the area where the highest crime rates were recorded.

4. FINANCIAL IMPLICATIONS

The amounts below are based upon actual quotes for appropriate CCTV (2022)

Initial outlay	***Phase1***	***Phase 2***	***Phase 3***	***Total***
Capex	*R650 000*	*R750 000*	*R750 000*	***R2 150 000***
Opex	*R50 000*	*100 000*	*R150 000*	***R300 000***

Working assumptions: R150 000 per unit, and R500 maintenance per unit per month.

The above amounts correlate well with those per formal quote provided to us, based upon the above proposed CCTV installation plan.

5. RISK MATRIX

Please find below a Risk matrix and associated Risk Assessment:

Risk assessment matrix

Possible outcome

Occurrence		A Catastrophic	B Hazardous	C Major	D Minor	E Negligible
Frequent	5					
Occasional	4					
Remote	3					
Improbable	2					
Extremely Improbable	1					

RISK	RMA	Possible Mitigation	Residual
Physical Threats & Attacks	5A	Implement and Monitor CCTV, Patrols	1E
Burglaries & Theft	5B	Implement and Monitor CCTV, Patrols	1E
Public Violence (Riots)	4A	Implement and Monitor CCTV, Patrols	1E
Damage to Tourism	4C	Implement and Monitor CCTV, Patrols	1E
Control Room Leakages	5A	Better Supervision & Staff Monitoring	1E

6. RECOMMENDATION

Both the Ward 7 committee, as well as the Sandbaai Ratepayers Association committee have unanimously voted that, above all else, improved Safety and Security of our Ward is the foremost focus area to be listed in our IDP for the 2022/2023 financial year. It is conceivable, that this will remain our top focus for a few consecutive years.

- *It is internationally proven that CCTV neighbourhood monitoring and rapid response action with ensued criminal prosecution, dramatically reduces crime in the monitored area.*
- *This nominal investment required, will have a major benefit for the ward in terms of safety and security.*
- *Local residents will be able to utilise existing facilities without fear.*
- *Positive visitor feedback will encourage growth in Tourism.*

The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable.

H LOMBARD
COUNCILLOR: WARD 7

**** Prepared by Hugo Potgieter, Dave Chambers and Robert van der Merwe on behalf of Cllr. H Lombard***

K83|154

OVERSTRAND

IDP MOTIVATION: WARD 7

MOTIVATION TO PREVENT CRIME IN SANDBAAI & COASTAL SECTION

1. OVERVIEW

Sandbaai and neighbouring Onrus and Vermont have all experienced a sharp rise in reported crime, (statistics indicate a 30% increase just in the last year) of related incidents such as burglaries, theft and coastal path attacks including armed robberies, since the illegal occupation of Schulphoek happened.

The coastal reserve areas in front of particularly Sandbaai are being stripped of animal life, bulbs, herbal and other plants of all species and even protected trees are cut down for firewood collection. In addition, the seafront pools of Sandbaai are stripped of all forms of sea life and snares are found on a regular basis, set to entrap amongst other, small buck, dassies and Francolins. Schulphoek illegal occupiers are furthermore regularly seen doing dog hunts along this section.

These criminal and unwanted activities take place during the day and at night, and physical and private electronic surveillance shows coastal reserve raiders, thieves and attackers enter Sandbaai and flee into Schulphoek from Vyfde Avenue, also via Kusweg (Eastern side) and through the coastal reserve on the Eastern side of Sandbaai. We expect this negative trend to continue in the future, mainly driven by the large number of unemployed migrants settling in Hermanus and the lack of employment opportunities.

Criminals grow bolder by the day, as reported by affected residents and coastal path visitors, with criminals breaking into their homes, day and night, and without apparent fear. All ages of people, children, adults and older people, performing everyday seaside activities such as running, strolling, swimming, and people just relaxing are now regularly being attacked on the coastal paths. These attackers are later seen running through the Sandbaai coastal reserve section, and up along the sewer wall into Schulphoek occupied areas.

Sandbaai law abiding and rate paying residents really deserve better, these problems need to be addressed urgently by trusted mechanisms and services to improve the safety and security of Sandbaai residents and the unsuspecting tourists that visit our town. If not addressed soon, it is a matter of time before someone is killed, the coastal reserve is barren of fynbos and other protected species, and a decline in visitors results. Sandbaai will lose its attraction as an unspoilt natural haven in this part of our region. Residents already feel unsafe and fear walking along the coastal path unaccompanied.

• Terrestrial Biodiversity (Milkwood Forest) • Plant Species

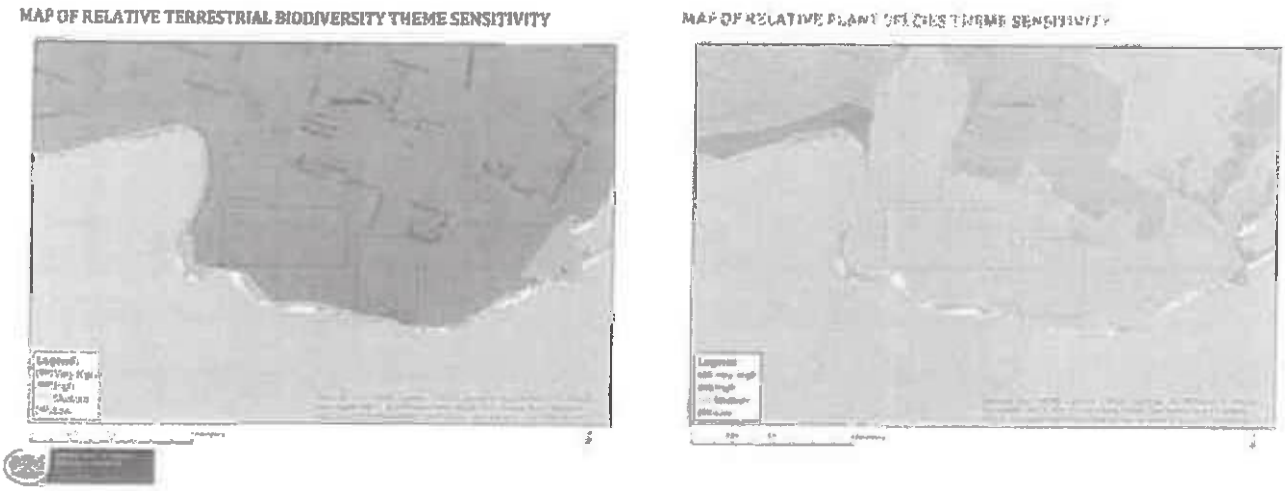

Figure 1 (Left) and 2 (Right):

1. *Terrestrial Biodiversity that requires protection in Sandbaai. (Extract from Western Cape Schulphoek Development TECHNICAL WORKSHOP: 9 – 10 JUNE 2021 ENVIRONMENTAL)*

*2: Plant Species that requires protection in Sandbaai. (Extract from Western Cape Schulphoek Development **TECHNICAL WORKSHOP: 9 – 10 JUNE 2021 ENVIRONMENTAL**)*

Please find below a Risk matrix and associated Risk Assessment:

Risk assessment matrix

		Possible outcome				
		A	B	C	D	E
Occurrence		Catastrophic	Hazardous	Major	Minor	Negligible
Frequent	5					
Occasional	4					
Remote	3					
Improbable	2					
Extremely Improbable	1					

Figure 3. Risk Assessment Matrix

Risk	RMA	Possible Mitigation	Residual Risk
Safety and sense of place risk	5A	Closure of entry and escape routes used by criminals i.e. Vyfde Avenue and Kusweg Eastern section, up to high water mark, to prevent easy access.	3D
Environmental risk	5C	Prevent access from designated routes, to stop environmental destruction	3D
Damage to private property	5C	Prevent access from designated routes, to stop private property destruction	4E
Damage to Municipal property	4E	Prevent access from designated routes, to stop municipal property destruction	4E
Damage to Tourism	4C	Prevent access from designated routes, to stop tourism impacts	3D
Loss of life and Limb	4A	Prevent access from designated routes, to stop loss of life and limb risks	3C

Figure 4. Risk Assessment

2. SHORT TERM PLAN

Movement of suspicious persons and vehicles need to be prevented by closure of Vyfde Avenue, as well as along the eastern side of Kusweg in Sandbaai, up to the highwater mark.

In the short term, we propose:

Part 1:

- *Extending the existing wire fence on the Sandbaai side of Schulphoek Boulevard by 30m to close Vyfde Avenue in Sandbaai.*

Part 2:

- *Extending the wire fence from No 2 Kusweg, Sandbaai, along the Eastern side of the Coastal reserve of Sandbaai, up to and including the highwater mark.*

These closures will discourage suspicious foot and vehicular traffic and it will preserve the Sandbaai Coastal reserve, which rehabilitation is being hampered by destruction. It will also deter and prevent a rapid escape path used by the coastal path attackers and loot from nightly raids being carried out from the affected residential areas.



Figure 5: Sandbaai Protection Closures. Source OM Website GIS. Red lines indicate required closed section

3. LONGER TERM PLAN

Review the effectiveness of these measures post the development of Schulphoek, assess the recovery of plant and animal species in the Sandbaai coastal reserve and determine if the fence at the end of Kusweg can be removed to enable linking up pathways along the coast.

4. FINANCIAL IMPLICATIONS

Initial outlay	*Part 1*	*Part 2*	*Total*
Capex	*R35 000*	*R180 000*	*R215 000*
Opex	*R10 000*	*R10 000*	*R20 000*

- *Working assumptions: R1 000 per meter, installed, once-off cost*

5. RECOMMENDATION

Both the Ward 7 committee, as well as the Sandbaai Ratepayers Association committee have unanimously voted that, above all else, improved Safety and Security of our Ward is the foremost focus area to be listed in our IDP for the 2022/2023 financial year. It is conceivable, that this will remain our top focus for a few consecutive years.

- *It is internationally proven that appropriately selected access closures, dramatically reduces crime in the affected areas.*
- *This nominal investment required, will have a major benefit for the ward in terms of safety and security.*
- *Local residents will be able to utilise existing facilities without fear.*
- *Positive visitor feedback will encourage growth in Tourism.*

The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable.

H LOMBARD
COUNCILLOR: WARD 7

Document prepared by Dave Chambers, Hugo Potgieter and Robert van der Merwe on behalf of Ward 7 Council Committee.

BELASTINGBETALERSVERENIGING
HERMANUS
RATEPAYERS ASSOCIATION
WE WORK FOR YOU ONS WERK VIR U

Feedback to Ward 3 Committee on the 2022/2023 Budget & the Extended Overstrand Integrated Development Plan
April 13th 2022-04-13

Budget 2022/2023

It is apparent that much care has gone into the drafting of the budget. There is evidence of reprioritisation of items between votes with practicality and affordability in mind.

1. The first question we have is whether the budget in its entireity has been done on a top up basis or whether it has been done on the zero base principle. It is too easy simply to take existing numbers and adjust them upward for inflation rather than critically examining each and every category on its merits.

2. The second point relates to the statement that there is no cross subsidisation of the cost of running the municipality. The statement is only relevant in respect of the allocation of the "Equitable Share" received from central government which is allocated to indigent households. On the subject of indigent households one has a perception that if only the income of the registered householder is taken into account then the system is open to abuse. With the critical housing shortage there must be many multi-family households whose combined income exceeds the indigency threshold and who are not making an adequate contribution to the cost of services. What is of concern is the 27% increase in the cost of the provision of said free services.

3. Of key concern to Ratepayers is the fact that historically property rates and other municipal charges have exceeded the rate of inflation by some margin. The point has been made to previous administrations. It is therefore of some concern that the total monthly basket of services is budgeted to increase by 8,3% (Table 11). This is unsustainable.

4. There is an understanding that increased electricity consumption accounts for much of the increase in the basket of charges but is it necessary to increase the basic electricity charge as well? This basic charge is significantly higher that the Cape Metro and needs explanation. There is also the reality that water is paid for twice by

ratepayers, Once on the basis of consumtion and then for a second time under sewer charges. This is iniquitous and needs review.

5. In table 17, of the total Expenditure budget of R 1,615 M Employee costs amount to R 519 M and Contracted Services R266 M. There is therefore a huge people related cost base and the question needs to be asked as to whether this has been critically evaluated and is it sustainable in the longer term? Is the remuneration of top earners skewed in relation to those lower down? A further question which arises annually is the 2% notch increase over and above the nationally negotiated increase of 4.9% as this continually pushes up the wage cost.

6. Also in Table 17 under Expenditure is an amount of R444,512 M for Other Expenditure and details are requested as to how this is broken down as the amount is significant.
   The above two components of the expense base show significant over expenditure compared to the original budget in the current financial year.

7. In the Capital budget there is no mention made of the move to "Renewables". In view of the huge increases expected from ESKOM one would expect some investment in this area. One suggestion would be to encourage households who have the capacity to supply surplus to the municipality at favourable rates and enable policy in this regard.

The IDP

1. Although the draft of the IDP contains no preamble from the Mayor she makes specific reference to the functioning of Ward Committees in the preamble to the Budget. Having raised concerns around the Ward Committee Rules one expects that there will be a suitable structured engagement with Ward Committee members on the subject. There was no formal engagement at Ward Committee level prior to the local government elections and this needs to be adressed.

2. Significant space is devoted in chapters 1 and 3 to the Overstrand's capacity to deal with the significant threat posed by fires. This is entirely appropriate and one trusts that the capability to deal with them is adressed.

3. Social Cohesion is mentioned as one of the significant risks posed to the municipality. Sport is one of the interventions which can significantly mitigate this risk yet there is no budgeted provision to improve the state of the Zwelihle Football stadium. The issue is glossed over in the narrative on Sporting Facilities when in fact the stadium is in a disgraceful state. The HSC on the other hand is the regular recipient of injections of cash from the Municipality. This issue

has been raised repeatedly by the HRA with a number of individuals both in Council and the Administration without success. Our plea is that this is taken seriously.

4. Chapter 2 sets out the details of the Ward 3 Priorities but the schedule is not that which was supplied following a review by members. This needs to be updated.

5. In chapter 3 Item 3.1.3 the Governance Structure still shows Environmental Services within the Infrastructure and Planning directorate. This is a contradiction in terms as the Environment is usually the victim in relation to Infrastructre and Planning. Our request is that it be relocated to another directorate, probably Community Services.

6. In chapter 4 reference is made to Transport Services. This is probably one of the longest standing items which has received the least priority and the most lip service over many years. The grandiose plans and statements of strategic intent have become meaningless when on a daily basis one sees people on the main roads touting for lifts to destinations East and West of Hermanus.

7. In chapter 9 regarding Local Economic Development under the heading of Tourism no mention is made of **Medical Tourism**. Hermanus boasts some the most sophisticated medical facilities available in the entire country. The cost of treatment in South Africa for overseas patients is a fraction of the cost in their home countries. This together with the availabilty of the highest quality accomodation and recreation facilities in one of the best run municipalities in the country is not mentioned. This is a serious oversight and represents a significant economic opportunity.

8. The issue of traffic calming in Hermanus is topical at present. Residents in most suburbs are up in arms about general lawlessness and speeding through built up urban areas. Unless priority is given to this issue we run the risk of there being serious loss of life before long. The issue needs to be adressed at its source which is the disregard of the law rater than spending money on speed bumps etcetera.

HRA March 2022

K90|154

From: Oceans Media <Oceansmedia@live.co.za>
Sent: Monday, 04 April 2022 08:17
To: D Taljaard <dtaljaard@overstrand.gov.za>
Cc: CFO <CFO@overstrand.gov.za>; Elsabe Stadler <estadler@overstrand.gov.za>; H Slabbert <hslabbert@overstrand.gov.za>
Subject: Rekening: 2010 0006 9583, Erf 1149 HSB, 19 Piet Retief Singel, Sandbaai

Goeiedag

Baie dankie almal se teenwoordigheid by ons vergadering die 24ste Maart 2022 waarin die rebate kwessie ten opsigte van my rekening bespreek is.

Ek waardeer dat waardevolle inligting en raad van almal teenwoordig aan my oorgedra is, en ook dat die oopdeur beleid van die munisipaliteit teenoor ons as kliente ten volle ag gegee is aan.

Hiermee, soos bespreek, versoek ek die volgende:

1. 'n Afspraak met die munisipale bestuurder.
2. 'n Verlenging van die uitstel van betaling van die volle uitstaande rekening met 'n maand om my die geleentheid te gee om hierdie saak verder te neem soos protokol vereis.
3. Die geleentheid om offisieel beswaar aan te teken voor die volgende raadsvergadering ten opsigte van die "rebate koste" (Korrespondensie sal in die week volg.)
4. Weereens 'n afspraak met die burgermeester om my kwelling onder haar aandag te bring.

Ek sal dit hoog op prys stel as alle partye wat gecc is in die epos sal bevestig dat u hierdie epos ontvang het.

Vriendelike groete
Mev. L. Nieuwenhuyzen

Lizette Nieuwenhuyzen

Director

Oceans Media

Tel: (+27) 071 554 1420
Email: oceansmedia@live.co.za | **Website:** www.oceansmediasa.co.za
Social Media: Facebook | Instagram
Piet Retief Crescent, Sandbaai, Hermanus 7200

K91|154

14 The Quarterdeck
Mariners Village
140 Church Street
Westcliff
HERMANUS
7200

The Executive Mayor
Alderman Dr. Annelie Rabie
Overstrand Municipality
Magnolia Street
Hermanus
7200

2022-04-14

Dear Dr. Rabie,

MUNICIPAL BUDGET - TARIFFS AND RESIDENTIAL HOUSING SCHEMES

As a responsible citizen I would like to bring to your attention some budget related issues in respect of the Overstrand Municipality as a service provider and the Mariners Village Homeowners' Association as a consumer.

I am a homeowner in the Mariners Village residential housing scheme. The scheme is run as a Homeowners' Association [HOA] in which individual homes and vacant erven are privately owned. The HOA is responsible for overseeing the day to day management of the estate and for the maintenance of the 'common property' on behalf of its members through an Executive Committee [Exco] of trustees who are elected annually by the homeowners at the Association's AGM.

One of the core management functions of Exco involves engaging and paying service providers and then recovering funds from homeowners through levies and other charges to cover its expenses. And whilst this sounds simple and straightforward, it is not.

I served on Exco for two years, firstly as a trustee and then as the Chairman. My successor took over from me in August last year.

During my time in office I found long-term legacy problems in all but one of our estate's major service supply agreements that had, until then, remained unrecognised by previous trustees, managing agents, service providers and auditors. The main cause of the problems I found related to the different channels by which services are provided and charged.

In terms of municipal services these include:

1. Charges made through municipal invoicing directly to homeowners
2. Charges made through municipal invoicing to the HOA which are then onward charged to homeowners through HOA levy invoices

The following are the main municipal service issues I wish to highlight to you:

Water fixed costs [Considered unresolved]

1. In the Overstrand's suburban areas owners of all erven, including those owning vacant erven, each pay monthly water fixed cost charges [totalling R198.04 / erf in FY2021/22].
2. In Mariners Village, these charges are invoiced by the municipality to the HOA but only in respect of fully developed erven; no charges are made in respect of vacant erven.
3. The discrepancy described in 1 and 2 above may be because the municipal accounting system as currently set up seems unable to handle the number of developed and undeveloped erven simultaneously.
    a. The number of developed erven is required in order to calculate the water variable [consumption] costs
    b. This same number is used as the number of fixed costs charged to the estate.

    One solution to facilitate collecting water fixed costs from all erven would be to transfer the fixed costs from the HOA's account to each of the individual homeowners' accounts - as is current practice with sewerage fixed costs [see below].

4. Whether or not these charges should be made in respect of all erven or just the developed erven, water fixed costs have been underpaid to the Overstrand municipality for many years. This is because the number of developed erven in the estate had been under-reported in the past and the number was never previously updated.
5. On behalf of the HOA I had the municipal records amended to show an increase in the number of developed erven from just 15 to 105. But the estate actually comprises:
    a. 165 residential erven in total, of which 104 were fully developed and 61 were undeveloped. These numbers need further updating now because more houses have been built / are being built.
    b. There are 6 erven reserved for Sectional title developments of which
        i. 1 block is complete [The Golden Hind – but it has its own water reticulation system and an independent municipal account] and
        ii. Another, [Endeavour block] is currently in work.

Water variable / consumption costs [Considered resolved]

1. Water consumption is measured using a single municipal water meter that records the total volume of water delivered into the estate.
2. Over a recent 19-month period the municipal water meter was broken and therefore recorded no water delivery into the estate. The fault went unreported.
3. During this period no water consumption was invoiced to the HOA and no payments were made by the HOA to the municipality. Municipal invoices clearly but incorrectly showed zero consumption and zero cost.
4. Once the meter problem had been reported, the broken meter was replaced and a new municipal account was opened for the estate.
5. As the municipality does not invoice homeowners directly, water consumption costs for the estate as a whole are first calculated based on average consumption per erf at the applicable tariff. These costs are invoiced to the HOA.In order to calculate average consumption, the following information is required:
    a. Total estate consumption, and
    b. Number of developed erven [because vacant erven consume no water]

6. On behalf of the HOA I had the number of developed erven updated in the municipal records from 15 to 105. The number should be revised again now as further developments are currently taking place in the estate.
7. Any understatement of the number of developed erven results in
    a. an overstatement of consumption per erf
    b. punitive costs because of the stepped tariff scale in which higher consumption is charged at higher tariffs.
8. The reverse is also true:
    a. The estate consumption would have been grossly overcharged when only 15 developed erven were on record and 105 erven were actually consuming water.
    b. This situation was avoided only because consumption was simultaneously under-recorded over the period because of the broken water meter.
    c. In the period before the broken meter, the total water costs were incorrectly recorded but contained only because the fixed cost undercharge compensated to some unquantified degree for the consumption over-charge.

Sewerage fixed costs [No problem identified]

1. Sewerage fixed costs are invoiced directly to homeowners on their individual municipal accounts in accordance with applicable tariffs.
2. Managing water fixed costs in the same manner by invoicing on homeowners' individual municipal accounts may be a solution to the water fixed cost undercharge problem described above.

Sewerage variable / capacity costs [Unresolved]

1. Sewerage variable [capacity] charges are not currently invoiced to the HOA and neither are they invoiced directly to homeowners.
2. As a consequence, neither homeowners not the HOA have ever paid any sewerage capacity costs to the municipality. This represents a huge current and past municipal under-recovery.
3. Sewerage capacity tariffs are applied to water consumption volumes on the understanding that all water supplied to an erf [or into an estate] must be removed again. It follows that this is a charge that must, by necessity, appear on invoices made directly to the HOA as that is where the water consumption figures are recorded.

The estate is provided with electricity on an industrial tariff and the charges applicable to residential, suburban homes do not apply to Mariners Village.

I was voted off our committee before I was able to see this work through to completion but Hilmer Slabbert, [your Accountant: Meter Readings] is aware of some of these matters.

Please be aware that the current HOA Chairman [Mr J Potgieter], our current Estate Manager [Mr E Botha], and I each have very different views on how the estate should be managed and what the duties of Exco are. Mr Botha served as long-term Chairman in the period before my time, and Mr Potgieter was his Financial Trustee for several years. Some of the problems I have highlighted above, however, have a history that predates even their service terms.

I am currently involved in a formal dispute with the current trustees and I would therefore appreciate you keeping the source of this information confidential to the extent that you are able to.

Some of these matters may be equally relevant to other estates in the Overstrand. In my limited experience, trustees serving on Residential scheme committees are generally ill-equipped to identify problems, manage and then correct processes and procedures that are fundamentally flawed.

If further explanation is required, please feel free to contact me.

Yours sincerely,

CJ Waterworth

Chris Waterworth

Tel: 0848682535
e-mail: c.waterworth01@gmail.com

From: David Botha <david.botha@route2.co.za>
Sent: Friday, 29 April 2022 14:53
To: Dean O'Neill <mm@overstrand.gov.za>; CFO <CFO@overstrand.gov.za>
Cc: anlo@kingsley.co.za; Hybre Lombard <hybre@lantic.net>
Subject: Draft Budget and related issues
Importance: High

Good afternoon to you!

Since I have "retired" as the Ward Councillor of Ward 7 Sandbaai, I have deliberately kept a very low profile in order to allow our new councillors to establish their own styles and approaches without what could be seen as "interference" or trying to be wiser than them. I did however take note of what was going on at a superficial level.

At this rather late stage of the annual IDP and Budget process I have however decided to make a couple of brief comments, based on my own observations as well as a few observations made by members of our community.

1. I am very concerned about the intention to do away with the "current" R500 000 for Ward Specific projects. In the past this was a very specific and tangible way of Council to give the so-called "man and woman in the street" and the incumbent Ward Councillor a way to have some say over what is close to home. In the case of Sandbaai, this was the sole source of funding to get all streets tarred for many many years – something that residents were very passionate about. Owing to the additional funding emmanating from the De Zandt land sale, this dream was fulfilled and the attention could be turned to "smaller" priorities such as a substantial length of tarred side walk along Main street.

   Eventually issues such as much needed traffic calming, improvements such as additional street lights, and further walkways could be included. Incidentally it is not clear what is happening in terms of the items as listed in the 2021/2022 Budget – there has been no general communication in this regard and there is in fact a fear that these projects will not be executed. The additional funding to provide the much needed so-called Golden Harvest storm water furrow with a concrete bottom also has not been spent and questions in this regard are unanswered.

   If the Ward allocations are to be abolished it will send a seriously negative signal to the residents who do not necessarily understand the intricate inner needs and workings of the broad budget.

   My appeal is that the allocation should be retained.

2. Although it might not directly relate to the budget and IDP, the Overstrand/ 4/All slogan or Hash tag does not seem to be well understood. I did enquire about its real meaning, but I heard conflicting views. One explanation I heard, is that it meant that services will be at the same level or standard for all residents. I was surprised to hear that explanation since it implies that the Overstrand did not in the past approach the needs of all residents equally. If the idea is that there will be a change of approach, willl the areas which have lagged behind due to historic

reasons, will it mean that for example that all Fisherhaven and Bettysbaai streets are soon going to be tarred and that Kleinmond will get waterborne sewage reticulation all round?

In addition there is clear evidence that the Town planning, Building and other regulations such as Health and Safety regulations as well as norms are not universally applied in all Wards. A fair number of residents even see this as discrimination and feeling persecuted as easy targets whille at the same time a couple of hundred meteres away from for example Sandbaai, offal is sold from bakkies, building regulation and town planning is in general ignored. In Sandbaai however a person selling firewood or fruit from a bakkie is an easy target and in fact dealt with promptly.

Please clarify the Hash tag Overstrand/4/ALL and consider the real implications
Please embark on equity for all in terms of the issues as mentioned above

I trust that these comments will be carefully considered and viewed in a positive light

Groete!
David

Ing David Botha Pr.Ing
+27(0) 79 491 6218

K91|154

BUDGET INPUT: OVERSTRAND WATER FUND: A BUSINESS CASE – RETURN ON INVESTMENT FOR ECOLOGICAL INFRASTRUCTURE RESTORATION

Introduction

Together with inappropriate future development, the inability to stop and reverse the infestation and spread of invasive alien vegetation (IAV) in Overstrand, is one other exponentially growing risk factor that is and will have an increasingly devastating effect on the Overstrand economy in the next thirty years, if sustainable and effective counter measures are not implemented.

The Battle Against Invasive Alien Vegetation (IAV)

The relevant national and provincial government bodies have since approximately 1997 been combatting IAV through the 'Working for Water' and other similar programmes with national government funding.

Although these programmes have been successful in some restricted areas of the country, the uncontrolled spread and densification of IAV continues relentlessly throughout the Overstrand. This is largely due to bureaucratic inefficiencies of the mentioned programmes and their inability to sustain such operations throughout the landscape and over time.

The Economic and Other Impacts of IAV

It has been well researched and is well known that IAV infestations have *inter alia* the following negative effects. This will have an ever-increasing cost for the Overstrand economy and the cost of funding local government service delivery. They are that IAV infested areas:

I. Destroy the optimal natural water delivery capacity of our mountain catchments;
II. Reduce the groundwater recharge ability;
III. Destroy the water storage capacity of our wetlands;
IV. Cause large-scale soil erosion of our watercourses and terrestrial areas;
V. Through the reduction of the ecological water reserve of watercourses, reduce their ability to sustain their natural aquatic biodiversity, maintain ecological infrastructure and to mitigate flooding;
VI. Cause the disruption of sustained water flow to scour our estuaries - resulting *inter-alia* in reduced natural breaching cycles and unnatural build up of reed growth as well as the reduction of the 'nursery' function that our estuaries play in the life-cycles of various species of marine life;
VII. Bring about a massive reduction in the spectrum of local natural biodiversity which cause many species to be at risk of extinction;
VIII. Massively increases the risk and intensity of wildfires, threatening human life and property as well as exponentially increasing the cost of fire control operations;
IX. Alter and destroy our natural landscape character which in itself is a unique and significant attraction in terms of tourism;
X. Degrade agricultural potential of agricultural areas and value of private farms; and importantly
XI. Private landowners, especially in the rural areas. often do not have the financial means to combat widespread and dense IAV infestations.

Although IAV control outside of municipal land is not within the funding mandate of the Overstrand, the IAV problem affects us all in the Overstrand economically in one way or other. It therefore does

speak to the municipal objective of maintaining a 'A safe and healthy environment' as well as working towards reducing an unnecessary burden for ratepayers in the future.

Action is required as soon as possible to facilitate a sustainable answer to the growing threat of IAV in our municipal area. The Overstrand Municipality is well placed to spearhead and take the lead with such facilitation in partnership with national and provincial government, the private sector and even overseas partners that are interested in funding such projects, especially to help protect conserve the globally important fynbos biome.

This will currently require mainly time investment for municipality which should be tackled with a strong will and enthusiasm to assist in protecting the future economy of the Overstrand as well as our life supporting natural environments.

To this end, it is worth reading the following – a programme that is being implemented with much success:

GREATER CAPE TOWN WATER FUND BUSINESS CASE | ASSESSING THE RETURN ON INVESTMENT FOR ECOLOGICAL INFRASTRUCTURE RESTORATION | APRIL 2019

This document can be accessed at:
https://www.nature.org/content/dam/tnc/nature/en/documents/GCTWF-Business-Case-April-2019.pdf

For consideration and discussion.

A proposal on behalf of and with the support of all the members of the Ward 13 Committee

Duncan Heard (Member: Ward 13)

K99/154

KONSEP-BEGROTING 2022/23: WYKSPESIFIEKE PROJEKTE BLY IN DIE SLAG

Vir my en baie inwoners is dit 'n groot teleurstelling om te verneem dat wykspesifieke projekte in die konsepbegroting vir 2022/23 vervang word met voorsienings vir sogenaamde omgeeprojekte.

Dit is een van die vier kostebesparingsmaatreëls wat in die 2022/23 Konsepbegroting toegepas word.

Daar is ondersteuning vir die ander maatreëls, naamlik:

- Dat die beginsel van minimale verhogings gebruik is vir algemene uitgawes wat nie vir kernfunksies aangewend word nie, tensy geldige motiverings, soos kontraktuele eskalasies, aangevoer kon word;
- Ondersoeke na die noodsaaklikheid van uitgawes vir munisipale bedrywighede; en
- Die toepassing van die 2019 Regulasies vir Munisipale Kostebeperkings.

Wykspesifieke projekte word al jare lank befonds uit 'n vaste bedrag (verlede jaar R400 000) wat aan elke wyk toegeken word. Meesal is kleiner kapitale projekte, soos die aankoop van toerusting vir speelparke, daarmee aangepak, maar in Wyk 10 is in die verlede die brandweerstasie op Pringlebaai oor 'n paar jaar met die toekenning gebou.

Dit is nie duidelik wat omgeeprojekte is nie en of Wyke 9 en 10 enigiets kan verwag nie.

Kennis word met dankbaarheid geneem van die volgende kapitaalprojekte wat vir die twee betrokke wyke op die begroting vir 2022/23 en die twee daaropvolgende finansiële jare in die pyplyn is:

Wyk 9:

- Elektrisiteit: vir opgradering van die kragnetwerk word R2,416m in 2022/2023, R2m in 2023/2024 en R2,5m in 2024/2025 voorsien; en
- Stormwater: infrastruktuur in Proteadorp gaan met R4,8m in 2023/2024 opgegradeer word.

Wyk 10:

- Sport en Rekreasie: R2,868 m in 2023/24 en R1,297 m in 2024/25 word vir spreiligte op die sokkerveld in Overhills voorsien;
- Water: R11m in 2023/24 en R9m in 2024/25 is vir die opgradering van die Buffelsrivier-watersuiweringsaanleg toegeken; en in die komende finansiële jaar gaan die toegangspad daarheen teen R1m opgegradeer word; en

Albei wyke:

- Sanitasie: die rioolverwerkingsaanleg tussen Kleinmond en Bettysbaai kry vir fase 1 R9,3m in 2022/23 en vir fase 2 R10,9m in 2022/23 en R8,9m in 2023/24.
- Water: pypvervanging – vir die hele Overstrand word vir fase 1 R13,6 m in 2022/2023, R3m in 2023/24 en R10m in 2024/2025 voorsien, asook R2,83m vir fase 2 in die komende finansiële jaar.

K100154

BEFONDSING VAN LAEKOSTEBEHUISINGSPROJEKTE IN HANGKLIP-KLEINMOND

Ek is bekommerd oor feit dat die Munisipaliteit Overstrand in sy Konsep-begrotingsverslag vir 2022/23 nie veel voorsiening vir die behuisingskrisis in die weste van Overstrand oor die volgende drie jaar maak nie.

Die laaste laekostebehuisingsprojek in die Hangklip-Kleinmond area was twaalf jaar gelede en die behuisingsnood in die area het intussen skerp toegeneem.

In Oktober verlede jaar het die vorige munisipale raad die verslag van 'n ondersoek na beskikbare en ontwikkelbare grond in Kleinmond en die opgradering van Overhills as 'n riglyndokument vir die Overstrandse Ruimtelike Ontwikkelingsraamwerk (2020) en die Overstrandse Behuisingsplan aanvaar.

Volgens die verslag was daar 1040 ontwikkelingsgeleenthede vir laekoste en bekostigbare behuising op die 19 terreine wat op Kleinmond ondersoek is

Van dié terreine is uitgewys vir "vinnige oorwinnings" om korttermynverligting vir die behuisingsnood te bring en is daar aanbeveel dat die statutêre prosesse dadelik moet begin om die grond vir ontwikkeling beskikbaar te stel, veral vir selfbouskemas in Proteadorp.

Daar is ook voorgestel dat 'n soortgelyke ondersoek in die Hangklip-gebied en Bettysbaai gedoen moet word nadat inwoners van Proteadorp aangedui het dat van hulle in daardie gebied wil hervestig.

Die ondersoek het ook bevind dat grondontwikkelingsgeleenthede in Kleinmond beperk is, dat daar ten nouste met die gemeenskap saamgewerk moet word om suksesvolle implementering te verseker, en dat daar na ander dorpe in Overstrand gekyk moet word vir toekomstige uitbreidings.

In die konsepbegrotingsdokument word aangedui dat Overstrand oor die volgende drie jaar toekennings van meer as R211 miljoen vir die vestiging van menslike nedersettings van die Wes-Kaapse regering gaan ontvang: R111,74m vir 2022/23, R67,42 vir 2023/24 en R32,4 vir 2024/25. (Sien meer besonderhede op meegaande tabel.)

Daarbenewens kom daar R25,645m oor die volgende drie jaar van die Departement van Energie vir die elektrifisering van nuwe laekostehuise.

Slegs R6,1 miljoen van hierdie reuse-bedrae gaan in Hangklip-Kleinmond aangewend word.

Die R6 miljoen wat geoormerk is vir die aankoop van grond by Afdaksrivier mag moontlik ook help. Duidelikheid moet gegee word of dit vir die sogenaamde nuwe dorp-konsep iss, 'n plek waar 'n volledige dorp met sakekern, nywerheidsgebied, skole, kliniek en polisiekantoor ontwikkel word as antwoord op die beperkte geleenthede wat tans in bestaande dorpe vir menslike nedersetting beskikbaar is.

Nog iets wat onduidelik is, is hoekom topstrukture as operasionele besteding beskou word en nie kapitaal nie, soos wat by die Begrotingstoervergadering op Kleinmond gesê is.

VOORGESTELDE DRIEJAAR-BEHUISINGSBEGROTING 2022 – 2025

PROJEK	BEGROTING 22/23	BEGROTING 23/24	BEGROTING 24/25
	R	R	R
OPERASIONEEL			
Blompark TS (539)	22 360 000.00	20 190 000.00	13 000 000.00
Swartdamweg Terrein C1 TS (150)	195 000.00		
Masakhane (TS (295)	26 000 000.00	13 000 000.00	
Stanford TS (783)	23 400 000.00	13 000 000.00	13 000 000.00
TOTAAL OPERASIONEEL	**71 9555 000.00**	**46 190 000.00**	**26 000 000.00**
KAPITAAL			
Masakhane UISP (1179)	19 933 000.00		
Masakhane UISP Nat kerns (1179)	8 892 000.00	5 130 000.00	
Tamboplein & Nuwe kamp		8 500 000.00	1 700 000.00
Mount Pleasant IRDP	8 260 000.00		
Kleinmond IRDP	800 000.00	1 000 000.00	1 500 000.00
Kleinmond Overhills UISP	600 000.00	1 000 000.00	1 200 000.00
Groter Hermanus (Hawston Seafarm)	1 000 000.00		
Buffeljagsbaai	300 000.00	600 000.00	1 000 000.00
Afdaksrivier Aankoop		5 000 000.00	1 000 000.00
TOTAAL KAPITAAL	**39 785 000.00**	**21 230 000.00**	**6 400 000.00**
GROOT TOTAAL	**111 740 000.00**	**67 420 000.00**	**32 400 000.00**

Afkortings

TS - Tegniese steun

UISP - Opgradering van Informele Nedersettingsprogram

IRDP - Geïntegreerde Residensiële Ontwikkelingsprogram

DRAFT BUDGET 2022/23: BUDGET RELATED POLICIES

The bulk of Draft Budget Report for 2022/2023 consists of budget related policy reviews. In total 19 policies, spanning over 331 pages or 41,5 percent of the 796-page document, form part of the the budget report.

I went through the changes proposed by the Overstrand administration and found major changes in the Indigent Policy, the Customer Care, Credit Control and Debt Collection Policy and the Tariff Policy that required explanation in more detail to the general public.

1. **The Customer Care, Credit Control and Debt Collection Policy** will require extensive public communication regarding the following expansions:
    a. Dealing with deceased estates, which in my opinion is very important. Customers attention should be drawn to the following changes:
        i. One of the clauses states that in a case where a new tenant/owner/authorised person do not qualify for a subsidy, the new tenant/owner/authorised person shall be responsible to pay the outstanding amount on the account from the date of death of the deceased person, up to the current date, or to arrange for a settlement agreement.
        ii. In the case of child headed families, where the parents are both deceased and only unemployed minor children stay in the dwelling, a social worker report must be obtained for the debt to be written off. The child headed family may apply for indigent subsidy on the account of the deceased owner.
    b. Debtors who default on two occasions in respect of arrangements, who will be denied the privilege of making further arrangements and must pay the full amount outstanding **– this is flogging a dead horse and requires more thinking.**
    c. Interest will be calculated from the first day of the new month on all arrear amounts older than the most recent monthly service account, taking any payments into consideration – **very good news, indeed,** although it already in practice;
    d. Regarding the cost of collection all costs of legal processes including interest, penalties, service discontinuation costs and legal costs associated with customer care or credit control, wherever applicable, are for the account of the debtor and should reflect at least the cost of the particular action. Collection costs on indigent clients, will be kept to a minimum by re-setting the pre-paid electricity debt collection [ratio] percentage to **90% - this not sound in line with to a minimum.**
    e. A new criterium for irrecoverable debt was added, namely outstanding debt of older than two years when after the transfer of a property, it is older than 2 years – **good administration required.**

2. Most of the **Indigent Policy** changes relates to the phasing out of Indigent Categories B and C, which will be discontinued from 1 July 2022 and is welcomed. A positive step to encourage recipients to re-apply for Category A provision is to provide for the scaling down of benefits in the next financial year. The ending of the Verification and Amnesty Period on 31 December 2021 also brought about minor changes. Under definitions a welcome change was brought in to ensure that Child Support Grants will not be added to household income when applying for an indigency grant. Also positive is the clarification of the position of councillors and municipal

officials, who do not qualify for any benefit in terms of this policy. Another positive change is that compliant applications received before the 15th of a particular month will be considered for subsidy for that account levied for the month. The proposed changes also address the issue of people who provides misleading information. In such cases they may only apply again for an Indigent Subsidy after a period of 6 months.

3. The most important and welcome change to the **Tariff Policy** makes provision for:
    a. Small-scale embedded generation of electricity. SSEG customers can feed electricity back into the municipality's electricity network, provided they purchase more electricity than they feed back over a consecutive 12-month period, in line with the Municipal financial year. All excess credit accumulated by the customer within this period will be forfeited by them.
    b. However, the impact on tariffs should be clarified with regards to
        i. the addition of fees covering law enforcement services at business and events and for the impoundment of abandoned or obstructing items,
        ii. for the traffic department costs when impounding public transport vehicles, and
        iii. property administration application fees for leases, were expanded to include the words purchase and encroachment.

4. The **Supply Chain Management Policy** is affected by the dropping of one of the three parts of the policy, namely the one that provided for the management of Infrastructure Procurement and delivery. Added to the first part now are clauses for the Framework for Infrastructure Delivery, the Framework for Infrastructure Procurement, Infrastructure Procurement Gates and Gateway Reviews. Hopefully, this will contribute to the reduction of red-tape.

5. Note is taken of the minor or technical changes needed for the following:
    a. **Asset Management Policy** where the term *control items* was changed to *assets below the capitalization threshold,* meaning items of assets that are not significant enough for financial recognition but are valuable enough to warrant special safeguarding.
    b. **Travel and Subsistence Policy,** in which amounts of subsidies were changed.
    c. **Payday Policy,** in which clear definitions were added for different categories of employees as well as technical issues regarding pay day and the recovering of money owed to Council when leaving service.
    d. **Virement Policy,** where an addition makes it now clear that no Capital Budget virements are permitted across the mSCOA Function/Sub-Function segment, except in an official adjustments budget. There are also a few other minor changes regarding the virement process regarding operational budget.
    e. **Unauthorised, Irregular or Fruitless and Wasteful Expenditure Policy** - one minor change.
    f. **Cost Containment Policy** - one minor change

6. Note is taken that no changes were proposed for the following:
    a. Property Rates Policy;
    b. Special Rating Area Policy;

c. Petty Cash Policy;
d. Contract Management Policy;
e. Investment, Liquidity & Cash Management Policy;
f. Budget Policy;
g. Borrowing Policy;
h. Funding, Reserves and Provisions Policy; and
i. Long Term Financial Planning and Implementation Policy

RECOMMENDATION

1. In general, the proposed changes to policies are supported.
2. A rethink is required about how to deal with debtors that default more than once on payment arrangements.
3. More effort should be made to inform the general public about these policies and the importance of them.
4. An intensive effort or communication campaign is needed to inform affected parties about the changes proposed to the
    a. Indigent Policy, especially phasing out Categories B and C;
    b. Customer Care, Credit Control and Debt Collection Policy; and
    c. Tariff Policy, specifically with regard to SSEG.

K105 | 154

From: Ian Martin <ismartin@telkomsa.net>
Sent: Sunday, 17 April 2022 10:35
To: Dean O'Neill <mm@overstrand.gov.za>
Subject: Pearly Beach Water Supply

Madam Mayor

Overstrand Municipality

I wish to support the call for the allocation of funds for the acquisition and installation of a standby generator at the purification plant in Pearly Beach.

I urge you to read the blog post that I put up in December 2021 in which I outlined the events that led to the water supply problems the town faces today.
https://ianmartininpearlybeach.blogspot.com/2021/11/no-power-no-water.html

The Overstrand Municipality has been aware of the urgent need for a permanent standby generator for more than two years but nothing has been done to address the situation. It is now a matter of critical importance to set aside the money needed to safeguard the permanent supply of water to our area.

Ian Martin

K106/154

From: Jan Briers <janbecol@gmail.com>
Sent: Thursday, 28 April 2022 23:59
To: Dean O'Neill <mm@overstrand.gov.za>; CFO <CFO@overstrand.gov.za>
Cc: Mayor <mayor@overstrand.gov.za>
Subject:

REPRESENTATION ON OVERSTRAND DRAFT MUNICIPAL BUDGET: 2022/23
BY Mr J H BRIERS

I could not find any invitation to comment on the draft 2022/23 budget in the papers, municipality website or facebook.

1. BACKGROUND

The budget must take cognisant of the present negative economic climate in SA and resultant **reductions is income of the people of the region** (that include large number of pensioners who's income **significantly reduced** because of interest rate cut of more than 2%. Furthermore the region's economy heavily depends on the tourism industry that has come to a standstill and businesses are closing down as a result of the lockdown. SA is in a recession and its **predicted growth reduced to much lower than the CPI index or inflation. Salary increases should be linked to economic growth rather than inflation as growth is reality that takes the poor, jobless and homeless into account.** Council must endeavour to keep the rate increases to the absolute minimum required to maintain service delivery levels at an acceptable standard as well as to ensure continued maintenance and upgrading of infrastructure. The higher weight of salaries in the budget reduces the funds available to maintain infrastructure or do capital projects. It is a downward spiral that you will not escape from.

The municipality must consider the following when compiling their MTREF budgets:
- ***improving the effectiveness** of revenue management processes and procedures;*
- *paying special attention to **cost containment measures;***
- *ensuring value for money through the procurement process;*
- *the affordability of providing free basic services to all households; and*
- ***curbing consumption of water and electricity** by the indigent to ensure that they do not exceed their allocation.*

The Overstrand Municipality is therefore urged to (i) **decrease posts** and (ii) put the process in motion to **stop previously negotiated salary increases** as it was negotiated under totally different circumstances. It is noted that the previous mayor acknowledged that "Wage increases for municipal staff that have exceeded headline consumer inflation in the past". The salary expenditure increases of the preceding two years according to the report, is 9,2% and 14,46% ; thus supporting this.

2. QUERIES, OBSERVATIONS, COMMENTS AND NOTES REGARDING THE BUDGET

The salary notch increases plus other allowances amounts an **increase of more than 6.0 %.** This is more than 300% above the growth of the region).

The proposed increase **of the salary budget currently is 6.1%. This increase is on top of salary expenditure increases of 9,2% and 14,46% the preceding two years according to the report.** This is much higher than (i) the economic growth of your ratepayers and (ii) the increase of income of the budget and shall therefore impair service delivery and Capital Projects (like Pipe replacement).

I have written a report in 2019 stating that **pipe bursts in Kleinmond-Hanklip was increasing (to 174/annum in 2017/18)** and becoming a crisis causing a waste of water, labour, equipment and funds and thus other services. This year the Mayor made a presentation to ratepayers stating that in 2020 pipe busts increase to **703 pipe burst** and the cost to repair this, was **R23 million** and **water loss was 70%** (water treated but not sold). This is wasteful, shocking and unacceptable. At a draft budget feedback meeting I was informed that the Municipality budgeted R 27 million for pipe replacement (I see R 16.37 million on the budget). This low figure makes no economic sense. If you have a burst pipe in your house and your water bill raised to R50 000 for the month you will not fix that water leak over 10 years. You will **borrow money** and fix the leak immediately! The cost of R23 million possibly does not cover all costs as I have not seen the calculation (is the loss of water accounted for in this cost calculation?).

Activities such as parks management, road verges, alien invasive tree control, block burning, road maintenance and possibly a number of other activities are done without specific Park- or Fire- management plans. Only with proper **Management Plans can efficiency be measured and improved on** as well as staff and contractors be effectively managed and held accountable.

The **increase of Basic charge or fixed costs** or service charges of tariffs for electricity, water and sewage is **the same as that of the price per unit used.** In my case the proportion of the cost of water and sewage used is only 40% of the cost, the fixed cost is 60% of the cost. This is fundamentally wrong as: (i) it makes it impossible for poor people to reduce cost by saving measures and (ii) it is a disincentive to save resources and thus in conflict with sustainable development principals committed to in the IDP and SDF. The **%-contribution of Basic charges of Fixed Costs should be reduced or remain unchanged** to decrease the pressure on natural resources and the environment to discourage wastage and incentivise efficiency.

The increase of **free water to the poor from 5 to 10 kl sends a message that water is not a valuable resource.** I have a small vegetable garden and nursery and still aim to keep my water use at below 10kl/m. This does not make sense when a "penalty" is paid for water consumption above 6 kl.

The **Basic fixed cost or Monthly charge per Electricity meter** is should not be linked to the Eskom price increase of 8% as it borders on dishonesty. Such a high increase for fixed cost is not in line with the principles of Sustainability.

The **fixed costs should rather be included in tax** as it is not and has not been used to build up funds to replace such infrastructure. This will be honest and save your taxpayers the 14% sales tax.

I wonder if **Alien invasive tree eradication as well as controlled burning** is accounted for in the budget and IDP. This is the most important measure to limit the risk of fire.

3. BUDGET PROPOSALS:

(1) That the increase in property rates should not be increased by more than 4,5%.

(2) That **Basic charges or fixed cost** water, sanitation, electricity and refuse tariffs remain unchanged or reduced (see below).

(3) The **unit cost of water** above 6kl, **sanitation, and refuse unit/use tariffs can be increased by 6%** (if above fixed cost is not increased or more if reduced).

(4) The unit cost price of water for 0-6 kl use, should remain unchanged.

(5) Free water should **not** be increased above 6kl (it devalues a valuable resource, encourages wastage and does not make sense).

(6) The cost difference of water use above 18kl should be indicated as a fine of tax and not a service. Thus **not being charged sales tax** as it is more like a tax of fine.

(7) The **Basic or Monthly charge per electricity meter,** namely R 408, must remain unchanged or reduced and a way found to further reduce it in future.

(8) That the loss of income due to the abovementioned proposals be off-set by:

a. Approve lower salary increases for personnel and councillors for 2022/2023. **Salary increases should be linked to economic growth of 1.8%** rather than inflation;

b. Freezing all vacant positions in principle and only filling those positions that would ensure basic service delivery;

c. Ensuring that all staff performances are carefully aligned to ensure maximum efficiency and value for money efficacy (supervision of work is vital); and

d. Work should be done in accordance with clear Management Plans. To achieve above

e. Reduce of water losses.

(9) The **fixed costs should rather be included in tax** as it is not and has not been used to **build up** funds to replace such infrastructure. This will be honest and save your taxpayers the 14% sales tax.

(10) Replacing water pipes in the Hangklip area should be an absolute obvious priority. So much so that the Municipality could borrow money and fix **all the areas where pipe bursts are prevalent immediately**. The R23 million that the Municipality must spend on fixing the pipes will most probably pay the interest on such a loan.

(11) Account for Alien Invasive tree eradication as well as controlled burning in the budget and IDP

JH Briers
Ratepayer in Betties bay

K109/154



HERMANUS BABOON ACTION GROUP

27th April 2022

Attention:

CFO Santi Reynecke-Naude,

Overstrand Municipality

Cc:

Municipal Manager Dean O'Neill

Comments on Draft IDP and Budget: 2022/2023

Law Enforcement:

Page 108:

LEAP (Law Enforcement Advancement Plan) - Establishment of Reaction Unit Project with the appropriation of R6,3 million allocated to Overstrand Municipality. The fight against crime in the Overstrand received a significant boost with the announcement of the Law Enforcement Advancement Plan (LEAP) funding for the Overstrand to tackle crime. The LEAP Project is jointly funded by the Western Cape Government in line with the Overberg Safety Plan. While safety is the primary responsibility of the South African Police Service, the Municipality continues to contribute to filling the gaps left by inadequate police resources. The new officers will be deployed in areas where assistance is most needed. They will enforce by-laws and assist enforcement agencies with crime prevention, illegal occupation of land, land invasion and illegal protest.

- *23 job opportunities in a 3-year fixed term will be created, Recruitment to commence shortly.*

The LEAP project is a welcome addition to the area. If the **actual enforcing the law** is part of this program, this will make a difference to our waste management awareness campaigns, as HBAG and EMS require proper support for our efforts from LE.

HBAG does not see this in the draft budget amendment, please indicate where funding will be sourced.

Page 120:

"The OM received Grant Funding of R450 000 from the Provincial Government to employ 10 beneficiaries out of the local community of Betty's Bay and Kleinmond to assist with the management of the Betty's Bay baboon troop and to find alternative methods to keep the baboons out of the urban area."

The Hermanus Baboon Action Group welcomes both the above statements, in particular the appointment of 'Eco Ambassadors' trained to promote the use of baboon proof refuse bins and alert residents in Bettys' Bay and surrounds of the hazards of poor refuse management.

Whilst this is a short-term contract, it is hoped that there will be an extension of this grant for a further period, to enable the team to upskill and continue their work in other problem areas. Is it possible to extend this grant to follow on from June 2022?

Environmental Management:

Page 112:

"The Fernkloof Nature Reserve has an Advisory Board with an approved bylaw, and co-management agreements with the Botanical Society of Hermanus, the Cliff Path Management Group and the Hermanus Hacking Group"

It is regrettable that the above statement is inaccurate. The Fernkloof Advisory board is currently inactive and has not met for almost 1 year. This is a violation of the Act, in terms of No. 57 of 2003: National Environmental Management: Protected Areas Act, 2003. The deterioration of the FNR reflects poorly on OM as the management authority.

Furthermore, as indicated in the IDP:

"Fernkloof Nature Reserve (Hermanus) is the flagship Nature Reserve for the Overstrand Municipality".

For the Fernkloof Nature Reserve to thrive and function appropriately, a proper management board is urgently required. The lack of maintenance in the reserve on various pathways and a leak to one of the dams is deeply concerning and has a negative impact on visitors and hikers to the area.

The allocated budget for the reserve is significantly inadequate, given the claim by OM that FNR is a 'flagship'. The management and maintenance of FNR is currently significantly an embarrassment when visitors and tourists complain of badly maintained pathways, security issues and the destruction of wildlife by poaching and hunting.

Baboon Management Plan:

Page 119:

"Result 4: Waste Management to ensure that waste is inaccessible to baboons"

Whilst HBAG and EMS have progressed well and been very successful in various collaborations and awareness campaigns in the baboon affected areas of Eastern Hermanus, the concern remains that currently unaffected areas may soon face baboon raids.

It is the view of HBAG that if refuse management is not addressed firmly in areas like Onrus, Vermont, Hawston Heights and parts of Eastcliff the less habituated troops (Hamilton Russel and Onrus) may begin to encroach on the ever-expanding suburbia.

Already, the newly developed Hawston Heights is rapidly becoming a litter and refuse disaster area. Shameful that visitors and tourist entering the Hermanus area are greeted with filth dumped on the side of the R43, waving ripped plastic packets on fencing and wedged amongst plants.

This area requires focused attention and awareness campaigns in the community. Numerous appeals have been made by HBAG to OM to provide animal proof refuse bins or at least a SECURED waste drop off easily accessible to this community. These new developments must be planned with refuse management being a fundamental criteria in the planning phase, not a panic afterthought.

Unfortunately, we do not see any allocation for enhanced refuse management for Hawston Heights, (or Onrus/Vermont) in the budget.

The proposed new development at Curro will inevitably produce litter and refuse during the construction phase, and again, the surrounding area will become an attractive source of easy food for the baboon troops. Proof of this scenario was witnessed during the R43 construction between Hermanus and Stanford, causing the death of several baboons from the Vogelgat troop and subsequent habituation of the wild troop to a now fearless troop semi dependent on refuse and Human Derived Foods.

If vulnerable areas are not brought in as part of the awareness campaigning, **OM will be faced with a further heavy budget to extend the baboon management program to address a further 2 troops, something we all would prefer to avoid. This cost would far exceed the following preventative measures which could be easily implement:**

- Enforce waste bylaws (NO UNSECURED REFUSE BAGS ON PAVEMENTS EVER)
- **Mandatory baboon proof bins required for all properties in Onrus/Vermont and subsidized arrangement for animal proof bins for indigents in Hawston Heights.**
- Awareness campaigning in Onrus/Vermont assisted by the 'eco monitors' as was initiated for Bettys' Bay.
- Local groups like their SRA/Residents Association and Environmental Groups should be included in OM campaigning for residents to secure their refuse before it is too late.

The following quotes from the IDP suggest the OM is alert to the impact of unmanaged refuse, however the implementation of bylaws in these areas does not match this 'mantra':

Page 123:

"Priority Area 4- Land and Marine Based Sources of Pollution and Waste

Goal: Minimise the impacts of pollution on the coastal environment.

Objective 1: Develop and implement pollution control and waste management measures to minimize and control harmful discharges into coastal ecosystems.

Objective 2: Monitor and manage polluting activities"

Page 119:

"A total budget of approximately R24 million (excl Vat) over a 3-year period has been allocated to the Overstrand Wide Baboon Management Programme. The budget has been divided as follow:

Year 1 (20/21) = R 6 861 635.00

Year 2 (21/22) = R 9 962 840.00

Year 3 (22/23) = R6 945 750.00 (excl Hangklip, awaiting approval)."

The above appears to be inaccurate and out of date, requires proper clarification.

"CapeNature, the Provincial Department and OM have attended 3 Baboon Management Joint Task Team Meetings (BMJTT) and 1 Annual Review meeting during the first year (2020/21) of the Baboon Management Programme. The Annual Review document is in draft form and will be made available to the BLG members once reviewed and completed".

A draft annual review is yet to be provided to the Baboon Liaison Group for Eastern Hermanus. The last BLG meeting was held in December 2021. Regrettably the BLG meetings for Eastern Hermanus have now been suspended for unknown reasons. Both these factors violate the terms of the Baboon Management Plan and require urgent attention. To abandon liaison between the community representatives, service provider and OM is disruptive and frustrating. The program has to date been beneficial to the Eastern areas of Hermanus from an economic and safety aspect, for both baboons and residents.

HBAG motivates for a continuation of the BMP program, however, some amendments must be made to the current BMP to enable better analysis of performance of the service provider.

Protection of FernklooF Nature Reserve:

Page 110:

"Safety & security consist out of three divisions which is Access Control, Closed Circuit Television (CCTV) and Armed Response. Safety and security refer to the actual conditions of our municipal employees work environment and to the prevention of theft, fire, and any other emergency incident and to create a safe working environment for all employees and visitors. Closed Circuit Television (CCTV) is our self-contained surveillance system that records and display movement for monitoring activities at our CCTV control room. Our control officers inform our armed response, law enforcement, traffic, fire, or SAPS of any illegal activities who then reacts accordingly".

"Overstrand Municipality is the appointed management authority for the proclaimed Local government nature reserves"

Given the above statements, referring to Municipal Property, surveillance and security of the Fernkloof Nature Reserves requires urgent investigation by the OM. We see no budget allocation for this.

Incidents of wildlife poaching, hunting dog packs, graffiti and defacing of rocks, plant poaching, removal of tortoises and other small wildlife, trapping of buck and small game and accosting of hikers and joggers on the reserve paths.

A proposal for a Public Private Partnership between community groups and OM has been discussed with Protection Services and Deputy Mayor, however, the discussion has now stalled. Community interest groups such as HBAG would like to motivate for proper consideration for a surveillance camera system to be installed at FNR and operated through the ICC. Disappointingly we do not see any reference to this in the Draft IDP for 2022/2023 or budget. It has been noted on the Ward 3 Committee Agenda twice in 2022 and correspondence from HBAG to Deputy Mayor Ntsabo and Neville Michaels and Ward Councillor Brice is on record.

HBAG looks forward to a more productive response from OM about surveillance of FNR than experienced to date.

Waste Management and Voelklip Drop off:

Page 183:

The Voelklip Drop Off next to the OK in 7th Street is an extremely well-used and appreciated facility, for the local residents and weekenders in the surrounding area. The extended open hours on Sundays has contributed to a greatly reduced level of refuse bag dumping in the area. Weekenders are able to drop off their refuse as they leave on a Sunday morning/afternoon.

HBAG would like to appeal to the Solid Waste Department to maintain the facility on a permanent basis. Whilst there have been arson incidents, the restoration of the facility should be regarded as urgent and necessary. It is a positive contributor to waste management for the area. We see no allocation for funds for this in the budget.

HBAG extends grateful thanks to Waste Department for excellent responses to our queries and good collaboration over the past 4 years.

A written response to the above comments would be appreciated.

Pat Redford

Hermanus Baboon Action Group

info@hermanusbaboons.co.za

Ward 3 Committee Member.

Submission on the Draft Budget 2022/23

Stanford 27 April 2022

The Draft: Budget 2022/23

This submission acknowledges from the outset that the Draft Budget 2022/23 for the Overstrand Municipality (OM) was drafted by the same officials that made it possible for the OM to perform to the degree that the OM was rated as the Number 1 municipality in the Republic of South Africa in 2020/21. See link to source article under Notes at the end of the submission.

As such, the Draft Budget is based on sound legal and financial information and correctly formatted. All increases are well-motivated, and the capital budget is clear and complete. With the exception to the objection described hereunder, the Draft Budget is accepted.

I do not agree with the changes to Ward Specific Project funding, which was also included in the Draft IDP and to which I also object.

The Draft budget 2022/23 starts off with a Foreword under the heading: OMAF – 15 March 2022 Abbreviated Report by Dr Annalie Rabie, Executive Mayor. The foreword on pages 2 and 3 consists of 37 lines, of which 15 (40%) are dedicated to a set of questions on the functioning of the Ward Committees. They are as follows:

> The question that you need to answer yourself when I talk about the ward commities (sic)- it becomes problematic for me - I really want to ask, are the ward committees sufficiently effective?
>
> Number one I had serious problems with the ward committee election results - not all sectors or all blocks are effectively represented on their ward.
>
> Inputs are needed from the business community on how do we make daily life easier so that they can create more jobs, create more investment.
>
> Give me your honest views on how you feel about the ward committees
>
> What I think to be honorable - all the organizations that you represent, how do you get your feed back to them?
>
> What is it that I want to achieve: You have items on a ward committee agenda, we will extract all of those items and consider if this go onto a portfolio agenda, so that you can have it in the system and from there it needs to go to council, this representing the principle.
>
> So I'm also asking ward councillors and our proportional councillors allocated to wards from all parties, to look what is outstanding on the ward priorities from the previous term and consider if it is still relevant?

These 5 questions do not come to any conclusions, as they have not been answered. Indeed, they still need to be communicated to the interested and affected parties for discussion and comment. Before criticising the system, the criteria for successful functioning of a Ward Committee must be developed, as well as the criteria for sufficient and effective representation. As such, the 15 lines on

ward committees do seem to not fit into a foreword to a budget, and it is seen as driving a specific narrow objective.

Addendum A discusses these questions in more detail.

On page 8, after setting out the budget principles and guidelines which directly informed the compilation of the 2022/23 MTREF, it is stated that:

> **The following cost saving measures were applied:**
>
> **_ The principle of a minimal increase in non-core general expenses unless valid motivations such as contractual inflation adjustments dictate.**
>
> **_ The examining of expenses to see if they are essential to the municipality's operations.**
>
> **_ Municipal Cost Containment Regulations, 2019.**
>
> **_ Provision for ward specific projects were replaced with budget provision for caring projects.**

The replacement of the Ward Specific Projects (WSP) with a provision for "caring projects" is not justified. If this cost saving was needed to balance the budget, the surplus shown on page 30 makes do not make sense. The R7.0 mil that would have been provided for WSP less the R1.5 now proposed for "caring projects", is less than the budget surplus.

The R 500 000 for Ward Specific Projects (in the old Ward 11 where I was involved) was always spent on appropriate local issues such as traffic calming, sidewalks and community amenities. This was done in consultation with Ward Committee members who are representatives from their communities in general and their constituents, with the Ward Committee chaired by the Ward Councillor.

The Ward Committees are elected in terms of the Rules for Ward Committees for Overstrand, which is an open process for all interest groups and blocks to participate in. It cannot be averred that they are not representative enough as this is the result of a democratic process where all role players could participate. There are no criteria on how to define acceptable representation.

The Ward Councillors were involved but the WSP process was not driven by them or their political parties. Replacing the ward funding with allocations to the ward councillors will be the opportunity to bring political views and issues into community functions and interest. It puts the money in the hands of the Councillors with no guarantee that community input will be taken into account. This is an opportunity to politicise the ward level spending.

The WSP acknowledged involvement of the Ward Committee members and proved to their constituents that the local issues could be addressed without fighting at the consolidated budget level, where small projects are side-lined and overshadowed by the major projects of the municipality.

It motivated ward committee members to participate.

The results of WSP in Stanford is evident in the revitalisation of the business area, an endeavour that is directly aimed at economic viability of the whole of Stanford through employment generation in Tourism, the main source of income from outside of the community and from public sector employment.

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The proposed replacement of R1.5 mil/ (14 wards + 14 proportional councillors = politicians) = R 53 571 per councillor is too little to do any meaningful infrastructural projects such as sidewalks and traffic calming. It was alluded too that the funds will be for "care projects". The term "Care Projects" are undefined and may be interpreted as welfare (not a municipal function) and can be used to influence people towards the councillor as a political figure.

The R 1.5 mil is 21.4% of R 7 million that would have come directly to the wards if the previous R 500 000 funds was allocated: a significant reduction in the local value for the ward residents.

The WSP total would have been R 7 mil for the 14 wards, but for this unilateral policy change. It is indicated in the Draft Budget page 8 that the funds were cut as saving on budget. This flies in the face of the published budget surplus of R 6 255 000 on page 30. **(Table 18 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification)**

There is no definition for or policy on "care project" and there is no way in which the public can comment on the format and function of such funds. Municipal spending should be guided by policy and public interest as informed by the IDP. "Care projects" cannot be implemented without policy.

The Ward Committees were not consulted on the change. As they are directly involved (interested and affected parties), it should have been communicated and discussed with them.

The lack of communication seems out of line with the 3C strategy adopted by the Executive Mayor, which is now incorporated in the IDP.

No criteria were specified for the performance of Ward Committees and spending of WSP funding, from which it flows that no analysis was done to verify lack of performance. If such a review system was in place, the Ward Committees could have been informed of underperformance and the opportunity given to correct: the accepted management procedure for performance. In absence of a performance management system, the replacement of funding to a new system that lacks criteria is unfair and procedurally flawed. In absence of criteria and evaluation, statements on ineffective spending can only be based on speculation, perception and other agendas.

Submission:

That the section in the Foreword dedicated to the Ward Committees be removed from the budget.

That the Ward Specific Project funding be reinstated in the budget.

Note:

These arguments are incorporated in the submission to the Draft IDP 22/23 and these submissions must be read together.

See Addendum A for a discussion on the "Questions" raised by the Mayor.

Link to article: https://www.netwerk24.com/netwerk24/za/hermanus-times/nuus/overstrand-is-eerste-in-die-land-20211213

Compiled by Louis Roodt, in my personal capacity.

(Stand 1984 Stanford), 21 Lucy Crescent, Stanhaven, Stanford

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Addendum A

Compiled by Louis Roodt

11 April 2022

COMMENT AND QUESTIONS FOR WARD COMMITTEE ON DRAFT BUDGET REPORT 2022/2023

The Draft Budget Report as presented contains a foreword by the Executive Mayor, which is an abbreviated report based on the OMAF presentation of 15 March 2022.

The following is comment on each of the questions raised.

Comment 1

The Mayor stated that *"I committed myself when I stood for election to look at cost of running this municipality. We are often criticised that our services and our rates and taxes are of the highest, it is not factually correct."*

It will be appreciated if the factual basis / actual comparisons could be shared with the Ward Committees, as we are also confronted with such criticism of high rates and taxes.

Comment 2

Statement: *"People are not queuing up to do business and the question is why not?"*

This question is very complicated in terms of time, space production factors and national and local constraints, including by not limited to after-effects of Covid, lack drivers of economic developments in coastal retirement areas, lack of resources for primary industries (except farming, which is not a great contributor to the local economy), competing towns such as Mosselbaai. However, these are discussed in the IDP and various studies done for the Local Economic Development department, and the answers should be available. The question should be directed to the OM and they should be researching by LED surveying the businesses and business and tourism organisations.

Comment 3

Statement: *"We have a huge housing backlog, with a waiting list for over 12,000 housing units, where does the money come from to address this reality?"*

Money should come from the National and Provincial government that have the legal duty to provide housing. Municipalities are implementing agents and facilitators. As the municipalities are seen as the face of provision of housing, more need to be done to communicate the actual legal duties and sources funding.

Comment 4

Statement: *"Our profile in the Overstand are primarily industries dominantly on retail, financial services, tourism."*

Retail, financial services and tourism are tertiary "industries", with the retail component driven mostly by the local residents on pensions. Only farming and fishing can be defined as primary industries. A small component of secondary industries, which as manufacturing of concrete products, is present, but not sufficient to drive a vibrant and growing regional economy. The factual position of the state and relationships of primary, secondary and tertiary industry should be contained in studies feeding into the IDP.

However, the important conclusion is that OM does not have much in the nature of economic drivers. We are mostly pensioners (in Stanford specifically) holding up a small local economy with money that was generated elsewhere.

Comment 5

Statement: *"It is important for our next roadshows, we need to talk to you about how do we recover the economy."*

Agreed. The basis of such talks would be a thorough analysis of the economy by the LED (the department tasked to do such research) in the OM. However, the expectations and initiative should be tempered with the realities of the demand and supply of the OM region.

The mayor then askes a number of questions specifically on the ward committees.

Question 1

Statement: *"The question that you need to answer yourself when I talk about the ward committees - it becomes problematic for me - I really want to ask, are the ward committees sufficiently effective?"* The Mayor was deployed by her party to this position. While I admire her energy in trying to get opinions and perception leading up to the election, as evident from her inauguration speech *"During my mayoral "listening tours" in preparation for the election, I attended more than 50 direct engagements with stakeholders across the Overstrand. This is over and above, the myriad of door-to-door sessions, individual meetings and requests for information."* it is sad that the formal communication channels such as the Ward Committees were not used. This detracts from the status and role of the Ward Committees.

To as the question *"are the ward the ward committees sufficiently effective?"* can only be answered through a counter question: what are the dimensions of effectiveness, the criteria (KPIs) against which to measure effectiveness? To have a blanked criticism is not fair. The next counter question is: does this apply to all ward committees? For the remainder of 2021/22, the timetable for the ward committee meetings that was originally drawn up in accordance with the OM Rules for Ward Committees, requiring monthly meeting, have been cancelled and replaced with ad hoc notifications on short notice.

Question 2

Statement: *Number one I had serious problems with the ward committee election results - not all sectors or all blocks are effectively represented on their ward.*

The factual basis of this statement is lacking. Could the analysis of representiveness be made available? In which wards may this be true? Which blocks or groups are deemed to be underrepresented? Did these blocks or groups nominate candidates ? The election is open and fair: Can the elected representatives be criticised for being there? In the case of Ward 1, there is more representivity from diverse groups than before.

Question 3

Statement: *"Inputs are needed from the business community on how do we make daily life easier so that they can create more jobs, create more investment."*

Could the LED or consultants that analysed the status quo for the IDP not have research this? Is this a function of ward committees?

Question 4

Statement: *Give me your honest views on how you feel about the ward committees?*

The old Ward 11 Committee function very well. So far, Ward 1 Committee functioned with informal and some formal meetings. Why were the Ward Committees not asked this question before, as they have been constituted in December 2021. What was the constraint to communication? The functioning of the ward committees have been undermined since December 2021. Why was the pre-existing schedule of ward committee meeting scrapped and the March meetings not held, in conflict with the OM rules for ward committees that requires monthly meetings?

Question 5

Statement: *What I think to be honorable - all the organizations that you represent, how do you get your feed back to them*? The Ward 11 Committee members had their means of communication. Speaking for the Ratepayers, we have an email distribution list which reports in the form of Snippets after every meeting, as well as other matters of concern, such as the construction of the R43. Was it not incumbent on the Mayor to ask this question in December 2021, after the constitution of the ward committees, if there was doubt about feedback.

Question 6

Statement: *What is it that I want to achieve: You have items on a ward committee agenda, we will extract all of those items and consider if this go onto a portfolio agenda, so that you can have it in the system and from there it needs to go to council, this representing the principle.*

This proposal is good but not entirely new: is one of the existing functions of the Ward Committee, under chairship of the ward councillor, not to bring to council the concerns and items discussed at the ward committee?

Question 7

Statement: *So I'm also asking ward councillors and our proportional councillors allocated to wards from all parties, to look what is outstanding on the ward priorities from the previous term and consider if it is still relevant?*

Is the annual review of the IDP and budget, including ward specific project, not there to review priorities and outstanding matters? Yes: and it is being done by word committees.

Concluding Comment

It was observed that since November 2021, Ward Committees were subject to a lot of criticism and questions, all which should have been communicated and discussed with the Ward Committees that were already operational in December.

The most serious example of the lack of communication is the unilateral cancellation of ward specific funding. The ward committee funding of a mere R 500 000 per year was the one activity which motivated participation in the ward committee system. It proved that local issues could be addressed by elected committee members acting in the interest of their constituencies as well as the communities as a whole.

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IDP MOTIVATION:

Greater Hermanus Area.

IMPORTANT MOTIVATION FOR INVESTIGATING THE COST TO RESIDENCE IN THE OVERSTRAND MUNICIPALITY.

Contents

Overview 1
Data from a private resident and comparative figures. 3
Financial implications for residents. 5
Recommendation 5

Overview

During the past few years, a topic often discussed among members of the community is the high rates and taxes being paid by ratepayers in the Overstrand Municipality (OM). With the current budgeting process in full swing, and after the meeting held in Sandbaai Hall where the proposed increases in rates and taxes were discussed, it is clear that there will again be increases to the ratepayer that are higher than the average inflation rate.

Hermanus is a renowned tourist destination. The tourism industry makes a substantial contribution to the economy of the OM. In general, this industry, with its related affiliates, suffered the most under the Covid-19 pandemic. Incomes plummeted during lockdown and have probably not yet recovered. Many people lost their jobs and many restaurants and guesthouses were closed. The entire value chain has been affected.

Many houses in OM are secondary residences for people outside the area. These locations are only occupied during holiday seasons or over long weekends. With the economy as it is, the occupancy of these dwellings diminishes, with a potential loss of income to the entire value chain.

There is a lack of large-scale industries in the area that could contribute to job creation and employment for younger people. Hermanus also has large numbers of elderly inhabitants and pensioners. These people are reliant on a fixed pension per month or on an investment made to generate an income. During the Covid pandemic, markets did not grow as they did prior to the pandemic, and therefore investment income may well have diminished lately.

Taking into account the increased cost of living in the past few years, with petroleum products currently at their highest levels, it is no wonder that people are finding it more and more difficult to make ends meet. This is evident in the number of families that pool their resources together in an attempt to survive.

Although the OM has a high income rate, this situation may well reverse in the future. The concern of an expensive municipality is that the middle-revenue residents will soon receive a lower pay packet or even be categorised as poor.

It is commendable that this municipality has taken a pro-poor stance, but the reality of an expensive OM remains. I shall demonstrate this statement below, based on my personal municipal invoice.

Data from a private resident and comparative figures.

It is a well documented fact that the OM claims that their annual increases are below or on par with the prevailing inflation rate. Below please find figures obtained from a resident's invoices in the recent past.

	2015	2016	2017	2018	2019	2020	2021	2022	Ave YOY	Cumulative rate of change since 2016
RATES			8,45%	6,88%	5,65%	5,40%	4,31%	5,57%		
ELECT/ELEK available	5,66%	-88,67%	54,89%	4,76%	9,06%	13,04%	5,86%	16,13%		
ELECT/ELEK infrastructure	0,00%	-7,78%	7,22%	0,00%	0,89%	0,00%	0,00%	0,00%	1,35%	8,04%
REFUSE/VULLIS available	52,84%	5,66%	0,00%	5,65%	6,49%	11,40%	4,31%	3,84%		
SEWERAGE/RIOOL available	-13,49%	5,65%	0,00%	5,66%	6,51%	5,40%	4,30%	3,84%	4,28%	
SEWERAGE/RIOOL infrastructure	0,00%	0,00%	0,00%	0,00%	26,97%	0,00%	0,00%	45,41%		
WATER available	5,66%	5,66%	0,00%	5,65%	6,49%	5,40%	4,30%	3,60%	4,24%	
WATER infrastructure	19,88%	-24,82%	0,00%	0,00%	35,82%	0,00%	0,00%	0,00%		
Water 0-6KL/KL		8,65%	2,17%	10,13%	11,13%	10,35%	4,29%	3,78%		
Water 7-18KL		5,54%	0,00%	5,69%	28,06%	5,37%	-24,34%	3,83%	3,10%	
Water +18KL										
Sewerage Usage @70%/KL		5,63%	0,00%	5,67%	6,53%	5,41%	4,32%	3,84%	4,29%	
Sewerage basic			0,00%	5,66%	6,51%	5,40%	4,30%	3,84%	4,28%	
Total										

Table 1 Indicates the percentage change YOY per line item as well as the average percentage change YOY and the cumulative percentage change since 2016.

From the above table it is clear that in the recent past OM has imposed increases that exceed the inflation rate. What is of particular concern is the high cost of electricity availability and of sewerage infrastructure.

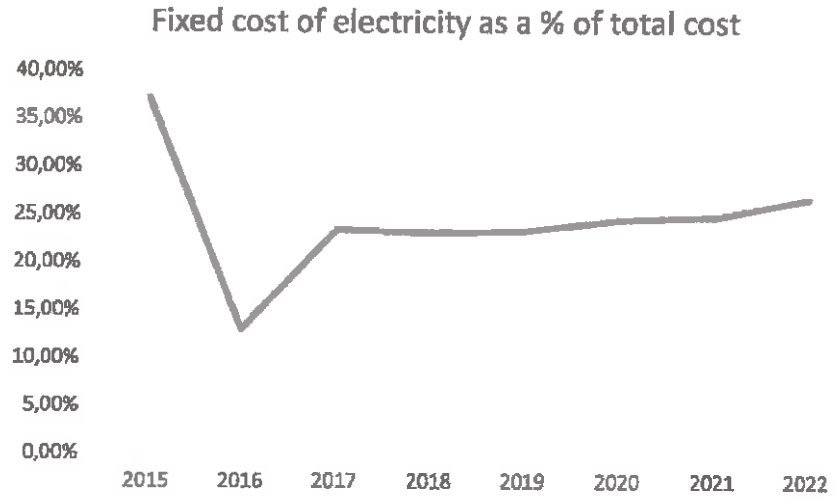

Figure 1 Indicates the percentage cost of electricity based on the total cost on the monthly invoice. This excludes any usage cost for electricity

It is understandable that OM has to adjust the unit cost per Kw/H based on the recommendations from the National Energy Regulator of South Africa (NERSA) and that a further increase is added to this which provides additional revenue to the OM. This is an accepted norm, but to keep on increasing the cost to such an extent as that shown above is excessive.

In an attempt to benchmark OM against its near neighbours, a municipal account was sourced from Durbanville, which falls under the city of Cape Town (CoCT).

Line Item	Hermanus	CoCT
Electricity Availability	R507.55	R186.95
Refuse Removal	R231.83	R142.00
Water Availability	R197.60	R88.00

Table 2 Indicates comparative cost figures from OM and CoCT

The above table highlights the high costs incurred by residents of the Overstrand Municipality.

With reference to the above, the CoCT has a different approach to its sliding scale according to which residents buy their water. Their cheapest block comprised at least 18Kl, whereas in OM only 6Kl of the water is charged at the cheapest rate. Thereafter the cost increases exponentially.

It must be noted that the global water usage is in the order of 5Kl/person. Therefore the OM at least needs to estimate the average number of persons per household, and to adjust the household's water usage incrementally to accommodate that.

In addition to the above, the average electricity usage for a household of four people is about 650KwH per month. The cheapest rate at which to purchase electricity applies only to the first 350KwH, with the next bracket just 250KwH higher. The total falls short of the estimated usage per household per month.

Financial implications for residents.

The municipal rates and taxes, being a fixed cost, and the electricity unit cost per KwH and water cost per Kl, make OM an expensive area to reside in. The total monthly cost, compared to the average disposable income of residents, is soon going to reach a tipping point. This will result in more residents defaulting on their payments, which will result in a financial deficit for the administration.

Recommendation

It is recommended that:

- OM should be benchmarked against areas with similar population size.
- The financial model in terms of which the OM generates its revenue from different streams should be investigated to ascertain if it is still fit for purpose.
- The cost of employment at the OM should be examined for sustainability.
- It should be determined if the number of people employed is appropriate.
- A moratorium on the fixed cost increases of services across the board should be considered.
- Increasing the amount of water and electricity available at the lowest rate should be considered.

In conclusion, it is clear that this administration applied increases that exceeded the average inflation rate consistently and the current proposed increase will not be different. It therefore raises the question if adequate financial controls are in place to optimise the spending of public funds. It is still the opinion that the residents of OM do not receive value for money. An illustration of this opinion is the construction of traffic calming measures in Sandbaai, for which there is no scientific basis for, other than peoples perceptions, to justify the expense. **(R100 000 for circles in the financial year 2020/20201 and another R75 000 in the financial year 20201/2022).**

Hence, tighter financial control and good quality service in addition to appropriately motivated projects will curtail unnecessary expenditure.

J C Roberts

14 Belladonna Street Sandbaai

Municipal account number: 900000304396

Tel: 073 812 2281

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From: Rob McDavid <rob.mcdavid@gmail.com>
Sent: Thursday, April 28, 2022 5:04 PM
To: CFO <CFO@overstrand.gov.za>
Cc: F Africa <fafrica@overstrand.gov.za>; deon laaks <dglaaks@yahoo.co.uk>; Tonie & Adele <2snymans@whalemail.co.za>; Hinke Nixon <hinke@hinke.co.za>; Janeke and Dick Post <post@whalemail.co.za>; Johan Smit <jsmit9031@yahoo.co.uk>; Catherine Lamb <catherine.lamb@everitt.co.za>; Linda Woolnough <linda.w@everitt.co.za>
Subject: Budget comments from Fisherhaven

We wish to make the following observations on the proposed budget.

1. For the last 3 years we have requested through the Ward Committee process, for provision to be made for a small permanent cleaning crew to be assigned to Fisherhaven together with basic gardening equipment. This team would be able to provide basic service delivery in terms of keeping streets, verges and municipal land clean and tidy without the members of the Homeowners association having to log service requests which are not actioned. The cost of such a team would be minimal and would offset the need for calling in contractors once the situation becomes unacceptable. We understand that other suburbs enjoy this service on a full time basis.

2. We note that there is no provision for the supply of security cameras for Fisherhaven. We had previously allocated our Ward funding for this purpose for the last 4 years and still we do not have an operational CCTV system. The benefits of having CCTV manning the entrances and slipway are obvious but still there is no action or provision in the Capital spend to cover the area.

3. We were previously promised at Ward committee level that MIG funding would be provided annually for the purposes of Dust Controlling the roads in Fisherhaven. We do not see any mention of this in the Budget proposals.

4. The Ward 8 IDP has for the last 4 years detailed the need for Water Borne Sewage as well as the provision of an adequate plan of action to manage stormwater. There is no mention of these items in the Capital Budgets. We question the value of participating in the IDP process at the Ward level as no funds are ever allocated to the provision of basic services to Fisherhaven. Significant MIG funds are made available for the upgrading of the Hawston Sports facilities but no money is ever allocated to Fisherhaven.

5. The removal of ward Funding has meant that the very little Capital previously available to the residents for basic improvements has now been lost and we would ask that this decision be reviewed because there is no evidence of a capital allowance being available

6. The control of alien vegetation continues to be a major concern for Fisherhaven residents both from an environmental point of view as well as safety concerns and we would like some assurance that general operating expenditure will be available to manage this threat on an ongoing basis.

Yours Faithfully

Rob McDavid
Fisherhaven Homeowners Association

DRAFT BUDGET 2022/23

The Draft Budget was tabled on 30 March 2022.

The second withdrawal of the R150m long term loan will be made during this budget period. (R50m).

These funds will mainly be utilised to care for the upgrade of the sewer system in Kleinmond.

Headline inflation is forecasted between the 3 - 6 per cent target range over the 2022/23 MTREF (Medium-term Revenue and Expenditure Framework). On provincial level, growth is expected to expand by 4.3 per cent in 2021, by 2.0 per cent in 2022 and by 1.9 per cent in 2023. This outlook indicates a slowing recovery.

The Budget Steering Committee recommended revenue projections based on increases for the respective basic municipal services and property rates ranging from 4.3% to 5.9%.

The proposed increase on Electricity tariffs for municipal consumers are proposed at 10,33% based on information published in accordance with electricity tariffs for Eskom, already approved by the National Energy Regulator of South Africa (NERSA) as from 1 April 2022. The applicable tariffs for municipal consumers are annually implemented from 1 July, the starting date of the municipal financial year.

The Basic Fee for Electricity has, over the past 10 years been increased by more than the proposed increases recommended by National Treasury (NT).

2016/17 = 17,5% (NT – 6%)
2018/19 = 9% (NT – 6%)

Please note that this fee had been increased at the same rate as the Electricity Tariffs as determined by NERSA. As these Basic Fees has nothing to do with the Electricity purchases from ESKOM, these increases were irregular and illegal.

How is the Overstrand Municipality going to refund these unfair increases to the unfortunate Consumers?

The capital budget of R212.8m for 2022/23 is 11,3 per cent less when compared to the 2021/22 Budget.

The increase in property rates has been set at 5.9%, average increases in water at 4.9%, Electricity 10.33%, refuse at 5.9% and sewage service charges at 4,3%. Total Average per household – 8.3%.

Profits generated from Municipal Services (Table 5, Page 13):

Electricity –	R47 822 715
Water –	R 7 616 988
Waste Water Management –	R11 428 755
Waste Management –	R 7 640

Hopefully, some of these profits have been utilised to subsidise the ever increasing service charges.

Profits generated from Water alone over the past five years were:

2017/18 = 7 151 720
2018/19 = 5 250 065
2020/21 = 4 143 055
2021/22 = 3 405 553
2022/23 = 7 616 988

Why can these profits not be utilised to care for the constant upgrade / maintenance and expansion of our water, sewer etc. systems?

Salaries remain a matter of grave concern. An increase of 5,9% has been budgeted for despite the request from the former Minister of Finance, Mr. Tito Mboweni, to freeze the Civil Servant Salary bill. The increase in Salaries is apparently the outcome of negotiations with SALGA some three years ago.

Funds budgeted for repairs and maintenance of the OM's tangible assets has been extremely inadequate and the OM may soon find themselves in a position where the lifespan of certain items may be shortened as a result of this policy.

In his last budget speech, the former mayor, Ald. Dudley Coetzee, made mention of the OM's possible involvement in a "green energy" project (Wind Farm). No mention was made in the draft budget (2022/23) with regards to this project. Could you please give us an update, if possible?

In general, this is the most user-friendly Budget since 2006/07 (when I analysed the budget for the first time). We have to thank the Financial Steering Committee for showing some mercy.

The ever increasing Rates and Service Charges are creating poverty rather than to resolve the problem. I am convinced that the Municipality should urgently revise their income structure to investigate the generation of income from outside sources and/or projects such as wind farms etc. As I see it, the only item sustainable in the Budget is the creation of poverty! You may differ from me but you may also find that there is some truth in my statement.

I do not say that the service tariffs should be replaced by alternative sources of income. All I am saying is that the current policy of increasing the service tariffs every year to the maximum percentage allowed by NT, is not sustainable and should urgently be reviewed!

Tommy Snibbe
tommy.wardcom@gmail.com

K130/154

From: Gerhard Ras <gerhardrasct@gmail.com>
Sent: Thursday, April 28, 2022 5:28 PM
To: Annelie Rabie <annelierabie@overstrand.gov.za>; Dean O'Neill <mm@overstrand.gov.za>; CFO <CFO@overstrand.gov.za>
Subject: OBJECTIONS TO CERTAIN TARIFFS IN 2022/2023 BUDGET OF THE OVERSTRAND MUNICIPALITY

Madam Mayor

I herewith lodge my objections to the following tariffs levied and proposed to increase in the 2022/2023 budget as follows:

1. Waste water tariffs:

I reside at a property in De Kelders, Gansbaai, that is served by a french drain system. I therefore find it unfair to have to pay a basic charge for waste water services in that I do not make use of the municipality's waste water services at all. The argument that it is an availability charge because the service is available on call, is an irrational assumption because the french drain does not require the pump service of the municipality. Neither is my property's waste water discharged in the municipality's sewer system. You are respectfully reminded that section 74(2) of the Municipal Systems Act 32 of 2000 determines that the amount individual users pay for services should generally be in proportion to their use of that service. You are furthermore reminded that section 74(2) is peremptory, which makes your Tariff Policy in respect of Waste Water Services contestable for the fact that it is unlawful in respect of properties serviced by french drains. Without arguing the validity of my afore-mentioned statement, your levying of tariffs for which you do not render a service is simply unfair.

2. Electricity tariffs:

Whilst I understand the principle of an electricity availability (basic) charge, I find it difficult to understand why the electricity basic charge is increased by 10,29% from 2021 to 2022. It is worth noting that the basic charge increases for all the other municipal charges are proposed at between 4,5% and 5,5%. It is therefore reasonable to assume that the electricity basic charge should follow the same rationale. The proposed increase of 10,29% in the basic charge cannot and respectfully should not be linked to the Nersa approved Escom price increase. Unless there is a valid explanation for the huge increase in the basic electricity charge, I respectfully request you to reconsider this proposed increase or to give services consumers the rationale for this approach. Certainly the availability of electricity to the respective sites of individual consumers cannot increase so much more than the availability charges for other services.

Madam mayor, I fully understand party politics and the preference politicians have to whom they are responsive. However I do appeal to your better nature to consider the above matters objectively to ensure fairness to services consumers. I furthermore trust that you will manage the budget in a more thorough and considerate manner as required in terms of section 23(2) of the Municipal Finance Management Act 56 of 2003, unlike your predecessor who abdicated his statutory responsibility to the CFO.

Kind acknowledge receipt.

Gerhard Ras
59 Ingang Street, De Kelders, 7220
Cel no +27662127340

From: Connie Tafu-nwonkwo <ctafu-nwonkwo@overstrand.gov.za>
Sent: Tuesday, April 26, 2022 12:31 PM
To: Dean O'Neill <mm@overstrand.gov.za>; Grant Cohen <gcohen@overstrand.gov.za>; Annelie Rabie <annelierabie@overstrand.gov.za>; CFO <CFO@overstrand.gov.za>
Cc: Vuyisani Bandeza <vbandeza@overstrand.gov.za>; Simphiwe Silo <ssilo@overstrand.gov.za>; Masibongwe Sihlahla <msihlahla@overstrand.gov.za>; Kholiswa Ngqandana <kngqandana@overstrand.gov.za>
Subject: SUBMISSIONS

Dear mayor and MM

I hereby write this email as mandated by the councillors copied on this communication to state that the draft budget presented do not necessarily speak on the realities on the ground that are facing our people specifically those of Zwelihle .
Would also like to get clarity on the MIG Fund can be stated how much is going to each area please explain on this.
There was a mention of funds that will be allocated for electrification in the overstrand which areas will be electrified and benefit on this considering number of informal settlements in Zwelihle that are in need of electricity .

Councillor Connie Tafu Nwankwo
On behalf the copied councillors

K132/154

Onrus Vermont Special Rating Area NPC
Tel: +27 (0)79 469 8606 Email: onrus.vermont.sra@gmail.com

The CFO
Overstrand Municipality
PO Box 20
Hermanus
7200

28 April 2022

Dear Mrs Santie Reyneke-Naude

OVSRA Submission: 2022/23 Draft Municipal Budget

Refer your telephone conversation with Vic Barnard earlier this month.

Background

The OVSRA 5 year Business Plan and Budget was approved by the OM during 2020 with an annual levy increase of 6.9%.

When we discussed the submission of our budget for 2022/23, in line with our 5 year budget, we were informed that it was not needed as the five-year approved budget is already in place.

In March/April you mentioned that, although a levy increase of 6.9% was budgeted for, the OM only approved a 4% increase based on the current economic climate, pandemic and affordability for house owners. Refer the feedback from the OM budget public meeting last week, when it was noted that the levy rate for the SRA's was set at 4% (see Table 6, page 20 of the OM budget).

Mr J.L. Barnard (Treasurer), was requested by you to inform the OVSRA board of the change in the annual levy percentage from 6.9% to 4% and that the OVSRA should accept and approve the said change.

At the March and April OVSRA board meetings the said amendment was discussed and not favourably accepted as it is noted that in terms of Point 6 of the Financial Agreement that OM can determine the additional rates on an annual basis, taking into account the property database, property value adjustments and annual budget submitted to the Municipality.

The OVSRA board has now requested that J.L. Barnard obtain a formal written explanation from the CFO of OM explaining exactly why the approved budget levy increase rate was adjusted downwards by OM.

Request

The OVSRA understands that the levy income should remain as per the approved Business Plan and Budget and that only the cent in the rand levy is adjusted due to the changes in property values in the SRA.

Kindly please respond and clarify our enquiry or misunderstanding.

Yours sincerely



A. du Preez
Chair
OVSRA

K134/154

PRINGLE BAY RATEPAYERS' ASSOCIATION
PRINGLEBAAI BELASTINGBETALERSVERENIGING

SARS Reg. 9101/138/16/3
NPO Reg. 214-205
www.pringlebayratepayers.co.za
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Chairman / Voorsitter: chairman@pringlebayratepayers.co.za / Tel: 083 556 3345

29 April 2022

THE MUNICIPAL MANAGER

OVERSTRAND MUNICIPALITY

HERMANUS

7200

PER EMAIL: rlouw@overstrand.gov.za

OBSERVATIONS AND COMMENTS: DRAFT 2022/2023 IDP REVIEW AND BUDGET.

Dear Sir

Please refer to your Municipal Notice 37/2022 dated 1 April 2022, titled **DRAFT AMENDED INTEGRATED DEVELOPMENT PLAN (IDP) FOR 2017/2023 AND RELATED DOCUMENTS**

1. DRAFT 2022/2023 IDP REVIEW AND BUDGET: OUR COMMENTS

We have inspected the DRAFT AMENDED INTEGRATED DEVELOPMENT PLAN (IDP) FOR 2017/2023 AND RELATED DOCUMENTS as published on the Overstrand Municipality Webpage, and we wish to comment as follows:

a) Referring to Chapter 2: Strategic Analysis (Pages 49 and 50), we wish to extend our appreciations for taking cognisance of the 12 initiatives jointly identified between RooiEls, Pringle Bay, Bettys Bay, Mooituitsig, Proteadorp, Overhills, and Palmiet and for including same in the IDP/budget for Ward 10.

b) Referring to (a) above, we however are unable to comment on behalf of our members since no detail has been made available to evaluate and comment on the allocation of funds to the various areas constituting Ward 10.

Against the above-mentioned background, we sincerely request that you consider making available to the various Ratepayers' Association constituting Ward 10 detail on the allocation of funds per Ratepayers' Association related to the 12 items referenced above. Of particular interest is the allocation of funding for the next planning horizon (5 years) related to:

a) **Stormwater system upgrading and maintenance,**
b) **Road/Street network upgrading and maintenance,**
c) **Potable water reticulation system upgrades and maintenance, and**
d) **Provision and maintenance of waste management facilities.**

We are once again looking forward to your cooperation in this regard.

Best Wishes

AW Vorster
Vice Chairman: PRINGLE BAY RATEPAYERS' ASSOCIATION.

CC: Ms. Theresa Els (theresaels8@gmail.com)
Chairperson PBRA: (chairman@pringlebayratepayers.co.za)
Secretary PBRA: (secretary@pringlebayratepayers.co.za)

OBJECTION AGAINST OSM's 2022/2023 Tariff Policy, Tariff Schedule and Invoicing

FP Note (1)
Fynbos Park and others, (FP) raised objections against Overstrand Municipality's (OSM) Tariff Policy(s) Tariff Schedules and Invoicing since April 2013. A long fruitless process followed without a conclusive outcome.

This document summarises FP's case as a continuation of our previous objections.
This document will only concentrate on 2 key issues:
OSM's non compliance with Municipal Systems Act No. 32 of 2000 (**STA**), Section 74(2), by using Fixed Tariffs unrelated to usage instead of proportional to use tariffs.
OSM's disregard for Sectional Title Body Corporate Functions and non compliance with Sectional Titles Act, No. 95 of 1986 (STA), Section 37 and
Sectional Titles Schemes Management Act, 8 of 2011 (**STSMA**), Section 3,
by invoicing wrong liable legal person, being **Unit Owners** instead of **Body Corporate.**

1 SOLUTIONS to OBJECTIONS

1.1 **OSM** must comply with **MSA** Section 74(2) by reverting back to invoicing Body Corporates instead of Unit Owners, for the number of refuse Bins used (**"approved domestic waste container"**), by Body Corporate therewith complying with **Section 74(a), (b) and (d).**

2 GENERAL

2.1 South Africans are subject to the Constitution, National Acts as well as Provincial Acts and Municipal By-Laws (depending on Province and Municipality).

2.2 **CRSA: Section 156(3)**
2.3 **A by-law that conflicts with national or provincial legislation is invalid.**

FP Note (2)
OSM By Law 3(2) relating to Tariffs 2009 (**BLT**) is valid & requires **MSA** Section 74(2).

2.4 **MSA: Section 74 (1)**
A municipal council **must** adopt and implement a **tariff policy** on the **levying** of **fees for municipal services** provided by the municipality itself or by way of service delivery agreements, and which **complies with the provisions of this Act,** the **Municipal Finance Management Act and any other applicable legislation.**

2.5 **LGMFMA: DEFINITIONS (Municipal Finance Management Act)**

2.5.1 **MFMA: SECTION 62(1)(f)(i):**
A tariff policy in terms of section 74 of the Municipal Systems Act;
2.5.2 **MFMA: SECTION 62(1)(f)(ii):**
A rates policy as may be required in terms of any **applicable national legislation;**
(Legislation followed in 2004: **MPRA, 6 of 2004**)

2.6 **LMPRA: Sections (Municipal Property Rates Act)**
2.7 **LGMPRA: Section 10(1):**
2.7.1 **A rate on property which is subject to a sectional title scheme must be levied on the individual sectional title units in the scheme and not on the property as a whole.**

2.7.2 LGMPRA: Section 25(1):
A **rate** levied by a municipality on a sectional title **unit is payable by the owner** of the **unit...**

2.8 IMPORTANT

FP NOTE (3)
There is nothing in Municipal Property Rates Act allowing a Municipality to recover Municipal Services Costs (Tariffs under any name) of any kind from the Owner of a Section/Unit in the **ST** Property Scheme. The **MPRA** only allows Municipalities to charge and recover Property Rates.

3 COMPARISON of APPLICABLE ACTS with OSM TARIFF POLICY

LOCAL GOVERNMENT: Municipal Systems Act No 32 of 2000

CHAPTER 8 MUNICIPAL SERVICES (ss 73-86A)
Part 1 Service tariffs (ss 74-75A)

3.1 MSA: Section 74 (2)
A **tariff policy must** reflect **at least** the following **principles**, namely that-

FP: Note (4)
- Must means must and **OSM** has no choice but to comply with Sections 74(2) (a), to (i), both inclusive. **OSM** may add principles but any **OSM** added Principle that is in conflict with above is invalid.
- Refer to Constitutional Court of SA, Case **CCT** 78/14, paragraphs 45 and 46:
  [45] Second paragraph, second last sentence:
  "Policy determinations cannot override, amend or conflict with laws (including subordinate legislation)."
  [46] first paragraph first sentence:
  This Court has not only endorsed these remarks of Harms JA but also emphasised that a policy must be consistent with the operative legislative framework.

FP NOTE (5) In this case including **MSA, MFMA, STS** and **STSMA.**)
For ease of explanation FP's understanding of Sections, Sections (a), (b) and (d) will be explained in reverse order.

REVERSE ORDER: 74(2) (d), then (b) and then (a)

3.2 SECTION 74 (2)(d)
tariffs must **reflect** the **costs** reasonably **associated** with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges;

FP NOTE (6)
The operative words in this Section are **"tariff"** and **"costs... associated".**
No real cost must be **ex**cluded and no fake cost **in**cluded.
Section 74(2)(d) is based on generally accepted accounting, arithmetic & costing principles.
A tariff is a price:
Of a specified **quantity**, expressed in a unit of measure (**UM**);
Of a specified **item**, (in this case a Municipal Service) in terms of its components and process.

3.3 **<u>OSM Tariff Policy 2022-2023 (OSM-TP)</u>**
<u>(OSM-TP)</u> Paragraph 3.2
<u>3.2.</u> Tariffs for the basic municipal services rendered by the Municipality, namely: (a) electricity; (b) water; (c) sewage (waste water); and (d) refuse removal (solid waste), shall be calculated at a level which **will recover all expenses associated with the rendering of these services.**

<u>FP's NOTE (7)</u>
OSM-TP left out: *"including capital, operating, maintenance, administration and replacement costs, and interest charges;*
This omission must be read in combination with **OSM-TP** Definitions:
"fixed costs" means costs which do not vary with consumption or volume produced;
"variable costs" means costs that vary with consumption or volume produced;

It appears as if the fixed cost definition was used by **OSM** to define a wide variety of fixed assets as comprising of fixed cost that are not variable with volume produced (or processed). We believe this is how **OSM** came to its **incorrect conclusion** that it could portray all refuse costs as fixed and not variable with volume or any other **UM.**

Refer to **OSM:** Statement of Case (**SOC**) dated 2019-02-17 page 10 paragraph 5.2.5.2 that erroneously claimed refuse is not measurable because it cannot be "metered" as with water and electricity. It is trait that refuse cannot be metered in such manner as it is a solid disposed **in** "containers/receptacles"

Yet in **OSM's** By Law Integrated Waste Management (**BLIWM)** a receptacle of 240 litre is defined as the only **"approved domestic waste container"**, commonly referred to by **OSM** as a "Wheeley Bin" (Refer to **OSM** Tariff Schedules: any year since 2013/14). The same Refuse Tariff Schedule also refers to "truck loads" tariffed according to metric ton. Both are **UM's.**

The Department of Environmental affairs Solid Waste Tariff Setting Guidelines for Local Authorities, May 2012 described 4 different ways to measure solid waste.

3.4 **<u>OSM-TP</u> Paragraph 9.4.4.**
The tariff for refuse removal for residential units **will** be one removal per household per week.

<u>FP NOTE: (8)</u>
Both "residential unit" and "household" have **UMs** that can be used amongst others: residential unit in m^2 or value and household in number of persons or household income.
OSM ignored all these **UMs.** It is clear from the facts that the volume of FP's refuse was 19 "approved domestic waste containers" and not 148. **OSM** therefore included income from 129 **phantom** Bins at **no additional cost.** This was and is in conflict with **Section 74(2)(d)** and therefore <u>illegal</u>. (Only real costs must be included.)
OSM's other argument that tariffing per frequency is ill conceived. Frequency is nothing more than the number of times a service is delivered, in this case collecting countable number of "approved domestic waste containers" (**UM's**). Collection and processing of refuse is the **service components (recipe).** The number of Bins is the **quantity** <u>that can and must be measured</u>.
OSM apparently claimed in documents submitted to Public Protector CT-Office (**PP-CT Office**) that the new refuse policy and tariff were apparently based on **Jan Palm's** remark:
"...since two people living in an apartment or in a security village will generate the same volume of waste per week than two persons living in a free standing suburban dwelling..."

Jan Palm's remark was transformed by **OSM** to mean that all households generate the same volume of refuse and therefore all households must pay a fixed monthly tariff. Household was not reflected as such in **OSM's** Tariff schedule where tariffs were specified. Instead tariff was applied to erven/unit.

This disconnect between household in Tariff Policy and erven/unit in Tariff Schedules on its own, renders them **illegal**. Both must have the same item and same **UM**.
Neither household (as in Tariff Policy) nor registered erven/unit (as in Tariff Schedule) was expressed or tariffed in any **UM** for refuse. This is in conflict with Section 74(2)(d).

3.5 **SECTION 74 (2)(b)**
the **amount** individual users pay for services **should generally** be in **proportion to their use** of that service;

FP NOTE: (9)

Section 74(2)(b) is also based on generally accepted accounting, arithmetic & **costing** principles, including standard invoice principles. The operative word is **"amount"**. A line item on an invoice for services should specify a Service, Tariff per UM and quantity of service unites (UM's) used.

DESCRIPTION	Qty Used	Tariff	Line-Amount
Service A.	5	R6-00/UM	R 30-00
Service B	3	R140-00/UM	R420-00
INVOICE "AMOUNT"			R450-00

OSM ignored the requirement for proportionality completely for Refuse and the Basic and Infrastructure Charges. This is in contradiction with the Act and therefore illegal.

3.6 **OSM Tariff Policy 2022-2023 (OSM-TP)**
3.7 **(OSM-TP) Paragraph 3.6**
3.8 **The amount payable by consumers and/or owners will generally be in proportion to usage of the service.**

FP NOTE: (10)

Although this is supposed to be **OSM's** Policy, they do not apply it in the case of refuse (solid waste) or water and sewerage where fixed Basic and Infrastructure charges are **unrelated** to **usage**. In these two cases it reverses the outcome of what is supposed to be the outcome, namely to **discourage** water wastage as "South Africa is a water scarce country". Refer to Table below **"Copy of OSM Correct Impact of tariff increases on households 2022/2023"**. This actually applied to all water and sewerage Fixed Basic Tariffs since **2013/14**.

These calculations clearly show how the "fixed charges, Basic and Infrastructure" turns the outcome of the policy on its head. It clearly illustrated how the **average price** per kilolitre consumed **increases** as the consumer **uses less**. **The opposite must happen to discourage wastage**.
The Tariff Policy as was and is, **illegal**.

3.9 **Section 74 (2)(a)**
users of municipal services should be treated **equitably** *in the **application** of **tariffs***
[EQUITABLY HAS NO ARITHMETIC MEANING. Equitable means fair/ reasonable/just]

FP NOTE: (11)

The operative words are ... in the **application** of the **tariff**, that was calculated in terms of Section 74(2)(d). We repeat, equitably has no arithmetic, accounting or costing meanings. Quantity Surveying is in fact a profession based on costing quantities to arrive at cost amount.

3.10 **OSM Tariff Policy 2022-2023 (OSM-TP)**
3.11 **(OSM-TP) Paragraph 3.5**
3.12 **All users of municipal services, within a category of users, will be treated equitably.**

FP NOTE: (12)

OSM left out: *"in the **application** of **tariffs**"* and then continued to use the word as meaning "all users with in a category must pay the same **fixed** cost/tariff, **irrespective of usage"**. This was and is **illegal.**

4 **COMPARISON of APPLICABLE ACTS with OSM TARIFF POLICY**
5 **INVOICING OF WRONG LEGALLY LIABLE PERSON**

OSM started at least in 2011 to ignore the then STA and instead of charging all Municipal Service Tariffs to Body Corporate as required by STA, started to illegally move the Tariffs over to ST-Property Owners. The first was Sewerage basic charge and eventually in 2013/12 Refuse.

In effect, **OSM** appointed themselves as the **FP** Body Corp debt collectors by demanding payment directly from **STP** Owners and then appropriated the income to themselves. This is highly illegal. Paying Municipal Services was and is by law a function of Body Corporate. Initially by **STA** and now also **STSMA.**

Fynbos Park, who was registered in 1994, is 100% subject to Sectional Title Acts.

5.1 **STA: SECTION 37 Functions of bodies corporate**
5.1.1 **STA: SECTION 37 (1)**
A body corporate referred to in section 36 shall perform the functions entrusted to it by or under this Act or the rules, and such functions shall include-
...the **payment of rates and taxes and other local authority charges for the supply of electric current, gas, water, fuel and sanitary and other services to the building or buildings and land,**

5.2 **STSMA: SECTION 3. Functions of bodies corporate**
5.3 **STSMA: SECTION 3(1)**
A body corporate must perform the functions entrusted to it by or under this Act or the rules, and such functions include—
5.4 **STSMA 3(1)(a)(ii)**
for the payment of rates and taxes and other local municipality charges for the supply of electricity, gas, water, fuel and sanitary or other services to the building or land; (FP-Note: Body Corporates only pay rates on Units they own.)

FP NOTE: (13)
Nothing in the MPRA, MFMA or any other Act gives a municipality the automatic right to charge any Tariff to a Unit/Section owner. It is clearly the right and obligation of the Body Corporate, except if the Body Corporate's registered Management rules allow it.
A Unit/Section owner is the legally liable person to be charged for payment of property rates.

WATER - 2022/2023 OSM BUDGET

Infra = Infrastructure Sub = Subsidy Indigents

HEADING	Price INC VAT	Total kiloliter used	Total Variable (Rand)	Total Fixed (Rand)	Total F + V (Rand)	Average Price/ kiloliter	2022/2023 VARIABLE as % of TOTAL	2022/2023 FIXED as % of TOTAL
~~Subsidy~~	~~9,67~~							
Infra	9,67							
Infra	17,77							
Basic	178,96							
Fixed Cost	206,40							
0 - 6	0,00	0	0,00	206,40	206,40			
1	7,33	1	7,33	206,40	213,73	213,73	3,43	96,57
2	7,33	2	14,66	206,40	221,06	110,53	6,63	93,37
3	7,33	3	21,99	206,40	228,39	76,13	9,63	90,37
4	7,33	4	29,32	206,40	235,72	58,93	12,44	87,56
5	7,33	5	36,65	206,40	243,05	48,61	15,08	84,92
6	7,33	6	43,98	206,40	250,38	41,73	17,57	82,43
7 - 18	15,04	7	59,02	206,40	265,42	37,92	22,24	77,76
8	15,04	8	74,06	206,40	280,46	35,06	26,41	73,59
9	15,04	9	89,10	206,40	295,50	32,83	30,15	69,85
10	15,04	10	104,14	206,40	310,54	31,05	33,54	66,46
11	15,04	11	119,18	206,40	325,58	29,60	36,61	63,39
12	15,04	12	134,22	206,40	340,62	28,39	39,40	60,60
13	15,04	13	149,26	206,40	355,66	27,36	41,97	58,03
14	15,04	14	164,30	206,40	370,70	26,48	44,32	55,68
15	15,04	15	179,34	206,40	385,74	25,72	46,49	53,51
16	15,04	16	194,38	206,40	400,78	25,05	48,50	51,50
17	15,04	17	209,42	206,40	415,82	24,46	50,36	49,64
18	15,04	18	224,46	206,40	430,86	23,94	52,10	47,90
19 - 30	24,40	19	248,86	206,40	455,26	23,96	54,66	45,34
20	24,40	20	273,26	206,40	479,66	23,98	56,97	43,03
21	24,40	21	297,66	206,40	504,06	24,00	59,05	40,95
22	24,40	22	322,06	206,40	528,46	24,02	60,94	39,06
23	24,40	23	346,46	206,40	552,86	24,04	62,67	37,33

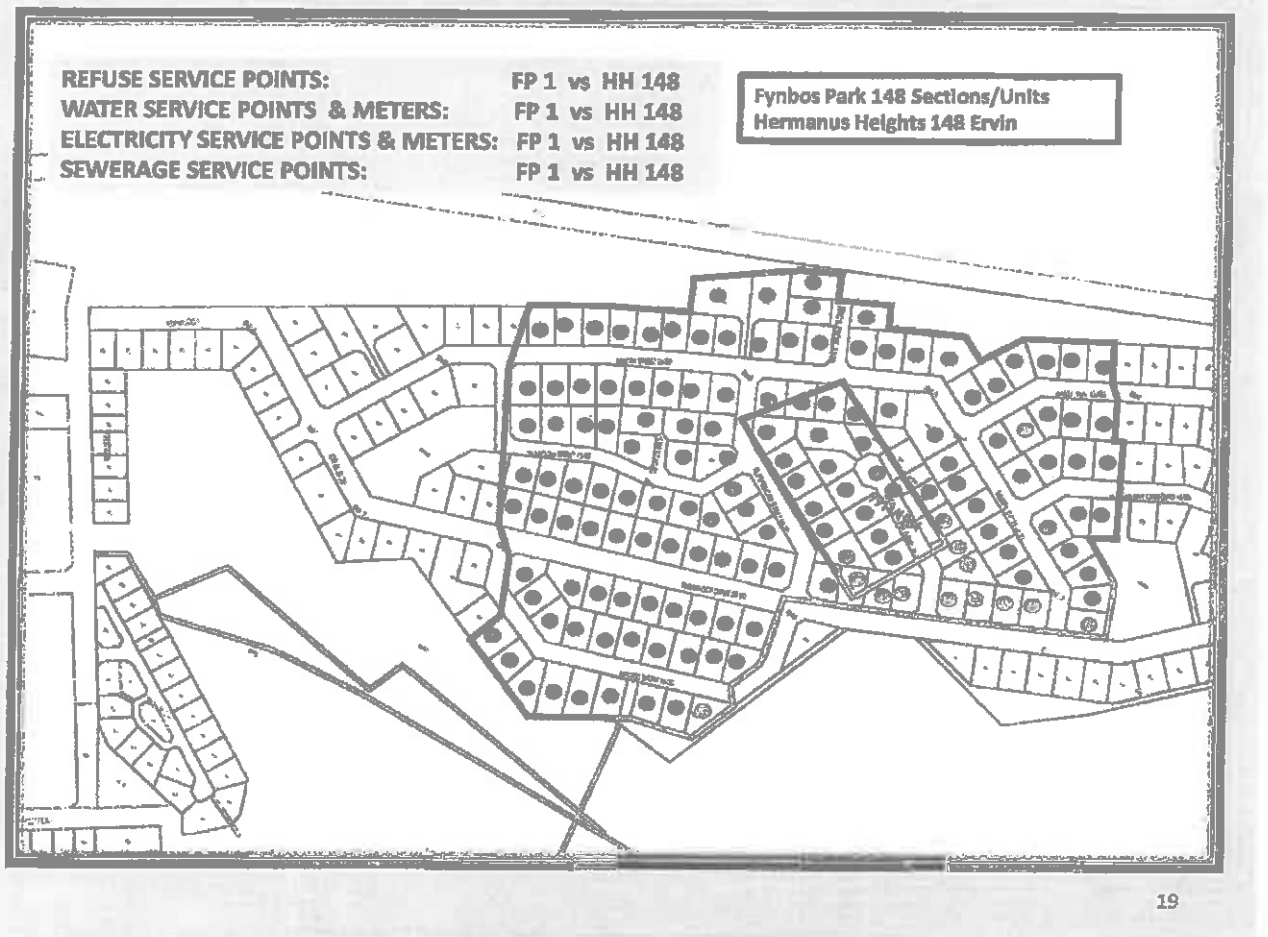
24	24,40	24	370,86	206,40	577,26	24,05	64,24	35,76
25	24,40	25	395,26	206,40	601,66	24,07	65,69	34,31
26	24,40	26	419,66	206,40	626,06	24,08	67,03	32,97
27	24,40	27	444,06	206,40	650,46	24,09	68,27	31,73
28	24,40	28	468,46	206,40	674,86	24,10	69,42	30,58
29	24,40	29	492,86	206,40	699,26	24,11	70,48	29,52
30	24,40	30	517,26	206,40	723,66	24,12	71,48	28,52
31 - 45	37,58	31	554,84	206,40	761,24	24,56	72,89	27,11
32	37,58	32	592,42	206,40	798,82	24,96	74,16	25,84
33	37,58	33	630,00	206,40	836,40	25,35	75,32	24,68
34	37,58	34	667,58	206,40	873,98	25,71	76,38	23,62
35	37,58	35	705,16	206,40	911,56	26,04	77,36	22,64
36	37,58	36	742,74	206,40	949,14	26,37	78,25	21,75
37	37,58	37	780,32	206,40	986,72	26,67	79,08	20,92
38	37,58	38	817,90	206,40	1.024,30	26,96	79,85	20,15
39	37,58	39	855,48	206,40	1.061,88	27,23	80,56	19,44
40	37,58	40	893,06	206,40	1.099,46	27,49	81,23	18,77
41	37,58	41	930,64	206,40	1.137,04	27,73	81,85	18,15
42	37,58	42	968,22	206,40	1.174,62	27,97	82,43	17,57
43	37,58	43	1.005,80	206,40	1.212,20	28,19	82,97	17,03
44	37,58	44	1.043,38	206,40	1.249,78	28,40	83,49	16,51
45	37,58	45	1.080,96	206,40	1.287,36	28,61	83,97	16,03
46 - 60	48,80	46	1.129,76	206,40	1.336,16	29,05	84,55	15,45
47	48,80	47	1.178,56	206,40	1.384,96	29,47	85,10	14,90
48	48,80	48	1.227,36	206,40	1.433,76	29,87	85,60	14,40
49	48,80	49	1.276,16	206,40	1.482,56	30,26	86,08	13,92
50	48,80	50	1.324,96	206,40	1.531,36	30,63	86,52	13,48
51	48,80	51	1.373,76	206,40	1.580,16	30,98	86,94	13,06
52	48,80	52	1.422,56	206,40	1.628,96	31,33	87,33	12,67
53	48,80	53	1.471,36	206,40	1.677,76	31,66	87,70	12,30
54	48,80	54	1.520,16	206,40	1.726,56	31,97	88,05	11,95
55	48,80	55	1.568,96	206,40	1.775,36	32,28	88,37	11,63
56	48,80	56	1.617,76	206,40	1.824,16	32,57	88,69	11,31
57	48,80	57	1.666,56	206,40	1.872,96	32,86	88,98	11,02
58	48,80	58	1.715,36	206,40	1.921,76	33,13	89,26	10,74
59	48,80	59	1.764,16	206,40	1.970,56	33,40	89,53	10,47
60	48,80	60	1.812,96	206,40	2.019,36	33,66	89,78	10,22
> 61	65,07	61	1.878,03	206,40	2.084,43	34,17	90,10	9,90
62	65,07	62	1.943,10	206,40	2.149,50	34,67	90,40	9,60
63	65,07	63	2.008,17	206,40	2.214,57	35,15	90,68	9,32
64	65,07	64	2.073,24	206,40	2.279,64	35,62	90,95	9,05
65	65,07	65	2.138,31	206,40	2.344,71	36,07	91,20	8,80
66	65,07	66	2.203,38	206,40	2.409,78	36,51	91,43	8,57
67	65,07	67	2.268,45	206,40	2.474,85	36,94	91,66	8,34
68	65,07	68	2.333,52	206,40	2.539,92	37,35	91,87	8,13
69	65,07	69	2.398,59	206,40	2.604,99	37,75	92,08	7,92
70	65,07	70	2.463,66	206,40	2.670,06	38,14	92,27	7,73

71	65,07	71	2.528,73	206,40	2.735,13	38,52	92,45	7,55
72	65,07	72	2.593,80	206,40	2.800,20	38,89	92,63	7,37
73	65,07	73	2.658,87	206,40	2.865,27	39,25	92,80	7,20
74	65,07	74	2.723,94	206,40	2.930,34	39,60	92,96	7,04
75	65,07	75	2.789,01	206,40	2.995,41	39,94	93,11	6,89
76	65,07	76	2.854,08	206,40	3.060,48	40,27	93,26	6,74
77	65,07	77	2.919,15	206,40	3.125,55	40,59	93,40	6,60
78	65,07	78	2.984,22	206,40	3.190,62	40,91	93,53	6,47
79	65,07	79	3.049,29	206,40	3.255,69	41,21	93,66	6,34
80	65,07	80	3.114,36	206,40	3.320,76	41,51	93,78	6,22
81	65,07	81	3.179,43	206,40	3.385,83	41,80	93,90	6,10
82	65,07	82	3.244,50	206,40	3.450,90	42,08	94,02	5,98
83	65,07	83	3.309,57	206,40	3.515,97	42,36	94,13	5,87
84	65,07	84	3.374,64	206,40	3.581,04	42,63	94,24	5,76
85	65,07	85	3.439,71	206,40	3.646,11	42,90	94,34	5,66
86	65,07	86	3.504,78	206,40	3.711,18	43,15	94,44	5,56
87	65,07	87	3.569,85	206,40	3.776,25	43,41	94,53	5,47
88	65,07	88	3.634,92	206,40	3.841,32	43,65	94,63	5,37
89	65,07	89	3.699,99	206,40	3.906,39	43,89	94,72	5,28
90	65,07	90	3.765,06	206,40	3.971,46	44,13	94,80	5,20
91	65,07	91	3.830,13	206,40	4.036,53	44,36	94,89	5,11
92	65,07	92	3.895,20	206,40	4.101,60	44,58	94,97	5,03
93	65,07	93	3.960,27	206,40	4.166,67	44,80	95,05	4,95
94	65,07	94	4.025,34	206,40	4.231,74	45,02	95,12	4,88
95	65,07	95	4.090,41	206,40	4.296,81	45,23	95,20	4,80
96	65,07	96	4.155,48	206,40	4.361,88	45,44	95,27	4,73
97	65,07	97	4.220,55	206,40	4.426,95	45,64	95,34	4,66
98	65,07	98	4.285,62	206,40	4.492,02	45,84	95,41	4,59
99	65,07	99	4.350,69	206,40	4.557,09	46,03	95,47	4,53
100	65,07	100	4.415,76	206,40	4.622,16	46,22	95,53	4,47

SEWERAGE

2022/23 OSM APPROVED BUDGET			CALCULATIONS			AVERAGE	
DESCRIPTION	Price 70%	Price 90%	Cum KL Consumed	Cumulative Fixed + V 70%	Cumulative Fixed + V 90%	Fixed + V 70%	Fixed + V 90%
Infrastructure	11,04	11,04					
Infrastructure	3,94	3,94					
Basic	158,57	158,57					
Fixed Cost	173,55	173,55					
17,86	12,50	16,07					
% Of Water	70%	90%					
0 - 6	12,50	16,07	1	186,05	189,62	186,05	189,62
	12,50	16,07	2	198,55	205,70	99,28	102,85
	12,50	16,07	3	211,06	221,77	70,35	73,92
	12,50	16,07	4	223,56	237,85	55,89	59,46
	12,50	16,07	5	236,06	253,92	47,21	50,78

	12,50	16,07	6	248,56	269,99	41,43	45,00
7 - 18	12,50	16,07	7	261,06	286,07	37,29	40,87
	12,50	16,07	8	273,57	302,14	34,20	37,77
	12,50	16,07	9	286,07	318,22	31,79	35,36
	12,50	16,07	10	298,57	334,29	29,86	33,43
	12,50	16,07	11	311,07	350,36	28,28	31,85
	12,50	16,07	12	323,57	366,44	26,96	30,54
	12,50	16,07	13	336,08	382,51	25,85	29,42
	12,50	16,07	14	348,58	398,59	24,90	28,47
	12,50	16,07	15	361,08	414,66	24,07	27,64
	12,50	16,07	16	373,58	430,73	23,35	26,92
	12,50	16,07	17	386,08	446,81	22,71	26,28
	12,50	16,07	18	398,59	462,88	22,14	25,72
19 - 30	12,50	16,07	19	411,09	478,96	21,64	25,21
	12,50	16,07	20	423,59	495,03	21,18	24,75
	12,50	16,07	21	436,09	511,10	20,77	24,34
	12,50	16,07	22	448,59	527,18	20,39	23,96
	12,50	16,07	23	461,10	543,25	20,05	23,62
	12,50	16,07	24	473,60	559,33	19,73	23,31
	12,50	16,07	25	486,10	575,40	19,44	23,02
	12,50	16,07	26	498,60	591,47	19,18	22,75
	12,50	16,07	27	511,10	607,55	18,93	22,50
	12,50	16,07	28	523,61	623,62	18,70	22,27
	12,50	16,07	29	536,11	639,70	18,49	22,06
	12,50	16,07	30	548,61	655,77	18,29	21,86
31 - 45	12,50	16,07	31	561,11	671,84	18,10	21,67
	12,50	16,07	32	573,61	687,92	17,93	21,50
	12,50	16,07	33	586,12	703,99	17,76	21,33
	12,50	16,07	34	598,62	720,07	17,61	21,18
	12,50	16,07	35	611,12	736,14	17,46	21,03
	12,50	16,07	36	623,62	752,21	17,32	20,89
	12,50	16,07	37	636,12	768,29	17,19	20,76
	12,50	16,07	38	648,63	784,36	17,07	20,64
	12,50	16,07	39	661,13	800,44	16,95	20,52
	12,50	16,07	40	673,63	816,51	16,84	20,41
	12,50	16,07	41	686,13	832,58	16,73	20,31
	12,50	16,07	42	698,63	848,66	16,63	20,21
	12,50	16,07	43	711,14	864,73	16,54	20,11
	12,50	16,07	44	723,64	880,81	16,45	20,02
	12,50	16,07	45	736,14	896,88	16,36	19,93
46 - 60	12,50	16,07	46	748,64	912,95	16,27	19,85
	12,50	16,07	47	761,14	929,03	16,19	19,77
	12,50	16,07	48	773,65	945,10	16,12	19,69
	12,50	16,07	49	786,15	961,18	16,04	19,62



To scale comparison between 148 Hermanus Heights erven and FP 1 erf No 7316

FP NOTE: (14)

For all 148 Full Title Erven in Hermanus Heights, over a distance around 3-4km, all the water, sewerage piping & electricity cabling must be maintained, repaired and replaced by **OSM**.

For **FP** and most other **ST**-Schemes, **OSM** only has to maintain, repair and replace infrastructure for one (1) "erf", no 7316 **over 110 meters** of street front. All service infrastructure on erf 7316 must be maintained, repaired and replaced by **FP** Body Corp. Therefore, **FP** owners pay 2 times for the same infrastructure. Once to its own suppliers and once to **OSM**, as **OSM** tariffs **FP** Owners/Body Corporate for an infrastructure they do not maintain, repair or replace.

The same argument applies to refuse removal. **OSM** collects and return 19 Refuse Bins to service spot designated by **OSM**.
FP Body Corporate is responsible to daily collect refuse of residents from in front of their flats (Sections), deposit and store it in Holding Area Bins. On Thursday Morning before 07h00 Fynbos Park staff must take the bins and placed them on the collection spot as designated by OSM, and after Garbage Truck collection, **FP** staff promptly take it back to Bin Holding Area.
That is a huge cost saving for **OSM**.
OSM constructed its Tariff Policy to be in conflict with National Acts and thus illegal, nothing in this policy seems to be equitable, rational or logical.

- **We submit FP's objection must be investigated and then charged legal tariffs.**

From: Michael and Kay Puttick <mkputtick40@gmail.com>
Sent: Tuesday, 26 April 2022 13:30
To: Dean O'Neill <mm@overstrand.gov.za>
Cc: rianadec122@gmail.com
Subject: Fwd: Financial Issues

Good Day
Please see e-mail below.

Riana de Coning suggested I forward this e-mail to you as she is not in a position to answer my questions.

Please could I ask that my requests are taken into consideration when the budget is finalised.

It is time that the Overstrand Municipality started to take care of the elderly residents, instead of seeing them as cash cows.

I look forward to a positive response.

Regards
Michael Puttick
---------- Forwarded message ---------
From: **Michael and Kay Puttick** <mkputtick40@gmail.com>
Date: Fri, 25 Feb 2022 at 14:57
Subject: Financial Issues
To: Rianna de Coning <rianadec122@gmail.com>
Cc: <annelierabie@overstrand.gov.za>

Dear Rianna,

I trust you are well.

I had the misfortune of having a burst water pipe last week but fortunately I managed to sort it out before I got a huge water bill, but it got me thinking.

It is my understanding that in the event of an excessive water bill due to a leak there is a process whereby the Council gives a discount based on previous usage records, which is based on the tariff scale. I understand that this amount is not very much when one could be looking at a R15k+ account.

Now, my issue here is that if a person is on a grant, the entire excess amount is written off. Let's look at the scenario: If I earn R100 or R10 above the threshold to qualify for a grant I could possibly be in the same financial situation as a person receiving a grant, but am now responsible for the entire amount except for the small Municipal discount. I am sure you can see the problem here. This policy certainly needs to be addressed so there is equality for all.

Now, my other issue which I have previously raised with you is the pensioners rebates on rates. Once again, if I am on grant or earn less than a certain amount I qualify for a rebate, but if I earn even R10 over that amount I do not qualify.

This Council does absolutely nothing for pensioners who are over the various thresholds perhaps by a couple of Rand, as I have mentioned above. I know for a fact that in Durban, irrespective of your income, if you are over 65 years of age you get a rates discount. Why not here?

We taxpayers are milked continuously by our socialist national government and I am starting to get the impression that the Overstrand DA council is following in the same vein. It certainly seems that only the previously disadvantaged and indigent are receiving preferential treatment and we elderly rate payers must just pay.

Please can my concerns be raised at the appropriate level and I look forward to a positive response.

Regards,

Michael Puttick

cc.Dr. Annelie Rabie

From: Nowersab Nowers <nowersab@gmail.com>
Sent: Friday, 29 April 2022 16:07
To: Mayor <mayor@overstrand.gov.za>
Cc: publisher@gansbaaicourant.co.za
Subject: Onbillike tariewe tov beskikbaarheid op leë eiendom.

Goeiedag Burgermeester

Hiermee my beswaar as belastingbetaler teen onbillike en onwettige beskikbaarheidsheffings op kaal erwe wat tans dieselfde bedrae beloop as wonings wat van die dienste gebruik maak.

Ek sien dit as totaal onaanvaarbaar om vir iets te betaal wat nie gebruik word nie. Volgens Mnr. Johan Pieterse is hierdie tariewe ingestel toe Gansbaai oor baie leë eiedomme beskik het, maar dit is duidelik nie meer die geval nie. Overstrand is een van die duurste munisipaliteite landswyd.

Afriforum het n saak teen Oudtshoorn Munisipaliteit gewen agv onbillike en onwettige tariewe volgens artikel 74 (2) (a) & (b) van die Munispale Stelselwet 32 van 2000. Overstrand Munisipaliteit moet in ag neem dat Gansbaai grotendeels n vissermansgemeenskap is wat nie groot salarisse verdien om hierdie duur heffings te betaal nie.

Ek hoop dat die raad mooi sal besin oor hierdie tariewe en dit so sal verlaag dat dit haalbaar is vir die belastingbetaler.

Vriendelike groete
Marié Nowers

From: deon laaks <dglaaks@yahoo.co.uk>
Sent: Wednesday, April 20, 2022 9:23 PM
To: Annelie Rabie <anneliierabie@overstrand.gov.za>
Cc: arniefak@gmail.com; D Nel <dnel@overstrand.gov.za>; CFO <CFO@overstrand.gov.za>; Rob McDavid <rob.mcdavid@gmail.com>
Subject: Lack of funding for IDP projects

Dear Ms Annelie Rabie,

As a member of the Ward 8 Committee (representing the Lake Marina Yacht and Boat Club (LMYBC)) and a resident of Fisherhaven I am writing to voice my dissatisfaction at the fact that No funding has been allocated to any of the wards for this financial year. I feel, as do many of the other residents of Fisherhaven, that we are in desperate need of the items as listed on our IDP. Firstly we were advised by yourself when you came to rally for the Mayor's position that things were going to change. This is not a good start in my opinion. Money has always been a problem and Fisherhaven is one of the few communities that are so far behind with the installation of General infrastructure that we urgently need every cent we can get. I would like to know as to what action is going to be taken in order for these items on the IDP to get closed out if funding is not available. Secondly as to who we hold accountable in order to ensure that going forward a large funding is going to be made available in order for these projects to get completed.

Please see below response from the OSM with regards to the badly needed stormwater drainage to be installed in the street behind my property, which to date has not even started, is this due to the funding issue for this financial year? If so what preventative measures are the OSM going to put in place to avoid a river flooding my property this winter and other property owners who encounter the same problem in Fisherhaven?

Kind regards,
Deon Laaks

Sent from Yahoo Mail on Android

---- Forwarded message ----
From: "D Nel" <dnel@overstrand.gov.za>
To: "deon laaks" <dglaaks@yahoo.co.uk>
Cc: "arniefak@gmail.com" <arniefak@gmail.com>, "Annelie Rabie" <anneliierabie@overstrand.gov.za>
Sent: Mon, 7 Feb 2022 at 15:31
Subject: RE: Overstrand Municipality - 28/1/2022 -Account for 900000176579

Afternoon Mr Laaks

K150|154

Thank you for your mail. I know there is a problem with the Stormwater runoff in church street and will attend to it before the rainy season start. Unfortunately I cannot do anything with the stormwater from the properties surrounding your property, Unfortunately your property is the lowest in the area and all the stormwater is going to run towards you plot. Please note that you are not allowed to connect any stormwater runoff to the septic tank as this is going to cause the tank to overflow.

The fact that your rainwater tanks is empty and you have to make use of municipal water to maintain your garden is unavoidable and unfortunately nothing that the municipality can do in this regard. Can I suggest that you have to invest in a borehole or a wellpoint to bring down your water bill so that you are not dependant on municipal water during the dry season.

Regards

From: deon laaks <dglaaks@yahoo.co.uk>
Sent: 07 February 2022 14:36
To: D Nel <dnel@overstrand.gov.za>
Cc: arniefak@gmail.com; Annelie Rabie <annelierabie@overstrand.gov.za>
Subject: Fw: Overstrand Municipality - 28/1/2022 -Account for 900000176579

Dear Mr Nel,

I would like to bring to your attention my dissatisfaction with regards to my attached rates account and the increased water bill. Last year I was forced to change my water billing structure to a higher tariff in order to have my septic tank pumped out more frequently. The reason I had to have my septic tank pumped out more frequently was simply because of the run-off water which was running through my property due to the non existent storm water infrastructure in the road directly behind my house (Church street between Sharpie and Stormalong) which caused my septic tank to fill increasing quicker than usual. At one stage during the winter I was forced to have the tank pumped out once a week, Since January 2022 to date we have not received much rain and my 3 water storage tanks have been depleted so I am now forced to use the municipal water supply (at the increased price tariff) in order to ensure my garden is maintained. I seem to be in a catch 22 situation due to fact that the OSM has not provided proper storm water drainage in our area. If you wish me to provide further evidence of the run off water running through my property last year I will gladly send you the photo's thereof.

I feel that the OSM need to take some form of responsibility for the above. Looking forward to your response which I hope is amicably agreeable to both parties.

Regards,

Deon

OVERSTRAND

IDP MOTIVATION: WARD 7

MOTIVATION FOR IMPROVING SANDBAAI SAFETY & SECURITY

1. OVERVIEW

Sandbaai has experienced a sharp rise in crime related incidents such as burglaries, theft and robberies over the past three years, with incidents focused mainly along the Eastern border and centre of Sandbaai, the industrial area and along the coastal path between Sandbaai and Onrus. Monthly statistics reported to the ward committee meeting in March 2022, indicated a 30% increase in reported crime levels from the previous year. We expect this negative trend to continue in the future, mainly driven by the large number of unemployed migrants settling in Hermanus and the lack of employment opportunities.

Due to the steep rise in fuel prices, private security firms no longer do as frequent patrols as in the past and have turned into reactive protection units, while SAPS are seldom seen in the area and their response is largely ineffective. Criminals are well aware of this fact and grow bolder by the day, as reported by affected residents, criminals break into their homes at night and day without fear. Furthermore, ineffective prosecution and lack of surveillance, leads to repeat offenders roaming our neighbourhoods.

These problems need to be addressed urgently by trusted mechanisms and services to improve the safety and security of Sandbaai residents and the unsuspecting tourists that visit our town. If not addressed soon, we may experience a gradual decline in visitors and Sandbaai will lose its attraction as an unspoilt natural haven in this part of our region. Residents already feel unsafe and fear walking along the coastal path unaccompanied.

2. SHORT TERM PLAN

Movement of suspicious persons and vehicles need to be monitored day and night in hotspot areas to ensure early response to possible transgressions. This can be done by foot patrols during daylight hours along the coastal path, bicycle patrols and monitoring by CCTV cameras, and a combination of these.

Over the short term, we propose:

Phase 1:

- *Adopt zero tolerance policy against crime of any nature. This should extend throughout all aspects of protection services, SAPS and justice systems.*
- *Establish a hotspot CCTV surveillance infrastructure in Ward 7, 24x7 monitoring and coordinated Response Services. Deploy surveillance at hotspots as identified from time to time by appropriate authorities, and link including with private neighbourhood watches.*
- *Foot patrols to be done along the coastal path by two patrollers in 3 three-hour shifts (to ensure focussed surveillance) during daylight hours.*
- *The appointed task force to address poaching with more vigour – poachers operate daily and remove their loot after 17:00.*
- *Facilitate an operational grid plan, involving neighbourhood watches, security firms, law enforcement officers and SAPS.*
- *Utilise the monthly municipal newsletter to communicate anti-crime actions and successes for public awareness.*
- *Address inappropriate costs in tenders, as this hinders amongst others, the volume of cameras that can be deployed per annum.*

3. LONGER TERM PLAN

It is widely recognised that the most efficient and cost-effective way of managing crime and suspicious movements is by way of a continuously monitored CCTV camera network, focused in pre-determined hotspot areas. The long-term plan therefore is a Phased delivery approach for expansion of CCTV cameras, functionality and associated services done annually against an overall plan.

Phase 2:

- *Add more surveillance cameras to the existing system, and introduce LPR license plate recognition cameras at all main access routes to Ward 7.*
- *Introduce community contribution via SRA for specialised security services.*

Phase 3:

- *Add more surveillance cameras to the existing system, and introduce Thermal imaging cameras at strategic hotspots in Ward 7. Target is 15 camera points across ward 7 based upon completed formal assessments.*



The above proposed CCTV camera positions were selected after consultations between a large CCTV company and members of the local security community, who pinpointed the crime hotspot access areas. The statistics used was provided by Lourens Theron of Alpha Neighbourhood Watch, Clinton Coetzee of Sandbaai Neighbourhood Watch and HPP.
The orange demarcated area is the area where the highest crime rates were recorded.

4. FINANCIAL IMPLICATIONS

The amounts below are based upon actual quotes for appropriate CCTV (2022)

Initial outlay	*Phase1*	*Phase 2*	*Phase 3*	*Total*
Capex	*R650 000*	*R750 000*	*R750 000*	*R2 150 000*
Opex	*R50 000*	*100 000*	*R150 000*	*R300 000*

Working assumptions: R150 000 per unit, and R500 maintenance per unit per month.

The above amounts correlate well with those per formal quote provided to us, based upon the above proposed CCTV installation plan.

5. RISK MATRIX

Please find below a Risk matrix and associated Risk Assessment:

Risk assessment matrix

Possible outcome

Occurrence		A Catastrophic	B Hazardous	C Major	D Minor	E Negligible
Frequent	5					
Occasional	4					
Remote	3					
Improbable	2					
Extremely Improbable	1					

RISK	RMA	Possible Mitigation	Residual
Physical Threats & Attacks	5A	Implement and Monitor CCTV, Patrols	2E
Burglaries & Theft	5B	Implement and Monitor CCTV, Patrols	2E
Public Violence (Riots)	4A	Implement and Monitor CCTV, Patrols	3E
Damage to Tourism	4C	Implement and Monitor CCTV, Patrols	3E
Control Room Leakages	4A	Better Supervision & Staff Monitoring	3E

6. RECOMMENDATION

Both the Ward 7 committee, as well as the Sandbaai Ratepayers Association committee have unanimously voted that, above all else, improved Safety and Security of our Ward is the foremost focus area to be listed in our IDP for the 2022/2023 financial year. It is conceivable, that this will remain our top focus for a few consecutive years.

- *It is internationally proven that CCTV neighbourhood monitoring and rapid response action with ensued criminal prosecution, dramatically reduces crime in the monitored area.*
- *This nominal investment required, will have a major benefit for the ward in terms of safety and security.*
- *Local residents will be able to utilise existing facilities without fear.*
- *Positive visitor feedback will encourage growth in Tourism.*

The ward 7 committee therefore hereby recommend without any hesitation, that this proposed solution be included in the upcoming budget year, and be brought forward as a key deliverable.

H LOMBARD
COUNCILLOR: WARD 7

**** Prepared by Hugo Potgieter, Dave Chambers and Robert van der Merwe on behalf of Cllr. H Lombard***

From: Margie MacDonlad <margiemacdonald7@gmail.com>
Sent: Wednesday, 20 April 2022 15:05
To: Dean O'Neill <mm@overstrand.gov.za>
Subject: PEARLY BEACH BACK UP GENERATOR

We have seen all the correspondence in regard to a backup generator for Pearly Beach and can see the importance of such generator and fully support this suggestion and ask that the cost of this item be added to the budget for our area.

Kind regards
DAVID & MARGARET MACDONALD
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ANNEXURE L

SIME: LG MTEC
PT INTEGRATED PLANNING AND BUDGETING ASSESSMENT, PT PRESENTATION & OVERSTRAND RESPONSE

ANNEXURE L1/140

Western Cape Government

FOR YOU



Strategic Integrated Municipal Engagement 2022

Overberg District

Overstrand Municipality

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LIST OF ACRONYMS

AQMP	Air Quality Management Plan
BESP	Built Environment Support Programme
CBD	Central Business District
CBA	Critical Biodiversity Areas
CMP	Coastal Management Programme
CSIR	Council for Scientific and Industrial Research
DCAS	Department of Cultural Affairs and Sport
DEA&DP	Department of Environmental Affairs and Development Planning
DHS/DOHS	Department of Human Settlements
DM	District Municipality
DLG	Department of Local Government
DWA	Department of Water Affairs
EPWP	Expanded Public Works Programme
FBE	Free Basic Electricity
HSP	Human Settlement Plan
IDP	Integrated Development Plan
IGP	Infrastructure Growth Plan
IIAMP	Integrated Infrastructure Asset Management Plan
IIF	Infrastructure Investment Framework
ITP	Integrated Transport Plan
ISDF	Integrated Strategic Development Framework
IYM	In-year Monitoring
IWMP	Integrated Waste Management Plan
JOC	Joint Operations Centre
kl	kilolitre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt hour (1000 watt hours)
LED	Local Economic Development
LUPA	Land Use Planning Act
MBRR	Municipal Budget and Reporting Regulations
MDG	Millennium Development Goal
MI	Municipal Infrastructure
MIG	Municipal Infrastructure Grant

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MIP	Municipal Infrastructure Plan
MMP	Maintenance Management Plan
MVA	Megavolt Amperes (1 Million volt amperes)
MWh	Megawatt hour (1 Million watt hours)
NRW	Non-revenue Water
NDHS	National Department of Human Settlements
O&M	Operations and Maintenance
PMS	Performance Management Systems
RMP	Road Management Plan
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SOP	Standard Operating Procedure
SWMP	Stormwater Management Plan
WDM	Water Demand Management
WSDP	Water Service Development Plan
WTW	Water Treatment Works
WWTW	Wastewater Treatment Works

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SECTION 1: INTRODUCTION

The 2022/23 Medium Term Revenue and Expenditure Framework (MTREF) municipal planning and budgeting process takes place amidst a national and provincial economic recovery that follows a sharp economic contraction in 2020. Several fiscal, economic and social risks exist that could threaten municipal sustainability and economic growth.

The strategic theme for the 2022 SIME is *'Enabling Sustainability and Growth'*.

Key enablers that facilitate sustainability and growth include, but are not limited, to the following:

- **Innovation**: Introducing new ideas, methods or processes or reviewing existing practices to achieve outcomes in more efficient and effective ways. In a post-pandemic environment, municipalities are confronted with increasing citizen demands and expectations; a rapidly changing technological environment and a constrained fiscus. We cannot continue with the status quo, but have to innovate i.e., to explore different and better ways of doing things in order to enhance service delivery.

- **Partnerships**: Partnerships calls for the integration of expertise and resources in order to drive allocative efficiency and enhance productive efficiency. Enabling sustainability and growth requires a collective effort between spheres of government (across and within spheres) as well as with the private sector and civil society.

- **Good governance**: Municipalities must build on and/or reinforce the foundations and successes of good governance that is necessary for improved performance. These need to be leveraged along with extensive risk management, in order to ensure financial, operational, social, economic, and environmental sustainability. To this extent, SIME is an extension/continuation of TIME.

The importance of the integrated planning and budgeting assessment is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32 of 2000 (MSA), the MSA Regulations and the Local Government Municipal Finance Management Act 56 of 2003 (MFMA). These annual provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring and support role to municipalities as stipulated by the Constitution. In addition, the assessments provide an indication of the ability and readiness of municipalities to deliver on their legislative and constitutional mandates.

This report encapsulates comments by the Western Cape Provincial Government on the draft 2022/23 MTREF Budget, 2022/23 Integrated Development Plan (IDP) and Spatial Development Framework (SDF).

The assessment covers the following key areas:

- Conformance with the MFMA, MSA & Municipal Budget and Reporting Regulations (MBRR);

- Public value creation and responsiveness of draft budget, IDP and SDF; and

- Credibility and sustainability of the Budget.

The MBRR A-Schedules, mSCOA data strings (TABB), budget documentation, IDP and SDF submitted by the Municipality are the primary sources for the analysis. The quality of this assessment report therefore depends on the credibility of the information contained in the documents submitted by the Municipality.

The Provincial Government plans to meet the executives of your Municipality on 09 May 2022 where the key findings and recommendations of this report will be presented and deliberated upon. The planned engagement will contextualise the Municipality's challenges and responses as taken up in the draft budget, Integrated Development Plan (IDP), Local Economic Development (LED), Spatial Development Framework (SDF) and various other strategies and plans. All the information related to the assessment and analysis of the annual budget, IDP and SDF are found in the report below.

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SECTION 2: PUBLIC VALUE CREATION

2.1 INTEGRATED PLANNING

2.1.1 Introduction

In terms of section 25(1) of the Municipal Systems Act, 2000 (the MSA), each municipal council must, within a prescribed period after the start of its elected term and through a participative process, adopt a single, inclusive and strategic plan for the development of the Municipality – the Integrated Development Plan (IDP).

An IDP is the principal strategic planning instrument which guides and informs all planning and development, and all decisions regarding planning, management and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council term of office.

In terms of section 25(3) of the MSA, a municipal council may adopt the IDP of its predecessor, with or without amendments. Before taking such a decision, the council must comply with section 29(1)(b)(i), (c) and (d).

The Overstrand Council resolution dated 30 March 2022, indicates that the draft IDP for 2017/18 – 2022/23 with amendments be noted and be advertised for public participation. However, the tabled IDP indicates that the Overstrand Municipality (the Municipality) resolved to adopt the IDP of its predecessor with amendments for another year up to the end of 30 June 2023. The executive summary also refers to the IDP being extended from a five-year cycle to six-years. Based on the information provided, the Overstrand Municipality (the Municipality) has tabled the IDP of its predecessor for one year only.

The Department is aware of the implications of the late 2021 Local Government Elections in respect to the drafting of IDPs for the new term of office and the different interpretations of the National Treasury Circular 107 of 2020. Whilst section 25(3)(a) of the MSA makes provision for the new council to adopt the IDP of its predecessor, some councils may be reluctant to adopt such IDPs for the duration of the term of office of the new council especially where there is a change of political leadership. To this end, the Municipality is advised to adopt the IDP of the predecessor with amendments with no reference of the period of the duration of such IDP e.g. one year only. Upon adoption of such IDP during May 2022, the Municipality may commence with the preparation for the drafting of an IDP for the remaining term of office which must be adopted in line with section 34(b) of the MSA and also follow the process as stipulated in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations 2001 (MSA Regulations). This is because neither the MSA nor the MSA Regulations limit the extent to which an IDP may be amended.

2.2 INTEGRATED PLANNING ANALYSIS

2.2.1 IDP Overview

The tabled IDP reflects that the vision and strategic goals of the Municipality remain unchanged, however, the strategic direction of the IDP was amended to reflect the wording "Overstrand for All" in the mission statement. The statistics in the situational analysis, such as the population projections, education, households and health based on the Local Government Socio-Economic Profile (LG-SEP) and Municipal Economic Review and Overview (MERO) have been updated. The existing level of development and the key challenges in the Municipality have been identified and the tabled IDP clearly indicates the communities that do not have access to basic services.

Ward committees play a crucial role in the local government system as the link between the councillor and the community. The ward committees were involved with the drafting of the tabled IDP, and meetings were

held between 24 – 27 January 2022 to review and reprioritize current ward priorities for 2022/23. The Municipality has indicated that public participation will be conducted in April 2022.

2.2.2 IDP process

In terms of section 27 of the MSA, each district municipality must, within a prescribed period after the start of its elected term and following a consultative process with the local municipalities within its area, adopt a framework for integrated development planning in the area as a whole. The IDP District Framework binds both the district municipality and the local municipalities in the district. Section 27(2) sets out the minimum matters that must be covered in the framework.

Section 28 of the MSA determines that a municipality must, within a prescribed period after the start of its elected term, adopt an IDP Process Plan in writing to guide the planning, drafting, adoption and review of its IDP. A municipality must also consult the community before adopting such process and give notice to the local community of the process it intends to follow.

The district framework lays the foundation to ensure alignment of the IDPs within a district, the alignment of all the IDPs with national and provincial sector plans and strategies, and for proper and sound consultation between district and local municipalities during the process of developing and adopting an IDP. The process plan builds on this foundation by ensuring that the process of developing, adopting and reviewing a municipal IDP happens in a planned, structured and managed manner with provision for community inputs.

Based on the assessment of the tabled IDP, the Municipality has not complied with section 28 of the MSA, in terms of adopting a process plan for the new term of council. It is however noted that the previous council adopted a Budget Time Schedule of Key Deadlines for the 2022/23 cycle in August 2021, which was used to guide the IDP and budget drafting process.

Section 29 of the MSA states that the process followed by a municipality to draft its IDP, including its consideration and adoption of the draft plan must be in accordance with a predetermined programme specifying timeframes. The assessment of the tabled IDP indicates that the Municipality followed a prescribed process when drafting its IDP, as required in terms of section 29 of the MSA.

In terms of section 25 (3) of the MSA, a municipal council may adopt the IDP of its predecessor, with or without amendments. Before taking such a decision the council must comply with section 29(1)(b)(i), (c) and (d). They must therefore:

- Consult the local community on its development needs and priorities;
- identify all plans and planning requirements binding on the Municipality in terms of national and provincial legislation; and
- ensure that the process followed is consistent with any other matters that may be prescribed by regulations.

All plans and planning requirements binding on the Municipality in terms of national and provincial legislation have been identified in the tabled IDP. Moreover, the tabled IDP has made reference to the process the Municipality followed in consulting the local community (through ward committees) on its development needs and priorities prior to tabling the IDP. According to the 2022/23 TIME Schedule, the Municipality intends to further conduct public participation meetings in April 2022 in addition to the ward committee consultations that were held. It can be established that the Municipality has fully complied with section 29(1).

As a municipality that intends to adopt the IDP of its predecessor with amendments, it should be noted the amendments must be effected in accordance with the process referred to in section 34(b) of the MSA. The said process is set out in Regulation three (3) of the Local Government: Municipal Planning and Performance

Management Regulations, 2001 (MSA Regulations). The Municipality did provide a memorandum for the purpose of satisfying the requirements of Regulation three (3). The memorandum has included the reasons for the amendments.

2.2.3 IDP compliance

Section 26 of the MSA refers to the core components of an IDP and states that an IDP must reflect:

- the municipal council's vision for the long-term development of the Municipality;
- an assessment of the existing level of development in the Municipality;
- the council's development priorities and objectives for its elected term;
- the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the Municipality in terms of legislation;
- a Spatial Development Framework;
- the council's operational strategies;
- applicable disaster management plans;
- a financial plan; and
- the key performance indicators and performance targets determined in terms of section 41 of the MSA.

The tabled IDP has complied with the above requirements stipulated in section 26 of the MSA, as all the above core components are contained in the IDP. The tabled IDP depicts the departmental sector plans and policies, indicating the status and summaries of the various sector plans.

2.2.4 IDP alignment

According to section 32 of the MSA, the MEC for Local Government may within 30 days of receiving a copy of an IDP, or within such reasonable period as may be approved by the Minister request a municipality to adjust the plan or amendment in accordance with the MEC's proposal if it is in conflict with or is not aligned with or negates any of the development strategies of other affected municipalities or organs of state. Section 26 of the MSA further requires that IDPs must be aligned with and not negate the national and provincial development plans and planning requirements binding on the Municipality in terms of legislation.

The tabled IDP aligns with national and provincial development plans such as the Global Sustainable Goals, National Development Plan, Western Cape Provincial Strategic Objectives (Vision Inspired Priorities), and the ODM Strategic Goals. Furthermore, the IDP reflects alignment with the Joint District and Metro Approach (JDMA). Chapter seven (7) reflects the JDMA status report including catalytic projects as at 28 February 2022.

To ensure alignment between the tabled IDP, national and provincial plans, various sector departments formed part of the assessment as found below:

Economic Development

The tabled IDP reflects that the Municipality's Local Economic Development (LED) Strategy is up to date and the next review is planned in the 2022/23 financial year. The Municipality experienced a negative impact from the lockdown restrictions due to the COVID-19 pandemic. According to the 2021 MERO, there were 2 591 job losses in 2020 due to the impact of COVID-19. The Municipality approved a COVID-19 Economic Recovery Plan on 24 February 2021. This is meant to promote a favorable environment through

the development of strategic catalytic interventions. The sectors that are doing well in the area are finance, insurance, real estate and business services at 23.6 per cent, wholesale and retail trade, catering and accommodation at 20.2 per cent, and manufacturing at 15.5 per cent (2019).

Human Settlements and Transport

The provisions of section 35 of the National Land Transport Act necessitates the establishment of the Provincial Land Transport Framework and section 36 necessitates the establishment of the Integrated Transport Plans (ITPs). The tabled IDP reflects that the Municipality is in the process of undertaking a review of its 2019/20 ITP. The tabled IDP also reflects the transport needs of the Municipality.

In terms of human settlement planning, the municipal housing pipeline is included in the tabled IDP dated 22 March 2022. The Municipality plans to reduce the housing delivery backlog and address the current and future housing needs. This is dealt with through the action plan that the Municipality has compiled. Furthermore, the Municipality has a five-year Housing Strategy that has diverse housing programmes, each dealing with a different need.

The Municipality's vision is aligned to that of provincial government in order to promote the development of integrated and sustainable human settlements with access to social and economic opportunities for all its citizens.

Health, Social Services and Amenities

According to the 2021 LG-SEP, the Municipality has 11 primary health care facilities consisting of four clinics, five satellite clinics, one community day centre and one district hospital. In terms of health services, the tabled IDP outlines the health impacts arising from the COVID-19 pandemic. The tabled IDP reports the number of deaths due to the COVID-19 at 303 as at 14 January 2022 and the total number of COVID-19 cases at 11 594. The leading cause of death in the municipal area is HIV/AIDS, followed by heart disease.

According to the tabled IDP, the Hawston Thusong service centre provides essential government services to the communities. There are four Thusong programmes that are planned for 2022 as indicated in the tabled IDP.

Safe and Cohesive Communities

The tabled IDP reflects that the Municipality has had a decrease in murder, road use fatalities and residential burglaries in the 2020/21 financial year. Safety and security remain one of the main objectives of the IDP.

2.3 ENVIRONMENTAL AND PLANNING ANALYSIS

2.3.1 Spatial Planning

Strategic spatial risks:

- Land Invasions exacerbated by rapid urbanisation and insufficient land in well located areas to accommodate the housing need.
- Infrastructure capacity unable to cope with the ever-increasing demand for services. A case in point is one that is highlighted in the MSDF which speaks to both Hermanus Central and Hermanus East requiring upgrades to their wastewater systems, as without these no new developments can go ahead.
- Diminishing water resources in the Greater Hermanus system, with additional sources needing to be developed in the next three (3) years to satisfy growing demand. Furthermore, treatment capacity and bulk conveyance capacity will have to be upgraded at some of the water schemes over the next 10 years.

- Insufficient land to accommodate low-income communities in Hermanus itself has resulted in future housing opportunities being directed to Hawston and Gansbaai. The provision of large numbers of low-income housing opportunities in Gansbaai is a concern as it runs the risk of being a largely low-income node with limited job opportunities. Furthermore, the provision of large numbers of subsidised housing opportunities in Gansbaai goes against the third Key Strategy for MSDF implementation which speaks to human settlements needing to be located close to economic opportunities.

- The continued outward spread of low-density development on the edges of the Overstrand towns is negatively impacting on the natural environment, resulting in increasing travel distances, and increasing the cost of infrastructure provision and maintenance.

Spatial opportunities for growth and development:

- Part of the Overstrand Municipality's spatial development strategy is to "only provide for housing growth and related community facilities in urban areas where the highest potential for sustained economic growth" exists. This strategy could be realised if there was a focus on the Greater Hermanus area as the spending priority rather on the Greater Gansbaai, where the potential for economic growth is less.

- In terms of the Overstrand Growth Management Strategy (OGMS) opportunities for densification within the existing urban fabric exist in various settlements in the Overstrand including, Kleinmond, Hermanus, and the Gansbaai CBD. The identification of this land supports one of the seven (7) key strategies of the Municipality which involves promoting mixed use in areas identified for densification. Further detailed planning work to unpack the potential mix of land uses on these sites would take the sites a step closer to being development ready. The development of these sites could relieve some of the pressure for urban sprawl.

- The MSDF notes how the old Gansbaai Harbour and its surrounds have "enormous development potential". In addition, it has opportunities for densification and nodal intensification. This could potentially be one of the areas referred to in the bullet above where further detailed planning work is undertaken to facilitate the development of this area. Such development will bring with it increased job opportunities.

- In the Greater Hermanus Area and the Greater Gansbaai Area, a number of restructuring zones have been identified and approved. These areas have been identified on the basis of being areas for economic activity and areas where urban renewal / restructuring impacts will be best achieved. Through facilitating the development of these sites, the Municipality has an opportunity to address the need for social housing, by providing affordable rental accommodation in well located areas.

Spatial Governance:

- The Overstrand MSDF was drafted as a high-level document which speaks to the overarching spatial planning policy. The Overstrand Growth Management Strategy (OGMS) provides the detail pertaining to growth management proposals. The Growth Management Strategy was due to be updated with the MSDF in 2020, but thus far only the maps have been updated. The OGMS was last prepared over a decade ago with a great deal having changed in the Municipality in the interim. The updating of the OGMS should be seen as a priority to support the Spatial Governance efforts of the Municipality.

- The Overstrand MSDF has principles, policies, and spatial proposals but it does not speak to programmes or projects. The detailed proposals are said to be contained in the OGMS which was approved in 2010 and according to the 2020 MSDF is in the process of being updated. The MSDF also has a Chapter titled "Action Plan" which includes actions for the next 10 years required to implement the proposals contained in the MSDF. The actions are however very generic rather than being spatially specific e.g., "Identify highly accessible locations for community facilities in conjunction with public transport interchanges supported by urban densification". The high level at which these actions are pitched

means that it is very difficult to monitor whether or not the MSDF is being implemented. This in turn undermines the value that the MSDF can provide to the Municipality. Therefore, it is suggested that either the MSDF Implementation Plan is strengthened or the OGMS must be updated and a clear Implementation Plan included so that the Municipality is able to undertake an annual performance review of MSDF implementation.

- The **current Capital Expenditure Framework (CEF) in the SDF is not complete**, but as is indicated below, Overstrand Municipality forms part of the pilot project for the drafting of CEF's using assistance from DEA&DP and DBSA Funding.

- The MSDF refers to the impact of **Climate Change** including the effects on rainfall patterns, river run-off, estuary functionality and sea level rise. It also refers to areas important for climate change resilience which need to be managed and conserved through a range of mechanisms including land use planning and protected area expansion. While the areas important from a climate resilience perspective are not spatially defined in the MSDF, they are spatially defined through the Environmental Management Overlay Zones (EMOZ's). There are EMOZ's for Coastal Protection, Mountain Catchments, Protected Areas, Riverine Areas and Urban Conservation Areas. Overstrand Municipality is commended for integrating climate change risk mitigation with their land use management system in the form of these environmental overlay zones.

- Further to the bullet above, the IDP includes a table which looks at how each of the Sector or Master Plans include climate change considerations. Some of these considerations speak to climate change mitigation. For example, the Local Integrated Transport Plan refers to increasing NMT and public transport to help to reduce CO_2 emissions and improve air quality. However, the IDP also refers to the MSDF climate change resilience strategies which do not appear to be in the MSDF.

Implementation of the MSDF through the IDP:

- The IDP refers to the MSDF as a Sector Plan which is worrying as it is in fact a core component of the IDP rather than a stand-alone sector plan. The MSDF needs to provide the strategic spatial direction for the Municipality which should be reflected in the IDP and the budget. For the most part these spatial proposals speak to whether or not additional land has been added to the settlement or if infill development is proposed.

- The Overstrand MSDF has principles, policies, and spatial proposals but it does not speak to programmes or projects. The detailed proposals are said to be contained in the OGMS which was approved in 2010 and according to the 2020 MSDF is in the process of being updated. The MSDF also has a Chapter titled "Action Plan" which includes actions for the next 10 years required to implement the proposals contained in the MSDF. The actions are however very generic rather than being spatially specific e.g., "Identify highly accessible locations for community facilities in conjunction with public transport interchanges supported by urban densification".

- It is difficult to determine the extent to which the IDP and the budget are implementing the MSDF in the absence of clear projects and programmes emanating from the MSDF itself.

- The Municipality does not have a CEF, but it is one of the Municipalities which is in line to get funding from the DBSA for the compilation of their CEF. Phases 1 and 2a of the CEF have been prepared by Spatial Planning in consultation with the Municipality.

- The MSDF recommends seven (7) key strategies which should "underpin all spatially related decision making in the Overstrand Municipality", namely:

- Adopt a selective "supply driven" approach by only providing for housing growth and related community facilities in the urban areas where the highest potential for sustained economic growth exists.

- Implement a bold mixed use densification policy which earmarks densification areas within urban settlements to accommodate growth in the Overstrand municipal area based on the extremely limited amount of greenfield land available for development.

- Eliminate the current housing need based on the revision of the Overstrand Human Settlement Plan. The key principle of this plan being the establishment of human settlements which includes the required community facilities, located in proximity to economic opportunities.

- Compile a coordinated bulk services supply provision policy which prioritises the implementation of bulk infrastructure based on the Municipality spatial development concept - Growth Management Framework.

- Stimulate economic growth and development linked to the comparative locational advantage. Municipality must identify and actively facilitate key catalyst projects in conjunction with strategic partnerships with business/investors.

- All public owned land (including State property, Municipal and Provincial property) that is of high conservation importance is to be included in a formal municipal protection area network. The mechanisms being to establishing contract nature reserves negotiated in conjunction with the WCNCB conservation stewardship programme, providing legally binding guidelines for land use.

- Rural development to be informed by the DEADP Rural Development Guidelines (2017), where applicable.

- Since these strategies are so high level, it is difficult to see how they have been carried through into the IDP and the budget. The Municipality is requested to verify what the progress has been with regards to the implementation of these strategies.

- For the 2022 /23 financial year 71 per cent of the total capital budget is being spent on basic services infrastructure. Of this the highest percentage goes to electricity with 42.8 per cent, then wastewater infrastructure with 30.1 per cent, water management at 25.7 per cent and waste management at 1.3 per cent.

- Of the capital budget being spent on electricity, approximately 57 per cent is being spent in the Greater Gansbaai. This spending seems to be at odds with the MSDF which states that the town is sufficiently supplied with electricity by the Municipality, but that the ESKOM supply network requires upgrading.

- The MSDF notes that both Hermanus Central and Hermanus East require upgrades to their wastewater systems and that no new developments can go ahead in these areas until this is resolved. It is difficult to tell from the MTREF budget how much money has been allocated to these areas for wastewater upgrades as the spatial reference is given as "Overstrand".

- The MSDF also notes that the stormwater infrastructure provision in Hermanus East is inadequate and needs to be upgraded. The current MTREF budget does not reflect any spending on stormwater infrastructure in Hermanus East. Instead, funding for stormwater infrastructure has been made available for Gansbaai North and Kleinmond. This is even though, according to the MSDF, Gansbaai is sufficiently served from a stormwater perspective. The MSDF is silent on the stormwater needs of Kleinmond.

- Over the 2022/23 MTREF period (2022/23 -2024/25) at total of R1.16 billion will be spent by the Western Cape Provincial Government in the Overstrand Municipal area.

- The planned Provincial infrastructure investment over the three (3) year MTREF period amounts to R755.7 million. Approximately 11 per cent of this amount is being spent solely in the Greater Hermanus Area, while approximately 17 per cent is being spent solely in the Greater Gansbaai area. It should be noted that the current population of the Greater Hermanus Area is estimated to be 64 313 compared to the Greater Gansbaai area at 12 141. Given that the MSDF regards the Greater Hermanus area as the primary node of the Municipality and the Greater Gansbaai area as a secondary node as well as

the number of people in each settlement, the skewed spending in the Greater Gansbaai area is questionable.

- If one breaks down the overall provincial spend referred to in the above bullet a little further: The Department of Human Settlements is spending R121.58 million in Gansbaai and R43.1 million in the Greater Hermanus area. This despite the fact that the PHSHDA is in Greater Hermanus.

- The IDP highlights the "dire need" for additional learning space in Overstrand in the next five years. Reference is made to a new Hermanus Technical High School at the Sandbaai Meent. R41 million has been budgeted by the Department of Education for this purpose. The IDP does however also refer to the need for a new Hermanus Primary School for Zwelihle with planning due to start in 2024/25. An urgent need is required to find a site for this proposed school. The Provincial Project Pipeline for Overstrand does not include any budget for this school and nor does the MSDF or the updated Overstrand Growth Management Strategy Map for Central Hermanus identify a site for the school. This requires attention.

- At a very high level, it could be said that the IDP and the budget are aligned with the MSDF as spending is happening in Greater Hermanus (Regional Node), Greater Gansbaai or Kleinmond (Sub-Regional Nodes) or the Local Nodes of Pearly Beach and Stanford. Except for R10 million being spent by the Provincial Department of Transport and Public Works in Buffeljagsbaai.

- A gap within the MSDF itself is that despite one of the key strategies being to identify and actively facilitate key catalytic projects, there are no such projects identified in the MSDF. If they were to be identified in the MSDF they could be pulled through into the IDP to strengthen the alignment between the two documents.

- The Overstrand Municipal Council has resolved to adopt the current five year IDP with amendments for another year up to the 30th of June 2023. The vision and strategic goals of the current IDP have remained unchanged. The Municipality is reminded that even though the MSDF is not being amended, it will need to be approved together with the IDP amendment at the end of May 2022.

- The Municipality is remined that part of Performance Management includes monitoring how well the Municipality is performing in terms of MSDF implementation. As with the IDP, this should be undertaken on an annual basis. Whilst having an MSDF, and in the case of Overstrand a Growth Management Strategy, is crucial to direct growth and spending to ensure spatial transformation and sustainable development, much of the value of the MSDF lies in its implementation.

- An MSDF performance review, feeding into an amendment that seeks to improve the articulation of an MSDF implementation programme could support the development of the new IDP and its alignment with the MSDF.

2.3.2 Regulatory Planning

- Municipalities are reminded that various mechanisms exist for integration of regulatory processes in order to streamline application processes.

- Municipalities are encouraged to consider these mechanisms as part of their Municipal Land Assembly Programme and to contact the Department should they require support in this regard.

- The 2020/21 survey conducted by the Directorate Development Management Region two (2) as part of the Municipal Land Use Management Performance Monitoring Strategy identified inconsistencies in the data presented in the municipal planning register, which did not reflect accurate application figures.

- As a consequence of the aforesaid, the Municipality's Town Planning Department, together with their GIS Department, devised a new Data Management System (known as the Land Use Planning System). Several errors were, however, identified during the migration process from the Esri-based Data Management System to the new Land Use Planning System in March 2022 and the Municipality was unable to provide this Directorate with application statistics.

- As such, Overstrand Municipality did not return a completed questionnaire and this Directorate was not able to report on KPI 1: Record keeping & tracking of applications and KPI 2: Timeframes with regards Overstrand Municipality's performance. This is particularly unfortunate as Overstrand was also one of the municipalities that reported poor performance on keeping to timeframes during the 2020/21 survey (40 per cent of application completed within 12 months, with 60 per cent taking longer than 12 months to finalise).

2.3.3 Biodiversity Management

- The Department and CapeNature work together to ensure biodiversity governance in the Western Cape. The Western Cape the Provincial Biodiversity Strategy and Action Plan (PBSAP 2016), which is currently under review, is a strategic mechanism of the Western Cape Provincial Government that aims to ensure that all stakeholders active in the province, including the national and provincial government entities, local and district authorities, non-governmental organisations (NGOs), business and society as a whole, act in a coordinated and collaborative manner with regards to biodiversity conservation, its sustainable use, and the fair and equitable sharing of benefits arising from the use and value of ecosystems goods and services.

- The PBSAP implementation is strengthened by the assent of Western Cape Biodiversity Act, Act No. 6 of 2021 on 14 December 2021. The act will come into operation on a date determined by the Premier by proclamation in the Provincial Gazette. Current provincial biodiversity and conservation laws are still in place and must be observed until such time as it being wholly or in part repealed through the making of regulations in the Act.

- Municipalities are herewith informed of the following implications of the Act:

i) *Biodiversity Spatial Plan*

- CapeNature must prepare a Provincial Biodiversity Spatial Plan within one year of the commencement of this Act and submit it to the Provincial Minister for adoption after following a public participation process.

- In terms of Section 36 of the Act, the purpose of a Biodiversity Spatial Plan is to—

  a. set biodiversity targets;

  b. spatially identify one or more categories of biodiversity priority areas that will ensure the continued existence and functioning of biodiversity and ecosystems, including the delivery of ecosystem services;

  c. provide guidelines that set out the desired management objectives for land and resource use in each category of biodiversity priority area;

  d. provide spatial planning and land use decision-making guidelines to ensure environmentally sustainable development and resource use and ecological and spatial resilience in the Province; and

  e. ensure that the ecological infrastructure in the Province is maintained, ecosystem fragmentation and loss are avoided, and the resilience of ecosystems and human communities to the impacts of climate change is strengthened.

- When a municipality adopts or amends its spatial development framework in terms of the Local Government: Municipal Systems Act in respect of land use matters in areas identified in the Biodiversity Spatial Plan as biodiversity priority areas, it must indicate how the land use planning categories in the spatial development framework have taken into account the desired management objectives in the guidelines contemplated in section 36(e) of the Act.

ii) Alien and Invasive Species (AIS) Management

- According to the NEM:BA Alien and Invasive Species regulations any landowner, occupier of land, person in control of land or any person in control of a listed category 1a, 1b and 3 invasive species must prevent the escape and spread of the species, including its growth or spread of propagules, and must control any specimen that escapes or spreads.

- Further to that all management authorities of protected areas and organs of state in all spheres of government must prepare Invasive Species Monitoring, Control and Eradication Plans and submit it to the Minister via the Department of Forestry, Fisheries and the Environment. In this sense it is imperative that Municipalities actively plan to manage and eradicate Alien invasive Species within their jurisdiction and control. Due to the negative impacts of AIS in terms of water losses, fire and flood risks as well as loss of biodiversity, it is prudent to plan and budget for AIS eradication and follow-up clearing activities on an ongoing basis. This will benefit Municipalities with significant savings down the line in terms of the cost of disasters and ensure an environment that is safe, sustainable and provides for the ecosystem goods and services of its people (Water, soil, natural products and ecotourism assets to mention a few).

2.3.4 Coastal Management

- The Western Cape Provincial Coastal Management Programme (PCMP), 2016 has been systematically implemented over the past five years and has just completed its required review. An amended Provincial Coastal Management Programme has been drafted and was published for comment by 31 May 2022.

- It is important that all municipal coastal management programmes are aligned to the national and provincial Coastal Management Programmes and other planning policies and frameworks. This second-generation PCMP builds upon the strengths and successes of the 2016 PCMP and is informed by inputs received through stakeholder engagement and a gender analysis that has incorporated a human rights-based approach. The programme supports the implementation of current legal mandates, policies, strategies, and projects, specifically in respect to enabling local government and creating a clearly mandated transversal system closely linked to the green and blue economy. It aims to optimise the economic potential of the coastal environment underpinned by improved protection, access, spatial planning, land use management and sustainable development of our coastal assets, particularly in the context of the impacts of climate change.

- Implementation of coastal management requires an enabling cooperative governance framework. As environmental management is deemed to be a concurrent legislative responsibility in terms of the Constitution between national and provincial government, however it is recognised that coastal management is more than just environmental management it also integrates related municipal mandates like managing recreational activities (such as boating), land-use planning and management, stormwater, local amenities, public places, cleansing, beaches and amusement facilities, public nuisance, street trading, traffic and parking amongst others as per Schedule five (5) of the Constitution. The NEM: ICMA assigns roles and responsibilities to all three spheres of government in respect to the management of the coastal zone.

- The following specific matter is highlighted in order to support the Municipality in prioritising relevant budget allocation:

Description	Action Required
Unlawful excavation within 100m of the high-water mark of the sea in Kabeljou Street, Kleinbaai.	PCN and PD issued on 31 May 2021. Municipality to allocate budget for the implementation of the rehabilitation plan.

- The Municipality has indicated that they have not determined or adjusted a coastal boundary for coastal access land. The Department has recently finalised the draft coastal access bylaws which will be circulated shortly. DEA&DP has concluded a Coastal Access Audit for the Overberg and is continuing to support the implementation of the Coastal Access Pilot Project to facilitate public access to the Bot River Lagoon. DFFE has initiated a Coastal Infrastructure Project at the Bot River Lagoon to continue to support Overberg DM and Overstrand Municipality with coastal access. This will directly contribute to the development of the municipal IDP. The Department is supporting the Municipality with coastal public access areas which has become problematic, contested or require other additional management support. Current District CMP is still being implemented and is proposed to be reviewed in the next municipal financial period. During the recent review of the SDF the CML lines have been included in this municipality's SDF. Currently, the draft operational plans are still in the process of being developed; The Municipality is required to send the final draft to DEA&DP for approval. The Municipality has requested for 3 sites to be delisted as well as the listing of Hawston launch site, these requests will be considered during the review. The DEA&DP is assisting with the development of operational plans for all PLS and draft Estuary Management Plans for estuaries within the municipal jurisdiction. The estuaries that require artificial mouth management have MMPs developed.

2.3.5 Waste Management

- It is noted with concern that a number of Municipalities are experiencing ongoing challenges in terms of waste management facilities, which has resulted in significant pollution and degradation of the environment, as well as potentially impacting negatively on the health and wellbeing of the local residents.

Waste Management Planning

- The Department will be finalising its Western Cape Integrated Waste Management Plan (2022 – 2027) in the 2022/23 financial year. The Plan will focus on resource efficiency and the circular waste economy while having a gender-responsive approach and taking into cognisance human rights and the needs of other vulnerable groups.

Information Management

- Period January to March 2022: The Overstrand Municipality has four (4) waste management facilities registered on IPWIS (Integrated Pollutant and Waste Information System), namely D15043-01- Overstrand Municipality Recovery and Recycling, D05559-01- Gansbaai Landfill Site, D16727-01- Overstrand Municipality Hermanus MRF and D15054-01- Overstrand Municipality Garden Waste Chipping Facility.

- The Municipality submitted 8/12 waste management reports from January to March 2022. The Municipality is compliant i.t.o IPWIS submission reports. The Municipality disposed 8295 tonnes of waste to landfills and 6112 tonnes of waste was diverted from landfills. Thus, achieving a diversion rate of 42.4 per cent for this period.

  (Data as of 15th March 2022.)

Waste Minimisation & Policy

- The Overstrand Municipality has an Integrated Waste Management By-Law that has been published in July 2013, aligned to the NEM: WA. There is a working waste minimisation system inclusive of a buyback centre, swop shop support and a separation at source programme. Organic waste is diverted through chipping and composting. Overstrand also has an Organic Waste Diversion Plan that is awaiting council approval. A wide range of awareness activities are also undertaken by the Municipality.

Waste Licensing

- The Overstrand Municipality have kept their Facilities compliant over recent years. The Gansbaai WDF have received a 98 per cent compliance rating in February 2022 and continue to be managed and operated well. Similarly, the transfer stations and drop-off facilities in Hermanus and Kleinmond are well managed. The Municipality have submitted their Organic Waste Diversion Plan and implemented it in operations. The Residents Monitoring Committee has been established for Kleinmond, Hermanus and Gansbaai. The Municipality has undergone a project to apply for surrender licences for their closed facilities. This will be processed during 2022/23.

2.3.6 Pollution Control

- It is noted with concern that a number of Municipalities are experiencing ongoing challenges in terms of sewage spillages or breakdowns of key bulk sewage infrastructure, which has resulted in significant pollution and degradation of the environment, as well as potentially impacting negatively on the health and wellbeing of the local residents.

- This culminated in enforcement action taken against certain Municipalities who have contravened the relevant environmental legislation.

- This Municipality is commended that there are currently no pollution control matters subject to enforcement action.

2.3.7 Sustainability and Climate Change

- The Overstrand Municipality IDP has incorporated climate change in its key sectors and strategic planning and also as a key risk for the Municipality. The document states that climate change impacts are incorporated into relevant master plans and project specifications, but that no specific CAPEX or OPEX for climate change projects are mentioned. The document also notes that the Strategic Environmental Management Framework for the region highlights water scarcity, sea level rise and increase in extreme events as key impacts of climate change. Evidence of how to address these are linked to the strategic sector plans.

- Water availability and electricity capacity in the area are constrained and this could impact on the growth of economic sectors. The Municipality has noted that there is a need to diversify the Municipality's water resources where practical and feasible and to not be dependent on surface water sources only. Climate change needs to be fully integrated into water security planning.

- The Municipality notes that insufficient energy and electricity supply are key risks, particularly in terms of ongoing loadshedding. The Municipality does allow for SSEG, but other programmes around renewable energy are currently not planned for in the municipal budget.

SECTION 3: ECONOMIC SUSTAINABILITY

3.1 Introduction

This section examines to what extent the tabled 2022/23 MTREF Budget is responsive from a socio-economic perspective as well as the District/Municipality's ability to meet the community expectations for services from its limited resources to contribute towards achieving economic sustainability and growth and maximizing benefits for its residents.

This is done by an analysis of the budgetary allocations to the strategic objectives and the municipal and provincial expenditure to determine their respective responsiveness to the socio-economic reality of the region/municipal area.

3.2 Municipal Budget Analysis

This section analyses the responsiveness of the budget and strategic objectives to the socio-economic reality of the Municipality.

3.2.1 Key budget priorities in terms of IDP Strategic Objectives

The 2022/23 MTREF budget breakdown in terms of the strategic objectives is indicated in the table below. The Municipality budgeted for a total operating expenditure of R1.62 billion and a total capital budget of R212.8 million in the 2022/23 financial year.

Table 1 Strategic Objectives for the 2022/23 Medium Term Revenue & Expenditure Framework

Overstrand Supporting Table SA5 & SA6 Reconciliation of IDP Strategic Objectives and Budget (Operating and Capital Expenditure)								
Strategic Objective	2021/22 Medium Term Revenue & Expenditure Framework OPEX				2021/22 Medium Term Revenue & Expenditure Framework CAPEX			
R thousand	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Average Annual Growth	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Average Annual Growth
The provision of democratic, accountable and ethical governance	315 492	312 936	324 798	3.8%	1 875	-	-	-
The provision and maintenance of municipal services	817 550	874 215	949 260	7.8%	152 602	65 500	73 314	-30.7%
The encouragement of structured community participation in the matters of the municipality	-	-	-	-	-	-	-	-
The creation and maintenance of a safe and healthy environment	202 510	208 684	218 910	4.0%	6 809	10 868	13 297	39.7%
The promotion of tourism, economic and social development	280 215	263 565	250 400	-5.5%	51 522	26 230	12 400	-50.9%
Total Expenditure	1 615 767	1 659 400	1 743 368	3.9%	212 808	102 598	99 011	-31.8%

Source: Overstrand Municipality, A-Schedules

Overall, the operating budget increases by 6.2 per cent when compared to the 2021/22 (current year) adjusted budget total and is anticipated to increase by 3.9 per cent across the MTREF. While these increases are above the NT inflationary estimate, it does appear relatively low given the regions rapid population growth which increases the demand for basic services. The Municipality's ability to uphold its service standards while making provision for new connections (especially considering the roll-out of services to informal settlements) might therefore come under pressure.

Most of the operating budget (R315.5 billion; 50.6 per cent) will be directed towards the Basic Services priority area which fittingly gives effect to the primary mandate of local government as envisaged in section 152 of the Constitution, namely, to ensure the provision of services to communities.

The Municipality has a total capital budget of R212.8 million for 2022/23. Compared to the 2021/22 adjusted budget, the 2022/23 allocation equates to a 11.3 per cent decrease which appears concerning at face value. Overall, the capital budget allocations for basic service delivery does however increase by 14.5 per cent which signifies a proactive attempt to prioritise the upkeep and expansion of the current trading services network. Close consideration does however reveal that the sizeable increase can mostly be attributed to the electricity function.

The Municipality has made no budget allocations have been made towards Strategic Objective: *The encouragement of structured community participation in the matters of the Municipality* which does appear problematic considering that one of the new Mayor's priority areas is to improve communication.

Pages 26 – 28 of the IDP illustrates the alignment between the strategic risk register, IDP priorities and the budget, complete with the operating and capital budget allocations attributed to each risk. The budget allocations have however not been updated and still refers to the 2021/22 budget totals.

3.2.2 Budget Responsiveness

3.2.2.1 Responsiveness of Trading Services Expenditure

According to the Municipality's 2020/21 Annual Report, as well as the IDP Review, there are currently no basic service delivery backlogs in the municipal area with all formal households enjoying access to electricity, water, sanitation and refuse removal services above the minimum service level standard. There is however still a sizeable housing backlog.

It appears that the free basic service delivery information on budget schedule A10 was incorrectly captured. The number of households to be provided with services column contains budget allocations while the cost column contains the same amount but rounded off. It is therefore not possible to determine how the budget will provide for an increase in indigent households across the MTREF.

The Municipality should consider adding budget schedule A2A to the Budget Report as it gives a more detailed overview of the sub-functional operating budget allocations.

The operating budget for Trading Services is expected to increase by 6.7 per cent in 2022/23 and by 7.8 per cent across the MTREF. The increase is above the NT inflationary estimates and therefore bodes well to ensure that the Municipality can uphold it service level standards while making provision for rapid population growth.

Overall, the capital budget allocations for basic service delivery increase by 14.5 per cent which signifies a proactive attempt to prioritise the upkeep and expansion of the current trading services network. Close consideration does however reveal that the sizeable increase can mostly be attributed to the electricity function.

- Energy

Community Needs/Current Reality

The Municipality's electricity function remains under pressure amidst the deteriorating state of the Eskom supply network which is in dire need of upgrading. The ageing network is also subject to regular theft and vandalism while its limited capacity hampers further growth across the municipal area.

The need for streetlights is a general priority across most wards while there is a demand for major network upgrades in wards 11 and 14. Additional ward priorities include the electrification of informal settlements in wards 11 and 12 as well as the need for solar geysers.

Electricity outages, because of load-shedding, failing infrastructure or theft and vandalism, has been listed as a high strategic risk for the Municipality in the risk register. To mitigate these risks, the Municipality will provide standby generation capacity at critical buildings and facilities, mobile generators and conduct infrastructure maintenance.

As per the IDP, Council endorses the transition to low carbon and renewable energy sources by continuing the promote small scale embedded energy generation, developing renewable energy sources and procuring energy from independent power producers etc.

The Municipality's service level standards agreement further provides a detailed outline of what communities can expect from the Municipality in terms of the provision of electricity services.

Expenditure Analysis

The operating budget towards the Energy function increases by 10.7 per cent in 2022/23 and corresponds to the 10.33 per cent anticipate tariff increase.

While municipalities must strive to set cost reflective tariffs and align increases with inflationary targets, the Municipality is reminded to factor in the need to increase its operating expenditure budget to such an extent that it will not only be able to maintain its existing service standards, but also provide for the potential increase in consumer demand (i.e. population growth, roll-out of services to informal households etc).

The capital budget increases by 85.2 per cent and therefore appears particularly responsive to the most pressing electricity concerns relating to ageing infrastructure and bulk network expansions. Closer consideration of the budget report reveals that the sizeable increase can mostly be attributed to external loan roll-overs. Discarding these roll-overs, the capital budget decreases in 2022/23, a fact acknowledged in the budget report (p.9).

The capital budget towards the electricity function is in general funded through external loans and grant allocations (INEP) with limited own-funding contributions. As per Budget Schedule A9, most of the capital budget (R53.5 million) will be spent on new assets.

The IDP indicates that the Municipality promotes small scale embedded generation and allows consumers to be compensated for feeding electricity back into the grid. These customers are however still required to be NET consumers i.e. using more electricity from the grid than they put back. The Municipality should consider removing this requirement as it can potentially discourage own generation.

It does not appear that the capital budget makes provision for the need for streetlights across the municipal area. It is however understood that streetlights are mostly subject to the roll-out of large-scale bulk electricity connections. The Municipality should consider solar streetlighting solutions in the interim.

- Water Management

Community Needs/Current Reality

The Municipality does acknowledge the existence of perceived water backlogs on outlying farm areas. National legislation (supported by a municipal by-law) recognizes farm owners as water intermediaries who must provide water services to people living on their properties.

The Municipality's primary priority is to promote water conservation and demand management. These proactive attempts have in recent years translated to significant cost and water usage savings.

While water security is not an immediate concern due to the prominent availability of both ground and service water sources across the municipal area, current water schemes will only be able to meet the growing demand until 2030. The diversification of the Municipality's water sources is therefore a priority over

the medium term and has subsequently been captured in the risk register. Plans are in place for the development of a seawater desalination plant which will service the greater Hermanus area.

Expenditure Analysis

The operating budget allocation towards the water management function remains mostly unchanged (0.2 per cent decrease) in 2022/23 and is estimated to increase by 6.7 per cent annually across the MTREF The negative 0.2 per cent change in allocations for 2022/23 does also not appear to align to the 3.5 per cent increase in new water connections (1 172) detailed in budget schedule A10. The number of households to receive water services above the minimum standard is anticipated to increase annually by 1.7 per cent across the MTREF.

The IDP indicates that the Municipality's water services function is challenged by high distribution losses which incurs substantial costs to address. The Municipality is addressing this concern through water meter and bulk pipe network replacements. The capital budget responds particularly well in this regard through a R16.5 million allocation specifically for water pipe replacement. It could however not be determined what amount has been earmarked for further water meter replacements.

The overall capital budget allocation for water management increases by 5.7 per cent in 2022/23 but will on average annually decrease by 22.8 per cent across the MTREF. At face value does appear concerning given the need to provide for network expansions in the medium term. It is however understood that the allocations do fluctuate in line with the planning priorities of the Water Master Plan. The Municipality is to this extent requested to provide a more detailed overview of the Water Master Plan in the IDP and to link the deliverables to the 2022/23 budget.

There appears to be a misalignment between budget schedule A10 and the draft SDBIP insofar as the provision of water services is concerned. Budget schedule A10 indicates that 35 062 households will receive water above the minimum service standard. The associated target in the SDBIP is however set at 32 563.

- Waste Water Management

Community Needs/Current Reality

While most of the Municipality's waste water treatment works (WTW) have adequate capacity to carry an increase in demand (the exceptions being the facilities in Kleinmond and Hawston), there is a need to extend the existing waterborne sewerage drainage network and replace parts of the bulk sewer pipeline. These upgrades and expansions are needed to not only maintain current service standards, but to facilitate future growth and development as well as the provision of sanitation services to informal settlements and low-cost housing initiatives.

Additional challenges facing the sanitation function includes general ageing of the infrastructure network, the state of current sewerage pump stations which are in dire need of repair, the ongoing usage of the sewerage tanker truck service in outlying areas, blockages which incurs operational costs, as well as the impact of electricity outages at waste water facilities.

Naturally, the provision of sanitation services is closely associated with the availability of water infrastructure which facilitate the flow-off and disposal of sewerage. Where such infrastructure is limited, services must be rendered manually which increases costs. This is particularly problematic in rural outlying areas.

Expenditure Analysis

Overall the capital budget makes provision to address the range of infrastructure related challenges facing the existing network – consideration of support schedule SA36 indicates how the budget supports a wide variety of projects to renew, upgrade and replace parts of the current network across the municipal area.

The sustainability of these efforts is however drawn into question when considering that the capital allocation decreases by 17.9 per cent in 2022/23 and will continue to decrease on average annually by 35.5 per cent.

The operating budget increases by 4.4 per cent in 2022/23 which does suffice to accommodate inflation and aligns to the tariff increase. In similar fashion to the observation made for water services, the increase does appear relatively low given that the Municipality envisages a 3.6 per cent increase (1 223) in households to receive new connections.

There also appears to be a disconnect between the number of formal households to be provided with sanitation services in A10 (35 374) and the SDBIP (32 279).

The 2020/21 annual report once again states that the Municipality will over time eliminate the use of the tanker system in Ward 10. Explicit mention is made of the need to expand the network, but that more tankers are required in the interim. It is further unclear whether the Municipality will buy or rent additional tankers and how this will impact on the operating or capital budgets.

The sanitation allocation to indigent households will increase from 4.2kls to 7kls in the new financial year.

- Solid Waste Management

Community Needs/Current Reality

Although the Municipality does not in general experience any significant operational challenges to provide waste collection services, the function has in recent years come under pressure from certain external factors such as vandalism/riots which halted the provision of the two-bag (wet waste/recyclables) system in certain areas (damage to the material transfer and recycling station). The inability to collect recyclable material subsequently impacted on the Municipality's waste minimisation and diversion efforts. This situation is regrettable, especially given the long lifespan of the current landfill sites (Gansbaai, 14 years and Karwyderskraal, 53 years) which buys the Municipality time to ramp up its recycling efforts. The Municipality furthermore places a specific focus on consumer awareness as part of its waste minimisation efforts.

There are currently seven decommissioned landfill sites within the municipal area which will incur substantial costs to rehabilitate. The Municipality is exploring more cost-effective alternatives to re-use the sites.

Additional risks and challenges being faced by the refuse removal function includes ongoing vandalism to drop-off site infrastructure as well as illegal dumping.

Expenditure Analysis

The operating budget allocation towards solid waste removal, which decreases by 0.6 per cent in 2022/23 and on average increases by 2.3 per cent annually across the MTREF, will arguably not suffice to uphold existing service level standards (considering the increase in households to be provided with new services), allow for new service requests and more specifically, to accommodate the increase in operational activities associated with the repurposing of the expired landfill sites.

More specifically, clarity is sought regarding the recommencement of the two-bag collection initiative (which was been resumed in the latter parts of 2021) and the impact thereof on the operating budget.

As mentioned above, the current refuse removal function does not have any major challenges that require substantial capital investment, albeit in the short to medium term. The Municipality does therefore not need to make significant capital budget allocations towards solid waste, the R2.0 million allocation amounts to a 56.9 per cent decrease in 2022/23 and will exclusively be applied to facilitate upgrades at the Stanford drop-off site. Clarity is sought regarding the nature of the upgrades at this drop-off site considering that the IDP lists vandalism as an ongoing concern.

While the IDP does state that the Municipality will prioritise waste minimisation and provides a clear outline of how the Municipality will approach integrated waste management solutions, it does not illustrate what budget allocations have been made towards this goal across the MTREF. Provincial Treasury does however acknowledge that existing waste minimisation efforts are covered as part of the operating budget, so direct allocations will not explicitly be mentioned.

There is a sizeable discrepancy (1 941) between the number of households to be provided with refuse removal services above the minimum service standard in A10 (34 234) and the SDBIP (36 175).

3.2.2.2 Responsiveness of Economic and Social Expenditure

- Road Transport

Community Needs/Current Reality

The Municipality's Road service programme activities is guided by an Integrated Transport Plan and includes activities associated with the surfacing of gravel roads; traffic signs, road maintenance and advertising signage, upgrading of intersections, roads and stormwater systems, parking, facilities for the disabled, traffic calming, public transport, non-motorised transport, as well as road construction.

The most pressing challenge currently being experienced by the roads function is a lack of funding to ensure timeous maintenance which includes, but is not limited to, pothole repairs, general resealing, crack sealing as well as base and surface failures. The funding constrains mean that the Municipality cannot fully attend to the backlog which in turn leads to further asset deterioration. The Municipality also has limited funding available for upgrading and installation of formal storm water infrastructure.

Additional transport needs emanating from the Integrated Transport Plan include an increase in main transport route capacity, provision of safe and reliable public transport, addressing seasonal congestion and parking challenges experienced over holiday times and provision of non-motorised transport solutions (inclusive of transport for the disabled).

No public transport service currently exists within the municipal area. The IDP mentions that commuter services are primarily provided by private minibus taxis.

Expenditure Analysis

General road maintenance efforts will be supported by a 4.6 per cent increase in 2022/23 which is anticipated to increase by an annual average rate of 4.4 per cent across the MTREF. While the allocation does account for inflationary increases, it is unclear whether it will suffice to increase the Municipality's road maintenance efforts. Closer consideration of support schedule SA34c however indicates that the repairs and maintenance budget for roads infrastructure will increase by 7.7 per cent in 2022/23 and by 7.6 per cent across the MTREF.

In turn, the capital budget allocation towards road transport increase by 5.1 per cent when compared to the adjusted budget. The capital budget will in 2022/23 be applied to fund two projects, namely, roof upgrades at the Stanford taxi rank (R334 000) and bus routes for the Masakhane Housing Project (R11.0 million). It is unclear where the Masakhane project (funded through a MIG allocation) fits in given the absence of public transport services in the municipal area.

The IDP mentions that discussions are underway with the Department of Transport and Public Works for funding assistance for the construction of the Hermanus Parallel Road. The Municipality is requested to provide more clarity in this regard and to indicate whether funding might become available in the MTREF.

The IDP identifies taxi rank upgrades as a priority focus area of the Hermanus Central Business District Revitalisation Plan and mentions that construction of the Taxi Rank precinct will commence in 2022/23 and

that R25.0 million has been allocated towards this cause. It is unclear where these funds are reflected in the budget.

Clarity is sought regarding the development of a NMT sector plan. Page 89 of the IDP states that no NMT plan exist in the Overstrand area. Page 90 however indicates that the NMT Master Plan implementation is being implemented on an ad-hoc basis.

While the budget is deemed responsive insofar as timeous road maintenance is concerned and will ensure the longevity of the current road transport asset base, there is a need for additional allocations to expand the network to accommodate future growth and development, especially given the rapid population growth being experienced.

Sidewalk upgrades and additions are listed as a priority across most wards in the municipal area. Allocations towards this end are captured in the operating budget which makes it difficult to ascertain whether funds have been allocated in 2022/23.

It was noted that the Municipality did not increase the SDBIP target for the m² of roads patched and resealed in 2022/23. While cognisance is taken that the status of road maintenance work is determined through the Pavement Management System, the operating budget for maintenance work did increase.

- Housing

Community Needs/Current Reality

As per the Municipality's 2020/21 Annual Report, there are currently 12 843 applicants on the housing backlog which equates to a 5.6 per cent increase from the previous year. This total had risen to 13 831 by the end of December 2021 (IDP Review, page. 136).

The Housing function is under severe pressure with a rising backlog/waiting list attributed to mainly, but not limited to, rapid population growth, the prominence of backyard dwellers, limited funding for service sites and top structure construction, available land and illegal occupations.

The Municipality has an extensive Housing Strategy whereby it aims to not only eradicate the current backlog but develop integrated human settlements where residents have equal access to economic and social opportunities and public amenities. The provision of housing solutions together with the roll-out of other essential service does however requires extensive planning and capital investments. To this end, the Municipality has reorganised its internal structures to locate the housing delivery process within the Directorate Infrastructure and Planning. Some of the projects, programme and initiatives provided for in the Housing Strategy include, integrated residential development programme (IRDP), Social Housing Programme, Finance Linked Individual Subsidy Programme (FLISP) as well as the Emergency Housing Programme.

There is a general acknowledgement amongst all spheres of government that the existing housing delivery model (formal brick and mortar housing solutions) is not feasible to address the ever-increasing demand. As such, one of the key objectives of the Municipality's housing function is to mainstream basic service delivery to informal settlements and backyard dwellers which includes efforts to roll-out services as well as to formalise these settlements.

Expenditure Analysis

The operating budget allocation towards the Housing function increases by 17.4 per cent due to additional Human Settlements Development Grant funding received for 2022/23. The sizeable increase bodes particularly well to support the Municipality's efforts to roll-out services to informal settlements. Provincial Treasury does however also acknowledge that the Municipality makes notable contributions from its trading services allocations to mainstream service delivery to informal settlements.

As the HSDG contribution remains indicative for the outer years, the operating allocation towards Housing on average decrease by 35.3 per cent across the MTREF.

The IDP Review contains a detailed schedule outlining how the Municipality prioritises allocations (grant funding permitted) to these housing programmes and initiatives across the MTEF and beyond (5-Year Housing Strategy Implementation Plan). It could not be determined where the HSDG portion is reflected on the schedule. Tas mentioned in past assessments, the Housing Strategy Implementation Schedule should more clearly distinguish between operational and capital related costs.

The capital budget allocation towards the Housing function decreases by 37.7 per cent due to a reduction in the capital portion of the HSDG allocation. The 2022/23 allocation of R39.8 million will be applied for low-cost housing construction services. It could however not be determined from either the IDP or the Budget Report where these funds will be spent.

The WCG's allocation towards Housing infrastructure within the Municipal area will amount to R221.1 million across the MTREF of which R116.7 million will specifically be spent in 2022/23. Projects for 2022/23 include IRDP units in Stanford West (R23.4 million); the development of service sites in Gansbaai South (R27.7 million) and additional IRDP units in Gansbaai Blompark (R22.4 million).

- Safety and Security

Community Needs/Current Reality

The crime rate (number of reported incidences) per 100 000 people in the municipal area was in 2020/21 as follows: Murder, 52; Sexual Offences, 115; Driving under the Influence, 123; Drug-related Crime, 1 053; and Residential burglaries, 1 211.

The Municipality delivers safety and security services through municipal by-law enforcement, traffic enforcement, fire and disaster management as well as general security activities.

Challenges experienced across all functions of the safety and security directorate includes vagrants and illegal occupation of municipal land; illegal dumping; abalone-related complaints; traffic violations; conflict with taxis; parking violations; and disaster management law-enforcement, funding and capacity constraints, to name but a few.

It does not appear that the Municipality has defined fire and disaster management service level standards.

The Municipality places a strong emphasis on visible policing efforts to prevent crime and ensure by-law compliance.

From a ward perspective, there appears to be an urgent demand for CCTV installations to deter criminal activity.

Expenditure Analysis

The tabled budget allocation increases towards Public Safety appears relatively modest given that Crime Prevention and Law Enforcement is one of the Mayor's new three priority areas. The operating budget for Public Safety only increases by 3.3 per cent in 2022/23 while the capital budget decreases by 86.5 per cent.

It is unclear how the below-inflation increase in the operating budget will support the expected increase in road safety and visible policing efforts mentioned in the IDP (p.107) for 2022/23 i.e. an increase in the traffic services staff component; enhancing visible patrolling and maintaining strong visibility in identified crime hotspots. Clarity is also sought as to whether the Municipality will make further Municipal Law Enforcement appointments (p.108).

The capital budget will in 2022/23 only fund two projects: removal of obsolete roofing and ceiling replacement at the Hermanus Traffic Department (R1.0 million) as well as minor assets for protection services (R300 000). It is unclear whether the R300 000 to procure the backup generator referred to on page 107 of the IDP.

The IDP refers to an amount of R650 000 in Local Government Unemployment Grant funding received to be applied towards the Social Safety Ambassadors Project while the Municipality will further receive R6.3 million in Law Enforcement Advancement Plan (LEAP) funding to provide 23 job opportunities on a three (3) year fixed term contract. These funds do not appear to reflect in support schedules SA18/19.

Provincial Treasury takes note of plans to establish an Incident Command Centre to command, control and coordinate emergency and non-emergency responses as part of efforts to enhance the fire and disaster management services. It is unclear what budget allocations will be appropriated towards this cause in 2022/23 and how the operationalisation of the centre will impact on the operating budget across the MTREF.

Although crime prevention is in general strongly associated with operational expenditure, it is also extremely capital intensive, especially given the need to leverage technological advancements to combat crime and to improve overall safety and security. The IDP and Budget Report's write-up on Safety and Security is relatively silent in this regard.

Additional Considerations

Ease of Doing Business

The Municipality's risk register indicates that the constraining legislative environment discourages investment in the local economy and lowers business confidence. To address this risk, the Municipality will inform and educate SMMEs and investors on compliance matters, prioritise red-tape reduction, establish red-tape reduction champions and introduce a First Thursday Engagement platform. Ease of Doing Business is one of the new Mayor's three priority focus areas. The IDP indicates that the Municipality will identify areas and issues prohibiting ease of doing business for consideration and implementation by the various administrative departments. Provision for Ease of Doing Business does not specifically refer to actual expenditure allocations, but rather to envisaged savings to be incurred due to the implementation of the red-tape reduction measures.

The Municipality was able to create 1 238 Expanded Public Works Programme (EPWP) job opportunities in 2020/21 against a target of 1 018 opportunities. Despite exceeding the target notably in 2020/21, the target for 2022/23 has been set at 1 028 in the draft SDBIP. Similarly, the Municipality has over the last two years achieved the targets set for the number of SMME's supported through the SMME Development Programme and the Emerging Contractor Development Programme respectively but did not increase the targets in 2022/23.

- Health

Health related infrastructure spend by the WCG will be limited to R1.6 million across the MTREF of which the majority will be spent in 2022/23 to facilitate upgrades, additions and general maintenance at the Gansbaai Clinic, Hermanus Hospital and the Pearly Beach Satellite Clinic.

The Municipality does not make any operating and capital budget allocations towards the Health function in the 2022 MTREF.

- Education

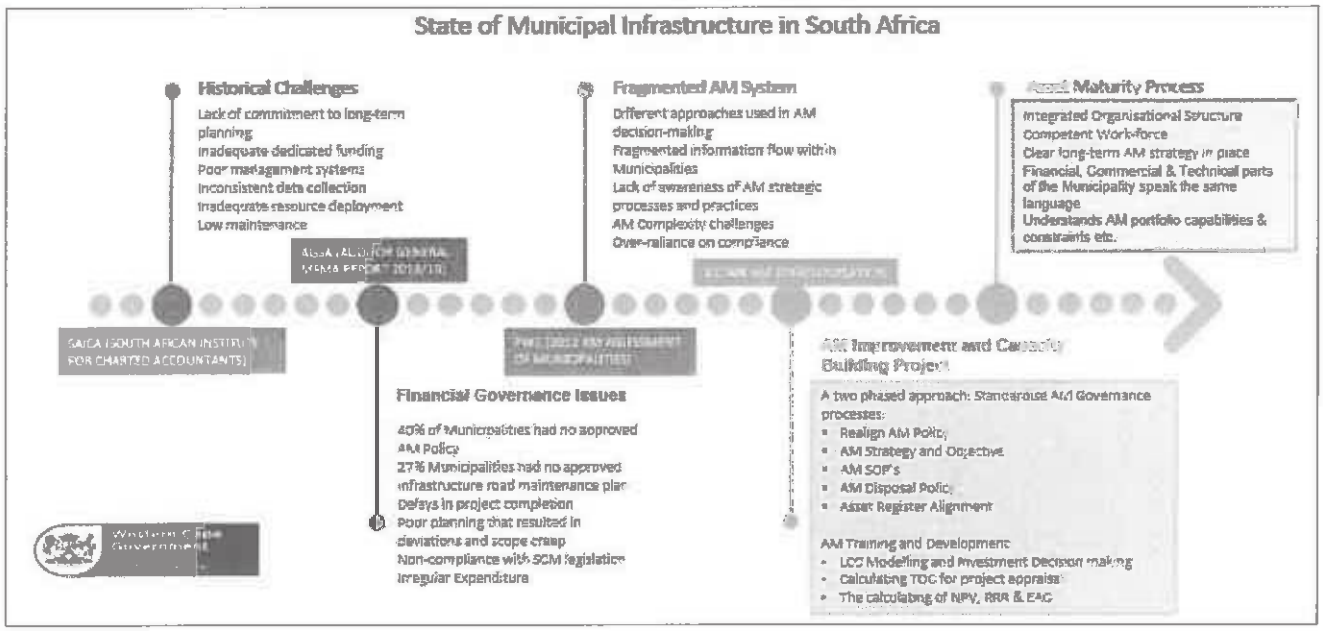
The WCG's total investment towards Education infrastructure within the municipal area will amount to R41.0 million across the MTREF. While allocations are limited to R1.0 million and R2.0 million in the first two years of the MTREF respectively, the outer year allocation amounts to a sizeable R38.0 million to start construction on the new Hermanus Technical Highschool

3.3 Utilising Procurement as a Lever to Enhance Local Economic Development

3.3.1 Asset Management Governance and Capacitation Project

This project was necessitated by the challenges that were highlighted by AGSA during their 2018/19 audit report for MFMA in the Western Cape, SAICA and Price Waterhouse Coopers (PWC) assessment which is depicted below:

Figure 1 State of Municipal Infrastructure in South Africa



Source: Provincial Treasury

This project focused specifically targeted the Municipal Asset Management Governance Framework, Policies and Strategies as this is the bedrock of all assets related initiatives and provides a mechanism decision-making and gives clear understanding and oversight of each other's expectations, objectives, performance, risk appetite, and reporting requirements. The Framework would review municipal current:

- Policy and Strategy Development
- Asset Management Planning and Implementation
- Capability and Capacity Development
- Performance Improvement and
- Knowledge Management

Cape Winelands District Municipalities including Overstrand and Cape Agulhas Municipalities were piloted in the initial roll-out of the project. This project has now been implemented in the West Coast District and will overtime be rollout out to other districts of the Western Cape.

As part of this Governance Framework attention was given to the **Operations and Maintenance Works Order Management** processes; this is the cornerstone of good Repairs and Maintenance Practices, and the Works Order Management document is the prerequisite to a Computerized Maintenance Management system (CMMS) that was found lacking at all piloted municipalities. The reason for the focus on this area is because of the inherent benefits thereof being:

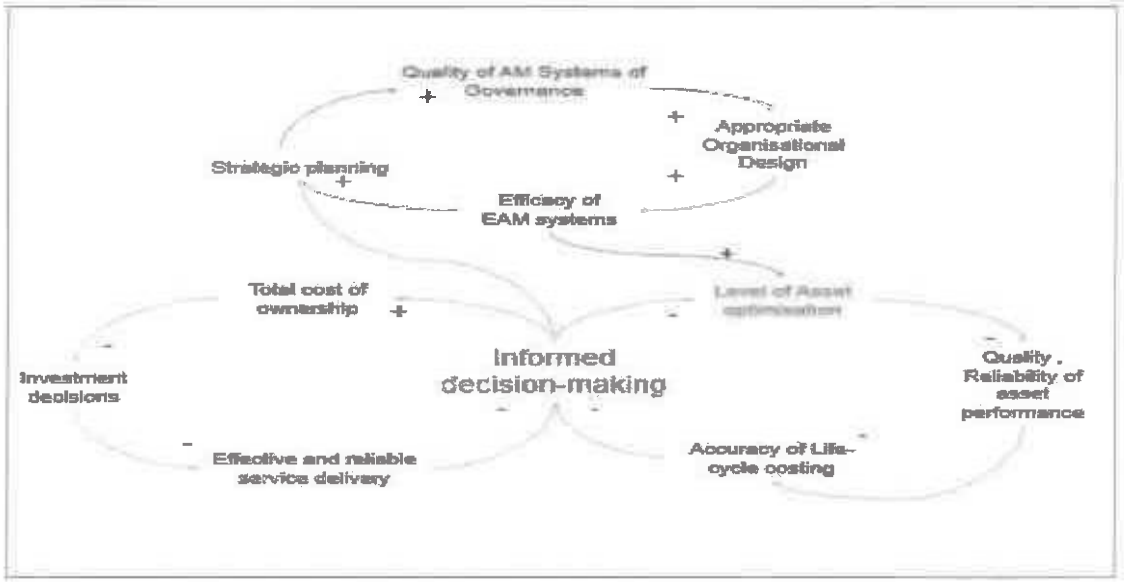
- Cutting downtime of operation equipment
- Extent asset life
- increase availability and performance of equipment.
- Boost employee productivity.
- Reduce overtime.
- Improve municipal services.
- Reduce the maintenance backlogs.
- Improve safety.

The causal loop diagram below provides a snapshot of the aim and purpose of the Asset Management Governance and Capacitation Project. Starting with improving the quality of Asset Management system of Governance it is envisaged that this would have a knock-on effect of the other processes with the Asset Management system as is depicted in the diagram below. The causal loop diagram also illustrates the aimed interconnectedness of the various processes in the Asset Management System and the relationship with SCM with the ultimate purpose to mature the Asset Management System in municipalities overtime. This will depend on the capability, capacitation levels and culture that exists within various municipalities and districts.

The loop suggests that Asset Management System of Governance will impact Municipal Strategic Planning with appropriate alignment to the organisational design that should positively impact the efficacy of the Enterprise Asset Management Systems (EAM). This should translate into greater level of optimisation that impacts on:

- The quality and reliability of asset performance
- Accuracy of lifecycle costing into
- Better informed decision-making
- That positive effect Total Cost of Ownership (TCO)
- Help municipalities make informed Investment Decisions
- Hence deliver on effective and reliable service delivery

Figure 2 Causal loop diagram



Source: Provincial Treasury

The benefits are asset's longevity beyond design life, integrated solutions that balance cost, risk and performance over the asset life cycle that are needed to optimise asset reliability, availability and quality, at minimum cost. All the elements in the causal loop becomes necessary to understand the risks, benefits of delaying new capital expenditure and the impact on strategic objectives. The aim of Asset optimization is to find the balance between efficiency and reliability by making strategic improvements to the effectiveness of your overall asset management methodology by providing more holistic adjustments to your Asset Management Governance Framework.

The District Asset Management Steering Committee approach for CWDM will aim to share best and right practices and standardised Asset Management processes, in order to keep the continuity and improve the maturity within the region. The collective knowledge of the individual pilot projects will be shared among all municipalities on platform to improve the other portfolios within individual Municipalities.

To achieve this; collaboration among all municipalities on the platform will be key, so it is proposed that it would be essential for other District Municipalities to start playing that collaborative role within their respective districts, in order to start building momentum, so when the project is rolled out in that particular District, the process to standardisation and maturity would be easier.

3.3.2 Procurement Planning

Demand Management and procurement planning have become a national concern, hence National Treasury issued MFMA Circular No. 94 requiring the Accounting Officer to submit the procurement plan together with the Budget, Service Delivery and Budget Implementation Plan (SDBIP) to address the weak planning processes, as slow spending of capital budgets has a negative impact on service delivery.

Procurement planning in the Local Government sphere is an evolving process that needs to be enhanced overtime as the current system, manual or otherwise, has attributed to poor service delivery by not meeting the intended municipal service delivery goals.

PT is currently assessing all procurement plans of Western Cape Municipalities to ensure the compilation of a demand plan and procurement plans aligned with the IDP, SDBIP, and linked to the annual budget to ensure that funding for the acquisition of goods and services are available.

In times of fiscal austerity, efficient resource allocation and integrity in public spending is essential to ensure sound service delivery and transparency. Thus, procurement planning can be a useful recognition of procurement tool to improve institutional efficiency through savings and economies of scale. One of the ways to utilize procurement plans to achieve savings and economies of scale is to consider joint procurement for common goods and services.

3.3.3 Municipal Supplier Evidence Bank (SEB)

In the Draft Public Procurement Bill for public comment, under **Chapter 2**, **Part 3** – Use of Technology, reads *"Institutions must, to the extent possible, use information and communication technology to implement any of the procurement methods in this act"*

PT is currently doing research with the planned roll-out of supplier evidence bank (SEB) system to the municipalities to enhance their master supplier database and provide a reliable house for documentation of suppliers' information. The SEB is a central repository of governance documents required in the Supply Chain Management process that augments the CSD as this information is not available on the current CSD system.

There are numerous benefits that comes with this web-based solution for Provincial Treasury, municipalities and suppliers as it will provide a single point of reference, reduce the repetitive process of submitting documentation and house documentation. The benefits for municipalities and suppliers will include at least the following SCM Governance requirements:

- The SEB will provide for LESS RED TAPE making it easier to do business with municipalities and streamline the activation process.
- Focused on improving performance, compliance and developing a credible centralised data source has emerged.
- The main function of the SEB, is that governance documents submitted only ONCE to the WCSEB instead of each tender (BBBEE + tax compliance status extracted from CSD, MBD four (4), eight (8) and nine (9) consolidated into ONE document: MBD4, inclusive of municipal services accounts.)
- The SEB will also flag suppliers listed on the NT tender defaulters register and restricted suppliers' list, potential conflict of interest, suspended suppliers and any supplier expired documentations.

Furthermore, the SEB is designed to accommodate local SMME's to render service with the Municipality especially for formal and informal quotation as there's no need for local supplies to visit the municipal office notice boards to check for advertised tender/RFQs, the system generates the email and send it to supplies based on their commodity/industry classification. Overtime Provincial Treasury will purpose to integrate other applications and solutions with the SEB via a BI solution as part of the e-vision in order bring about better efficiencies in governance and data analytics.

SECTION 4: FINANCIAL SUSTAINABILITY

4.1 CREDIBILITY OF FUNDED BUDGET

4.1.1 Observations on the Current Financial Year

Table 2 Audit and current year performance

Overstrand	2018/19				2019/20				2020/21				Current year 2021/22				
R thousands	Adjusted Budget	Audited Outcome	YTD%	Diff	Adjusted Budget	Audited Outcome	YTD%	Diff	Adjusted Budget	Audited Outcome	YTD%	Diff	Original Budget	Adjusted Budget	Difference	YTD	Diff
Financial Performance		-															
Property rates	234 998	11 381	5%	-95.2%	242 950	240 914	99%	-0.8%	259 241	261 222	101%	0.8%	275 637	275 637	100%	185 268	67%
Service charges	624 718	2 506	0%	-99.6%	682 950	699 549	102%	2.4%	710 208	733 197	103%	3.2%	793 858	793 858	100%	550 117	69%
Investment revenue	29 201	7 056	24%	-75.8%	35 660	48 146	134%	34.3%	25 400	30 504	116%	15.5%	27 456	27 456	100%	14 358	52%
Transfers recognised - operational	118 186	5 647	5%	-95.2%	125 794	122 922	96%	-2.3%	150 774	140 895	93%	-6.6%	139 692	157 131	112%	106 158	68%
Other own revenue	73 719	26 589	36%	-63.9%	185 806	183 283	99%	-1.4%	153 768	121 523	79%	-21.0%	180 196	184 321	102%	88 856	48%
Total Revenue (excluding capital	1 080 823	6 851	1%	-99.4%	1 273 380	1 294 815	102%	1.7%	1 300 392	1 287 342	99%	-1.0%	1 416 839	1 438 403	102%	945 757	66%
Employee costs	374 114	-	0%	-100.0%	369 521	380 730	99%	-4.7%	429 242	436 029	102%	1.6%	463 804	478 334	103%	304 619	64%
Remuneration of councillors	10 972	11 605	106%	5.8%	11 383	11 282	99%	-0.9%	11 896	11 219	94%	-5.7%	12 401	12 401	100%	7 465	60%
Depreciation & asset impairment	130 362	4 957	4%	-96.2%	131 285	134 556	102%	2.5%	141 877	138 195	97%	-2.6%	145 663	145 663	100%	97 108	67%
Finance charges	47 834	29 431	62%	-38.5%	51 549	46 570	90%	-9.7%	46 982	46 805	100%	-0.4%	51 804	51 804	100%	23 265	45%
Materials and bulk purchases	290 732	-	0%	-100.0%	323 826	320 849	99%	-0.9%	352 090	343 314	98%	-2.5%	398 552	400 902	101%	242 739	61%
Transfers and grants	500	7 285	1457%	1356.9%	500	500	100%	0.0%	8 680	8 651	100%	-0.3%	12 324	12 624	102%	8 269	66%
Other expenditure	299 962	59 928	20%	-80.0%	374 942	305 125	81%	-18.6%	367 791	334 722	91%	-9.0%	410 460	419 041	102%	205 129	49%
Total Expenditure	1 154 476	(33 338)	-3%	-102.9%	1 293 006	1 199 612	93%	-7.2%	1 360 559	1 329 935	97%	-2.9%	1 485 008	1 520 768	102%	888 593	58%
Surplus/(Deficit)	(73 654)	29 959	-41%	-140.7%	(19 647)	95 203	-485%	-584.6%	(60 166)	(33 593)	56%	-44.2%	(78 168)	(82 365)	105%	57 163	-69%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	66 072	25 521	39%	-61.4%	46 216	37 611	81%	-18.6%	37 228	37 219	100%	0.0%	46 354	49 062	106%	14 621	30%
Contributions recognised - capital & contributed assets	2 475	22 133	894%	794.2%	8 774	9 384	107%	7.0%	9 686	27 223	281%	181.0%	14 243	16 039	113%	3 873	24%
Surplus/(Deficit) after capital transfers & contributions	(5 106)	-	0%	-100.0%	35 343	142 197	402%	302.3%	(13 251)	36 848	-278%	-332.8%	(17 571)	(17 264)	98%	75 657	-438%
Share of surplus/ (deficit) of associate	-	22 133	0%	0.0%	-	-	0%	0.0%	-	-	0%	0.0%	-	-	0%	-	
Surplus/(Deficit) for the year	(5 106)		0%	-100.0%	35 343	142 197	402%	302.3%	(13 251)	36 848	-278%	0.0%	(17 571)	(17 264)	98%	75 657	-438%
			0%	0.0%			0%	0.0%			0%	0.0%			0%		#DIV/0!
Capital expenditure & funds sources		(136 610)	0%														
Capital expenditure	174 748	(65 107)	-37%	-137.3%	551 465	-	0%	-100.0%	280 086	-	0%	-100.0%	274 775	239 979	87%	77 806	32%
Transfers recognised - capital	69 172		0%	-100.0%	257 113	2 932	1%	-98.9%	84 523	-	0%	-100.0%	111 555	113 123	101%	38 219	34%
Borrowing	53 624	(28 342)	0%	0.0%	139 850		0%	0.0%	75 225		0%	0.0%			0%		
Internally generated funds	51 952	(43 161)	-83%	-183.1%	154 502	-	0%	-100.0%	120 335	-	0%	-100.0%	94 065	72 761	77%	29 477	41%
Total sources of capital funds	174 748	(136 610)	-78%	-178.2%	551 465	(2 932)	-1%	-100.5%	280 086	-	0%	-100.0%	69 154	54 894	79%	10 111	18%

- The table above sets out the Municipality's past and current operating and capital budget performance as per the National Treasury Database. The mSCOA data strings contain some errors which compromise the historical data analysis.
- The historical trends over the past two audited financial years indicate acceptable operating revenue budget implementation performance when comparing the adjusted 2021/22 budget and the audited outcomes.
- It should be noted that based on the prior year audited outcomes the Municipality has reported a surplus budget in 2018/19 and 2019/20 financial year and an operating deficit in the 2020/21 financial years which is expected to continue over the MTREF.
- Capital performance for the 2021/22 financial year as at the end of February 2022 was reported to be 32.4 per cent which indicates underperformance of 45.9 per cent when compared to the year-to-date projection.

4.2 REVIEW OF THE NEW (2022/23) MTREF

4.2.1 Review of the Budget Assumptions

- The budget assumptions listed in the budget document are used as a benchmark in predicting the expected operating revenue and expenditure as well as the capital expenditure given the current realities facing the Municipality and its ability to manage its financial administration. These include amongst other policy decisions of different spheres of government affecting municipal operations, external factors influencing municipal revenue and expenditure patterns and the management of internal factors to minimise the impact on both the Municipality and its clients that they serve.

- Below is a summary of some of the assumptions considered:

Table 3 Budget assumptions for the 2022/23 MTREF Budget

Budget Assumptions for 2022/23 MTREF	National Treaury Norm	2022/23	2023/24	2024/25
Tariff Percentage Increase				
Electricty	7.47% was approved.	10.33%	No indication in the budget assumption	
Water	CPI index inflation with lower limit of 3 to 6 % target band. Municipality to justify all increases in excess of the projected inflation target for 2022/23 MTREF.	4.9%		
Sanitation		4.3%		
Refuse		5.9%		
Property Rates		5.9%		
Collection Rates				
Water	MFMA Circular no.71 norms of 95%	98%	98%	98%
Electricty		98%	98%	98%
Sanitation		98%	98%	98%
Refuse		98%	98%	98%
Employee Related Costs				
Salaries and wages and related costs	MFMA Circular no.112 and 115 guidance	4.9%	No indication in the budget assumption	
Notch Increment		2%		
Other Assumptions				
Bulk Purchases - Electricity	NERSA has approved a 9.6 per cent tariff increase for Eskom starting from April 2022 and this figure accounts for a 3.49	11.35%	No indication in the budget assumption	

Source: Overstrand Municipality 2022/23 MTREF Draft Budget document

- The 11.35 per cent and10.33 per cent increase projected for Electricity bulk purchases and Electricity sales is above the 9.61 per cent and 7.47 per cent issued in the municipal benchmark published on 30 March 2022. The final budget must be correctly aligned to the latest guidelines

- The Municipality has over the last two (2) financial years shown great resilience to remain financially stable under exceptionally uncertain economic conditions. The Municipality's continued success depends on its ability to recognise when to adapt and adjust plans during any uncertainty. Some of the current uncertainties include amongst others, the impact of oil prices and other commodities as well as the impact of ESKOM loadshedding on industries. The Municipality is encouraged to continue with ongoing assessments of assumptions in order for revenue, expenditure projections and policy decisions to be accurately informed over the MTREF.

- Balancing affordability against increasing spending demands is key to maintain a healthy funding position with active contributions to the Capital Replacement Reserve fund (CRR).

- The budget assumptions for the 2022/23 financial year appear to be credible and aligned to the prescribed regulatory framework as contemplated by the Municipal Budget and Reporting Regulations (MBRR), read together with the Municipal Financial Management Act (MFMA), and is also guided by the

MFMA Circular No. 112 and 115. It must however be noted that the Municipality did not provide tariff projections for the two outer years of the 2022/23 MTREF, this decreases the credibility of the Municipality's budget over the MTREF as it is not clear how the tariff increases or decreases in the outer years affect the Municipality's sustainability in terms of the affordability of services by consumers in the municipal area.

4.2.2 Budget Overview

Table 4 Budget Overview: 2022/23 MTREF

WC032 Overstrand	Table A1 Budgeted Financial Performance (revenue and expenditure)			CURRENT YEAR				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					ASSUMPTIONS & CALCULATIONS		
Description	2019/20	2020/21	2021/22	2022/23	2022/23	2022/23	2022/23	2022/23	2023/24	2023/24	2024/25	2024/25	2022/23	2023/24	2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation	% Change	% Change	% Change
Total Revenue (excluding capital transfers and contributions)	28 008	1 254 010	1 267 342	1 416 035	1 430 465	1 430 465	1 507 180	1 507 180	1 599 010	1 599 010	1 699 225	1 699 225	6.9%	3.5%	4.8%
Total Expenditure	59 928	1 199 612	1 329 935	1 495 006	1 520 768	1 520 768	1 616 788	1 648 713	1 699 399	1 680 945	1 743 307	1 773 882	6.2%	2.7%	5.1%
Surplus/(Deficit)	(33 339)	85 283	(33 593)	(78 968)	(90 303)	(90 303)	(78 596)	(111 530)	(98 883)	(106 429)	(77 146)	(107 669)	-4.6%	-12.3%	12.0%
Non-Cash Items															
Depreciation and asset impairment	11 605	134 556	138 195	145 663	145 663	145 663	146 596	146 596	146 595	145 695	148 275	148 275	0.6%	-0.6%	1.8%
Total Restated Result	(21 733)	229 756	104 602	67 495	53 298	53 298	68 019	35 065	76 802	45 256	71 131	40 606	7.4%	12.9%	-7.4%
Total Capital Expenditure	(136 640)			274 775	239 979	239 979	212 808	212 808	102 598	102 598	99 011	99 011	-11.3%	-51.8%	-3.5%
Funded by:															
Transfers recognised - capital	(65 107)	2 932		111 555	113 123	113 123	124 625	124 625	52 598	52 598	39 011	39 011	10.2%	-57.8%	-25.8%
Borrowing	(28 340)			94 068	72 761	72 761	72 033	72 033	50 000	50 000	60 000	60 000	-1.0%	-30.6%	20.0%
Internally generated funds	(43 167)	(3 932)		69 154	54 094	54 094	16 149	16 149					-70.1%	-100.0%	-
A7 - Cash/cash equivalents at the year end:	(259)	4 483	93 859	429 624	502 214	502 214	494 953	508 403	70 827	554 054	37 863	550 326	-18.1%	-85.4%	-46.5%
A8 - Surplus / (shortfall) after application of cash and investmen	74 305	(182 732)	(8 567)	390 474	535 379	535 379	483 254	483 254	121 366	121 366	83 225	83 225	-9.7%	-74.9%	-31.4%

Source: Overstrand Municipality 2022/23 MTREF Draft Budget document

- The Municipality tabled a budget with operating deficits over the entire 2022/23 MTREF budget due to depreciation that is not fully cash backed. The reasons provided on page 14 of the budget document is noted, and the Municipality commended for ensuring that a portion of the depreciation expense is integrated into the tariffs for the 2022/23 financial year which would enable the Municipality to fund the replacement of assets once they have reached their useful life. The budget has limited reserves to be cash backed (A8 table) which is an indication that the Municipality does not generate sufficient surpluses to contribute towards building a sufficient Capital Replacement Reserve Fund (CRR). This is also evident on the high reliance on loans to fund capital projects during the MTREF.

- The treasury calculation indicates a higher operating deficit as the debt collection rate assumption is based on 98 per cent whilst the Municipality revisited its debt impairment amount to 99. These assumptions should also consider past trends and from the 2020/21 it is noted that a significant over provision was made.

- The Municipality is commended for maintaining a cash surplus after commitments. The Municipality's budget is reflected as funded without any threats of going concern and sustainability over the 2022/23 MTREF in accordance with section 18 of the MFMA.

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4.2.3 Operating Revenue Budget

Table 5 Operating Revenue Budget: 2022/23 MTREF

WC032 - Overstrand	Table A4 Budgeted Financial Performance (revenue and expenditure)			CURRENT YEAR				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK						ITEMPTIONS & CALCULATIO		
Description	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2021/22	2022/23	2022/23	2023/24	2023/24	2024/25	2024/25	2022/23	2023/24	2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Treasury Calculation	Full Year Forecast	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation	% Change	% Change	% Change
Revenue By Source																
Property rates	–	240 914	261 222	275 637	275 637	275 637	275 637	287 941	287 941	300 836	300 836	314 308	314 308	4.5%	4.5%	4.5%
Service charges - electricity revenue	9 990	415 947	442 792	499 317	499 317	499 317	499 317	560 796	560 796	616 798	616 798	678 418	678 418	12.3%	10.0%	10.0%
Service charges - water revenue	1 381	133 628	131 163	132 168	132 168	132 168	132 168	138 138	138 138	144 354	144 354	150 851	150 851	4.5%	4.5%	4.5%
Service charges - sanitation revenue	10	90 671	87 094	87 631	87 631	87 631	87 631	95 791	95 791	99 911	99 911	104 207	104 207	9.3%	4.3%	4.3%
Service charges - refuse revenue	–	69 102	72 198	74 741	74 741	74 741	74 741	78 850	78 850	83 502	83 502	88 427	88 427	5.5%	5.9%	5.9%
Rental of facilities and equipment	24	3 425	4 068	3 440	3 440	3 440	3 440	4 573	4 573	4 778	4 778	4 989	4 989	32.9%	4.5%	4.4%
Interest earned - external investments	2 505	46 146	30 504	27 456	27 456	27 456	27 456	24 871	24 871	25 991	25 991	27 161	27 161	-9.4%	4.5%	4.5%
Interest earned - outstanding debtors	–	5 040	4 244	4 681	4 681	4 681	4 681	3 982	3 982	4 161	4 161	4 348	4 348	-14.9%	4.5%	4.5%
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–			
Fines, penalties and forfeits	(4 203)	18 211	1 095	28 223	20 223	20 223	20 223	20 344	20 344	22 186	22 186	23 174	23 174	0.6%	9.1%	4.4%
Licences and permits	0	1 975	2 227	2 039	2 538	2 538	2 538	2 636	2 636	2 750	2 750	2 869	2 869	3.8%	4.3%	4.3%
Agency services	–	4 411	6 189	6 680	6 680	6 680	6 680	7 858	7 858	8 211	8 211	8 580	8 580	17.6%	4.5%	4.5%
Transfers and subsidies	7 066	122 922	140 895	139 692	157 131	157 131	157 131	166 040	166 040	174 999	174 999	192 746	192 746	5.7%	5.4%	10.1%
Other revenue	4 391	137 097	98 156	126 909	138 535	138 535	138 535	137 139	137 139	93 614	93 614	57 920	57 920	-1.0%	-31.8%	-38.3%
Gains	5 435	13 185	7 545	8 225	8 225	8 225	8 225	8 225	8 225	8 225	8 225	8 225	8 225	0.0%	0.0%	0.0%
Total Revenue (excluding capital transfers and contributions)	25 599	1 294 815	1 287 342	1 416 639	1 438 463	1 438 463	1 438 463	1 537 183	1 537 183	1 590 516	1 590 516	1 666 223	1 666 223	6.9%	3.5%	4.8%

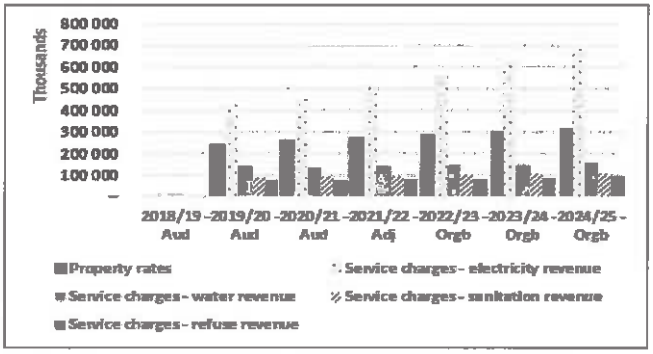
Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule – mSCOA data strings

- The Municipality has projected an Operating Revenue budget of R1.54 billion in 2022/23, R1.59 billion in 2023/24 and R1,67 billion in 2024/25. The projected increase show real growth in the 2022/23 financial year.
- It is noted that Service charges and property rates account for approximately 75.6 per cent of the Municipality's total operating revenue budget for the 2022/23 financial year.

Property rates

- Property Rates is a steady source of revenue for the Municipality contributing 18.7 per cent to the total operating revenue budget and is anticipated to increase by 4.5 per cent over the MTREF. The nominal increase of the Property rates budget over the MTREF does not correlate with the proposed tariff increase of 5.9 per cent and increases in the number of residential properties of 933 and changes in the sectional title value noted on table SA12b (Property rates by category- budget year) indicating that the Municipality anticipates an increase in the revenue base.

Graph 3 Main sources of revenue



Source: Overstrand Municipality – 2022/23 Funding Tool/NT Database

- **Service charges and property rates** account for approximately 75.6 per cent of the Municipality's total operating revenue budget. Whilst the Municipality was able to maintain very high collection rates, consumers and the country as a whole are still recovering from the impact of COVID-19 and continuous revision of assumptions is required to accurately inform property rates and service charges budget projections.

Cost Reflective Tariffs

- National Treasury maintains that Municipalities utilise the tariff setting tool referenced in MFMA Circular 98 (item 4.2), in conjunction with the National Treasury Municipal Costing Guide. This tool is envisaged to assist municipalities in setting tariffs that are cost-reflective and would enable the recovery of costs to fulfil the municipal mandate. The setting of cost-reflective tariffs is a requirement of Section 74(2) of the Municipal Systems Act which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget.

- National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the Municipality, bearing in mind the Consumer Price Index (CPI) inflation. Municipalities are required to justify all increases more than the projected inflation target for the 2022/23 MTREF in their budget narratives and pay careful attention to tariff increases across all consumer groups. Municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative (Municipal Budget Circular No. 115).

4.2.4 An analysis of the 4 major services over the MTREF is partly informed by the table below

- This section will assess the cost recovery of the four trading services, i.e., electricity, water, sanitation and refuse. National Treasury stipulates that these services should at least be cost reflective. Trading services are services which can in principle, run as separate businesses because tariffs can in theory be set in such a way as to yield a trading surplus. A key feature of trading services is that they can be provided by private enterprises. Consumers receive a direct quid pro quo for tariffs paid. Water and electricity are normally seen as services which could operate at a surplus.

4.2.5 Table 6 2022/23 MTREF Operating Revenue Budget:

Overstrand Municipality Description R thousand	2018/19 Audited Outcome	2019/20 Audited Outcome	2020/21 Audited Outcome	Current Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25
Revenue:A4	**711 381**	**699 549**	**733 197**	**793 858**	**873 575**	**944 565**	**1 021 904**
Service charges - electricity revenue	9 990	415 947	442 792	499 317	560 796	616 798	678 418
Service charges - water revenue	1 381	133 628	131 113	132 168	138 138	144 354	150 851
Service charges - sanitation revenue	10	80 871	87 094	87 631	95 791	99 911	104 207
Service charges - refuse revenue	–	69 102	72 198	74 741	78 850	83 502	88 427
Expenditure: A2	**49 589**	**738 708**	**798 759**	**761 149**	**817 551**	**874 216**	**949 261**
Energy sources	32 040	421 012	441 256	442 180	490 011	535 087	590 344
Water management	9 566	128 854	137 429	129 815	130 792	136 848	148 881
Waste water management	5 950	106 498	112 746	102 665	104 107	109 313	113 142
Waste management	2 034	82 344	107 328	86 489	92 641	92 967	96 894
LGES Allocation: SA1	–	–	–	–	–	–	–
Electricity							
Water							
Sanitation							
Refuse							
Surplus/Deficit	**(38 208)**	**(39 159)**	**(65 563)**	**32 709**	**56 024**	**70 349**	**72 643**
Electricity	(22 050)	(5 065)	1 536	57 137	70 785	81 711	88 074
Water	(8 185)	4 774	(6 316)	2 354	7 346	7 506	1 970
Sanitation	(5 939)	(25 627)	(25 652)	(15 034)	(8 316)	(9 402)	(8 935)
Refuse	(2 034)	(13 242)	(35 130)	(11 748)	(13 791)	(9 465)	(8 466)
Surplus/Deficit	**-77%**	**-5%**	**-8%**	**4%**	**7%**	**8%**	**8%**
Electricity	-69%	-1%	0%	13%	14%	15%	15%
Water	-86%	4%	-5%	2%	6%	5%	1%
Sanitation	-100%	-24%	-23%	-15%	-8%	-9%	-8%
Refuse	-100%	-16%	-33%	-14%	-15%	-10%	-9%

Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule – mSCOA data strings

- For this analysis the revenue projections on table A4 of the budget were used as this is the revenue generated from the services less all subsidies provided by the Municipality. In addition to this, the cost of free basic services (SA1) funded from LGEs was added to provide for all revenue billed. Table A2 of the budget provides the expenditure information less the National Treasury capital grant allocation for each of the trading services. The reasoning behind this is that theoretically for cost reflectiveness the revenue generated from the service should be able to cover the full cost of the service before transfers. This may become crucial going forward given the low economic backdrop, under-collection of tax revenue and shifts in governments priorities.

- **Service Charges-Electricity:** Revenue generated from Service charges - Electricity is projected at R560.8 million, R616.8 million and R678.4 million over the MTREF. This service is the largest contributor to the Operating revenue budget (36.5 per cent) and increases by12.3 per cent in 2022/23. The proposed tariff increase of 10.3 per cent should be aligned to the latest guideline from National Treasury, which was issued late In March 2022, when finalising the budget.

- The Municipality is highly reliant on electricity profit margins which are projected to be maintained at between 14 to 15 per cent (but may not include all secondary costs). The Municipality is maintaining a 5 per cent profit margin, but electricity losses increased slightly with R769.19 thousand from 2019/20 to 202/21. The Municipality subsidising a portion of the annual increase is placing these profit margins under severe pressure. The risk of changes in the market from either bulk price increases or changes in the consumption patterns will adversely affect profit margins and regular reviews of actual performance and budget parameters are advised.

- Electricity is the highest spending priority of the capital budget over the MTREF to eradicate backlogs and ensure sustainable service delivery.

- **Water Service** revenue is projected at R138.14 million, R144.35 million and R150.85 million contributing nine (9) per cent towards the total operating revenue over the MTREF period. The amendments of the increase in free water to 10kl to registered indigents is noted, the Municipality needs to make sure that the budget can absorb the additional cost of providing free water to indigents over and above the national policy guideline of six (6) Kl. Profitability of the Water services trading service is declining over the MTREF which raises concerns. Water losses increased in 2020/21 due to unmetered connections, ageing pipeline infrastructure, burst pipes, old reticulation networks and other leakages, however a very small allocation is made towards water repairs and maintenance.

- The **Sanitation revenue** budget is projected to increase by 9.3 per cent amounting to R95.79 million in 2022/23 contributed by the tariff increase of 4.3 per cent. The Municipality projects deficits of eight (8) per cent, nine (9) per cent and eight (8) per cent over the MTREF period which is of concern. The Municipality stated that the tariff increase is based on the related inflation increases as well as an intensified effort to contain the cost of this service for the consumer.

- The Municipality's service charges for **refuse revenue** are budgeted to increase by R4.11million, from R74.74 million in 2021/22 to R78.85 million in 2022/23 and R83.50 million and R88.43 million in the two (2) outer years of the MTREF. A proposed tariff increase of 5.9 per cent is noted and the reasons indicating that the Municipality must comply with stringent legislative requirements contributes to the high costs. A deficit is projected over the MTREF, but at a decreasing trajectory.

- The IDP indicates the operational landfill sites will incur substantial costs to rehabilitate and sufficient provision must be for current consumers to contribute towards rehabilitation cost and prevent this burden from being transferred to future consumers in the form of loans or other tariff increases.

- **Transfers and Subsidies** are projected at R166.04 million in 2022/23, R 174.99 million in 2022/23 and R192.75 million in 2024/2025 over the entire MTREF.

- Transfers and subsidies presented in supporting table SA18 reconciles with the grant allocations as per the 2022 Division of Revenue Bill (DORB) and the Municipality is commended for ensuring that the budgeted grant amounts align to the allocations as per DORB.

- **Other revenue** indicates a significant decrease over the 2022/23 MTREF but the municipal budget document is silent on the contributing factors.

Benchmarking is the practice of comparing business processes and performance metrics to industry bests and best practices from other institutions.

The main aim of the benchmarking exercise is to:

- Promote continuous improvement by maintaining a competitive edge;

- Support partnering to share information and best practices; and

- Drive adaptation based on customer needs after examination of the best.

The table below compares the Municipality's Operating budget performance as projected in the draft 2022/23 MTREF Budget against the expected norms, the provincial average, the highest point, and the lowest point in the province for each indicator.

Table 7 Municipal Benchmarking – Operating Revenue

PT: Municipal Budget and Benchmarking Engagement - 2022/23 Draft Budget (Per Mun Own Budgeted Figures)					
R thousands	WC032 Overstrand (H)	MFMA Circular 71 Norm/ Guidleline	Provincial Average	Highest	Lowest
Inc (Decr) in 2023 Op Rev against 21/22 Main Adj Budget					
% Increase in Total Operating Revenue	**6.9%**	**CPI**	**5.7%**	**13.8%**	**(14.3%)**
% Incr(Decr) in Property Rates Revenue	4.5%	**CPI**	6.7%	34.7%	(3.8%)
% Incr(Decr) in Electricity Revenue	12.3%	**CPI**	7.0%	14.6%	(16.7%)
% Incr(Decr) in Water Revenue	4.5%	**CPI**	5.4%	40.0%	(5.9%)
% Incr(Decr) in Sanitation Revenue	9.3%	**CPI**	8.8%	40.0%	(4.6%)
% Incr(Decr) in Refuse Revenue	5.5%	**CPI**	11.9%	100.0%	(1.6%)
Allocation Efficiency Opex Share: to Total OpRev - Excl Cap Transfers					
% Share of Total Operating Costs	**105.1%**	**95% - 97%**	**94.6%**	**113.9%**	**86.2%**
% Share of Employee Related Costs - Excl Clrs	33.0%		35.0%	58.6%	24.9%
% Share of Remuneration (Incl Councillor)	33.8%		36.6%	61.3%	26.4%
% Share of Bulk Electricity	**25.6%**		21.9%	47.0%	.0%
% Share of Inventory Consumed (Water)	**(.0%)**		.7%	4.2%	(.1%)
% Share Contracted Services	**17.4%**		9.4%	20.2%	4.0%
% Share of Other Expenditure	**10.7%**		7.8%	22.3%	4.5%
Debt Impairment % of Billable Revenue	1.6%		7.8%	21.2%	.0%
Trading Services - Surplus/(Deficit) %					
Electricity Services (Dept)	16.2%	**0% - 15%**	**8.2%**	**27.4%**	**(2.0%)**
Water Services (Dept)	8.0%	**=> 0%**	25.5%	90.4%	(49.5%)
Sanitation Services (Dept)	(1.3%)	**=> 0%**	22.2%	219.1%	(58.2%)
Refuse Services (Dept)	10.4%	**=> 0%**	13.3%	235.0%	(35.5%)

Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1- Schedule

4.2.6 Operating Expenditure Budget

Table 8 Operating Expenditure Budget: 2022/23 MTREF

WC032 - Overstrand	Table A4 Budgeted Financial Performance (revenue and expenditure)			CURRENT YEAR						MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					ASSUMPTIONS & CALCULATIO		
Description	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2022/23	2023/24	2023/24	2024/25	2024/25	2022/23	2023/24	2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Treasury Calculation	Full Year Forecast	Pre-audit outcome	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation	% Change	% Change	% Change
Employee related costs	6 651	380 730	435 029	493 804	478 334	478 334	478 334	304 619	507 139	507 139	522 622	522 622	551 734	551 734	6.0%	3.1%	5.6%
Remuneration of councillors	-	11 282	11 219	12 401	12 401	12 401	12 401	7 465	12 401	12 401	12 905	12 905	13 432	13 432	0.0%	4.1%	4.1%
Debt impairment	(3 586)	23 453	14 053	21 500	13 544	143 525	13 544	9 044	13 564	141 532	13 699	98 404	13 836	62 717	0.1%	1.0%	1.0%
Depreciation and asset impairment	11 605	134 556	138 195	145 663	145 663	145 663	145 663	97 108	146 596	146 596	145 685	145 685	148 275	148 275	0.6%	-0.6%	1.8%
Finance charges	4 957	46 570	48 805	51 804	51 804	51 804	51 804	23 285	48 056	48 056	47 734	47 734	47 159	47 159	-7.2%	-0.7%	-1.2%
Bulk purchases - electricity	27 417	278 548	298 272	353 707	353 707	353 707	353 707	215 337	393 853	393 853	438 555	438 555	488 331	488 331	11.4%	11.3%	11.4%
Inventory Consumed	2 014	42 302	45 042	44 845	47 195	47 195	47 195	27 402	50 655	50 655	51 837	51 837	55 539	55 539	7.3%	2.3%	7.1%
Contracted services	9 636	177 914	208 095	247 340	254 347	254 347	254 347	124 532	266 785	266 785	276 065	276 065	290 073	290 073	4.9%	3.5%	5.1%
Transfers and subsidies	-	500	8 651	12 324	12 624	12 624	12 624	8 269	12 557	12 557	13 060	13 060	13 582	13 582	-0.5%	4.0%	4.0%
Other expenditure	1 230	91 704	112 270	141 620	151 150	151 150	151 150	71 553	164 163	164 163	137 237	137 237	121 406	121 406	8.6%	-16.4%	-11.5%
Losses	5	12 054	303	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	59 928	1 199 612	1 320 935	1 495 006	1 520 768	1 650 749	1 520 768	888 593	1 615 768	1 743 736	1 659 399	1 744 104	1 743 367	1 792 247	6.2%	2.7%	5.1%

Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule – mSCOA data strings

- **Operating expenditure** is projected to increase by 6.2 per cent in 2022/23, 2.7 per cent in 2023/24 and 5.1 per cent for 2024/25.

- The largest expenditure drivers for the 2022/23 financial year are Employee Related Costs (R507.14 million), Bulk purchases – electricity (R393.85 million) and Contracted services (R266.79 million). The apportionment against the outer years of the 2022/23 MTREF remains comparable.

- **Employee related costs** are budgeted at R507.14 million during the 2022/23 financial year which represents an increase of six (6) per cent. The Municipality budgeted to increase salaries and wages related cost by an increment of 4.9 per cent and an average notch of two (2) per cent. No new posts were considered for inclusion in the Draft Budget for 2022/2023 MTERF period and no increase in councillor remuneration is noted. The continuous efforts towards identifying cost savings are commendable.

- The budget allocation for Employee Related Costs and Remuneration of councillors for the 2022/23 financial year is R519.5 million which is equals 32.15 per cent of the total operating expenditure and is within the NT norm of 25-40 per cent.

- The **Contracted Services** budget amount was increased from R8.24 million to R12.56 million in 2022/23 (0.5 per cent) and gradually increases to R13.06 million (four (4) Per cent) and R13.58 million (four (4) per cent) in the two (2) outer years. Outsourcing services are increases by 5.9 per cent which is largely contributed to by the long-term contract in respect of the water and sewerage maintenance. Continuous assessments of the ongoing impact on the operating budget with tariffs increasing slightly below increases in costs should be monitored.

- **Finance Charges** are informed by the repayment of interest paid on long term borrowing (cost of capital) taken up. The budget amount for this expenditure item is expected to decrease by 7.2 per cent to R48.06 million in 2022/23, by 0.7 per cent to R47.73 million in 2023/24 and 1.2 per cent to R47.16 million in 2024/25.

- **COVID-19:** As a result of the lifting of the State of Disaster on Monday, 04 April 2022, it is no longer a requirement to manually report on the COVID-19 related expenditure on a weekly basis. Reporting on

the expenditure will be monitored through the submission of the mSCOA data strings as articulated in mSCOA Circular No. 9 dated 09 June 2020. The Municipality did not budget accordingly and should be corrected in the final budget as highlighted in MFMA circular No.112.

- **Water Inventory:** Balance sheet budgeting was not applied when preparing the Water inventory line-item budget and whilst Overstrand Municipality correctly budgeted for Water losses on Table A6 of the budget schedule, the Municipality did not budget the other for leg which is in A4 Gains and losses: Water losses.

Table 9 Municipal Benchmarking – Operating Expenditure Budget

PT: Municipal Budget and Benchmarking Engagement - 2022/23 Draft Budget (Per Mun Own Budgeted Figures)					
R thousands	WC032 Overstrand (H)	MFMA Circular 71 Norm/ Guideline	Provincial Average	Highest	Lowest
Incr(Decr) In 2023 Op Exp against 21/22 Main Adj Budget					
% Incr(Decr) in Total Operating Expenditure	6.2%	**CPI**	**3.2%**	**9.5%**	**(14.3%)**
% Incr(Decr) in Employee Related Costs	6.1%	**CPI**	**5.4%**	**11.0%**	**.7%**
% Incr(Decr) in Remuneration (Incl Councillors)	5.9%	**CPI**	5.3%	10.6%	.8%
% Incr(Decr) in Bulk Purchases (Electricity)	11.4%	*NERSA*	7.3%	12.3%	.0%
% Incr(Decr) in Inventory Consumed (Water)	(.5%)	**AWB**	44.1%	933.3%	(322.0%)
% Incr(Decr) in Contracted Services	4.8%	**CPI**	5.7%	160.0%	(54.1%)
% Incr(Decr) in Other Expenditure	8.6%	**CPI**	1.7%	21.3%	(33.4%)
Allocation Efficiency: to Total Op Exp					
% Employee Related Costs to Total Opex **Excl Cllrs**	31.4%	**25% - 40%**	**34.5%**	**57.8%**	**25.5%**
% Remuneration Costs (Incl Councillor)	32.2%	**25% - 40%**	36.1%	60.4%	26.4%
% Bulk Electricity Purchases to Total Opex	24.4%		21.4%	47.2%	.0%
% Inventory Consumed (Water) to Total Opex	(.0%)		.6%	3.7%	(.1%)
% Contracted Services to Total Opex	16.5%	**2% - 5%**	9.3%	20.2%	3.8%
% Other Expenditure to Total Opex	10.2%		8.4%	22.0%	4.4%
% Overtime to Employee Related Costs	.1%		1.5%	5.4%	.0%
% Consultancy Fees to Total Opex	2.8%		2.5%	9.3%	.5%

Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule

The table above compares the Municipality's Operating Expenditure performance as projected in the draft 2022/23 MTREF Budget against the expected norms, the provincial average, the highest and the lowest percentages in the province for each indicator.

4.2.7 Capital Budget

Table 10 Municipal Capital Expenditure Budget: 2022/23 MTREF

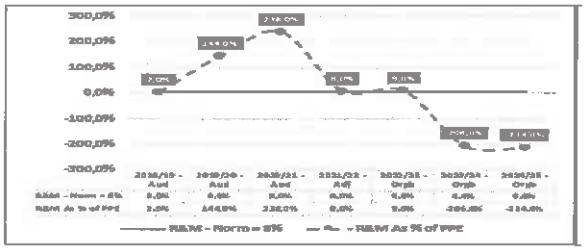
WC032 - Overstrand	Table A5 Budgeted Capital Expenditure				CURRENT YEAR			MEDIUM TERM REVENUE & EXPENDITURE		
Description	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year +0	Budget Year +1	Budget Year +2
Capital Expenditure - Functional										
Municipal governance and administration	(7 240)	–	–	3 775	3 775	3 775	2 360	1 875	–	–
Executive and council	(291)	–	–	5	5	5	–	5	–	–
Finance and administration	(6 949)	–	–	3 770	3 770	3 770	2 360	1 870	–	–
Internal audit	–	–	–	–	–	–	–	–	–	–
Community and public safety	(48 980)	–	–	79 999	88 762	88 762	23 841	46 594	32 098	19 697
Community and social services	(4 735)	–	–	9 991	5 617	5 617	239	5 109	–	–
Sport and recreation	(7 638)	–	(0)	7 752	9 674	9 674	47	400	10 868	13 297
Public safety	(4 090)	–	0	7 897	9 605	9 605	1 580	1 300	–	–
Housing	(32 517)	–	–	54 359	63 865	63 865	21 975	39 785	21 230	6 400
Health	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	(13 060)	–	–	19 511	14 211	14 211	5 156	11 737	5 000	6 000
Planning and development	(1 340)	–	–	7 987	3 412	3 412	767	390	–	–
Road transport	(11 720)	–	–	11 524	10 799	10 799	4 389	11 347	5 000	6 000
Environmental protection	–	–	–	–	–	–	–	–	–	–
Trading services	(67 330)	–	–	171 489	133 231	133 231	46 450	152 602	65 500	73 314
Energy sources	(20 139)	–	–	68 211	35 311	35 311	10 666	65 389	22 000	24 314
Water management	(7 707)	–	–	51 982	37 334	37 334	18 793	39 290	19 000	23 400
Waste water management	(37 985)	–	–	47 481	55 980	55 980	15 168	45 939	24 500	19 100
Waste management	(1 499)	–	–	3 815	4 606	4 606	1 823	1 984	–	6 500
Other	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	(136 610)	–	–	274 775	239 979	239 979	77 806	212 808	102 598	99 011
Funded by										
National Government	(31 100)	34	–	45 754	45 754	45 754	14 621	72 398	31 368	32 611
Provincial Government	(34 008)	2 898	–	600	3 308	3 308	–	–	–	–
District Municipality	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	–	–	–	65 201	64 061	64 061	23 598	52 227	21 230	6 400
Transfers recognised - capital	(65 107)	2 932	–	111 555	113 123	113 123	38 219	124 625	52 598	39 011
Borrowing	(28 342)	–	–	94 066	72 761	72 761	29 477	72 033	50 000	60 000
Internally generated funds	(43 161)	(2 932)	–	69 154	54 094	54 094	10 111	16 149	–	–
Total Capital Funding	(136 610)	–	–	274 775	239 979	239 979	77 806	212 808	102 598	99 011

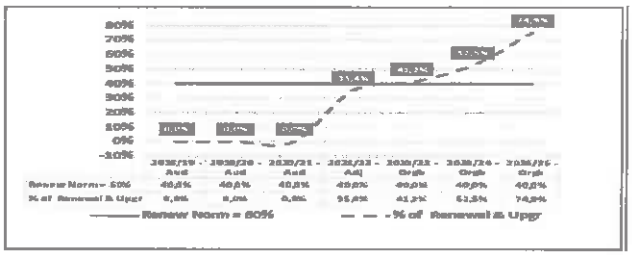
Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule – mSCOA data strings

- The Municipality's capital budget over the 2022/23 MTREF period amounts to R414.42 million with a significant focus on capital projects relating to **Trading services** amounting to R152.6 million or 71.7 per cent followed by **Community and public safety** projects with a value of R46.6 million or 21.9 per cent.

- The Municipality's historical capital spending is above 90 per cent, with the exception of the 2019/20 financial year where delays were caused by COVID-19. The Municipality incorporates Section 16(3) of the MFMA into the budgeting process, which allows for the appropriation of large capital projects over multi years, enabling municipalities to improve planning and spending.

- **Municipal asset replacement, renewal & depreciation management & repairs and maintenance plans**





Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule – mSCOA data strings

- Budgeted Repairs and maintenance amount to R267.6 million, R282.17 million and R298.13 million over the MTREF period. The municipal document reflects an increasing ratio of the Repairs and maintenance as a percentage of Property, Plant and equipment (PPE) of seven (7) per cent, 7.5 per cent and 8.1 per cent over the MTREF. The data strings present a negative amount for PPE in the two outer years therefore distorting the graph above.

- Renewal and upgrading of existing assets as a percentage of total capital expenditure amounts to 41.2 per cent in 2022/23 and increases to 52.5 per cent and 74.9 per cent in the two outer years, the ratio is above the national guideline of 40 per cent as per MFMA Circular No. 55 over the MTREF.

- The Municipality is commended for maintaining and safeguarding assets in line with the norms and standards set by National Treasury.

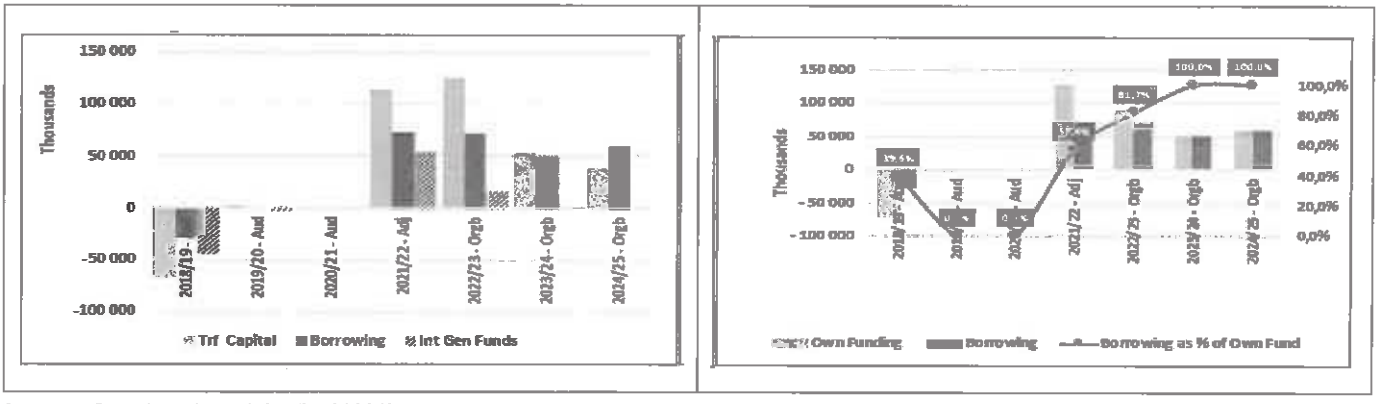
Table 11 Municipal Benchmarking – Asset management

PT: Municipal Budget and Benchmarking Engagement - 2022/23 Draft Budget (Per Mun Own Budgeted Figures)					
R thousands	WC032 Overstrand (H)	MFMA Circular 71 Norm/ Guidleline	Provincial Average	Highest	Lowest
Distribution Lossess					
% Electricity Distribution Losses	6.0%	7% - 10%	20.8%	500.0%	.0%
% Water Distribution Losses	25.0%	15% - 30%	6.5%	25.0%	.0%
Electricity Distribution Losses' Rand Value	13 642		8 981	50 895	-
Water Distribution Losses' Rand Value	2 527		2 043	22 389	-
Asset Management					
Renewal & Upgrading Existing Assets % total capex	41.2%		45.3%	91.7%	.0%
R&M % of PPE & Investment Property	7.0%	8%	5.6%	28.4%	.5%

Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule

- The table above compares the Municipality's Capital performance as projected in the draft 2022/23 MTREF Budget against the expected norms, the provincial average, the highest and the lowest percentages in the province for each indicator.

Capital budget Funding mix:



Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule – mSCOA data strings

- The Municipality anticipates taking up borrowings in each of the MTREF years, amounting to R72.03 million in 2022/23, R50 million in 2023/24 and R60 million in 2024/25. A loan of R150 million over the 2021/22 MTREF was approved with the Municipality taking up R50 million in each year of the 2021/22 MTREF. An increased reliance is placed on loans contributing 100 per cent of own funds in the outer years. The Municipality

should carefully manage loans within the gearing ratio norm, however careful monitoring of the impact that these loans have on future tariffs must be prioritized. In addition, the timing of drawdowns must be planned in line with the procurement plan to prevent large unspent loan amounts

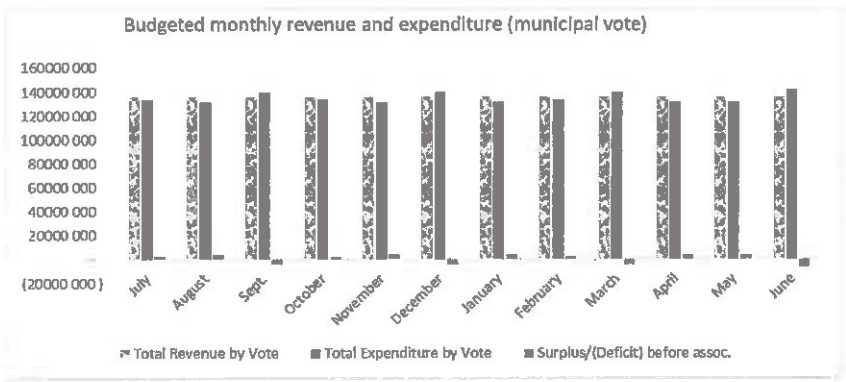
- The Municipality indicated that Internally generated funds is projected at R16.15 million which is a decline from R54.98 million in 2021/22 and no internally generated funds are allocated in the outer years. The 2022/23 budget year projects a deficit budget of R78.59 million and a net decrease in cash held of R120.27 million which is an indication that sufficient revenue/ cash is not generated towards future replacement of assets and poses a risk to the Safeguarding of assets for future asset replacement.

- The Municipality's major funding source for the capital expenditure budget is from National transfers which are projected at R72.40 million in 2022/23, R 31.37 million in 2023/24 and R32.61million 2024/2025. Spending of these transfers must be in line with the frameworks and timeframes stipulated in the DORA.

4.2.8 Forecasting and Multi-Year Budgeting

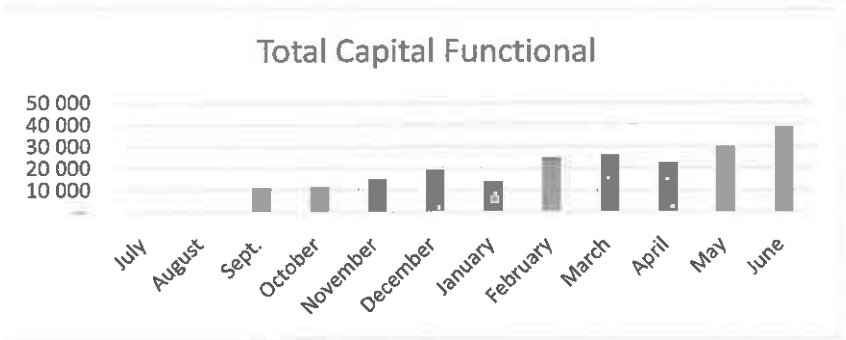
The credibility of forecasting and the level of multi-year budgeting was assessed based on the following:

4.2.9 Graph 4 Forecasting and Multi-Year Budgeting



Source: Overstrand Municipality 2021/22 MTREF Draft Budget

On assessment of supporting Tables SA25 to SA27, it is evident that Overstrand Municipality used straight line method to project its spending to operating revenue. This is not in line with current trends and seasonal changes and must be reviewed with the final budget.



A1-Schedule – mSCOA data strings

The capital expenditure presented on supporting Tables SA28 to SA29 projects slow spending at the beginning of the financial year, the spending increases during the financial year.

Actual trends from previous years do not align to the projections and strategies to implement capital spending in accordance with procurement plans should be strictly implemented.

4.2.10 mSCOA Implementation

- According to MFMA Circular No.115, it is imperative that municipalities prepare their 2022/23 MTREF budget in their financial systems and that the A1-Schedule be produced directly from their financial system, as this will eliminate alignment problems.

- The Municipality is commended for showing major improvement with the implementation of mSCOA regulations, however there are still minor challenges with tables A6 and A7 within the A1 Schedule. mSCOA Circular No. 10 and Circular No. 11 guides municipalities on the use of the Fund segment and cash flow

budgeting and balance sheet budgeting which remain a challenge to the Municipality. The Municipality is urged to make the necessary correction and resubmit the data strings and ensure that the adopted 2022/23 MTREF budget data strings align with the A1-Schedule.

- To ensure that the relevant budget data strings are accurate, a segment use analysis on 2022/23 draft budget data strings (TABB) was conducted the following was identified:

4.2.11 Table 12 mSCOA Segment Analysis

mSCOA Western Cape TABB Segment Analysis		
No	**Segment**	**Overstrand Municipality**
1	Project Segment	
1.1	Use of the Project Segment	Adequate use of segment
2	Fund Segment	
2.1	Use of Fund Segment	Adequate use of segment
3	Function Segment	
3.1	Use of Function Segment	Adequate use of segment
4	Costing Segment	
4.1	Use of Costing Segment	Adequate use of the costing segment
5	Region Segment	
5.1	Use of Region Segment	limited Split of region per ward / Municipality
6	Item Segment	
6.1	Service Charges	Adequate use of segment
6.2	Fines, penalties and forfeits	Adequate use of segment
6.3	Employee Related Costs	Misalignment between the Liability and Expenditure item
6.4	Senior Management	Appropriately used the available options
6.4.1	Municipal Staff	Appropriately used the available options
6.4.2	Councillors Remuneration	Appropriately used the available options
6.5	**Operational Maintenance**	Sufficient use of funding segment
6.7	**Debt Impairment**	Adequate use of segment
6.8	**Contracted Services**	Adequate use of segment
7.1	Outsourced	Appropriately used the available options
7.1.1	Consultants and Professional Services	Appropriately used the available options
7.1.2	Contractors	Appropriately used the available options
8.	**Inventory Consumed**	Inventory consumed budget Adequately
9	**Water Inventory**	Water inventory not in line with guidance from Circular 107,109
10	**COVID-19 Budget**	Did not budget for COVID-19 in line with Circular 9

Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule – mSCOA data strings

4.2.12 Financial Position

- **Working Capital**

The analysis of the A6 (Budgeted Financial Position) and A8 (Cash backed Reserves/Accumulated Surplus Reconciliation) outcomes indicates that the Municipality projected positive working capital and it demonstrates that the Municipality has sufficient funds to meet its obligations over the MTREF period.

- **Current Ratio**

  The current ratio shows a trend analysis whereby the Municipality are reporting current ratios of 2.0:1, 2.5:1 and 3.2:1 for the 2022/23, 2023/24 and 2024/25 respectively. This displays that the Municipality can meet its short-term obligations without collecting additional revenue.

- **Liquidity Ratio**

  The Municipality reported a liquidity ratio of 1.5:1(2022/23), 1.9:1(2023/24) and 2.4:1(2024/25) indicating that the Municipality can settle its creditors immediately.

- **Cost Coverage ratio**

  The Municipality reflects a cost coverage ratio outcome 5.16 months, 6.04 months, and 6.70 months for the 2022/23, 2023/24 and 2024/25 respectively which indicates that the Municipality is demonstrating that there are adequate cash resources to meet its monthly fixed operating commitments from cash. All the cash coverage ratios over the MTREF period are above the NT norm of 1-3 months.

- **Cash Position**

  The Municipality reported a positive cash flow as per the A7 (Budgeted Cash Flow Statement) of R606.15 million (2022/23), R741.65 million (2023/24) and R866.82 million indicating that the Municipality has a good financial health, financial position and no threats to its going concern and liquidity.

Table 13 Application of Cash and Investments

WC002 - Overstrand	Table A8 Cash backed reserves/accumulated surplus reconciliation			CURRENT YEAR					MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
Description	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2021/22	2021/22	2022/23	2022/23	2023/24	2023/24	2024/25	2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Treasury Calculation	Full Year Forecast	Pre-audit outcome	Budget Year +1	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation
Cash and investments available														
Cash/cash equivalents at the year end	(258)	4 483	93 659	429 824	592 214	597 243	592 214	5 131	484 953	606 155	70 827	741 654	17 893	866 821
Other current investments > 90 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non current assets - Investments	260	(4 008)	7 763	62 165	62 165	57 003	62 165	4 398	70 005	67 568	7 984	8 271	8 134	11 146
Cash and investments available:	2	475	101 423	491 988	654 379	654 246	654 379	9 529	554 959	673 723	78 811	749 925	46 017	877 967
Application of cash and investments														
Unspent conditional transfers	(30 321)	18 543	(7 103)	-	0	14 422	0	24 678	0	14 422	-	14 422	-	14 422
Unspent borrowing						22 761				22 033		-		-
Statutory requirements	969	110 736	114 961	-	-	17 801	-	86 690	-	38 927	-	54 981	-	64 110
Other working capital requirements	64 302	36 718	(7 948)	42 540	54 053	66 051	54 053	(166 028)	10 854	66 707	(47 721)	57 789	(39 062)	45 566
Other provisions	(112 259)	9 450	7 525	46 378	52 351	49 986	52 351	19 658	46 210	98 196	5 161	98 195	1 868	98 196
Long term investments committed	-	-	-	-	-	62 165	-	-	-	70 005	-	77 989	-	86 123
Reserves to be backed by cash/investments	3 004	7 760	2 554	12 596	12 596	12 596	12 596	0	12 601	12 601	5	5	5	5
Total Application of cash and investments:	(74 303)	183 207	109 989	181 514	119 090	245 781	119 090	37 802	71 705	322 899	(42 555)	383 382	(37 209)	389 421
Surplus/(shortfall)	74 305	(182 732)	(8 567)	310 474	535 379	408 464	535 379	46 530	483 254	350 833	121 366	446 543	83 225	568 546

Source: Overstrand Municipality 2022/23 MTREF Draft Budget A1-Schedule – mSCOA data strings

- The A8 cash backed reserves/accumulated surplus reconciliation has shown that the Municipality will achieve an overall outcome of R350.83 million (2022/23), R446.54 million (2023/24) and R568.55 million (2024/25). The outcomes of the A8 table above reflected that the Municipality's budget is funded and sustainable over the MTREF period

Table 14 Municipal Benchmarking – Application of Cash and Investments

PT: Municipal Budget and Benchmarking Engagement - 2022/23 Draft Budget (Per Mun Own Budgeted Figures)					
R thousands	WC032 Overstrand (H)	MFMA Circular 71 Norm/ Guidleline	Provincial Average	Highest	Lowest
Total Operating Revenue - Excl Capital Transfer	1 537 183		830 574	2 871 854	77 010
Total Operating Expenditure	1 615 768		843 283	2 891 338	77 008
Operating Surplus / (Deficit)	*(78 585)*	*0*	*(12 709)*		
Cash and Cash Equivalents at the Year End	446 034		213 928	1 105 300	4 446
Net Incr / (Decr) in Cash held for the Year	(120 268)		783	124 640	(120 268)
Cash Backing / Surplus (Deficit) Reconciliation	408 741		178 997	742 743	(103 325)
Cash Coverage Ratio	**4.2**	**1 - 3 Months**	**4.2**	**25.2**	**.1**
Working Capital Managemnet					
Current Assets - **Rand Value**	622 854		331 214	1 418 735	(23 527)
Current Liabilities - **Rand Value**	(333 782)		(171 259)	(11 968)	(962 297)
Net Working Assets	289 072		159 955	1 406 767	(985 824)
Collection Rate	98.0%	**95%**	**86.1%**	**105.8%**	**.0%**
Current Assets Ratio	**1.9**	**1.5:1 - 2.1:1**	2.2	8.0	(.7)
2023 Funding Position Per PT Assessment	**Funded**	**Funded**			

Source: Municipal Benchmarking/2022/23 MTREF Draft Budget – A Schedules

4.3 REVIEW OF THE HISTORICAL INFORMATION

4.3.1 The Financial Performance as per the Audited Annual Financial Statements

The assessment of the financial health and performance is an integrated process involving a review of a municipality's audited annual financial statements, audit report and ratio analysis. The results of the ratio analysis are used to support financial decisions and to identify factors which may influence the financial stability of the Municipality.

Adverse ratios highlight areas where attention may be required to ensure sustainability. The assessment trend analysis is based on the 2019, 2020 and 2021 audited financial statements although the table provides for a full five-year horizon (2017 to 2021) in order to have a more solid context when looking at the 2022/23 budget.

The analysis is conducted as per National Treasury MFMA Circular No.71. Provincial Treasury has analysed these ratios and the following items are highlighted.

Table 13 Financial ratios and norms

	Financial ratios & norms	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
Asset Management										
1.	Capital Expenditure to Total Expenditure: **10% - 20%**	8.5%	9.5%	13.5%	15.1%	16.1%	**17.3%**	**18.9%**	In 2020/21 FY CAPEX increased by 20.7% while total expenditure increased by 10.9%, causing the ratio result to slightly increase from 15.1% to 16.2%. The results of this ratio reflect adequate spending on infrastructure and acceleration in service delivery especially from 2019 to 2021.	

	Financial ratios & norms	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
2.	Capital Expenditure Budget Implementation Indicator: **95 – 100%**	106.5%	90.3%	98.9%	76.5%	91.0%	**-3.9%**	**87.5%**	The municipality has underspent its capital budget by 9.0% in the 2020/21 financial years, however, this is an improvement when compared to the prior financial of underspending of 23.5%. This may be due to COVID-19 and hard lockdown levels as most of the capital projects have been rolled over for implementation to the 2021/22 financial year.	
3.	Impairment of Property, Plant and Equipment, Investment Property and Intangible Assets (Carrying Value): **0%**	0.2%	0.1%	0.0%	0.1%	0.0%	**-32.4%**	**0.0%**	The ratio results constantly remain below 1.0% over the period under review. There is a concern that aged assets which have not been replaced due to underspending of capital budgets may not deliver adequate services to citizens. This ratio is in line with the above two ratios in terms new assets being acquired which does not necessarily require impairment.	
4.	Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value): **8%**	3.3%	4.6%	6.1%	5.2%	5.7%	**14.4%**	**6.5%**	The ratio indicates that inadequate funds were spent on repairs and maintenance, which could be attributable to the acquisition of new assets over the last two years that do not require repairs and maintenance.	
5.	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure :**(None)**	53.0%	38.9%	81.5%	80.6%	96.9%	**16.3%**	**112.7%**	Fluctuating trend over the period under review. 79% of the capital expenditure was funded from internal funds; 17.8% of capital expenditure is financed through borrowings. The majority of Capital expenditure is derived from internally generated funds The ratio result indicates that a substantial amount is financed Capital expenditure from internal generated funds.	

	Financial ratios & norms	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
Revenue Management and Cost Coverage										
6.	Operating Revenue Budget: **95% - 100%**	99.9%	98.2%	103.1%	98.9%	100.6%	**0.2%**	**100.7%**	The municipality over-collected its operating revenue by 60 Basis Points (Bps) in the 2020/21 financial year. The over-collection is due to interest received as a result of slower capital Budget implementation, increased interest on outstanding consumer debtors and more cash available for investing.	
7.	Service Charges and Property Rates Revenue Budget: **95% - 100%**	96.5%	100.6%	102.5%	100.8%	102.6%	**1.5%**	**104.1%**	The municipality over-collected by 2.6% from service charges and property rates than anticipated in the 2020/21 financial year. The projection based on historical trends indicates a further over-collection of 4.1% in the 2021/22 financial year.	
8.	Revenue Growth (%) - Excluding capital grants: = **CPI**	7.1% **5.1%**	8.1% 4.6%	9.9% 4.4%	9.4% 2.2%	1.7% 4.9%	**- 30.0%**	**1.2%**	The ratio result is below the CPI rate in the 2020/21 financial year. This may be due to an increase in unemployment in the area as results of COVID-19 and the hard lockdown levels, which also affected the consumer debtors' collection period. The projection based on historical trends+ indicates a further deterioration in ratio results for 2021/22 financial.	
9.	Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants): **1 - 3 months**	4 months	6 months	7 months	7 months	6 months	**13.4%**	**7 months**	The ratio results remained constant for the past two years but declined in the 2020/21 financial year. It appears that the municipality has sufficient funds to meet its monthly fixed operating commitments without collecting any other additional revenue.	
Liability Management										
10.	Debt (Total Borrowings)/ Revenue: **45%**	49.8%	46.0%	43.0%	40.8%	41.3%	**- 4.6%**	**39.4%**	The ratio results fluctuated year on year over the period under review, and the ratio results are within the acceptable NT norm of 45%. The ratio result is close to the norm which indicates that the Municipality's ability to take on additional debt in the future may be limited as a result of debt capacity almost fulfilled.	

	Financial ratios & norms	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projection	Comments	Overall assessment
11.	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure: **6% - 8%**	7.3%	7.6%	7.1%	7.2%	7.2%	**- 0.3%**	**7.2%**	A fluctuating trend is observed over the period under review. the ratio results are within the acceptable NT norm of 6% - 8%. The ratio results reflect capital cost which appears to be affordable.	
12.	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Revenue:	7.2%	7.1%	6.6%	6.7%	7.3%	**0.0%**	**7.3%**	These results indicate that a significant amount of operating revenue is used to finance capital costs. The municipality should ensure capital cost as a percentage of operating revenue is kept at a minimal level to enhance debt cover capabilities which will ultimately enhance the debt exposure capabilities of the Municipality.	
Working Capital										
13.	Net debtors' days: **≤ 30 days**	30 days	29 days	51 days	31 days	32 days	**2.0%**	**33 days**	The ratio results indicate a fluctuating trend over the 5-year period under review. The result indicates that in the past three financial years, the municipality experienced challenges in the collection of outstanding amounts due and a significant amount of potential cash tied up in consumer debtors. The ratio result in 2020/21 financial year is outside the acceptable NT norm of 30 days.	
14.	Creditors Payment Period (Trade Creditors):**30 days**	23 days	31 days	21 days	30 days	32 days	**8.9%**	**35 days**	A fluctuating trend is observed over the period under review. In the 2020/21 financial year the municipality took 32 days to pay its creditors which is a slight deterioration when compared to prior years. The projection based on historical trends indicates a further deterioration is expected in the 2021/22 financial year. The results are not within the acceptable NT norm of 30 days. The ratio results indicate that the municipality paid its creditors late by 2 days, and this may be the effect of the collection of consumers debtors.	

	Financial ratios & norms	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
Expenditure Management										
15.	Operating Expenditure Budget: **95% - 100%**	92.7%	94.8%	96.0%	93.4%	97.1%	**1.2%**	**98.2%**	The ratio results improved from 93.4% in 2019/20 financial year to 97.1 per percent in the 2020/21 financial year. This ratio result indicates the Municipality's ability to spend its operating expenditure budget as planned, and acceleration in service delivery. A further improvement in the ratio results is expected as per the 2021/22 financial year projections. The ratio result for the 2020/21 financial year is within the acceptable NT norm of 95% - 100%.	
16.	Remuneration as a % of Total Operating Expenditure: **25% - 40%**	31.3%	30.8%	34.2%	33.1%	34.0%	**2.1%**	**34.7%**	The results of this ratio should be linked to the organisational structure to identify and fill critical vacancies that may affect service delivery.	
17.	Contracted Services as a % of Total Operating Expenditure: **2% - 5%**	15.7%	16.8%	16.8%	15.0%	15.8%	**0.2%**	**15.8%**	The ratio results fluctuated year-on-year and increased by 80Bps in the 2020 financial year from 15.0% to 15.8%. These results indicate that the municipality outsourced some of the functions to consultants most likely specialised in nature. The ratio results are above the acceptable NT norm of 2% - 5%.	
18.	Irregular, Fruitless and Wasteful and Unauthorised Expenditure/ Total Operating Expenditure: **0%**	0.6%	0.0%	2.5%	0.3%	1.1%	**N/A**	**N/A**	The ratio results indicate a fluctuating trend over the period under review. The ratio results over the period under review are not within the acceptable NT norm of 0.00%. As per note 50 unauthorised expenditure of 2020/21 audited AFS, the spike in 2020/21 financial year is a result of overspending of council budget due to increased contributions to post retirement benefits.	
Grant Dependency										
19.	Own Source Revenue to Total Operating Revenue (Including Agency Revenue): **None**	87.5%	88.7%	88.8%	90.2%	87.5%	**-0.0%**	**87.4%**	Own source revenue improved year-on-year, however, the ratio result declined from 90.2% in 2019/20 financial year to 87.5 in the 2020/21 financial year. This ratio result indicates that the Municipality is able to fund its operations from own funding sources. The Municipality is commended for its revenue generation strategies that have been successfully implemented.	

	Financial ratios & norms	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
	Going Concern									
20.	Total Liabilities to Total Assets: **<50%**	19.7%	19.6%	19.7%	20.3%	21.1%	**1.7%**	**21.4%**	The ratio results fluctuated year-on-year. The Municipality's liquidity position is sound, as the Municipality will be able to cover its long-term and short-term liabilities as they become due.	
21.	Total Debt to Total Assets	10.8%	10.4%	10.5%	10.4%	10.3%	**- 1.0%**	**10.2%**	The ratio results reflect a year-on-year fluctuation over the period under review. these results indicate that the municipality has sufficient assets to settle all its debts should the need arise.	
22.	Current Ratio: **1.5 - 2:1**	2.2:1	2.8:1	3.1:1	2.7:1	2.5:1	**2.4%**	**2.5:1**	The ratio results reflect a stable trend for the past five years. The ratio result declined from 2.7:1 in 2019/20 to 2.5:1 in the 2020/21 financial year but remains within the acceptable NT norm of 1.5-2:1. The ratio results indicate that the municipality has sufficient current assets to cover its short-term obligations.	

** CAGR = Compound annual growth rate is a business and investing specific term for the geometric progression ratio that provides a constant rate of return over the time period. CAGR = [(End Value/Beginning Value) ^1/number of years of growth] - 1*

	Favourable
	Unfavourable
	Needs Improvement

For detail of ratio calculations, please see Annexure A.

SUMMARY AND FINDINGS FROM HISTORICAL TRENDS

Based on the ratio analysis in the table above, the following findings have been observed based on the historical performance of the Municipality. Where the analysis of historic patterns has already been discussed earlier in this chapter, those findings are not repeated below.

4.3.2 Asset Management

- The Municipality is commended for its investment in capital spending and for improving its infrastructure base. However, the rollover of the capital projects for implementation in the 2021/22 financial year has resulted in underspending of the capital budget.
- The Municipality should strive to develop strategies to spend its budgeted capital expenditure to ensure that service delivery imperatives are not compromised.
- The Municipality should put measures in place to ensure that sufficient funds are transferred to the capital replacement reserve, as low reserves may have a negative impact on the capital replacement strategy.

- Furthermore, the Municipality should ensure that the repairs and maintenance is performed as per the programme, to continue in ensuring that impairment of useful assets is kept at zero as per the National treasury norm on impairment of property, plant, and equipment.

4.3.3 Revenue Management and Cost Coverage

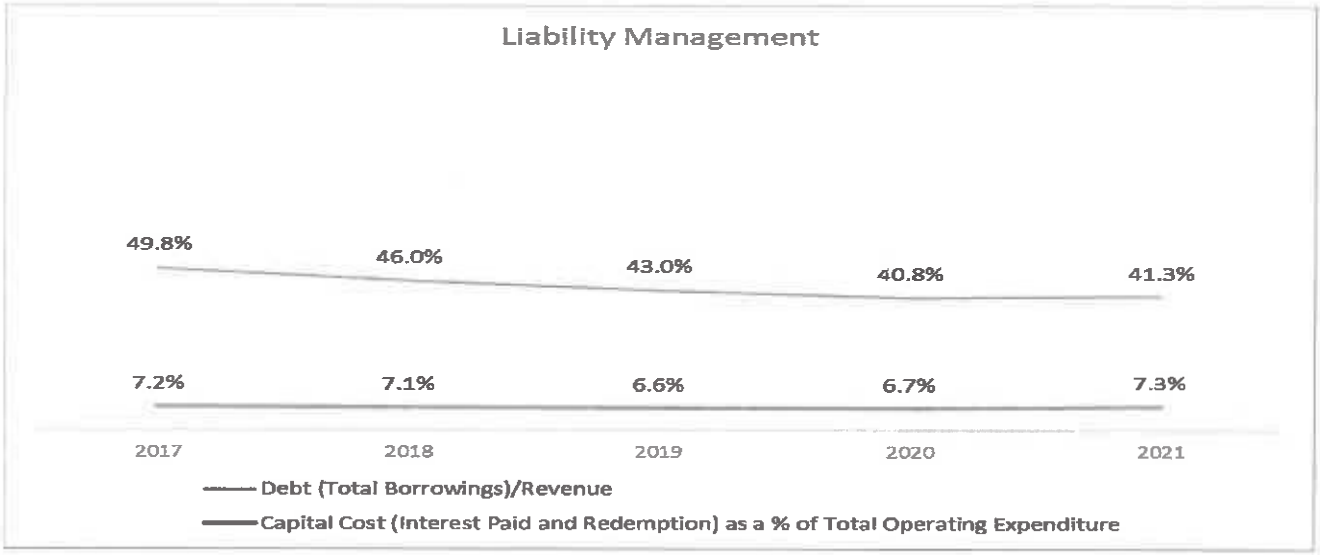
- The Municipality is commended for collecting its budgeted revenue although it is slightly above the budget, which indicates credible revenue budget capabilities and controls. The Municipality is able to cover costs for a consecutive six (6) months. Furthermore, the Municipality is able to cover its current obligations twice over with the current resources.

- However, the revenue growth of the Municipality is below the CPI rate for the 2020/21 financial year which is a concern, and this could be the impact of COVID-19 and the hard lockdowns imposed. The Municipality should develop strategies to improve its revenue growth and ensure that the revenue growth excluding capital grants is above or in line with the CPI rate.

4.3.4 Liability Management

- The Municipality is commended for ensuring that debts are at a manageable level. Although liability management ratios results are favourable, liquidity management ratios should be considered in assessing whether the Municipality is in a favourable position to take up more debt. Furthermore, the Municipality should ensure that capital cost as a percentage of operating revenue is kept at a minimal level of circa 1-2 per cent to enhance debt cover capabilities which will ultimately improve the debt portfolio exposure of the Municipality.

Figure 3 Liability Management



4.3.5 Expenditure Management

- The Municipality manages its expenditure well. However, the Municipality should continue to prevent, identify, investigate and respond appropriately on the unauthorised, irregular, fruitless and wasteful expenditure according to the MFMA, and ensure that officials are held accountable. Furthermore, the Municipality should minimise contracted services and ensure that skills are being transferred to municipal officials.

4.3.6 Grant Dependency

- The Municipality is not reliant on government grants for its operational activities. Own-generated revenue is circa 90 per cent of total revenue for 2020/21 and averages same through the reviewed period. The Municipality should continue ensuring that capital or operational expenditure are at the affordable levels to improve financial sustainability of the Municipality, to avoid risk where funding ceases.

4.3.7 Working Capital

- The non-payment for municipal services still needs to be improved. Furthermore, it appears that the Municipality does not settle its short-term liabilities within the legislated timeframe. This is non-compliance with Municipal Finance Management Act (MFMA) regulation which requires the Municipality to pay its creditors with 30 days from the date of receipt of an invoice. The Municipality should improve the implementation of its credit control policy to avoid non-payment from its debtors and put strategies in place to improve its revenue collection. Furthermore, the Municipality should ensure that creditors are paid within 30 days as required by Municipal Finance Management Act (MFMA).

4.3.8 Going Concern

- The net asset position of the Municipality is sound, indicating that the municipal assets can cover the liabilities. The Municipality appears to be maintaining solvency and manages its liabilities well when compared to its asset base and there is acceptable liability management across the financial years assessed.

4.3.9 mSCOA Implementation

- The Municipality has successfully submitted the AUDA data strings on the LG database.
- Upon analysis of the AUDA data strings, differences were noted between information contained in the audited AFS and information contained in the AUDA data strings. These discrepancies were communicated to the Municipality on the 12 April 2022.

SECTION 5: KEY RISKS AND RECOMMENDATIONS

This section outlines the main recommendations based on the SIME Assessment.

Public Value Creation

Integrated Planning

Based on the above assessment, below is a summary of key findings:

- The Municipality has tabled the IDP of its predecessor with amendments for only one year i.e., 2022/23. Whilst this is not in accordance with section 25(3) of the MSA, the Department is mindful of the implications of the late 2021 Local Government Elections in terms of the drafting of IDPs by municipalities.
- The Municipality has not complied with section 28 of the MSA, in terms of adopting a process plan for the new term of council. It is however noted that the previous council adopted a Budget Time Schedule of Key Deadlines for the 2022/23 cycle in August 2021, which was used to guide the IDP and budget drafting process; and
- The tabled IDP depicts the departmental sector plans and policies indicating the status of the sector plans, however, not all plans reflect when they are due for a review.

Recommendations

It is recommended that the Municipality must:

- Consider adopting the IDP of its Council's predecessor with no reference to the one year period. Upon adoption of such IDP, the Municipality may commence with the preparation for the drafting of the IDP for the remaining term of office, which must be adopted in line with section 34(b) of the MSA and also follow the process as stipulated in Regulation 3 of the MSA Regulations as neither the MSA nor the MSA Regulations limit the extent to which an IDP may be amended.
- Compile a process plan (to guide the planning and drafting of the IDP) and consult the local community before adopting such process plan, to ensure compliance with section 28 of the MSA and to assist the Municipality in the annual review and possible amendment of the tabled IDP for the remaining part of the current planning cycle.
- Include in the final IDP to be adopted in May 2022, an updated table on the status of sector plans in the final IDP to indicate when a sector plan is due for review.

Lastly, the Municipality is encouraged to consider the various recommendations and suggestions of national and provincial sector departments included in section 2.2.4 of this report dealing with IDP Alignment.

Environmental and Planning Analysis

- The Municipality is reminded that even though the MSDF is not being amended, it will need to be approved together with the IDP amendment at the end of May 2022.
- The Municipality is reminded that part of Performance Management includes monitoring how well the Municipality is performing in terms of MSDF implementation. As with the IDP this should be undertaken on an annual basis. Whilst having an MSDF, and in the case of Overstrand, a Growth Management Strategy is crucial to direct growth and spending to ensure spatial transformation and sustainable development, much of the value of the MSDF lies in its implementation.

- An MSDF performance review, feeding into an amendment that seeks to improve the articulation of an MSDF implementation programme could support the development of the new IDP and its alignment with the MSDF.

Waste Management Planning

- The Municipality must align its current IWMP and IDP with the Western Cape Integrated Waste Management Plan (2022-27) due for completion in the 2022/23 financial year.
- Waste diversion initiatives must be reported to the IPWIS. Continuous and regular waste reporting and waste diversion initiatives must be reported to the IPWIS. Municipalities are reminded to report on organic waste to the IPWIS.
- While services are implemented and maintain a good working standard, this must be enhanced to ensure diversion grows.
- The Municipality must also consider using programmes like EPWP, street cleaning, YCOP and other means to aid creating awareness.

Economic Sustainability

- The Municipality has made no budget allocations towards Strategic Objective: The encouragement of structured community participation in the matters of the Municipality which does appear problematic considering that one of the new Mayor's priority areas is to improve communication.
- It appears that the free basic service delivery information on budget schedule A10 was incorrectly captured. The number of households to be provided with services column contains budget allocations while the cost column contains the same amount but rounded off. It is therefore not possible to determine how the budget will provide for an increase in indigent households across the MTREF.
- It does not appear that the capital budget makes provision for the need for streetlights across the municipal area.
- The operating budget allocation increase in 2022/23 for water and waste water services does not appear to suffice to accommodate the increase in households to be provided with the service in A10.
- There is a general misalignment between the basic service delivery targets in A10 and the draft SDBIP.
- The sustainability of efforts to address the range of infrastructure related challenges facing the existing waste water network is drawn into question considering the notable decrease in the capital budget.
- The operating budget allocation towards solid waste removal will arguably not suffice to uphold existing service level standards
- It is not clear what budget allocations have been made towards integrated waste management solutions.
- The operating budget increases towards road transport appears relatively small to proactively address road maintenance efforts.
- While the budget is deemed responsive insofar as timeous road maintenance is concerned and will ensure the longevity of the current road transport asset base, there is a need for additional allocations to expand the network to accommodate future growth and development, especially given the rapid population growth being experienced.

- The tabled budget allocation increases towards Public Safety appear to be relatively modest given that Crime Prevention and Law Enforcement is one of the Mayor's new three priority areas.

Financial Sustainability

The mSCOA tabled budget (TABB) data strings are used as the source to assess whether the 2022/23 MTREF budget is funded.

The overall cash flow planning of the Municipality contributes towards the sustainability of the budget, and in terms of cash flow planning, the budget is funded. Managing long-term stability requires sound financial planning, implementation and reporting. The Municipality needs to ensure that attention is given to the alignment of information and segment errors identified in terms of the mSCOA data strings and MBRR A1-Schedules.

- The net asset position of the Municipality is sound, indicating that the municipal assets can cover the liabilities. The Municipality appears to be maintaining solvency and manages its liabilities well when compared to its asset base and there is acceptable liability management across the financial years assessed.

- The Municipality has over the last two (2) financial years shown great resilience to remain financially stable under exceptionally uncertain economic conditions. The Municipality's continued success depends on its ability to recognise when to adapt and adjust plans during any uncertainty.

- The 2022/23 budget year projects a deficit budget of R78.59 million and a net decrease in cash held of R120.27 million which is an indication that sufficient revenue/ cash is not generated towards future replacement of assets and poses a risk to the Safeguarding of assets for future asset replacement. This contributes to the limited reserves to be cash backed (A8 table) which is an indication that the Municipality is not working towards building a sufficient Capital Replacement Reserve Fund (CRR).

- The Municipality's operating revenue is highly reliant on service charges and property rates and great effort to minimize costs is noted. The Municipality should consider affordability of tariffs as well as increasing costs to sustain the day-to-day operations as well as contributions to future capital replacement.

- The Municipality's economic services are projected to operate at a deficit over the MTREF period. The Municipality is reminded that cost reflective tariff setting is a requirement of Section 74(2) of the Municipal Systems Act, 2000 (Act No.32 of 2000) which states that tariffs must "reflect the costs reasonably associated with rendering the service". This is meant to assist municipalities to generate sufficient revenue to fully recover their costs, deliver services to customers sustainably and invest in infrastructure that promotes local economic development.

- The continuous effort to drive costs down is commendable given the high inflation and wage increases.

- The impact of outsourcing of water and sanitation maintenance should continuously be assessed to manage the impact on the operating budget.

- The Municipality is commended for its investment in capital spending and for improving its infrastructure base. However, the rollover of the capital projects for implementation in the 2021/22 financial year has resulted in underspending of the capital budget.

- The Municipality should strive to develop strategies to spend its budgeted capital expenditure to ensure that service delivery imperatives are not compromised.

- The liquidity ratios of the Municipality indicate that the Municipality can take care of their financial commitments.

- The A6 (Budgeted Financial Position) and A7 Budgeted Cash Flows data strings do not align with the hard copy presented by the Municipality.
- The draft budget data strings over the MTREF period indicates that the Municipality is not exposed to a liquidity risk.

Key Risks identified with the Asset Management system of Governance and Capacitation Project

A. Need for better Management of data and information Standards

- Silos of data where one department has access to critical data, but other departments have no access
- Where there these silos of data exist, duplication of data is created that impacts on the reliability of the information needed for decision-making
- Critical information on the PC`s of certain engineers and files, that is not necessarily shared with the rest of the Municipality.
- Reliability and Credibility of data (The Source - where data is coming from, is not singular but have multiple inputs making it messy)

B. Outdated Asset Management Maintenance Strategic Plans

- Propensity to use the Deviations route for emergency Repairs and Maintenance.
- Statistical data suggest that emergency work can cost municipalities between 20 per cent and 30 per cent more as opposed to planned works.
- Equipment availability not translated into key objectives for the Municipality.
- Early detection of failure not necessary built into maintenance systems.

C. The Need to Build Capability in Municipalities

- Most of the Engineers are near retirement which requires a contingency plan for Mentorship and knowledge Management.
- Need for maintenance planners, because without them, we don't expect well planned and efficiently executed maintenance.
- Need for securing intellectual property and devising SOP`s based on them.
- The ability to translate maintenance strategies into business and economic benefits.

Key Recommendations

D. Collaboration is key to success and continuity in Asset Management

- To improve the maturity levels within the various regions, there will be a need for community of practice.
- Share collective right practices and knowledge among participating municipalities within a Joint District Approach.
- Strategic priorities would be best achieved if coordinated through a District Asset Management Steercom process.
- A phase-in approach of right practices will be required to build maturity overtime.

E. Procurement Planning

- PT to amend the existing **TREASURY CIRCULAR MUN NO. 18/2019,** to make it mandatory for municipalities to submit procurement plans on an annual basis by the 30th of June.
- There should be a standardised format for the procurement plans template across the municipalities.
- The municipalities should be encouraged to utilise mSCOA segmentations on their procurement plans to ensure alignment between the budgeted items and IDP strategic objectives.
- The municipalities should priorities uploading/capturing their procurement plans on the National Treasury e-Tender portal every new financial year.

Annexure A

Ratio calculations

NO.	RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	2021
A.	**Asset Management/Utilisation**					
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		
					Total Operating Expenditure	1 320 935 942
					Taxation Expense	-
					Total Capital Expenditure	254 108 572
2	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		
					Actual Capital Expenditure	254 800 186
					Budget Capital Expenditure	280 086 380
3	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100	Statement of Financial Position, Notes to the AFS and AR	0%		
					PPE, Investment Property and Intangible Impairment	1 634 549
					PPE at carrying value	3 599 140 994
					Investment at carrying value	127 537 500
					Intangible Assets at carrying value	8 993 219
4	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%		
					Total Repairs and Maintenance Expenditure	210 900 890
					PPE at carrying value	3 599 140 994
					Investment Property at Carrying value	127 537 500

NO	RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	2021
5	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		
					Internally generated funds	200 762 967
					Borrowings	45 442 500
					Total Capital Expenditure	254 108 572
B. Revenue, Debtors and Liquidity Management (cash availability)						
6	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		
					Actual Operating Revenue	1 344 238 406
					Budget Operating Revenue	1 336 793 046
7	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		
					Actual Service Charges and Property Rates Revenue	994 418 895
					Budget Service Charges and Property Rates Revenue	969 449 769
8	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI		
					CPI	4.9%
					Total Revenue Exl.Capital (Previous)	1 292 557 612
					Total Revenue Exl.Capital (Current)	1 314 564 944

No	RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	2021
9	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-year Reports and AR	1 - 3 Months		6 Months
					Cash and cash equivalents	202 482
					Unspent Conditional Grants	24 030
					Overdraft	-
					Short Term Investments	410 241
					Total Annual Operational Expenditure	1 168 385
C	Liability Management					
10	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		41,3%
					Total Debt	484 356 747
					Total Operating Revenue	1 314 564 944
					Operational Conditional Grants	140 895 452
11	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%		7,2%
					Interest Paid	48 805 228
					Redemption	46 576 255
					Total Operating Expenditure	1 320 935 942
					Taxation Expense	-

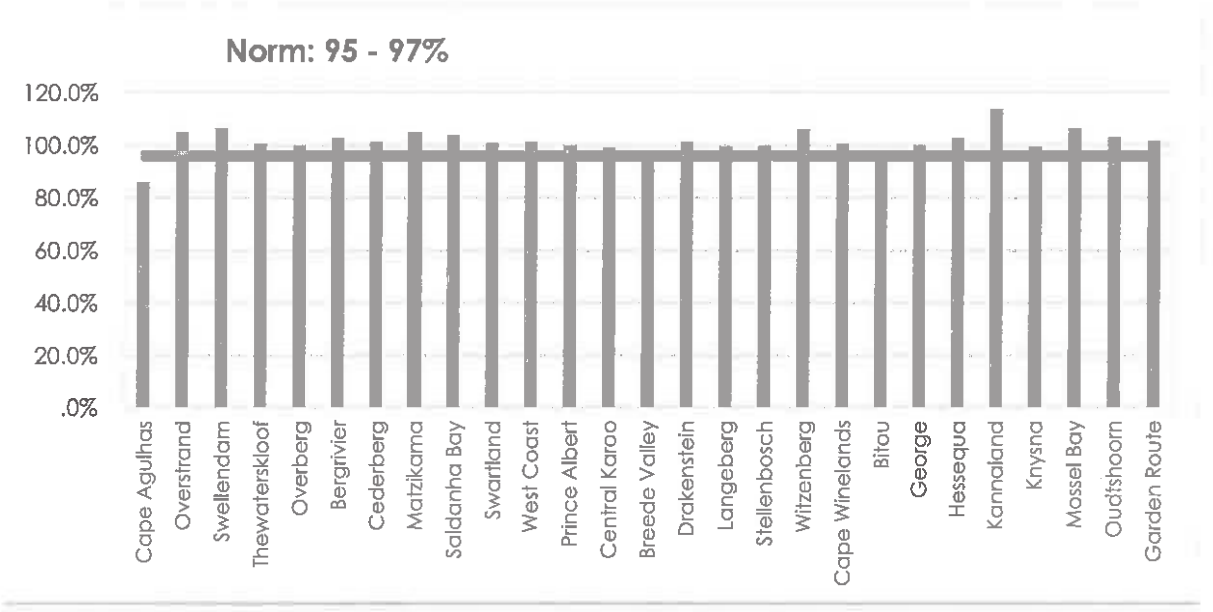
No	RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	2021
12	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Revenue	Capital Cost(Interest Paid and Redemption) / Total Operating Revenue x 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	None		
					Interest Paid	48 805 228
					Redemption	46 576 255
					Total Operating Revenue	1 314 564 944
					Taxation Expense	-
D. Working Capital						
13	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days		
					Gross debtors	114 922 978
					Bad debts Provision	28 034 159
					Billed Revenue	994 418 895
14	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days		
					Trade Creditors	86 000 493
					Contracted Services	208 095 282
					Repairs and Maintenance	109 204 826
					General expenses	110 253 807
					Bulk Purchases	298 272 081
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	254 800 186
E. Expenditure Management						
15	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		
					Actual Operating Expenditure	1 320 632 828
					Budget Operating Expenditure	1 360 558 602

No	RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	2021
16	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		34.0%
					Employee/personnel related cost	437 874 472
					Councillors Remuneration	11 218 781
					Total Operating Expenditure	1 320 935 942
					Taxation Expense	-
17	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		16.8%
					Contracted Services	208 095 282
					Total Operating Expenditure	1 320 935 942
					Taxation Expense	-
18	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%		1.1%
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	14 517 394
					Total Operating Expenditure	1 320 935 942
					Taxation Expense	-
F. Grant Dependency						
19	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		87.5%
					Total Revenue	1 351 783 715
					Government grant and subsidies	178 114 223
					Public contributions and Donations	23 919 135
					Capital Grants	37 218 771
G. Net Asset Position (Going Concern)						
20	Total Liabilities/Total Assets	Total Liabilities/Total Assets	Statement Financial Position	<50%		21.1%
					Total Liabilities	988 434 216
					Total Assets	4 687 264 523
21	Total Debt/Total Assets	Total Debt/Total Assets	Statement Financial Position	None		10.3%
					Total Debt	484 356 747
					Total Assets	4 687 264 523
22	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2.5
					Current Assets	765 708 927
					Current Liabilities	310 222 432

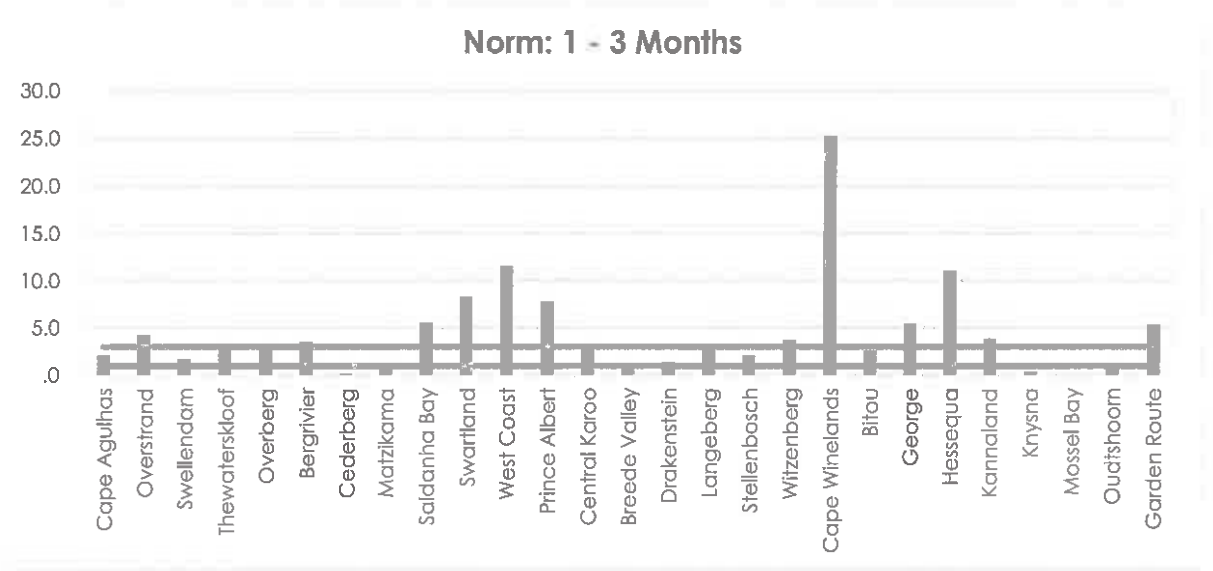
Annexure B

BENCHMARKING: KEY FINANCIAL HEALTH INDICATORS

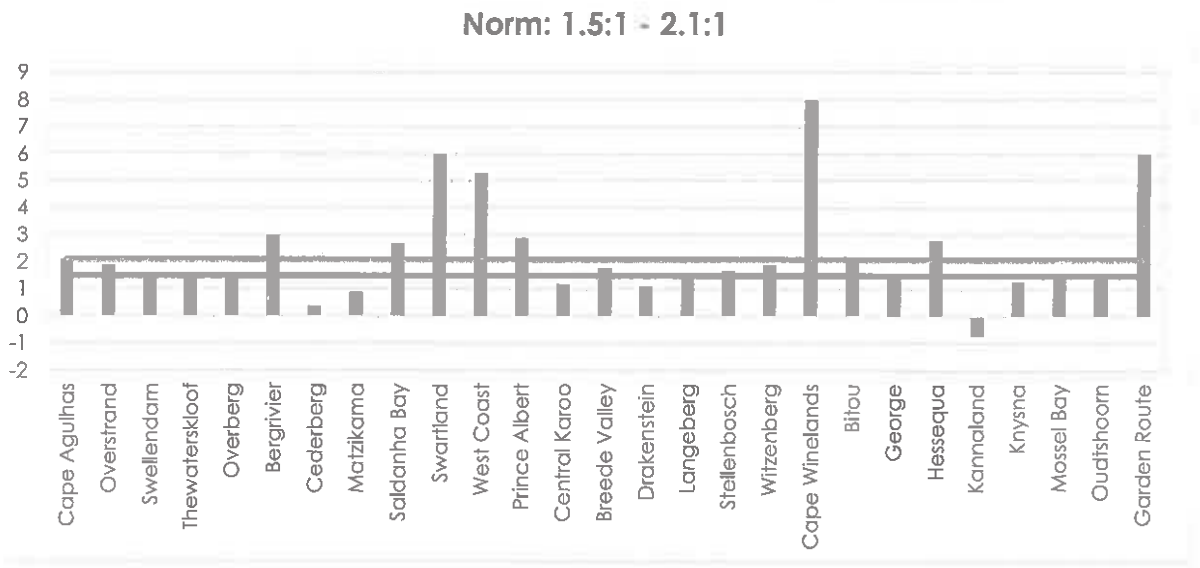
1. % Share of Total Operating Costs against Total revenue



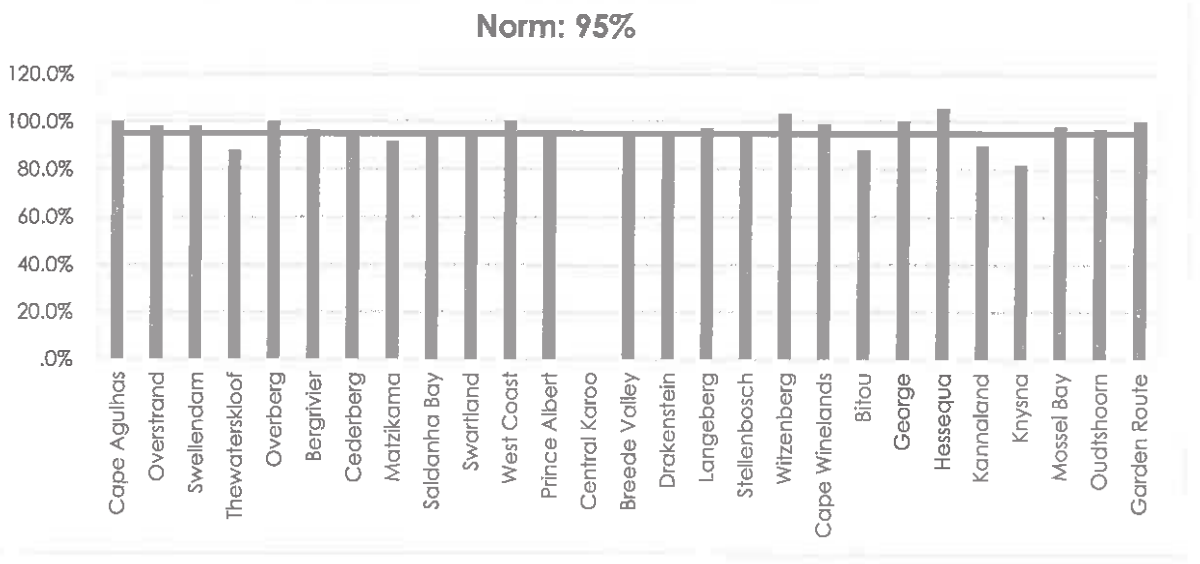
2. Cash/Cost coverage ratio



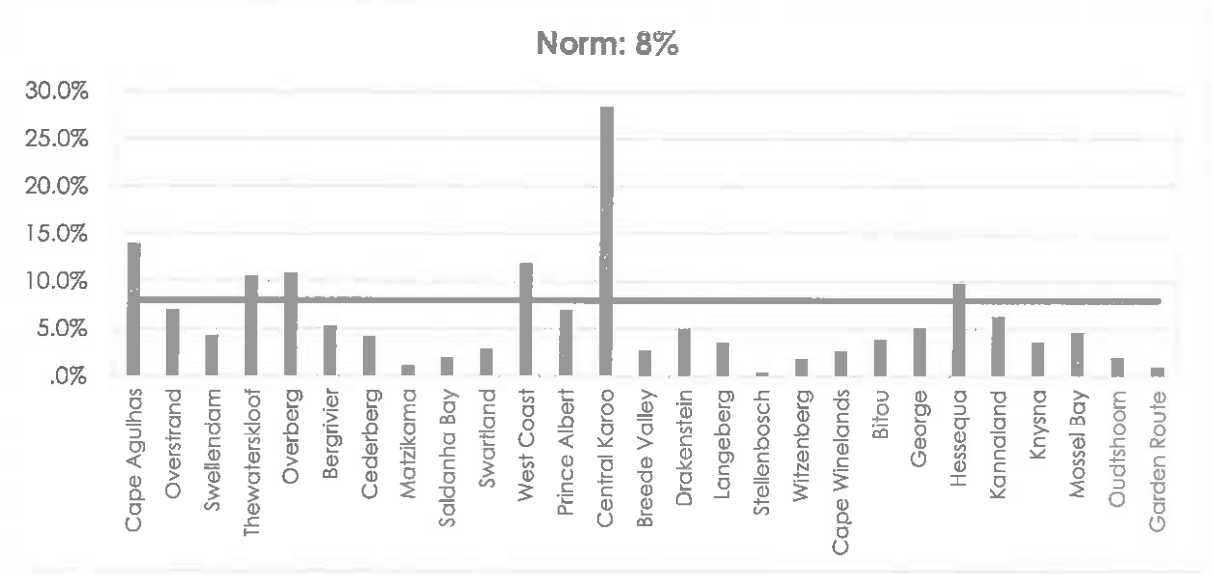
3. Current Asset Ratio



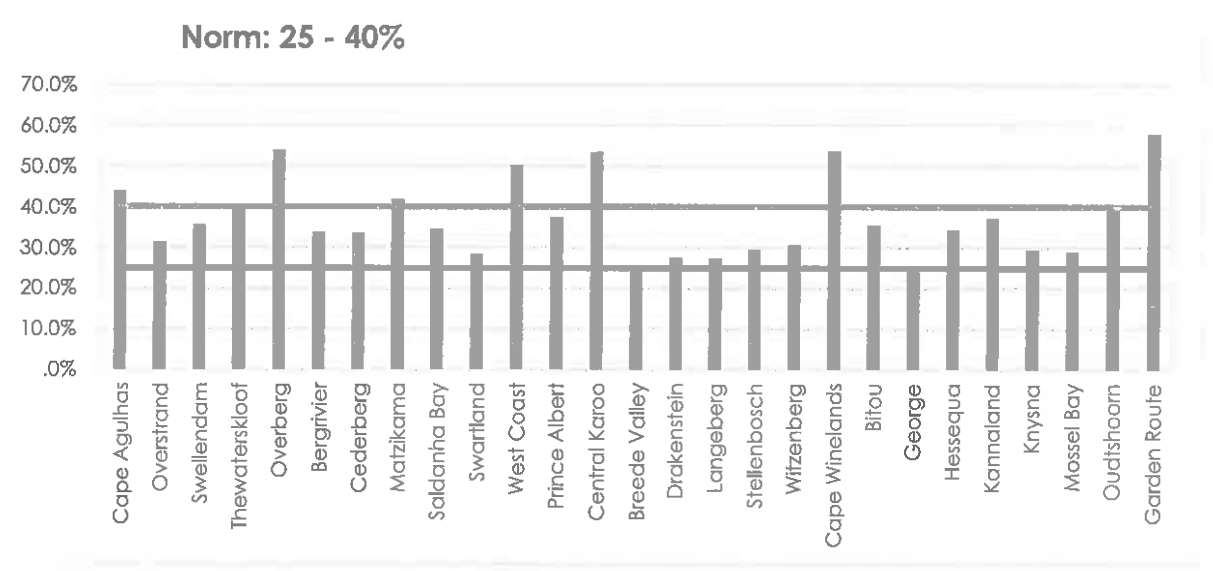
4. Collection Rate



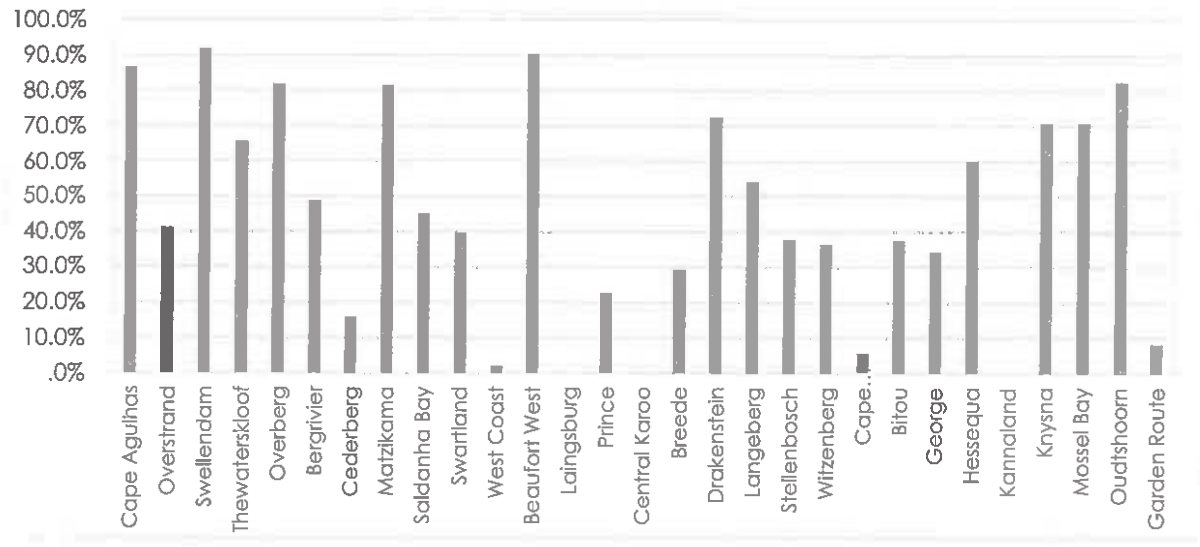
5. R&M % of PPE & Investment Property



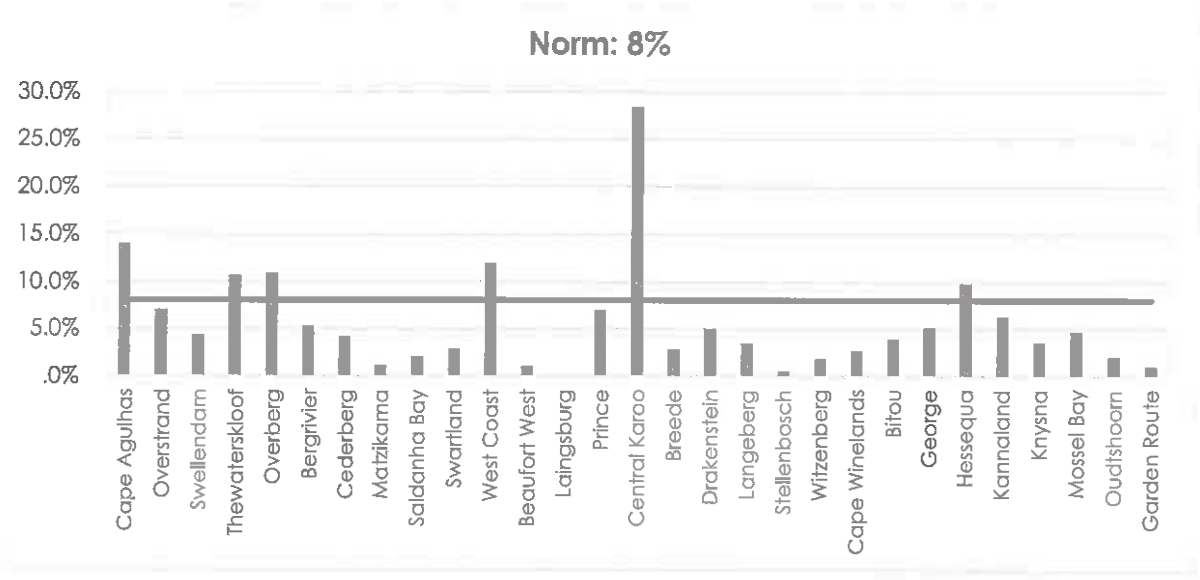
6. % Employee Related Costs to Total Opex Excl Clirs



7. Renewal and upgrading existing assets % total capex



8. R&M % of PPE & Investment Property



Western Cape Government

FOR YOU

2022 STRATEGIC INTEGRATED MANAGEMENT ENGAGEMENT OVERSTRAND MUNICIPALITY

2022/23 MTREF BUDGET, IDP, SDF & OTHER ASSOCIATED DOCUMENTS

9 May 2022

INTRODUCTION

- **SIME Process Basis and Outcomes:**
  - Statutory requirements (as per the MFMA, MSA, SPLUMA, NEMA, LUPA)
  - Good governance practice
  - Peer learning across spheres of government
  - Improved communication between spheres of government
  - Opportunity for WCG to meet with municipalities and see the province
- **Western Cape Government Expectations from SIME:**
  - Discussion regarding 2022 Tabled Budget, IDP and SDF
  - Strategic engagement around other matters facing the municipality
  - Opportunity to discuss progress made as well as future potential projects
- **Feedback from Municipality:**
  - What are the municipality's needs from this process? Are they being met?
  - Any further feedback or suggestions for the WCG

2021 SIME FEEDBACK – PROGRESS MADE



ECONOMIC AND FISCAL CONTEXT

- Constrained fiscal and economic outlook at global, national and provincial level contributes to a slowdown in global and domestic economic growth.
- Plethora of National Risks contribute towards downward revision of SA forecast which has spill-over effects to the Western Cape.
- The evolution of COVID-19 virus and slow progress in vaccine rollout continues to be managed and monitored.
- Slow implementation of structural reforms nationally along with shocks to the economy such as load-shedding and disasters having a further dismal effect on the economy.
- Effects of the Russia-Ukraine war on grain and fuel prices. Consumers, particularly those living in poverty, continue to bear the burden of rising fuel and food costs.
- Rising inflation and interest rates most likely to persist in 2022.

Table 1: Macroeconomic performance and projections, 2020 - 2025

Fiscal year	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Estimate		Forecast	
CPI Inflation	2.9%	4.5%	4.8%	4.4%	4.5%

Global Growth Prospects

GDP growth	2021 (E)	2022	2023
Global economy	5.9	4.4	3.8
Advanced economies	5.0	3.9	2.6
Emerging Market and Developing Economies	6.5	4.8	4.7
South Arica	4.6	1.9	1.4
Western Cape	4.7	3.8	3.1

Source: IMF, HSBS

Local Economic Growth and Unemployment

GDP growth	Change from Q2 (R 'million)	Value (R 'million)	% change from Q2	Change from Q1 2020
South Africa	- 67 244 ↓	4 446 782	-1,5%	- 140 590 ↓
Western Cape	- 9 972 ↓	641 154	-1,5%	- 21 965 ↓

Employment	Change from Q2	Number	% point change from Q2	Change from	Change from Q1 2020
South Africa	183 000	7 643 00	0.5	34.9% ↓	574 000
Western Cape	10 000	794 000	0.5	26.3% ↓	132 000

Source: Stats SA

L70/140

2022/23 SIME Assessment

Key Risks and Recommendations

Western Cape Government

PUBLIC VALUE CREATION – INTEGRATED DEVELOPMENT PLANNING (1)

Overview of the tabled IDP of Overstrand Municipality

- The Municipality intends to adopt the IDP of its predecessor with amendments.
- The tabled IDP reflects that the vision and strategic goals of the Municipality remain unchanged, however, the strategic direction of the IDP was amended to reflect the wording "Overstrand for All" in the mission statement.
- The tabled IDP adequately reflects on the existing level of development in the Municipality and the communities that do not have access to basic services are clearly identified.

PUBLIC VALUE CREATION – INTEGRATED DEVELOPMENT PLANNING (2)

Summary of key findings:

- The Municipality has tabled the IDP of its predecessor with amendments for only one year i.e., 2022/23. Whilst this is not in accordance with section 25(3) of the MSA, the Department is mindful of the implications of the late 2021 Local Government Elections in terms of the drafting of IDPs by municipalities.
- The Municipality has not complied with section 28 of the MSA, in terms of adopting a process plan for the new term of council. It is however noted that the previous council adopted a Budget Time Schedule of Key Deadlines for the 2022/23 cycle in August 2021, which was used to guide the IDP and budget drafting process; and
- The tabled IDP depicts the departmental sector plans and policies indicating the status of the sector plans, however, not all plans reflect when they are due for a review.

PUBLIC VALUE CREATION – INTEGRATED DEVELOPMENT PLANNING (3)

In terms of recommendations the Municipality must:

- Consider adopting the IDP of its Council's predecessor with no reference to the one year period. Upon adoption of such IDP, the Municipality may commence with the preparation for the drafting of the IDP for the remaining term of office, which must be adopted in line with section 34(b) of the MSA and also follow the process as stipulated in Regulation 3 of the MSA Regulations as neither the MSA nor the MSA Regulations limit the extent to which an IDP may be amended.
- Compile a process plan (to guide the planning and drafting of the IDP) and consult the local community before adopting such process plan, to ensure compliance with section 28 of the MSA and to assist the Municipality in the annual review and possible amendment of the tabled IDP for the remaining part of the current planning cycle.
- Include in the final IDP to be adopted in May 2022, an updated table on the status of sector plans in the final IDP to indicate when a sector plan is due for review.

PUBLIC VALUE CREATION – ENVIRONMENTAL ANALYSIS AND SPATIAL PLANNING (1)

Governance & Budgeting Matters:

- The Municipality is commended for:
  - Continued good governance and compliance in general. There are currently no waste management or pollution control matters subject to enforcement action relevant to the Municipality. Note, however, that funding must be provided for rehabilitation actions to address the enforcement notice issued during May 2021 as set out in the SIME report.
  - Compliant waste management facilities. Organic Waste Diversion Plan drafted – to be adopted by Council.

- Plans identified for review/update/alignment and inclusion in budgeting provisions include:
  - Continued effort by all municipalities to align relevant master/management/sector plans and budgets, *for instance* Invasive Species Monitoring, Control and Eradication Plans and Urban Greening initiatives with Climate Change actions (water conservation and fire risk), Climate Change action with Disaster Management Plan (fire risk), etc.
  - It is difficult to monitor MSDF implementation. The Municipality is advised to either update the Overstrand Growth Management Strategy or strengthen the Implementation Plan in the MSDF.
  - Development of a CEF - Overstrand Municipality forms part of the pilot project for the drafting of CEF's using assistance from DEA&DP and DBSA Funding.

Reporting Matters:

- Municipalities must ensure that continuous and regular waste reporting is submitted to the IPWIS and that annual reports include information on the implementation of the IWMP as per s13(2) a-j of the NEM:Waste Act.
- Invasive Species Monitoring, Control and Eradication Plan – Municipality has submitted to the Minister via the Department of Forestry, Fisheries and the Environment in line with NEM:BA.

PUBLIC VALUE CREATION – ENVIRONMENTAL ANALYSIS AND SPATIAL PLANNING (2)

Matters for noting:

- Implications of the new Western Cape Biodiversity Act (Act No. 6 of 2021) assented to during December 2021. Details are set out in the SIME Report.

- Coastal Municipalities to take note of the amended Provincial Coastal Management Programme published for comment by 31 May 2022.

- The Climate Change Bill, 2022 - The Bill places obligations on District and Metro municipalities for coordination of climate change responses.

- The Department will be finalising its Western Cape Integrated Waste Management Plan (2022 – 2027) in the 2022/23 financial year.

ENABLING SUSTAINABILITY & GROWTH: A "SNAPSHOT" OF STRATEGIC SPATIAL CONSIDERATIONS

SUSTAINABILITY: SPATIAL RISKS TO MANAGE

1. Managed Urbanisation, Migration Impact & Development:

- **Land Invasions:** exacerbated by rapid urbanisation
- **Gansbaai:** Risk of creating a node with no job opportunities
- **Outward spread of low-density development:** negative impact on the natural environment & increased cost of infrastructure provision

2. Infrastructure Capacity:

- Ever increasing **demand for services vs. capacity** -both Hermanus Central and Hermanus East require upgrades to their wastewater systems and no new developments can go ahead in these areas until this is resolved.
- **Diminishing water resources:** additional sources need to be developed.

GROWTH: SPATIAL OPPORTUNITIES TO EXPLOIT

1. Economic Growth and Job Creation:

- **Gansbaai Harbour & surrounds:** Development Potential. Densification. Nodal Intensification

2. Human Settlements:

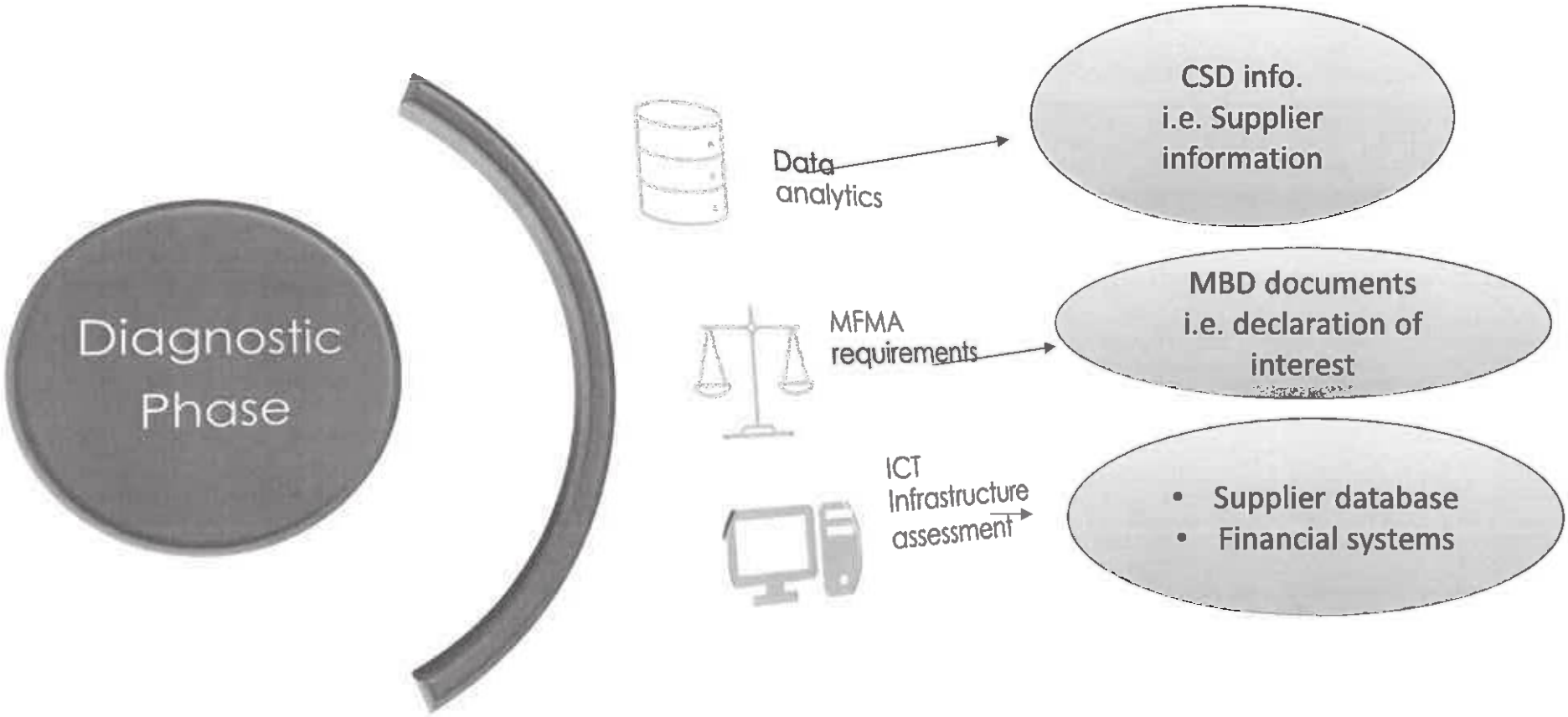
- **Focus on the Greater Hermanus Area for affordable/low income housing:** greater prospects for economic growth
- **Opportunities for densification: OGMS:-** Kleinmond, Hermanus, Gansbaai CBD. Further planning work
- **Restructuring zones for social housing:** Greater Hermanus and Greater Gansbaai Areas. Provide affordable rental accommodation

ENABLING: SPATIAL GOVERNANCE

- **Updating of Growth Management Strategy (2010) needed**
- **High level actions - difficult to monitor MSDF implementation:** either update OGMS or strengthen the Implementation Plan in the MSDF. Annual Performance Review of MSDF Implementation
- **Development of a CEF** - Overstrand Municipality forms part of the pilot project for the drafting of CEF's using assistance from DEA&DP and DBSA Funding
- **EMOZ's spatially defining areas very important from a climate change resilience perspective:** integrating climate change risk mitigation into Municipal land use management system

9/11/16

MIPS RESEARCH PROJECT



Western Cape Government

STRATEGIC PROCUREMENT PLANNING



Annual Procurement Plan

Linked to the IDP

Aligned to the annual budget



Identify Economic Opportunities

Bulk/Joint procurement(Economies of scale)

Framework agreement with multiple service providers



Identify Economic Sectors

Tertiary – Wholesale & retail transport & storage

Finance

Secondary – Manufacturing,

Construction & Electricity

Primary – Agriculture and Mining



Demand management of goods and services

Forecast of commodities demanded by the municipality



Insight reporting

Actual expenditure by:

- Item expenditure
- Supplier's name
- Economic Sectors
- Demographic of suppliers
- Business size
- B-BBEE Level
- Etc.

WHAT HAVE WE LEARNED FROM THE PREVIOUS JOURNEY

Collaboration is key to success & continuity in AM

- To improve the maturity within the region (Need community of practice)
- Share collective right practices and knowledge among participating municipalities
- Strategic priorities would be best achieved if coordinated through a District AM Steercom process
- A phase-in approach of right practice

Maintenance Works Order Management processes

- Cutting downtime of operation equipment
- Extent asset life
- Increase availability & performance of equipment.
- Improve municipal services.
- Reduce the maintenance backlogs.
- Reduce overtime & improve productivity

Need for better Mngt of data & information Standards

- Silos of data where one department has access to data, but others do not
- Where there is silos of data, duplication of data is created
- Critical information on the PC's of certain engineers and files, not necessarily shared with the rest of the municipality
- Reliability and Credibility of data (The Source - where data is coming from, is it singular or multiple inputs)

Outdated AM Maintenance Strategic Planning

- Propensity to use the Deviations route for emergency repairs and maintenance.
- Statistical data suggest that emergency work can cost municipalities up to 30% more as opposed to planned works
- Equipment availability not translated into key objectives for the Municipality
- Early detection of failure

Need to build capability in Municipalities

- Most of the Engineers are near retirement
- Need for maintenance planners, without them, don't expect well planned and efficiently executed maintenance
- Need for securing intellectual property & devising SOP's based on them
- Translate maintenance strategies into business & economic benefits

The benefits of a matured A M System

- A reliable and sustainable asset portfolio creates an enabling environment for business in the region – it is the private sector that creates jobs and grow the local economy

ECONOMIC SUSTAINABILITY (1)

Overstrand Supporting Table SA5 & SA6 Reconciliation of IDP Strategic Objectives and Budget (Operating and Capital Expenditure)								
Strategic Objective	2021/22 Medium Term Revenue & Expenditure Framework OPEX				2021/22 Medium Term Revenue & Expenditure Framework CAPEX			
R thousand	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Average Annual Growth	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Average Annual Growth
The provision of democratic, accountable and ethical governance	315 492	312 936	324 798	3.8%	1 875	-	-	-
The provision and maintenance of municipal services	817 550	874 215	949 260	7.8%	152 602	65 500	73 314	-30.7%
The encouragement of structured community participation in the matters of the municipality	-	-	-	-	-	-	-	-
The creation and maintenance of a safe and healthy environment	202 510	208 684	218 910	4.0%	6 809	10 868	13 297	39.7%
The promotion of tourism, economic and social development	280 215	263 565	250 400	-5.5%	51 522	26 230	12 400	-50.9%
Total Expenditure	**1 615 767**	**1 659 400**	**1 743 368**	**3.9%**	**212 808**	**102 598**	**99 011**	**-31.8%**

- Overall OPEX increase could place service delivery efforts under pressure across the MTREF amidst growing population.
- At face value, CAPEX decline appears problematic, but sufficient provision is made for basic service delivery efforts.
- No funding allocations towards Strategic Objective: *The encouragement of structured community participation in the matters of the Municipality.*
- Commended for inclusion of extensive Risk Register aligned to budget allocations.

ECONOMIC SUSTAINABILITY (2)

General Responsiveness Observations

- Limited provision of streetlights across the municipal area.
- OPEX increases in 2022/23 for water and waste-water services does not appear to suffice to accommodate the increase in households to be provided with the service in A10.
- General misalignment between the basic service delivery targets in A10 and the draft SDBIP.
- Sustainability of efforts to address the range of infrastructure related challenges facing the existing waste-water network is drawn into question considering the notable decrease in the capital budget.
- OPEX towards solid waste removal will arguably not suffice to uphold existing service level standards.
- Budget is responsive to road maintenance needs, but concerns regarding allocations to expand the network to accommodate future growth and development.
- Budget allocation increases towards Public Safety appear to be relatively modest given that Crime Prevention and Law Enforcement is one of the Mayor's new three priority areas.
- Completion of A10 and reflection of support to Indigent HHs.

FINANCIAL SUSTAINABILITY (1)

WC032 Overstrand	Table A4 Budgeted Financial Performance (revenue and expenditure)			CURRENT YEAR				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					ASSUMPTIONS & CALCULATIONS		
Description	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2022/23	2023/24	2023/24	2024/25	2024/25	2022/23	2023/24	2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation	% Change	% Change	% Change
Total Revenue (excluding capital transfers and contributions)	26 389	1 254 815	1 287 342	1 416 839	1 438 403	1 438 403	1 537 183	1 537 183	1 590 516	1 590 516	1 666 223	1 666 223	6,9%	3,5%	4,8%
Total Expenditure	59 928	1 199 612	1 320 935	1 495 006	1 520 768	1 520 768	1 615 768	1 648 713	1 659 399	1 690 945	1 743 367	1 773 892	6,2%	2,7%	5,1%
Surplus/(Deficit)	(33 338)	95 203	(33 593)	(78 168)	(82 365)	(82 365)	(78 586)	(111 530)	(68 883)	(100 429)	(77 144)	(107 669)	-4,6%	-12,3%	12,0%
Non-Cash Items															
Depreciation and asset impairment	11 605	134 556	138 195	145 663	145 663	145 663	146 596	146 596	145 685	145 685	148 275	148 275	0,6%	-0,6%	1,8%
Total Restated Result	(21 733)	229 758	104 602	67 495	63 298	63 298	68 010	35 065	76 802	45 256	71 131	40 606	7,4%	12,9%	-7,4%
Total Capital Expenditure	(136 610)			274 775	239 979	239 979	212 808	212 808	102 598	102 598	99 011	99 011	-11,3%	-51,8%	-3,5%
Funded by:															
Transfers recognised - capital	(65 107)	2 932		111 555	113 123	113 123	124 625	124 625	52 598	52 598	39 011	39 011	10,2%	-57,8%	-25,8%
Borrowing	(28 342)			94 066	72 761	72 761	72 033	72 033	50 000	50 000	60 000	60 000	-1,0%	-30,6%	20,0%
Internally generated funds	(43 161)	(2 932)		69 154	54 094	54 094	16 149	16 149					-70,1%	-100,0%	-
A7 - Cash/cash equivalents at the year end:	(258)	4 483	93 659	429 824	592 214	592 214	484 953	506 483	70 827	554 054	37 883	550 326	-18,1%	-86,4%	-46,5%
A8 - Surplus / (shortfall) after application of cash and investments	74 305	(182 732)	(8 567)	390 474	535 379	535 379	483 254	366 916	121 366	376 192	83 225	359 573	-9,7%	-74,9%	-31,4%

- The Municipality has over the prior two (2) financial years **shown great resilience to remain financially stable** under exceptionally uncertain economic conditions. The impact of COVID 19 was evident with a net **cash deficit of R41.09 million in 2020/21**.

- The 2022/23 budget projects a deficit of R78.58 million, however the net cash deficit is reducing over the MTREF from R120.68 million in 2022/23 to R5.08 million in outer year 2 indicating a **positive trend.**

FINANCIAL SUSTAINABILITY (2)

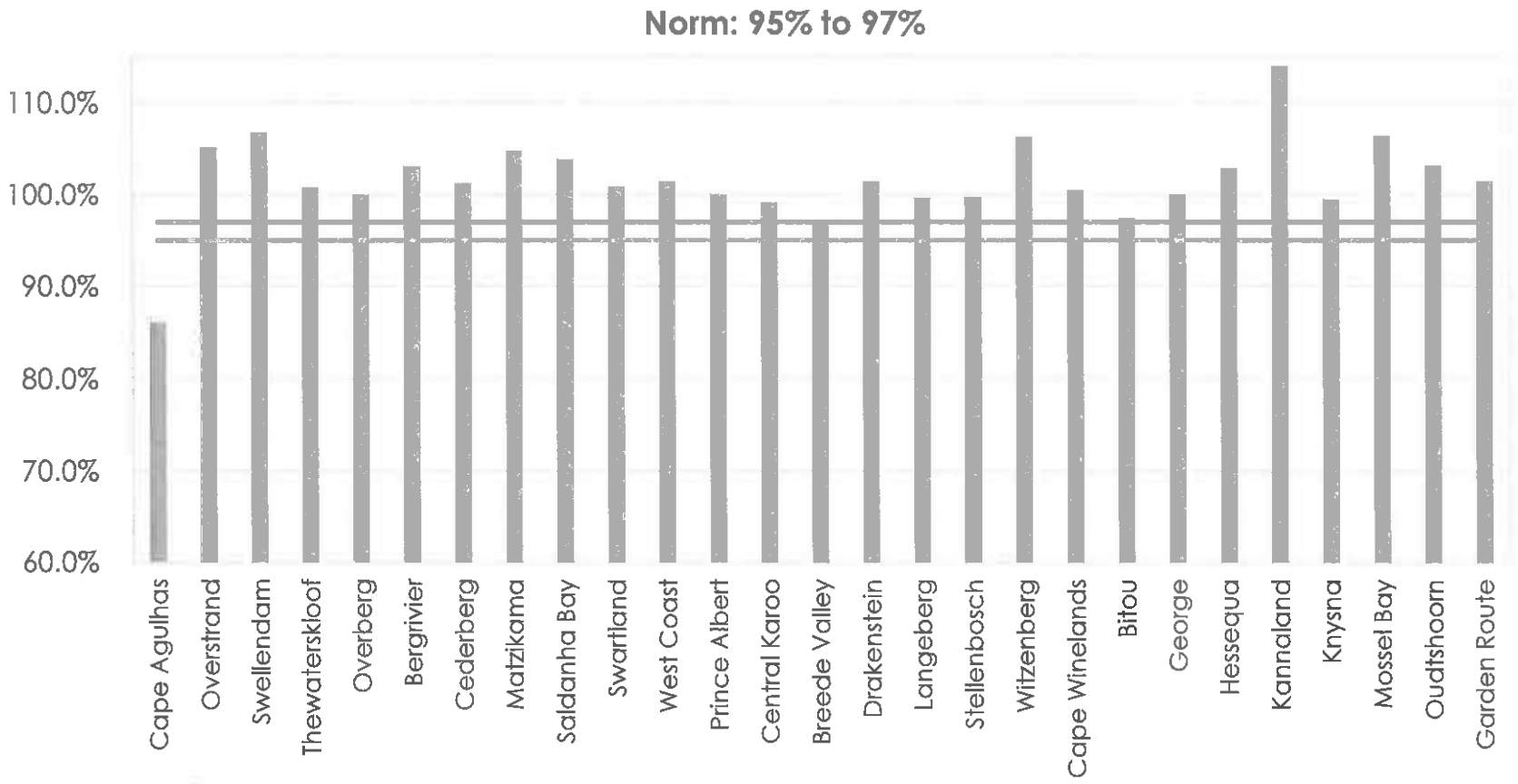
Despite the uncertainty, the **2022/23 MTREF budget remains funded** and no significant threat to the financial sustainability is noted, but the following should be noted:

- The operating deficit and net cash deficit indicate **insufficient revenue/ cash is not generated towards future replacement of assets.**
- No **internally generated funds in outer years.**
- High reliance on property rates and services and a **balance between affordability and cost to sustain day to day expenses and contribution to a CRR must be maintained** to ensure long term sustainability.
- **Economic services** are projected to operate at a **deficit over the MTREF period,** however improvements are noted from the audited years. The **Municipality is reminded that cost reflective tariff setting** is a requirement of Section 74(2) of the Municipal Systems Act.

FINANCIAL SUSTAINABILITY (3)

- The Municipality should strive towards **developing strategies to fully spend its budgeted capital expenditure** to ensure that service delivery imperatives are not compromised.
- The A6 (Budgeted Financial Position) and A7 Budgeted Cash Flows **data strings do not align with the hard copy** presented by the Municipality which should be **corrected in the final budget.**
- The draft budget data strings over the MTREF period indicates that the Municipality is **not exposed to liquidity risks.**

BENCHMARKING - % Share of Total Operating Costs against Total revenue



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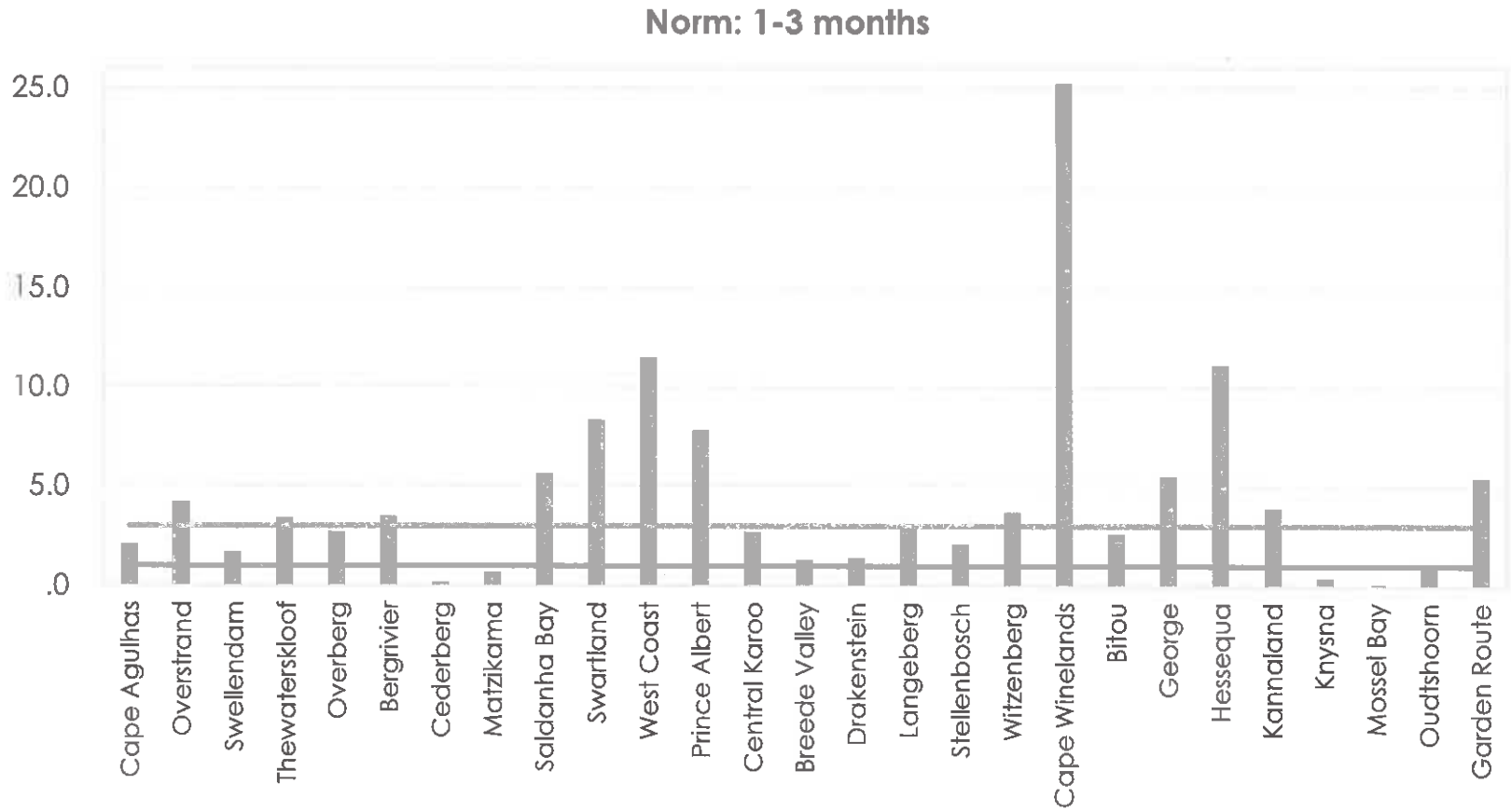
SIME 2022 Overstrand Municipality

BENCHMARKING - Cash Coverage Ratio



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SIME 2022 Overstrand Municipality

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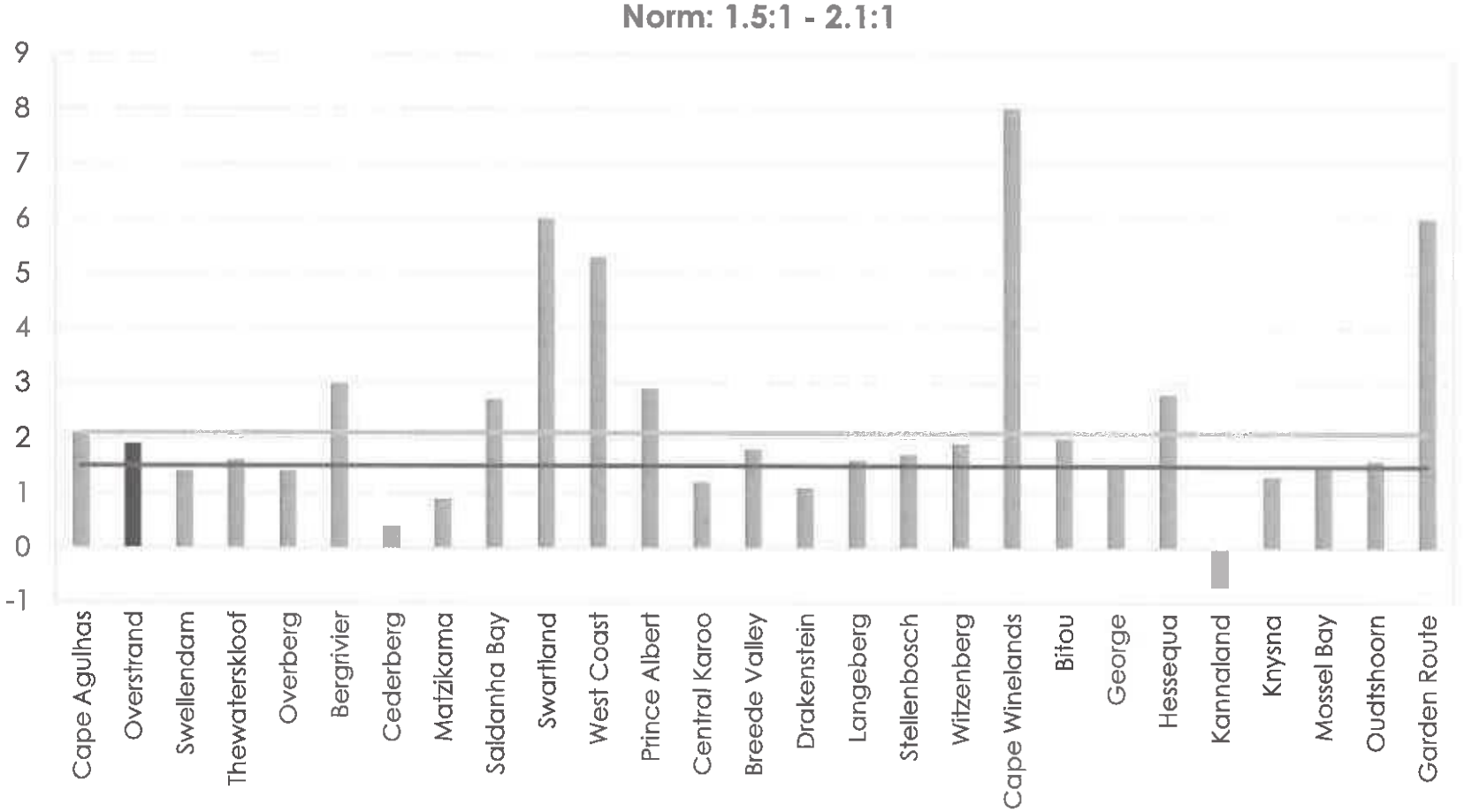
BENCHMARKING - Current Assets Ratio



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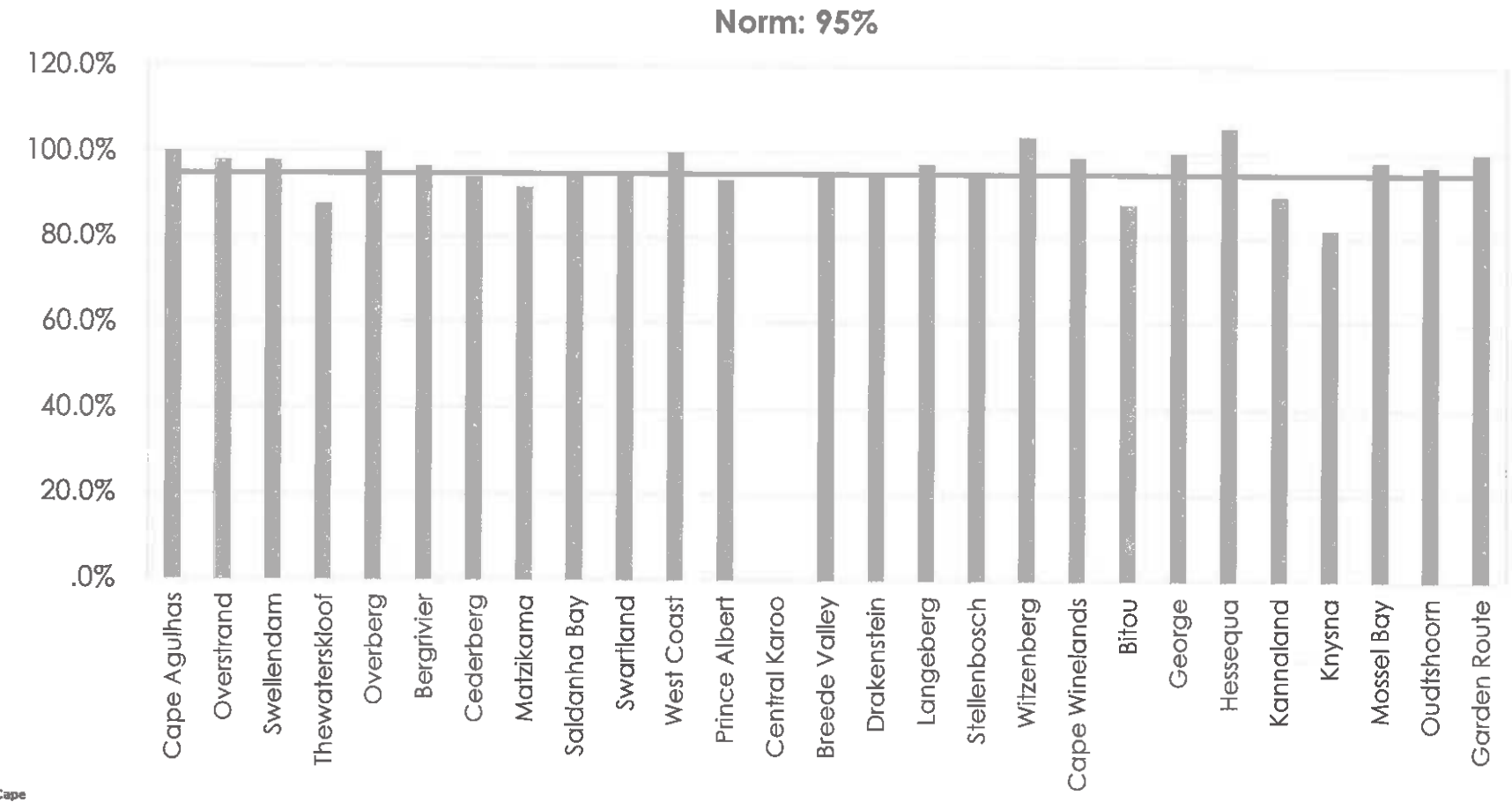
BENCHMARKING - Collection Rate



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SIME 2022 Overstrand Municipality

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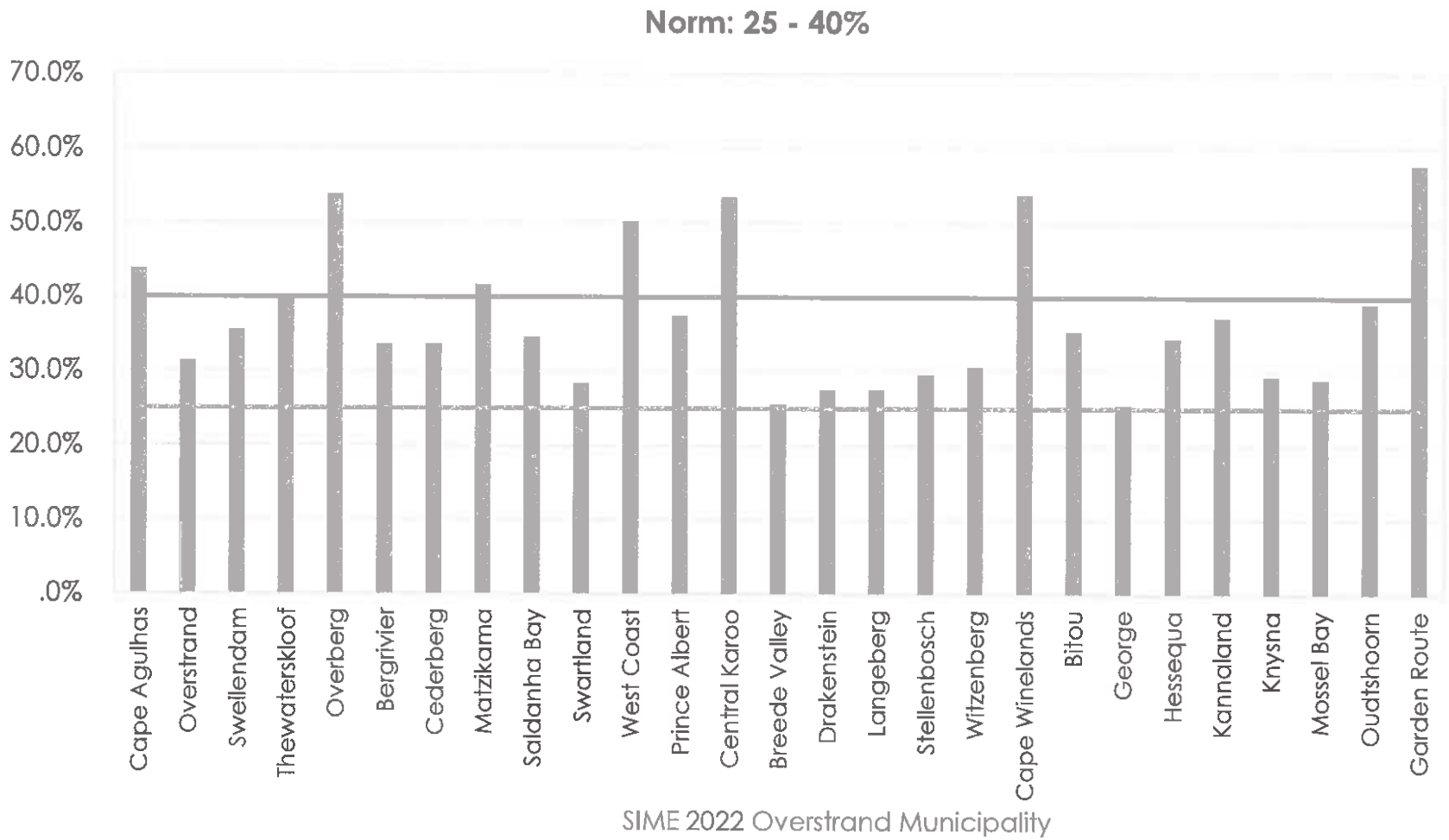
BENCHMARKING - % Employee Related Costs to Total Opex (Excl Cllrs)



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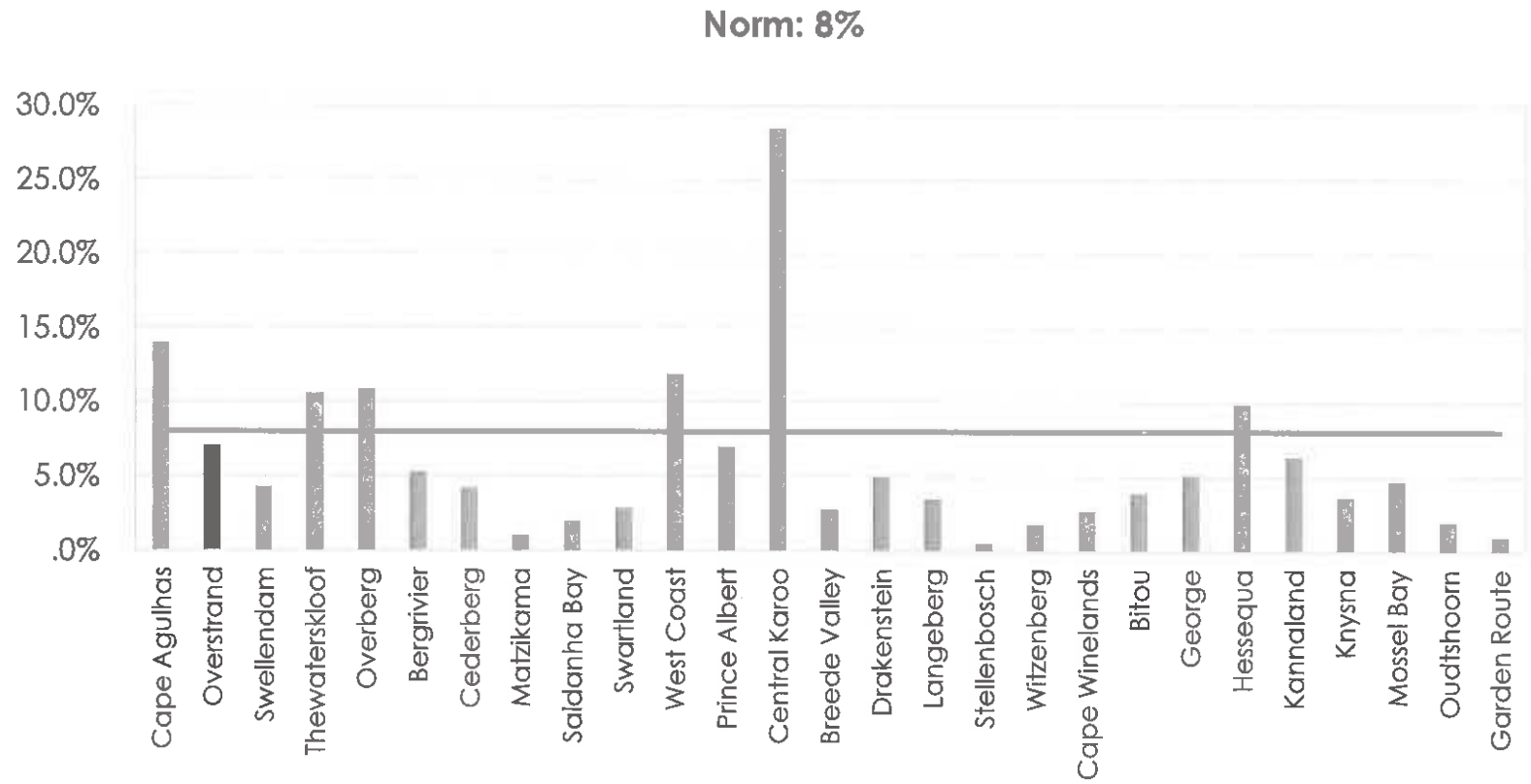
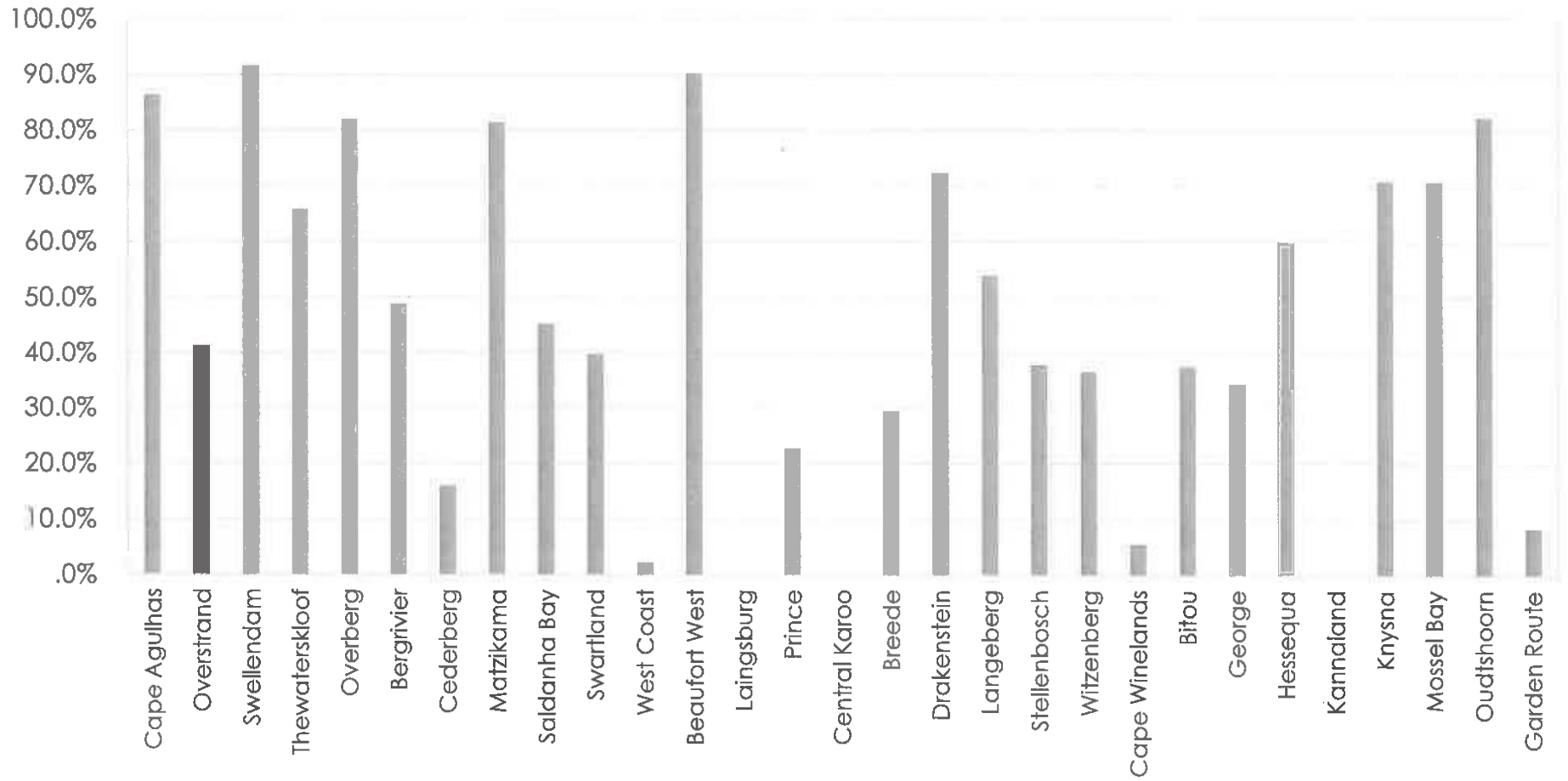
BENCHMARKING – R&M % OF PPE & Investment Property



BENCHMARKING - Renewal and upgrading existing assets % total capex



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SIME 2022 Overstrand Municipality

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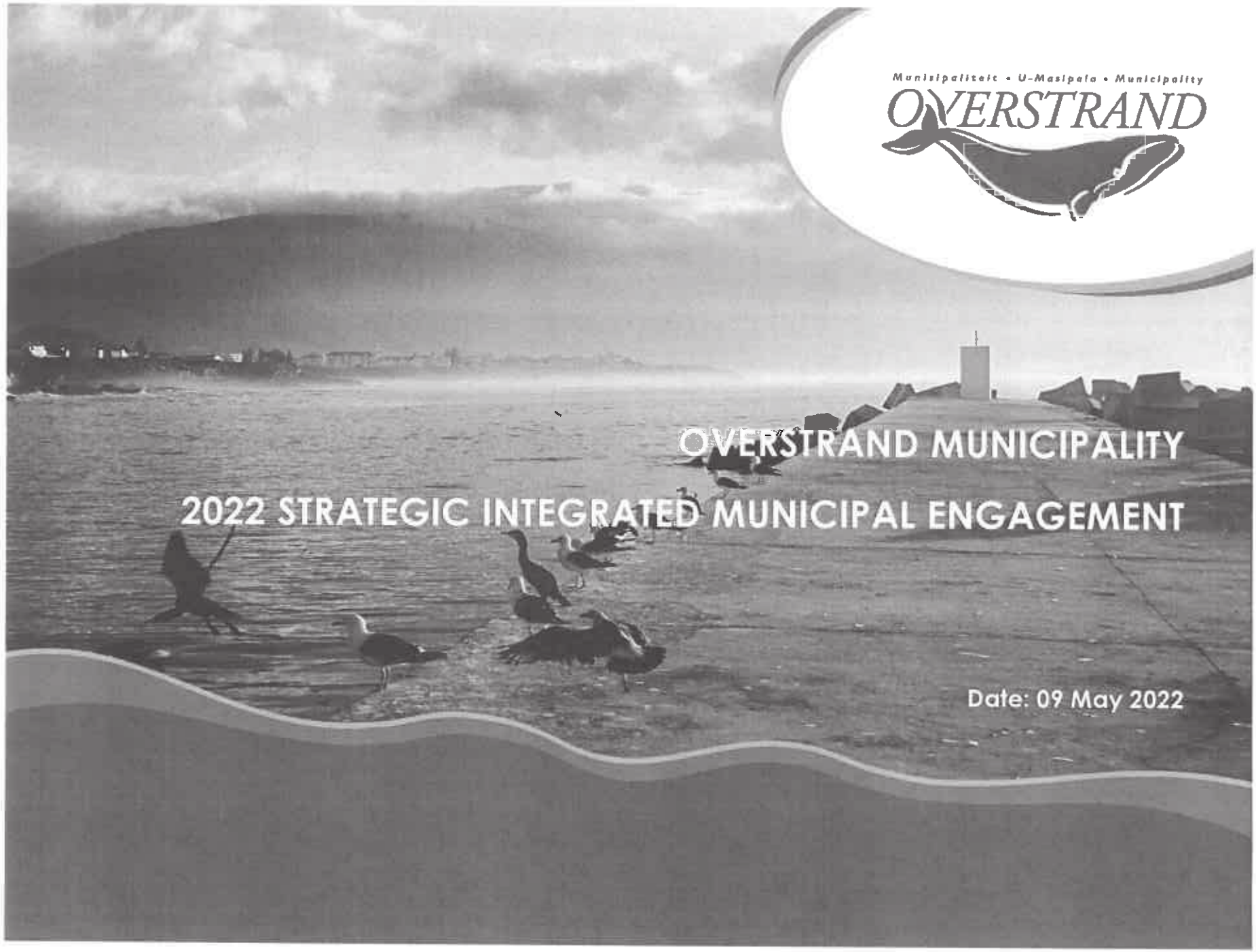
CONCLUDING REMARKS/WAY FORWARD

- Joint-planning: cooperation and collaboration to maximise citizen impact; maintain individual identities while committing towards common goal, agenda.
- Balanced budgeting approach: Secure financial sustainability to ensure enhanced service delivery excellence, striving towards maximum citizen impact.
- Maintain healthy liquidity position, improve capital spending, diversification of funding mix.
- Improved levels of governance and financial security will allow for proactive investment towards catalytic, game-changing initiatives.
- Ultimately create economic environment conductive of broad-based growth and development.

Thank you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OVERSTRAND
OVERSTRAND MUNICIPALITY
2022 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENT
Date: 09 May 2022

Contents

SIME 2022/23

- 2022/23 MTREF Assessment Response
- IDP & Budget Process
- Assumptions - planning, spatial, financial, economic
- Key service delivery & fiscal risks
- Revenue Optimisation Strategies
- Expenditure priorities & efficiencies
- Capital Budget: Service delivery objectives & challenges, funding mix, external borrowing strategy, infrastructure pipeline & long-term financial planning

2022/23 MTREF

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Assessment Response

Public Value Creation

Integrated Development Planning

- ***Query:*** *"The Municipality has tabled an IDP extended from a five-year cycle to six-years, and this is contrary to section 25(1) of the MSA which stipulates that the newly elected council must first adopt an IDP for its term;*
- *The Municipality has not complied with section 28 of the MSA in terms of adopting a process plan for the new term of Council;*
- *The tabled IDP depicts the departmental sector plans and policies indicating the status of the sector plans, however, not all plans reflect when they are due for a review."*

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L98/140

Assessment Response

Public Value Creation

Integrated Development Planning

Recommendation: *"It is recommended that the Municipality should:*

- *Adopt the IDP of the predecessor for the full term of council which is 2022-2027, but may amend such plan in terms of section 34(b) of the MSA as there is no other legal provision within the MSA to adopt a new IDP;*
- *In the event of adopting the IDP of the predecessor with amendments as reflected in the tabled IDP, follow the IDP amendment process in accordance with Regulation three (3) of the MSA Regulations prior to final adoption of the IDP;*
- *Ensure the tabling and adoption of a process plan for 2022-2027 prior to the final adoption of the IDP in May 2022;*



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Log|140

Assessment Response

Public Value Creation

Integrated Development Planning

- *Include in the final IDP to be adopted in May 2022, an updated table on the status of sector plans in the final IDP to indicate when a sector plan is due for review.*
- *Lastly, the Municipality is encouraged to consider the various recommendations and suggestions of national and provincial sector departments included in section 2.2.4 of this report dealing with IDP Alignment."*

Assessment Response

Public Value Creation

Integrated Development Planning

- ***Response:*** The Municipality followed the guidance from the IDP Directorate at DPLG on the Section 25 (3) interpretation as discussed at the December 2021 Provincial IDP Managers Forum. The December 2021 guidance from Province (IDP Directorate) didn't advise that the predecessors IDP can't be extended for 1 year and that a process plan is needed if the IDP of the predecessor (with or without amendments) is adopted by the new Council.
- The newly elected Council adopted the IDP of its predecessor with amendments (Section 25 (3) with the understanding that a process plan (Section 28) is not required, because section 29(1)(b)(i), (c) and (d) were complied with. For section 25 (3), section 29 (1) (a) is not required that reads' 'be in accordance with a predetermined programme specifying timeframes", for the different steps" (i.e., interpreted as the process plan);







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L101|140

Assessment Response

Environmental Affairs and Development Planning

- It would be impossible to table a process plan in May 2022 with the Final IDP because the required public consultation must first take place.
- The Municipality foresee to develop a draft process plan for public consultation in July and final adoption with the 2023/24 IDP and Budget time schedule in August 2023.

- ***Query:*** *"The Municipality is reminded that even though the MSDF is not being amended, it will need to be approved together with the IDP amendment at the end of May 2022."*

- **Response:** The SDF forms part of the IDP and this will be approved together with the IDP.


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Assessment Response

Environmental Affairs and Development Planning

- ***Query:*** *"The Municipality is reminded that part of Performance Management includes monitoring how well the Municipality is performing in terms of MSDF implementation. As with the IDP this should be undertaken on an annual basis. Whilst having an MSDF, and in the case of Overstrand, a Growth Management Strategy is crucial to direct growth and spending to ensure spatial transformation and sustainable development, much of the value of the MSDF lies in its implementation."*
- *An MSDF performance review, feeding into an amendment that seeks to improve the articulation of an MSDF implementation programme could support the development of the new IDP and its alignment with the MSDF.*

Assessment Response

Environmental Affairs and Development Planning

- **Response:** All developments taking place is in line with the SDF. The approval of applications and capital expenditure are aligned with the SDF and serves to implement the strategies and policies of the SDF. A reporting mechanism will be further developed as part of the CEF.

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Assessment Response

Environmental Affairs and Development Planning

- **Query:** *Waste Management Planning*
- *The Municipality must align its current IWMP and IDP with the Western Cape Integrated Waste Management Plan (2022-27) due for completion in the 2022/23 financial year.*
- *Waste diversion initiatives must be reported to the IPWIS. (included in response to next bullet)*
- *Continuous and regular waste reporting and waste diversion initiatives must be reported to the IPWIS.*
- *Municipalities are reminded to report on organic waste to the IPWIS.*
- *While services are implemented and maintain a good working standard, this must be enhanced to ensure diversion grows.*
- *The Municipality must also consider using programmes like EPWP, street cleaning, YCOP and other means to aid creating awareness.*



Assessment Response

Environmental Affairs and Development Planning

- **Response:** The request to align the Overstrand 5th Generation IWMP (May 2020) is noted and can only be reviewed once the Western Cape IWMP has been finalized in 2022/2023.
- New waste diversion activities are added to IPWIS reporting continuously e.g., the new Hermanus Material Recover facility has been added.
- Monthly reporting on IPWIS is being done as required.
- Awareness drives are being used to try and increase the diversion currently achieved e.g., via the media & school waste awareness shows.
- The comment to consider using EPWP and other programs to assist with creating awareness is noted and will be discussed with our operational teams.

L106/19

Assessment Response

Economic Sustainability

- ***Query:*** *"The Municipality has made no budget allocations towards Strategic Objective: The encouragement of structured community participation in the matters of the Municipality which does appear problematic considering that one of the new Mayor's priority areas is to improve communication."*

- **Response:** Budgeted for:
- Out of pocket expenditure of Ward Committee Members
- Advertising cost for quarterly public meetings
- Cost for other logistical arrangements.
- Municipal owned venues are mainly utilized from meeting purposes.

Assessment Response

Economic Sustainability

- ***Query:*** *"It appears that the free basic service delivery information on budget schedule A10 was incorrectly captured. The number of households to be provided with services column contains budget allocations while the cost column contains the same amount but rounded off. It is therefore not possible to determine how the budget will provide for an increase in indigent households across the MTREF."*

- **Response:**
- This was detected by the municipality, information to be corrected on A10.

Assessment Response

Economic Sustainability

- ***Query:*** *"It does not appear that the capital budget makes provision for the need for streetlights across the municipal area."*

- **Response:** No streetlight projects were identified by Ward committees. New Developments and Housing projects make provision for streetlighting in their specific areas.

Assessment Response

Economic Sustainability

- ***Query:*** *"The operating budget allocation increase in 2022/23 for water and waste water services does not appear to suffice to accommodate the increase in households to be provided with the service in A10."*

- **Response:** The OM Budget Steering Committee Directive for the Draft 2022/23 Operational Budget required of budget holders to budget for a 0% increase on items under their direct control. Several uncontrollable external factors require increases far exceeding inflation, e.g., fuel and treatment chemicals.

- ***Query:*** *"There is a general misalignment between the basic service delivery targets in A10 and the draft SDBIP."*
- **Response:** Information to be reconciled with Strategic Services Department.

Assessment Response

Economic Sustainability

- ***Query:*** *"The sustainability of efforts to address the range of infrastructure related challenges facing the existing waste water network is drawn into question considering the notable decrease in the capital budget."*

- **Response:** The limitations placed on external loan funding in the Draft 2022/23 Capital Budget by Finance were adhered to. Application is made for grant funding for water and wastewater projects where possible, e.g., WSIG and SIDAFF.

Assessment Response

Economic Sustainability

- ***Query:*** *"The operating budget allocation towards solid waste removal will arguably not suffice to uphold existing service level standards"*

- **Response:** Tariffs are recommended by the Directorate: Infrastructure and Planning. The recommended budget is currently sufficient to maintain the existing service level standards.

Assessment Response

Economic Sustainability

- ***Query:*** *"It is not clear what budget allocations have been made towards integrated waste management solutions."*

- **Response:** Integrated waste management solutions are often included in the overall costing and linked to other operations / activities, for example:
  - The operation on the Gansbaai MRF, and organic waste diversion via chipping is included as sub activities in the total operation on the Gansbaai landfill operations tender .
  - The organic waste diversion for Hermanus, Kleinmond and Betty's Bay via chipping of the green waste and then composting of this chipped material at Karwyderskraal Landfill is a part of the overall haulage and chipping contract.
  - The only standalone activity is the operation of the Hermanus MRF.

Assessment Response

Economic Sustainability

- ***Query:*** *"The operating budget increases towards road transport appears relatively small to proactively address road maintenance efforts."*

- **Response:** In addition to the departmental budgets per administration, R32Million is budgeted under the office of the Deputy Director for the maintenance of road infrastructure as per the Pavement Management System for 2022/23.

Assessment Response

Economic Sustainability

- ***Query:*** *"While the budget is deemed responsive insofar as timeous road maintenance is concerned and will ensure the longevity of the current road transport asset base, there is a need for additional allocations to expand the network to accommodate future growth and development, especially given the rapid population growth being experienced."*

- **Response:** Noted

- ***Query:*** *"The tabled budget allocation increases towards Public Safety appear to be relatively modest given that Crime Prevention and Law Enforcement is one of the Mayor's new three priority areas."*

- **Response:** The increases are inline with the budget directives as indicated by the Budget Steering Committee.

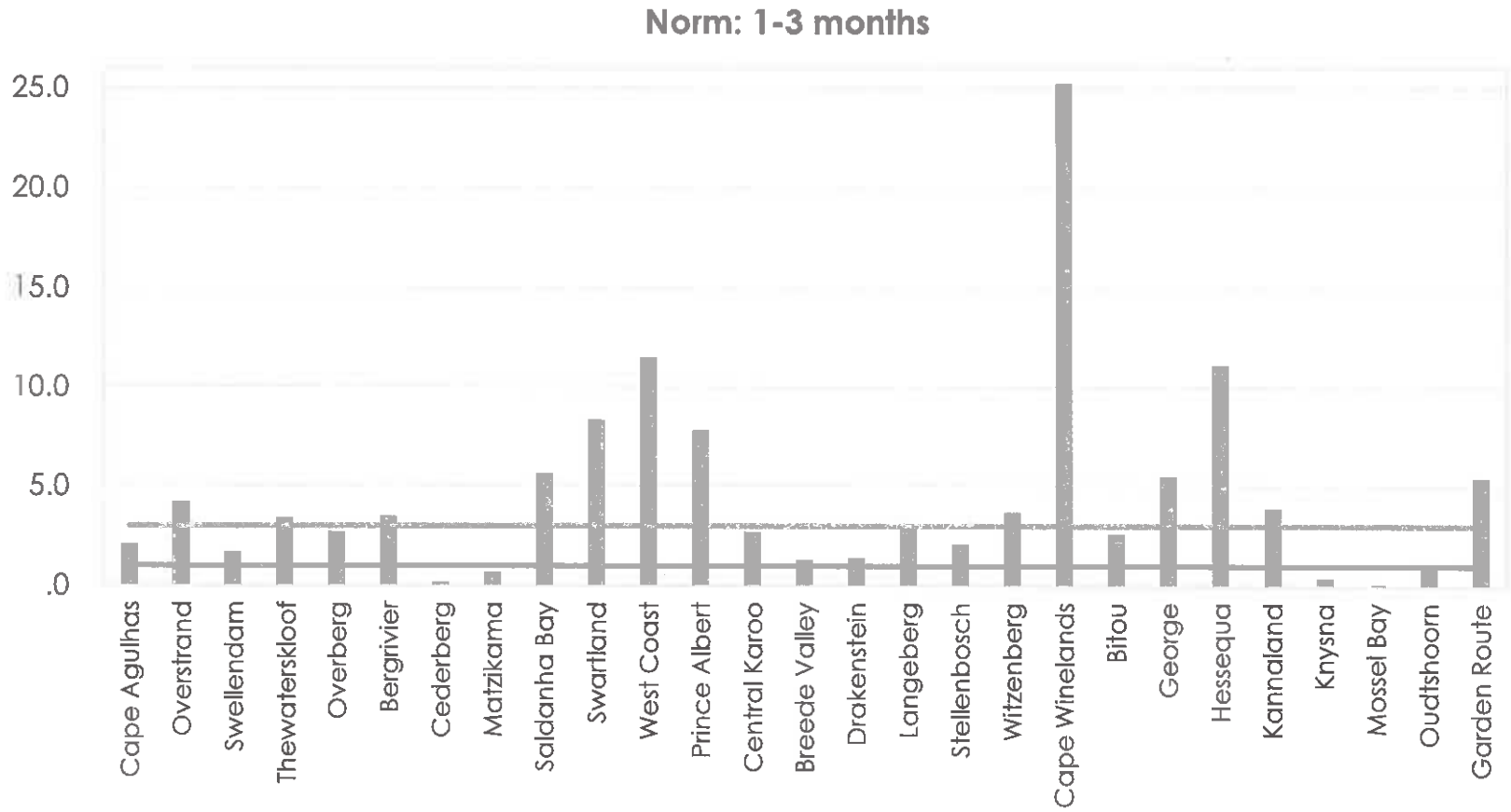
Assessment Response

Financial Sustainability

- ***Query:*** *"The mSCOA tabled budget (TABB) data strings are used as the source to assess whether the 2022/23 MTREF budget is funded.*
- *The overall cash flow planning of the Municipality contributes towards the sustainability of the budget, and in terms of cash flow planning, the budget is funded. Managing long-term stability requires sound financial planning, implementation and reporting. The Municipality needs to ensure that attention is given to the alignment of information and segment errors identified in terms of the mSCOA data strings and MBRR A1-Schedules."*

- **Response:** The municipality does not have the detail information/results related to the PT Tool. The A7 schedule (financial system/service provider mapping populates randomly - 4 lines) in this schedule resulting in discrepancies – again, PT Tool information not available for reconciliation.

BENCHMARKING - Cash Coverage Ratio



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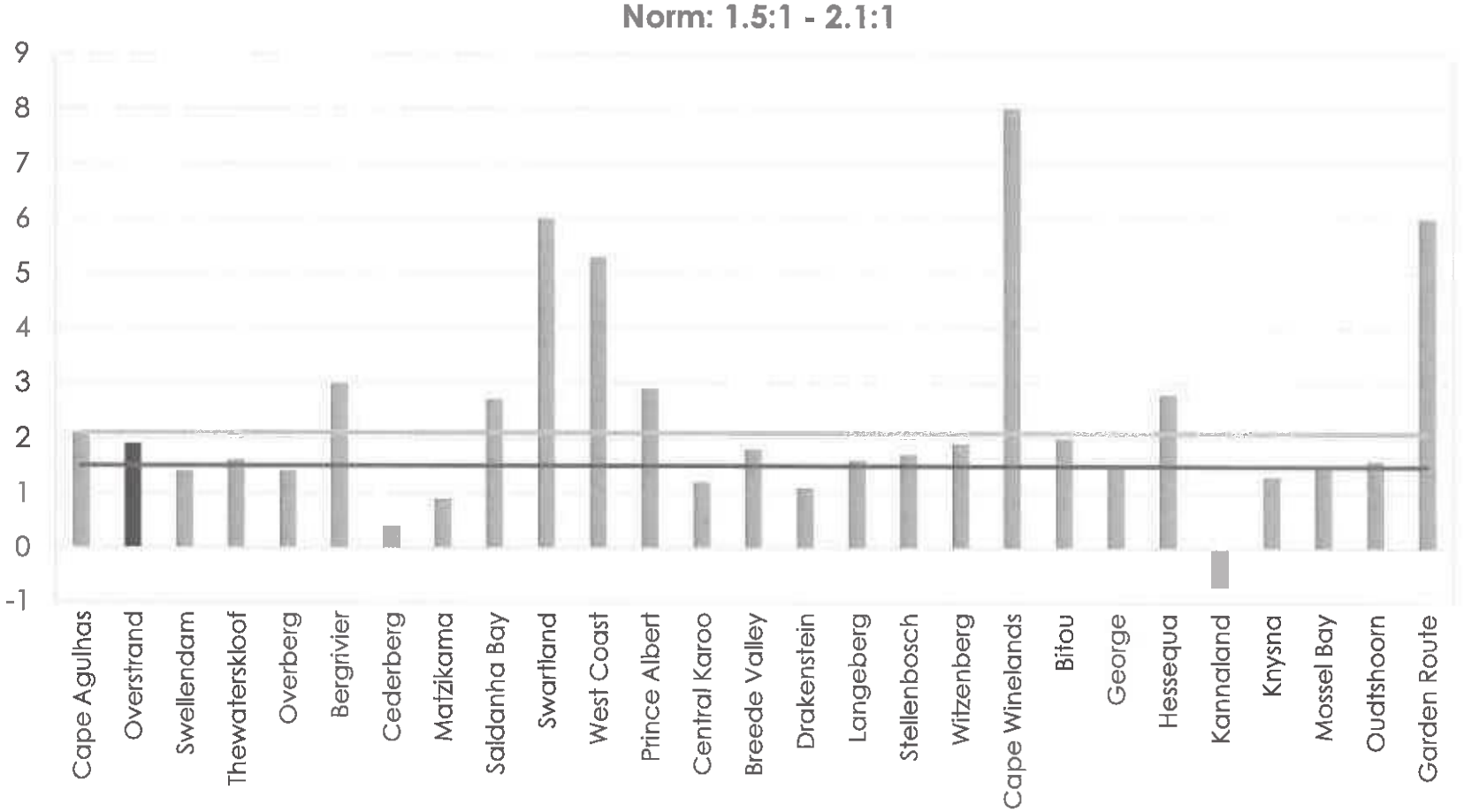
BENCHMARKING - Current Assets Ratio



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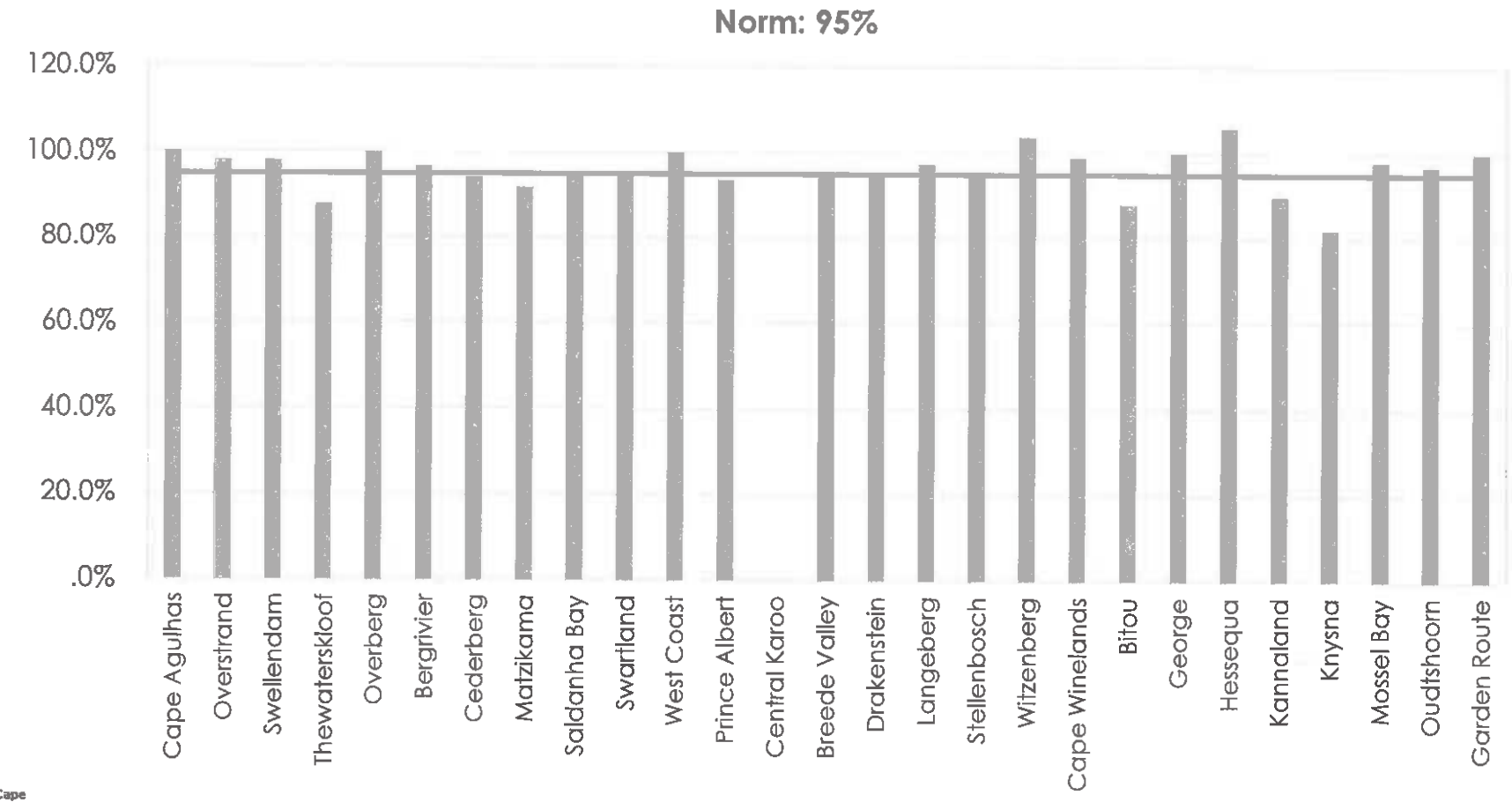
BENCHMARKING - Collection Rate



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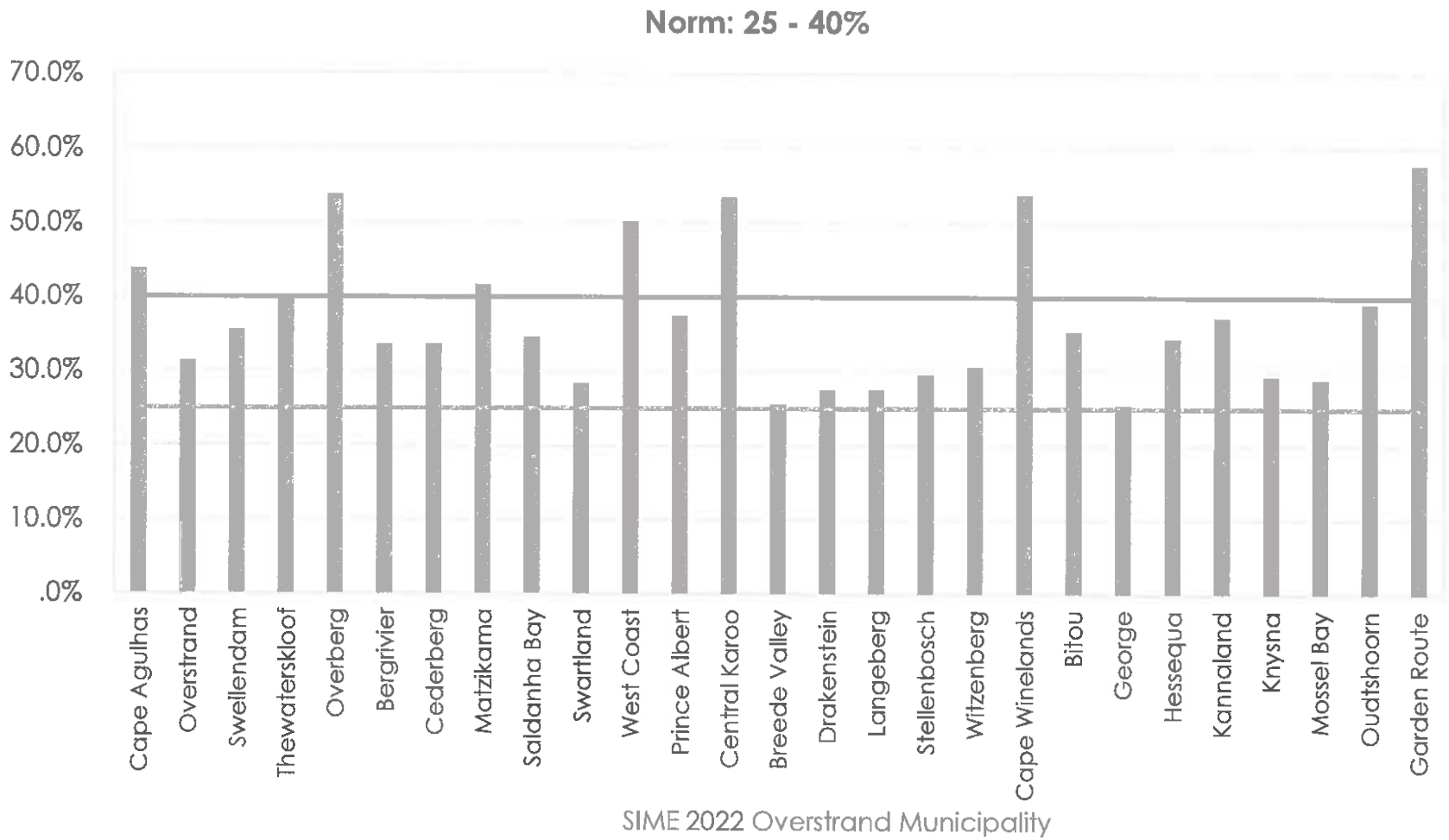
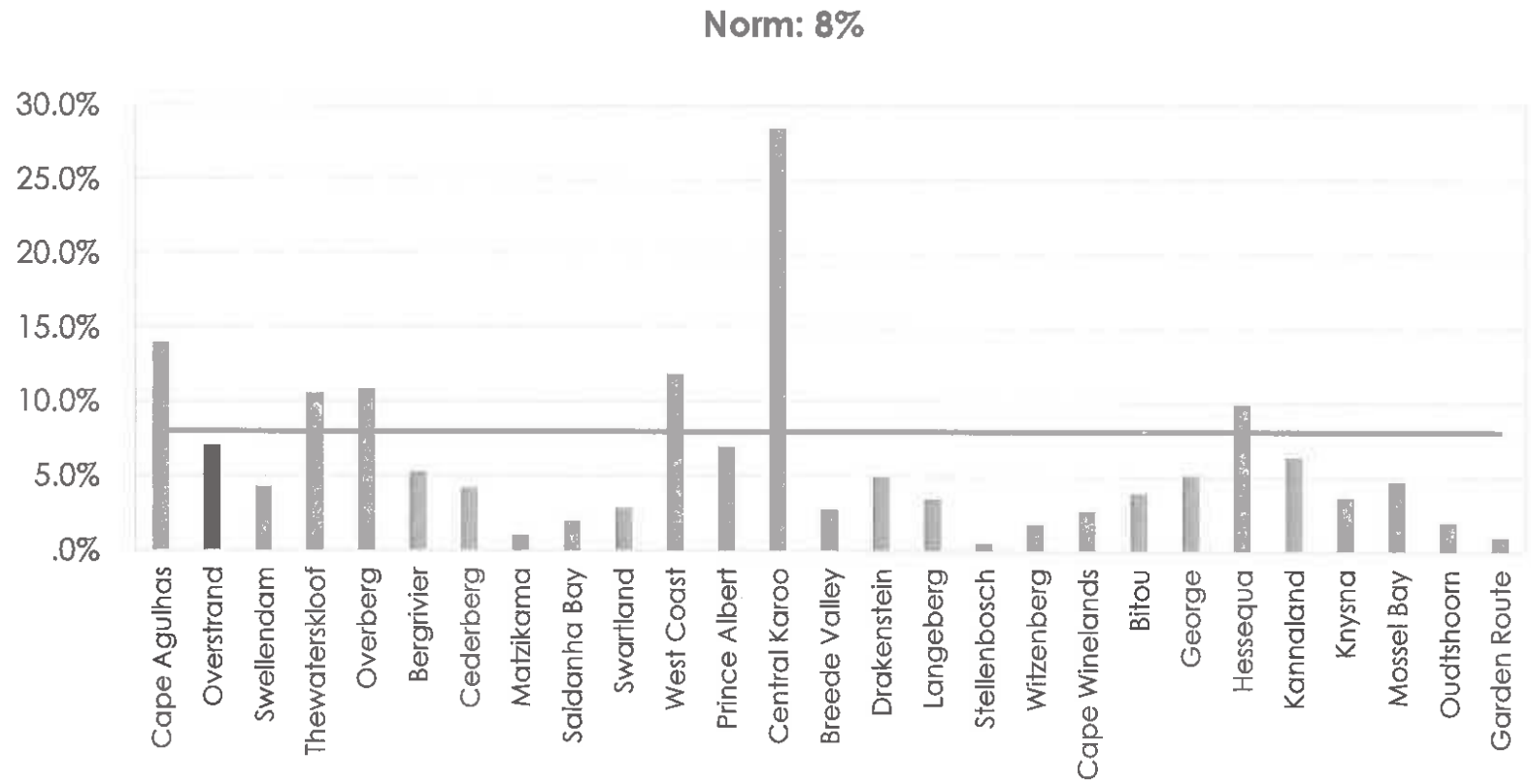
BENCHMARKING - % Employee Related Costs to Total Opex (Excl Cllrs)

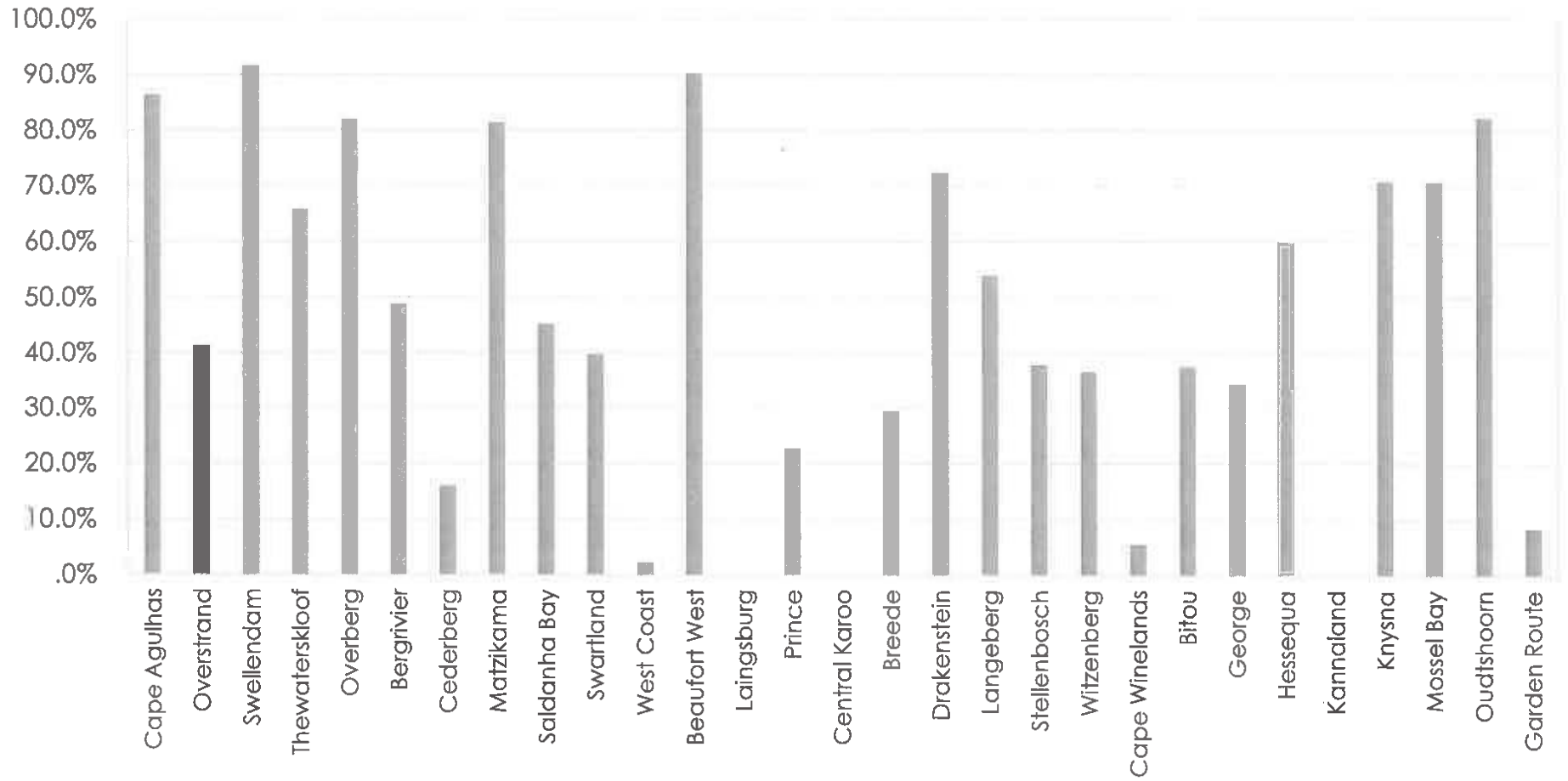


Western Cape Government

BENCHMARKING – R&M % OF PPE & Investment Property



BENCHMARKING - Renewal and upgrading existing assets % total capex



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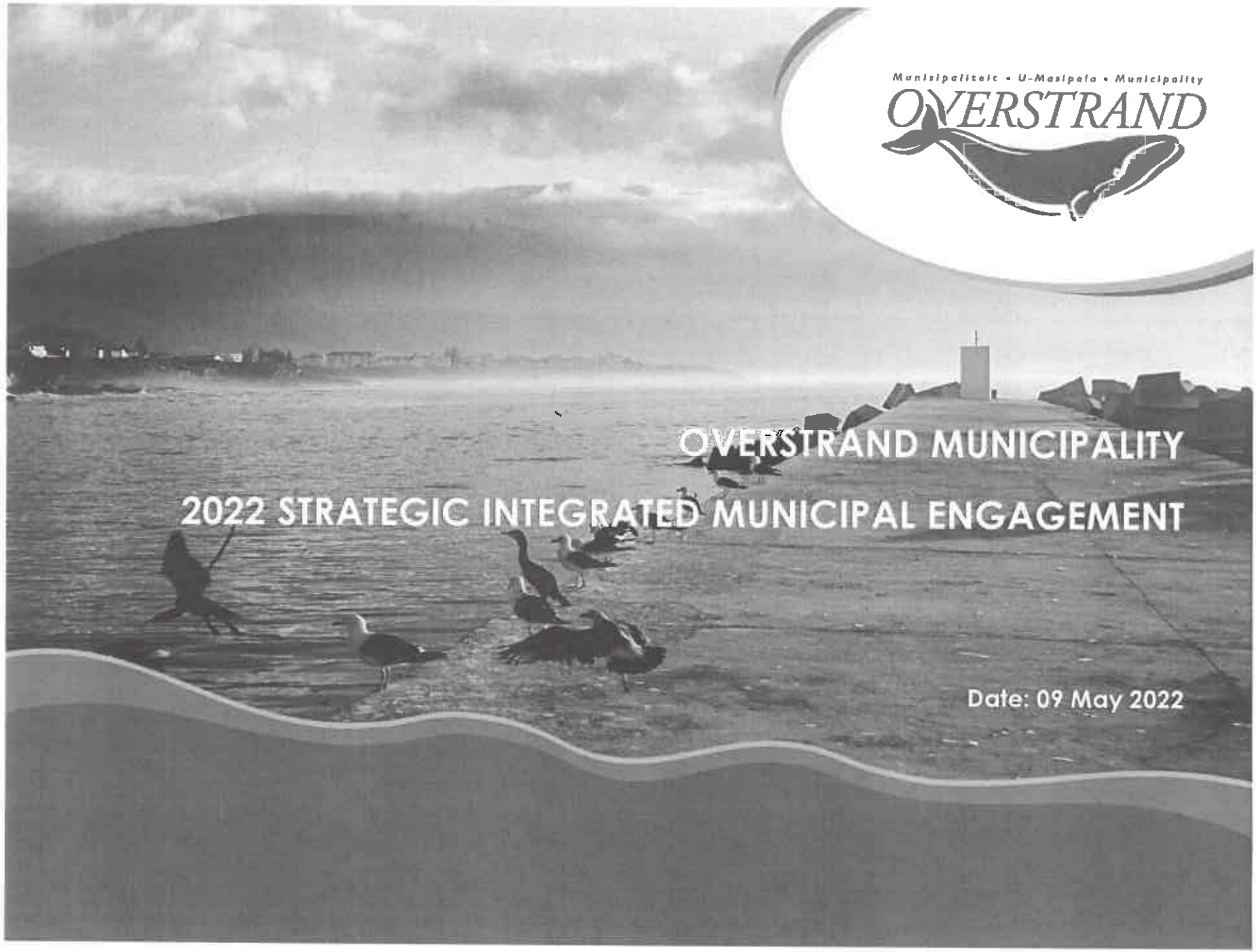
CONCLUDING REMARKS/WAY FORWARD

- Joint-planning: cooperation and collaboration to maximise citizen impact; maintain individual identities while committing towards common goal, agenda.
- Balanced budgeting approach: Secure financial sustainability to ensure enhanced service delivery excellence, striving towards maximum citizen impact.
- Maintain healthy liquidity position, improve capital spending, diversification of funding mix.
- Improved levels of governance and financial security will allow for proactive investment towards catalytic, game-changing initiatives.
- Ultimately create economic environment conductive of broad-based growth and development.

Thank you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OVERSTRAND MUNICIPALITY
2022 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENT
Date: 09 May 2022

Contents

SIME 2022/23

- 2022/23 MTREF Assessment Response
- IDP & Budget Process
- Assumptions - planning, spatial, financial, economic
- Key service delivery & fiscal risks
- Revenue Optimisation Strategies
- Expenditure priorities & efficiencies
- Capital Budget: Service delivery objectives & challenges, funding mix, external borrowing strategy, infrastructure pipeline & long-term financial planning

2022/23 MTREF

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Assessment Response

Public Value Creation

Integrated Development Planning

- ***Query:*** *"The Municipality has tabled an IDP extended from a five-year cycle to six-years, and this is contrary to section 25(1) of the MSA which stipulates that the newly elected council must first adopt an IDP for its term;*
- *The Municipality has not complied with section 28 of the MSA in terms of adopting a process plan for the new term of Council;*
- *The tabled IDP depicts the departmental sector plans and policies indicating the status of the sector plans, however, not all plans reflect when they are due for a review."*

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Assessment Response

Public Value Creation

Integrated Development Planning

Recommendation: *"It is recommended that the Municipality should:*

- *Adopt the IDP of the predecessor for the full term of council which is 2022-2027, but may amend such plan in terms of section 34(b) of the MSA as there is no other legal provision within the MSA to adopt a new IDP;*
- *In the event of adopting the IDP of the predecessor with amendments as reflected in the tabled IDP, follow the IDP amendment process in accordance with Regulation three (3) of the MSA Regulations prior to final adoption of the IDP;*
- *Ensure the tabling and adoption of a process plan for 2022-2027 prior to the final adoption of the IDP in May 2022;*



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Assessment Response

Public Value Creation

Integrated Development Planning

- *Include in the final IDP to be adopted in May 2022, an updated table on the status of sector plans in the final IDP to indicate when a sector plan is due for review.*
- *Lastly, the Municipality is encouraged to consider the various recommendations and suggestions of national and provincial sector departments included in section 2.2.4 of this report dealing with IDP Alignment."*

Assessment Response

Public Value Creation

Integrated Development Planning

- ***Response:*** The Municipality followed the guidance from the IDP Directorate at DPLG on the Section 25 (3) interpretation as discussed at the December 2021 Provincial IDP Managers Forum. The December 2021 guidance from Province (IDP Directorate) didn't advise that the predecessors IDP can't be extended for 1 year and that a process plan is needed if the IDP of the predecessor (with or without amendments) is adopted by the new Council.
- The newly elected Council adopted the IDP of its predecessor with amendments (Section 25 (3) with the understanding that a process plan (Section 28) is not required, because section 29(1)(b)(i), (c) and (d) were complied with. For section 25 (3), section 29 (1) (a) is not required that reads' 'be in accordance with a predetermined programme specifying timeframes", for the different steps" (i.e., interpreted as the process plan);







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Assessment Response

Environmental Affairs and Development Planning

- It would be impossible to table a process plan in May 2022 with the Final IDP because the required public consultation must first take place.
- The Municipality foresee to develop a draft process plan for public consultation in July and final adoption with the 2023/24 IDP and Budget time schedule in August 2023.

- ***Query:*** *"The Municipality is reminded that even though the MSDF is not being amended, it will need to be approved together with the IDP amendment at the end of May 2022."*

- **Response:** The SDF forms part of the IDP and this will be approved together with the IDP.


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Assessment Response

Environmental Affairs and Development Planning

- ***Query:*** *"The Municipality is reminded that part of Performance Management includes monitoring how well the Municipality is performing in terms of MSDF implementation. As with the IDP this should be undertaken on an annual basis. Whilst having an MSDF, and in the case of Overstrand, a Growth Management Strategy is crucial to direct growth and spending to ensure spatial transformation and sustainable development, much of the value of the MSDF lies in its implementation."*
- *An MSDF performance review, feeding into an amendment that seeks to improve the articulation of an MSDF implementation programme could support the development of the new IDP and its alignment with the MSDF.*

Assessment Response

Environmental Affairs and Development Planning

- **Response:** All developments taking place is in line with the SDF. The approval of applications and capital expenditure are aligned with the SDF and serves to implement the strategies and policies of the SDF. A reporting mechanism will be further developed as part of the CEF.

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Assessment Response

Environmental Affairs and Development Planning

- **Query:** *Waste Management Planning*
- *The Municipality must align its current IWMP and IDP with the Western Cape Integrated Waste Management Plan (2022-27) due for completion in the 2022/23 financial year.*
- *Waste diversion initiatives must be reported to the IPWIS. (included in response to next bullet)*
- *Continuous and regular waste reporting and waste diversion initiatives must be reported to the IPWIS.*
- *Municipalities are reminded to report on organic waste to the IPWIS.*
- *While services are implemented and maintain a good working standard, this must be enhanced to ensure diversion grows.*
- *The Municipality must also consider using programmes like EPWP, street cleaning, YCOP and other means to aid creating awareness.*



Assessment Response

Environmental Affairs and Development Planning

- **Response:** The request to align the Overstrand 5th Generation IWMP (May 2020) is noted and can only be reviewed once the Western Cape IWMP has been finalized in 2022/2023.
- New waste diversion activities are added to IPWIS reporting continuously e.g., the new Hermanus Material Recover facility has been added.
- Monthly reporting on IPWIS is being done as required.
- Awareness drives are being used to try and increase the diversion currently achieved e.g., via the media & school waste awareness shows.
- The comment to consider using EPWP and other programs to assist with creating awareness is noted and will be discussed with our operational teams.

L106/19

Assessment Response

Economic Sustainability

- ***Query:*** *"The Municipality has made no budget allocations towards Strategic Objective: The encouragement of structured community participation in the matters of the Municipality which does appear problematic considering that one of the new Mayor's priority areas is to improve communication."*

- **Response:** Budgeted for:
- Out of pocket expenditure of Ward Committee Members
- Advertising cost for quarterly public meetings
- Cost for other logistical arrangements.
- Municipal owned venues are mainly utilized from meeting purposes.

Assessment Response

Economic Sustainability

- ***Query:*** *"It appears that the free basic service delivery information on budget schedule A10 was incorrectly captured. The number of households to be provided with services column contains budget allocations while the cost column contains the same amount but rounded off. It is therefore not possible to determine how the budget will provide for an increase in indigent households across the MTREF."*

- **Response:**
- This was detected by the municipality, information to be corrected on A10.

Assessment Response

Economic Sustainability

- ***Query:*** *"It does not appear that the capital budget makes provision for the need for streetlights across the municipal area."*

- **Response:** No streetlight projects were identified by Ward committees. New Developments and Housing projects make provision for streetlighting in their specific areas.

Assessment Response

Economic Sustainability

- ***Query:*** *"The operating budget allocation increase in 2022/23 for water and waste water services does not appear to suffice to accommodate the increase in households to be provided with the service in A10."*

- **Response:** The OM Budget Steering Committee Directive for the Draft 2022/23 Operational Budget required of budget holders to budget for a 0% increase on items under their direct control. Several uncontrollable external factors require increases far exceeding inflation, e.g., fuel and treatment chemicals.

- ***Query:*** *"There is a general misalignment between the basic service delivery targets in A10 and the draft SDBIP."*
- **Response:** Information to be reconciled with Strategic Services Department.

Assessment Response

Economic Sustainability

- ***Query:*** *"The sustainability of efforts to address the range of infrastructure related challenges facing the existing waste water network is drawn into question considering the notable decrease in the capital budget."*

- **Response:** The limitations placed on external loan funding in the Draft 2022/23 Capital Budget by Finance were adhered to. Application is made for grant funding for water and wastewater projects where possible, e.g., WSIG and SIDAFF.

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- ***Query:*** *"The operating budget allocation towards solid waste removal will arguably not suffice to uphold existing service level standards"*

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- **Response:** Integrated waste management solutions are often included in the overall costing and linked to other operations / activities, for example:
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- **Response:** The increases are inline with the budget directives as indicated by the Budget Steering Committee.

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Financial Sustainability

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- **Response:** The municipality does not have the detail information/results related to the PT Tool. The A7 schedule (financial system/service provider mapping populates randomly - 4 lines) in this schedule resulting in discrepancies – again, PT Tool information not available for reconciliation.

Assessment Response

Financial Sustainability

- ***Query:*** *"The 2022/23 budget year projects a deficit budget of R78.59 million and a net decrease in cash held of R120.27 million which is an indication that sufficient revenue/ cash is not generated towards future replacement of assets and poses a risk to the Safeguarding of assets for future asset replacement. This contributes to the limited reserves to be cash backed (A8 table) which is an indication that the Municipality is not working towards building a sufficient Capital Replacement Reserve Fund (CRR)."*

- **Response:** The municipality budgeted in the past few years for CAPEX, in relation to cash available for investment/upgrading of infrastructure in a focused approach. This methodology will continue, based on the strategic planning and execution on masterplans in terms of critical priorities.

Assessment Response

Financial Sustainability

- These are addressed in terms of loan & grant funding, as well as surplus cash from previous years, also in view of affordability & sustainability principles.
- A CRR is not maintained - taxation in advance of needs of current generation.

- ***Query:*** *"The Municipality's operating revenue is highly reliant on service charges and property rates and great effort to minimize costs is noted. The Municipality should consider affordability of tariffs as well as increasing costs to sustain the day-to-day operations as well as contributions to future capital replacement."*

- **Response:** Noted.

Assessment Response

Financial Sustainability

- ***Query:*** *"The Municipality's economic services are projected to operate at a deficit over the MTREF period. The Municipality is reminded that cost reflective tariff setting is a requirement of Section 74(2) of the Municipal Systems Act, 2000 (Act No.32 of 2000) which states that tariffs must "reflect the costs reasonably associated with rendering the service". This is meant to assist municipalities to generate sufficient revenue to fully recover their costs, deliver services to customers sustainably and invest in infrastructure that promotes local economic development."*

- **Response:** Economic Services in A2 consists of Planning & Dev, Road Transport and Environmental Protection , thus not intended to project a surplus as a grouping.

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L119/140

Assessment Response

Financial Sustainability

- ***Query:*** *"The impact of outsourcing of water and sanitation maintenance should continuously be assessed to manage the impact on the operating budget."*

- **Response:** The impact of the contract is being monitored continuously. Escalation is implemented in accordance with the contract. External factors e.g., large price increases of treatment chemicals would have been similar if not outsourced.

Assessment Response

Financial Sustainability

- ***Query:*** *"The Municipality is commended for its investment in capital spending and for improving its infrastructure base. However, the rollover of the capital projects for implementation in the 2021/22 financial year has resulted in underspending of the capital budget."*

- **Response:**

- The majority of the rollover (77%) is for one project namely the Gansbaai new 66/11 kV substation.
- This is a multi year project that will be constructed over 3 financial years at. The total budget of R52,5m was taken up in the current financial year.
- After the tender was awarded, an accurate cash flow could be determined for the current year, and the rest of the funding was rolled over to the outer years.

Assessment Response

Financial Sustainability

- ***Query:*** *"The Municipality should strive to develop strategies to spend its budgeted capital expenditure to ensure that service delivery imperatives are not compromised."*

- **Response:** The municipality has good strategies in place, but unforeseen circumstances often result in delays.

- ***Query:*** *"The A6 (Budgeted Financial Position) and A7 Budgeted Cash Flows data strings do not align with the hard copy presented by the Municipality."*

- **Response:** As explained previously, this is related to the limited info available to reconcile (PT Tool detail).







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L122/140

Assessment Response

Key Risks identified with the Asset Management system of Governance and Capacitation Project

- ***Query:*** *"A. Need for better Management of data and information Standards*
- *Silos of data where one department has access to critical data, but other departments have no access*
- *Where there these silos of data exist, duplication of data is created that impacts on the reliability of the information needed for decision-making*
- *Critical information on the PC`s of certain engineers and files, that is not necessarily shared with the rest of the Municipality.*
- *Reliability and Credibility of data (The Source - where data is coming from, is not singular but have multiple inputs making it messy)"*

- **Response:** The Municipality is currently developing a Strategic Asset Management Plan with Provincial Treasury.

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Last Up

Assessment Response

Key Risks identified with the Asset Management system of Governance and Capacitation Project

- ***Query:*** *"B. Outdated Asset Management Maintenance Strategic Plans*
- *Propensity to use the Deviations route for emergency Repairs and Maintenance.*
- *Statistical data suggest that emergency work can cost municipalities between 20 per cent and 30 per cent more as opposed to planned works.*
- *Equipment availability not translated into key objectives for the Municipality. Early detection of failure not necessary built into maintenance systems."*

Response: The Municipality is currently developing a Strategic Asset Management Plan with Provincial Treasury.

Assessment Response

Key Risks identified with the Asset Management system of Governance and Capacitation Project

- ***Query:*** *"The Need to Build Capability in Municipalities*
- *Most of the Engineers are near retirement which requires a contingency plan for Mentorship and knowledge Management.*
- *Need for maintenance planners, because without them, we don't expect well planned and efficiently executed maintenance.*
- *Need for securing intellectual property and devising SOP`s based on them. The ability to translate maintenance strategies into business and economic benefits."*

Assessment Response

Key Risks identified with the Asset Management system of Governance and Capacitation Project

Response: Overstrand Municipality is in a fortunate position where the average age of its Civil Engineer staff is 43 years old and there are currently no Engineers vacancies in the Infrastructure and Planning and Community Service Directorates.

Community Services:

1 x Deputy Director Operational Services
3 x Senior Managers: Operational Services
1 x Manager: Operational Services
3 x Principal Technicians: Operational Services

Infrastructure and Planning

1 x Director Infrastructure and Planning
1 x Deputy Director Engineering and Planning
1 x Director Manager (Water Infrastructure and Quantity)
1 x Manager Bulk Water and Sanitation

IDP & Budget Process

The Mayor tabled in Council the required IDP and budget time schedule on 24 August 2021. Key dates applicable to the process are as follows:

- **July 2021** – Budget Office submits current 3 year Capital Budget to the Strategic Office. Review status of Samras Budget Portal functionality and MTREF budget information;
- **September/October 2021** – Mayoral strategic session with Councillors and Senior Management to determine Strategic direction for the 2022/23 IDP review;
- **October 2021** – Top management meeting to discuss budget proposals and affordability;
- **October 2021** – Mayoral directional IDP/Budget speech;
- **October/December 2021** – Various Budget Steering Committee and Management meetings relating to draft Capex and Opex budgets;
- **November 2021**– Submission of tariff proposals and tariff workshops;
- **November 2021**– Workshop on tariffs and tariff related policies;
- **November 2021/February 2022**– Review of all budget related policies;
- **December 2021** – Mid-year review by the BSC of the 2021/2022 progress and review of 2022/2025 draft operational expenditure including financial forecasting and scenario considerations;
- **January 2022** – Tariff finalisation, consider budget related policies changes and overview of draft 2022/23 Capex & Opex;
- **January 2022**- Council considered the 2021/2022 Mid-year Review;
- **January 2022** – Finalisation of adjustments budget;
- **January 2022** – Ward Committees met to review their current ward priorities for 2022/23;
- **February 2022** – Final tariffs and adjustments budget review;
- **February 2022** – BSC review/finalises draft Capex/Opex;
- **15 March 2022** – OMAF Consultation & Budget Proposals;

IDP & Budget Process

- **28 March 2022** – Budget office finalises budget report;
- **30 March 2022** - Tabling in Council of the draft 2022/23 IDP, SDBIP and 2022/23 MTREF for public consultation;
- **6 April 2022 – 29 April 2022** – Draft Budget available to the public and any other stakeholders for perusal and the submission of comments and representations;
- **29 April 2022** - Closing date for written comments;
- **5 May 2022** – BSC considered all comments received and amendments to the Draft Budget;
- **8-20 May 2022** – Finalisation of the 2022/23 IDP and 2022/23 MTREF, taking into consideration comments received from the public, comments from NT & PT and updated information from the most recent DoRA and financial framework;
- **9-20 May 2022** – Budget Office compiles final report and schedules and final review of budget report and schedules ;
- **27 May 2022** – Final budget distribution; and
- **31 May 2022** - Tabling of the 2022/23 MTREF in Council for consideration and approval.

Assumptions – planning, spatial, financial, economic

- The Overstrand remains a popular destination for in-migration and tourism resulting in rapid urbanization and population growth.
- The fast space of urbanization and growth requires a flexible response to cater for the diverse needs of communities i.e. basic services, housing, education, health, sport, recreation, tourism, etc.
- The current uncertainty due to the Covid-19 pandemic and global, national and local financial stress also requires flexibility in planning.
- The SDF make provision for different scenarios of growth: high, medium and low growth projections.
- The growth areas and densification areas respond to above scenarios.

Assumptions – planning, spatial, financial, economic

FINANCIAL:

The following budget principles and guidelines directly informed the compilation of the 2022/2023 MTREF:

- The 2021/2022 Adjustments Budget priorities and targets, as well as the base line allocations contained in the Budget Circulars informed the upper limits for the new baselines for the 2022/23 annual budget;
- Service level standards were used to inform the measurable objectives, targets and any backlog eradication goals;
- Tariffs and property rates increases should aim to be affordable;
- Some price increases in the input costs of services are beyond the control of the municipality, for instance the cost of fuel, chemicals (currently revisited based on extraordinary price hikes in the next few months) and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure maintenance and backlogs;

Assumptions – planning, spatial, financial, economic

- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

- The following cost saving measures were applied:
    - The principle of a minimal increase in non-core general expenses unless valid motivations such as contractual inflation adjustments dictate.
    - Municipal Cost containment Regulations, 2019.

Key service delivery & fiscal risks

Risk Description	Risk Background
Theft and vandalism to municipal infrastructure/assets.	Street signs, furniture, public toilets, municipal administration buildings, sport amenities, taxi ranks, community halls, transfer station, coaster foot paths, etc.
Inability to provide basic services to households on invaded land.	People in informal areas occupying land which has no municipal services. The norms in terms of basic service provision are: • One (1) toilet for every five (5) households; and • One (1) tap per 25 households.
Water losses	Losses incurred on the water distribution networks. • Replacement of Water meters – Operational Services • Replacement of old water lines by Department infrastructure • Replacement of valves and hydrants.







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Key service delivery & fiscal risks

The main challenges experienced during the compilation of the 2021/22 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy, inclusive of the prolonged effect of Covid-19 and the fragile global economic stability and the steep rise in the price of fuel;
- Ever aging water, roads, sewage and electricity infrastructure;
- Sustainable refuse disposal;
- The need to reprioritise projects and expenditure within the existing resource envelope;
- The cost of bulk electricity with the latest draft guideline price increase from NERSA;
- Revenue recovery from cost reflective core municipal services;

Key service delivery & fiscal risks

- The above inflation nationally negotiated wage increases for municipal staff
- Affordability of capital projects and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2021/22 MTREF process;
- Maintaining a positive cash flow; and
- Ensuring financial sustainability.

Revenue Optimisation Strategies

- Sustained application of the Customer Care, Credit Control and Debt Collection (CC, CC & DC) policies to ensure the recovery of arrears.
- Inform the customers of the following incentives as stipulated in the CC, CC & DC Policy:
- 10.1.2. Where a customer is prepared to pay off the capital amount on an outstanding account, older than two (2) years, in one payment, the Municipal Manager will approve the write off of all interest charged with regard to afore-mentioned period;
- 10.1.4. In the instance where a customer is prepared to pay off the total amount of an outstanding account in one payment, then the Municipal Manager will approve the write off of all interest charged to date for the total period.
- Promote Indigent Policy & free basic services;
- All four of the services, namely water, electricity, sewerage and refuse, must cover all fixed costs, to ensure that holiday homes contribute to this, due to the need to provide a high level of service and create quality infrastructure which is only used to its full capacity during peak but short holiday periods.
- Continuous data cleansing to ensure that the information available is correct and useful;





Expenditure priorities & efficiencies

- **Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship.**

- **A critical review was also undertaken of expenditure with regards to cost containment measures, non-core and 'nice to have' items.**

- **The following cost saving measures were applied:**
- The principle of a minimal increase in non-core general expenses unless valid motivations such as contractual inflation adjustments dictate.
- The examining of expenses to see if they are essential to the municipality's operations.
- Municipal Cost Containment Regulations, 2019.
- Provision for ward specific projects were replaced with budget provision for caring projects.

Capital Budget

- **Service delivery objectives & challenges,**
  - Expansion of basic services (water, sanitation, electricity, roads and storm water) to cater for rapid growth and urbanisation.
  - Refurbishment and replacement of aging infrastructure.
  - Reduction of water and electricity losses and minimising waste.
  - Promote sustainable development by considering the environment, climate change and social development.
  - Funding constraints
  - Slow pace of government subsidized housing development
  - Expanding Informal Areas
  - Vandalism of municipal infrastructure
  - Illegal connections (mainly electricity)

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Capital Budget

- **funding mix,**
- The funding mix results from the funding sources available, with a conservative approach to surplus funding available in outer years. Substantial rollovers from 2021/2022 has increased the Capital Budget for 2022/23
- **external borrowing strategy,**
- Borrowing is in line with our strategy to fund revenue generating infrastructure assets from borrowing and to continuously decrease the gearing between borrowings and revenue
- **long-term financial planning**
- The LTFP is reviewed annually and considered during the compilation of the Draft Budget

Capital Budget

- **infrastructure pipeline**
- **A five year budget is prepared annually with the focus on -**
  - Water,
  - Sewerage,
  - Electricity,
  - Roads,
  - Storm water,
  - Waste Management and
  - Housing
- **Attention is also given to -**
  - Finance and Administration,
  - Public Safety,
  - Planning and Development,
  - Community and Social Services, and
  - Sport and Recreation

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