

OVERSTRAND MUNICIPALITY



BUDGET REPORT 2020/2021

2020/21 TO 2022/23
MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS

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Abbreviations and Acronyms

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

FOREWORD

OMAF - 02 MARCH 2020

SPEECH OF THE EXECUTIVE MAYOR: ALD DUDLEY COETZEE

The Governor of the South African Reserve Bank confirmed on 16 January 2020, in the statement of the Monetary Policy Committee that the domestic economic outlook remains fragile. Monthly inflation up to December 2019 has been lower than the mid-point of the inflation target range. The annual consumer price index for January 2020 was 4,5% up from 4,0% in December 2019. It is important to note that these CPI forecasts were published prior the Corona virus outbreak. Public health outbreaks and epidemics like this can quickly negatively affect economies and businesses.

The National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to consumers, particularly poorer households while ensuring the financial sustainability of the municipality. The MFMA Budget Circular issued in December 2019, indicated that the Consumer Price Index forecast for the 2020/2021 fiscal year remains within the upper limit of the 3 to 6 per cent target band at 4.9%.

It therefor remains relevant that we are faced with the even more challenging task of balancing the cost of providing basic services to the residents of the Overstrand, as well as tourists to our area, with the income we are able to generate from these services, given the present state of our country's economy. We are also still faced with the above inflation salary increases approved for Municipal employees. When the notch increases, which average 2% and other allowances are added to the 6,25% salary adjustment, the increase is closer to 8.25% p.a. The total proposed increase of the salary budget currently reflects 12.28%, due to the inclusion for posts requested in the consideration of this draft budget, mostly related to the expansion of the Municipal Law Enforcement capabilities, which I will elaborate on shortly.

The *hospitality industry again* reported having experienced a *fairly good* December/ January season, despite the effect of a sluggish global and local economy experienced during 2019.

With the CPI at 4.5% for January 2020 and projected to increase to 4.9 % for the 2020/2021 fiscal year, the directive from the politicians to the administration has been *to limit increases in those services that we can control to 5.9%* in the 2020/2021 Draft Budget.

The rebate on property rates offered to persons over the age of 60 remains unchanged. The parking tariffs in the Hermanus CBD provides for relief for the first 15 minutes, as the tariff for the first quarter hour will fall away as from 1 July 2020.

Calculating the sewerage charge for water borne sewerage on 70% of potable water consumed with a cap of 35 kl also remains unchanged.

In preparing this draft budget we have continued to monitor movement towards ensuring that our basic charges cover the cost of providing the service and that the tariff covers the usage. Water, sewerage and refuse meet this criteria. The cost of providing Electricity is still subsidized to an extent by the consumption tariff.

Eskom's urgent bid for larger electricity tariff increases was rejected by the Pretoria High Court on Monday, 10 February 2020. Eskom lodged an urgent application with the court for a tariff increase of 16.6% from April 2020, and an increase of 16.7% from April 2021 to compensate for what it said

was an error by energy regulator Nersa. The court ruled that Eskom had failed to prove that its dispute with Nersa was urgent, meaning that Eskom will now likely face lengthy court hearings to argue its case with the National Energy Regulator (Nersa). Eskom believes Nersa miscalculated its tariffs for the financial years beginning in 2019 to 2021.

For the purpose of compiling this Draft Budget, we have assumed an increase of 15% in the tariff for electricity charged by ESKOM to municipalities, to be adjusted according to the final position with regard to the increase to be published by Nersa in time. This results in a cost increase of 15% for all domestic electricity users based on a 15% increase requested by ESKOM.

The tariff for sewerage and water increase by 5.9%. The exception here is again the tariff for 0 – 6kl of water which increases by 11,5% or an increase of R3.84 per month for 6kl.

This is in line with a National Treasury directive that the level and structure of water tariffs are to be fully cost reflective. At present the cost of providing water is around R24.86 per kl excluding VAT.

The tariff for refuse removal increases by 5.9% to cover the costs of the services utilized at the new refuse cell at Karwyderskraal. This tariff may be further increased as we have not being able to reached agreement with the Overberg District Municipality on the calculation of their overhead charges, which they propose increasing by far more that our proposed 5.9%

Sundry tariffs also increased by 5,9%. The cost of A4 photo copies again this year remains unchanged to make it affordable for learners to make copies of documents.

A further support to our communities relates to the building plan fees for alterations of less than 80m2 in Government a subsidised housing scheme (**S2A6**) has been reduced to No Charge. Also it is recommended that the evaluation and approval of Building Plans for New Government Subsidised Housing Schemes (**S2A7**), be offered at No Charge.

It is proposed to increase Property Rates across the board by 6,96%.

By now I am sure that it is common knowledge that I lodged a complaint with the South African Police Ombudsman regarding the fact that SAPS are unable to perform their constitutional mandate of maintaining law and order in the Overstrand. In his report the Ombudsman confirmed that this is so as a result largely of the lack of staff at our police stations.

In the meantime the mandate of Municipal Law Enforcement officers has been expanded so that they may now prevent, but not combat crime. To this end we will be increasing the staff compliment and facilities of the Municipal Law Enforcement division, which will include establishing a K9 unit with offices in Gansbaai, Hermanus and Kleinmond. The increased funding from property rates will be utilized to finance these increased services.

There has also been a number of posts on social media regarding the call to comment on proposed changes to the liquor trading hours. The proposal to consider reducing on-consumption trading hours from 10am to 2am the following morning to 10am to midnight is the result of complaints received about unruly behavior at certain establishments in the early hours of the morning. The current Overstrand Liquor trading hours by-law does contain a clause allowing a licensee to sell liquor at times other than those determined by the by-law. Should Council decide to remove Sunday trading for off-consumption sales of alcohol a similar clause allowing licensees to apply to sell alcohol on a Sunday will be added to the by-law. Should these amendments be approved the current tariff for the issuing of a permit for trading outside of these stipulated hours or days will also be amended. This tariff will by no means be exorbitant and is not likely to exceed the cost of one bottle of wine per month. The income from this stream can then also be utilized to finance the increased Law and Enforcement division.

Part 1 – Annual Budget

1.1 Mayor's Report

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

The third review of the current new generation 5 year IDP and draft SDBIP will also be tabled during the Council meeting.

1.2 Council Resolution

The following is the resolution that will be considered for the approval and adoption of the annual budget for 2020/2021:

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 2020/21 to 2022/23 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 2020/21;

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 2020/21;

4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the 3rd draw down of the proposed three year borrowing programme for external loans amounting to R54 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 LG MTEC 3 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 2020/2021 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.

With the previous draft budget (2019/20) the scenario of a considerable challenging 2018/19 year with regard to provision of emergency housing and related basic service rendering in this regard, as well as providing for expenditure related to the devastating wild fires experienced during January 2019 and the tabling of two adjustments budgets to align our budget in accordance, was explained.

As for this year, we are looking towards this draft budget period for 2020/21 with almost overwhelming uncertainty in terms of what evolved in the past few weeks as an international crisis with the outbreak of novel coronavirus 2019 (As COVID-19, also called the Coronavirus) in the People's Republic of China, with exportations to other countries.

There are still many unknowns and no vaccine yet, the effort thus to prevent the virus to spread, provided that all countries put in place strong measures to detect disease early, isolate and treat cases, trace contacts, and promote social distancing measures commensurate with the risk. It is important to note that as the situation currently continues to evolve, asking for review of strategies and measures to prevent and reduce spread of the infection. The emergency committee of the World Health organisation agreed at the end of January 2020 already that the outbreak now meets the criteria for a Public Health Emergency of International Concern.

President Cyril Ramaphosa has declared a national state of disaster on 15 March 2020 and announced stringent measures to contain the spread of Covid-19, such as travel restrictions on foreigners from hard-hit countries, a ban on mass gatherings of more than 100 people, and the closure of schools. According to the President, the cabinet anticipated that the pandemic would have a "significant and potentially lasting" impact on the economy, and was finalising a package of measures to mitigate its impact. Reference was made to a dramatic decline in economic activity in our trading partners in the past few weeks, a sudden drop in tourism and severe instability across global markets.

It is foreseen that a nation-wide lockdown will be announced within the next few days, since countries that have acted with more stringent measures, are far more effective in controlling the spread of the disease.

Against this backdrop, a proviso is now already relevant, implying that even more emphasis be placed on responsible spending in view of the uncertainty as mentioned and the possible impact on the municipality's operations and finances. The compilation of this budget followed due process over many 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 6.3, which distorted the year-on-year comparative figures during the previous budget cycle. This is also applicable on Contracted Services. These allocations are guided by the respective owner departments.

The mSCOA chart is reviewed on an annual basis by the National Treasury, to address implementation challenges and correct chart related errors. Towards this end, Version 6.4 was released with MFMA Budget Circular No 98. Version 6.4 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF.

The Municipal Regulations on the Standard chart of Accounts (mSCOA) originally 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 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 Bytes 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 can be found in Annexure I of the budget documentation.

National Treasury issued MFMA Budget Circulars No. 98 & 99 for guidance for the compilation of the 2020/21 MTREF. A revised A Schedule – mSCOA Version 6.4 (Municipal annual budgets and MTREF & supporting tables) (25 March 2020) was also issued.

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 now 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.

Overstrand municipality was identified as one of the official national pilot sites to early implement mSCOA and to pilot the Bytes 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 can be found in Annexure I of the budget documentation.

National Treasury issued MFMA Budget Circulars No. 98 & 99 for guidance for the compilation of the 2020/21 MTREF. A revised A Schedule – mSCOA Version 6.4 (Municipal annual budgets and MTREF & supporting tables) (28 January 2020) was also issued.

The Western Cape Provincial Treasury has issued Circular No. 4 of 2020 regarding budget related matters and the proposed LG MTEC Budget & IDP engagements.

The main challenges experienced during the compilation of the 2020/21 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- 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;
- 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 2020/21 MTREF process;
- Maintaining a positive cash flow; and
- Ensuring financial sustainability.

The following budget principles and guidelines directly informed the compilation of the 2020/21 MTREF:

- The 2019/2020 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 2020/21 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. 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.
 - Municipal Cost containment Regulations, 2019.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2020/21 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2020/21 MTREF

(a) Total Revenue (including capital grants)

R thousand	Budget Year 2019/20	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue	1 328 349	1 378 148	1 476 069	1 557 305
Expenditure	1 293 006	1 414 394	1 497 562	1 600 376
Surplus / (Deficit)	35 343	(36 247)	(21 493)	(43 071)
Capital	275 733	267 095	176 137	145 378

3.7%	7.1%	5.5%
9.4%	5.9%	6.9%
-3.1%	-34.1%	-17.5%

(b) Total Revenue (excluding capital grants)

R thousand	Budget Year 2019/20	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue	1 279 516	1 347 529	1 433 599	1 519 777
Expenditure	1 293 006	1 414 394	1 497 562	1 600 376
Surplus / (Deficit)	(13 491)	(66 866)	(63 963)	(80 599)
Capital	275 733	267 095	176 137	145 378

5.3%	6.4%	6.0%
9.4%	5.9%	6.9%
-3.1%	-34.1%	-17.5%

Total revenue (including capital grants) to expenditure (Table 1a) indicates varying surplus/deficits over the 2020/21 MTREF due to fluctuations in capital grant funding.

Total operating revenue (Table 1a) indicates an increase in revenue of 5,3 per cent for the 2020/21 financial year when compared to the 2019/2020 Adjustments Budget. For the two outer years, operational revenue will increase by 6,4 and 6,0 per cent respectively. The fluctuations of revenue in Table 1(a) are informed mainly by the allocation of the Housing grant between operating (top structures) and capital (infrastructure) in the respective financial years.

Total operating expenditure for the 2020/21 financial year has been appropriated at R1,414bn and translates into a budgeted deficit of R66,9m (excluding capital grants) and a deficit of R36,2m (including capital grants). When compared to the 2019/2020 Adjustments Budget, operating expenditure has increased by 9,4 per cent in the 2020/21 budget and increases by 5,9 and 6,9 per cent for each of the respective outer years of the MTREF.

It should be noted that although the 2020/2021 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 R6,3 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 were 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 R267,1m for 2020/21 is 3,1 per cent less when compared to the 2019/2020 Budget. The increased own funding from surplus is due to cash generated from operations, which includes a lesser amount from land sales.

Further projects from the proceeds of land sales were prioritised, subject to maintaining minimum financial sustainability levels. The capital programme decreases to R176,1m and to R145,4m in the outer years, which is above the estimated minimum of R100m required annually to sustain capital infrastructure. Own funding (new borrowings) is anticipated at R92m. New borrowings contribute to 23,8 % of the funding over the 2020/21 MTREF. Internally generated funds contributes 26,4% and capital grants 40,9%. The balance relates to various sources of funded roll-over projects.

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 estimated that this rate would be just below 40% and at the end of the 2020/21. The repayment of capital and interest (debt services costs) remains within the NT acceptable norm band. Consequently, the capital budget reflects an increase compared to the previous three years.

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 times 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 73,7% of the total operating revenue mix for 2020/21. For the 2019/2020 financial year, revenue from rates and services charges totals R925,9m. This increases to R993,2m, R1,056bn and R1,123bn in the respective financial years of the MTREF.

The following table is a summary of the 2020/21 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source									
Property rates	197 104	215 763	233 274	242 150	242 950	242 950	271 251	286 830	303 395
Service charges - electricity revenue	334 765	349 298	378 668	398 868	403 868	403 868	431 748	461 627	493 845
Service charges - water revenue	115 070	110 932	129 971	127 320	128 820	128 820	134 027	141 979	150 407
Service charges - sanitation revenue	66 890	72 106	77 772	80 020	81 020	81 020	83 772	88 798	94 127
Service charges - refuse revenue	54 389	57 775	61 788	70 122	69 242	69 242	72 414	76 757	81 361
Rental of facilities and equipment	11 613	5 616	6 341	3 562	3 562	3 562	3 707	3 899	4 108
Interest earned - external investments	20 347	30 320	41 767	28 010	35 860	35 860	39 350	41 641	44 140
Interest earned - outstanding debtors	2 671	3 854	4 193	4 151	4 451	4 451	4 851	5 085	5 333
Fines, penalties and forfeits	38 715	31 638	24 734	32 552	32 552	32 552	32 581	34 701	36 721
Licences and permits	2 525	2 527	2 526	2 462	2 462	2 462	2 491	2 633	2 688
Agency services	3 480	4 149	4 913	4 700	5 200	5 200	5 526	5 856	6 206
Transfers and subsidies	114 411	116 458	118 976	152 183	125 794	125 794	131 840	141 735	154 275
Other revenue	34 706	48 492	63 142	27 416	143 735	143 735	133 971	142 058	143 172
Gains	6 242	28 096							
Total Revenue (excluding capital transfers and contributions)	1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777

Table 3 Percentage growth in revenue by main revenue source

Description	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework					
		Budget Year 2020/21		Budget Year +1 2021/22		Budget Year +2 2022/23	
Revenue By Source							
Property rates	242 950	271 251	11.65%	286 830	5.74%	303 395	5.78%
Service charges - electricity revenue	403 868	431 748	6.90%	461 627	6.92%	493 845	6.98%
Service charges - water revenue	128 820	134 027	4.04%	141 979	5.93%	150 407	5.94%
Service charges - sanitation revenue	81 020	83 772	3.40%	88 798	6.00%	94 127	6.00%
Service charges - refuse revenue	69 242	72 414	4.58%	76 757	6.00%	81 361	6.00%
Rental of facilities and equipment	3 562	3 707	4.06%	3 899	5.20%	4 108	5.34%
Interest earned - external investments	35 860	39 350	9.73%	41 641	5.82%	44 140	6.00%
Interest earned - outstanding debtors	4 451	4 851	8.98%	5 085	4.82%	5 333	4.88%
Fines	32 552	32 581	0.09%	34 701	6.51%	36 721	5.82%
Licences and permits	2 462	2 491	1.18%	2 633	5.70%	2 688	2.07%
Agency services	5 200	5 526	6.27%	5 856	5.97%	6 206	5.98%
Transfers recognised - operational	125 794	131 840	4.81%	141 735	7.51%	154 275	8.85%
Other revenue	143 735	133 971	-6.79%	142 058	6.04%	143 172	0.78%
Gains on disposal of PPE							
Total Revenue (excluding capital transfers and contributions)	1 279 516	1 347 529	5.32%	1 433 599	6.39%	1 519 777	6.01%

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 2019/20 and the subsequent adjustments budget and further reclassifications of revenue categories relating to mSCOA. The determination of proposed revenue for 2020/21 has been based on the current statistics available, limited growth and a conservative approach.

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 R131,8m in the 2020/21 financial year. This increases in the outer years to R141,7 in 2021/22 and R154,3 in 2022/23 respectively, of the MTREF. Fluctuations may occur due to housing grant allocations and the splitting thereof between operating and capital budgets. The housing allocation for the building of top structures for housing development amounts to R152,1m over the MTREF. Equitable share increases over the 3 year MTREF period, from the current 2019/20 adjustments budget by 29% in terms of the equitable share formula, after the release of the 2011 census figures, as a result of the population growth in the Overstrand area.

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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:									
Operating Transfers and Grants									
National Government:	76 347	88 073	99 544	110 882	110 882	110 882	121 368	131 023	143 389
Local Government Equitable Share	72 950	84 223	96 068	106 697	106 697	106 697	117 318	129 473	141 839
Finance Management	1 475	1 550	1 550	1 550	1 550	1 550	1 550	1 550	1 550
EPWP Incentive	1 922	2 300	1 926	2 635	2 635	2 635	2 500		
Provincial Government:	41 312	38 766	23 028	38 392	13 478	13 478	10 472	10 712	10 886
Human Settlements Development Grant	35 101	31 171	11 132	25 061	–	–			
Library Services Grant	5 889	7 006	6 747	7 287	7 287	7 287	7 651	8 072	8 516
Financial Management Capacity Building Grant		240	360	380	380	380	401		
Community Development Workers Operational Support Grant	75	74			148	148	75	75	75
Maintenance & Construction of Transport Infrastructure	137	139	137	126	126	126	145	145	145
Western Cape Financial Management Support Grant			280	280	280	280			
Local Government Internship Grant	60	66	72						
Greenest Municipality Competition	50	70							
Municipal Service Delivery & Capacity Building Grant			200						
Thusong Service Centre			100	100	100	100			150
Resourcing Funding for Establishment & Support of a K9 Unit			4 000	2 000	2 000	2 000	2 200	2 420	2 000
Disaster Management Grant				3 157	3 157	3 157			
Total Operating Transfers and Grants	117 659	126 839	122 572	149 274	124 360	124 360	131 840	141 735	154 275

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.

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 2020/21 MTREF. Municipalities should justify increases in excess of the 4,6 per cent projected inflation target as indicated in Municipal Budget Circular 99. Excessive increases are by nature fundamentally likely to be counterproductive, which could result in possible higher levels of non-payment.

The increase in property rates has been set at 6,9%. Property rates increases were below inflation over previous years before 2014/15. In the eight years prior to 2014/2015, the property rates tariff had only on two occasions challenged the annual inflation rate. Furthermore, average increases in water and sewage service charges are also set at 5,9%, with the exception of electricity and refuse tariffs and the first 6kl or water.

The percentage increase of Eskom bulk tariffs charged to municipalities has been set at 15% by NERSA. The revised overall tariff increases for municipal electricity tariffs are based on the latest guideline tariffs of 15%, for the electricity basket, as published in the NERSA guidelines for municipal tariff increases.

The following table sets out the costing of services. It should be noted that the revised budget presentation for the costing of services relating to FBS, in comparison with previous years' revenue accrual of subsidies for basic services to indigents, are now reflected as a reduction of revenue. The portion of the Equitable Share equal to the cost and revenue cost of FBS 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.

Table 5 Costing of services

COSTING OF SERVICES	Original Budget 2019/2020	Original Budget 2020/2021
Service : ELECTRICITY		
Bulk Purchases	275 879 707	323 011 662
Contracted Services	3 516 647	5 385 984
Depreciation and Amortisation	25 389 635	26 767 035
Employee Related Cost	25 335 720	27 120 840
Interest, Dividends and Rent on Land	16 888 399	16 665 256
Inventory Consumed	5 387 015	6 611 674
Operational Cost	11 295 091	1 380 834
TOTAL EXPENDITURE	418 081 345	463 997 632
** INCOME		
** Ex Rev: Service Charges	-396 272 716	-431 618 100
** Ex Rev: Sales Goods Services	-2 485 000	-5 901 400
** Non-Ex Rev: Fine Penlt Forft	-130000	-139 000
** Cost Free Basic Services	-31 587 861	-35 864 613
TOTAL INCOME	-430 475 577	-473 523 113
(SURPLUS)/DEFICIT	-12 394 232	-9 525 481
	2.88%	2.01%
Service : WATER		
Contracted Services	48 761 354	51 489 563
Depreciation and Amortisation	27 518 895	28 605 471
Employee Related Cost	10 957 224	13 118 136
Interest, Dividends and Rent on Land	19 582 115	20 731 973
Inventory Consumed	3 480 924	3 711 454
Operational Cost	6 534 529	7 606 729
Debt Impairment & Bad Debt	148 400	155 820
Costing: Overheads (Dept charges)	15 955 064	14 225 606
TOTAL EXPENDITURE	132 938 505	139 644 752
** INCOME		
** Ex Rev: Service Charges	-126 000 000	-133 576 500
** Ex Rev: Sales Goods Services	-870 100	-276 100
** Non-Ex Rev: Fine Penlt Forft	-75 000	-80 000
** Cost of Free Basic Services	-13 650 111	-14 225 606
TOTAL INCOME	-140 595 211	-148 158 206
(SURPLUS)/DEFICIT	-7 656 706	-8 513 454
	5.45%	5.75%

COSTING OF SERVICES	Original Budget	Original Budget
	2019/2020	2020/2021
Service : WASTE WATER MANAGEMENT		
Contracted Services	21 149 359	21 726 547
Depreciation and Amortisation	16 475 336	19 905 553
Employee Related Cost	17 381 388	16 739 172
Interest, Dividends and Rent on Land	11 400 824	12 072 994
Inventory Consumed	4 069 819	4 177 122
Operational Cost	1 275 041	3 278 792
Costing: Overheads (Dept charges)	16 092 176	16 880 693
TOTAL EXPENDITURE	87 992 343	94 936 693
** INCOME		
** Ex Rev: Service Charges	-80 000 000	-83 771 600
** Cost of Free Basic Services	-17 202 168	-17 966 876
TOTAL INCOME	-97 202 168	-101 738 476
(SURPLUS)/DEFICIT	-9 209 825	-6 801 783
	9.47%	6.69%
Service : WASTE MANAGEMENT		
Contracted Services	28 811 275	29 207 306
Depreciation and Amortisation	2 259 397	3 172 385
Employee Related Cost	31 198 620	32 267 724
Interest, Dividends and Rent on Land	1 687 926	2 543 532
Inventory Consumed	2 879 025	3 460 941
Operational Cost	631 831	519 742
Debt Impairment & Bad Debt	148 400	155 820
Provision	3 913 572	4 109 251
Costing: Overheads (Dept charges)	10 536 207	11 052 481
TOTAL EXPENDITURE	82 066 253	86 489 182
** INCOME		
** Ex Rev: Service Charges	-68 720 400	-72 413 700
** Ex Rev: Sales Goods Services	-27 000	-59 400
** Cost of Free Basic Services	-17 472 080	-18 268 354
TOTAL INCOME	-86 219 480	-90 741 454
(SURPLUS)/DEFICIT	-4 153 227	-4 252 271
	4.82%	4.69%
Notes:		
1. The Secondary costs (overheads) are consistent with previous allocations plus 4,9% inflation		

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, fuel etc. The current challenge facing the Municipality is managing 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 <u>difference between Bus and Res. rate</u> : 1 -2 X lettable room: 100% 3 X lettable rooms: 75% 4 X lettable rooms: 50% 5 X lettable rooms: 25%
BUSO	General Tax: Tourism and recreational resorts outside the municipal urban 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. 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 and an additional rebate of 20% of the levy calculated on such properties, is granted. Rebate to qualifying property owners as indicated under "Other Rebate"
RESO	General Tax: Residential properties outside the municipal urban 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 Rebate"
FARMS	General Tax: Farming Properties	Smallholdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of a property for the purpose of ecotourism or for the trading in or hunting of 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 act.
PR100 PR050 PR040	Other Rebates	Single residential properties, Group Housing, Retirement Villages, Flats, Sectional Schemes	<ul style="list-style-type: none"> - Property zoned single residential must be occupied permanently by the applicant; - The applicant must be the registered owner; - Applicant may not be the registered owner of more than one property <ul style="list-style-type: none"> • A rebate of 100% to approved applicants, 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; • 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; • 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 of 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 2020/21 financial year, to increase from 1 July 2020:

Table 6 Comparison of proposed rates to be levied for the 2020/21 financial year

RATES TARIFFS						
Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2015					1.0690
RATE1*	Commercial Land with Improvements	0.009240	0.009240	0.008639	0.008639	6.9568%
RATE2*	Residential Land with Improvements <i>* See attached schedule of Exemptions and Rebates applicable</i>	0.006100	0.006100	0.005703	0.005703	6.9612%
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	0.000000	0.000000	0.000000	0.000000	
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)	0.001520	0.001520	0.001426	0.001426	6.5919%
RATE8	Undeveloped erven	0.008350	0.008350	0.007809	0.007809	6.9279%
RATE9	Government Properties: Commercial	0.009240	0.009240	0.008639	0.008639	6.9568%
RAT10	Government Properties: Residential	0.006100	0.006100	0.005703	0.005703	6.9612%
	Special Rating Areas					
RAT11	HSRA (Hermanus)	0.000610	0.000610	new	new	
RAT12	KSRA (Kleinmond)	0.000500	0.000500	new	new	
RAT13	OVVRA (Onrus-Vermont)	0.00035	0.00035	new	new	
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, where the Western Cape is experiencing the worst drought since 1933. 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, to be raised over a period of three years.

Tariff increases as from 1 July 2020 are indicated in the list of tariffs in Annexure C. The 6 kℓ free water per 30-day period has since 2014 only been granted to registered indigents. 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, further postponed in 2014/15, has been further phased-in. This is the reason for the higher than 6% collective increase in this category of the tariffs.

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	2020/2021		2019/2020		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
W1	BASIC CHARGE					
W1A1	Basic Monthly Charge per erf/unit per month	144.55	166.24	136.50	156.98	5.90%
W1A2A	Basic Monthly Charge Subsidy : Residential Indigent as per paragraph A of the Indigent Policy per erf/unit per month	144.55	166.24	136.50	156.98	5.90%
W1A2B	Basic Monthly Charge 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	15.45	17.77	15.45	17.77	0.00%
W1A3B	Fixed Infrastructure Basic Charge per erf/unit per month	8.41	9.67	8.41	9.67	0.00%
W1A3C	Subsidised Fixed Infrastructure Basic Charge	8.41	9.67	8.41	9.67	0.00%
	Normal Tariff					
W1B1	0 - 6 kl per kl	6.24	7.18	5.60	6.44	11.50%
W1B2	7 - 18 kl per kl	12.15	13.97	11.47	13.19	5.90%
W1B3	19 - 30 kl per kl	19.71	22.66	18.61	21.40	5.90%
W1B4	31 - 45 kl per kl	30.35	34.90	28.66	32.96	5.90%
W1B5	46 - 60 kl per kl	39.42	45.33	37.22	42.80	5.90%
W1B6	>60kl per kl	52.57	60.45	49.64	57.09	5.90%

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has not published a revised bulk electricity pricing structure at the time of compilation of this budget report.

The tariffs will however be adjusted in terms of the NERSA draft guideline, in order to submit draft tariffs to the regulator as prescribed. It is foreseen that these tariffs will be revised again if applicable, on publication of the NERSA approved Municipal Tariff Guideline and Benchmarks once the Regulator has approved it, to ensure that these tariffs are factored into the final budget.

The municipality will also submit the revised tariffs at that stage again, to ensure that NERSA considers and approves the application on time for implementation on 1 July 2020.

Due to the above-mentioned draft guideline awaited from Nersa, the approach followed with the draft budget reflects an indicative increase of 15%, for municipal consumers of electricity at this stage.

The estimated increase in basic charges as well as of 15%, as for the respective brackets of the Inclining Block Tariffs (0-350 kWh, 351-600kWh, and >600kWh), also proposed at 15% at this stage.

Important though to emphasize again that the municipality will revise these tariffs in accordance with information awaited, with the expectation that final approval of the tariffs for electricity services will almost certainly be less than the current indicative position of 15% increase.

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:

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

Tariff Code	Detail		2020/2021		2019/2020		
			Exclude VAT	Include VAT	Exclude VAT	Include VAT	
E1A	Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1A1	Basic Monthly charge per meter	R	385.64	443.49	335.34	385.64	15.00%
	kWh Unit cost						
E1A2	IBT BLOCK 1 0 - 350 kWh	c	147.97	170.17	128.67	147.97	15.00%
E1A3	IBT BLOCK 2 351 - 600 kWh	c	217.32	249.91	188.97	217.32	15.00%
E1A4	IBT BLOCK 3 > 600 kWh	c	267.01	307.06	232.18	267.01	15.00%
E1B	Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1B1	Basic Monthly charge per meter	R	385.64	443.49	335.34	385.64	15.00%
	kWh Unit cost						
E1B2	IBT BLOCK 1 0 - 350 kWh	c	136.68	157.18	118.85	136.68	15.00%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	204.78	235.50	178.07	204.78	15.00%
E1B4	IBT BLOCK 3 > 600 kWh	c	256.66	295.16	223.18	256.66	15.00%

The IBT for electricity, as previously proposed by NERSA has continued. As mentioned above, with the latest recommendations, the tariff increases in the inclining block tariff for the electricity consumption tariffs has been set at 15% for the respective inclining blocks. The reduced tariffs for prepaid meters, compared to conventional meters, will continue as in the past.

The full proposed tariffs are included in Annexure C.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 5,9 per cent for sanitation (basic & consumption) is proposed from 1 July 2020.

This is based on tariff increases related to inflation increases as mentioned earlier in this report. 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 (4,2 kl of 6 kl water) will be applicable to registered indigents.

The following table compares the current and proposed tariffs:

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

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
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.	14.51	16.68	13.70	15.76	5.90%
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.	128.83	148.15	new	new	
SE8	BASIC CHARGE					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	128.83	148.15	121.65	139.90	5.90%

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, as it was in a position to construct a new Cell 4 and resumed operations at the site from 1 April 2019.

A tariff increase of 5,9% is proposed for 2020/21, in view of the increased costs to be incurred by Overstrand Municipality in dumping waste at the newly constructed Cell 4, with another contributing cost for the relocating of the Hermanus Waste Management Facility, with borrowing as the source of financing.

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 2020:

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

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
SAN1	REFUSE REMOVAL (1 removal per week of 4 bags or 1X240 Bin)					
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	196.43	225.90	185.49	213.31	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.

High Consumption with credit elect meter				2019/2020	2020/2021	Amount	%
Valuation		R3 500 000					
Rates				1 311.69	1 403.00	91.31	6.96
Sewer	SE7A1+SE8A			601.15	636.62	35.47	5.90
Infrastructure	Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week			185.49	196.43	10.94	5.90
Water	50 kl			1 147.06	1 216.62	69.56	6.06
VAT			15%	298.09	315.48	17.40	5.84
SUB TOTAL				3 597.02	3 821.69	224.68	6.25
Electricity Cred	1500 kWh			3 347.73	3 849.89	502.16	15.00
VAT			15%	502.16	577.48	75.32	15.00
TOTAL				7 446.91	8 249.06	802.16	10.77
Medium Consumption with prepaid elect meter				2019/2020	2020/2021	Amount	%
Valuation		R2 500 000					
Rates				931.49	996.33	64.84	6.96
Sewer	SE7A1+SE8A			361.40	382.72	21.32	5.90
Infrastructure	Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week			185.49	196.43	10.94	5.90
Water	25 kl			438.01	465.73	27.72	6.33
VAT			15%	155.77	164.76	9.00	5.78
SUB TOTAL				2 125.70	2 259.53	133.83	6.30
Electricity Prep	800 kWh			1 642.85	1 889.28	246.43	15.00
VAT			15%	246.43	283.39	36.96	15.00
TOTAL				4 014.97	4 432.20	417.22	10.39
Low Consumption with prepaid elect meter				2019/2020	2020/2021	Amount	%
Valuation		R1 000 000					
Rates				361.19	386.33	25.14	6.96
Sewer	SE7A1+SE8A			265.50	281.16	15.66	5.90
Infrastructure	Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week			185.49	196.43	10.94	5.90
Water	15 kl			273.33	291.34	18.01	6.59
VAT			15%	116.68	123.37	6.69	5.74
TOTAL				1 255.73	1 332.18	76.45	6.09
Electricity Prep	600 kWh			1 196.49	1 375.96	179.47	15.00
VAT			15%	179.47	206.39	26.92	15.00
TOTAL				2 631.69	2 914.54	282.85	10.75
Life-Line Consumption (ONE PART) (Indigent)				2019/2020	2020/2021	Amount	%
Valuation		R50 000					
Rates				0.00	0.00	0.00	0.00
Sewer	SE7A1			19.18	20.31	1.13	5.90
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			22.94	24.29	1.35	5.90
VAT			15%	12.57	12.95	0.37	2.96
SUB TOTAL				96.39	99.25	2.86	2.96
Electricity Pre-	300 kWh			360.45	414.52	54.07	15.00
VAT			15%	54.07	62.18	8.11	15.00
TOTAL				510.91	575.95	65.04	12.73

Table 11 MBRR Table SA14 – Household bills

WC032 Overstrand - Supporting Table SA14 Household bills

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	205.32	220.57	233.78	247.14	247.14	247.14	7.00%	264.33	280.19	297.00
Electricity: Basic levy	254.78	267.52	291.60	335.34	335.34	335.34	15.00%	385.64	417.66	442.72
Electricity: Consumption	1 445.42	1 464.97	1 558.89	1 729.49	1 729.49	1 729.49	15.00%	2 016.97	2 127.95	2 255.63
Water: Basic levy	114.93	121.83	129.14	136.50	136.50	136.50	5.90%	144.55	153.22	162.42
Water: Consumption	333.62	354.92	377.69	400.93	400.93	400.93	6.40%	426.48	452.07	479.19
Sanitation	344.53	365.16	387.25	409.35	409.35	409.35	5.90%	433.54	459.55	487.13
Refuse removal	146.26	155.04	164.35	185.49	185.49	185.49	5.90%	196.43	208.22	220.71
Other	41.70	53.54	53.54	53.54	53.54	53.54	0.00%	53.54	53.54	53.54
sub-total	2 886.56	3 003.55	3 196.24	3 497.78	3 497.78	3 497.78	12.10%	3 921.48	4 152.40	4 398.33
VAT on Services	375.37	396.57	422.15	487.60	487.60	487.60		548.41	580.83	615.20
Total large household bill:	3 261.93	3 400.12	3 618.39	3 985.38	3 985.38	3 985.38	12.20%	4 469.89	4 733.23	5 013.53
% increase/-decrease		4.2%	6.4%	10.1%	-	-		12.2%	5.9%	5.9%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	142.15	152.70	161.85	171.10	171.10	171.10	7.00%	183.00	193.98	205.62
Electricity: Basic levy	254.78	267.52	291.60	335.34	335.34	335.34	15.00%	385.64	417.66	442.72
Electricity: Consumption	571.30	574.61	608.63	658.70	658.70	658.70	15.00%	785.55	825.13	874.63
Water: Basic levy	114.93	121.83	129.14	136.50	136.50	136.50	5.90%	144.55	153.22	162.42
Water: Consumption	251.79	268.19	285.74	303.75	303.75	303.75	6.50%	323.56	342.97	363.55
Sanitation	304.18	322.39	341.89	361.40	361.40	361.40	5.90%	382.76	405.73	430.07
Refuse removal	146.26	155.04	164.35	185.49	185.49	185.49	5.90%	196.43	208.22	220.71
Other	41.70	53.54	53.54	53.54	53.54	53.54	0.00%	53.54	53.54	53.54
sub-total	1 827.09	1 915.82	2 036.74	2 205.82	2 205.82	2 205.82	11.30%	2 455.03	2 600.44	2 753.26
VAT on Services	235.89	251.24								
Total small household bill:	2 062.98	2 167.06	2 036.74	2 205.82	2 205.82	2 205.82	11.30%	2 455.03	2 600.44	2 753.26
% increase/-decrease		5.0%	(6.0%)	8.3%	-	-		11.3%	5.9%	5.9%
Monthly Account for Household - 'Indigent Household receiving free basic services'										
Rates and services charges:										
Property rates	78.97	84.83	89.92	95.06	95.06	95.06	6.90%	101.66	107.76	114.23
Electricity: Basic levy	254.78	267.52	291.60	335.34	335.34	335.34	15.00%	385.64	417.66	442.72
Electricity: Consumption	351.58	351.05	371.42	391.60	391.60	391.60	15.00%	478.38	501.78	531.89
Water: Basic levy	114.93	121.83	129.14	136.50	136.50	136.50	5.90%	144.55	153.22	162.42
Water: Consumption	173.44	185.14	197.69	210.70	210.70	210.70	6.80%	225.01	238.51	252.82
Sanitation	263.82	279.62	296.53	313.45	313.45	313.45	5.90%	331.97	351.89	373.00
Refuse removal	146.26	155.04	164.35	185.49	185.49	185.49	5.90%	196.43	208.22	220.71
Other	(701.43)	(727.86)	(796.06)	(887.87)	(887.87)	(887.87)		(988.16)	(1 092.08)	(1 208.38)
sub-total	682.35	717.17	744.59	780.27	780.27	780.27	12.20%	875.48	886.96	889.40
VAT on Services	78.64	90.11	93.29	102.78	102.78	102.78		116.58	116.88	116.28
Total small household bill:	760.99	807.28	837.88	883.05	883.05	883.05	12.30%	992.06	1 003.84	1 005.68
% increase/-decrease		6.1%	3.8%	5.4%	-	-		12.3%	1.2%	0.2%

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

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

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2020/21 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 2020/21 budget and MTREF (classified per main type of operating expenditure):

Table 12 Summary of operating expenditure by functional classification item

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Expenditure By Type									
Employee related costs	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
Remuneration of councillors	9 265	10 138	10 573	11 383	11 383	11 383	13 794	19 660	20 677
Debt impairment	22 221	18 013	17 949	24 902	24 902	24 902	26 147	27 454	28 827
Depreciation & asset impairment	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Finance charges	45 913	46 129	44 921	51 549	51 549	51 549	53 668	54 327	54 392
Bulk purchases	217 523	225 844	242 614	275 880	280 880	280 880	323 012	371 463	427 183
Other materials	48 818	40 900	47 091	63 675	42 946	42 946	42 448	44 009	46 216
Contracted services	155 726	167 079	186 758	207 536	214 349	214 349	229 366	232 659	242 756
Transfers and subsidies	1 898	1 800	486	500	500	500	12 420	12 010	12 010
Other expenditure	50 631	55 726	58 609	83 450	103 992	103 992	123 890	131 963	143 839
Loss on disposal of PPE	8 133		610		31 700	31 700	-	-	-
Total Expenditure	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376

The budgeted allocation for employee related costs and remuneration of councillors for the 2020/21 financial year totals R461,6m which equals 32,6 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 R15,5m of which the majority of the amount is a long term liability (post-retirement benefits) and therefore not cash remuneration.

The current three year collective SALGBC salary agreement came into operation on 1 July 2018. Salary increases, according to the principles of the agreement, were estimated based on the average inflation for the period February 2019 to January 2020, with a minimum inflation rate of 5% plus 1,25% for the third year of the agreement. In the meantime the mandate of Municipal Law Enforcement officers has been expanded so that they may now prevent, but not combat crime. To this end we will be increasing the staff compliment and facilities of the Municipal Law Enforcement division, which will include establishing a K9 unit with offices in Gansbaai, Hermanus and Kleinmond. The increased funding from property rates will be utilized to finance these increased services.

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. This determination will be completed at a later stage for 2020/2021. For budgeting purposes, a similar increase as for other employees has been factored into the budget for this category of employees.

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 2019/2020 increases was published during January 2020. No indication for 2020/21 has been received to date and therefore remuneration of councillors has been factored into the 2020/21 budget at the same rate as the 2019/2020 determination.

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 100 per cent and the Debt Write-off Policy of the Municipality. For the 2020/21 financial year this amount equates to R0,8m. Impairment for traffic fines, resulting from the implementation of IGRAP1, has been budgeted according to the trends from the three previous financial years and amounts to R25,4m.

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 R141,9m for the 2020/21 financial year and equates to 10,03per 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 3,8 per cent of operating expenditure. The gearing ratio of borrowing to revenue is expected to be 37.7 per cent for 2020/21, which is below the outer proposed limit of National Treasury.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The proposals from the NERSA determination for Eskom, for a 15% bulk price increase to municipalities from 1 July 2020 has been factored into the budget appropriations and also directly informs tariff increase.

Other materials, now classified as Inventory in mSCOA, comprise amongst others the purchase of materials for maintenance, cleaning materials, fuel, printing and stationary, top structures for housing projects etc. The expenditure on top structures relating to Housing Projects funded through the Human Settlement Grant 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 2020/21 MTREF this group of expenditure was critically evaluated and operational efficiencies are being enforced. In the 2020/21 financial year, this group of expenditure totals R229,4m. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses. Further details relating to contracted services can be seen in Table 62 MBRR SA1 (see page 100).

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 (see page 100). 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 2020/21 financial year.

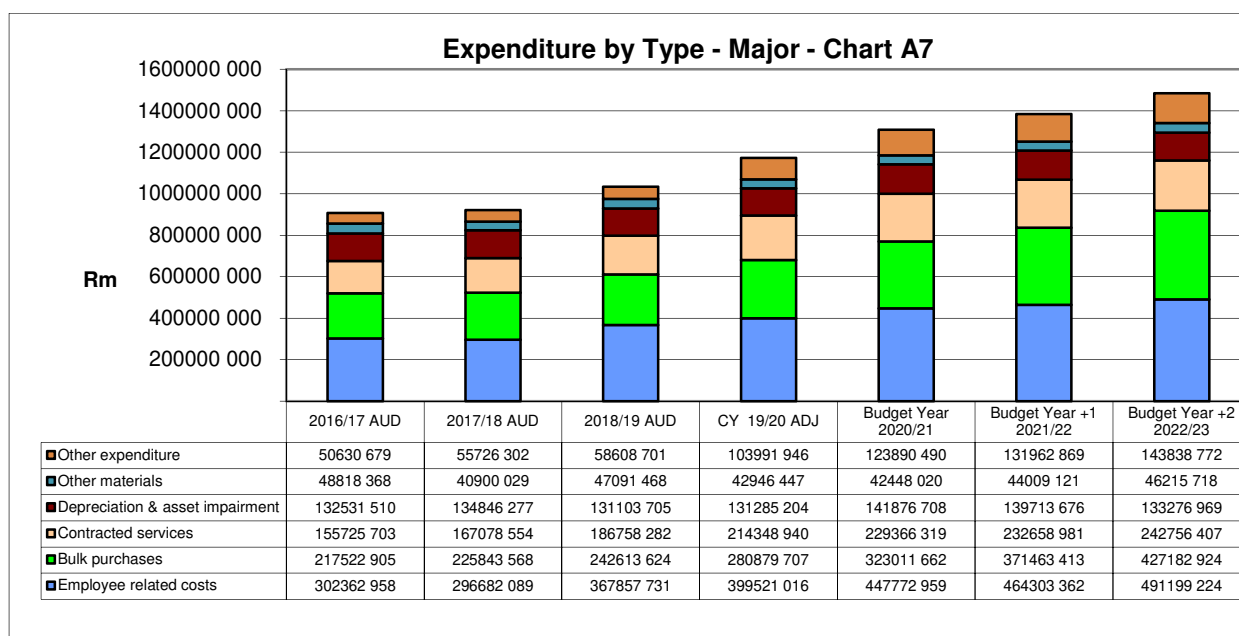


Figure 1 Main operational expenditure categories for the 2020/21 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2020/21 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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Repairs and maintenance by Expenditure Item									
Employee related costs	50 261	53 689	89 415	97 024	97 594	97 594	102 952	108 991	115 771
Other materials	3 500	30 000	17 594	13 845	18 645	18 645	20 717	21 894	23 094
Contracted Services	36 145	67 791	85 762	69 331	71 811	71 811	84 459	89 143	91 911
Other Expenditure	30 890	8 555	22 253	18 990	15 913	15 913	11 181	11 721	12 293
Total Repairs and Maintenance Expenditure	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069

During the compilation of the 2020/21 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. As part of the 2020/21 MTREF this strategic imperative remains a priority. In relation to the total operating expenditure, repairs and maintenance comprises on average 15.5 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 6.4, 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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	110 392	117 901	145 959	139 955	141 193	141 193	148 335	157 430	164 733
Roads Infrastructure	55 545	53 229	61 860	65 331	66 157	66 157	70 462	74 697	79 130
Storm water Infrastructure	6 392	6 017	5 765	6 600	6 375	6 375	7 605	7 632	6 250
Electrical Infrastructure	17 747	17 645	23 082	37 099	37 630	37 630	31 243	32 852	34 749
Water Supply Infrastructure	16 489	15 014	17 367	16 935	17 568	17 568	20 432	21 580	22 799
Sanitation Infrastructure	11 672	13 051	14 967	11 541	11 007	11 007	14 970	15 806	16 698
Solid Waste Infrastructure	2 546	12 946	22 918	2 220	2 269	2 269	3 362	4 589	4 820
Promenades	-	-	-	189	147	147	221	231	241
Information and Communication Infrastructure	-	-	-	40	40	40	42	44	46
Community Assets	4 867	12 289	39 801	40 198	39 293	39 293	46 194	48 398	51 207
Community Facilities	4 867	12 289	27 117	34 241	33 129	33 129	38 222	40 027	42 399
Sport and Recreation Facilities	-	-	12 685	5 957	6 164	6 164	7 972	8 371	8 807
Other assets	-	-	8 009	2 217	3 281	3 281	3 695	3 869	4 053
Intangible Assets	-	-	-	5 653	6 353	6 353	5 926	6 235	6 560
Computer Equipment	5 536	5 207	4 890	1 193	1 068	1 068	2 193	2 301	2 415
Furniture and Office Equipment	-	17 919	16 364	431	440	440	2 959	3 009	3 069
Machinery and Equipment	-	6 719	-	9 542	12 335	12 335	-	-	-
Machinery and Equipment	-	6 719	-	9 542	12 335	12 335	-	-	-
Transport Assets	-	-	-	-	-	-	10 007	10 507	11 032
Transport Assets	-	-	-	-	-	-	10 007	10 507	11 032
Total Repairs and Maintenance Expenditure	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069

For the 2020/21 financial year, 15.5 per cent or R219.3m of the total budget will be spent on repairs and maintenance, of which R148.4m is for infrastructure. Roads infrastructure has received a significant proportion of the infrastructure allocation totalling 32.12 per cent (R70.46m), followed by community assets at 21.06 per cent (R46.19m) and electricity at per cent (Rm).

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are indigent/poor 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 2020/21 is estimated at 7 750 and will be reviewed monthly.

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.

Details relating to free services and basic service delivery measurement is contained in Table 26 MBRR A10 (Basic Service Delivery Measurement) on page 45.

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.

The policy for Grants-in-aid to organisations has been reviewed and approved by Council. Advertisements requested interested parties to submit applications for grant-in-aid for the 2020/2021 financial year. The table below reflects the allocation for 2020/2021.

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Transfers to Organisations									
Insert description			486	500	500	500	650	400	400
Total Cash Transfers To Organisations	-	-	486	500	500	500	650	400	400
Cash Transfers to Groups of Individuals									
Special Rating Areas	1 898	1 800					11 770	11 610	11 610
Total Cash Transfers To Groups Of Individuals:	1 898	1 800	-	-	-	-	11 770	11 610	11 610
TOTAL CASH TRANSFERS AND GRANTS	1 898	1 800	486	500	500	500	12 420	12 010	12 010

1.6 Capital expenditure

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

Table 16 2020/21 Medium-term capital budget per vote

Vote Description R thousand	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional									
Governance and administration	957	6 342	8 659	4 105	4 105	4 105	3 375	30 000	20 000
Executive and council	72		295	10	10	10	5	-	-
Finance and administration	885	6 342	8 364	4 095	4 095	4 095	3 370	30 000	20 000
Internal audit									
Community and public safety	14 135	44 222	68 172	64 760	127 111	127 111	81 469	46 667	37 850
Community and social services	644	2 126	5 164	3 280	2 960	2 960	21 468	-	-
Sport and recreation	1 837	5 427	23 923	18 770	19 055	19 055	3 949	-	-
Public safety	996	2 490	4 809	16 271	20 723	20 723	10 096	-	-
Housing	10 658	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Health							-	-	-
Economic and environmental services	13 279	12 071	13 407	30 410	21 757	21 757	26 493	3 571	17 000
Planning and development	1 540	45	1 346	8 899	3 896	3 896	14 748	-	-
Road transport	11 739	12 026	12 061	21 510	17 860	17 860	11 745	3 571	17 000
Environmental protection									
Trading services	63 498	42 619	84 872	162 402	122 760	122 760	155 758	95 899	70 528
Energy sources	30 496	16 268	28 893	34 124	29 226	29 226	24 641	44 000	22 000
Water management	15 772	3 257	12 270	48 504	39 982	39 982	46 469	27 516	22 000
Waste water management	17 217	21 523	42 210	62 843	43 241	43 241	64 310	24 384	26 528
Waste management	12	1 572	1 499	16 931	10 311	10 311	20 339	-	-
Other									
Total Capital Expenditure - Functional	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

For 2020/21 an amount of R155,8m has been appropriated for the development of basic services infrastructure which represents 58,1 per cent of the total capital budget of R267,1m. In the outer years this amount totals R95,9m, 54,4 per cent and R70,5m, 48.5 per cent respectively for each of these financial years. Waste water infrastructure has the highest allocation at R64,3m in 2020/21 which equates to 41,3 per cent of the basic services infrastructure allocation, followed by water management at 29,8 per cent, R46,4 million and then electricity 15,8 per cent, R26,5m. Over the MTREF the capital housing grant expenditure relating to housing infrastructure provision amounts to R45,9 million.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 25 MBRR A9 (Asset Management) on page 41. 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 (refer to page 89). Some of the salient projects to be undertaken during 2020/2021 includes, amongst others:

Top 10 Capital Projects

Project Description	Ward	Amount
WATER MASTER PLAN IMPLEMENTATION	Overstrand	20 033 060
HERMANUS NEW WASTE MANAGEMENT FACILITY	Overstrand	15 800 000
VEHICLES- COMMUNITY SERVICES	Overstrand	13 429 959
FKRAAL-KBAAI-BHEAD NEW 66 11KV SUBSTATION	Multi-ward Gb Area	9 695 882
CBD REGENERATION PROGRAM	Ward 03	6 200 000
UPGRADE HERMANUS WELL FIELDS PHASE 2	Ward 04	6 000 000
KLEINMOND WWTW REFURBISH UPGRADE	Ward 10	5 400 000
UPGRADING OF PUMPSTATIONS RISING MAINS	Overstrand	4 600 000
STORMWATER- MAIN RD HIGH STREET	Ward 03	4 500 000
ZWELIHLE LIBRARY	Ward 05	4 373 611

Furthermore, pages 90 to 93 and 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.

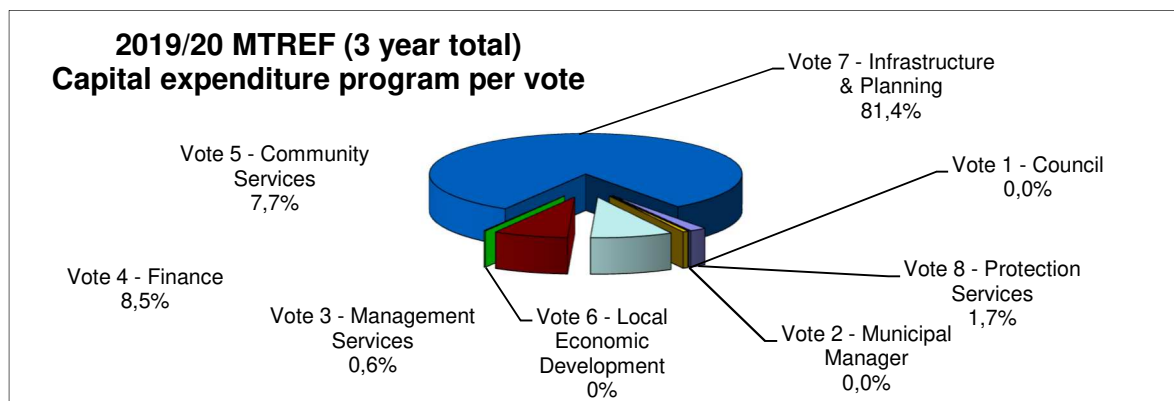


Figure 2 Capital Infrastructure Programme

Further capital projects have been considered and prioritised for the 2020/2021 capital budget from the proceeds of land sales received in the prior year.

1.6.1 Future operational cost of new infrastructure

An estimate has been included in Table 58 MBRR SA35 on page 93. 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 2020/21 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 2020/21 final budget and MTREF to be approved and/or noted by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 17 MBRR Table A1 - Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands									
Financial Performance									
Property rates	197 104	215 763	233 274	242 150	242 950	242 950	271 251	286 830	303 395
Service charges	571 114	590 112	648 200	676 330	682 950	682 950	721 960	769 161	819 740
Investment revenue	20 347	30 320	41 767	28 010	35 860	35 860	39 350	41 641	44 140
Transfers recognised - operational	114 411	116 458	118 976	152 183	125 794	125 794	131 840	141 735	154 275
Other own revenue	99 952	124 371	105 849	74 844	191 962	191 962	183 127	194 232	198 227
Total Revenue (excluding capital transfers and contributions)	1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777
Employee costs	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
Remuneration of councillors	9 265	10 138	10 573	11 383	11 383	11 383	13 794	19 660	20 677
Depreciation & asset impairment	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Finance charges	45 913	46 129	44 921	51 549	51 549	51 549	53 668	54 327	54 392
Materials and bulk purchases	266 341	266 744	289 705	339 554	323 826	323 826	365 460	415 473	473 399
Transfers and grants	1 898	1 800	486	500	500	500	12 420	12 010	12 010
Other expenditure	236 710	240 817	263 925	315 888	374 942	374 942	379 403	392 076	415 422
Total Expenditure	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit)	7 906	79 868	39 495	(76 446)	(13 491)	(13 491)	(66 866)	(63 963)	(80 599)
Transfers and subsidies - capital (monetary allocated)	33 681	64 263	66 060	70 194	46 216	46 216	30 619	28 470	31 628
Contributions recognised - capital & contributed assets	-	-	-	-	2 618	2 618	-	14 000	5 900
Surplus/(Deficit) after capital transfers & contributions	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Capital expenditure & funds sources									
Capital expenditure	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Transfers recognised - capital	43 214	68 677	93 002	70 194	128 557	128 557	76 575	89 137	75 378
Borrowing	35 550	19 199	36 495	90 501	69 925	69 925	92 199	50 000	50 000
Internally generated funds	13 104	17 379	45 613	100 981	77 251	77 251	98 322	37 000	20 000
Total sources of capital funds	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Financial position									
Total current assets	404 764	625 093	710 826	583 535	703 090	703 090	659 202	621 597	595 703
Total non current assets	3 702 225	3 635 642	3 688 101	3 823 679	3 813 035	3 813 035	3 945 825	3 990 082	4 010 302
Total current liabilities	180 206	221 509	222 765	234 096	212 344	212 344	246 060	251 558	275 627
Total non current liabilities	629 633	613 708	645 090	694 547	694 547	694 547	705 981	728 629	741 958
Community wealth/Equity	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420
Cash flows									
Net cash from (used) operating	168 384	243 897	218 314	165 492	276 701	276 701	223 337	144 301	120 029
Net cash from (used) investing	(86 528)	(28 775)	(180 645)	(269 006)	(283 062)	(283 062)	(274 664)	(183 968)	(153 497)
Net cash from (used) financing	3 178	31	20 552	58 619	58 619	58 619	6 019	298	5 444
Cash/cash equivalents at the year end	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724
Cash backing/surplus reconciliation									
Cash and investments available	297 796	519 562	583 711	502 005	643 312	643 312	605 578	574 043	554 138
Application of cash and investments	21 418	63 220	67 672	49 170	27 718	27 718	57 635	70 163	87 908
Balance - surplus (shortfall)	276 379	456 342	516 039	452 835	615 593	615 593	547 943	503 880	466 230
Asset management									
Asset register summary (WDV)	3 664 217	3 591 027	3 637 568	3 765 790	3 755 146	3 755 146	3 880 365	3 916 787	3 928 888
Depreciation	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Renewal and Upgrading of Existing Assets	34 479	29 644	-	6 570	6 558	6 558	28 083	12 050	16 200
Repairs and Maintenance	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069
Free services									
Cost of Free Basic Services provided	5 174	6 813	79 256	84 049	84 049	84 049	86 324	97 721	110 568
Revenue cost of free services provided	50 566	51 711	52 080	54 292	54 292	54 292	66 457	70 445	74 671
Households below minimum service level									
Water:	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-

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 emphasises 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 operating surplus/deficit (after Total Expenditure) is positive 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 slight 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)

Standard Classification Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional									
Governance and administration	315 876	334 461	327 076	317 773	334 875	334 875	353 015	371 644	386 633
Executive and council	74 405	21 599	27 347	31 168	30 953	30 953	17 826	18 084	13 479
Finance and administration	227 951	262 045	299 642	286 569	303 887	303 887	335 188	353 560	373 154
Internal audit	13 521	50 817	86	36	36	36	-	-	-
Community and public safety	98 890	109 158	117 527	132 968	186 499	186 499	156 318	163 867	166 496
Community and social services	3 609	4 149	8 471	8 073	8 077	8 077	8 115	8 546	9 151
Sport and recreation	10 591	8 218	29 227	24 825	24 825	24 825	14 065	12 758	13 502
Public safety	44 357	40 605	32 372	47 393	49 601	49 601	43 515	45 592	47 592
Housing	40 333	56 186	47 457	52 676	103 995	103 995	90 623	96 970	96 250
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	24 142	23 251	16 861	14 270	17 946	17 946	12 686	14 232	28 176
Planning and development	13 713	14 259	10 337	10 019	10 019	10 019	12 403	10 376	10 887
Road transport	10 419	8 970	6 229	4 206	7 882	7 882	235	3 806	17 235
Environmental protection	9	22	295	45	45	45	48	51	54
Trading services	597 702	674 417	752 662	778 700	789 029	789 029	856 129	926 326	976 001
Energy sources	342 621	381 333	419 560	438 026	448 910	448 910	487 257	535 591	572 180
Water management	128 180	125 375	145 980	147 953	149 453	149 453	156 014	171 049	170 007
Waste water management	72 399	95 070	110 345	105 084	103 908	103 908	119 196	120 031	126 999
Waste management	54 503	72 639	76 777	87 637	86 757	86 757	93 662	99 655	106 814
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	1 036 610	1 141 287	1 214 127	1 243 711	1 328 349	1 328 349	1 378 148	1 476 069	1 557 305
Expenditure - Functional									
Governance and administration	177 829	186 762	222 170	247 061	248 145	248 145	589 379	606 312	638 675
Executive and council	56 510	24 780	56 567	59 731	59 799	59 799	34 030	35 485	37 261
Finance and administration	47 972	71 864	162 935	184 233	185 249	185 249	555 004	570 469	601 042
Internal audit	73 347	90 118	2 668	3 097	3 097	3 097	345	358	372
Community and public safety	127 660	138 037	159 878	197 962	231 788	231 788	115 898	124 057	135 390
Community and social services	31 538	33 856	16 972	17 929	17 563	17 563	10 301	10 197	10 498
Sport and recreation	15 886	18 307	43 905	51 814	52 573	52 573	18 162	18 766	19 597
Public safety	72 088	73 286	80 702	94 795	98 604	98 604	39 783	41 653	43 596
Housing	8 148	12 589	18 299	33 424	63 048	63 048	47 652	53 441	61 698
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	173 813	182 017	146 841	162 841	163 988	163 988	99 358	103 776	106 869
Planning and development	78 356	85 115	36 688	44 429	43 435	43 435	8 039	8 152	8 182
Road transport	90 054	91 197	103 331	106 751	108 727	108 727	81 791	83 777	86 204
Environmental protection	5 402	5 705	6 821	11 661	11 826	11 826	9 528	11 847	12 483
Trading services	515 721	490 339	576 651	639 154	645 951	645 951	606 334	661 323	717 345
Energy sources	313 992	295 386	313 606	363 841	369 941	369 941	379 978	429 325	485 325
Water management	65 931	66 052	107 916	116 983	116 866	116 866	112 301	114 711	113 267
Waste water management	63 101	64 937	84 120	85 886	86 251	86 251	70 885	73 060	72 787
Waste management	72 697	63 964	71 009	72 444	72 893	72 893	43 169	44 226	45 967
Other	-	-	3 031	2 945	3 135	3 135	3 425	2 094	2 098
Total Expenditure - Functional	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) for the year	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

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.

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

Vote Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote									
Vote 1 - Council	73 145	21 399	27 246	31 083	30 843	30 843	17 735	17 990	13 383
Vote 2 - Municipal Manager	12	64	86	36	36	36	-	-	-
Vote 3 - Management Services	2 031	821	1 070	844	844	844	1 366	1 366	1 366
Vote 4 - Finance	231 209	262 709	292 912	284 914	295 084	295 084	326 077	344 411	363 965
Vote 5 - Community Services	393 923	489 799	496 225	497 130	567 833	567 833	592 443	647 600	683 983
Vote 6 - Economic and Social Development & To	42 387	40 605	32 267	47 393	49 601	49 601	43 515	45 592	47 592
Vote 7 - Infrastructure & Planning	3 556	2 788	2 030	2 635	2 986	2 986	4 586	2 091	2 247
Vote 8 - Protection Services	290 348	323 102	362 289	379 676	381 122	381 122	392 426	417 019	444 770
Total Revenue by Vote	1 036 610	1 141 287	1 214 127	1 243 711	1 328 349	1 328 349	1 378 148	1 476 069	1 557 305
Expenditure by Vote to be appropriated									
Vote 1 - Council	42 588	4 303	38 174	36 077	35 876	35 876	36 751	37 583	39 358
Vote 2 - Municipal Manager	3 922	4 542	5 050	5 797	6 297	6 297	7 654	8 013	8 450
Vote 3 - Management Services	40 697	43 809	46 736	56 900	55 967	55 967	57 253	59 982	62 583
Vote 4 - Finance	64 984	71 890	74 716	75 077	75 067	75 067	98 816	95 410	99 881
Vote 5 - Community Services	432 211	414 432	449 522	527 994	565 180	565 180	606 858	673 160	747 711
Vote 6 - Local Economic Development	72 087	73 272	81 089	95 150	98 890	98 890	114 249	117 569	123 633
Vote 7 - Infrastructure & Planning	10 220	10 558	10 303	13 291	14 310	14 310	20 614	18 664	20 126
Vote 8 - Protection Services	328 315	374 350	402 983	439 679	441 420	441 420	472 201	487 179	498 634
Total Expenditure by Vote	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) for the year	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Revenue By Source									
Property rates	197 104	215 763	233 274	242 150	242 950	242 950	271 251	286 830	303 395
Service charges - electricity revenue	334 765	349 298	378 668	398 868	403 868	403 868	431 748	461 627	493 845
Service charges - water revenue	115 070	110 932	129 971	127 320	128 820	128 820	134 027	141 979	150 407
Service charges - sanitation revenue	66 890	72 106	77 772	80 020	81 020	81 020	83 772	88 798	94 127
Service charges - refuse revenue	54 389	57 775	61 788	70 122	69 242	69 242	72 414	76 757	81 361
Rental of facilities and equipment	11 613	5 616	6 341	3 562	3 562	3 562	3 707	3 899	4 108
Interest earned - external investments	20 347	30 320	41 767	28 010	35 860	35 860	39 350	41 641	44 140
Interest earned - outstanding debtors	2 671	3 854	4 193	4 151	4 451	4 451	4 851	5 085	5 333
Dividends received							-	-	-
Fines, penalties and forfeits	38 715	31 638	24 734	32 552	32 552	32 552	32 581	34 701	36 721
Licences and permits	2 525	2 527	2 526	2 462	2 462	2 462	2 491	2 633	2 688
Agency services	3 480	4 149	4 913	4 700	5 200	5 200	5 526	5 856	6 206
Transfers and subsidies	114 411	116 458	118 976	152 183	125 794	125 794	131 840	141 735	154 275
Other revenue	34 706	48 492	63 142	27 416	143 735	143 735	133 971	142 058	143 172
Gains on disposal of PPE	6 242	28 096					-	-	-
Total Revenue (excluding capital transfers and contributions)	1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777
Expenditure By Type									
Employee related costs	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
Remuneration of councillors	9 265	10 138	10 573	11 383	11 383	11 383	13 794	19 660	20 677
Debt impairment	22 221	18 013	17 949	24 902	24 902	24 902	26 147	27 454	28 827
Depreciation & asset impairment	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Finance charges	45 913	46 129	44 921	51 549	51 549	51 549	53 668	54 327	54 392
Bulk purchases	217 523	225 844	242 614	275 880	280 880	280 880	323 012	371 463	427 183
Other materials	48 818	40 900	47 091	63 675	42 946	42 946	42 448	44 009	46 216
Contracted services	155 726	167 079	186 758	207 536	214 349	214 349	229 366	232 659	242 756
Transfers and subsidies	1 898	1 800	486	500	500	500	12 420	12 010	12 010
Other expenditure	50 631	55 726	58 609	83 450	103 992	103 992	123 890	131 963	143 839
Loss on disposal of PPE	8 133		610		31 700	31 700	-	-	-
Total Expenditure	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit)	7 906	79 868	39 495	(76 446)	(13 491)	(13 491)	(66 866)	(63 963)	(80 599)
Transfers and subsidies - capital (monetary all	33 681	64 263	66 060	70 194	46 216	46 216	30 619	28 470	31 628
Transfers and subsidies - capital (monetary all	-						-	14 000	5 900
Transfers and subsidies - capital (in-kind - all)					2 618	2 618	-	-	-
Surplus/(Deficit) after capital transfers & contributions	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Taxation							-	-	-
Surplus/(Deficit) after taxation	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Attributable to minorities							-	-	-
Surplus/(Deficit) attributable to municipality	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Share of surplus/ (deficit) of associate							-	-	-
Surplus/(Deficit) for the year	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

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

1. Total operating revenue is R1,293 billion in 2019/2020 and indicates an increase to R1,347 billion in 2020/21.
2. Revenue to be generated from property rates is R243 million in the 2019/2020 financial year and increases to R271,2 million by 2020/21 which represents 20,1 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 R682,9 million for the 2019/2020 financial year and indicates an increase to R721,9 million by 2020/21. For the 2020/21 financial year services charges amount to 53,6 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.

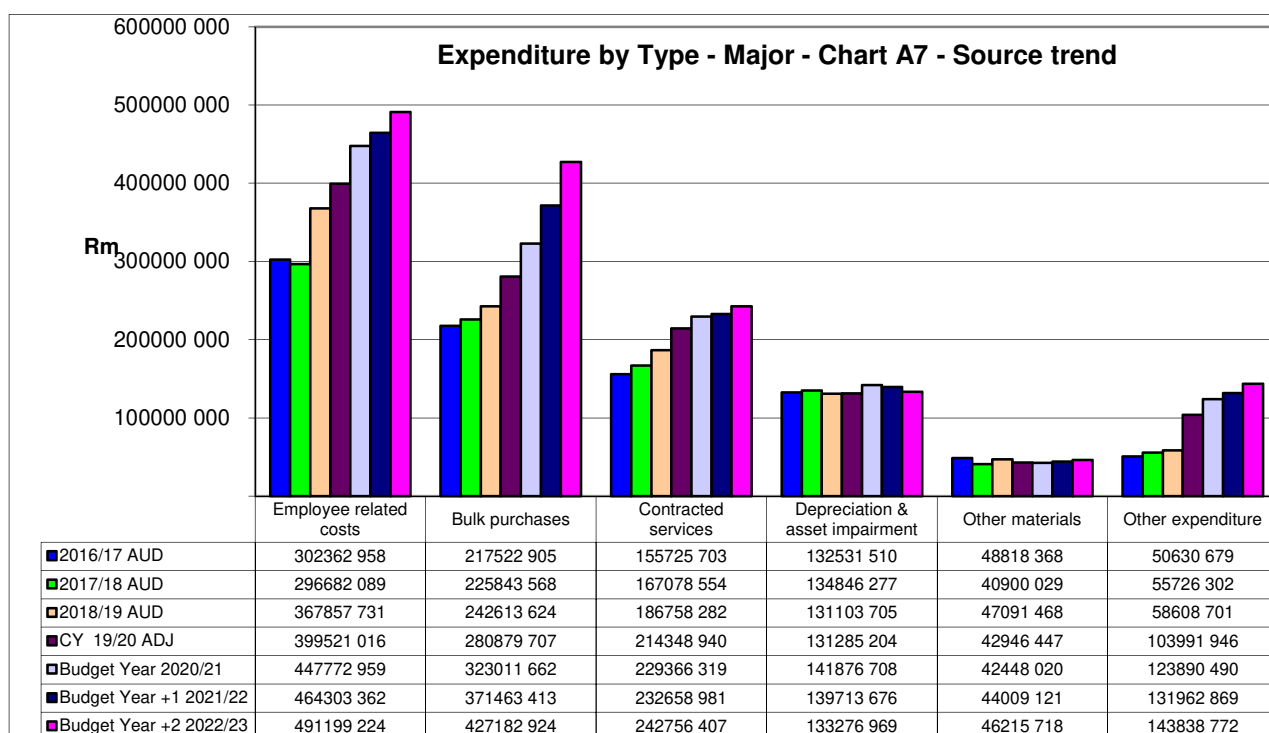


Figure 3 Expenditure by major type

6. Bulk purchases have significantly increased over the 2016/17 to 2022/23 period escalating from R217,5 million to R427,2 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.

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

Vote Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	30 000	20 000
Vote 5 - Community Services	30 496	-	63 169	40 128	92 716	92 716	108 105	131 101	95 550
Vote 6 - Economic and Social Development & To	-	-	4 809	5 588	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Protection Services	53 713	-	66 541	54 583	42 897	42 897	-	-	-
Capital multi-year expenditure sub-total	84 209	-	134 520	100 298	135 613	135 613	108 105	161 101	115 550
Single-year expenditure to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	72	6 346	295	3 975	3 975	3 975	3 315	-	-
Vote 4 - Finance	885	-	-	30	30	30	60	-	-
Vote 5 - Community Services	1 540	16 315	28 195	45 186	43 870	43 870	99 373	15 036	29 828
Vote 6 - Economic and Social Development & To	996	2 517	-	6 680	15 659	15 659	10 046	-	-
Vote 7 - Infrastructure & Planning	-	-	-	7 906	2 973	2 973	842	-	-
Vote 8 - Protection Services	4 167	80 077	12 100	97 601	73 611	73 611	45 355	-	-
Capital single-year expenditure sub-total	7 659	105 255	40 590	161 378	140 119	140 119	158 990	15 036	29 828
Total Capital Expenditure - Vote	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Capital Expenditure - Functional									
Governance and administration	957	6 342	8 659	4 105	4 105	4 105	3 375	30 000	20 000
Executive and council	72	-	295	10	10	10	5	-	-
Finance and administration	885	6 342	8 364	4 095	4 095	4 095	3 370	30 000	20 000
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	14 135	44 222	68 172	64 760	127 111	127 111	81 469	46 667	37 850
Community and social services	644	2 126	5 164	3 280	2 960	2 960	21 468	-	-
Sport and recreation	1 837	5 427	23 923	18 770	19 055	19 055	3 949	-	-
Public safety	996	2 490	4 809	16 271	20 723	20 723	10 096	-	-
Housing	10 658	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	13 279	12 071	13 407	30 410	21 757	21 757	26 493	3 571	17 000
Planning and development	1 540	45	1 346	8 899	3 896	3 896	14 748	-	-
Road transport	11 739	12 026	12 061	21 510	17 860	17 860	11 745	3 571	17 000
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	63 498	42 619	84 872	162 402	122 760	122 760	155 758	95 899	70 528
Energy sources	30 496	16 268	28 893	34 124	29 226	29 226	24 641	44 000	22 000
Water management	15 772	3 257	12 270	48 504	39 982	39 982	46 469	27 516	22 000
Waste water management	17 217	21 523	42 210	62 843	43 241	43 241	64 310	24 384	26 528
Waste management	12	1 572	1 499	16 931	10 311	10 311	20 339	-	-
Other									
Total Capital Expenditure - Functional	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Funded by:									
National Government	25 530	21 786	30 445	39 010	39 010	39 010	29 887	28 470	31 628
Provincial Government	7 681	42 477	35 615	31 184	88 287	88 287	732	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary alloc	10 002	4 414	26 942	-	1 259	1 259	45 956	60 667	43 750
Transfers recognised - capital	43 214	68 677	93 002	70 194	128 557	128 557	76 575	89 137	75 378
Borrowing	35 550	19 199	36 495	90 501	69 925	69 925	92 199	50 000	50 000
Internally generated funds	13 104	17 379	45 613	100 981	77 251	77 251	98 322	37 000	20 000
Total Capital Funding	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

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 R267,1 million in 2020/21.
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 2020/21, capital transfers total R76,6 million. Borrowing has been provided at R92,2 million, finance leases (nil) and internally generated funding totaling R98,3 million. These funding sources are further discussed in detail in paragraph 2.6 (Overview of Budget Funding).
5. Rolled over borrowing amounts to R25,7m.

Table 22 MBRR Table A6 - Budgeted Financial Position

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
ASSETS									
Current assets									
Cash	89 087	94 453	123 988	124 120	265 426	265 426	140 118	100 749	72 724
Call investment deposits	170 728	380 514	409 200	320 000	320 000	320 000	400 000	400 000	400 000
Consumer debtors	62 129	64 957	73 481	73 134	73 134	73 134	74 557	76 324	78 455
Other debtors	47 370	52 806	65 059	35 523	35 523	35 523	34 983	34 411	33 804
Current portion of long-term receivables	12	10	11	7	7	7	3	1	-
Inventory	35 438	32 352	39 086	30 752	9 000	9 000	9 540	10 113	10 719
Total current assets	404 764	625 093	710 826	583 535	703 090	703 090	659 202	621 597	595 703
Non current assets									
Long-term receivables	27	20	9	4	4	4	1	-	-
Investments	37 982	44 595	50 524	57 885	57 885	57 885	65 460	73 294	81 414
Investment property	155 269	113 951	119 698	114 846	121 846	121 846	121 846	121 846	121 846
Investment in Associate									
Property, plant and equipment	3 502 661	3 470 377	3 509 274	3 645 621	3 627 977	3 627 977	3 753 765	3 790 619	3 803 017
Biological									
Intangible	6 287	6 699	8 597	5 323	5 323	5 323	4 753	4 322	4 025
Other non-current assets									
Total non current assets	3 702 225	3 635 642	3 688 101	3 823 679	3 813 035	3 813 035	3 945 825	3 990 082	4 010 302
TOTAL ASSETS	4 106 989	4 260 735	4 398 927	4 407 214	4 516 125	4 516 125	4 605 027	4 611 679	4 606 005
LIABILITIES									
Current liabilities									
Bank overdraft							-	-	-
Borrowing	29 580	33 448	39 725	42 244	42 244	42 244	53 427	46 121	54 028
Consumer deposits	37 039	38 462	40 020	63 074	63 074	63 074	62 074	65 799	69 747
Trade and other payables	85 793	119 809	110 010	95 207	73 455	73 455	95 272	102 534	112 872
Provisions	27 795	29 790	33 010	33 570	33 570	33 570	35 286	37 105	38 980
Total current liabilities	180 206	221 509	222 765	234 096	212 344	212 344	246 060	251 558	275 627
Non current liabilities									
Borrowing	412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464
Provisions	217 138	205 051	222 157	239 095	239 095	239 095	256 985	275 754	295 494
Total non current liabilities	629 633	613 708	645 090	694 547	694 547	694 547	705 981	728 629	741 958
TOTAL LIABILITIES	809 839	835 218	867 854	928 643	906 891	906 891	952 041	980 187	1 017 585
NET ASSETS	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	3 293 898	3 422 258	3 527 808	3 475 231	3 605 894	3 605 894	3 649 641	3 628 142	3 585 065
Reserves	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
TOTAL COMMUNITY WEALTH/EQUITY	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420

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 (SA3 which can be found on page 104) 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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	195 733	213 851	231 322	241 063	241 862	241 862	270 864	286 351	302 822
Service charges	561 634	590 742	643 620	673 293	679 913	679 913	720 929	767 879	818 190
Other revenue	73 850	75 406	82 274	66 179	178 616	178 616	153 202	176 568	170 619
Transfers and Subsidies - Operational	119 507	131 819	118 820	152 183	125 794	125 794	131 840	141 735	154 275
Transfers and Subsidies - Capital	33 681	64 248	57 030	70 194	46 216	46 216	30 619	28 470	31 628
Interest	23 018	34 175	45 960	32 161	40 311	40 311	44 201	46 726	49 473
Dividends							-	-	-
Payments									
Suppliers and employees	(791 231)	(818 415)	(915 305)	(1 017 533)	(983 962)	(983 962)	(1 062 230)	(1 237 091)	(1 340 576)
Finance charges	(45 910)	(46 129)	(44 921)	(51 549)	(51 549)	(51 549)	(53 668)	(54 327)	(54 392)
Transfers and Grants	(1 898)	(1 800)	(486)	(500)	(500)	(500)	(12 420)	(12 010)	(12 010)
NET CASH FROM/(USED) OPERATING ACTIVITIES	168 384	243 897	218 314	165 492	276 701	276 701	223 337	144 301	120 029
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	2 943	81 451	(566)	-	-	-	-	-	-
Decrease (increase) in non-current receivables	15	8	10	10	10	10	7	3	1
Decrease (increase) in non-current investments	(4 980)	(4 980)	(4 980)	(7 339)	(7 339)	(7 339)	(7 575)	(7 834)	(8 120)
Payments									
Capital assets	(84 505)	(105 255)	(175 110)	(261 677)	(275 733)	(275 733)	(267 095)	(176 137)	(145 378)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(86 528)	(28 775)	(180 645)	(269 006)	(283 062)	(283 062)	(274 664)	(183 968)	(153 497)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							-	-	-
Borrowing long term/refinancing	30 000	30 000	54 000	74 300	74 300	74 300	54 000	50 000	50 000
Increase (decrease) in consumer deposits	-	-	-	23 028	23 028	23 028	(1 000)	3 724	3 948
Payments									
Repayment of borrowing	(26 822)	(29 969)	(33 448)	(38 709)	(38 709)	(38 709)	(46 981)	(53 427)	(48 504)
NET CASH FROM/(USED) FINANCING ACTIVITIES	3 178	31	20 552	58 619	58 619	58 619	6 019	298	5 444
NET INCREASE/ (DECREASE) IN CASH HELD	85 034	215 153	58 220	(44 895)	52 259	52 259	(45 308)	(39 369)	(28 025)
Cash/cash equivalents at the year begin:	174 780	259 815	474 967	489 014	533 188	533 188	585 426	540 118	500 749
Cash/cash equivalents at the year end:	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724

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 2020/21 to 2022/23 period.
4. The 2020/21 MTREF has been informed by the planning principle of ensuring adequate cash over the medium-term.
5. Cash and cash equivalents totals R540,1 million as at the end of the 2020/21 financial year and is estimated to decrease to R472,7 million by 2022/23.

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash and investments available									
Cash/cash equivalents at the year end	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724
Other current investments > 90 days	-	(0)	-	(0)	(20)	(20)	(0)	(0)	0
Non current assets - Investments	37 982	44 595	50 524	57 885	57 885	57 885	65 460	73 294	81 414
Cash and investments available:	297 796	519 562	583 711	502 005	643 312	643 312	605 578	574 043	554 138
Application of cash and investments									
Unspent conditional transfers	6 474	21 776	12 590	5 636	5 636	5 636	-	-	-
Unspent borrowing	15	10 450	38 199	-	-	-	-	-	-
Statutory requirements	-	-	-	-	-	-	-	-	-
Other working capital requirements	(26 304)	(16 860)	(36 904)	(17 691)	(39 143)	(39 143)	(11 350)	(6 481)	3 139
Other provisions									
Long term investments committed	37 982	44 595	50 524	57 885	57 885	57 885	65 640	73 294	81 414
Reserves to be backed by cash/investments	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
Total Application of cash and investments:	21 418	63 220	67 672	49 170	27 718	27 718	57 635	70 163	87 908
Surplus(shortfall)	276 379	456 342	516 039	452 835	615 593	615 593	547 943	503 880	466 230

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 2020/21 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.

Table 25 MBRR Table A9 - Asset Management

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	57 389	75 610	175 110	214 907	234 242	234 242	198 779	140 833	99 850
<i>Roads Infrastructure</i>	2 260	10 003	12 061	19 683	16 033	16 033	11 545	3 571	17 000
<i>Storm water Infrastructure</i>	-	255	7 247	23 841	18 641	18 641	10 864	7 864	-
<i>Electrical Infrastructure</i>	30 496	15 449	28 893	23 801	18 999	18 999	23 641	43 000	15 000
<i>Water Supply Infrastructure</i>	5 276	627	12 270	42 344	35 423	35 423	20 247	5 732	6 000
<i>Sanitation Infrastructure</i>	5 718	-	34 963	24 093	11 949	11 949	19 208	4 000	4 000
<i>Solid Waste Infrastructure</i>	8 930	105	1 499	10 000	4 500	4 500	17 379	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	52 681	26 438	96 933	143 762	105 545	105 545	102 884	64 166	42 000
Community Facilities	2 212	3 229	30 804	12 420	7 959	7 959	16 632	-	-
Sport and Recreation Facilities	-	5 427	-	380	50	50	50	-	-
Community Assets	2 212	8 656	30 804	12 800	8 009	8 009	16 682	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	2 497	4 372	3 092	9 034	10 029	10 029	3 650	-	-
Housing	-	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Other Assets	2 497	38 552	37 368	35 472	94 402	94 402	49 606	46 667	37 850
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	1 593	1 346	4 200	4 220	4 220	7 090	-	-
Furniture and Office Equipment	-	205	295	280	280	280	1 025	-	-
Machinery and Equipment	-	166	1 428	900	1 400	1 400	760	-	-
Transport Assets	-	-	6 936	17 493	20 385	20 385	20 732	30 000	20 000
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	34 479	29 644	-	6 570	6 558	6 558	28 083	12 050	16 200
<i>Roads Infrastructure</i>	11 809	2 020	-	10	10	10	-	-	-
<i>Storm water Infrastructure</i>	-	10 677	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	819	-	-	-	-	1 000	1 000	-
<i>Water Supply Infrastructure</i>	10 496	2 629	-	2 560	2 548	2 548	23 822	10 400	15 500
<i>Sanitation Infrastructure</i>	9 169	10 591	-	4 000	4 000	4 000	3 261	650	700
<i>Solid Waste Infrastructure</i>	1 740	1 634	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	33 214	28 370	-	6 570	6 558	6 558	28 083	12 050	16 200
Community Facilities	1 265	1 217	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Community Assets	1 265	1 217	-	-	-	-	-	-	-
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	-	57	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Total Upgrading of Existing Assets	-	-	-	40 200	34 933	34 933	40 233	23 254	29 328
<i>Roads Infrastructure</i>	-	-	-	-	-	-	200	-	-
<i>Storm water Infrastructure</i>	-	-	-	3 160	3 160	3 160	8 000	-	-
<i>Electrical Infrastructure</i>	-	-	-	9 750	9 750	9 750	-	-	7 000
<i>Water Supply Infrastructure</i>	-	-	-	3 600	2 011	2 011	2 400	11 384	500
<i>Sanitation Infrastructure</i>	-	-	-	5 662	984	984	22 976	11 870	21 828
<i>Solid Waste Infrastructure</i>	-	-	-	1 000	1 000	1 000	2 960	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	23 172	16 905	16 905	36 536	23 254	29 328
Community Facilities	-	-	-	-	-	-	976	-	-
Sport and Recreation Facilities	-	-	-	16 928	17 928	17 928	2 721	-	-
Community Assets	-	-	-	16 928	17 928	17 928	3 697	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	100	100	100	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	100	100	100	-	-	-
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	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
<i>Roads Infrastructure</i>	14 069	12 023	12 061	19 693	16 043	16 043	11 745	3 571	17 000
<i>Storm water Infrastructure</i>	-	10 932	7 247	27 001	21 801	21 801	18 864	7 864	-
<i>Electrical Infrastructure</i>	30 496	16 268	28 893	33 551	28 749	28 749	24 641	44 000	22 000
<i>Water Supply Infrastructure</i>	15 772	3 257	12 270	48 504	39 982	39 982	46 469	27 516	22 000
<i>Sanitation Infrastructure</i>	14 887	10 591	34 963	33 755	16 933	16 933	45 446	16 520	26 528
<i>Solid Waste Infrastructure</i>	10 670	1 739	1 499	11 000	5 500	5 500	20 339	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	85 895	54 809	96 933	173 504	129 009	129 009	167 503	99 470	87 528
Community Facilities	3 477	4 446	30 804	12 420	7 959	7 959	17 608	-	-
Sport and Recreation Facilities	-	5 427	-	17 308	17 978	17 978	2 771	-	-
Community Assets	3 477	9 873	30 804	29 728	25 937	25 937	20 379	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	2 497	4 372	3 092	9 134	10 129	10 129	3 650	-	-
Housing	-	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Other Assets	2 497	38 552	37 368	35 572	94 502	94 502	49 606	46 667	37 850
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	1 593	1 346	4 200	4 220	4 220	7 090	-	-
Furniture and Office Equipment	-	205	295	280	280	280	1 025	-	-
Machinery and Equipment	-	223	1 428	900	1 400	1 400	760	-	-
Transport Assets	-	-	6 936	17 493	20 385	20 385	20 732	30 000	20 000
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
ASSET REGISTER SUMMARY - PPE (WDV)	3 664 217	3 591 027	3 637 568	3 765 790	3 755 146	3 755 146	3 880 365	3 916 787	3 928 888
<i>Roads Infrastructure</i>	1 042 924	1 054 313	1 068 859	1 019 303	1 015 653	1 015 653	994 045	964 432	948 382
<i>Storm water Infrastructure</i>	196 761	201 871	200 999	231 052	225 852	225 852	237 817	238 784	231 890
<i>Electrical Infrastructure</i>	534 751	522 972	525 175	525 147	520 345	520 345	518 450	535 915	531 384
<i>Water Supply Infrastructure</i>	505 838	481 367	465 975	496 853	488 331	488 331	506 209	506 704	506 744
<i>Sanitation Infrastructure</i>	376 119	367 433	381 878	400 735	385 133	385 133	410 886	408 103	416 548
<i>Solid Waste Infrastructure</i>	35 559	30 303	26 500	34 270	28 770	28 770	46 539	44 144	41 851
<i>Rail Infrastructure</i>									
<i>Coastal Infrastructure</i>									
<i>Information and Communication Infrastructure</i>									
Infrastructure	2 691 953	2 658 258	2 669 386	2 707 359	2 664 084	2 664 084	2 713 946	2 698 081	2 676 799
Community Assets	-	183 622	204 522		-	-			
Heritage Assets	124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182
Investment properties	155 269	113 951	119 698	114 846	121 846	121 846	121 846	121 846	121 846
Other Assets	627 851	442 613	437 294	719 198	741 417	741 417	795 504	826 210	848 013
Biological or Cultivated Assets									
Intangible Assets	6 287	6 699	8 597	5 323	5 323	5 323	4 753	4 322	4 025
Computer Equipment									
Furniture and Office Equipment	10 659	8 673	8 949	14 190	14 210	14 210	20 554	18 954	17 585
Machinery and Equipment	3 763	3 542	3 924	4 671	5 171	5 171	5 268	4 693	4 236
Transport Assets	44 254	49 487	61 016	76 020	78 912	78 912	94 311	118 499	132 202
Land									
Zoo's, Marine and Non-biological Animals									
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	3 664 217	3 591 027	3 637 568	3 765 790	3 755 146	3 755 146	3 880 365	3 916 787	3 928 888
EXPENDITURE OTHER ITEMS	253 327	294 882	346 128	330 474	335 249	335 249	141 877	139 714	133 277
Depreciation	132 532	134 846	131 104	131 285	131 285	131 285	219 309	231 750	243 069
Repairs and Maintenance by Asset Class	120 795	160 036	215 024	199 189	203 963	203 963	70 462	74 697	79 130
<i>Roads Infrastructure</i>	55 545	53 229	61 860	65 331	66 157	66 157	7 605	7 632	6 250
<i>Storm water Infrastructure</i>	6 392	6 017	5 765	6 600	6 375	6 375	31 243	32 852	34 749
<i>Electrical Infrastructure</i>	17 747	17 645	23 082	37 099	37 630	37 630	20 432	21 580	22 799
<i>Water Supply Infrastructure</i>	16 489	15 014	17 367	16 935	17 568	17 568	14 970	15 806	16 698
<i>Sanitation Infrastructure</i>	11 672	13 051	14 967	11 541	11 007	11 007	3 362	4 589	4 820
<i>Solid Waste Infrastructure</i>	2 546	12 946	22 918	2 220	2 269	2 269	-	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	221	231	241
<i>Coastal Infrastructure</i>	-	-	-	189	147	147	42	44	46
<i>Information and Communication Infrastructure</i>	-	-	-	40	40	40	148 335	157 430	164 733
Infrastructure	110 392	117 901	145 959	139 955	141 193	141 193	38 222	40 027	42 399
Community Facilities	4 867	12 289	27 117	34 241	33 129	33 129	7 972	8 371	8 807
Sport and Recreation Facilities	-	-	12 685	5 957	6 164	6 164	46 194	48 398	51 207
Community Assets	4 867	12 289	39 801	40 198	39 293	39 293	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	3 657	3 831	4 013
Operational Buildings	-	-	8 009	2 217	3 281	3 281	37	39	41
Housing	-	-	-	-	-	-	3 695	3 869	4 053
Other Assets	-	-	8 009	2 217	3 281	3 281	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	5 926	6 235	6 560
Licences and Rights	-	-	-	5 653	6 353	6 353	5 926	6 235	6 560
Intangible Assets	-	-	-	5 653	6 353	6 353	2 193	2 301	2 415
Computer Equipment	5 536	5 207	4 890	1 193	1 068	1 068	2 959	3 009	3 069
Furniture and Office Equipment	-	17 919	16 364	431	440	440	-	-	-
Machinery and Equipment	-	6 719	-	9 542	12 335	12 335	10 007	10 507	11 032
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
							361 185	371 463	376 346
TOTAL EXPENDITURE OTHER ITEMS	253 327	294 882	346 128	330 474	335 249	335 249	141 877	139 714	133 277
Renewal and upgrading of Existing Assets as %	16.7%	37.5%	28.2%	0.0%	0.0%	0.0%	17.9%	7.7%	21.1%
Renewal and upgrading of Existing Assets as %	12.9%	26.0%	22.8%	0.0%	0.0%	0.0%	35.6%	8.7%	24.9%
R&M as a % of PPE	3.1%	3.4%	4.6%	6.3%	6.6%	6.6%	5.5%	5.7%	6.0%
Renewal and upgrading and R&M as a % of PPE	3.0%	4.0%	5.0%	6.0%	6.0%	6.0%	7.0%	6.0%	7.0%

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.

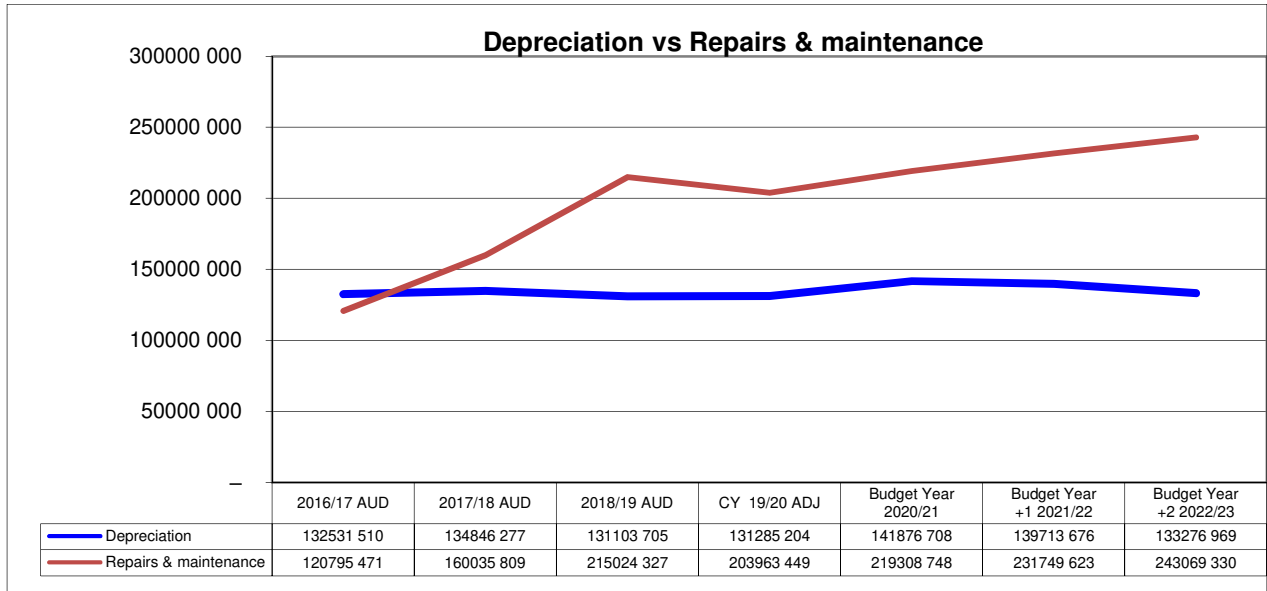


Figure 4 Depreciation in relation to repairs and maintenance over the MTREF

Table 26 MBRR Table A10 - Basic Service Delivery Measurement

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets									
Water:									
Piped water inside dwelling	34 449	29 174	29 800	29 800	29 800	29 800	30 694	31 615	32 563
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	3 067	3 052	3 620	3 620	3 620	3 620	4 650	4 900	5 000
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
Chemical toilet	-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
Energy:									
Electricity (at least min.service level)	6 356	6 112	5 831	5 587	5 587	5 587	5 343	5 099	4 855
Electricity - prepaid (min.service level)	18 530	18 814	19 464	20 243	20 243	20 243	21 022	21 801	22 580
<i>Minimum Service Level and Above sub-total</i>	24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
Refuse:									
Removed at least once a week	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
<i>Minimum Service Level and Above sub-total</i>	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
Sanitation (free minimum level service)	7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
Electricity/other energy (50kwh per household per month)	7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
Refuse (removed at least once a week)	7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	1 726	2 132	14 612	14 234	14 234	14 234	14 225	15 517	16 892
Sanitation (free sanitation service to indigent households)	-	-	15 697	17 938	17 938	17 938	17 967	19 640	21 422
Electricity/other energy (50kwh per indigent household per month)	3 448	4 681	33 723	33 656	33 656	33 656	35 865	42 575	50 430
Refuse (removed once a week for indigent households)	-	-	15 223	18 220	18 220	18 220	18 268	19 989	21 824
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)									
Total cost of FBS provided	5 174	6 813	79 256	84 049	84 049	84 049	86 324	97 721	110 568
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	6	6	6
Sanitation (kilolitres per household per month)	4	4	4	4	4	4	4	4	4
Sanitation (Rand per household per month)	69	73	78	82	82	82	193	201	217
Electricity (kwh per household per month)	50	50	50	50	50	50	68	77	87
Refuse (average litres per week)	210	210	210	210	210	210	196	208	220
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	2 135	-	-	-	-	-	-	-	-
Property rates - exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	48 431	51 711	50 983	54 042	54 042	54 042	66 192	70 164	74 374
Water (in excess of 6 kilolitres per indigent household per month)	-	-	779	250	250	250	265	281	298
Sanitation (in excess of free sanitation service to indigent households)	-	-	318	-	-	-	-	-	-
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	50 566	51 711	52 080	54 292	54 292	54 292	66 457	70 445	74 671

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 7 750 households to be registered as indigent in 2020/21, 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 R86.32million in 2020/21. 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 2019) 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 28 August 2019. Key dates applicable to the process are as follows:

- **30 July 2019** – Budget Office submits current 3 year Capital Budget to the Strategic Office. Review status of Samras Budget Portal functionality and MTREF budget information;
- **12-15 August 2019** – Ward Committee meetings to review current needs on the wish list;
- **26 September/04 October 2019** – Mayoral strategic session with Councillors and Senior Management to determine Strategic direction for the 2020/21 IDP review;
- **September 2019** – Ward Committees met to review their ward priorities for 2020/2021;
- **10 October 2019** – Top management meeting to discuss budget proposals and affordability;
- **30 October 2019** – Mayoral directional IDP/Budget speech;
- **19 October/12 December 2019** – Various Budget Steering Committee and Management meetings relating to draft Capex and Opex budgets;
- **06 November 2019**– Submission of tariff proposals and tariff workshops;
- **11 November 2019**– Workshop on tariffs and tariff related policies;
- **November/December 2019**– Review of all budget related policies;
- **11 December 2019** – Mid-year review by the BSC of the 2019/2020 progress and review of 2020-2023 draft operational expenditure including financial forecasting and scenario considerations;
- **21 January 2020** – Tariff finalisation, consider budget related policies changes and overview of draft 2019/20 Capex & Opex;
- **23 January 2020**- Council considered the 2019/2020 Mid-year Review;
- **04 February 2020** – Final tariffs and adjustments budget review;
- **25 February 2020** – BSC review/finalises draft Capex/Opex;
- **11-21 February 2020** – Finalisation of adjustments budget;

- **02 March 2020** – OMAF Consultation & Budget Proposals;
- **24 March 2020** – Budget office finalises budget report;
- **25 March 2020** - Tabling in Council of the draft 2020/21 IDP, SDBIP and 2020/21 MTREF for public consultation;
- **26 March – 30 April 2020** – Draft Budget available to the public and any other stakeholders for perusal and the submission of comments and representations;
- **April 2020** – Mini OMAF's;
- **30 April 2020** - Closing date for written comments;
- **5-6 May 2020** – BSC considered all comments received and amendments to the Draft Budget;
- **8-15 May 2020** – Finalisation of the 2020/2021 IDP and 2020/21 MTREF, taking into consideration comments received from the public, comments from NT & PT and updated information from the most recent DoRA and financial framework;
- **8-15 May 2020** – Budget Office compiles final report and schedules and final review of budget report and schedules ;
- **22 May 2020** – Final budget distribution; and
- **29 May 2020** - Tabling of the 2020/21 MTREF in Council for consideration and approval.
- **4-5 June 2020** – LG MTEC3 engagement;

2.1.2 IDP and Service Delivery and Budget Implementation Plan

This is the third review of the latest new generation IDP (2018/2022) to be considered and adopted by Council in May 2020. The draft IDP process started in September 2019 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2020/21 MTREF in August 2019.

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. The Process Plan applicable to the Draft IDP cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans with key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP was taken into a business and financial planning process leading up to the 2020/21 MTREF, based on the approved 2019/2020 MTREF, mid-year review and adjustments budget. The business planning process was subsequently refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2020/21 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2019/2020 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.1.3 Financial Modelling and Key Planning Drivers

Strategic objectives of the compilation of the 2020/21 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 2019/20 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate (trends, inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2017/2018 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 Circular 98 & 99 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 6.4, which distorted the year-on-year comparative figures. This is also applicable on Contracted Services. 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 took effect on 1 July 2019. Cost containment has already been implemented across the organisation over the past three years. The measures as per the Cost Containment Circular in place prior to 2019/20, was incorporated to a large extent in existing policies.

2.1.4 Community Consultation on the Draft Budget

The draft 2020/21 MTREF, was tabled in Council on 26 March 2020 and 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 and printed) were provided to National Treasury and Provincial Treasury in accordance with section 23 of the MFMA, to provide an opportunity for comment.

A delegation of the municipality, consisting of the Executive Mayor, 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 Mini OMAF's with ward committees from the respective administration areas to present the draft budget for engagement with the public.

These engagements will not take place during April 2020, due to the social distancing promoted in anticipation of a total lockdown to combat the COVID-19 epidemic, which actions are enacted in terms of the Disaster Management Act. All public engagements, ward meetings, draft budget roadshows, First Thursdays and IDP and Budget-related public meetings are cancelled.

The draft Budget and IDP roadshows are cancelled, but the public still have the opportunity to comment, in writing, on Overstrand Municipality's Draft Integrated Development Plan (IDP) Review and Amendment for 2020/21, the draft 5th generation Integrated Waste Management Plan (IWMP) and the Draft Budget for 2020/21 until 28 April 2020.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and capital projects will be considered by the Budget Steering Committee at a meeting to be held on 7 May 2020 for the finalisation of the 2020/2021 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 this new 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.

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 2020/21 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 27 IDP Strategic Objectives

2020/21 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:

Provision of quality basic services and infrastructure which includes, amongst others:

- Provide electricity;
- Provide water;
- Provide sanitation;
- Provide waste removal;
- Provide housing;
- Provide roads and storm water;
- Provide municipality planning services; and
- Maintaining the infrastructure of the Municipality.

Economic growth and development that leads to sustainable job creation by:

- Ensuring there is a clear structural plan for the Municipality;
- Ensuring planning processes function in accordance with set timeframes;
- Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.

Fight poverty and build clean, healthy, safe and sustainable communities:

- Effective implementation of the Indigent Policy;
- Extending waste removal services and ensuring effective municipality cleansing;
- Ensuring all waste water treatment works are operating optimally;
- Working with strategic partners such as SAPS to address crime;
- Ensuring safe working environments by effective enforcement of building and health regulations;
- Promote viable, sustainable communities through proper zoning; and
- Promote environmental sustainability by protecting wetlands and key open spaces.

Integrated Social Services for empowered and sustainable communities

- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme

Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- Optimising effective community participation in the ward committee system; and
- Implementing Batho Pele in the revenue management strategy.

Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website

Ensure financial sustainability through:

- Reviewing the use of contracted services
- Continuing to implement the infrastructure maintenance strategy and the repairs and maintenance plan

Optimal institutional transformation to ensure capacity to achieve set objectives

- Review of the organisational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme 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 five-year 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 new IDP of the 2018/2022 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 2020/21 MTREF has therefore been directly informed by the 3rd review of the 2018/2022 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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
The provision of democratic, accountable and ethical governance	Good Governance	1	315 623	334 461	327 076	317 773	334 875	334 875	353 015	371 644	386 633
The provision and maintenance of municipal services	Basic Service Delivery	2	600 303	674 417	752 662	778 700	789 029	789 029	856 129	926 326	976 001
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	54 775	52 972	70 070	85 575	83 589	83 589	65 694	66 897	70 245
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	65 909	79 437	64 318	61 663	120 856	120 856	103 309	111 203	124 427
			1 036 610	1 141 287	1 214 127	1 243 711	1 328 349	1 328 349	1 378 148	1 476 069	1 557 305

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

Strategic Objective	Goal	Goal Code	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
The provision of democratic, accountable and ethical governance	Good Governance	1	177 829	185 276	222 170	247 061	248 145	248 145	278 960	280 378	294 048
The provision and maintenance of municipal services	Basic Service Delivery	2	515 721	490 339	576 651	639 154	645 951	645 951	701 679	762 265	824 553
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	1 793	1 486	1 250	1 085	1 235	1 235	1 195	1 195	1 195
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	102 799	125 449	141 579	164 538	168 740	168 740	136 032	144 150	157 323
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	196 881	194 606	166 921	198 125	228 936	228 936	296 528	309 574	323 256
Total Expenditure			995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376

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

Strategic Objective	Goal	Goal Code	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
The provision of democratic, accountable and ethical governance	Good Governance	1	957	6 346	8 659	4 105	4 105	4 105	3 375	30 000	20 000
The provision and maintenance of municipal services	Basic Service Delivery	2	63 498	42 786	84 872	162 402	122 760	122 760	155 758	95 899	70 528
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	3 729	41 536	5 250	5 415	5 265	5 265	5 305		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	10 406	2 517	28 646	32 906	37 472	37 472	30 208		
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	13 279	12 070	47 683	56 849	106 130	106 130	72 449	50 237	54 850
Total Capital Expenditure			91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

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:

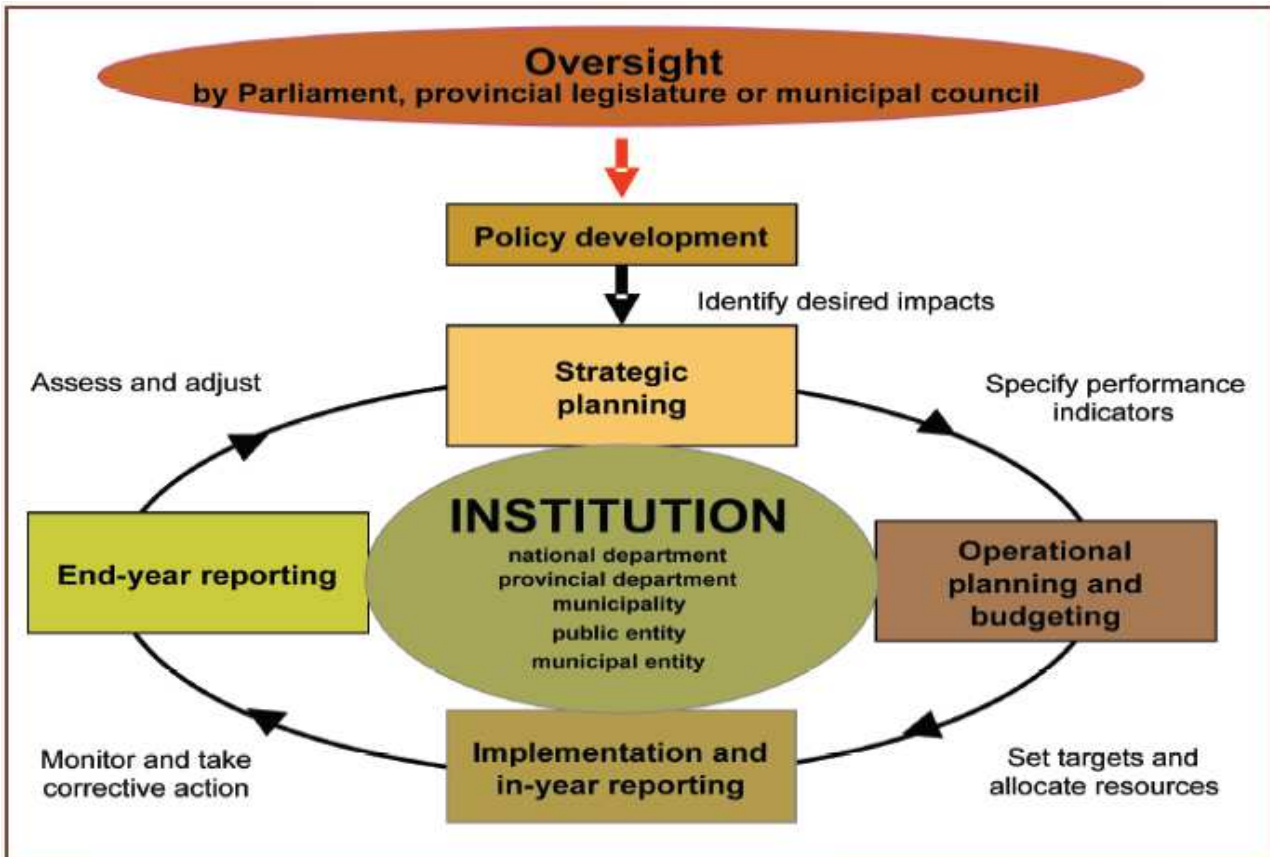


Figure 5 Planning, budgeting and reporting cycle

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:

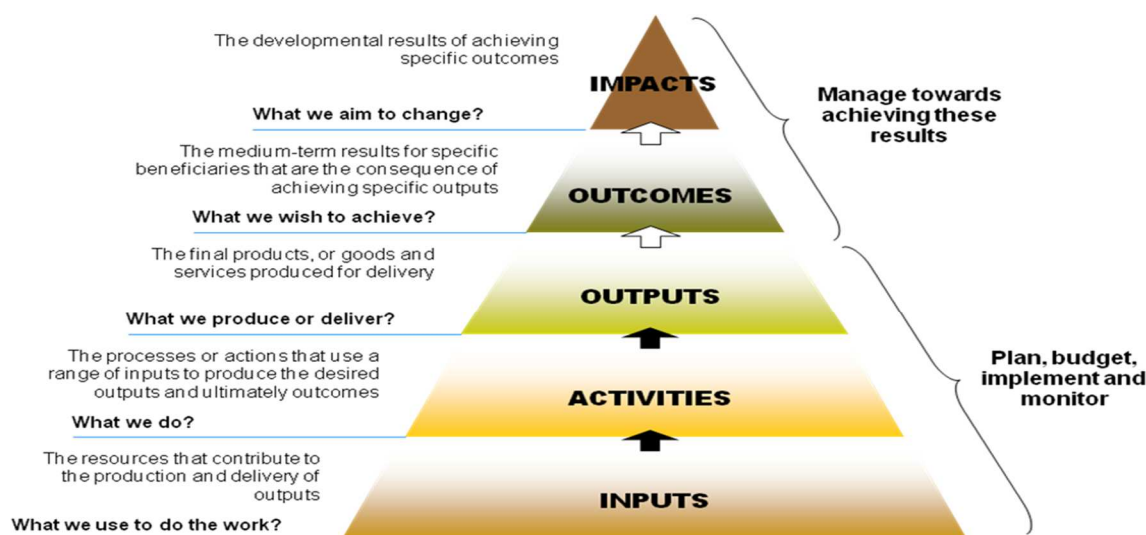


Figure 6 Definition of performance information concepts

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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Council and Municipal Manager										
Council and Municipal Manager										
Municipal Manager										
Percentage of a municipality's capital budget actually spent on capital projects identified for the financial year 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)X100)	% of capital budget spent	98.0%	90.13%	99.39%	95.0%	95.0%	95.0%	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	6	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 quarterly progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	4	5	6	4	4	4	4	4	4
Bi-annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2020 to be completed by Sept 2020 and the current period October to December 2020 to be completed by February 2021.	Number of appraisals	12	12	12	12	12	12	12	12	12
Submit the final Annual report and oversight report to Council before 31 March	Final Annual report and oversight report submitted	1	1	1	1	1	1	1	1	1
Prepare the final IDP for submission to Council by the end of May	Final IDP submitted	1	1	1	1	1	1	1	1	1
Draft the annual report and submit to the Auditor-General by the end of August	Draft Annual report submitted	1	1	1	1	1	1	1	1	1
Submit the Final MTREF budget by the end of May	Budget submitted	1	1	1	1	1	1	1	1	1
Risk Management										
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	4	4	3	4	4	4	4	4	4

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Management Services										
Director: Management Services										
Human Resources										
92% of the approved and funded organogram filled ((actual number of posts filled divided by the funded posts budgeted) x 100)	% filled	89.0%	93.4%	92.30%	92.0%	92.0%	92.0%	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	63	70	68	67	67	67	67	67	67
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	99.5%	99.87%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Review the Municipal Organisational Staff Structure by the end of June	Structure reviewed	1	1	1	1	1	1	1	1	1
Corporate Support Services										
Revise the Section 14 Access to Information Manual by the end of June to ensure compliant and up to date policies	Manual revised	1	1	1	1	1	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)	Ratio achieved	5.18	6.56	6.55	3	3	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)	Ratio achieved (2019/20 -Target Type was changed to Number from Percentage)	20.09%	19.96%	22.91%	12	15	15	15	15	15
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved	9.86%	10.52%	10.02%	12.20%	12.20%	12.20%	14.0%	14.0%	14.0%
Submit a reviewed long term financial plan to the CFO by the end of October	Reviewed long term financial plan submitted	1	1	1	1	1	1	1	1	1
Financial statements submitted to the Auditor General by 31 August	Financial statements submitted	1	1	0	1	1	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	7418	7385	7630	7450	7450	7450	7750	8000	8000
Achieve a debt recovery rate not less than 96% (Receipts/total billed for 12 months period x 100)	% Recovered	99.44%	99.35%	98.6%	96.0%	96.0%	96.0%	96.0%	96.0%	96.0%
Community Services										
Director: Community Services										
Director: Community Services										
98% of the operational conditional grant (Libraries, CDWs) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, CDWs)	86.07%	93.0%	100.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
m ² of roads patched and resealed according to approved Pavement Management System within available budget	m ² of roads patched and resealed	135298	112932	112982	100000	100000	100000	106000	110000	110000
Limit unaccounted water to less than 20% ((Number of kiloliter water purified - Number of kiloliter water sold)/Number of kiloliter purified x 100)	% of water unaccounted for	19.14%	18.82%	24.25%	19.0%	19.0%	19.0%	18.0%	18.0%	18.0%
Ward committee meetings held to facilitate consistent and regular communication with residents	No of ward committee meetings per ward per annum (UOM revised in 2018/19 - Number of ward committees per annum)	9	8	114	117	117	117	117	117	117
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)	252	253	285	253	285	285	300	320	320
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	34449	29174	29800	29174	29800	29800	30396	30615	30615
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	32029	32695	33105	32695	33105	33105	34098	35121	35121
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	52	52	52	52	52	52	52	52
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	31132	32029	32695	31754	32 990	32990	32695	33676	34686
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	52	52	52		52	52	52	52

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
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)	794	794	881	794	884	884	930	980	980
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	28841	29165	29631	29165	29 631	29631	30520	31436	31436
Provision of water to informal households on invaded land with available funding	The number of taps installed for informal households on invaded land with available funding	no kpi set	no kpi set	88	98	98	98	80	70	70
Provision of sanitation services to informal households on invaded land with available funding	The number of toilets provided for informal households on invaded land with available funding	no kpi set	no kpi set	120	0	130	130	105	95	95
Infrastructure & Planning										
Director: Infrastructure and Planning										
Water Treatment										
Quality of effluent comply 90% with license and/or general limit in terms of the Water Act (Act 36 of 1998)	% compliance	92.93%	93.5%	95.77%	90%	90.0%	90.0%	90.0%	90.0%	90.0%
Quality of potable water comply 90% with SANS 241	% compliance with SANS 241	99.0%	98.0%	98.90%	95%	95.0%	95.0%	95.0%	95.0%	95.0%
Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	1	1	1	1	1	1	1	1	1
Electricity										
Limit electricity losses to 7.5% or less ((Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) x 100)	% of electricity unaccounted for	7.37%	5.12%	6.45%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Provision of Electricity: Number of metered electrical connections in formal area (Eskom Areas excluded) (Definition: refers to residential households (RH) and pensioners (PR) as per MIG)	Number of formal household that meet agreed service standards	20916	21048	21332	21048	2104800.0%	21048	21332	21332	21332
100% of the Municipal Infrastructure Grant (MIG) spent by 30 June (Actual MIG expenditure/Allocation received)	% Expenditure of allocated funds	100.0%	79.70%	100.00%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Protection Services										
Director Protection Services										
Protection Services										
Arrange public awareness sessions on Protection Services	Number of sessions held	88	84	90	100	100	100	100	100	100
Collect R16 500 000 Public Safety Income by 30 June (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income (excluding fines impairment amount)	4035731500.0%	2016776700.0%	R 15 493 008	16500000	16500000	16500000	16 500 000	16 500 000	16 500 000
Review Community Safety Plan in three year cycle by end of June of the third year	Plan reviewed	100.0%	no kpi set	no kpi set	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Disaster and Fire Management	Reviewed plan submitted	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Annually review and submit Disaster Local Economic Development, Social										
Director: LED										
LED, Social Development and Tourism										
Provide four progress reports on LED, Social Development and Tourism initiatives to Council by end June 2020 (Refers to the 4th quarter report of previous financial year and three)	Number of progress reports on LED, Social Development & Tourism initiatives	3	3	3	4	4	4	4	4	4
Provide a schedule of funded events to the Executive Mayor or for sign off by end of July 2019	Number of schedules submitted	1	1	1	1	1	1	1	1	1
Support 120 SMME's in terms of the SMME Development Programme by 30 June	Number of SMME's supported	92	80	120	120	120	120			
Support 50 Emerging Contractors in terms of the Emerging Contractor Development Programme by 30 June	Number of emerging contractors supported	48	43	52	50	50	50	50	50	50
Report on projects/ initiatives in collaboration with other stakeholders for local economic development, social development and tourism	Number of projects / initiatives collaborated on	no kpi set	3	14	12	12	12	12	12	12
The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 1020)	Number of temporary jobs created	828	994	1048	1020	1020	1020	1020	1020	1020

The following table sets out the municipalities main performance objectives and benchmarks for the 2020/21 MTREF.

Table 32 MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Borrowing Management										
Credit Rating	Interest & Principal Paid / Operating Expenditure	7.3%	7.6%	7.1%	7.2%	7.0%	7.0%	7.1%	7.2%	6.4%
Capital Charges to Operating Expenditure	Finance charges & Repayment of borrowing /Own Revenue	8.2%	7.9%	7.6%	8.8%	7.8%	7.8%	8.3%	8.3%	7.5%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants and contributions	61.7%	82.0%	65.8%	38.8%	50.5%	50.5%	28.3%	57.5%	71.4%
Safety of Capital										
Gearing	Long Term Borrowing/ Funds &	12687.3%	12540.1%	12959.0%	13636.3%	13636.3%	13636.3%	13422.9%	13518.7%	13307.4%
Liquidity										
Current Ratio	Current assets/current liabilities	2.2	2.8	3.2	2.5	3.3	3.3	(12.8)	(13.6)	(10.2)
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.2	2.8	3.2	2.5	3.3	3.3	(12.8)	(13.6)	(10.2)
Liquidity Ratio	Monetary Assets/Current Liabilities	1.4	2.1	2.4	1.9	2.8	2.8	(10.5)	(10.9)	(8.1)
Revenue Management										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		98.6%	99.8%	99.3%	99.6%	99.6%	0.0%	99.9%	99.8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		98.6%	99.8%	99.3%	99.6%	99.6%	99.6%	99.9%	99.8%	99.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	10.9%	10.9%	12.1%	9.3%	8.5%	8.5%	8.1%	7.7%	7.4%
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%	99.5%	99.5%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Creditors to Cash and Investments		30.5%	20.6%	18.3%	20.2%	11.6%	11.6%	17.6%	20.5%	23.9%
Other Indicators										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	18113084	12858011	16537242	14613426	14613426	14613426	17426149	17948933	18033917
	Total Cost of Losses (Rand '000)	9 479	8 882	12 219	11 252	11 252	11 252	22 522	23 198	23 308
	% Volume (units purchased and generated less units sold)/units purchased and generated	7.4%	5.1%	6.5%	5.5%	5.5%	5.5%	6.7%	6.9%	6.9%
Water Distribution Losses (2)	Total Volume Losses (kℓ)	1 444	1 112	1 701	1 159	1 159	1 159	1 518	1 563	1 610
	Total Cost of Losses (Rand '000)	2210.719	2132297	2308814	1969065	1969065	1969065	2248958	2316427	2385920
	% Volume (units purchased and generated less units sold)/units purchased and generated	21.3%	18.8%	24.3%	0	0	0	20.7%	20.5%	20.4%
Employee costs	Employee costs/(Total Revenue - capital revenue)	30.1%	27.5%	32.0%	34.1%	31.2%	31.2%	33.2%	32.4%	32.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	31.0%	28.5%	33.0%	35.0%	32.1%	32.1%	34.3%	33.8%	33.7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	12.0%	14.9%	18.7%	17.0%	15.9%	15.9%	16.3%	16.2%	16.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	17.8%	16.8%	15.3%	15.6%	14.3%	14.3%	14.5%	13.5%	12.3%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	13.9	12.1	14.5	12.9	12.9	12.9	12.1	13.2	13.9
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	14.0%	14.5%	15.6%	11.8%	11.7%	11.7%	11.0%	10.4%	10.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	4.1	7.4	7.3	5.4	7.0	7.0	5.8	5.0	4.3

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 2017/2018 and 2018/19 audit outcomes. This, and information relating to the current financial year (2019/2020) and all three years of the 2020/21 MTREF has been compiled and is included in Annexure H of this report. The six year horizon has thus been compiled and analysed.

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 2020/21 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 28 per cent which indicates that the amount available from own sources to finance capital has shown an increase. This is as a result of utilising a portion of surpluses as they became available, as well as land sales.

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 2020/21 budget year is estimated to end just 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 2020/21 MTREF the current ratio is 2,68, increasing to 2,16 by 2022/2023. 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 2 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 6,9 per cent over the MTREF. This includes measureable 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 between 3 – 5 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 20,5 per cent over the 2020/21 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 2020/21 financial year 7 750 registered indigents have been provided for in the budget. In terms of the municipality's indigent policy, registered households are entitled to 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 qualify upon registration as indigents, for particular subsidised levels.

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) on page 45.

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 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;
- Shortage of skilled personnel makes proper operations and maintenance difficult;

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 2020/21 MTREF has been prepared on the basis of achieving an average debtors' collection rate in excess of 99 per cent on current billings. The current collection rate is in excess of 99 per cent. 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

The effects of a technical recession are evident. After a protracted standstill in interest rates, this has since increased. Upwards pressure is also evident in the inflation rate and the Rand continues to weaken against leading currencies. International oil prices are rising after a significant decrease over the previous months.

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 2020/21 MTREF:

- 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 32,63 per cent of total operating expenditure in the 2020/21 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 (99,9%) of annual billings. Cash flow is assumed to be 99,9 per cent of billings from an increased collection of arrear debt.

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 current three year collective SALGBC salary agreement came into operation on 1 July 2018. Salary increases, according to the principles of the agreement, were estimated at 6,25 % for the 2020/21 financial year, based on the average inflation for the period February 2019 to January 2020, with a minimum inflation rate of 5% plus 1,25% for the third year of the 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.

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 2020/21 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	2020/21 Medium Term Revenue & Expenditure Framework		
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand			
Revenue By Source			
Property rates	271 251	286 830	303 395
Service charges	725 667	773 061	823 847
Rental of facilities and equipment	3 707	3 899	4 108
Interest earned	44 201	46 726	49 473
Transfers recognised - operational	131 840	141 735	154 275
Other revenue	170 863	181 348	184 679
Total Revenue (excluding capital transfers and contributions)	1 347 529	1 433 599	1 519 777

The following graph is a breakdown of the operational revenue per main category for the 2020/21 financial year.

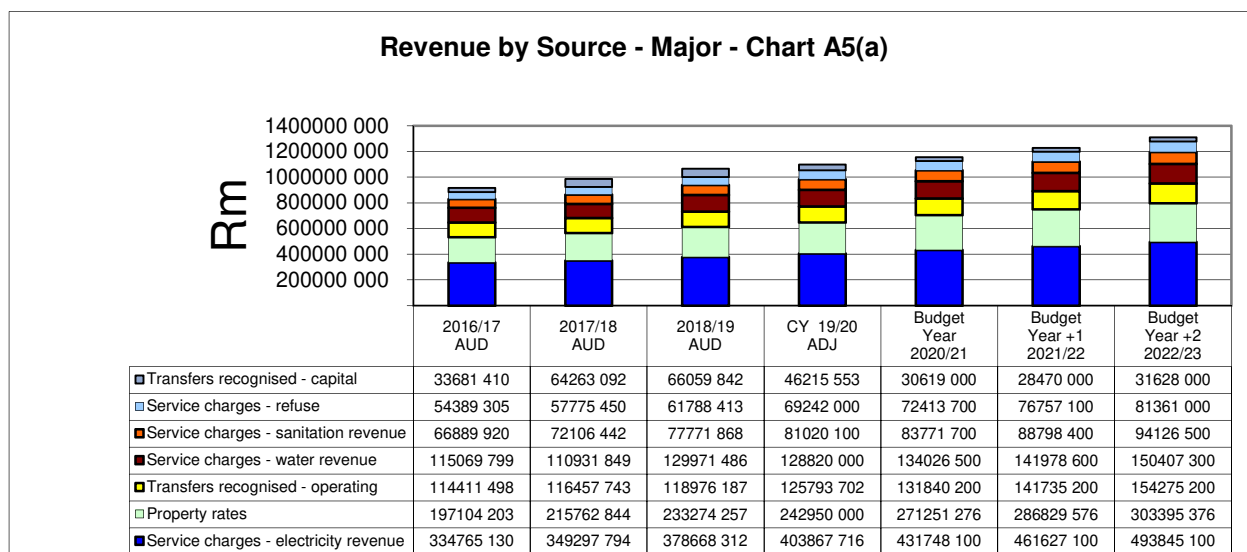


Figure 7 Breakdown of operating revenue over the 2020/21 MTREF

The following grants have been published in the DORA:

2020/2021 - 2022/2023 DORA & PROVINCIAL ALLOCATIONS			
	2020/2021	2021/2022	2022/2023
NATIONAL			
EQUITABLE SHARE	117 318 000	129 473 000	141 839 000
FMG	1 550 000	1 550 000	1 550 000
EPWP	2 500 000		
MIG	21 887 000	23 470 000	24 628 000
INEP	8 000 000	5 000 000	7 000 000
	151 255 000	159 493 000	175 017 000
PROVINCIAL			
Provincial Library Service Grant	7 287 000	7 287 000	7 502 000
Maintenance & construction of transport infrastructure	126 000	126 000	144 000
Human Settlements Development Grant	51 500 000	109 800 000	41 500 000
Financial Management Capacity Building Grant	380 000	380 000	
Financial Management Support Grant	280 000	280 000	
Thusong Services Centres Grant	100 000	100 000	
Resource funding for establish & support of K9 Unit	2 000 000	2 000 000	2 200 000
Disaster Management Grant	5 000 000	5 000 000	
Public Transport Non Motorised Infrastructure		1 500 000	
Fire Service Capacity Building Grant			841 000
	101 427 000	107 282 000	106 736 000
TOTAL GRANTS	252 682 000	266 775 000	281 753 000

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 a 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 2020/2021

Description	Current Year 2019/20	Budget Year 2020/21 % incr.	Budget Year 2020/21
Rand/cent			
Monthly Account for Household - 'Affordable Range'			
Rates and services charges:			
Property rates	171.10	7.0%	183.00
Electricity : Basic levy	335.34	15.0%	385.64
Electricity : Consumption	658.70	15.0%	785.55
Water: Basic levy	136.50	5.9%	144.55
Water: Consumption	303.75	6.5%	323.56
Sanitation	361.40	5.9%	382.76
Refuse removal	185.49	5.9%	196.43
Other	53.54	–	53.54
sub-total	2 205.82	11.3%	2 455.03
VAT on Services			
Total small household bill:	2 205.82	11.3%	2 455.03
% increase/-decrease	–		11.3%

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 marginally 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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	170 728	380 514	409 200	320 000	320 000	320 000	400 000	400 000	400 000
Deposits - Public Investment Commissioners									
Guaranteed Endowment Policies (sinking)	37 982	44 595	50 524	57 885	57 885	57 885	65 460	73 294	81 414
Municipal Bonds									
Consolidated total:	208 709	425 109	459 723	377 885	377 885	377 885	465 460	473 294	481 414

Table 36 MBRR SA16 – Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commissi on Paid (Rands)	Commissi on Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
	Yrs/Months												
Parent municipality													
LIBERTY 15934476	15 Years	Policy	Yes	Variable	Fair Value Adjustment			01/09/2025	17 783	1 072		1 500	20 356
LIBERTY 21196964	14 Years	Policy	Yes	Variable	Fair Value Adjustment			01/09/2025	29 631	1 251		3 120	34 002
MOMENTUM3853776	15 Years	Policy	Yes	Variable	Fair Value Adjustment			01/07/2026	3 132	36		360	3 528
Deposits - Bank	2 to 6 Months	Call accounts	No	Fixed				30/06/2020	409 200	33 501	(122 701)		320 000
TOTAL INVESTMENTS AND INTEREST									459 746	35 860	(122 701)	4 980	377 885

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 2020/21 medium-term capital programme:

Table 37 Sources of capital revenue over the MTREF

Vote Description R thousand	2020/21 Medium Term Revenue & Expenditure Framework		
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funded by:			
National Government	29 887	28 470	31 628
Provincial Government	732		
District Municipality	–	–	–
Transfers and subsidies - capital (monetary)	45 956	60 667	43 750
Transfers recognised - capital	76 575	89 137	75 378
Borrowing	92 199	50 000	50 000
Internally generated funds	98 322	37 000	20 000
Total Capital Funding	267 095	176 137	145 378

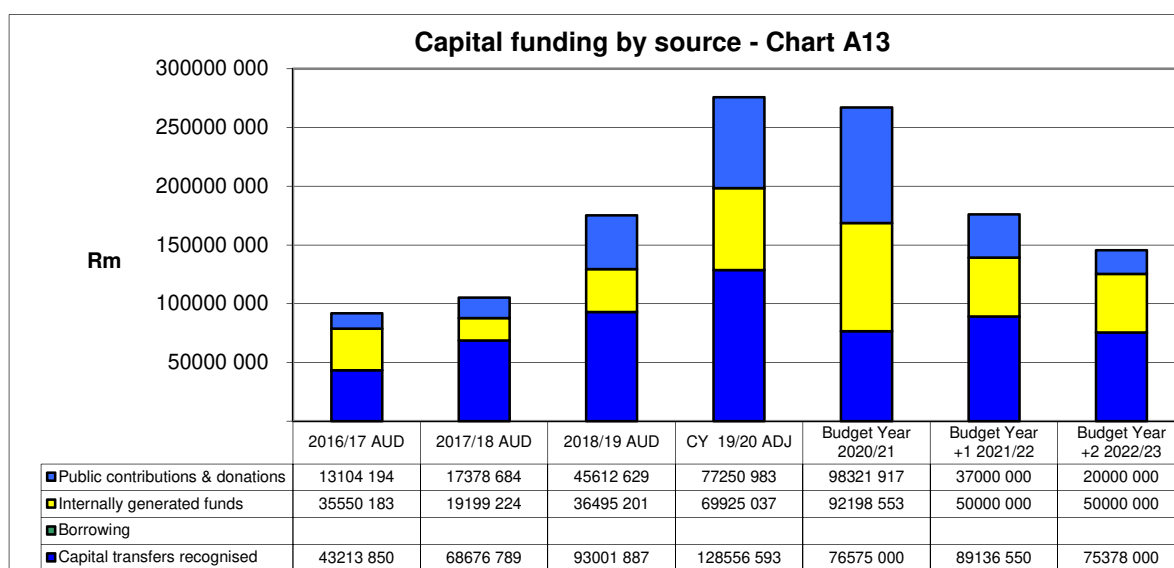


Figure 8 Sources of capital revenue for the 2020/21 financial year

Capital grants and receipts equates to 28,7 per cent of the total funding source which represents R76,6 million for the 2020/21 financial year.

Table 38 MBRR Table SA18 - Capital transfers and grant receipts

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
RECEIPTS:									
Capital Transfers and Grants									
National Government:	26 030	26 330	25 901	39 010	39 010	39 010	29 887	28 470	31 628
Municipal Infrastructure Grant (MIG)	21 030	22 330	21 639	32 010	32 010	32 010	21 887	23 470	24 628
INEP	5 000	4 000	4 262	7 000	7 000	7 000	8 000	5 000	7 000
Provincial Government:	10 490	42 992	25 463	28 281	10 324	10 324	732	-	-
Human Settlements Development Grant	8 290	36 661	25 463	26 439	6 981	6 981			
Library Services Grant	1 000								
Resourcing Funding for Establishment & Support of a K9 Unit									
Public Transport Non-Motorised Infrastructure Grant		4 000			1 500	1 500			
Fire Service Capacity Building Grant		800					732		
Municipal Service Delivery & Capacity Building Grant		360							
Disaster Management Grant				1 843	1 843	1 843			
Development of Sport and Recreation Facilities	1 200	1 171							
Total Capital Transfers and Grants	36 520	69 322	51 364	67 291	49 334	49 334	30 619	28 470	31 628

Borrowing still remains a significant funding source (one-third) for the own capital programme over the medium-term with an estimated R192,2 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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Annuity and Bullet Loans	312 495	308 658	322 933	355 453	355 453	355 453	348 996	352 875	346 464
Long-Term Loans (non-annuity)	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Instalment Credit									
Financial Leases	-								
Total Borrowing	412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464

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 R98,3 million in 2020/21.

It should be noted that the level of borrowings decreases over the MTREF, from R92m in 2020/2021 to R50m in 2022/2023.

The following graph illustrates the growth in outstanding borrowing for the 2016/17 to 2022/23 period.

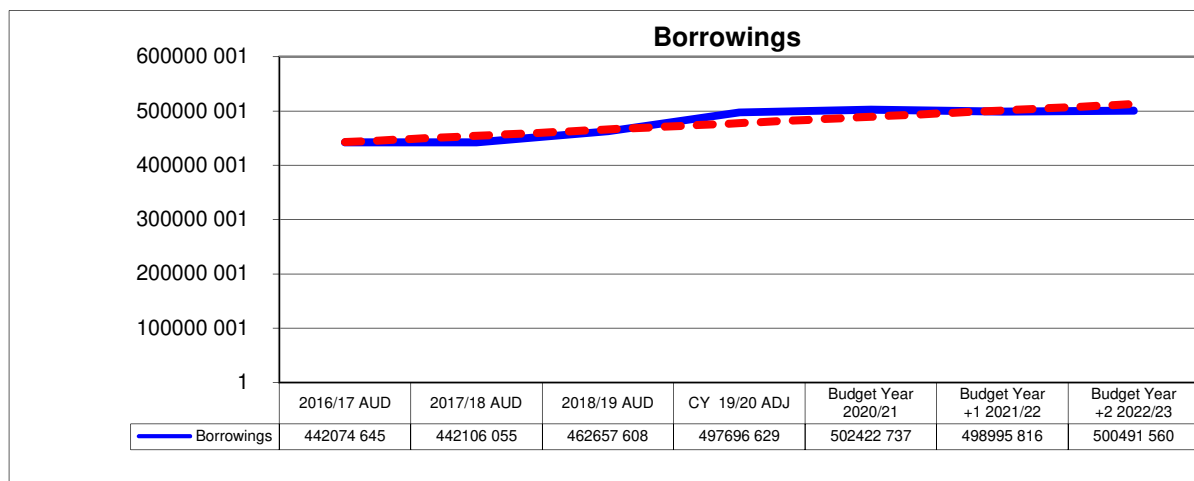


Figure 9 Growth in outstanding borrowing (long-term liabilities)

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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	195 733	213 851	231 322	241 063	241 862	241 862	270 864	286 351	302 822
Service charges	561 634	590 742	643 620	673 293	679 913	679 913	720 929	767 879	818 190
Other revenue	73 850	75 406	82 274	66 179	178 616	178 616	153 202	176 568	170 619
Government - operating	119 507	131 819	118 820	152 183	125 794	125 794	131 840	141 735	154 275
Government - capital	33 681	64 248	57 030	70 194	46 216	46 216	30 619	28 470	31 628
Interest	23 018	34 175	45 960	32 161	40 311	40 311	44 201	46 726	49 473
Dividends							-	-	-
Payments									
Suppliers and employees	(791 231)	(818 415)	(915 305)	(1 017 533)	(983 962)	(983 962)	(1 062 230)	(1 237 091)	(1 340 576)
Finance charges	(45 910)	(46 129)	(44 921)	(51 549)	(51 549)	(51 549)	(53 668)	(54 327)	(54 392)
Transfers and Grants	(1 898)	(1 800)	(486)	(500)	(500)	(500)	(12 420)	(12 010)	(12 010)
NET CASH FROM/(USED) OPERATING ACTIVITIES	168 384	243 897	218 314	165 492	276 701	276 701	223 337	144 301	120 029
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	2 943	81 451	(566)	-	-	-	-	-	-
Decrease (increase) in non-current debtors									
Decrease (increase) other non-current receivables	15	8	10	10	10	10	7	3	1
Decrease (increase) in non-current investments	(4 980)	(4 980)	(4 980)	(7 339)	(7 339)	(7 339)	(7 575)	(7 834)	(8 120)
Payments									
Capital assets	(84 505)	(105 255)	(175 110)	(261 677)	(275 733)	(275 733)	(267 095)	(176 137)	(145 378)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(86 528)	(28 775)	(180 645)	(269 006)	(283 062)	(283 062)	(274 664)	(183 968)	(153 497)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							-	-	-
Borrowing long term/refinancing	30 000	30 000	54 000	74 300	74 300	74 300	54 000	50 000	50 000
Increase (decrease) in consumer deposits	-	-	-	23 028	23 028	23 028	(1 000)	3 724	3 948
Payments									
Repayment of borrowing	(26 822)	(29 969)	(33 448)	(38 709)	(38 709)	(38 709)	(46 981)	(53 427)	(48 504)
NET CASH FROM/(USED) FINANCING ACTIVITIES	3 178	31	20 552	58 619	58 619	58 619	6 019	298	5 444
NET INCREASE/ (DECREASE) IN CASH HELD	85 034	215 153	58 220	(44 895)	52 259	52 259	(45 308)	(39 369)	(28 025)
Cash/cash equivalents at the year begin:	174 780	259 815	474 967	489 014	533 188	533 188	585 426	540 118	500 749
Cash/cash equivalents at the year end:	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724

The above table shows that cash and cash equivalents of the Municipality reflects steady growth from the 2016/2017 to 2019/2020 financial years. For the 2020/21 MTREF the budget has been

prepared to ensure sustained levels of cash and cash equivalents over the medium-term with cash levels anticipated to remain stable.

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. Cash surpluses have been realised over the past three years, which is inevitably utilised to finance capital. The working capital has to be optimally managed.

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash and investments available									
Cash/cash equivalents at the year end	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724
Other current investments > 90 days	-	(0)	-	(0)	(20)	(20)	(0)	(0)	0
Non current assets - Investments	37 982	44 595	50 524	57 885	57 885	57 885	65 460	73 294	81 414
Cash and investments available:	297 796	519 562	583 711	502 005	643 312	643 312	605 578	574 043	554 138
Application of cash and investments									
Unspent conditional transfers	6 474	21 776	12 590	5 636	5 636	5 636	-	-	-
Unspent borrowing	15	10 450	38 199	-	-	-	-	-	-
Statutory requirements	-	-	-	-	-	-	-	-	-
Other working capital requirements	(26 304)	(16 860)	(36 904)	(17 691)	(39 143)	(39 143)	(11 350)	(6 481)	3 139
Other provisions									
Long term investments committed	37 982	44 595	50 524	57 885	57 885	57 885	65 640	73 294	81 414
Reserves to be backed by cash/investments	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
Total Application of cash and investments:	21 418	63 220	67 672	49 170	27 718	27 718	57 635	70 163	87 908
Surplus(shortfall)	276 379	456 342	516 039	452 835	615 593	615 593	547 943	503 880	466 230

From the above table it can be seen that the cash and investments total R643,3 million in the 2019/2020 financial year and decrease to R605 million in 2020/21, 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 R38,2m 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 2020/21 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.

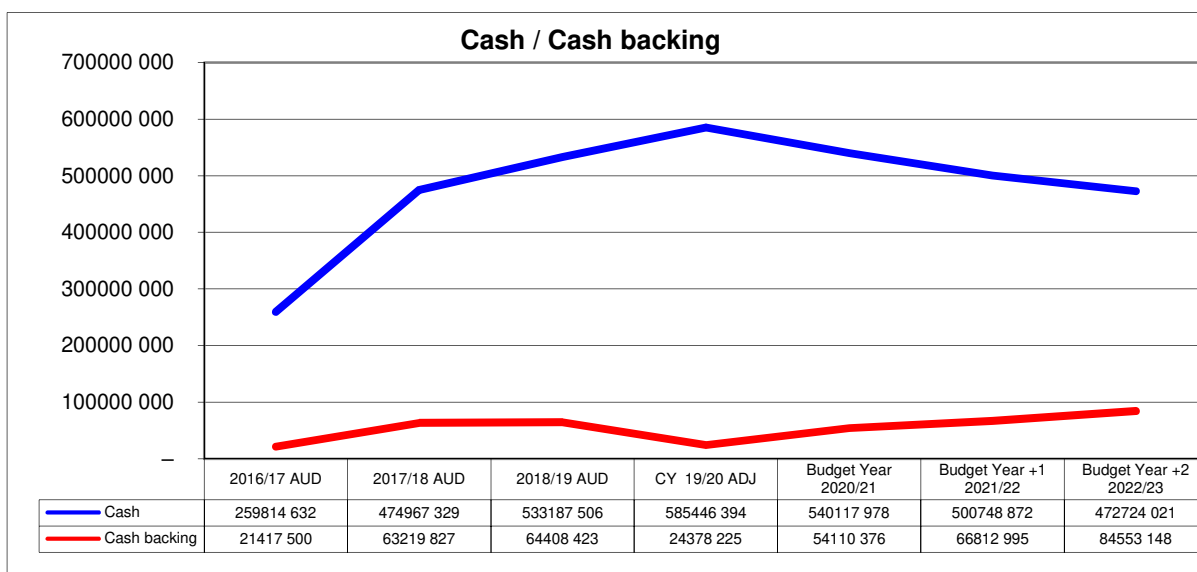


Figure 10 Cash and cash equivalents / Cash backed reserves and accumulated funds

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.

Table 42 MBRR SA10 – Funding compliance measurement

Description	MFMA section	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funding measures										
Cash/cash equivalents at the year end - R'000	18(1)b	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724
Cash + investments at the yr end less applications - R'000	18(1)b	276 379	456 342	519 303	456 175	618 933	618 933	609 353	572 794	550 999
Cash year end/monthly employee/supplier payments	18(1)b	4.1	7.4	7.3	5.4	7.0	7.0	5.8	5.0	4.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Service charge rev % change - macro CPI-X target ex clusive	18(1)a,(2)	N.A.	(1.1%)	3.4%	(1.8%)	(5.2%)	(6.0%)	1.3%	0.3%	0.4%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	96.4%	97.5%	97.0%	98.7%	98.4%	98.4%	97.3%	98.4%	97.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	2.9%	2.2%	2.0%	2.7%	2.7%	2.7%	2.6%	2.6%	2.6%
Capital payments % of capital expenditure	18(1)c;19	92.0%	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	61.7%	82.0%	65.8%	38.8%	50.5%	50.5%	28.3%	57.5%	71.4%
Grants % of Govt. legislated/gazetted allocations	18(1)a							100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	7.5%	17.6%	(21.6%)	0.0%	0.0%	0.8%	1.1%	1.4%
Long term receivables % change - incr(decr)	18(1)a	N.A.	(24.5%)	(56.8%)	(58.0%)	0.0%	0.0%	(84.7%)	(100.0%)	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	3.4%	4.6%	6.1%	5.5%	5.6%	5.6%	5.8%	6.1%	6.4%
Asset renewal % of capital budget	20(1)(vi)	37.5%	28.2%	0.0%	2.5%	2.4%	2.4%	10.5%	6.8%	11.1%
Total Operating Revenue		1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777
Total Operating Expenditure		995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Operating Performance Surplus/(Deficit)		7 906	79 868	39 495	(76 446)	(13 491)	(13 491)	(66 866)	(63 963)	(80 599)
Revenue										
% Increase in Total Operating Revenue			7.4%	6.6%	2.2%	9.0%	0.0%	5.3%	6.4%	6.0%
% Increase in Property Rates Revenue			9.5%	8.1%	3.8%	0.3%	0.0%	11.6%	5.7%	5.8%
% Increase in Electricity Revenue			4.3%	8.4%	5.3%	1.3%	0.0%	6.9%	6.9%	7.0%
% Increase in Property Rates & Services Charges			4.9%	9.4%	4.2%	0.8%	0.0%	7.3%	6.3%	6.4%
Expenditure										
% Increase in Total Operating Expenditure			0.2%	11.2%	12.8%	3.4%	0.0%	9.4%	5.9%	6.9%
% Increase in Employee Costs			(1.9%)	24.0%	8.7%	(0.1%)	0.0%	12.1%	3.7%	5.8%
% Increase in Electricity Bulk Purchases			3.8%	7.4%	13.7%	1.8%	0.0%	15.0%	15.0%	15.0%
R&M % of PPE		3.4%	4.6%	6.1%	5.5%	5.6%	5.6%	5.8%	6.1%	6.4%
Asset Renewal and R&M as a % of PPE		4.0%	5.0%	6.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Debt Impairment % of Total Billable Revenue		2.9%	2.2%	2.0%	2.7%	2.7%	2.7%	2.6%	2.6%	2.6%
Capital Revenue										
Internally Funded & Other (R'000)		13 104	17 379	45 613	100 981	77 251	77 251	98 322	37 000	20 000
Borrowing (R'000)		35 550	19 199	36 495	90 501	69 925	69 925	92 199	50 000	50 000
Grant Funding and Other (R'000)		43 214	68 677	93 002	70 194	128 557	128 557	76 575	89 137	75 378
Internally Generated funds % of Non Grant Funding		26.9%	47.5%	55.6%	52.7%	52.5%	52.5%	51.6%	42.5%	28.6%
Borrowing % of Non Grant Funding		73.1%	52.5%	44.4%	47.3%	47.5%	47.5%	48.4%	57.5%	71.4%
Grant Funding % of Total Funding		47.0%	65.2%	53.1%	26.8%	46.6%	46.6%	28.7%	50.6%	51.8%
Capital Expenditure										
Total Capital Programme (R'000)		91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Asset Renewal		34 479	29 644	-	46 770	41 491	41 491	28 083	12 050	16 200
Asset Renewal % of Total Capital Expenditure		37.5%	28.2%	0.0%	17.9%	15.0%	15.0%	10.5%	6.8%	11.1%
Cash										
Cash Receipts % of Rate Payer & Other		96.4%	97.5%	97.0%	98.7%	98.4%	98.4%	97.3%	98.4%	97.7%
Borrowing										
Capital Charges to Operating		7.3%	7.6%	7.1%	7.2%	7.0%	7.0%	7.1%	7.2%	6.4%
Borrowing Receipts % of Capital Expenditure		61.7%	82.0%	65.8%	38.8%	50.5%	50.5%	28.3%	57.5%	71.4%
Reserves										
Surplus/(Deficit)		276 379	456 342	519 303	456 175	618 933	618 933	609 353	572 794	550 999
Free Services										
Free Basic Services as a % of Equitable Share		7.1%	8.1%	82.5%	78.8%	78.8%	78.8%	73.6%	75.5%	78.0%
Free Services as a % of Operating Revenue (excl operational transfers)		5.7%	5.4%	5.1%	5.3%	4.7%	4.7%	5.4%	5.4%	5.4%
High Level Outcome of Funding Compliance										
Total Operating Revenue		1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777
Total Operating Expenditure		995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) Budgeted Operating Statement		7 906	79 868	39 495	(76 446)	(13 491)	(13 491)	(66 866)	(63 963)	(80 599)
Surplus/(Deficit) Considering Reserves and Cash Backing		276 379	456 342	519 303	456 175	618 933	618 933	609 353	572 794	550 999
MTREF Funded (1) / Unfunded (0)		1	1	1	1	1	1	1	1	1
MTREF Funded ü / Unfunded ü		✓	✓	✓	✓	✓	✓	✓	✓	✓

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 2020/21 MTREF indicates R540,1 million, R500,7 million and R472,7 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, on page 72. 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 2020/21 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 not is 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 5,2 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 assumed collection rate was based on a 99.9 per cent 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 35, 28 and 34 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 on page 91.

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 on page 89.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 43 MBRR SA19 - Expenditure on transfers and grant programmes

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	3 397	3 850	3 476	4 185	4 185	4 185	4 050	1 550	1 550
Local Government Equitable Share									
Finance Management	1 475	1 550	1 550	1 550	1 550	1 550	1 550	1 550	1 550
EPWP Incentive	1 922	2 300	1 926	2 635	2 635	2 635	2 500		
Provincial Government:	38 034	28 348	19 432	37 968	10 671	10 671	10 472	10 712	10 886
Human Settlements Development Grant	31 921	21 645	12 688	25 837	776	776			
Library Services Grant	5 889	6 306	6 160	7 287	7 287	7 287	7 651	8 072	8 516
Financial Management Capacity Building Grant	-			980	740	740	401		
Community Development Workers Operational Support	75	74			148	148	75	75	75
Maintenance & Construction of Transport Infrastructure	137	139	137	126	126	126	145	145	145
Western Cape Financial Management Support Grant	-			560	280	280			
Local Government Internship Grant	12	64	86	36	36	36			
Greenest Municipality Competition		120							
Municipal Service Delivery & Capacity Building Grant	-		62	144	138	138			
Thusong Service Centre			100	100	100	100			150
Resourcing Funding for Establishment & Support of a Disaster Management Grant	-		200	2 897	1 040	1 040	2 200	2 420	2 000
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	176	186	186	-	-	-
Spaces for Sport				176	176	176			
Hermanus Cemetery					10	10			
Total operating expenditure of Transfers and Grants	40 331	41 431	32 198	34 498	22 118	22 118	42 329	39 609	38 489
Capital expenditure of Transfers and Grants									
National Government:	26 030	21 786	30 445	39 010	39 010	39 010	29 887	28 470	31 628
Municipal Infrastructure Grant (MIG)	21 030	17 786	26 183	32 010	32 010	32 010	21 887	23 470	24 628
INEP	5 000	4 000	4 262	7 000	7 000	7 000	8 000	5 000	7 000
Provincial Government:	7 681	42 462	35 615	31 184	8 103	8 103	732	-	-
Human Settlements Development Grant	7 651	34 180	34 108	26 439	-	-			
Library Services Grant	30	1 141	1 117						
Resourcing Funding for Establishment & Support of a K9 Unit				2 903	4 760	4 760			
Public Transport Non-Motorised Infrastructure Grant		3 610	390		1 500	1 500			
Fire Service Capacity Building Grant		2 000					732		
Municipal Service Delivery & Capacity Building Grant		360							
Disaster Management Grant				1 843	1 843	1 843			
Development of Sport and Recreation Facilities		1 171							
Total capital expenditure of Transfers and Grants	33 711	64 248	66 060	70 194	47 113	47 113	30 619	28 470	31 628
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	75 143	96 446	88 968	112 523	62 155	62 155	45 141	40 732	44 064

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year									
Current year receipts	76 347	88 073	99 544	110 882	110 882	110 882	121 368	131 023	143 389
Conditions met - transferred to revenue	76 347	88 073	99 544	110 882	110 882	110 882	121 368	131 023	143 389
Conditions still to be met - transferred to liabilities									
Provincial Government:									
Balance unspent at beginning of the year	2 944	(10 418)	(3 596)	2 909	1 433	1 433			
Current year receipts	41 312	38 803	23 028	38 392	13 478	13 478	10 472	10 712	10 886
Conditions still to be met - transferred to liabilities	6 192								
District Municipality:									
Balance unspent at beginning of the year									
Conditions still to be met - transferred to liabilities									
Other grant providers:									
Balance unspent at beginning of the year									
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities									
Total operating transfers and grants revenue	114 411	116 458	118 976	152 183	125 794	125 794	131 840	141 735	154 275
Total operating transfers and grants - CTBM	6 192	-	-	-	-	-	-	-	-
National Government:									
Balance unspent at beginning of the year									
Current year receipts	26 030	26 330	25 901	39 010	39 010	39 010	29 887	28 470	31 628
Conditions met - transferred to revenue	26 030	26 330	25 901	39 010	39 010	39 010	29 887	28 470	31 628
Provincial Government:									
Balance unspent at beginning of the year	1 440	(682)	14 695	2 903	(501)	(501)			
Current year receipts	10 490	43 028	25 463	28 281	10 324	10 324	732	-	-
Conditions met - transferred to revenue	11 930	42 346	40 159	31 184	9 823	9 823	732	-	-
Conditions still to be met - transferred to liabilities									
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Balance unspent at beginning of the year								14 000	5 900
Current year receipts	5 254		26 942						
Conditions met - transferred to revenue	5 254	-	26 942	-	-	-	-	14 000	5 900
Conditions still to be met - transferred to liabilities									
Total capital transfers and grants revenue	43 214	68 676	93 002	70 194	48 833	48 833	30 619	42 470	37 528
Total capital transfers and grants - CTBM	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	157 626	185 134	211 978	222 377	174 627	174 627	162 459	184 205	191 803
TOTAL TRANSFERS AND GRANTS - CTBM	6 192	-	-	-	-	-	-	-	-

2.8 Councillor and employee benefits

Table 45 MBRR SA22 - Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	8 608	9 056	9 467	10 317	10 317	10 317	12 684	18 550	19 567
Pension and UIF Contributions			-		-	-	-	-	-
Medical Aid Contributions			-		-	-	-	-	-
Motor Vehicle Allowance			-		-	-	-	-	-
Cellphone Allowance	657	1 081	1 106	1 066	1 066	1 066	1 110	1 110	1 110
Housing Allowances							-	-	-
Other benefits and allowances							-	-	-
Sub Total - Councillors	9 265	10 138	10 573	11 383	11 383	11 383	13 794	19 660	20 677
Senior Managers of the Municipality									
Basic Salaries and Wages	9 944	10 489	11 036	11 292	11 292	11 292	12 506	13 262	14 066
Pension and UIF Contributions			-	-	-	-	-	-	-
Medical Aid Contributions			-	-	-	-	-	-	-
Overtime			-	-	-	-	-	-	-
Performance Bonus		103	187	109	109	109	-	-	-
Motor Vehicle Allowance			-	-	-	-	-	-	-
Cellphone Allowance	158	187	187	187	187	187	187	187	187
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	10 102	10 779	11 416	11 588	11 588	11 588	12 692	13 449	14 253
Other Municipal Staff									
Basic Salaries and Wages	175 723	206 677	214 176	245 260	244 146	244 146	272 286	281 461	297 667
Pension and UIF Contributions	30 114	33 240	36 580	41 471	41 366	41 366	48 588	51 441	54 519
Medical Aid Contributions	10 523	11 195	12 035	14 459	14 588	14 588	18 241	18 425	19 867
Overtime	15 613	18 388	34 501	29 320	29 325	29 325	32 190	33 522	35 617
Performance Bonus			-		34	34	462	486	510
Motor Vehicle Allowance	7 602	7 850	7 897	7 947	8 077	8 077	8 032	8 167	8 213
Cellphone Allowance	1 483	2 013	1 887	2 067	2 067	2 067	2 378	2 380	2 402
Housing Allowances	5 064	5 482	2 350	2 567	2 630	2 630	2 870	3 045	3 235
Other benefits and allowances	26 398	14 069	26 930	30 363	30 939	30 939	34 997	36 142	38 341
Payments in lieu of leave	1 385	772	2 532	1 125	1 125	1 125	-	-	-
Long service awards	1 836	6 054	2 598	2 062	2 062	2 062	-	-	-
Post-retirement benefit obligations	16 076	(19 984)	14 955	11 571	11 571	11 571	15 035	15 787	16 576
Sub Total - Other Municipal Staff	291 817	285 757	356 441	388 216	387 933	387 933	435 081	450 854	476 946
Total Parent Municipality	311 185	306 674	378 431	411 187	410 904	410 904	461 567	483 963	511 877
TOTAL SALARY, ALLOWANCES & BENEFITS	311 185	306 674	378 431	411 187	410 904	410 904	461 567	483 963	511 877
TOTAL MANAGERS AND STAFF	301 919	296 536	367 858	399 804	399 521	399 521	447 773	464 303	491 199

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							
Councillors							
Speaker	1	730 076	-	44 400	-	-	774 476
Chief Whip		-	-	-	-	-	-
Executive Mayor	1	912 588	-	44 400	-	-	956 988
Deputy Executive Mayor	1	730 099	-	44 400	-	-	774 499
Executive Committee	5	3 422 220	-	222 000	-	-	3 644 220
Total for all other councillors	17	6 888 712	-	754 800	-	-	7 643 512
Total for all other councillors	25	12 683 695	-	1 110 000			13 793 695
Senior Managers of the Municipality							
Municipal Manager (MM)	1	1 857 391	-	27 540	260 000	-	2 144 931
Chief Finance Officer	1	1 823 376	-	24 480	-	-	1 847 856
Director Management Services	1	1 683 168	-	27 540	-	-	1 710 708
Director Community Services	1	1 745 398	-	27 540	-	-	1 772 938
Director Protection Services	1	1 633 320	-	27 540	-	-	1 660 860
Director Infrastructure & Planning	1	1 830 246	-	24 480	-	-	1 854 726
Director LED	1	1 672 601	-	27 540	-	-	1 700 141
Total Senior Managers of the Municipality	7	12 245 500	-	186 660	260 000		12 692 160
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	32	24 929 195	-	1 296 660	260 000		26 485 855

Table 47 MBRR SA24 – Summary of personnel numbers

Summary of Personnel Numbers Number	2018/19			Current Year 2019/20			Budget Year 2020/21		
	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		25	7	
Board Members of municipal entities									
Municipal employees									
Municipal Manager and Senior Managers	7	7		7	7		7	7	
Other Managers	56	54		54	50		53	48	
Professionals	23	21	–	26	25	–	26	24	–
<i>Finance</i>	20	18		21	20		21	19	
<i>Spatial/town planning</i>				2	2		2	2	
<i>Information Technology</i>	1	1		1	1		1	1	
<i>Roads</i>									
<i>Electricity</i>									
<i>Water</i>									
<i>Sanitation</i>									
<i>Refuse</i>									
<i>Other</i>	2	2		2	2		2	2	
Technicians	188	167	–	195	174	–	199	172	–
<i>Finance</i>									
<i>Spatial/town planning</i>	13	12		11	10		12	12	
<i>Information Technology</i>	5	3		5	4		5	4	
<i>Roads</i>	9	8		9	9		9	8	
<i>Electricity</i>	30	24		31	27		31	27	
<i>Water</i>	19	18		21	18		21	18	
<i>Sanitation</i>	2	2		2	2		2	2	
<i>Refuse</i>	4	4		5	5		5	5	
<i>Other</i>	106	96		111	99		114	96	
Clerks (Clerical and administrative)	262	234		277	241		277	246	
Service and sales workers	104	95		115	92		124	108	
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operators	59	55		61	57		60	57	
Elementary Occupations	423	105		430	410		426	412	
TOTAL PERSONNEL NUMBERS	1 147	745	–	1 190	1 063	–	1 197	1 081	–
% increase				3.7%	42.7%	–	0.6%	1.7%	–
Total municipal employees headcount	1 122	1 038		1 165	1 056		1 172	1 074	
Finance personnel headcount	113	100		113	104		113	106	
Human Resources personnel headcount	18	18		18	18		18	17	

2.9 Monthly targets for revenue, expenditure and cash flow/

Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousand																
Revenue By Source																
Property rates	22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	271 251	286 830	303 395	
Service charges - electricity revenue	35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	431 748	461 627	493 845	
Service charges - water revenue	11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	134 027	141 979	150 407	
Service charges - sanitation revenue	6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	83 772	88 798	94 127	
Service charges - refuse revenue	6 034	6 034	6 034	6 034	6 034	6 035	6 034	6 034	6 034	6 034	6 034	6 035	72 414	76 757	81 361	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	309	309	309	309	309	309	309	309	309	309	309	310	3 707	3 899	4 108	
Interest earned - external investments	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	39 350	41 641	44 140	
Interest earned - outstanding debtors	404	404	404	404	404	404	404	404	404	404	404	404	4 851	5 085	5 333	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	2 715	2 715	2 715	2 715	2 715	2 716	2 715	2 715	2 715	2 715	2 715	2 716	32 581	34 701	36 721	
Licences and permits	207	207	208	207	207	209	207	207	208	207	207	209	2 491	2 633	2 688	
Agency services	461	461	461	461	461	461	461	461	461	461	461	461	5 526	5 856	6 206	
Transfers and subsidies	10 803	10 803	11 353	10 803	10 803	11 353	10 803	10 803	11 353	10 803	10 803	11 353	131 840	141 735	154 275	
Other revenue	11 154	11 154	11 180	11 154	11 154	11 182	11 154	11 154	11 180	11 154	11 154	11 198	133 971	142 058	143 172	
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and	112 100	112 100	112 676	112 100	112 100	112 681	112 100	112 100	112 676	112 100	112 100	112 699	1 347 529	1 433 599	1 519 777	
Expenditure By Type																
Employee related costs	37 076	37 076	37 076	37 076	37 076	37 076	37 076	37 076	37 076	37 076	37 076	39 932	447 773	464 303	491 199	
Remuneration of councillors	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 150	13 794	19 660	20 677	
Debt impairment	2 179	2 179	2 179	2 179	2 179	2 179	2 179	2 179	2 179	2 179	2 179	2 179	26 147	27 454	28 827	
Depreciation & asset impairment	11 823	11 823	11 823	11 823	11 823	11 823	11 823	11 823	11 823	11 823	11 823	11 824	141 877	139 714	133 277	
Finance charges	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 473	53 668	54 327	54 392	
Bulk purchases	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	323 012	371 463	427 183	
Other materials	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 539	42 448	44 009	46 216	
Contracted services	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 116	229 366	232 659	242 756	
Transfers and subsidies	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	12 420	12 010	12 010	
Other expenditure	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	16 099	123 890	131 963	143 839	
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	126 264	1 414 394	1 497 562	1 600 376	
Surplus/(Deficit)	(5 003)	(5 003)	(4 427)	(5 003)	(5 003)	(4 421)	(5 003)	(5 003)	(4 427)	(5 003)	(5 003)	(13 565)	(66 866)	(63 963)	(80 599)	
Transfers and subsidies - capital (monetary alloc	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	30 619	28 470	31 628	
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	14 000	5 900	
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)	
Surplus/(Deficit)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)	

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand															
Revenue by Vote															
Vote 1 - Council	1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	17 735	17 990	13 383
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	114	114	114	114	114	114	114	114	114	114	114	114	1 366	1 366	1 366
Vote 4 - Finance	27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 187	326 077	344 411	363 965
Vote 5 - Community Services	49 370	49 370	49 370	49 370	49 370	49 371	49 370	49 370	49 370	49 370	49 370	49 371	592 443	647 600	683 983
Vote 6 - Economic and Social Development	3 443	3 443	3 993	3 443	3 443	3 993	3 443	3 443	3 993	3 443	3 443	3 993	43 515	45 592	47 592
Vote 7 - Infrastructure & Planning	382	382	382	382	382	382	382	382	382	382	382	382	4 586	2 091	2 247
Vote 8 - Protection Services	32 693	32 693	32 719	32 693	32 693	32 723	32 693	32 693	32 719	32 693	32 693	32 725	392 426	417 019	444 770
Total Revenue by Vote	114 651	114 651	115 227	114 651	114 651	115 233	114 651	114 651	115 227	114 651	114 651	115 250	1 378 148	1 476 069	1 557 305
Expenditure by Vote to be appropriated															
Vote 1 - Council	2 539	2 539	2 539	2 539	2 539	2 539	2 539	2 539	2 539	2 539	2 539	8 819	36 751	37 583	39 358
Vote 2 - Municipal Manager	638	638	638	638	638	638	638	638	638	638	638	638	7 654	8 013	8 450
Vote 3 - Management Services	4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 772	57 253	59 982	62 583
Vote 4 - Finance	8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 418	98 816	95 410	99 881
Vote 5 - Community Services	50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 572	606 858	673 160	747 711
Vote 6 - Economic and Social Development	9 447	9 447	9 447	9 447	9 447	9 447	9 447	9 447	9 447	9 447	9 447	10 328	114 249	117 569	123 633
Vote 7 - Infrastructure & Planning	1 568	1 568	1 568	1 568	1 568	1 568	1 568	1 568	1 568	1 568	1 568	3 363	20 614	18 664	20 126
Vote 8 - Protection Services	39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 353	472 201	487 179	498 634
Total Expenditure by Vote	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	126 264	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) before assoc.	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)
Surplus/(Deficit)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional															
Governance and administration	29 416	29 416	29 417	29 416	29 416	29 418	29 416	29 416	29 417	29 416	29 416	29 434	353 015	371 644	386 633
Executive and council	1 485	1 485	1 486	1 485	1 485	1 487	1 485	1 485	1 486	1 485	1 485	1 485	17 826	18 084	13 479
Finance and administration	27 931	27 931	27 931	27 931	27 931	27 931	27 931	27 931	27 931	27 931	27 931	27 947	335 188	353 560	373 154
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety	12 842	12 842	13 393	12 842	12 842	13 396	12 842	12 842	13 393	12 842	12 842	13 397	156 318	163 867	166 496
Community and social services	676	676	676	676	676	678	676	676	676	676	676	679	8 115	8 546	9 151
Sport and recreation	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 173	14 065	12 758	13 502
Public safety	3 443	3 443	3 993	3 443	3 443	3 993	3 443	3 443	3 993	3 443	3 443	3 993	43 515	45 592	47 592
Housing	7 552	7 552	7 552	7 552	7 552	7 552	7 552	7 552	7 552	7 552	7 552	7 552	90 623	96 970	96 250
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services	1 057	1 057	1 057	1 057	1 057	1 058	1 057	1 057	1 057	1 057	1 057	1 058	12 686	14 232	28 176
Planning and development	1 033	1 033	1 033	1 033	1 033	1 034	1 033	1 033	1 033	1 033	1 033	1 035	12 403	10 376	10 887
Road transport	20	20	20	20	20	20	20	20	20	20	20	20	235	3 806	17 235
Environmental protection	4	4	4	4	4	4	4	4	4	4	4	4	48	51	54
Trading services	71 336	71 336	71 361	71 336	71 336	71 361	71 336	71 336	71 361	71 336	71 336	71 361	856 129	926 326	976 001
Energy sources	40 605	40 605	40 605	40 605	40 605	40 605	40 605	40 605	40 605	40 605	40 605	40 605	487 257	535 591	572 180
Water management	13 001	13 001	13 001	13 001	13 001	13 001	13 001	13 001	13 001	13 001	13 001	13 001	156 014	171 049	170 007
Waste water management	9 925	9 925	9 950	9 925	9 925	9 950	9 925	9 925	9 950	9 925	9 925	9 950	119 196	120 031	126 999
Waste management	7 805	7 805	7 805	7 805	7 805	7 805	7 805	7 805	7 805	7 805	7 805	7 805	93 662	99 655	106 814
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	114 651	114 651	115 227	114 651	114 651	115 233	114 651	114 651	115 227	114 651	114 651	115 250	1 378 148	1 476 069	1 557 305
Expenditure - Functional															
Governance and administration	22 707	22 707	22 707	22 707	22 707	22 707	22 707	22 707	22 707	22 707	22 707	29 188	278 960	280 378	294 048
Executive and council	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	11 076	63 831	66 663	70 148
Finance and administration	17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 815	211 553	209 971	219 937
Internal audit	298	298	298	298	298	298	298	298	298	298	298	298	3 576	3 744	3 963
Community and public safety	20 456	20 456	20 456	20 456	20 456	20 456	20 456	20 456	20 456	20 456	20 456	22 756	247 771	263 127	282 468
Community and social services	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 989	23 858	24 515	25 715
Sport and recreation	4 647	4 647	4 647	4 647	4 647	4 647	4 647	4 647	4 647	4 647	4 647	4 648	55 766	58 449	61 750
Public safety	9 492	9 492	9 492	9 492	9 492	9 492	9 492	9 492	9 492	9 492	9 492	11 790	116 197	122 184	128 494
Housing	4 329	4 329	4 329	4 329	4 329	4 329	4 329	4 329	4 329	4 329	4 329	4 329	51 950	57 978	66 510
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services	14 996	14 996	14 996	14 996	14 996	14 996	14 996	14 996	14 996	14 996	14 996	15 374	180 331	187 390	194 762
Planning and development	4 388	4 388	4 388	4 388	4 388	4 388	4 388	4 388	4 388	4 388	4 388	4 765	53 028	54 088	56 084
Road transport	9 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	111 003	114 856	119 213
Environmental protection	1 358	1 358	1 358	1 358	1 358	1 358	1 358	1 358	1 358	1 358	1 358	1 358	16 300	18 446	19 465
Trading services	58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 473	701 679	762 265	824 553
Energy sources	33 925	33 925	33 925	33 925	33 925	33 925	33 925	33 925	33 925	33 925	33 925	33 925	407 099	457 889	515 650
Water management	10 452	10 452	10 452	10 452	10 452	10 452	10 452	10 452	10 452	10 452	10 452	10 452	125 419	128 644	128 070
Waste water management	7 810	7 810	7 810	7 810	7 810	7 810	7 810	7 810	7 810	7 810	7 810	7 811	93 724	97 277	98 525
Waste management	6 286	6 286	6 286	6 286	6 286	6 286	6 286	6 286	6 286	6 286	6 286	6 287	75 437	78 455	82 309
Other	471	471	471	471	471	471	471	471	471	471	471	471	5 653	4 403	4 544
Total Expenditure - Functional	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	126 264	1 414 394	1 497 562	1 600 376
Surplus/(Deficit)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Multi-year expenditure to be appropriated															
Vote 1 - Council												-	-	-	-
Vote 2 - Municipal Manager												-	-	-	-
Vote 3 - Management Services												-	-	-	-
Vote 4 - Finance												-	-	30 000	20 000
Vote 5 - Community Services		250	8 024	5 500	10 150	10 124	11 100	8 039	15 374	11 600	12 850	15 094	108 105	131 101	95 550
Vote 6 - Economic and Social Development & Tourism												-	-	-	-
Vote 7 - Infrastructure & Planning												-	-	-	-
Vote 8 - Protection Services												-	-	-	-
Capital multi-year expenditure sub-total	-	250	8 024	5 500	10 150	10 124	11 100	8 039	15 374	11 600	12 850	15 094	108 105	161 101	115 550
Single-year expenditure to be appropriated															
Vote 1 - Council												-	-	-	-
Vote 2 - Municipal Manager												-	-	-	-
Vote 3 - Management Services				350	450	405	1 000	200	250	55		605	3 315	-	-
Vote 4 - Finance								20	20	20		-	60	-	-
Vote 5 - Community Services		3 000	7 140	5 820	9 561	11 628	6 655	10 514	14 748	11 095	9 531	9 679	99 373	15 036	29 828
Vote 6 - Economic and Social Development & Tourism			1 119	400	400	2 354	-	390	2 241	690	120	2 334	10 046	-	-
Vote 7 - Infrastructure & Planning						23	200	150	350	97		23	842	-	-
Vote 8 - Protection Services		310	1 620	2 313	1 773	7 520	4 354	10 194	9 056	4 682	1 833	1 701	45 355	-	-
Capital single-year expenditure sub-total	-	3 310	9 879	8 883	12 185	21 929	12 209	21 468	26 665	16 639	11 484	14 341	158 990	15 036	29 828
Total Capital Expenditure	-	3 560	17 903	14 383	22 335	32 053	23 309	29 507	42 039	28 239	24 334	29 435	267 095	176 137	145 378

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

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional															
Governance and administration	-	-	-	350	450	405	1 000	220	270	75	-	605	3 375	30 000	20 000
Executive and council										5		-	5	-	-
Finance and administration				350	450	405	1 000	220	270	70	-	605	3 370	30 000	20 000
Internal audit												-	-	-	-
Community and public safety	-	-	4 919	5 131	8 089	10 957	11 435	10 876	11 084	7 213	4 728	7 039	81 469	46 667	37 850
Community and social services				881	-	4 765	3 295	5 856	4 213	2 078	278	103	21 468	-	-
Sport and recreation				50	89	39	540	830	830	595	530	446	3 949	-	-
Public safety			1 119	400	400	2 354	-	390	2 241	740	120	2 334	10 096	-	-
Housing			3 800	3 800	7 600	3 800	7 600	3 800	3 800	3 800	3 800	4 156	45 956	46 667	37 850
Health												-	-	-	-
Economic and environmental services	-	310	1 105	870	1 617	3 015	1 508	3 953	6 228	2 330	3 700	1 858	26 493	3 571	17 000
Planning and development				100	100	1 233	900	2 765	4 890	1 272	2 655	833	14 748	-	-
Road transport		310	1 105	770	1 517	1 782	608	1 188	1 338	1 058	1 045	1 025	11 745	3 571	17 000
Environmental protection												-	-	-	-
Trading services	-	3 250	11 880	8 032	12 179	17 676	9 366	14 458	24 457	18 621	15 906	19 934	155 758	95 899	70 528
Energy sources		250	2 424	-	750	2 981	1 500	1 750	4 424	2 000	3 650	4 911	24 641	44 000	22 000
Water management		1 000	4 653	2 000	3 100	5 853	1 835	2 789	8 186	4 950	5 250	6 853	46 469	27 516	22 000
Waste water management		-	2 803	3 817	6 129	6 542	4 531	7 855	9 047	9 061	6 356	8 170	64 310	24 384	26 528
Waste management		2 000	2 000	2 215	2 200	2 300	1 500	2 064	2 800	2 610	650	-	20 339	-	-
Other												-	-	-	-
Total Capital Expenditure - Functional	-	3 560	17 903	14 383	22 335	32 053	23 309	29 507	42 039	28 239	24 334	29 435	267 095	176 137	145 378

Table 53 MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22
Cash Receipts By Source													1		
Property rates	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	270 864	286 351	302 822
Service charges - electricity revenue	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	431 132	460 857	492 911
Service charges - water revenue	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	133 835	141 742	150 123
Service charges - sanitation revenue	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	83 652	88 650	93 949
Service charges - refuse revenue	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	72 310	76 629	81 207
Rental of facilities and equipment	308	308	308	308	308	309	308	308	308	308	308	309	3 701	3 893	4 100
Interest earned - external investments	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	39 350	41 641	44 140
Interest earned - outstanding debtors	404	404	404	404	404	404	404	404	404	404	404	404	4 851	5 085	5 333
Fines, penalties and forfeits	581	581	581	581	581	582	581	581	581	581	581	582	6 972	7 555	7 946
Licences and permits	207	207	208	207	207	209	207	207	208	207	207	209	2 491	2 633	2 688
Agency services	461	461	461	461	461	461	461	461	461	461	461	461	5 526	5 856	6 206
Transfer receipts - operational	10 803	10 803	11 353	10 803	10 803	11 353	10 803	10 803	11 353	10 803	10 803	11 353	131 840	141 735	154 275
Other revenue	11 199	11 199	11 225	11 199	11 199	11 227	11 199	11 199	11 225	11 199	11 199	11 243	134 511	156 630	149 679
Cash Receipts by Source	109 892	109 892	110 468	109 892	109 892	110 474	109 892	109 892	110 468	109 892	109 892	110 491	1 321 036	1 419 259	1 495 379
Other Cash Flows by Source															
Transfer receipts - capital	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	30 619	28 470	31 628
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Education Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	54 000	-	-	-	-	-	-	54 000	50 000	50 000
Borrowing long term/refinancing	-	-	-	-	-	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(1 000)	3 724	3 948
Increase (decrease) in consumer deposits	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	1	1	1	1	1	1	1	1	1	1	1	1	7	3	1
Decrease (increase) in non-current investments	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(7 575)	(7 834)	(8 120)
Total Cash Receipts by Source	111 729	111 729	112 305	111 729	111 729	166 311	111 729	111 729	112 305	111 729	111 729	112 328	1 397 087	1 493 622	1 572 835
Cash Payments by Type															
Employee related costs	36 004	36 004	36 004	36 004	36 004	36 004	36 004	36 004	36 004	36 004	36 004	38 860	434 904	450 791	477 011
Remuneration of councillors	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 150	13 794	19 660	20 677
Finance charges	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 473	53 668	54 327	54 392
Bulk purchases - Electricity	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	323 012	371 463	427 183
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 539	42 448	44 009	46 216
Contracted services	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 116	229 366	232 659	242 756
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	12 420	12 010	12 010
Other expenditure	1 038	1 038	1 038	1 038	1 038	1 038	1 038	1 038	1 038	1 038	1 038	7 285	18 707	118 509	126 732
Cash Payments by Type	93 268	93 268	93 268	93 268	93 268	93 268	93 268	93 268	93 268	93 268	93 268	102 374	1 128 318	1 303 428	1 406 978
Other Cash Flows/Payments by Type															
Capital assets	-	3 560	17 903	14 383	22 335	32 053	23 309	29 507	42 039	28 239	24 334	29 435	267 095	176 137	145 378
Repayment of borrowing	1 778	1 289	1 173	8 124	953	8 876	1 862	-	2 597	8 562	1 012	10 753	46 981	53 427	48 504
Other Cash Flow s/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	95 046	98 117	112 344	115 774	116 555	134 197	118 438	122 774	137 904	130 069	118 614	142 563	1 442 395	1 532 991	1 600 860
NET INCREASE/(DECREASE) IN CASH HELD	16 684	13 613	(38)	(4 045)	(4 826)	32 115	(6 709)	(11 045)	(25 598)	(18 339)	(6 885)	(30 234)	(45 308)	(39 369)	(28 025)
Cash/cash equivalents at the month/year begin:	585 426	602 110	615 722	615 684	611 639	606 814	638 928	632 219	621 174	595 576	577 237	570 352	585 426	540 118	500 749
Cash/cash equivalents at the month/year end:	602 110	615 722	615 684	611 639	606 814	638 928	632 219	621 174	595 576	577 237	570 352	540 118	540 118	500 749	472 724

2.10 Annual budgets and SDBIP

The draft SDBIP will be tabled as a separate item at the Council meeting to be held on 27 May 2020, where after the Executive Mayor has 28 days to approve the SDBIP for 2020/21.

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 on page 113. 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.

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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	52 681	26 438	96 933	143 762	105 545	105 545	102 884	64 166	42 000
Roads Infrastructure	2 260	10 003	12 061	19 683	16 033	16 033	11 545	3 571	17 000
<i>Roads</i>	2 260	10 003	12 061	19 683	16 033	16 033	11 545	3 571	17 000
Storm water Infrastructure	-	255	7 247	23 841	18 641	18 641	10 864	7 864	-
<i>Drainage Collection</i>					500	500	100	-	
Electrical Infrastructure	30 496	15 449	28 893	23 801	18 999	18 999	23 641	43 000	15 000
<i>HV Transmission Conductors</i>	30 496				-	-			
<i>MV Substations</i>				6 956	6 260	6 260	9 696	38 000	8 000
<i>MV Networks</i>		15 449	28 893	16 845	12 739	12 739	13 945	5 000	7 000
<i>LV Networks</i>									
Water Supply Infrastructure	5 276	627	12 270	42 344	35 423	35 423	20 247	5 732	6 000
<i>Dams and Weirs</i>				-	-	-			
<i>Boreholes</i>				2 000	6 153	6 153	6 000	-	-
<i>Reservoirs</i>			12 270	16 273	12 648	12 648	13 217	3 000	3 000
<i>Water Treatment Works</i>	5 276	627		2 150	6 153	6 153			
<i>Bulk Mains</i>				-	-	-			
<i>Distribution</i>				21 921	10 469	10 469	1 030	-	-
Sanitation Infrastructure	5 718	-	34 963	24 093	11 949	11 949	19 208	4 000	4 000
<i>Pump Station</i>				300	600	600			
<i>Reticulation</i>			34 963	14 358	7 438	7 438	19 208	4 000	4 000
<i>Waste Water Treatment Works</i>	5 718			9 435	3 911	3 911			
Solid Waste Infrastructure	8 930	105	1 499	10 000	4 500	4 500	17 379	-	-
<i>Waste Drop-off Points</i>	8 930	105	1 499	10 000	4 500	4 500	515		
Community Assets	2 212	8 656	30 804	12 800	8 009	8 009	16 682	-	-
Community Facilities	2 212	3 229	30 804	12 420	7 959	7 959	16 632	-	-
<i>Halls</i>	2 212	437		-			26		
<i>Crèches</i>		100	559	793	718	718	75		
<i>Fire/Ambulance Stations</i>		2 440		-					
<i>Testing Stations</i>			4 809	1 100	1 100	1 100			
<i>Libraries</i>			1 132	-			4 374		
<i>Cemeteries/Crematoria</i>		251	381	1 500	980	980	1 292		
<i>Parks</i>				526	526	526	202		
<i>Public Open Space</i>			23 923	5 321	4 636	4 636	3 456		
<i>Nature Reserves</i>				2 300			5 700		
<i>Public Ablution Facilities</i>				880			750		
<i>Capital Spares</i>									
Sport and Recreation Facilities	-	5 427	-	380	50	50	50	-	-
<i>Indoor Facilities</i>									
<i>Outdoor Facilities</i>		5 427		380	50	50	50		
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Other assets	2 497	38 552	37 368	35 472	94 402	94 402	49 606	46 667	37 850
Operational Buildings	2 497	4 372	3 092	9 034	10 029	10 029	3 650	-	-
<i>Municipal Offices</i>	2 497	4 372	3 092	9 034	10 029	10 029	3 650		
Housing	-	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
<i>Social Housing</i>		34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Computer Equipment	-	1 593	1 346	4 200	4 220	4 220	7 090	-	-
Computer Equipment		1 593	1 346	4 200	4 220	4 220	7 090		
Furniture and Office Equipment	-	205	295	280	280	280	1 025	-	-
Furniture and Office Equipment		205	295	280	280	280	1 025		
Machinery and Equipment		166	1 428	900	1 400	1 400	760		
Transport Assets	-	-	6 936	17 493	20 385	20 385	20 732	30 000	20 000
Transport Assets			6 936	17 493	20 385	20 385	20 732	30 000	20 000
Total Capital Expenditure on new assets	57 389	75 610	175 110	214 907	234 242	234 242	198 779	140 833	99 850

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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	33 214	28 370	-	6 570	6 558	6 558	28 083	12 050	16 200
Roads Infrastructure	11 809	2 020	-	10	10	10	-	-	-
<i>Roads</i>	11 809	2 020	-	10	10	10	-	-	-
Storm water Infrastructure	-	10 677	-	-	-	-	-	-	-
<i>Storm water Conveyance</i>	-	10 677	-	-	-	-	-	-	-
Electrical Infrastructure	-	819	-	-	-	-	1 000	1 000	-
<i>MV Networks</i>	-	819	-	-	-	-	-	-	-
Water Supply Infrastructure	10 496	2 629	-	2 560	2 548	2 548	23 822	10 400	15 500
<i>Dams and Weirs</i>	-	-	-	-	-	-	-	-	-
<i>Water Treatment Works</i>	10 496	-	-	-	-	-	-	-	-
<i>Distribution</i>	-	2 629	-	2 560	2 548	2 548	22 522	10 000	15 000
Sanitation Infrastructure	9 169	10 591	-	4 000	4 000	4 000	3 261	650	700
<i>Waste Water Treatment Works</i>	9 169	10 591	-	-	-	-	-	-	-
Solid Waste Infrastructure	1 740	1 634	-	-	-	-	-	-	-
<i>Waste Transfer Stations</i>	1 740	1 634	-	-	-	-	-	-	-
Community Assets	1 265	1 217	-	-	-	-	-	-	-
Community Facilities	1 265	1 217	-	-	-	-	-	-	-
<i>Halls</i>	1 265	1 217	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
<i>Social Housing</i>	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing	34 479	29 644	-	6 570	6 558	6 558	28 083	12 050	16 200
<i>Renewal of Existing Assets as % of total capex</i>	0.0%	16.7%	37.5%	11.6%	6.6%	6.6%	24.4%	12.8%	13.7%
<i>Renewal of Existing Assets as % of deprecn"</i>	26.7%	12.9%	26.0%	8.7%	5.9%	5.9%	21.6%	9.1%	11.9%

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	110 392	117 901	145 959	139 955	141 193	141 193	148 335	157 430	164 733
Roads Infrastructure	55 545	53 229	61 860	65 331	66 157	66 157	70 462	74 697	79 130
Roads	55 545	53 229	61 860	62 398	62 598	62 598	66 722	70 765	74 998
Road Structures				2 933	3 558	3 558	3 741	3 932	4 132
Storm water Infrastructure	6 392	6 017	5 765	6 600	6 375	6 375	7 605	7 632	6 250
Drainage Collection			5 765	3 339	3 214	3 214	3 725	3 936	4 183
Storm water Conveyance	6 392	6 017		3 262	3 162	3 162	3 880	3 696	2 067
Electrical Infrastructure	17 747	17 645	23 082	37 099	37 630	37 630	31 243	32 852	34 749
Power Plants				12 895			-	-	-
HV Transmission Conductors	17 747	17 645		-	-	-	42	43	43
MV Networks			23 082	20 741	34 048	34 048	28 758	30 284	32 060
LV Networks				3 462	3 583	3 583	2 443	2 525	2 646
Water Supply Infrastructure	16 489	15 014	17 367	16 935	17 568	17 568	20 432	21 580	22 799
Water Treatment Works	16 489	15 014					-	-	-
Sanitation Infrastructure	11 672	13 051	14 967	11 541	11 007	11 007	14 970	15 806	16 698
Reticulation				726	726	726	-	-	-
Waste Water Treatment Works	11 672	13 051	14 967	10 671	10 137	10 137	14 970	15 806	16 698
Outfall Sewers				143	143	143	-	-	-
Toilet Facilities							-	-	-
Capital Spares							-	-	-
Solid Waste Infrastructure	2 546	12 946	22 918	2 220	2 269	2 269	3 362	4 589	4 820
Waste Transfer Stations	2 546	12 946	22 918	427	436	436	1 077	1 132	1 190
Waste Processing Facilities				74	129	129	842	1 768	1 859
Waste Drop-off Points				1 433	1 433	1 433	1 102	1 152	1 205
Waste Separation Facilities				230	230	230	258	450	475
Capital Spares							-	-	-
Coastal Infrastructure	-	-	-	189	147	147	221	231	241
Information and Communication Infrastructure	-	-	-	40	40	40	42	44	46
Community Assets	4 867	12 289	39 801	40 198	39 293	39 293	46 194	48 398	51 207
Community Facilities	4 867	12 289	27 117	34 241	33 129	33 129	38 222	40 027	42 399
Halls			4 287	3 875	4 079	4 079	5 206	5 495	5 800
Fire/Ambulance Stations				912	912	912	439	459	480
Testing Stations				13	113	113	20	21	22
Libraries			28	164	170	170	196	205	214
Cemeteries/Crematoria			1 059	978	938	938	1 066	1 100	1 160
Police				258	324	324	518	542	564
Parks				23 822	23 580	23 580	27 079	28 945	30 725
Public Open Space	4 867	12 289	21 743	4 219	2 964	2 964	2 849	3 003	3 166
Sport and Recreation Facilities	-	-	12 685	5 957	6 164	6 164	7 972	8 371	8 807
Outdoor Facilities			12 685	5 957	6 164	6 164	7 972	8 371	8 807
Other assets	-	-	8 009	2 217	3 281	3 281	3 695	3 869	4 053
Operational Buildings	-	-	8 009	2 217	3 281	3 281	3 657	3 831	4 013
Intangible Assets	-	-	-	5 653	6 353	6 353	5 926	6 235	6 560
Computer Equipment	5 536	5 207	4 890	1 193	1 068	1 068	2 193	2 301	2 415
Computer Equipment	5 536	5 207	4 890	1 193	1 068	1 068	2 193	2 301	2 415
Furniture and Office Equipment	-	17 919	16 364	431	440	440	2 959	3 009	3 069
Furniture and Office Equipment		17 919	16 364	431	440	440	2 959	3 009	3 069
Machinery and Equipment	-	6 719	-	9 542	12 335	12 335	-	-	-
Machinery and Equipment		6 719		9 542	12 335	12 335			
Transport Assets	-	-	-	-	-	-	10 007	10 507	11 032
Transport Assets							10 007	10 507	11 032
Total Repairs and Maintenance Expenditure	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069

Table 57 MBRR SA34d – Depreciation by asset class

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Depreciation by Asset Class/Sub-class									
Infrastructure	115 226	111 962	112 502	104 946	104 946	104 946	117 641	115 336	108 810
Roads Infrastructure	31 811	32 761	33 523	34 090	34 090	34 090	33 352	33 184	33 050
<i>Roads</i>	31 811	32 761	32 825	34 090	34 090	34 090	33 352	33 184	33 050
Storm water Infrastructure	5 741	5 822	5 827	6 044	6 044	6 044	6 899	6 897	6 894
<i>Storm water Conveyance</i>	5 741	5 822	5 827	6 044	6 044	6 044	6 899	6 897	6 894
Electrical Infrastructure	27 997	24 862	24 965	25 166	25 166	25 166	26 537	26 535	26 531
<i>HV Transmission Conductors</i>	27 997	24 862	24 965	25 166	25 166	25 166	26 537	26 535	26 531
Water Supply Infrastructure	28 338	27 417	27 676	27 501	27 501	27 501	28 591	27 021	21 960
<i>Water Treatment Works</i>	28 338	27 417	-						
<i>Distribution</i>			27 444	27 501	27 501	27 501	28 591	27 021	21 960
Sanitation Infrastructure	17 631	16 353	16 668	9 897	9 897	9 897	19 694	19 303	18 083
<i>Reticulation</i>			16 390						
<i>Waste Water Treatment Works</i>	17 631	16 353	-	9 897	9 897	9 897	19 694	19 303	18 083
Solid Waste Infrastructure	3 709	4 747	3 843	2 248	2 248	2 248	2 569	2 396	2 293
<i>Landfill Sites</i>			481						
<i>Waste Transfer Stations</i>	3 709	4 747	-	2 248	2 248	2 248	2 569	2 396	2 293
Community Assets	2 452	-	-	-	-	-	15 899	15 960	16 046
Sport and Recreation Facilities	2 452	-	-	-	-	-	-	-	-
<i>Indoor Facilities</i>									
Other assets	8 270	16 673	11 971	12 662	12 662	12 662	-	-	-
Operational Buildings	8 270	16 673	11 971	12 662	12 662	12 662	-	-	-
<i>Municipal Offices</i>	8 270	16 673	11 971	12 662	12 662	12 662			
Intangible Assets	448	659	525	723	723	723	570	431	297
Servitudes									
Licences and Rights	448	659	525	723	723	723	570	431	297
<i>Computer Software and Applications</i>	448	659	525	723	723	723	570	431	297
<i>Unspecified</i>									
Computer Equipment	1 416	-	-	-	-	-	-	-	-
Computer Equipment	1 416								
Furniture and Office Equipment	904	2 006	1 826	8 137	8 137	8 137	1 771	1 600	1 370
Furniture and Office Equipment	904	2 006	1 826	8 137	8 137	8 137	1 771	1 600	1 370
Machinery and Equipment	694	724	764	736	736	736	663	576	457
Machinery and Equipment	694	724	764	736	736	736	663	576	457
Transport Assets	3 122	2 823	3 516	4 081	4 081	4 081	5 333	5 811	6 297
Transport Assets	3 122	2 823	3 516	4 081	4 081	4 081	5 333	5 811	6 297
Total Depreciation	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277

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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Capital expenditure on upgrading of existing assets	-	-	-	23 172	16 905	16 905	36 536	23 254	29 328
Infrastructure							200		
Roads Infrastructure									
Storm water Infrastructure				3 160	3 160	3 160	8 000		
<i>Drainage Collection</i>									
<i>Storm water Conveyance</i>									
<i>Attenuation</i>									
Electrical Infrastructure									
<i>MV Networks</i>									
Water Supply Infrastructure									
<i>Distribution</i>									
Sanitation Infrastructure				5 662	984	984	9 056	800	8 828
<i>Pump Station</i>							5 400	6 450	8 000
<i>Reticulation</i>							-	620	-
<i>Capital Spares</i>							2 500		
Solid Waste Infrastructure				1 000	1 000	1 000	460		
<i>Landfill Sites</i>									
<i>Waste Transfer Stations</i>									
<i>Waste Processing Facilities</i>									
Coastal Infrastructure									
Community Assets									
Community Facilities									
<i>Halls</i>									
<i>Fire/Ambulance Stations</i>									
<i>Libraries</i>									
Sport and Recreation Facilities				16 928	17 928	17 928	2 721		
<i>Outdoor Facilities</i>									
Other assets									
Operational Buildings									
<i>Municipal Offices</i>									
Total Capital Expenditure on upgrading of existing a	-	-	-	-	-	-	40 200	6 461	22 707

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

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

Vote Description	2020/21 Medium Term Revenue & Expenditure Framework			Forecasts			
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Present value
R thousand							
Vote 1 - Council & Mayor's Office	-	-	-				
Vote 2 - Municipal Manager & Internal Audit	-	-	-				
Vote 3 - Management Services	3 315	-	-				
Vote 4 - Finance	60	30 000	20 000				
Vote 5 - Infrastructure & Planning	207 477	146 137	125 378	25 000	17 000	30 000	
Vote 6 - Protection Services	10 046	-	-				
Vote 7 - Economic and Social Development & To	842	-	-				
Vote 8 - Community Services	45 355	-	-	37 500	40 000	35 000	
Vote 9 - Costing Services	-	-	-				
Vote 1 - Council & Mayor's Office							
Vote 2 - Municipal Manager & Internal Audit							
Vote 3 - Management Services							
Vote 4 - Finance							
Vote 5 - Infrastructure & Planning				18 032	18 870	19 709	245 316
Vote 6 - Protection Services							
Vote 7 - Economic and Social Development & Tourism							
Vote 8 - Community Services				12 065	12 627	13 188	164 147
Vote 9 - Costing Services							
Property rates							
Service charges - electricity revenue							
Service charges - water revenue							
Service charges - sanitation revenue							
Service charges - refuse revenue							
List other revenues sources if applicable							
List entity summary if applicable							
Net Financial Implications	267 095	176 137	145 378	92 597	88 497	97 897	409 463

Table 60 MBRR SA36 - Detailed capital budget per municipal vote

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

Function	Project Description	Type	MTSF Service Outcome	IUDF	Omn Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome	Current Year	2022/23 Medium Term Revenue & Expenditure				
											2019/19	2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
Parent municipality																	
List of capital projects grouped by Function																	
EXECUTIVE & COUNCIL	M/NOR ASSETS - COUNCIL	New	Acceptable, ethical and/or developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide	255	10					
FINANCE AND ADMINISTRATION											8 354	4 095			5		
	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					600		
	UPS REPLACEMENT	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					300		
	DATA CENTRE VIRTUAL SERVER HOST REPLACEMENT EOL	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					200		
	DR HOST SERVER WITH ATTACHED STORAGE - REPLACEMENT EOL	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					300		
	NEW HIGH SITE HILTON MOUNTAIN	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					600		
	POP LICENSES	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					100		
	OPERATIONAL ASSET MANAGEMENT MODULE FOR MANAGE ENGINEER PROGRAM	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					300		
	OPERATIONAL M/CROSS/T MANAGEMENT AND DEPLOYMENT SYSTEM	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					300		
	REPLACEMENT OF UPS HIGH SITE	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					200		
	M/NOR ASSETS FINANCE	New	Acceptable, ethical and/or developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide					60		
	M/NOR ASSETS MANAGEMENT SERVICES	New	Acceptable, ethical and/or developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide					10		
	M/NOR ASSETS ICT ORGANIZATION WIDE	New	Acceptable, ethical and/or developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide					400		
	SURPLUS PROJECTS	New	Acceptable, ethical and/or developmental state	Governance	1	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide					15 000		
	SURPLUS NON TARIFF INFRASTRUCTURE PROJECTS	New	Acceptable, ethical and/or developmental state	Governance	1	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide					15 000		
PUBLIC SAFETY											4 809	20 723					
	UPGRADING OF FAULTS ABOLITION BLOCK CS CENTRE	New	Social cohesion and/or safe communities	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide					1 000		
	CCTV CAMERAS	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand Wide					1 500		
	RAISING GANSBAM FIRE STATION ON ROOF	New	Social cohesion and/or safe communities	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide					300		
	CHANGE EXIT OF KLEMOND FIRE STATION	New	Social cohesion and/or safe communities	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide					300		
	SPEED CAMERA AND EQUIP FOR HOUSE SPEED ENFORCEMENT	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand Wide					1 000		
	ADDITIONAL OFFICES LAW ENFORCEMENT AT BESKEMHOUTSKLOOF FARM	New	Social cohesion and/or safe communities	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide					500		
	CCTV SECURITY AT BESKEMHOUTSKLOOF FARM	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand Wide					300		
	ACCESS CONTROL	New	Social cohesion and/or safe communities	Governance	4	Operational Buildings	Other	Overstrand	Overstrand	Overstrand Wide					100		
	SECURITY FENCING COMMUNAL SPORTSGROUNDS	New	Social cohesion and/or safe communities	Governance	4	Community Facilities	Public Open Space	Ward 02	-34.582618, 19.332671	-34.582618, 19.332671					50		
	CCTV CAMERAS	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Ward 03	34°23'32.81"S 19°15'35.13"E	34°23'32.81"S 19°15'35.13"E					200		
	CCTV CAMERAS	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Ward 04	19°21'07"E 34°42'07"S	19°21'07"E 34°42'07"S					150		
	CCTV CAMERAS	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Ward 05	19°21'07"E 34°42'07"S	19°21'07"E 34°42'07"S					120		
	CCTV CAMERAS	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Ward 06	19°21'07"E 34°42'07"S	19°21'07"E 34°42'07"S					150		
	CCTV CAMERAS	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Ward 08	19°12'07"E 34°38'07"S	19°12'07"E 34°38'07"S					120		
	SAFETY CAMERAS	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Ward 09	19°20'06"E 34°20'23"S	19°20'06"E 34°20'23"S					100		
	CCTV CAMERAS	New	Social cohesion and/or safe communities	Governance	4	Machinery and Equipment	Other	Wards 12	34°25'25.77"S 19°12'31.21"E	34°25'25.77"S 19°12'31.21"E					150		
	M/NOR ASSETS PROTECTION SERVICES	New	Social cohesion and/or safe communities	Governance	4	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide					400		
	M/NOR ASSETS PROTECTION SERVICES	New	Social cohesion and/or safe communities	Governance	4	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide					85		
	VEHICLES PUBLIC SAFETY	New	Social cohesion and/or safe communities	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide					2 839		
	VEHICLES PUBLIC SAFETY	New	Social cohesion and/or safe communities	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide					732		
PLANNING & DEVELOPMENT											1 345	3 895					
	M/NOR ASSETS LED	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide					45		
	BUILDING CONTROL OFFICE EXTENSION	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Operational Buildings	Municipal Offices	Overstrand	19.240-34.418 Degrees	19.240-34.418 Degrees					1 000		
	INFORMAL TRADING STALLS SMARTDAU TRADING	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 05	19°21'07"E 34°42'07"S	19°21'07"E 34°42'07"S					397		
	UPGRADING OF TOURISM OFFICES RENOVATIONS	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide					400		
	ECD CENTRE ESTABLISHMENT	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Community Facilities	Crèches	Overstrand	Overstrand	Overstrand Wide					75		
	HILTON INDUSTRIAL BUSINESS HUB	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 08	19.134-34.396 Degrees	19.134-34.396 Degrees					2 980		
	VEHICLES PLANNING DEVELOPMENT	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide					3 731		
	PERNKLOOF NATURE RESERVE FACILITIES	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Community Facilities	Nature Reserves	Ward 03	19.265-34.398 Degrees	19.265-34.398 Degrees					2 100		
	PERNKLOOF NATURE RESERVE FACILITIES	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Community Facilities	Nature Reserves	Ward 03	19.265-34.398 Degrees	19.265-34.398 Degrees					3 600		
	M/NOR ASSETS INFRASTRUCTURE PLANNING	New	Acceptable, ethical and/or developmental state	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide					420		

Detailed capital budget per municipal vote (continued)

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

Function	Project Description	Type	MISF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2021/22 Medium Term Revenue &					
											Audited Outcome 2019/20	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
COMMUNITY AND SOCIAL SERVICES												5 154	2 900			
	MINOR ASSETS - COMMUNITY SERVICES	New	Acceptable, ethical and/or developmental state	Inclusion and access	3	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide						
	VEHICLES - COMMUNITY SERVICES	New	Acceptable, ethical and/or developmental state	Inclusion and access	3	Transport Assets	Other	Overstrand	Overstrand	Overstrand					13 430	
	SHELTER FOR COMMUNITIES AT TAXI RANK	New	Acceptable, ethical and/or developmental state	Inclusion and access	3	Community Facilities	Taxi Ranks/Bus Terminals	Ward 03	19 210-34 418	19 210-34 418					300	
	BEAUTIFICATION OF ENTRANCES TO KLEINMOND	New	Acceptable, ethical and/or developmental state	Inclusion and access	3	Community Facilities	Public Open Space	Multi-ward KIM Area	34°20'17.2"E 19°02'20.4"E	34°20'17.2"E 19°02'20.4"E					150	
	ABLUTION FACILITIES ON/RS. SWIMMING BEACH PHASE 2	New	Acceptable, ethical and/or developmental state	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"E	19°17'00"E 34°41'00"E					750	
	RETAINING WALLS SECTION 5TH AVENUE SPAR	New	Acceptable, ethical and/or developmental state	Inclusion and access	3	Community Facilities	Public Open Space	Ward 09	34°20'17.2"E 19°01'55.8"E	34°20'17.2"E 19°01'55.8"E					25	
	KITCHEN EQUIPMENT OVERHILLS COMMUNITY HALL	New	Acceptable, ethical and/or developmental state	Inclusion and access	3	Furniture and Office Equipment	Other	Ward 10	34°20'11.0"E 19°02'34.4"E	34°20'11.0"E 19°02'34.4"E					26	
	UPGRADING OF ZWELHELE TAXI RANK STALLS	Upgrading	Acceptable, ethical and/or developmental state	Inclusion and access	3	Community Facilities	Taxi Ranks/Bus Terminals	Ward 06	19°21'70"E 34°43'20"E	19°21'70"E 34°43'20"E					360	
	CEMETERY INFRASTRUCTURE	Renewal	Acceptable, ethical and/or developmental state	Inclusion and access	3	Community Facilities	Cemeteries/Omnibuses	Ward 10	34°20'07.1"E 19°59'47.1"E	34°20'07.1"E 19°59'47.1"E					1 292	
LIBRARIES																
	ZWELHELE LIBRARY	New	Acceptable, ethical and/or developmental state	Inclusion and access	4	Community Facilities	Libraries	Ward 05	34.42719217 Degrees	34.42719217 Degrees					4 374	
SPORT & RECREATION												23 923	19 035			
	UPGRADE HAYSTON SPORT COMPLEX	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.125-34.354 Degrees	19.125-34.354 Degrees					2 021	
	UPGRADE HAYSTON SPORT COMPLEX	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.125-34.354 Degrees	19.125-34.354 Degrees					600	
	UPGRADING OF SOCCER FIELD SOCCER STAND	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 01	-34.591601, 19.388348	-34.591601, 19.388348					100	
	UPGRADING WARD 5 PLAY PARK	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Ward 05	19°21'30"E 34°42'30"E	19°21'30"E 34°42'30"E					80	
	OUTDOOR GYM EQUIPMENT MOUNTAIN VIEW BOWLS CLUB AREA	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Sport and Recreation Facilities	Other	Ward 09	216.15 TS 190036.97E 342019.63 1902205.13 190256.97E 342019.63 1902097.7E	216.15 TS 190036.97E 342019.63 1902205.13 190256.97E 342019.63 1902097.7E					40	
	WALKWAY TO PALMET BEACH	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Ward 09	34°20'43.8"E 19°02'34.0"E	34°20'43.8"E 19°02'34.0"E					40	
	PLAYPARK EQUIPMENT DAVIDSKRAAL & MALKOPSWEL	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Wards 10	12.22.6S 1855.16.0E 34°21'22.43 1854.12.6E 18°56'16.0"E 34°20'22.43 1854.16.0"E	12.22.6S 1855.16.0E 34°21'22.43 1854.12.6E 18°56'16.0"E 34°20'22.43 1854.16.0"E					26	
	MOUNTAIN PLAY GROUND	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Wards 10	34°21'14.9"E 18°52'51.9"E	34°21'14.9"E 18°52'51.9"E					50	
	PLAYPARK EQUIPMENT PROTEADORP	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Wards 10	34°20'19.2"E 19°03'39.8"E	34°20'19.2"E 19°03'39.8"E					25	
	BUS STOPS INCL. REPAIRING REPLACEMENT OF ONE AT SIYABULELA OVER-	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Wards 10	34°20'19.1"E 19°03'37.5"E	34°20'19.1"E 19°03'37.5"E					75	
	UPGRADE OF PUBLIC BOAT LAUNCHING SITE ABLUTIONS DU TOIT STREET	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Wards 11	19.609 3 -34.751	19.609 3 -34.751					20	
	UPGRADING WARD 12 PLAY PARKS	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Wards 12	34.424 19.212 Degrees	34.424 19.212 Degrees					210	
	UPGRADING SIYABON EDUCARE CENTRE PLAY PARK	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Wards 12	34.424 19.212 Degrees	34.424 19.212 Degrees					50	
	FENCING DOG PARK	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Ward 13	19.175 -34.420	19.175 -34.420					100	
	UPGRADING WALL AT MOUNT PLEASANT SPORTS GROUND	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	4	Community Facilities	Other	Ward 04	19°21'70"E 34°42'00"E	19°21'70"E 34°42'00"E					500	
HOUSING												34 276	84 373			
	LCH SERVICES CONSTRUCTION CONTRACTS	New	Spatial integration, human settlements and local government	Spatial Integration	4	Housing	Social Housing	Overstrand	Overstrand	Overstrand Wide					45 936	
ROADS												12 061	17 690			
	SIDEWALKS	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	34°38'19.7"E 19°23'30.1"E	34°38'19.7"E 19°23'30.1"E					150	
	SIDEWALKS TRAFFIC CALMING	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	34°38'31.6"E 19°21'38.9"E	34°38'31.6"E 19°21'38.9"E					200	
	SIDEWALKS	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	34°38'54.3"E 19°20'45.7"E	34°38'54.3"E 19°20'45.7"E					200	
	TRAFFIC CALMING	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19.210 -34.418	19.210 -34.418					100	
	MOUNT PLEASANT SIDEWALKS	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19.233 -34.425	19.233 -34.425					100	
	TRAFFIC CALMING MOUNT PLEASANT	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19.212 3 -34.414	19.212 3 -34.414					50	
	TRAFFIC CALMING WESTCLIFF	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19°23'20"E 34°42'30"E	19°23'20"E 34°42'30"E					175	
	SIDEWALKS	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 05	19°21'30"E 34°42'30"E	19°21'30"E 34°42'30"E					100	
	SIDEWALKS	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 06	19°21'00"E 34°43'10"E	19°21'00"E 34°43'10"E					150	
	DEVELOPMENT AND UPGRADING OF ROAD SIDEWALKS AND PARKING AREAS	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 07	19.123 -34.356	19.123 -34.356					300	
	TRAFFIC CALMING	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19°12'30"E 34°38'30"E	19°12'30"E 34°38'30"E					100	
	CURSING AND TARRING OF SIDEWALKS	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	-34.38919 139	-34.38919 139					50	
	DEVELOPMENT AND CONSTRUCTION OF PARKING AREA AT BRF 1229 FOR C	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19°12'30"E 34°38'30"E	19°12'30"E 34°38'30"E					50	
	SPEED CALMING MEASURES	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 09	34°20'25.6"E 19°01'55.8"E	34°20'25.6"E 19°01'55.8"E					50	
	STONEWALL OR SIDEWALK AT MOUNT BEACH AREA	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 09	34°20'32.6"E 19°02'11.0"E	34°20'32.6"E 19°02'11.0"E					24	
	DISABLED FRIENDLY FOOTPATH IN NATURE RESERVE ROOIBES	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 10	34°18'17.1"E 18°48'58.4"E	34°18'17.1"E 18°48'58.4"E					25	
	PAVING OF ANEMONE ROAD	Upgrading	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Wards 10	34°18'05.9"E 18°48'59.7"E	34°18'05.9"E 18°48'59.7"E					150	
	TRAFFIC CALMING	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°39'41.7"E 19°29'40.2"E	34°39'41.7"E 19°29'40.2"E					30	
	NEW SIDEWALKS	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°28'23.8"E 19°27'13.6"E	34°28'23.8"E 19°27'13.6"E					50	
	NEW SIDEWALKS	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°27'09.0"E 19°26'54.0"E	34°27'09.0"E 19°26'54.0"E					50	
	CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE	New	solidating the social weqet through reliable and quality basic serv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	53°24'8.810 / E 19°10.001	53°24'8.810 / E 19°10.001					370	

Detailed capital budget per municipal vote (continued)

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

Function	Project Description	Type	MISF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2021/22 Medium Term Revenue &				
											Audited Outcome 2019/20	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ELECTRICITY	TRAFFIC CALMING	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S			100		
	CSO REGENERATION PROGRAM	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19,243,-34,419 degrees	19,243,-34,419 degrees			6,200		
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 06	34°28'23.8"S 19°27'13.6"E	34°28'23.8"S 19°27'13.6"E			920		
	TARRING OF EXISTING GRAVEL ROADS IN SANDBAAI/PERLEBOONGA/OEN	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 07	19 125 -34 356	19 125 -34 356			700		
	EXTENSION OF PLEN STREET	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19 125 -34 354 Degrees	19 125 -34 354 Degrees			500		
	HIVESTON PAVING TARRING OF ORCLES	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19 134 -34 396 Degrees	19 134 -34 396 Degrees			600		
	BLOMPARK HOUSING PROJECT BUS ROUTE	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	34°35'54.86"S 19°27'49.51"E	34°35'54.86"S 19°27'49.51"E			5,000		
	STANFORD HOUSING PROJECT BUS ROUTE	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34 448248 S 19 448291 E	34 448248 S 19 448291 E			6,000		
	MASAPHANE HOUSING PROJECT BUS ROUTE	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	19°21'39"E 34°35'30"S	19°21'39"E 34°35'30"S			6,000		
	PKRAALKBAAI/BHEAD NEW 66 1 KV SUBSTATION	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	MV Substations	Multi-ward Ge Areas	34°37'5 14" S 19°27'3 08"E	34°37'5 14" S 19°27'3 08"E	28 963	29 225	9 000	17 000	2 100
	PKRAALKBAAI/BHEAD NEW 66 1 KV SUBSTATION	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	MV Substations	Multi-ward Ge Areas	34°37'5 14" S 19°27'3 08"E	34°37'5 14" S 19°27'3 08"E			696		
	PKRAALKBAAI/BHEAD NEW 66 1 KV SUBSTATION	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	MV Substations	Multi-ward Ge Areas	34°37'5 14" S 19°27'3 08"E	34°37'5 14" S 19°27'3 08"E				7 000	
	PKRAALKBAAI/BHEAD NEW 66 1 KV SUBSTATION	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	MV Substations	Multi-ward Ge Areas	34°37'5 14" S 19°27'3 08"E	34°37'5 14" S 19°27'3 08"E				14 000	5 900
	STREET LIGHTS	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	MV Substations	Ward 03	34° 24 33 08" S 19° 17 05 48" E	34° 24 33 08" S 19° 17 05 48" E			100		
	STREET LIGHTS	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	Other	Ward 06	34° 23 10 38" S 19° 07 56 24" E	34° 23 10 38" S 19° 07 56 24" E			15		
STREET LIGHTS	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	Other	Ward 13	34° 28 00 63" S 19° 10 23 28" E	34° 28 00 63" S 19° 10 23 28" E			30			
ELECTRIFICATION OF LOW COST HOUSING AREAS	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	MV Networks	Overstrand	34° 28 36 26" S 19° 13 11 15" E	34° 28 36 26" S 19° 13 11 15" E			5 000			
ELECTRIFICATION OF LOW COST HOUSING AREAS (INSP)	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	MV Networks	Overstrand	34° 38 47 44" S 19° 20 31 63" E	34° 38 47 44" S 19° 20 31 63" E			8 000	5 000	7 000	
HIGHMIST LIGHTS	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	Other	Ward 05	34° 28 00 63" S 19° 10 23 28" E	34° 28 00 63" S 19° 10 23 28" E			800			
HERMANUS MV LV UPGRADE REPLACEMENT	Upgrading	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	LV Networks	Ward 03	34°29'16.87"S 19°1'00.62"E	34°29'16.87"S 19°1'00.62"E					3 000	
KLENNOND MV LV NETWORK UPGRADE	Upgrading	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	LV Networks	Ward 09	34°20'16.39"S 19°01'33.07"E	34°20'16.39"S 19°01'33.07"E					2 000	
HIVESTON MV LV UPGRADE REPLACEMENT	Upgrading	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	LV Networks	Ward 08	34°29'09.91"S 19°07'55.07"E	34°29'09.91"S 19°07'55.07"E					2 000	
ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY	Renewal	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Electric Infrastructure	Other	Overstrand	34° 25 25 83" S 19° 11 27 49" E	34° 25 25 83" S 19° 11 27 49" E			1 000	1 000		
WATER	WATER MASTER PLAN IMPLEMENTATION	Renewal	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand	12 270	39 982	10 000		
	WATER MASTER PLAN IMPLEMENTATION	Renewal	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			8 300		
	WATER MASTER PLAN IMPLEMENTATION	Renewal	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			1 738		
	REFURBISHMENT OF BULK WATER PPELINES	Renewal	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Relicitation	Overstrand	Overstrand	Overstrand			900	3 000	2 000
	FENCING AT WATER INSTALLATIONS	Upgrading	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Relicitation	Overstrand	Overstrand	Overstrand			700	700	800
	REPLACEMENT OF OVERSTRAND WATER PPE	Renewal	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Relicitation	Overstrand	Overstrand	Overstrand			1 588	7 000	7 000
	WATER FACILITIES CONTINGENCY	Renewal	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Overstrand	Overstrand	Overstrand			400	400	500
	NEW 4ML RESERVOIR	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 01	19°21'32"E 34°35'27"S	19°21'32"E 34°35'27"S			7 580		
	UPGRADE WATER LINES	Upgrading	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Relicitation	Ward 01	34°35'54.86"S 19°27'49.51"E	34°35'54.86"S 19°27'49.51"E			5 200		
	NEW BOOSTER PUMPSTATION VALVES	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 01	19°21'39"E 34°35'30"S	19°21'39"E 34°35'30"S			2 732		
	UPGRADE BULK WATER	Upgrading	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	34 448248 S 19 448291 E	34 448248 S 19 448291 E					3 484
	UPGRADE HERMANUS WELL F ELDS PHASE 2	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 04	19 222 E -34 396 S	19 222 E -34 396 S			6 000		
	NEW RESERVOIR FOR PRINGLE BAY	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18 848 E / -34 349 S	18 848 E / -34 349 S			2 000		
	NEW RESERVOIR FOR KLENNOON BAY	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18 848 E / -34 349 S	18 848 E / -34 349 S			3 636		
	REFURBISHMENT OF KLENNOND BUFFELS RIVER WTW	Renewal	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Ward 10							6 000
	KLPGAT GROTTIE PUMP STATIONS REFURBISHMENT	Renewal	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 02	19 378 E / -34 548 S	19 378 E / -34 548 S			900		
	ACCESS ROADS TO KLENNOND BUFFELS RIVER WTW UPGRADE	Upgrading	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Ward 09	Overstrand	Overstrand			1 100	2 000	
	NEW SANDBAAI RESERVOIR	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 07	19 125 -34 356	19 125 -34 356				3 000	3 000
NEW VOORBERG DOOSTER PUMP STATION	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Ward 10	34°21'28.57"S 19°54'15.7"E	34°21'28.57"S 19°54'15.7"E					3 000	
EMERGENCY HOUSING PROJECT SCHULPHOEK	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 06	34°28'23.8"S 19°27'13.6"E	34°28'23.8"S 19°27'13.6"E			680			
EHP WATER PROVISION FOR INFORMAL SETTLEMENTS	New	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	34°28'23.8"S 19°27'13.6"E	34°28'23.8"S 19°27'13.6"E			300			
REFURBISH ELECTRICAL PANELS STANFORD/BYE FOUNTAIN	Upgrading	solidating the social weqet through reliable and quality basic s erv	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	19 454 E / -34 482 S	19 454 E / -34 482 S			800			

Detailed capital budget per municipal vote (continued)

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

Function	Project Description	Type	MISF Service Outcome	IIDP	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2021 Medium Term Revenue					
											Audited Outcome 2019/20	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
SEWERAGE	SEWERAGE FACILITIES CONTINGENCY	Renewal	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Pump Station	Overstrand	Overstrand	Overstrand	34 963	17 991	600	650	700	
	KLENNOND SEWER NETWORK EXTENSION	New	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 09	19 029° E / -34 336° S	19 026° E / -34 336° S			4 000		4 000	
	KLENNOND - SEWER NETWORK EXTENSION (F 22)	New	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 09	19 029° E / -34 336° S	19 026° E / -34 336° S			4 000		4 000	
	KLENNOND WWTW/REFURISH UPGRADE	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 10	19 969° E / -34 342° S	19 966° E / -34 342° S			5 400	3 450	8 000	
	UPGRADING OF KIDROOKE PIPELINE	New	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 13	19 162° E / -34 413° S	19 161° E / -34 413° S			480			
	REHABILITATE MAIN BULK SEWER TO WWTWPH1	Renewal	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Work	Ward 09	19 009° E / -34 331° S	19 009° E / -34 331° S			2 661			
	UPGRADE BULK SEWER SUPPLY AREA 4	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 01	-34,9919,942	-34,9919,962					7 628	
	UPGRADE BULK SEWER PUMPSTATION	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 02	19 2125° E 34 3522° S	19 2125° E 34 3522° S			3 920			
	UPGRADE BULK SEWER	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 11	19 447407° ; -34 440360	19 447407° ; -34 440360					620	
	FENCING AT SEWERAGE INSTALLATIONS	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Overstrand	Overstrand	Overstrand			800	800		
	GANSSBAI CSO SEWER NETWORK EXTENSION	New	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 02	19 362° E / -34 986° S	19 352° E / -34 986° S			4 000	4 000		
	UPGRADING OF PUMPSTATIONS RISING MAINS	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Pump Station	Overstrand	Overstrand	Overstrand			4 600	4 000	5 000	
	HERMANUS WWTW UPGRADE SCREENS RAS SLODGE DEWATERING	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Work	Ward 03	34° 24 33 08° S 19° 17 05 45° E	34° 24 33 08° S 19° 17 05 45° E				3 000		
	ZWELHLE SEWER	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Multi-ward Hill Area	19 219° E / -34 433° S	19 219° E / -34 433° S			3 000			
	ZWELHLE SEWER	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Multi-ward Hill Area	19 219° E / -34 433° S	19 219° E / -34 433° S			2 647			
	ZWELHLE SEWER	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Multi-ward Hill Area	19 219° E / -34 433° S	19 219° E / -34 433° S			1 723			
	ZWELHLE SEWER	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Multi-ward Hill Area	19 219° E / -34 433° S	19 219° E / -34 433° S			387			
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 06	34°2823,8°S 19°27'13,6°E	34°2823,8°S 19°27'13,6°E			2 420			
	SEWERAGE BYPASS IN SIPUMBELO CORRIDOR	New	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 05	34 427 19 217 Degrees	34 427 19 217 Degrees			842			
	SEWERAGE PEA-OH-HOUSE PRESENT UPGRADE	New	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 06	34 431 19 215 Degrees	34 431 19 215 Degrees			1 586			
	SEWERAGE BYPASS IN SIPUMBELO CORRIDOR	New	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Ward 12	34 424 19 212 Degrees	34 424 19 212 Degrees			1 200			
	BHP SEWER PROVISION FOR INFORMAL SETTLEMENTS	New	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Overstrand	34°2823,8°S 19°27'13,6°E	34°2823,8°S 19°27'13,6°E			600			
	SEWER NETWORK UPGRADE	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Relocation	Multi-ward Hill Area	19 244 -34 418 Degrees	19 244 -34 418 Degrees			930			
	REFURISH HERMANUS WWTW TREATED EFFLUENT IRRIGATION PIPELINE	Upgrading	solidating the sewerage through reliable and quality basic service	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Work	Ward 03	19,266 -34,398 Degrees	19,266 -34,398 Degrees					1 200	
	STORM WATER	MASACHONE HOUSING PROJECT BULK STORM WATER	New	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	19,365;-34,592 degrees	19,356;-34,592 degrees			5 864	4 407	
		STANFORD HOUSING PROJECT BULK STORM WATER	New	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	19°27'11"E 34°36'17"S	19°27'11"E 34°36'17"S			4 500	3 457	
		STORM WATER AD-HOC	New	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	34°38'19,7°S 19°23'50,1°E	34°38'19,7°S 19°23'50,1°E			50		
STORM WATER AD-HOC		New	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 02	34°38'08,4°S 19°21'03,6°E	34°38'08,4°S 19°21'03,6°E			100			
STORM WATER DRAINAGE		New	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 05	19°21'30,6°S 34°42'60,7°E	19°21'30,6°S 34°42'60,7°E			100			
STORM WATER AND TARRING OF DRIBLES		New	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 08	34°23'09,9°S 19°07'56,0°E	34°23'09,9°S 19°07'56,0°E			150			
STORM WATER AD-HOC PROTEA STREET		New	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	34°27'09,0°S 19°26'54,0°E	34°27'09,0°S 19°26'54,0°E			50			
STORM WATER AD-HOC		New	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	19 447407° ; -34 440360	19 447407° ; -34 440360			50			
STORM WATER NETWORK UPGRADE		Upgrading	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward Hill Area	19°29'0°E 34°42'0°S	19°29'0°E 34°42'0°S			1 500			
STORM WATER NETWORK UPGRADE		Upgrading	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward Hill Area	19,344 -34,418 Degrees	19,244 -34,418 Degrees			800			
STORM WATER NETWORK UPGRADE		Upgrading	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward Go Areas	34°38'08,4°S 19°21'03,6°E	34°38'08,4°S 19°21'03,6°E			500			
STORM WATER NETWORK		Upgrading	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°20'56,9°S 19°30'01,9°E	34°20'56,9°S 19°30'01,9°E			1 000			
STORM WATER MAIN RD HIGH STREET		Upgrading	solidating the storm water through reliable and quality basic service	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 03	19,244 -34,419 degrees	19,244 -34,419 degrees			4 500			
WASTE MANAGEMENT		HERMANUS NEW WASTE MANAGEMENT FACILITY	New	solidating the waste management through reliable and quality basic service	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19 207° E / -34 425° S	19 207° E / -34 425° S	1 499	10 311	10 300		
		HERMANUS NEW WASTE MANAGEMENT FACILITY	New	solidating the waste management through reliable and quality basic service	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19 207° E / -34 425° S	19 207° E / -34 425° S			5 900		
	GANSSBAI LANDFILL SITE FENCE	Upgrading	solidating the waste management through reliable and quality basic service	Inclusion and access	2	Solid Waste Infrastructure	Landfill Sites	Ward 02	19° 12 24 28° E / -34° 28 27 27° S	19° 12 24 28° E / -34° 28 27 27° S			2 500			
	WHEELIE BINS 14L	New	solidating the waste management through reliable and quality basic service	Inclusion and access	2	Solid Waste Infrastructure	Waste Dropoff Points	Ward 02	19,343 -34,596 Degrees	19,343 -34,596 Degrees			500			
	BINS	New	solidating the waste management through reliable and quality basic service	Inclusion and access	2	Solid Waste Infrastructure	Waste Dropoff Points	Ward 08	19 126 -34 364 Degrees	19 126 -34 364 Degrees			15			
	HIGH RISK PARAMETER FENCING KLENNOND TRANSFER STATION	Upgrading	solidating the waste management through reliable and quality basic service	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 10	34°20'21,6°S 19° 01 34,39° E	34°20'21,6°S 19° 01 34,39° E			450			
	RECYCLING PLANT	New	solidating the waste management through reliable and quality basic service	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Ward 06	19 207° E / -34 425° S	19 207° E / -34 425° S			1 064			
Parent Capital expenditure											175 116	275 733	267 096	176 137	146 378	

Table 61 MBRR SA37 - Projects delayed from previous financial year

R thousand	Function	Project name	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Current Year 2019/20		2020/21 Medium Term Revenue & Expenditure Framework			
												Original Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
	Parent municipality:																
	PLANNING & DEVELOPMENT	Fernkloof Nature Reserve facilities	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Nature Reserv	Ward 03	34°23'52.81"S 19°15'56.13"E	34°23'52.81"S 19°15'56.13"E	2 100	-	2 100			
		ECD centre establishment	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Crèches	Overstrand	Overstrand	Overstrand	793	718	75			
		Hawston Industrial (Business)Hub	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Sp	Ward 08	19.134 -34.396 Deg	19.134 -34.396 Degrees	4 871	1 891	2 980			
	STORMWATER	Stormwater - Main Rd & High Street	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water C	Ward 03	19.244 -34.418 Deg	19.244 -34.418 Degrees	6 258	1 158	4 500			
	ELECTRICITY	Electrification of low cost housing areas	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	EW 19.349978, NS 19.349978, NS -34.618	EW 19.349978, NS -34.618	5 000	-	5 000			
		Fkraal, Kbaal & Bhead: New 66/11kv substation	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand	2 000	1 304	696			
	ROADS	CBD Regeneration programme (Roads)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19°26'53"E 34°41'9"S	19°26'53"E 34°41'9"S	7 644	1 444	6 200			
	WATER	Water Master Plan Implementation (f1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand	16 286	7 986	8 300			
		Replacement of Overstrand Water Pipes	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand	2 900	1 311	1 589			
		New Reservoir for Pringle Bay (f1/2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 10	18.848° / -34.349°	18.848° / -34.349°	9 175	5 550	3 635			
	WASTE MANAGEMENT	Hermanus New Waste Management Facility	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Process	Overstrand	Overstrand	Overstrand	10 000	4 500	5 500			
	COMMUNITY AND SOCIAL SERVICES	Cemetery infrastructure	Renewal	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Cemeteries/Crt	Ward 10	-34 33 64 64 °18 98 -34 33 64 64 °18 98 49 66	-34 33 64 64 °18 98 -34 33 64 64 °18 98 49 66	1 500	208	1 292			
	SEWERAGE	Sewerage-by-pass in Sipumelelo Corridor	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticalulation	Ward 05	34. 427 19.217 Deg	34. 427 19.217 Degrees	1 000	158	842			
		Sewerage -Peach House Precint Upgrade	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticalulation	Ward 06	34. 431 19. 215 Deg	34. 431 19. 215 Degrees	3 000	444	1 556			
		Sewerage-By-pass in Sipumelelo Corridor	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticalulation	Ward 12	34. 424 19. 212 De	34. 424 19. 212 Degrees	1 500	220	1 280			
		Kleinmond - Sewer Network Extension	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticalulation	Ward 09	19.026° / -34.338°	19.026° / -34.338°	5 000	1 107	4 000			
		Upgrading of Kidbrooke Pipeline	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticalulation	Ward 13	S34°24.810' / E19 S34°24.810' / E19°10.001	S34°24.810' / E19 S34°24.810' / E19°10.001	3 070	409	2 661			
		Zwelihle Sewer (F1/2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticalulation	Ward 5,6,12	19°20'90"E 34°42'0" 19°20'90"E 34°42'00"S	19°20'90"E 34°42'0" 19°20'90"E 34°42'00"S	3 000	353	2 647			
		Zwelihle Sewer (F2/2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticalulation	Ward 5,6,12	19°20'90"E 34°42'0" 19°20'90"E 34°42'00"S	19°20'90"E 34°42'0" 19°20'90"E 34°42'00"S	1 723		1 723			

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 inters 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 draft SDBIP document will be tabled in council on 25 March 2020 as part of the draft 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 and will be tabled in Council on 25 March 2020.

2.14 Other supporting documents

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
REVENUE ITEMS:									
Property rates									
Total Property Rates	245 535	267 473	284 258	296 192	296 992	296 992	337 444	356 993	377 769
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	48 431	51 711	50 983	54 042	54 042	54 042	66 192	70 164	74 374
Net Property Rates	197 104	215 763	233 274	242 150	242 950	242 950	271 251	286 830	303 395
Service charges - electricity revenue									
Total Service charges - electricity revenue	338 213	353 979	412 392	432 524	437 524	437 524	467 613	504 202	544 275
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>									
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>	3 448	4 681	33 723	33 656	33 656	33 656	35 865	42 575	50 430
Net Service charges - electricity revenue	334 765	349 298	378 668	398 868	403 868	403 868	431 748	461 627	493 845
Service charges - water revenue									
Total Service charges - water revenue	116 796	113 064	145 363	141 804	143 304	143 304	148 517	157 777	167 597
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>			779	250	250	250	265	281	298
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>	1 726	2 132	14 612	14 234	14 234	14 234	14 225	15 517	16 892
Net Service charges - water revenue	115 070	110 932	129 971	127 320	128 820	128 820	134 027	141 979	150 407
Service charges - sanitation revenue									
Total Service charges - sanitation revenue	66 890	72 106	93 787	97 959	98 959	98 959	101 738	108 438	115 549
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>			318						
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>	-	-	15 697	17 938	17 938	17 938	17 967	19 640	21 422
Net Service charges - sanitation revenue	66 890	72 106	77 772	80 020	81 020	81 020	83 772	88 798	94 127
Service charges - refuse revenue									
Total refuse removal revenue	54 389	57 775	77 011	88 342	87 462	87 462	90 682	96 746	103 185
Total landfill revenue									
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>									
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>	-	-	15 223	18 220	18 220	18 220	18 268	19 989	21 824
Net Service charges - refuse revenue	54 389	57 775	61 788	70 122	69 242	69 242	72 414	76 757	81 361
Other Revenue by source									
<i>Fuel Levy</i>									
<i>Other Revenue</i>	34 706	48 492	63 142	27 416	143 735	143 735	133 971	142 058	143 172
Total 'Other' Revenue	34 706	48 492	63 142	27 416	143 735	143 735	133 971	142 058	143 172

Supporting detail to budgeted financial performance (Continued)

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand									
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	302 363	296 682	367 858	399 804	399 521	399 521	287 210	296 701	313 835
Pension and UIF Contributions							48 588	51 441	54 519
Medical Aid Contributions							18 241	18 425	19 867
Overtime							295	313	333
Performance Bonus							22 134	23 512	24 975
Motor Vehicle Allowance							8 032	8 167	8 213
Cellphone Allowance							2 565	2 566	2 588
Housing Allowances							2 870	3 045	3 235
Other benefits and allowances							42 803	44 347	47 059
Payments in lieu of leave							-	-	-
Long service awards							2 166	2 274	2 388
Post-retirement benefit obligations							12 869	13 513	14 188
<i>sub-total</i>	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
<i>Less: Employees costs capitalised to PPE</i>							-	-	-
Total Employee related costs	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
Contributions recognised - capital									
<i>List contributions by contract</i>									
							-	14 000	5 900
Total Contributions recognised - capital							-	14 000	5 900
Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	132 532	134 846	131 104	131 285	131 285	131 285	141 307	139 283	132 980
Lease amortisation							570	431	297
Capital asset impairment									
Total Depreciation & asset impairment	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Bulk purchases									
Electricity Bulk Purchases	217 523	225 844	242 614	275 880	280 880	280 880	323 012	371 463	427 183
Water Bulk Purchases									
Total bulk purchases	217 523	225 844	242 614	275 880	280 880	280 880	323 012	371 463	427 183
Transfers and grants									
Cash transfers and grants	1 898	1 800	486	500	500	500	12 420	12 010	12 010
Non-cash transfers and grants	-	-	-	-	-	-	-	-	-
Total transfers and grants	1 898	1 800	486	500	500	500	12 420	12 010	12 010
Contracted services									
<i>Outsourced Services</i>									
<i>Consultants and Professional Services</i>							90 393	97 400	102 324
<i>Contractors</i>	155 726	167 079	186 758	207 536	214 349	214 349	42 467	37 147	38 959
							96 506	98 113	101 474
Total contracted services	155 726	167 079	186 758	207 536	214 349	214 349	229 366	232 659	242 756

Supporting detail to budgeted financial performance (Continued)

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Other Expenditure By Type									
Collection costs							6 666	7 066	7 490
Contributions to 'other' provisions							4 109	4 315	4 530
Audit fees							5 322	5 322	5 322
<i>Other Expenditure</i>	50 631	55 726	58 609	83 450	103 992	103 992	107 793	115 260	126 496
Total 'Other' Expenditure	50 631	55 726	58 609	83 450	103 992	103 992	123 890	131 963	143 839
Repairs and maintenance									
by Expenditure Item									
Employee related costs	50 261	53 689	89 415	97 024	97 594	97 594	102 952	108 991	115 771
Other materials	3 500	30 000	17 594	13 845	18 645	18 645	20 717	21 894	23 094
Contracted Services	36 145	67 791	85 762	69 331	71 811	71 811	84 459	89 143	91 911
Other Expenditure	30 890	8 555	22 253	18 990	15 913	15 913	11 181	11 721	12 293
Total Repairs and Maintenance Expenditure	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069

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

Description	Vote 1 - Council	Vote 2 - Municipal Manager	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Community Services	Vote 6 - Local Economic Development	Vote 7 - Infrastructure & Planning	Vote 8 - Protection Services	Total
R thousand									
Revenue By Source									
Property rates	–	–	–	271 251	–	–	–	–	271 251
Service charges - electricity revenue	–	–	–	130	431 618	–	–	–	431 748
Service charges - water revenue	–	–	–	450	–	–	–	133 577	134 027
Service charges - sanitation revenue	–	–	–	–	–	0	–	83 772	83 772
Service charges - refuse revenue	–	–	–	–	–	–	–	72 414	72 414
Rental of facilities and equipment	–	–	–	–	0	–	85	3 622	3 707
Interest earned - external investments	–	–	–	39 350	–	–	–	–	39 350
Interest earned - outstanding debtors	–	–	–	4 851	–	–	–	0	4 851
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	1	141	32 295	–	144	32 581
Licences and permits	–	–	–	–	–	2 008	–	483	2 491
Agency services	–	–	–	–	–	5 500	–	26	5 526
Other revenue	142	–	841	9 019	111 085	780	2 001	10 103	133 971
Transfers and subsidies	17 593	–	525	1 025	41 598	2 200	2 500	66 399	131 840
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	17 735	–	1 366	326 077	584 443	42 783	4 586	370 539	1 347 529
Expenditure By Type									
Employee related costs	15 833	6 527	27 558	49 019	69 259	74 775	13 827	190 974	447 773
Remuneration of councillors	11 896	–	170	–	1 586	–	–	141	13 794
Debt impairment	–	–	–	156	156	25 367	–	467	26 147
Depreciation & asset impairment	4	66	1 555	122	27 020	1 072	97	111 940	141 877
Finance charges	–	–	–	69	16 816	–	–	36 783	53 668
Bulk purchases	–	–	–	–	323 012	–	–	–	323 012
Other materials	43	50	1 692	448	6 301	512	274	33 127	42 448
Contracted services	308	652	8 086	15 279	102 444	8 539	2 583	91 476	229 366
Transfers and subsidies	810	–	–	11 610	–	–	–	–	12 420
Other expenditure	7 856	358	18 191	22 111	60 264	3 984	3 833	7 292	123 890
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Expenditure	36 751	7 654	57 253	98 816	606 858	114 249	20 614	472 201	1 414 394
Surplus/(Deficit)	(19 017)	(7 654)	(55 887)	227 262	(22 415)	(71 466)	(16 028)	(101 662)	(66 866)
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	8 000	732	–	21 887	30 619
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)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(19 017)	(7 654)	(55 887)	227 262	(14 415)	(70 734)	(16 028)	(79 775)	(36 247)

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
ASSETS									
Call investment deposits									
Call deposits	82 722	86 731	99 589	95 394	95 394	95 394	101 117	107 184	113 615
Other current investments	(20 593)	(21 774)	(26 108)	(22 260)	(22 260)	(22 260)	(26 560)	(30 860)	(35 160)
Total Call investment deposits	62 129	64 957	73 481	73 134	73 134	73 134	74 557	76 324	78 455
Consumer debtors									
Consumer debtors	19 098	20 593	21 774	21 000	21 000	21 000	22 260	26 560	30 860
Less: Provision for debt impairment	2 616	1 983	5 162	1 760	1 760	1 760	5 200	5 200	5 200
Total Consumer debtors	(1 121)	(803)	(828)	(500)	(500)	(500)	(900)	(900)	(900)
Debt impairment provision									
Balance at the beginning of the year									
Contributions to the provision	5 536 674	5 628 094	5 793 483	6 065 800	6 048 156	6 048 156	6 315 251	6 491 388	6 636 766
Bad debts written off									
Balance at end of year	2 034 013	2 157 716	2 284 209	2 420 179	2 420 179	2 420 179	2 561 486	2 700 769	2 833 749
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)									
Leases recognised as PPE									
Less: Accumulated depreciation									
Total Property, plant and equipment (PPE)	29 580	33 448	39 725	42 244	42 244	42 244	53 427	46 121	54 028
LIABILITIES									
Current liabilities - Borrowing									
Short term loans (other than bank overdraft)	79 319	98 032	97 420	89 571	67 819	67 819	95 272	102 534	112 872
Current portion of long-term liabilities									
Total Current liabilities - Borrowing	6 474	21 776	12 590	5 636	5 636	5 636			
Trade and other payables	85 793	119 809	110 010	95 207	73 455	73 455	95 272	102 534	112 872
Trade Payables									
Other creditors									
Unspent conditional transfers	412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464
VAT	412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464
Total Trade and other payables									
Non current liabilities - Borrowing									
Borrowing	122 588	98 747	108 914	120 259	120 259	120 259	132 766	145 918	159 717
Finance leases (including PPP asset element)									
Total Non current liabilities - Borrowing	84 877	92 013	98 402	103 385	103 385	103 385	106 868	110 510	114 340
Provisions - non-current	9 673	14 291	14 841	15 450	15 450	15 450	17 351	19 326	21 437
Retirement benefits	217 138	205 051	222 157	239 095	239 095	239 095	256 985	275 754	295 494
List other major provision items									
Refuse landfill site rehabilitation									
Other	3 256 152	3 293 898	3 439 499	3 479 983	3 479 983	3 479 983	3 605 894	3 649 641	3 628 142
Total Provisions - non-current	(5 775)	(15 766)	(17 240)						
CHANGES IN NET ASSETS	3 250 376	3 278 133	3 422 258	3 479 983	3 479 983	3 479 983	3 605 894	3 649 641	3 628 142
Accumulated Surplus/(Deficit)	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Accumulated Surplus/(Deficit) - opening balance	1 935	(5)	(5)	1 500	1 500	1 500	(6)	(6)	(6)
GRAP adjustments									
Restated balance					89 068	89 068	80 000		
Surplus/(Deficit)	3 293 898	3 422 258	3 527 808	3 475 231	3 605 894	3 605 894	3 649 641	3 628 142	3 585 065
Appropriations to Reserves									
Transfers from Reserves	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
Depreciation offsets									
Other adjustments									
Accumulated Surplus/(Deficit)									
Reserves									
Housing Development Fund	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
Revaluation									
Total Reserves	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
TOTAL COMMUNITY WEALTH/EQUITY	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420

Table 65 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Estimate	Estimate	Estimate
Demographics											
Population		55 012	74 546	80 432	93 466	96 177	98 966	108 460	111 991	115 620	117 290
Females aged 5 - 14		2 770	5 837	5 228	6 031	7 280	7 491	6 999	7 226	7 461	7 568
Males aged 5 - 14		2 816	5 892	5 278	6 089	6 935	7 136	7 066	7 296	7 532	7 641
Females aged 15 - 34		5 561	11 567	13 139	15 158	15 386	15 832	17 590	18 162	18 751	19 022
Males aged 15 - 34		6 029	11 235	13 648	15 745	15 217	15 658	18 271	18 866	19 477	19 758
Unemployment		5 165	8 099	4 237	4 888	5 030	5 176	5 672	5 857	6 047	6 134
Monthly household income (no. of households)											
No income		2 226	770	4 585	5 443	5 601	5 763	5 930	6 148	6 347	6 439
R1 - R1 600		6 149	5 307	5 326	6 323	6 506	6 695	6 889	7 142	7 373	7 480
R1 601 - R3 200		3 742	3 177	4 878	5 791	5 959	6 131	6 309	6 541	6 753	6 851
R3 201 - R6 400		3 344	3 789	4 362	5 178	5 328	5 483	5 642	5 849	6 038	6 125
R6 401 - R12 800		2 303	2 750	3 830	4 547	4 678	4 814	4 954	5 135	5 301	5 378
R12 801 - R25 600		920	1 947	2 896	3 438	3 538	3 640	3 746	3 884	4 009	4 067
R25 601 - R51 200		227	1 066	1 456	1 728	1 779	1 830	1 883	1 953	2 016	2 045
R52 201 - R102 400		77	184	486	577	594	611	629	652	673	683
R102 401 - R204 800		44	176	109	129	133	137	141	146	151	153
R204 801 - R409 600				81	96	99	102	105	109	112	114
R409 601 - R819 200											
> R819 200											
Poverty profiles (no. of households)											
< R2 060 per household per month					11 943	12 397	12 397	12 868	13 254	13 652	14 062
Insert description											
Household/demographics (000)											
Number of people in municipal area		55 012	74 546	80 432	90 176	93 466	93 407	108 460	111 991	115 620	117 290
Number of poor people in municipal area											
Number of households in municipal area		19 032	19 166	28 009	32 314	33 250	33 535	36 228	37 559	38 773	39 335
Number of poor households in municipal area					7 418	7 385	7 400	7 450	7 750	8 000	8 240
Definition of poor household (R per month)					6 041	6 401	6 761	7 121			
Housing statistics											
Formal					30 173	30 640	31 162	31 712	33 615	35 632	37 769
Informal					3 067	3 052	3 620	3 620	6 044	6 407	6 791
Total number of households		-	-	-	33 240	33 692	34 782	35 332	39 659	42 038	44 561
Dwellings provided by municipality					220	341	171	124	254	100	100
Dwellings provided by provincials											
Dwellings provided by private sector					530	555	429	193			
Total new housing dwellings		-	-	-	750	896	600	317	254	100	100
Economic											
Inflation/inflation outlook (CPIX)					6.6%	6.4%	4.7%	5.2%	4.5%	4.6%	4.6%
Interest rate - borrowing					11.75%	10.7%	10.5%	10.7%	10.7%	10.7%	10.7%
Interest rate - investment					7.45%	7.7%	7.6%	7.3%	7.1%	7.5%	7.8%
Remuneration increases					6.0%	7.4%	6.0%	6.3%	4.0%	4.0%	4.0%
Consumption growth (electricity)					0.1%	0.0%	1.0%	2.0%	3.0%	3.0%	3.0%
Consumption growth (water)					4.0%	2.2%	2.4%	3.0%	3.0%	3.0%	3.0%
Collection rates											
Property tax/service charges					99.3%	99.4%	98.2%	98.5%	98.0%	98.0%	98.0%
Rental of facilities & equipment					99.8%	99.7%	96.8%	96.1%	98.0%	98.0%	98.0%
Interest - external investments					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors					99.8%	99.7%	98.2%	98.5%	98.0%	98.0%	98.0%
Revenue from agency services					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 66 MBRR SA11 – Property rates summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Valuation:									
Date of valuation:	02/07/2016	02/07/2016	02/07/2016	02/07/2016					
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	No	No	No
No. of assistant valuers (FTE)	2	2	2	2	2	2	2	2	2
No. of data collectors (FTE)	6	6	6	6	6	6	6	6	6
No. of internal valuers (FTE)	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	3	3	3	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)	60	60	48	12			-		
No. of properties	42 494	42 494	42 823	42 895	42 895	42 895	42 895	42 895	42 895
No. of sectional title values	2 555	2 560	2 210	2 577	2 577	2 577	2 577	2 577	2 577
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	1	1	2	2	2	2	2	2
No. of valuation roll amendments	6	12	27	10	10	10	10	10	10
No. of objections by rate payers	7	12	11	14	14	14	14	14	14
No. of appeals by rate payers	3	1	2	12	12	12	12	12	12
No. of successful objections	3	1	6	14	14	14	14	14	14
No. of successful objections > 10%	1	1	1	11	11	11	11	11	11
Supplementary valuation	2 322	2 500	2 566	3 009	3 009	3 009	3 009	3 009	3 009
Public service infrastructure value (Rm)	98	82	84	92	92	92	97	97	97
Municipality owned property value (Rm)	739	905	924	894	894	894	947	947	947
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	98	98	84	92	92	92	97	97	97
Valuation reductions-nature reserves/park (Rm)	-	368	368	339	339	339	359	359	359
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	445	450	476	475	475	475	503	503	503
Valuation reductions-public worship (Rm)	151	158	175	183	183	183	194	194	194
Valuation reductions-other (Rm)	1 947	1 946	2 860	2 028	2 028	2 028	2 150	2 150	2 150
Total valuation reductions:	2 641	3 020	3 963	3 116	3 116	3 116	3 303	3 303	3 303
Total value used for rating (Rm)	42 303	43 689	46 907	48 668	48 668	48 668	51 588	51 588	51 588
Total land value (Rm)	22 249	21 274	22 595	23 042	23 042	23 042	24 424	24 424	24 424
Total value of improvements (Rm)	21 516	25 585	27 770	28 743	28 743	28 743	30 468	30 468	30 468
Total market value (Rm)	43 765	46 859	50 364	51 785	51 785	51 785	54 892	54 892	54 892
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		
Special rating area used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)			No	No			No		
Rates policy accompanying budget? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)	220	220	220	220			220		
Non-residential prescribed ratio s19? (%)	51.6%	51.5%	51.5%	51.5%					
Rate revenue:									
Rate revenue budget (R'000)	197 140	214 975	233 034	242 070	242 070	242 070	259 450	275 017	291 580
Rate revenue expected to collect (R'000)	197 140	214 975	233 034	242 070	242 070	242 070	259 450	275 017	291 580
Expected cash collection rate (%)	98.3%	99.3%	98.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	6 863	7 494	8 047						
Rebates, exemptions - indigent (R'000)									
Rebates, exemptions - pensioners (R'000)	604000								
Rebates, exemptions - bona fide farm. (R'000)	99 000								
Rebates, exemptions - other (R'000)	5 390 000								
Phase-in reductions/discounts (R'000)									
Total rebates, exemptns, reductns, discs (R'000)	6 093	-	-	-	-	-	-	-	-

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 Monum/ts	Public benefit organs.	Mining Props.
Current Year 2019/20																
Valuation:																
No. of properties	37 867	-	1 591	220	364	2 088	485	-	-	-	-	-	164	-	141	-
No. of sectional title property values	2 249	-	328	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Supplementary valuation (Rm)	TOTAL 4143															
No. of valuation roll amendments	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
No. of objections by rate-payers	IN PROCESS															
No. of appeals by rate-payers	IN PROCESS															
No. of appeals by rate-payers finalised	IN PROCESS															
No. of successful objections	IN PROCESS															
No. of successful objections > 10%	IN PROCESS															
Estimated no. of properties not valued	100 TOTAL															
Years since last valuation (select)	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
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)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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	Uniform	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	92	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	339	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	475	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	183	-
Valuation reductions-other (Rm)	2 028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	42 451	-	4 933	293	476	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	19 634	-	1 825	458	291	645	77	-	-	-	-	-	268	-	128	-
Total value of improvements (Rm)	28 485	-	3 132	159	240	249	15	-	-	-	-	-	101	-	208	-
Total market value (Rm)	44 479	-	4 957	616	531	894	92	-	-	-	-	-	370	-	336	-
Rating:																
Average rate	0.005703		0.008639	0.001426	0.008639				0.005703							
Rate revenue budget (R'000)	199 520		38 500	650	3 400											
Rate revenue expected to collect (R'000)	199 520		38 500	650	3 400											
Expected cash collection rate (%)	100.0%		100.0%	100.0%	100.0%											
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)																

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 Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2020/21																
Valuation:																
No. of properties																
No. of sectional title property values	37 867	-	1 591	220	364	2 088	485	-	-	-	-	-	164	-	141	-
No. of unreasonably difficult properties s7(2)	2 249	-	328	-	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)	100 TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Method of valuation used (select)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Base of valuation (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Phasing-in properties s21 (number)	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.
Combination of rating types used? (Y/N)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flat rate used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Is balance rated by uniform rate/variable rate?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Valuation reductions:	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	97	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	359	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	503	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	196	-
Valuation reductions-other (Rm)	2 150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	44 998	-	5 229	311	504	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	20 812	-	1 934	485	308	683	81	-	-	-	-	-	284	-	136	-
Total value of improvements (Rm)	30 194	-	3 320	168	254	264	16	-	-	-	-	-	108	-	220	-
Total market value (Rm)	47 148	-	5 254	653	563	947	97	-	-	-	-	-	392	-	356	-
Rating:																
Average rate	0.006100		0.009240	0.001520	0.009240				0.006100							
Rate revenue budget (R '000)	213 900		41 004	804	3 742											
Rate revenue expected to collect (R'000)	213 900		41 004	804	3 742											
Expected cash collection rate (%)	100.0%		100.0%	100.0%	100.0%											
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)																

Table 69 MBRR SA13a – Service tariffs by category

Description	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
						Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Property rates (rate in the Rand)								
Residential properties		0.0047	0.0051	0.0054	0.0057	0.0061	0.0065	0.0069
Residential properties - vacant land		0.0065	0.0070	0.0074	0.0078	0.0084	0.0089	0.0094
Formal/informal settlements								
Small holdings								
Farm properties - used		0.0012	0.0013	0.0013	0.0014	0.0015	0.0016	0.0017
Farm properties - not used								
Industrial properties								
Business and commercial properties		0.0072	0.0077	0.0082	0.0086	0.0092	0.0098	0.0104
Communal land - residential								
Communal land - small holdings								
Communal land - farm property								
Communal land - business and commercial								
Communal land - other								
State-owned properties		0.0072	0.0077	0.0082	0.0086	0.0092	0.0098	0.0104
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								
Other rebates or exemptions		75%	75%	75%	75%	75%	75%	75%
Water tariffs								
Domestic								
Basic charge/fix ed fee (Rands/month)		115	122	129	137	145	153	162
Service point - vacant land (Rands/month)		115	122	129	137	145	153	162
Water usage - flat rate tariff (c/kl)	0 - 6 kl	404	450	502	560	624	661	701
Water usage - life line tariff	7 - 18 kl	966	1 024	1 085	1 147	1 215	1 288	1 365
Water usage - Block 1 (c/kl)	19 - 30 kl	1 567	1 661	1 761	1 861	1 971	2 089	2 215
Water usage - Block 2 (c/kl)	31 - 45 kl	2 413	2 557	2 711	2 866	3 035	3 217	3 410
Water usage - Block 3 (c/kl)	46 - 60 kl	3 134	3 322	3 521	3 722	3 942	4 179	4 429
Water usage - Block 4 (c/kl)	> 60 kl	4 179	4 430	4 696	4 964	5 257	5 572	5 907
Other								
Waste water tariffs								
Domestic								
Basic charge/fix ed fee (Rands/month)		102	109	115	122	129	137	145
Service point - vacant land (Rands/month)		123	109	115	122	129	137	145
Waste water - flat rate tariff (c/kl)		1 153	1 222	1 296	1 370	1 451	1 538	1 630
Volumetric charge - Block 1 (c/kl)	Basic charge pumps	69	73	78	82	87	92	98
Volumetric charge - Block 2 (c/kl)	Service per pump	471	499	529	560	593	628	666
Volumetric charge - Block 3 (c/kl)								
Volumetric charge - Block 4 (c/kl)								
Other								
Electricity tariffs								
Domestic								
Basic charge/fix ed fee (Rands/month)		255	268	292	335	394	418	443
Service point - vacant land (Rands/month)		255	268	292	335	386	409	433
FBE	(how is this targeted?)							
Life-line tariff - meter	(describe structure)							
Life-line tariff - prepaid	(describe structure)	100	101	107	120	137	145	154
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	108.7	108.6	114.9	128.7	146.4	155.2	164.5
Meter - IBT Block 3 (c/kwh)	351 - 600 kWh	155.5	158.2	167.8	188.9	215.8	228.7	242.5
Meter - IBT Block 4 (c/kwh)	> 600 kWh	189.3	192.8	206.0	232.2	266.8	282.8	299.7
Meter - IBT Block 5 (c/kwh)	Prepaid Meter							
Prepaid - IBT Block 1 (c/kwh)	0 - 350 kWh	100.5	100.3	106.1	118.9	135.3	143.4	152.0
Prepaid - IBT Block 2 (c/kwh)	351 - 600 kWh	146.5	149.0	158.1	178.1	203.4	215.6	228.5
Prepaid - IBT Block 3 (c/kwh)	> 600 kWh	181.9	185.3	198.0	223.2	256.4	271.8	288.1
Prepaid - IBT Block 4 (c/kwh)	(fill in thresholds)							
Prepaid - IBT Block 5 (c/kwh)	(fill in thresholds)							
Other								
Waste management tariffs								
Domestic								
Street cleaning charge								
Basic charge/fix ed fee		146	155	164	185	196	208	221
80l bin - once a week								
250l bin - once a week		146	155	164	185	196	208	221

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

Description	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
						Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Exemptions, reductions and rebates (Rands) <i>[Insert lines as applicable]</i>								
Water tariffs <i>[Insert blocks as applicable]</i>	Basic charge	Basic	115	122	129	137	145	153
	Basic charge	Basic	115	122	129	137	145	153
	0 - 6 kl	0 - 6 kl	404	450	502	560	624	661
	7 - 18 kl	7 - 18 kl	966	1 024	1 085	1 147	1 215	1 288
	19 - 30 kl	19 - 30 kl	1 567	1 661	1 761	1 861	1 971	2 089
	31 - 45 kl	31 - 45 kl	2 413	2 557	2 711	2 866	3 035	3 217
	46 - 60 kl	46 - 60 kl	3 134	3 322	3 521	3 722	3 942	4 179
	> 60 kl	> 60 kl	4 179	4 430	4 696	4 964	5 257	5 572
Waste water tariffs <i>[Insert blocks as applicable]</i>	Basic charge	Basic	102	109	115	122	129	137
	Basic charge	Basic	123	109	115	122	129	137
	Tariff per kl (c/kl)	Tariff per kl	1 153	1 222	1 296	1 370	1 451	1 538
	Basic charge - pumps	Basic	69	73	78	82	87	92
	Service per pump	Service per	471	499	529	560	593	628
Electricity tariffs <i>[Insert blocks as applicable]</i>	Basic charge/fix ed fee	Basic	255	268	292	335	394	418
	Basic - Vacant Land	Basic -	255	268	292	335	386	409
	Flat rate prepaid (c/kWh)	Flat rate	100	101	107	120	137	145
	Credit Meter	Credit						
	0 - 350 kWh	0 - 350	109	109	115	129	146	155
	351 - 600 kWh	351 - 600	155.5	158.2	167.8	188.9	215.8	228.7
	> 600 kWh	> 600 kWh	189.3	192.8	206.0	232.2	266.8	282.8
	Prepaid Meter	Prepaid						
	0 - 350 kWh	0 - 350 kWh	100.5	100.3	106.1	118.9	135.3	143.4
	351 - 600 kWh	351 - 600	146.5	149.0	158.1	178.1	203.4	215.6
	> 600 kWh	> 600 kWh	181.9	185.3	198.0	223.2	256.4	271.8

Table 71 MBRR SA32 – List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Outsourcing of sub function water and waste water	Yrs	15	Outsourcing of sub function water and waste water	07 December 2033	1 271 426
Outsourcing of sub function operation of landfill site	Yrs	13	Outsourcing of sub function operation of landfill 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

R thousand		2020/21 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Municipality:				
<i>List all operational projects grouped by Municipal Vote</i>				
Vote 1 - Council	Municipal Running Cost	16 330	16 424	8 626
Vote 2 - Municipal Manager	Municipal Running Cost	668	675	479
Vote 3 - Management Services	Municipal Running Cost	30 679	32 451	16 403
	Repairs and Maintenance	15 604	16 443	9 177
	Typical Workstreams	6 978	7 168	3 269
Vote 4 - Finance	Municipal Running Cost	68 582	57 946	29 840
	Repairs and Maintenance	1 674	1 687	1 505
	Typical Workstreams	33 181	33 181	32 731
Vote 5 - Community Services	Municipal Running Cost	407 312	420 340	455 667
	Repairs and Maintenance	185 629	222 705	272 370
	Typical Workstreams	1 770	1 770	1 770
Vote 6 - Local Economic	Municipal Running Cost	8 365	8 900	9 689
	Repairs and Maintenance	15	16	17
	Typical Workstreams	804	845	887
Vote 7 - Infrastructure &	Municipal Running Cost	496 195	525 148	593 405
	Repairs and Maintenance	1 078	1 132	1 188
	Typical Workstreams	44 267	49 903	58 000
Vote 8 - Protection Service	Municipal Running Cost	93 673	99 333	105 355
	Repairs and Maintenance	1 454	1 495	-
	Typical Workstreams	135		
	Preventative Maintenance : Interval Based : Transport Assets	6 126	6 299	6 790
Total Operational expenditure		1 414 394	1 497 562	1 600 376

Table 73 MBRR SA33 – Contracts having future budgetary implications

Description	Preceding Years	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework			Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total Contract Value
	Total	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:													
Revenue Obligation By Contract													
Contract 1													-
Contract 2													-
Contract 3 etc													-
Total Operating Revenue Implication	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract													
Contract 1													-
Contract 2													-
Total Operating Expenditure Implication	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract													
Contract 1: SC1890/2018: WATER & WASTE WATER TREATME		43 847	47 112	50 630	54 421	58 507	62 911	67 658	72 778	78 299	84 254	90 678	711 095
Contract 2: SC1892/2018: THE OPERATION OF THE GANSBA		4 976	5 278	5 600	5 943	6 324	6 703	7 127	7 588	8 066	8 576	9 035	75 215
Contract 3 SC1933/2018: PROVISION FOR BANKING SERVIC		1 370	1 410	1 494	1 582	1 675	-	-	-	-	-	-	7 530
Total Capital Expenditure Implication	-	50 193	53 801	57 724	61 946	66 505	69 614	74 785	80 366	86 365	92 830	99 713	793 840
Total Parent Expenditure Implication	-	50 193	53 801	57 724	61 946	66 505	69 614	74 785	80 366	86 365	92 830	99 713	793 840

2.15 Municipal manager's quality certificate

Municipal manager's quality certificate

I, CC Groenewald, municipal manager of Overstrand Municipality, hereby certify that the **Draft Budget** for the **2020/2021 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: CC Groenewald

Municipal manager of Overstrand Municipality (WC032)

Signature: _____

A handwritten signature in black ink, appearing to read 'CC Groenewald', written over a horizontal line.

Date: _____

25.08.2020

SCHEDULE 1

WC032 Overstrand - Schedule 1 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Revenue by Vote									
Vote 1 - Council	73 145	21 399	27 246	31 083	30 843	30 843	17 735	17 990	13 383
Vote 2 - Municipal Manager	12	64	86	36	36	36	-	-	-
Vote 3 - Management Services	2 031	821	1 070	844	844	844	1 366	1 366	1 366
Vote 4 - Finance	231 209	262 709	292 912	284 914	295 084	295 084	326 077	344 411	363 965
Vote 5 - Community Services	393 923	489 799	496 225	497 130	567 833	567 833	592 443	647 600	683 983
Vote 6 - Local Economic Development	42 387	40 605	32 267	47 393	49 601	49 601	43 515	45 592	47 592
Vote 7 - Infrastructure & Planning	3 556	2 788	2 030	2 635	2 986	2 986	4 586	2 091	2 247
Vote 8 - Protection Services	290 348	323 102	362 289	379 676	381 122	381 122	392 426	417 019	444 770
Total Revenue by Vote	1 036 610	1 141 287	1 214 127	1 243 711	1 328 349	1 328 349	1 378 148	1 476 069	1 557 305
Expenditure by Vote to be appropriated									
Vote 1 - Council	42 588	4 303	38 174	36 077	35 876	35 876	36 751	37 583	39 358
Vote 2 - Municipal Manager	3 922	4 542	5 050	5 797	6 297	6 297	7 654	8 013	8 450
Vote 3 - Management Services	40 697	43 809	46 736	56 900	55 967	55 967	57 253	59 982	62 583
Vote 4 - Finance	64 984	71 890	74 716	75 077	75 067	75 067	98 816	95 410	99 881
Vote 5 - Community Services	432 211	414 432	449 522	527 994	565 180	565 180	606 858	673 160	747 711
Vote 6 - Local Economic Development	72 087	73 272	81 089	95 150	98 890	98 890	114 249	117 569	123 633
Vote 7 - Infrastructure & Planning	10 220	10 558	10 303	13 291	14 310	14 310	20 614	18 664	20 126
Vote 8 - Protection Services	328 315	374 350	402 983	439 679	441 420	441 420	472 201	487 179	498 634
Total Expenditure by Vote	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) for the year	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

SCHEDULE 2

WC032 Overstrand - Schedule 2 - Budgeted Financial Performance (revenue and expenditure)

R thousand	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source									
Property rates	197 104	215 763	233 274	242 150	242 950	242 950	271 251	286 830	303 395
Service charges - electricity revenue	334 765	349 298	378 668	398 868	403 868	403 868	431 748	461 627	493 845
Service charges - water revenue	115 070	110 932	129 971	127 320	128 820	128 820	134 027	141 979	150 407
Service charges - sanitation revenue	66 890	72 106	77 772	80 020	81 020	81 020	83 772	88 798	94 127
Service charges - refuse revenue	54 389	57 775	61 788	70 122	69 242	69 242	72 414	76 757	81 361
Rental of facilities and equipment	11 613	5 616	6 341	3 562	3 562	3 562	3 707	3 899	4 108
Interest earned - external investments	20 347	30 320	41 767	28 010	35 860	35 860	39 350	41 641	44 140
Interest earned - outstanding debtors	2 671	3 854	4 193	4 151	4 451	4 451	4 851	5 085	5 333
Dividends received							-	-	-
Fines, penalties and forfeits	38 715	31 638	24 734	32 552	32 552	32 552	32 581	34 701	36 721
Licences and permits	2 525	2 527	2 526	2 462	2 462	2 462	2 491	2 633	2 688
Agency services	3 480	4 149	4 913	4 700	5 200	5 200	5 526	5 856	6 206
Transfers and subsidies	114 411	116 458	118 976	152 183	125 794	125 794	131 840	141 735	154 275
Other revenue	34 706	48 492	63 142	27 416	143 735	143 735	133 971	142 058	143 172
Gains on disposal of PPE	6 242	28 096					-	-	-
Total Revenue (excluding capital transfers and contributions)	1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777
Expenditure By Type									
Employee related costs	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
Remuneration of councillors	9 265	10 138	10 573	11 383	11 383	11 383	13 794	19 660	20 677
Debt impairment	22 221	18 013	17 949	24 902	24 902	24 902	26 147	27 454	28 827
Depreciation & asset impairment	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Finance charges	45 913	46 129	44 921	51 549	51 549	51 549	53 668	54 327	54 392
Bulk purchases	217 523	225 844	242 614	275 880	280 880	280 880	323 012	371 463	427 183
Other materials	48 818	40 900	47 091	63 675	42 946	42 946	42 448	44 009	46 216
Contracted services	155 726	167 079	186 758	207 536	214 349	214 349	229 366	232 659	242 756
Transfers and subsidies	1 898	1 800	486	500	500	500	12 420	12 010	12 010
Other expenditure	50 631	55 726	58 609	83 450	103 992	103 992	123 890	131 963	143 839
Loss on disposal of PPE	8 133		610		31 700	31 700	-	-	-
Total Expenditure	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit)							(66 866)	(63 963)	(80 599)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	33 681	64 263	66 060	70 194	46 216	46 216	30 619	28 470	31 628
Transfers and subsidies - capital (in-kind - all)					2 618	2 618	-	14 000	5 900
Surplus/(Deficit) after capital transfers & contributions	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Taxation							-	-	-
Surplus/(Deficit) after taxation	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Attributable to minorities							-	-	-
Surplus/(Deficit) attributable to municipality	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Share of surplus/ (deficit) of associate							-	-	-
Surplus/(Deficit) for the year	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

SCHEDULE 3

WC032 Overstrand - Schedule 3 - Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Capital Expenditure - Functional									
<i>Governance and administration</i>	957	6 342	8 659	4 105	4 105	4 105	3 375	30 000	20 000
Executive and council	72		295	10	10	10	5	-	-
Finance and administration	885	6 342	8 364	4 095	4 095	4 095	3 370	30 000	20 000
Internal audit									
<i>Community and public safety</i>	14 135	44 222	68 172	64 760	127 111	127 111	81 469	46 667	37 850
Community and social services	644	2 126	5 164	3 280	2 960	2 960	21 468	-	-
Sport and recreation	1 837	5 427	23 923	18 770	19 055	19 055	3 949	-	-
Public safety	996	2 490	4 809	16 271	20 723	20 723	10 096	-	-
Housing	10 658	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Health							-	-	-
<i>Economic and environmental services</i>	13 279	12 071	13 407	30 410	21 757	21 757	26 493	3 571	17 000
Planning and development	1 540	45	1 346	8 899	3 896	3 896	14 748	-	-
Road transport	11 739	12 026	12 061	21 510	17 860	17 860	11 745	3 571	17 000
Environmental protection									
<i>Trading services</i>	63 498	42 619	84 872	162 402	122 760	122 760	155 758	95 899	70 528
Energy sources	30 496	16 268	28 893	34 124	29 226	29 226	24 641	44 000	22 000
Water management	15 772	3 257	12 270	48 504	39 982	39 982	46 469	27 516	22 000
Waste water management	17 217	21 523	42 210	62 843	43 241	43 241	64 310	24 384	26 528
Waste management	12	1 572	1 499	16 931	10 311	10 311	20 339	-	-
<i>Other</i>									
Total Capital Expenditure - Functional	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Funded by:									
National Government	25 530	21 786	30 445	39 010	39 010	39 010	29 887	28 470	31 628
Provincial Government	7 681	42 477	35 615	31 184	88 287	88 287	732	-	-
District Municipality					-	-	-	-	-
Transfers and subsidies - capital (money)	10 002	4 414	26 942		1 259	1 259	45 956	60 667	43 750
Transfers recognised - capital	43 214	68 677	93 002	70 194	128 557	128 557	76 575	89 137	75 378
Borrowing	35 550	19 199	36 495	90 501	69 925	69 925	92 199	50 000	50 000
Internally generated funds	13 104	17 379	45 613	100 981	77 251	77 251	98 322	37 000	20 000
Total Capital Funding	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

SCHEDULE 4

WC032 Overstrand - Schedule 4 - Budgeted Financial Position

R thousand	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS									
Current assets									
Cash	89 087	94 453	123 988	124 120	265 426	265 426	140 118	100 749	72 724
Call investment deposits	170 728	380 514	409 200	320 000	320 000	320 000	400 000	400 000	400 000
Consumer debtors	62 129	64 957	73 481	73 134	73 134	73 134	74 557	76 324	78 455
Other debtors	47 370	52 806	65 059	35 523	35 523	35 523	34 983	34 411	33 804
Current portion of long-term receivables	12	10	11	7	7	7	3	1	-
Inventory	35 438	32 352	39 086	30 752	9 000	9 000	9 540	10 113	10 719
Total current assets	404 764	625 093	710 826	583 535	703 090	703 090	659 202	621 597	595 703
Non current assets									
Long-term receivables	27	20	9	4	4	4	1	-	-
Investments	37 982	44 595	50 524	57 885	57 885	57 885	65 460	73 294	81 414
Investment property	155 269	113 951	119 698	114 846	121 846	121 846	121 846	121 846	121 846
Investment in Associate									
Property, plant and equipment	3 502 661	3 470 377	3 509 274	3 645 621	3 627 977	3 627 977	3 753 765	3 790 619	3 803 017
Biological									
Intangible	6 287	6 699	8 597	5 323	5 323	5 323	4 753	4 322	4 025
Other non-current assets									
Total non current assets	3 702 225	3 635 642	3 688 101	3 823 679	3 813 035	3 813 035	3 945 825	3 990 082	4 010 302
TOTAL ASSETS	4 106 989	4 260 735	4 398 927	4 407 214	4 516 125	4 516 125	4 605 027	4 611 679	4 606 005
LIABILITIES									
Current liabilities									
Bank overdraft							-	-	-
Borrowing	29 580	33 448	39 725	42 244	42 244	42 244	53 427	46 121	54 028
Consumer deposits	37 039	38 462	40 020	63 074	63 074	63 074	62 074	65 799	69 747
Trade and other payables	85 793	119 809	110 010	95 207	73 455	73 455	95 272	102 534	112 872
Provisions	27 795	29 790	33 010	33 570	33 570	33 570	35 286	37 105	38 980
Total current liabilities	180 206	221 509	222 765	234 096	212 344	212 344	246 060	251 558	275 627
Non current liabilities									
Borrowing	412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464
Provisions	217 138	205 051	222 157	239 095	239 095	239 095	256 985	275 754	295 494
Total non current liabilities	629 633	613 708	645 090	694 547	694 547	694 547	705 981	728 629	741 958
TOTAL LIABILITIES	809 839	835 218	867 854	928 643	906 891	906 891	952 041	980 187	1 017 585
NET ASSETS	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	3 293 898	3 422 258	3 527 808	3 475 231	3 605 894	3 605 894	3 649 641	3 628 142	3 585 065
Reserves	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
TOTAL COMMUNITY WEALTH/EQUITY	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420

SCHEDULE 5

WC032 Overstrand - Schedule 5 - Budgeted Cash Flows

R thousand	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	195 733	213 851	231 322	241 063	241 862	241 862	270 864	286 351	302 822
Service charges	561 634	590 742	643 620	673 293	679 913	679 913	720 929	767 879	818 190
Other revenue	73 850	75 406	82 274	66 179	178 616	178 616	153 202	176 568	170 619
Transfers and Subsidies - Operational	119 507	131 819	118 820	152 183	125 794	125 794	131 840	141 735	154 275
Transfers and Subsidies - Capital	33 681	64 248	57 030	70 194	46 216	46 216	30 619	28 470	31 628
Interest	23 018	34 175	45 960	32 161	40 311	40 311	44 201	46 726	49 473
Dividends							-	-	-
Payments									
Suppliers and employees	(791 231)	(818 415)	(915 305)	(1 017 533)	(983 962)	(983 962)	(1 062 230)	(1 237 091)	(1 340 576)
Finance charges	(45 910)	(46 129)	(44 921)	(51 549)	(51 549)	(51 549)	(53 668)	(54 327)	(54 392)
Transfers and Grants	(1 898)	(1 800)	(486)	(500)	(500)	(500)	(12 420)	(12 010)	(12 010)
NET CASH FROM/(USED) OPERATING ACTIVITIES	168 384	243 897	218 314	165 492	276 701	276 701	223 337	144 301	120 029
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	2 943	81 451	(566)	-	-	-	-	-	-
Decrease (increase) in non-current receivables	15	8	10	10	10	10	7	3	1
Decrease (increase) in non-current investments	(4 980)	(4 980)	(4 980)	(7 339)	(7 339)	(7 339)	(7 575)	(7 834)	(8 120)
Payments									
Capital assets	(84 505)	(105 255)	(175 110)	(261 677)	(275 733)	(275 733)	(267 095)	(176 137)	(145 378)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(86 528)	(28 775)	(180 645)	(269 006)	(283 062)	(283 062)	(274 664)	(183 968)	(153 497)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							-	-	-
Borrowing long term/refinancing	30 000	30 000	54 000	74 300	74 300	74 300	54 000	50 000	50 000
Increase (decrease) in consumer deposits	-	-	-	23 028	23 028	23 028	(1 000)	3 724	3 948
Payments									
Repayment of borrowing	(26 822)	(29 969)	(33 448)	(38 709)	(38 709)	(38 709)	(46 981)	(53 427)	(48 504)
NET CASH FROM/(USED) FINANCING ACTIVITIES	3 178	31	20 552	58 619	58 619	58 619	6 019	298	5 444
NET INCREASE/ (DECREASE) IN CASH HELD	85 034	215 153	58 220	(44 895)	52 259	52 259	(45 308)	(39 369)	(28 025)
Cash/cash equivalents at the year begin:	174 780	259 815	474 967	489 014	533 188	533 188	585 426	540 118	500 749
Cash/cash equivalents at the year end:	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724

SCHEDULE 6

WC032 Overstrand - Schedule 6 - Cash backed reserves/accumulated surplus reconciliation

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Cash and investments available									
1. Local/District municipalities to i	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724
Other current investments > 90 days	–	(0)	–	(0)	(20)	(20)	(0)	(0)	0
Investments - Investment in Associate	37 982	44 595	50 524	57 885	57 885	57 885	65 460	73 294	81 414
Cash and investments available:	297 796	519 562	583 711	502 005	643 312	643 312	605 578	574 043	554 138
Application of cash and investments									
Total Trade and other payables	6 474	21 776	12 590	5 636	5 636	5 636	–	–	–
Unspent borrowing	15	10 450	38 199	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–
Other working capital requirements	(26 304)	(16 860)	(36 904)	(17 691)	(39 143)	(39 143)	(11 350)	(6 481)	3 139
Other provisions									
Long term investments committed	37 982	44 595	50 524	57 885	57 885	57 885	65 640	73 294	81 414
Reserves to be backed by cash/investments	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
Total Application of cash and investments:	21 418	63 220	67 672	49 170	27 718	27 718	57 635	70 163	87 908
Surplus(shortfall)	276 379	456 342	516 039	452 835	615 593	615 593	547 943	503 880	466 230

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Total Upgrading of Existing Assets	-	-	-	40 200	34 933	34 933	40 233	23 254	29 328
<i>Roads Infrastructure</i>	-	-	-	-	-	-	200	-	-
<i>Storm water Infrastructure</i>	-	-	-	3 160	3 160	3 160	8 000	-	-
<i>Electrical Infrastructure</i>	-	-	-	9 750	9 750	9 750	-	-	7 000
<i>Water Supply Infrastructure</i>	-	-	-	3 600	2 011	2 011	2 400	11 384	500
<i>Sanitation Infrastructure</i>	-	-	-	5 662	984	984	22 976	11 870	21 828
<i>Solid Waste Infrastructure</i>	-	-	-	1 000	1 000	1 000	2 960	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	23 172	16 905	16 905	36 536	23 254	29 328
Community Facilities	-	-	-	-	-	-	976	-	-
Sport and Recreation Facilities	-	-	-	16 928	17 928	17 928	2 721	-	-
Community Assets	-	-	-	16 928	17 928	17 928	3 697	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	100	100	100	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	100	100	100	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
<i>Roads Infrastructure</i>	14 069	12 023	12 061	19 693	16 043	16 043	11 745	3 571	17 000
<i>Storm water Infrastructure</i>	-	10 932	7 247	27 001	21 801	21 801	18 864	7 864	-
<i>Electrical Infrastructure</i>	30 496	16 268	28 893	33 551	28 749	28 749	24 641	44 000	22 000
<i>Water Supply Infrastructure</i>	15 772	3 257	12 270	48 504	39 982	39 982	46 469	27 516	22 000
<i>Sanitation Infrastructure</i>	14 887	10 591	34 963	33 755	16 933	16 933	45 446	16 520	26 528
<i>Solid Waste Infrastructure</i>	10 670	1 739	1 499	11 000	5 500	5 500	20 339	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	85 895	54 809	96 933	173 504	129 009	129 009	167 503	99 470	87 528
Community Facilities	3 477	4 446	30 804	12 420	7 959	7 959	17 608	-	-
Sport and Recreation Facilities	-	5 427	-	17 308	17 978	17 978	2 771	-	-
Community Assets	3 477	9 873	30 804	29 728	25 937	25 937	20 379	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	2 497	4 372	3 092	9 134	10 129	10 129	3 650	-	-
Housing	-	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Other Assets	2 497	38 552	37 368	35 572	94 502	94 502	49 606	46 667	37 850
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	1 593	1 346	4 200	4 220	4 220	7 090	-	-
Furniture and Office Equipment	-	205	295	280	280	280	1 025	-	-
Machinery and Equipment	-	223	1 428	900	1 400	1 400	760	-	-
Transport Assets	-	-	6 936	17 493	20 385	20 385	20 732	30 000	20 000
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
ASSET REGISTER SUMMARY - PPE (WDV)	3 664 217	3 591 027	3 637 568	3 765 790	3 755 146	3 755 146	3 880 365	3 916 787	3 928 888
<i>Roads Infrastructure</i>	1 042 924	1 054 313	1 068 859	1 019 303	1 015 653	1 015 653	994 045	964 432	948 382
<i>Storm water Infrastructure</i>	196 761	201 871	200 999	231 052	225 852	225 852	237 817	238 784	231 890
<i>Electrical Infrastructure</i>	534 751	522 972	525 175	525 147	520 345	520 345	518 450	535 915	531 384
<i>Water Supply Infrastructure</i>	505 838	481 367	465 975	496 853	488 331	488 331	506 209	506 704	506 744
<i>Sanitation Infrastructure</i>	376 119	367 433	381 878	400 735	385 133	385 133	410 886	408 103	416 548
<i>Solid Waste Infrastructure</i>	35 559	30 303	26 500	34 270	28 770	28 770	46 539	44 144	41 851
<i>Rail Infrastructure</i>							-	-	-
<i>Coastal Infrastructure</i>							-	-	-
<i>Information and Communication Infrastructure</i>							-	-	-
Infrastructure	2 691 953	2 658 258	2 669 386	2 707 359	2 664 084	2 664 084	2 713 946	2 698 081	2 676 799
Community Facilities									
Sport and Recreation Facilities									
Community Assets	-	183 622	204 522		-	-			
Heritage Assets	124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182
Revenue Generating									
Non-revenue Generating									
Investment properties	155 269	113 951	119 698	114 846	121 846	121 846	121 846	121 846	121 846
Operational Buildings									
Housing									
Other Assets	627 851	442 613	437 294	719 198	741 417	741 417	795 504	826 210	848 013
Biological or Cultivated Assets									
Servitudes									
Licences and Rights									
Intangible Assets	6 287	6 699	8 597	5 323	5 323	5 323	4 753	4 322	4 025
Computer Equipment									
Furniture and Office Equipment	10 659	8 673	8 949	14 190	14 210	14 210	20 554	18 954	17 585
Machinery and Equipment	3 763	3 542	3 924	4 671	5 171	5 171	5 268	4 693	4 236
Transport Assets	44 254	49 487	61 016	76 020	78 912	78 912	94 311	118 499	132 202
Libraries									
Zoo's, Marine and Non-biological Animals									
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	3 664 217	3 591 027	3 637 568	3 765 790	3 755 146	3 755 146	3 880 365	3 916 787	3 928 888
EXPENDITURE OTHER ITEMS	253 327	294 882	346 128	330 474	335 249	335 249			
Depreciation	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Repairs and Maintenance by Asset Class	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069
<i>Roads Infrastructure</i>	55 545	53 229	61 860	65 331	66 157	66 157	70 462	74 697	79 130
<i>Storm water Infrastructure</i>	6 392	6 017	5 765	6 600	6 375	6 375	7 605	7 632	6 250
<i>Electrical Infrastructure</i>	17 747	17 645	23 082	37 099	37 630	37 630	31 243	32 852	34 749
<i>Water Supply Infrastructure</i>	16 489	15 014	17 367	16 935	17 568	17 568	20 432	21 580	22 799
<i>Sanitation Infrastructure</i>	11 672	13 051	14 967	11 541	11 007	11 007	14 970	15 806	16 698
<i>Solid Waste Infrastructure</i>	2 546	12 946	22 918	2 220	2 269	2 269	3 362	4 589	4 820
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	189	147	147	221	231	241
<i>Information and Communication Infrastructure</i>	-	-	-	40	40	40	42	44	46
Infrastructure	110 392	117 901	145 959	139 955	141 193	141 193	148 335	157 430	164 733
Community Facilities	4 867	12 289	27 117	34 241	33 129	33 129	38 222	40 027	42 399
Sport and Recreation Facilities	-	-	12 685	5 957	6 164	6 164	7 972	8 371	8 807
Community Assets	4 867	12 289	39 801	40 198	39 293	39 293	46 194	48 398	51 207
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	8 009	2 217	3 281	3 281	3 657	3 831	4 013
Housing	-	-	-	-	-	-	37	39	41
Other Assets	-	-	8 009	2 217	3 281	3 281	3 695	3 869	4 053
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	5 653	6 353	6 353	5 926	6 235	6 560
Intangible Assets	-	-	-	5 653	6 353	6 353	5 926	6 235	6 560
Computer Equipment	5 536	5 207	4 890	1 193	1 068	1 068	2 193	2 301	2 415
Furniture and Office Equipment	-	17 919	16 364	431	440	440	2 959	3 009	3 069
Machinery and Equipment	-	6 719	-	9 542	12 335	12 335	-	-	-
Transport Assets	-	-	-	-	-	-	10 007	10 507	11 032
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	253 327	294 882	346 128	330 474	335 249	335 249	361 185	371 463	376 346
<i>Renewal and upgrading of Existing Assets as % of total R&M</i>	37,5%	28,2%	0,0%	17,9%	15,0%	15,0%	25,6%	20,0%	31,3%
<i>Renewal and upgrading of Existing Assets as % of depreciation</i>	26,0%	22,0%	0,0%	35,6%	31,6%	31,6%	48,2%	25,3%	34,2%
<i>R&M as a % of PPE</i>	3,4%	4,6%	6,1%	5,5%	5,6%	5,6%	0,0%	0,0%	0,0%
<i>Renewal and upgrading and R&M as a % of PPE</i>	4,0%	5,0%	6,0%	7,0%	7,0%	7,0%	2,0%	1,0%	1,0%

SCHEDULE 8

WC032 Overstrand - Schedule 8 - Basic service delivery measurement

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets									
Water:									
Piped water inside dwelling	34 449	29 174	29 800	29 800	29 800	29 800	30 694	31 615	32 563
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	3 067	3 052	3 620	3 620	3 620	3 620	4 650	4 900	5 000
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
Chemical toilet	-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
Energy:									
Electricity (at least min.service level)	6 356	6 112	5 831	5 587	5 587	5 587	5 343	5 099	4 855
Electricity - prepaid (min.service level)	18 530	18 814	19 464	20 243	20 243	20 243	21 022	21 801	22 580
<i>Minimum Service Level and Above sub-total</i>	24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
Refuse:									
Removed at least once a week	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
<i>Minimum Service Level and Above sub-total</i>	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
Sanitation (free minimum level service)	7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
Electricity/other energy (50kwh per household per month)	7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
Refuse (removed at least once a week)	7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	1 726	2 132	14 612	14 234	14 234	14 234	14 225	15 517	16 892
Sanitation (free sanitation service to indigent households)	-	-	15 697	17 938	17 938	17 938	17 967	19 640	21 422
Electricity/other energy (50kwh per indigent household per month)	3 448	4 681	33 723	33 656	33 656	33 656	35 865	42 575	50 430
Refuse (removed once a week for indigent households)	-	-	15 223	18 220	18 220	18 220	18 268	19 989	21 824
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	-	-	-	-	-	-	-	-	-
Total cost of FBS provided	5 174	6 813	79 256	84 049	84 049	84 049	86 324	97 721	110 568
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	6	6	6
Sanitation (kilolitres per household per month)	4	4	4	4	4	4	4	4	4
Sanitation (Rand per household per month)	69	73	78	82	82	82	193	201	217
Electricity (kwh per household per month)	50	50	50	50	50	50	68	77	87
Refuse (average litres per week)	210	210	210	210	210	210	196	208	220
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	2 135	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	48 431	51 711	50 983	54 042	54 042	54 042	66 192	70 164	74 374
Water (in excess of 6 kilolitres per indigent household per month)	-	-	779	250	250	250	265	281	298
Sanitation (in excess of free sanitation service to indigent households)	-	-	318	-	-	-	-	-	-
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	50 566	51 711	52 080	54 292	54 292	54 292	66 457	70 445	74 671

SCHEDULE 9

WC032 Overstrand - Schedule 9 - Budgeted Financial Performance (revenue and expenditure by functional classification)

Standard Classification Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional									
Governance and administration	315 876	334 461	327 076	317 773	334 875	334 875	353 015	371 644	386 633
Executive and council	74 405	21 599	27 347	31 168	30 953	30 953	17 826	18 084	13 479
Finance and administration	227 951	262 045	299 642	286 569	303 887	303 887	335 188	353 560	373 154
Internal audit	13 521	50 817	86	36	36	36	-	-	-
Community and public safety	98 890	109 158	117 527	132 968	186 499	186 499	156 318	163 867	166 496
Community and social services	3 609	4 149	8 471	8 073	8 077	8 077	8 115	8 546	9 151
Sport and recreation	10 591	8 218	29 227	24 825	24 825	24 825	14 065	12 758	13 502
Public safety	44 357	40 605	32 372	47 393	49 601	49 601	43 515	45 592	47 592
Housing	40 333	56 186	47 457	52 676	103 995	103 995	90 623	96 970	96 250
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	24 142	23 251	16 861	14 270	17 946	17 946	12 686	14 232	28 176
Planning and development	13 713	14 259	10 337	10 019	10 019	10 019	12 403	10 376	10 887
Road transport	10 419	8 970	6 229	4 206	7 882	7 882	235	3 806	17 235
Environmental protection	9	22	295	45	45	45	48	51	54
Trading services	597 702	674 417	752 662	778 700	789 029	789 029	856 129	926 326	976 001
Energy sources	342 621	381 333	419 560	438 026	448 910	448 910	487 257	535 591	572 180
Water management	128 180	125 375	145 980	147 953	149 453	149 453	156 014	171 049	170 007
Waste water management	72 399	95 070	110 345	105 084	103 908	103 908	119 196	120 031	126 999
Waste management	54 503	72 639	76 777	87 637	86 757	86 757	93 662	99 655	106 814
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	1 036 610	1 141 287	1 214 127	1 243 711	1 328 349	1 328 349	1 378 148	1 476 069	1 557 305
Expenditure - Functional									
Governance and administration	177 829	186 762	222 170	247 061	248 145	248 145	278 960	280 378	294 048
Executive and council	56 510	24 780	56 567	59 731	59 799	59 799	63 831	66 663	70 148
Finance and administration	47 972	71 864	162 935	184 233	185 249	185 249	211 553	209 971	219 937
Internal audit	73 347	90 118	2 668	3 097	3 097	3 097	3 576	3 744	3 963
Community and public safety	127 660	138 037	159 878	197 962	231 788	231 788	247 771	263 127	282 468
Community and social services	31 538	33 856	16 972	17 929	17 563	17 563	23 858	24 515	25 715
Sport and recreation	15 886	18 307	43 905	51 814	52 573	52 573	55 766	58 449	61 750
Public safety	72 088	73 286	80 702	94 795	98 604	98 604	116 197	122 184	128 494
Housing	8 148	12 589	18 299	33 424	63 048	63 048	51 950	57 978	66 510
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	173 813	182 017	146 841	162 841	163 988	163 988	180 331	187 390	194 762
Planning and development	78 356	85 115	36 688	44 429	43 435	43 435	53 028	54 088	56 084
Road transport	90 054	91 197	103 331	106 751	108 727	108 727	111 003	114 856	119 213
Environmental protection	5 402	5 705	6 821	11 661	11 826	11 826	16 300	18 446	19 465
Trading services	515 721	490 339	576 651	639 154	645 951	645 951	701 679	762 265	824 553
Energy sources	313 992	295 386	313 606	363 841	369 941	369 941	407 099	457 889	515 650
Water management	65 931	66 052	107 916	116 983	116 866	116 866	125 419	128 644	128 070
Waste water management	63 101	64 937	84 120	85 886	86 251	86 251	93 724	97 277	98 525
Waste management	72 697	63 964	71 009	72 444	72 893	72 893	75 437	78 455	82 309
Other	-	-	3 031	2 945	3 135	3 135	5 653	4 403	4 544
Total Expenditure - Functional	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) for the year	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

SCHEDULE 10

WC032 Overstrand - Schedule 10 - Budgeted Capital Expenditure by directorate

Vote Description R thousand	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	30 000	20 000
Vote 5 - Community Services	30 496	-	63 169	40 128	92 716	92 716	108 105	131 101	95 550
Vote 6 - Local Economic Development	-	-	4 809	5 588	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	-	-	-
Vote 8 - Protection Services	53 713	-	66 541	54 583	42 897	42 897	-	-	-
Total Capital Expenditure - Vote	84 209	-	134 520	100 298	135 613	135 613	108 105	161 101	115 550
Single-year expenditure to be appropriated									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	72	6 346	295	3 975	3 975	3 975	3 315	-	-
Vote 4 - Finance	885	-	-	30	30	30	60	-	-
Vote 5 - Community Services	1 540	16 315	28 195	45 186	43 870	43 870	99 373	15 036	29 828
Vote 6 - Local Economic Development	996	2 517	-	6 680	15 659	15 659	10 046	-	-
Vote 7 - Infrastructure & Planning	-	-	-	7 906	2 973	2 973	842	-	-
Vote 8 - Protection Services	4 167	80 077	12 100	97 601	73 611	73 611	45 355	-	-
Capital single-year expenditure sub-total	7 659	105 255	40 590	161 378	140 119	140 119	158 990	15 036	29 828
Total Capital Expenditure - Vote	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

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 some tables 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

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Preparation Instructions

Municipality Name: WC032 Overstrand

CFO Name: SANTIÉ REYNOLDS

Tel: 0283138040

Fax: 0283138128

E-Mail: rfo@overstrand.co.za

Budget for MTREF starting: 2020

Budget Year: 2020/21

Does this municipality have Entities? No

If YES: Identify type of report: Consolidated Information

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

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Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - Council & Mayor's 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 [Name of sub-vote]	
Vote 6 - Protection Services	1,5 [Name of sub-vote]	
Vote 7 - Economic and Social Development & Tourism	1,6 [Name of sub-vote]	
Vote 8 - Community Services	1,7 [Name of sub-vote]	
Vote 9 - Costing Services	1,8 [Name of sub-vote]	
Vote 10 - Main Ledger Services	1,9 [Name of sub-vote]	
Vote 11 - [NAME OF VOTE 11]	1,10 [Name of sub-vote]	
Vote 12 - [NAME OF VOTE 12]	Vote 2 Municipal Manager & Internal Audit	
Vote 13 - [NAME OF VOTE 13]	2,1 Municipal Manager	2,1 - Municipal Manager
Vote 14 - [NAME OF VOTE 14]	2,2 Internal Audit	2,2 - Internal Audit
Vote 15 - [NAME OF VOTE 15]	2,3 Risk Management	2,3 - Risk Management
	2,4 [Name of sub-vote]	
	2,5 [Name of sub-vote]	
	2,6 [Name of sub-vote]	
	2,7 [Name of sub-vote]	
	2,8 [Name of sub-vote]	
	2,9 [Name of sub-vote]	
	2,10 [Name of sub-vote]	
	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
	4,9 [Name of sub-vote]	
	4,10 [Name of sub-vote]	
	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

Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
	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
	7,7 [Name of sub-vote]	
	7,8 [Name of sub-vote]	
	7,9 [Name of sub-vote]	
	7.10 [Name of sub-vote]	
	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, Cemeteries	8,3 - Parks & Townlands, Cemeteries
	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
	9,4 [Name of sub-vote]	
	9,5 [Name of sub-vote]	
	9,6 [Name of sub-vote]	
	9,7 [Name of sub-vote]	
	9,8 [Name of sub-vote]	
	9,9 [Name of sub-vote]	
	9.10 [Name of sub-vote]	
	Vote 10 Main Ledger Services	
	10,1 Main Ledger	10,1 - Main Ledger
	10,2 [Name of sub-vote]	
	10,3 [Name of sub-vote]	
	10,4 [Name of sub-vote]	
	10,5 [Name of sub-vote]	
	10,6 [Name of sub-vote]	
	10,7 [Name of sub-vote]	
	10,8 [Name of sub-vote]	
	10,9 [Name of sub-vote]	
	10.10 [Name of sub-vote]	

Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
Vote 11	[NAME OF VOTE 11]	
	11.1 [Name of sub-vote]	
	11.2 [Name of sub-vote]	
	11.3 [Name of sub-vote]	
	11.4 [Name of sub-vote]	
	11.5 [Name of sub-vote]	
	11.6 [Name of sub-vote]	
	11.7 [Name of sub-vote]	
	11.8 [Name of sub-vote]	
	11.9 [Name of sub-vote]	
	11.10 [Name of sub-vote]	
Vote 12	[NAME OF VOTE 12]	
	12.1 [Name of sub-vote]	
	12.2 [Name of sub-vote]	
	12.3 [Name of sub-vote]	
	12.4 [Name of sub-vote]	
	12.5 [Name of sub-vote]	
	12.6 [Name of sub-vote]	
	12.7 [Name of sub-vote]	
	12.8 [Name of sub-vote]	
	12.9 [Name of sub-vote]	
	12.10 [Name of sub-vote]	
Vote 13	[NAME OF VOTE 13]	
	13.1 [Name of sub-vote]	
	13.2 [Name of sub-vote]	
	13.3 [Name of sub-vote]	
	13.4 [Name of sub-vote]	
	13.5 [Name of sub-vote]	
	13.6 [Name of sub-vote]	
	13.7 [Name of sub-vote]	
	13.8 [Name of sub-vote]	
	13.9 [Name of sub-vote]	
	13.10 [Name of sub-vote]	
Vote 14	[NAME OF VOTE 14]	
	14.1 [Name of sub-vote]	
	14.2 [Name of sub-vote]	
	14.3 [Name of sub-vote]	
	14.4 [Name of sub-vote]	
	14.5 [Name of sub-vote]	
	14.6 [Name of sub-vote]	
	14.7 [Name of sub-vote]	
	14.8 [Name of sub-vote]	
	14.9 [Name of sub-vote]	
	14.10 [Name of sub-vote]	
Vote 15	[NAME OF VOTE 15]	
	15.1 [Name of sub-vote]	
	15.2 [Name of sub-vote]	
	15.3 [Name of sub-vote]	
	15.4 [Name of sub-vote]	
	15.5 [Name of sub-vote]	
	15.6 [Name of sub-vote]	
	15.7 [Name of sub-vote]	
	15.8 [Name of sub-vote]	
	15.9 [Name of sub-vote]	
	15.10 [Name of sub-vote]	

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	600826 5162 08 8	ID Number	0
Title	Mr	Title	0
Name	ANTON COETSEE	Name	0
Telephone number	028 3164454	Telephone number	0
Cell number	083 2835 237	Cell number	0
Fax number	086 603 6114	Fax number	0
E-mail address	antoncoetsee@hermanus.co.za	E-mail address	0

Mayor/Executive Mayor:

ID Number	470721 5075 08 2
Title	Mr
Name	DUDLEY COETZEE
Telephone number	028 3138016
Cell number	082 5744 404
Fax number	028 313 8067
E-mail address	dcoetzee@overstrand.gov.za

Secretary/PA to the Mayor/Executive Mayor:

ID Number	700621 0297 08 1
Title	Ms
Name	DORET TALJAARD
Telephone number	028 3138052
Cell number	060 8368 895
Fax number	028 3138067
E-mail address	dtaljaard@overstrand.gov.za

Deputy Mayor/Executive Mayor:

ID Number	750427 0161 08 0
Title	Mrs
Name	Elnora Gillion
Telephone number	028 313 8016
Cell number	0606520214
Fax number	
E-mail address	egillion@overstrand.gov.za

Secretary/PA to the Deputy Mayor/Executive Mayor:

ID Number	880922 0040 08 9
Title	Mrs
Name	MADELEINE de VILLIERS
Telephone number	028 313 8002
Cell number	074 777 7640
Fax number	
E-mail address	maycomsec@overstrand.gov.za

D. MANAGEMENT LEADERSHIP

Municipal Manager:	
ID Number	5510065096086
Title	Mr
Name	COENIE GROENEWALD
Telephone number	028 3138003
Cell number	082 5529 555
Fax number	0865689726
E-mail address	cgroenewald@overstrand.gov.za

Secretary/PA to the Municipal Manager:

ID Number	5904010048088
Title	Mrs
Name	RENTIA PRETORIUS
Telephone number	028 3138909
Cell number	
Fax number	865689726
E-mail address	rpretorius@overstrand.gov.za

Chief Financial Officer

ID Number	6407080098081
Title	Mrs
Name	SANTIE REYNEKE-NAUDE

Secretary/PA to the Chief Financial Officer

ID Number	5612020062086
Title	Mrs
Name	RITA LE ROUX

Telephone number	0283138040	Telephone number	028 313 8074
Cell number	082 551 4499	Cell number	
Fax number	0283138128	Fax number	028 313 8128
E-mail address	cfo@overstrand.gov.za	E-mail address	rleroux@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 3138154	Telephone number	028 3138131
Cell number		Cell number	
Fax number	028 313 8128	Fax number	028 313 8128
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 JEPHTHA
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Cell number		Cell number	
Fax number	028 313 8128	Fax number	028 313 8128
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	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
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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands									
Financial Performance									
Property rates	197 104	215 763	233 274	242 150	242 950	242 950	271 251	286 630	303 395
Service charges	571 114	590 112	648 200	676 330	682 950	682 950	721 960	769 161	819 740
Investment revenue	20 347	30 320	41 767	28 010	35 860	35 860	39 350	41 641	44 140
Transfers recognised - operational	114 411	116 458	118 976	152 183	125 794	125 794	131 840	141 735	154 275
Other own revenue	99 952	124 371	105 849	74 844	191 962	191 962	183 127	194 232	198 227
Total Revenue (excluding capital transfers and contributions)	1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777
Employee costs	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
Remuneration of councillors	9 265	10 138	10 573	11 383	11 383	11 383	13 794	19 660	20 677
Depreciation & asset impairment	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Finance charges	45 913	46 129	44 921	51 549	51 549	51 549	53 688	54 327	54 392
Materials and bulk purchases	266 341	266 744	289 705	339 554	323 826	323 826	365 460	415 473	473 399
Transfers and grants	1 898	1 800	486	500	500	500	12 420	12 010	12 010
Other expenditure	236 710	240 817	263 925	315 888	374 942	374 942	379 403	392 076	415 422
Total Expenditure	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit)	7 906	79 868	39 495	(76 446)	(13 491)	(13 491)	(66 866)	(63 963)	(80 599)
Transfers and subsidies - capital (monetary allocations)	33 681	64 263	66 060	70 194	46 216	46 216	30 619	28 470	31 628
Contributions recognised - capital & contributed assets	-	-	-	-	2 618	2 618	-	14 000	5 900
Surplus/(Deficit) after capital transfers & contributions	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Capital expenditure & funds sources									
Capital expenditure	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Transfers recognised - capital	43 214	68 677	93 002	70 194	128 557	128 557	76 575	89 137	75 378
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	35 550	19 199	36 495	90 501	69 925	69 925	92 199	50 000	50 000
Internally generated funds	13 104	17 379	45 613	100 981	77 251	77 251	98 322	37 000	20 000
Total sources of capital funds	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Financial position									
Total current assets	404 764	625 093	710 826	583 535	703 090	703 090	659 202	621 597	595 703
Total non current assets	3 702 225	3 635 642	3 688 101	3 823 679	3 813 035	3 813 035	3 945 825	3 990 082	4 010 302
Total current liabilities	180 206	221 509	222 765	234 096	212 344	212 344	246 060	251 558	275 627
Total non current liabilities	629 633	613 708	645 090	694 547	694 547	694 547	705 981	728 629	741 958
Community wealth/Equity	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420
Cash flows									
Net cash from (used) operating	168 384	243 897	218 314	165 492	276 701	276 701	223 337	144 301	120 029
Net cash from (used) investing	(86 528)	(28 775)	(180 645)	(269 006)	(283 062)	(283 062)	(274 664)	(183 968)	(153 497)
Net cash from (used) financing	3 178	31	20 552	58 619	58 619	58 619	6 019	298	5 444
Cash/cash equivalents at the year end	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724
Cash backing/surplus reconciliation									
Cash and investments available	297 796	519 562	583 711	502 005	643 312	643 312	605 578	574 043	554 138
Application of cash and investments	21 418	63 220	67 672	49 170	27 718	27 718	57 635	70 163	87 908
Balance - surplus (shortfall)	276 379	456 342	516 039	452 835	615 593	615 593	547 943	503 880	466 230
Asset management									
Asset register summary (WDV)	3 664 217	3 591 027	3 637 568	3 765 790	3 755 146	3 755 146	3 880 365	3 916 787	3 928 888
Depreciation	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Renewal of Existing Assets	34 479	29 644	-	6 570	6 558	6 558	12 050	12 050	16 200
Repairs and Maintenance	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069
Free services									
Cost of Free Basic Services provided	5 174	6 813	79 256	84 049	84 049	84 049	86 324	97 721	110 568
Revenue cost of free services provided	50 566	51 711	52 080	54 292	54 292	54 292	66 457	70 445	74 671
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	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional	1									
Governance and administration		315 876	334 461	327 076	317 773	334 875	334 875	353 015	371 644	386 633
Executive and council		74 405	21 599	27 347	31 168	30 953	30 953	17 826	18 084	13 479
Finance and administration		227 951	262 045	299 642	286 569	303 887	303 887	335 188	353 560	373 154
Internal audit		13 521	50 817	86	36	36	36	-	-	-
Community and public safety		98 890	109 158	117 527	132 968	186 499	186 499	156 318	163 867	166 496
Community and social services		3 609	4 149	8 471	8 073	8 077	8 077	8 115	8 546	9 151
Sport and recreation		10 591	8 218	29 227	24 825	24 825	24 825	14 065	12 758	13 502
Public safety		44 357	40 605	32 372	47 393	49 601	49 601	43 515	45 592	47 592
Housing		40 333	56 186	47 457	52 676	103 995	103 995	90 623	96 970	96 250
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		24 142	23 251	16 861	14 270	17 946	17 946	12 686	14 232	28 176
Planning and development		13 713	14 259	10 337	10 019	10 019	10 019	12 403	10 376	10 887
Road transport		10 419	8 970	6 229	4 206	7 882	7 882	235	3 806	17 235
Environmental protection		9	22	295	45	45	45	48	51	54
Trading services		597 702	674 417	752 662	778 700	789 029	789 029	856 129	926 326	976 001
Energy sources		342 621	381 333	419 560	438 026	448 910	448 910	487 257	535 591	572 180
Water management		128 180	125 375	145 980	147 953	149 453	149 453	156 014	171 049	170 007
Waste water management		72 399	95 070	110 345	105 084	103 908	103 908	119 196	120 031	126 999
Waste management		54 503	72 639	76 777	87 637	86 757	86 757	93 662	99 655	106 814
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 036 610	1 141 287	1 214 127	1 243 711	1 328 349	1 328 349	1 378 148	1 476 069	1 557 305
Expenditure - Functional										
Governance and administration		177 829	186 762	222 170	247 061	248 145	248 145	278 960	280 378	294 048
Executive and council		56 510	24 780	56 567	59 731	59 799	59 799	63 831	66 663	70 148
Finance and administration		47 972	71 864	162 935	184 233	185 249	185 249	211 553	209 971	219 937
Internal audit		73 347	90 118	2 668	3 097	3 097	3 097	3 576	3 744	3 963
Community and public safety		127 660	138 037	159 878	197 962	231 788	231 788	247 771	263 127	282 468
Community and social services		31 538	33 856	16 972	17 929	17 563	17 563	23 858	24 515	25 715
Sport and recreation		15 886	18 307	43 905	51 814	52 573	52 573	55 766	58 449	61 750
Public safety		72 088	73 286	80 702	94 795	98 604	98 604	116 197	122 184	128 494
Housing		8 148	12 589	18 299	33 424	63 048	63 048	51 950	57 978	66 510
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		173 813	182 017	146 841	162 841	163 988	163 988	180 331	187 390	194 762
Planning and development		78 356	85 115	36 688	44 429	43 435	43 435	53 028	54 088	56 084
Road transport		90 054	91 197	103 331	106 751	108 727	108 727	111 003	114 856	119 213
Environmental protection		5 402	5 705	6 821	11 661	11 826	11 826	16 300	18 446	19 465
Trading services		515 721	490 339	576 651	639 154	645 951	645 951	701 679	762 265	824 553
Energy sources		313 992	295 386	313 606	363 841	369 941	369 941	407 099	457 889	515 650
Water management		65 931	66 052	107 916	116 983	116 866	116 866	125 419	128 644	128 070
Waste water management		63 101	64 937	84 120	85 886	86 251	86 251	93 724	97 277	98 525
Waste management		72 697	63 964	71 009	72 444	72 893	72 893	75 437	78 455	82 309
Other	4	-	-	3 031	2 945	3 135	3 135	5 653	4 403	4 544
Total Expenditure - Functional	3	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) for the year		41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)

4. All amounts must be classified under a functional classification . The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.

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

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional	1									
Municipal governance and administration		315 876	334 461	327 076	317 773	334 875	334 875	353 015	371 644	386 633
Executive and council		74 405	21 599	27 347	31 168	30 953	30 953	17 826	18 084	13 479
<i>Mayor and Council</i>		73 145	21 399	27 246	31 083	30 843	30 843	17 735	17 990	13 383
<i>Municipal Manager, Town Secretary and Chief Executive</i>		1 260	200	101	85	109	109	92	94	97
Finance and administration		227 951	262 045	299 642	286 569	303 887	303 887	335 188	353 560	373 154
<i>Administrative and Corporate Support</i>		7 014		253	231	379	379	313	324	335
<i>Asset Management</i>				-	-	-	-	-	-	-
<i>Finance</i>		214 443	262 045	292 695	284 756	294 926	294 926	325 956	344 290	363 843
<i>Fleet Management</i>				-	0	0	0	0	0	0
<i>Human Resources</i>		865		721	780	780	780	1 305	1 305	1 305
<i>Information Technology</i>		(5)		-	-	-	-	-	-	-
<i>Legal Services</i>				-	-	-	-	-	-	-
<i>Marketing, Customer Relations, Publicity and Media Co-ordination</i>				-	-	-	-	-	-	-
<i>Property Services</i>		5 633		(124)	468	468	468	480	507	537
<i>Risk Management</i>				-	-	-	-	-	-	-
<i>Security Services</i>				-	-	-	-	-	-	-
<i>Supply Chain Management</i>				205	158	158	158	121	121	121
<i>Valuation Service</i>		(0)		5 893	175	7 175	7 175	7 012	7 012	7 012
Internal audit		13 521	50 817	86	36	36	36	-	-	-
<i>Governance Function</i>		13 521	50 817	86	36	36	36	-	-	-
Community and public safety		98 890	109 158	117 527	132 968	186 499	186 499	156 318	163 867	166 496
Community and social services		3 609	4 149	8 471	8 073	8 077	8 077	8 115	8 546	9 151
<i>Aged Care</i>				-	-	-	-	-	-	-
<i>Agricultural</i>				-	-	-	-	-	-	-
<i>Animal Care and Diseases</i>				-	-	-	-	-	-	-
<i>Cemeteries, Funeral Parlours and Crematoriums</i>		212	280	289	216	226	226	196	196	196
<i>Child Care Facilities</i>			30	400	-	-	-	-	-	-
<i>Community Halls and Facilities</i>		3 255	3 677	298	442	436	436	155	164	324
<i>Consumer Protection</i>				-	-	-	-	-	-	-
<i>Cultural Matters</i>				-	-	-	-	-	-	-
<i>Disaster Management</i>				-	-	-	-	-	-	-
<i>Education</i>				-	-	-	-	-	-	-
<i>Indigenous and Customary Law</i>				-	-	-	-	-	-	-
<i>Industrial Promotion</i>				-	-	-	-	-	-	-
<i>Language Policy</i>				-	-	-	-	-	-	-
<i>Libraries and Archives</i>		142	162	7 423	7 415	7 415	7 415	7 763	8 186	8 631
<i>Literacy Programmes</i>				-	-	-	-	-	-	-
<i>Media Services</i>				-	-	-	-	-	-	-
<i>Museums and Art Galleries</i>				-	-	-	-	-	-	-
<i>Population Development</i>				62	-	-	-	-	-	-
<i>Provincial Cultural Matters</i>				-	-	-	-	-	-	-
<i>Theatres</i>				-	-	-	-	-	-	-
<i>Zoo's</i>				-	-	-	-	-	-	-
Sport and recreation		10 591	8 218	29 227	24 825	24 825	24 825	14 065	12 758	13 502
<i>Beaches and Jetties</i>				763	665	665	665	706	747	792
<i>Casinos, Racing, Gambling, Wagering</i>				-	-	-	-	-	-	-
<i>Community Parks (including Nurseries)</i>			8 218	4 319	3 856	3 856	3 856	4 154	4 399	4 663
<i>Recreational Facilities</i>		10 591		7 090	6 790	6 790	6 790	7 177	7 605	8 040
<i>Sports Grounds and Stadiums</i>				17 055	13 514	13 514	13 514	2 029	8	8

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Public safety		44 357	40 605	32 372	47 393	49 601	49 601	43 515	45 592	47 592
Civil Defence				200	5 800	5 800	5 800	2 200	2 420	2 000
Cleansing										
Control of Public Nuisances										
Fencing and Fences										
Fire Fighting and Protection		44 357	40 605	228	2 018	2 018	2 018	862	130	130
Licensing and Control of Animals				318	300	2 008	2 008	317	336	356
Police Forces, Traffic and Street Parking Control				31 626	39 276	39 776	39 776	40 136	42 706	45 106
Pounds										
Housing		40 333	56 186	47 457	52 676	103 995	103 995	90 623	96 970	96 250
Housing		40 333	56 186	47 457	52 676	103 995	103 995	90 623	96 970	96 250
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		24 142	23 251	16 861	14 270	17 946	17 946	12 686	14 232	28 176
Planning and development		13 713	14 259	10 337	10 019	10 019	10 019	12 403	10 376	10 887
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDs)										
Central City Improvement District										
Development Facilitation										
Economic Development/Planning		12 155		1 926	2 735	2 735	2 735	4 500	2 000	2 000
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City Engineer		1 558	14 259	8 411	7 284	7 284	7 284	7 903	8 376	8 887
Project Management Unit										
Provincial Planning										
Support to Local Municipalities										
Road transport		10 419	8 970	6 229	4 206	7 882	7 882	235	3 806	17 235
Public Transport										
Road and Traffic Regulation										
Roads		10 419	8 970	6 229	4 206	7 882	7 882	235	3 806	17 235
Taxi Ranks										
Environmental protection		9	22	295	45	45	45	48	51	54
Biodiversity and Landscape		9	22	295	45	45	45	48	51	54
Coastal Protection										
Indigenous Forests										
Nature Conservation										
Pollution Control										
Soil Conservation										

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Trading services		597 702	674 417	752 662	778 700	789 029	789 029	856 129	926 326	976 001
Energy sources		342 621	381 333	419 560	438 026	448 910	448 910	487 257	535 591	572 180
Electricity		342 621	381 333	419 560	438 026	448 910	448 910	487 257	535 591	572 180
Street Lighting and Signal Systems										
Nonelectric Energy										
Water management		128 180	125 375	145 980	147 953	149 453	149 453	156 014	171 049	170 007
Water Treatment										
Water Distribution		128 180	125 375	145 980	147 953	149 453	149 453	156 014	171 049	170 007
Water Storage										
Waste water management		72 399	95 070	110 345	105 084	103 908	103 908	119 196	120 031	126 999
Public Toilets										
Sewerage		70 005	84 128	104 583	97 498	98 498	98 498	108 732	112 067	126 899
Storm Water Management		2 394	10 942	5 762	7 586	5 410	5 410	10 464	7 964	100
Waste Water Treatment										
Waste management		54 503	72 639	76 777	87 637	86 757	86 757	93 662	99 655	106 814
Recycling										
Solid Waste Disposal (Landfill Sites)				1 157	1 402	1 402	1 402	22	22	22
Solid Waste Removal		54 503	72 639	75 619	86 235	85 355	85 355	93 640	99 634	106 793
Street Cleaning										
Other		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Air Transport		-	-	-	-	-	-	-	-	-
Forestry		-	-	-	-	-	-	-	-	-
Licensing and Regulation		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Tourism		-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 036 610	1 141 287	1 214 127	1 243 711	1 328 349	1 328 349	1 378 148	1 476 069	1 557 305

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Expenditure - Functional	1									
Municipal governance and administration		177 829	186 762	222 170	247 061	248 145	248 145	278 960	280 378	294 048
Executive and council		56 510	24 780	56 567	59 731	59 799	59 799	63 831	66 663	70 148
Mayor and Council		36 186	4 303	38 174	36 076	35 875	35 875	36 751	37 583	39 357
Municipal Manager, Town Secretary and Chief Executive		20 324	20 476	18 394	23 654	23 923	23 923	27 080	29 080	30 791
Finance and administration		47 972	71 864	162 935	184 233	185 249	185 249	211 553	209 971	219 937
Administrative and Corporate Support		-	-	41 615	33 748	33 172	33 172	45 389	46 432	48 854
Asset Management		-	-	-	-	-	-	-	-	-
Finance		47 972	71 864	65 916	64 840	64 530	64 530	87 622	83 725	87 578
Fleet Management		-	-	7 758	8 547	9 097	9 097	7 913	8 640	9 405
Human Resources		-	-	11 468	13 699	13 631	13 631	14 317	14 940	15 608
Information Technology		-	-	17 349	22 174	22 174	22 174	23 129	23 853	24 633
Legal Services		-	-	4 512	5 049	5 049	5 049	5 853	6 181	6 546
Marketing, Customer Relations, Publicity and Media Co-ordination		-	-	1 570	2 912	2 912	2 912	3 141	3 282	3 393
Property Services		-	-	3 963	18 453	19 313	19 313	9 817	10 049	10 386
Risk Management		-	-	-	-	-	-	260	260	260
Security Services		-	-	-	4 369	4 630	4 630	2 703	697	733
Supply Chain Management		-	-	8 784	10 443	10 743	10 743	11 409	11 912	12 541
Valuation Service		-	-	-	-	-	-	-	-	-
Internal audit		73 347	90 118	2 668	3 097	3 097	3 097	3 576	3 744	3 963
Governance Function		73 347	90 118	2 668	3 097	3 097	3 097	3 576	3 744	3 963
Community and public safety		127 660	138 037	159 878	197 962	231 788	231 788	247 771	263 127	282 468
Community and social services		31 538	33 856	16 972	17 929	17 563	17 563	23 558	24 515	25 715
Aged Care		-	-	1	1	1	1	1	1	1
Agricultural		-	-	-	-	-	-	-	-	-
Animal Care and Diseases		-	-	-	-	-	-	-	-	-
Cemeteries, Funeral Parlours and Crematoriums		502	512	1 077	1 044	1 004	1 004	1 066	1 100	1 160
Child Care Facilities		-	241	576	-	180	180	-	-	-
Community Halls and Facilities		23 886	25 542	7 007	7 495	7 002	7 002	13 032	13 126	13 639
Consumer Protection		-	-	-	-	-	-	-	-	-
Cultural Matters		-	-	-	-	-	-	-	-	-
Disaster Management		-	-	-	-	-	-	-	-	-
Education		-	-	-	-	-	-	-	-	-
Indigenous and Customary Law		-	-	-	-	-	-	-	-	-
Industrial Promotion		-	-	-	-	-	-	-	-	-
Language Policy		-	-	-	-	-	-	-	-	-
Libraries and Archives		7 150	7 560	8 250	9 389	9 376	9 376	9 759	10 289	10 915
Literacy Programmes		-	-	-	-	-	-	-	-	-
Media Services		-	-	-	-	-	-	-	-	-
Museums and Art Galleries		-	-	-	-	-	-	-	-	-
Population Development		-	-	62	-	-	-	-	-	-
Provincial Cultural Matters		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Zoo's		-	-	-	-	-	-	-	-	-
Sport and recreation		15 886	18 307	43 905	51 814	52 573	52 573	55 766	58 449	61 750
Beaches and Jetties		-	-	6 912	6 001	6 961	6 961	7 191	7 587	8 005
Casinos, Racing, Gambling, Wagering		-	-	-	-	-	-	-	-	-
Community Parks (including Nurseries)		-	18 307	22 501	27 413	28 386	28 386	28 952	30 690	32 450
Recreational Facilities		15 886	-	10 390	12 463	11 841	11 841	12 732	13 234	13 996
Sports Grounds and Stadiums		-	-	4 102	5 938	5 386	5 386	6 892	6 938	7 299

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Public safety		72 088	73 286	80 702	94 795	98 604	98 604	116 197	122 184	128 494
Civil Defence			37 733	3 066	5 570	4 374	4 374	3 700	3 921	4 155
Cleansing										
Control of Public Nuisances		10 415	13 812	13 476	16 948	18 816	18 816	30 193	31 619	33 520
Fencing and Fences										
Fire Fighting and Protection		24 078	21 741	27 322	22 349	23 091	23 091	27 436	28 774	30 365
Licensing and Control of Animals				57						
Police Forces, Traffic and Street Parking Control		37 594		36 782	49 929	52 323	52 323	54 869	57 871	60 453
Pounds										
Housing		8 148	12 589	18 299	33 424	63 048	63 048	51 950	57 978	66 510
Housing		8 148	12 589	18 299	33 424	63 048	63 048	51 950	57 978	66 510
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		173 813	182 017	146 841	162 841	163 988	163 988	180 331	187 390	194 762
Planning and development		78 356	85 115	36 688	44 429	43 435	43 435	53 028	54 088	56 084
Billboards										
Corporate Wide Strategic Planning (IDPs, LEDs)				3 902	4 297	4 297	4 297	4 487	4 700	4 954
Central City Improvement District										
Development Facilitation				1 189	1 087	1 087	1 087	1 534	1 639	1 677
Economic Development/Planning		69 456	75 662	6 067	9 307	9 347	9 347	11 691	10 812	11 863
Regional Planning and Development										
Town Planning, Building Regulations and Enforcement, and City Engineer		8 901	9 453	18 211	21 178	20 218	20 218	24 662	25 728	25 737
Project Management Unit				7 319	8 561	8 487	8 487	10 653	11 210	11 853
Provincial Planning										
Support to Local Municipalities										
Road transport		90 054	91 197	103 331	106 751	108 727	108 727	111 003	114 856	119 213
Public Transport										
Road and Traffic Regulation		90 054	91 197	1 094	1 248	1 348	1 348	1 305	1 388	1 477
Roads				102 237	105 504	107 379	107 379	109 698	113 468	117 736
Taxi Ranks										
Environmental protection		5 402	5 705	6 821	11 661	11 826	11 826	16 300	18 446	19 465
Biodiversity and Landscape			5 705	6 309	11 421	11 586	11 586	15 866	17 990	18 987
Coastal Protection										
Indigenous Forests										
Nature Conservation		5 402		512	240	240	240	435	456	478
Pollution Control										
Soil Conservation										

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Trading services		515 721	490 339	576 651	639 154	645 951	645 951	701 679	762 265	824 553
Energy sources		313 992	295 386	313 606	363 841	369 941	369 941	407 099	457 889	515 650
Electricity		313 992	295 386	312 207	361 870	366 358	366 358	404 656	455 364	513 004
Street Lighting and Signal Systems				1 399	1 970	3 583	3 583	2 443	2 525	2 646
Nonelectric Energy										
Water management		65 931	66 052	107 916	116 983	116 866	116 866	125 419	128 644	128 070
Water Treatment				52 395	56 982	56 724	56 724	59 548	62 385	65 339
Water Distribution		65 931	66 052	51 366	54 408	54 547	54 547	58 904	59 102	55 950
Water Storage				4 155	5 594	5 594	5 594	6 967	7 157	6 781
Waste water management		63 101	64 937	84 120	85 886	86 251	86 251	93 724	97 277	98 525
Public Toilets		320	350	631	487	637	637	648	657	694
Sewerage		51 256	52 578	47 375	48 425	46 866	46 866	53 896	56 937	59 409
Storm Water Management		11 524	12 009	11 426	13 498	13 273	13 273	15 021	14 984	13 597
Waste Water Treatment				24 689	23 475	25 475	25 475	24 160	24 699	24 825
Waste management		72 697	63 964	71 009	72 444	72 893	72 893	75 437	78 455	82 309
Recycling				143	230	230	230	258	450	475
Solid Waste Disposal (Landfill Sites)				31 028	34 307	36 352	36 352	37 356	37 501	39 142
Solid Waste Removal		72 697	63 964	38 983	36 993	35 408	35 408	37 822	40 504	42 692
Street Cleaning		(0)		855	914	903	903			
Other		-	-	3 031	2 945	3 135	3 135	5 653	4 403	4 544
Abattoirs										
Air Transport										
Forestry										
Licensing and Regulation										
Markets										
Tourism				3 031	2 945	3 135	3 135	5 653	4 403	4 544
Total Expenditure - Functional	3	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) for the year		41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison
2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)
3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)
4. All amounts must be classified under a Functional classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Revenue by Vote	1									
Vote 1 - Council & Mayor's Office		73 145	21 399	27 246	31 083	30 843	30 843	17 735	17 990	13 383
Vote 2 - Municipal Manager & Internal Audit		12	64	86	36	36	36	-	-	-
Vote 3 - Management Services		2 031	821	1 070	844	844	844	1 366	1 366	1 366
Vote 4 - Finance		231 209	262 709	292 912	284 914	295 084	295 084	326 077	344 411	363 965
Vote 5 - Infrastructure & Planning		393 923	489 799	496 225	497 130	567 833	567 833	592 443	647 600	683 983
Vote 6 - Protection Services		42 387	40 605	32 267	47 393	49 601	49 601	43 515	45 592	47 592
Vote 7 - Economic and Social Development & Tourism		3 556	2 788	2 030	2 635	2 986	2 986	4 586	2 091	2 247
Vote 8 - Community Services		290 348	323 102	362 289	379 676	381 122	381 122	392 426	417 019	444 770
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 036 610	1 141 287	1 214 127	1 243 711	1 328 349	1 328 349	1 378 148	1 476 069	1 557 305
Expenditure by Vote to be appropriated	1									
Vote 1 - Council & Mayor's Office		42 588	4 303	38 174	36 077	35 876	35 876	36 751	37 583	39 358
Vote 2 - Municipal Manager & Internal Audit		3 922	4 542	5 050	5 797	6 297	6 297	7 654	8 013	8 450
Vote 3 - Management Services		40 697	43 809	46 736	56 900	55 967	55 967	57 253	59 982	62 583
Vote 4 - Finance		64 984	71 890	74 716	75 077	75 067	75 067	98 816	95 410	99 881
Vote 5 - Infrastructure & Planning		432 211	414 432	449 522	527 994	565 180	565 180	606 858	673 160	747 711
Vote 6 - Protection Services		72 087	73 272	81 089	95 150	98 890	98 890	114 249	117 569	123 633
Vote 7 - Economic and Social Development & Tourism		10 220	10 558	10 303	13 291	14 310	14 310	20 614	18 664	20 126
Vote 8 - Community Services		328 315	374 350	402 983	439 679	441 420	441 420	472 201	487 179	498 634
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) for the year	2	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote	1									
Vote 1 - Council & Mayor's Office		73 145	21 399	27 246	31 083	30 843	30 843	17 735	17 990	13 383
1,1 - Council General		73 145	21 399	27 246	31 083	30 843	30 843	17 735	17 990	13 383
1,2 - Mayor's Office		-	-	-	-	-	-	-	-	-
1,3 - Pensioners & Continued Members		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
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Vote 2 - Municipal Manager & Internal Audit		12	64	86	36	36	36	-	-	-
2,1 - Municipal Manager		12						-	-	-
2,2 - Internal Audit			64	86	36	36	36	-	-	-
2,3 - Risk Management		-	-	-	-	-	-	-	-	-
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Vote 3 - Management Services		2 031	821	1 070	844	844	844	1 366	1 366	1 366
3,1 - Director: Management Services		1 164	73	73	60	60	60	60	60	60
3,2 - Communication								-	-	-
3,3 - Legal Services								-	-	-
3,4 - Strategic Services								-	-	-
3,5 - Human Resources		865	747	993	780	780	780	1 305	1 305	1 305
3,6 - Info & Communication Technology								-	-	-
3,7 - Council Support Services		2		4	4	4	4	1	1	1
3,8 - Social Development								-	-	-
3,9 - Municipal Court								-	-	-
								-	-	-
Vote 4 - Finance		231 209	262 709	292 912	284 914	295 084	295 084	326 077	344 411	363 965
4,1 - Finance: Director								-	-	-
4,2 - Finance: Deputy Director		1 475	1 550	1 550	2 110	1 830	1 830	1 025	1 025	1 025
4,3 - Finance: Accounting Services		23 580	35 787	42 697	30 001	37 851	37 851	41 351	43 642	46 141
4,4 - Finance: Expenditure & Assets		289	50	4 250	35	1 535	1 535	1 530	1 531	1 532
4,5 - Finance: Revenue		8 708	10 385	10 936	10 460	10 760	10 760	10 799	11 263	11 751
4,6 - Finance: Supply Chain Management		110	91	205	158	158	158	121	121	121
4,7 - Data Control								-	-	-
4,8 - Assessment Rates		197 047	214 845	233 274	242 150	242 950	242 950	271 251	286 830	303 395
								-	-	-
								-	-	-

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Vote 5 - Infrastructure & Planning		393 923	489 799	496 225	497 130	567 833	567 833	592 443	647 600	683 983
5,1 - Director: Infrastructure & Planning				-	100	100	100	0	0	0
5,2 - Deputy Director:Engineering Planning		571	120	-	0	0	0	0	0	0
5,3 - Engineering Services & Housing Development		41 634	56 973	46 576	51 500	104 319	104 319	90 223	96 570	95 850
5,4 - Town Planning		1 558	2 154	17 852	1 170	1 170	1 170	1 430	1 515	1 606
5,5 - Geographical Info System (GIS)				-	-	-	-	-	-	-
5,6 - Building Control Services		7 498	8 026	6 881	6 113	6 113	6 113	6 473	6 860	7 281
5,7 - Environmental Management Services		9	22	45	45	45	45	48	51	54
5,8 - Electricity		342 621	380 758	419 548	438 026	448 910	448 910	487 257	535 591	572 180
5,9 - Solid Waste Planning & Solid Waste Disposal				-	-	-	-	-	-	-
5.10 - Property Administration		32	41 746	5 324	175	7 175	7 175	7 012	7 012	7 012
Vote 6 - Protection Services		42 387	40 605	32 267	47 393	49 601	49 601	43 515	45 592	47 592
6,1 - Director: Protection Services				200	-	-	-	-	-	-
6,2 - Traffic		41 480	37 450	31 521	39 276	39 776	39 776	40 136	42 706	45 106
6,3 - Law Enforcement		288	278	318	5 100	6 808	6 808	2 517	2 756	2 356
6,4 - Vehicle testing				-	-	-	-	-	-	-
6,5 - Fire Brigade		619	2 877	228	3 018	3 018	3 018	862	130	130
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		3 556	2 788	2 030	2 635	2 986	2 986	4 586	2 091	2 247
7,1 - Director: Economic Development & Planning				1 926	2 635	2 635	2 635	2 500	-	-
7,2 - Tourism			29	-	-	-	-	-	-	-
7,3 - Social Development		1 922	2 300	104	-	-	-	-	-	-
7,4 - EPWP				-	-	-	-	-	-	-
7,5 - Thusong Centre: Hawston				-	-	351	351	86	91	247
7,6 - Parking Services		1 634	458	-	-	-	-	2 000	2 000	2 000
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Vote 8 - Community Services		290 348	323 102	362 289	379 676	381 122	381 122	392 426	417 019	444 770
8,1 - Director & Administration		7 464	8 086	722	59	232	232	141	143	146
8,2 - Offices & Community Buildings		1 012	896	1 008	1 103	746	746	753	795	839
8,3 - Parks & Townlands, Cemeteries		3 115	3 728	4 608	4 072	4 082	4 082	4 350	4 595	4 859
8,4 - Libraries		142	162	7 423	7 415	7 415	7 415	7 763	8 186	8 631
8,5 - Sport & Recreation		10 370	7 942	8 587	20 970	20 970	20 970	9 911	8 360	8 839
8,6 - Housing & Social Upliftment		350	385	609	1 176	1 176	1 176	400	400	400
8,7 - Roads & Stormwater		12 813	19 912	11 991	11 792	11 792	11 792	10 700	11 770	17 336
8,8 - Water		128 180	125 312	145 980	147 953	149 453	149 453	156 014	171 049	170 007
8,9 - Sewerage		72 399	84 128	104 583	97 498	98 498	98 498	108 732	112 067	126 899
8.10 - Refuse		54 503	72 552	76 777	87 637	86 757	86 757	93 662	99 655	106 814

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
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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Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
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Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
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WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Expenditure by Vote										
Vote 1 - Council & Mayor's Office	1	42 588	4 303	38 174	36 077	35 876	35 876	36 751	37 583	39 358
1,1 - Council General		41 529	3 601	37 129	33 610	33 409	33 409	35 123	36 060	37 764
1,2 - Mayor's Office		1 057	702	1 044	2 467	2 467	2 467	1 627	1 522	1 593
1,3 - Pensioners & Continued Members		1	0	1	1	1	1	1	1	1
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Vote 2 - Municipal Manager & Internal Audit		3 922	4 542	5 050	5 797	6 297	6 297	7 654	8 013	8 450
2,1 - Municipal Manager		2 021	2 282	2 382	2 699	3 200	3 200	3 817	4 009	4 227
2,2 - Internal Audit		1 901	2 260	2 668	3 097	3 097	3 097	3 576	3 744	3 963
2,3 - Risk Management		-	-	-	-	-	-	260	260	260
		-	-	-	-	-	-	-	-	-
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Vote 3 - Management Services		40 697	43 809	46 736	56 900	55 967	55 967	57 253	59 982	62 583
3,1 - Director: Management Services		6 278	7 231	5 183	6 263	5 399	5 399	5 047	5 688	6 037
3,2 - Communication		2 406	1 982	1 570	2 912	2 912	2 912	3 141	3 282	3 393
3,3 - Legal Services		3 260	2 193	2 381	2 612	2 612	2 612	2 522	2 655	2 796
3,4 - Strategic Services		1 550	1 692	1 834	2 072	2 072	2 072	2 249	2 348	2 482
3,5 - Human Resources		9 897	10 435	11 468	13 663	13 595	13 595	14 280	14 900	15 566
3,6 - Info & Communication Technology		12 182	13 762	17 349	22 174	22 174	22 174	23 129	23 853	24 633
3,7 - Council Support Services		3 595	4 411	4 819	4 766	4 766	4 766	5 635	5 941	6 275
3,8 - Social Development		905	-	-	-	-	-	1 250	1 316	1 400
3,9 - Municipal Court		623	2 103	2 131	2 436	2 436	2 436	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 4 - Finance		64 984	71 890	74 716	75 077	75 067	75 067	98 816	95 410	99 881
4,1 - Finance: Director		2 100	2 138	2 255	2 490	2 490	2 490	2 608	2 746	2 889
4,2 - Finance: Deputy Director		6 277	7 049	7 394	8 453	8 173	8 173	8 257	8 352	8 463
4,3 - Finance: Accounting Services		5 309	9 728	6 677	6 465	6 498	6 498	6 842	7 186	7 620
4,4 - Finance: Expenditure & Assets		10 497	10 951	11 390	13 318	14 155	14 155	15 405	16 222	17 141
4,5 - Finance: Revenue		23 569	25 625	27 804	29 935	29 335	29 335	31 465	33 300	35 320
4,6 - Finance: Supply Chain Management		7 702	7 207	8 784	10 376	10 376	10 376	11 040	11 539	12 165
4,7 - Data Control		612	580	604	1 407	1 407	1 407	1 447	1 487	1 530
4,8 - Assessment Rates		8 920	8 612	9 809	2 632	2 632	2 632	21 751	14 576	14 754
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WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Vote 5 - Infrastructure & Planning		432 211	414 432	449 522	527 994	565 180	565 180	606 858	673 160	747 711
5,1 - Director: Infrastructure & Planning		2 427	2 611	2 574	2 759	2 759	2 759	2 953	3 069	3 199
5,2 - Deputy Director:Engineering Planning		47 283	52 523	61 738	66 757	68 500	68 500	72 002	76 959	82 305
5,3 - Engineering Services & Housing Development		11 147	10 909	15 884	29 592	59 252	59 252	50 580	56 550	65 034
5,4 - Town Planning		8 860	9 453	10 611	12 866	11 866	11 866	12 637	13 248	13 914
5,5 - Geographical Info System (GIS)		1 654	2 257	2 018	2 073	2 113	2 113	2 571	2 716	1 527
5,6 - Building Control Services		4 902	5 435	5 582	6 239	6 239	6 239	9 289	9 609	10 149
5,7 - Environmental Management Services		5 402	5 705	6 786	11 448	11 498	11 498	16 086	18 220	19 229
5,8 - Electricity		313 992	296 310	313 442	362 087	367 787	367 787	405 275	455 989	513 672
5,9 - Solid Waste Planning & Solid Waste Disposal		23 984	27 266	28 650	30 810	31 770	31 770	31 582	32 777	34 430
5.10 - Property Administration		12 559	1 963	2 237	3 362	3 395	3 395	3 885	4 024	4 254
Vote 6 - Protection Services		72 087	73 272	81 089	95 150	98 890	98 890	114 249	117 569	123 633
6,1 - Director: Protection Services		2 061	2 217	2 373	2 623	2 603	2 603	4 300	4 094	4 302
6,2 - Traffic		41 226	37 733	36 604	48 292	50 876	50 876	49 081	51 695	54 512
6,3 - Law Enforcement		12 938	9 881	13 191	17 670	18 078	18 078	30 934	32 502	33 901
6,4 - Vehicle testing		330	420	354	491	591	591	445	472	501
6,5 - Fire Brigade		14 310	21 483	27 082	19 895	19 936	19 936	7 092	7 273	7 525
6,6 - Vehicle Licensing		935	1 005	1 082	1 203	1 203	1 203	1 278	1 360	1 448
6,7 - Special Task Team Unit		288	287	162	292	256	256	305	319	334
6,8 - Disaster Management				240	316	716	716	330	345	361
6,9 - Security Services			246		4 369	4 630	4 630	20 484	19 509	20 751
		-	-	-	-	-	-	-	-	-
Vote 7 - Economic and Social Development & Tourism		10 220	10 558	10 303	13 291	14 310	14 310	20 614	18 664	20 126
7,1 - Director: Economic Development & Planning		3 182	3 936	4 074	9 260	9 260	9 260	10 131	9 250	10 301
7,2 - Tourism		3 012	2 848	3 014	2 945	2 945	2 945	5 653	4 403	4 544
7,3 - Social Development			1 045	2 011	1 087	-	-	1 528	1 634	1 672
7,4 - EPWP		1 934	2 300					-	-	-
7,5 - Thusong Centre: Hawston						1 019	1 019	306	309	465
7,6 - Parking Services		2 092	428	1 204		1 087	1 087	2 996	3 069	3 144
		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Vote 8 - Community Services		328 315	374 350	402 983	439 679	441 420	441 420	472 201	487 179	498 634
8,1 - Director & Administration		25 305	51 158	49 699	84 286	85 937	85 937	89 357	92 578	98 033
8,2 - Offices & Community Buildings		6 232	21 957	19 902	21 283	21 350	21 350	24 758	25 289	25 876
8,3 - Parks & Townlands, Cemeteries		19 913	20 888	24 551	26 909	26 569	26 569	30 258	32 184	34 051
8,4 - Libraries		7 150	7 560	8 009	9 073	9 060	9 060	9 711	10 241	10 867
8,5 - Sport & Recreation		15 885	17 038	20 432	23 211	23 018	23 018	25 184	26 446	27 920
8,6 - Housing & Social Upliftment		4 556	4 972	6 012	8 209	8 099	8 099	7 523	7 906	8 333
8,7 - Roads & Stormwater		83 052	102 282	110 978	111 555	112 156	112 156	116 258	119 860	122 269
8,8 - Water		65 931	58 870	64 021	64 836	64 816	64 816	69 752	69 129	64 420
8,9 - Sewerage		51 577	52 928	57 875	53 381	53 781	53 781	59 651	62 041	63 366
8.10 - Refuse		48 713	36 698	41 504	36 935	36 635	36 635	39 750	41 506	43 498

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
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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Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
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Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
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WC032 Overstrand - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Revenue By Source										
Property rates	2	197 104	215 763	233 274	242 150	242 950	242 950	271 251	286 830	303 395
Service charges - electricity revenue	2	334 765	349 298	378 668	398 868	403 868	403 868	431 748	461 627	493 845
Service charges - water revenue	2	115 070	110 932	129 971	127 320	128 820	128 820	134 027	141 979	150 407
Service charges - sanitation revenue	2	66 890	72 106	77 772	80 020	81 020	81 020	83 772	88 798	94 127
Service charges - refuse revenue	2	54 389	57 775	61 788	70 122	69 242	69 242	72 414	76 757	81 361
Rental of facilities and equipment		11 613	5 616	6 341	3 562	3 562	3 562	3 707	3 899	4 108
Interest earned - external investments		20 347	30 320	41 767	28 010	35 860	35 860	39 350	41 641	44 140
Interest earned - outstanding debtors		2 671	3 854	4 193	4 151	4 451	4 451	4 851	5 085	5 333
Dividends received										
Fines, penalties and forfeits		38 715	31 638	24 734	32 552	32 552	32 552	32 581	34 701	36 721
Licences and permits		2 525	2 527	2 526	2 462	2 462	2 462	2 491	2 633	2 688
Agency services		3 480	4 149	4 913	4 700	5 200	5 200	5 526	5 856	6 206
Transfers and subsidies		114 411	116 458	118 976	152 183	125 794	125 794	131 840	141 735	154 275
Other revenue	2	34 706	48 492	63 142	27 416	143 735	143 735	133 971	142 058	143 172
Gains on disposal of PPE		6 242	28 096	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777
Expenditure By Type										
Employee related costs	2	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
Remuneration of councillors		9 265	10 138	10 573	11 383	11 383	11 383	13 794	19 660	20 677
Debt impairment	3	22 221	18 013	17 949	24 902	24 902	24 902	26 147	27 454	28 827
Depreciation & asset impairment	2	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Finance charges		45 913	46 129	44 921	51 549	51 549	51 549	53 668	54 327	54 392
Bulk purchases	2	217 523	225 844	242 614	275 880	280 880	280 880	323 012	371 463	427 183
Other materials	8	48 818	40 900	47 091	63 675	42 946	42 946	42 448	44 009	46 216
Contracted services		155 726	167 079	186 758	207 536	214 349	214 349	229 366	232 659	242 756
Transfers and subsidies		1 898	1 800	486	500	500	500	12 420	12 010	12 010
Other expenditure	4, 5	50 631	55 726	58 609	83 450	103 992	103 992	123 890	131 963	143 839
Loss on disposal of PPE		8 133		610		31 700	31 700			
Total Expenditure		995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit)		7 906	79 868	39 495	(76 446)	(13 491)	(13 491)	(66 866)	(63 963)	(80 599)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		33 681	64 263	66 060	70 194	46 216	46 216	30 619	28 470	31 628
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	14 000	5 900
Transfers and subsidies - capital (in-kind - all)						2 618	2 618	-	-	-
Surplus/(Deficit) after capital transfers & contributions		41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)

References

- Classifications are revenue sources and expenditure type
- Detail to be provided in Table SA1
- Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
- Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
- Repairs & maintenance detailed in Table A9 and Table SA34c
- Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
- Equity method (Includes Joint Ventures)
- All materials not part of 'bulk' e.g. road making materials, pipe, cable etc.

Total Revenue 1 036 610 1 141 287 1 214 127 1 243 711 1 328 349 1 328 349 1 378 148 1 476 069 1 557 305

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
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		-	-	-	-	-	-	-	-	-
Vote 4 - Finance		-	-	-	-	-	-	-	30 000	20 000
Vote 5 - Infrastructure & Planning		30 496	-	63 169	40 128	92 716	92 716	108 105	131 101	95 550
Vote 6 - Protection Services		-	-	4 809	5 588	-	-	-	-	-
Vote 7 - Economic and Social Development & Tourism		-	-	-	-	-	-	-	-	-
Vote 8 - Community Services		53 713	-	66 541	54 583	42 897	42 897	-	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		84 209	-	134 520	100 298	135 613	135 613	108 105	161 101	115 550
Single-year expenditure, to be appropriated	2									
Vote 1 - Council & Mayor's Office		-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit		-	-	-	-	-	-	-	-	-
Vote 3 - Management Services		72	6 346	295	3 975	3 975	3 975	3 315	-	-
Vote 4 - Finance		885	-	-	30	30	30	60	-	-
Vote 5 - Infrastructure & Planning		1 540	16 315	28 195	45 186	43 870	43 870	99 373	15 036	29 828
Vote 6 - Protection Services		996	2 517	-	6 680	15 659	15 659	10 046	-	-
Vote 7 - Economic and Social Development & Tourism		-	-	-	7 906	2 973	2 973	842	-	-
Vote 8 - Community Services		4 167	80 077	12 100	97 601	73 611	73 611	45 355	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		7 659	105 255	40 590	161 378	140 119	140 119	158 990	15 036	29 828
Total Capital Expenditure - Vote	3,7	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional	1									
Governance and administration		957	6 342	8 659	4 105	4 105	4 105	3 375	30 000	20 000
Executive and council		72		295	10	10	10	5	-	-
Finance and administration		885	6 342	8 364	4 095	4 095	4 095	3 370	30 000	20 000
Internal audit										
Community and public safety		14 135	44 222	68 172	64 760	127 111	127 111	81 469	46 667	37 850
Community and social services		644	2 126	5 164	3 280	2 960	2 960	21 468	-	-
Sport and recreation		1 837	5 427	23 923	18 770	19 055	19 055	3 949	-	-
Public safety		996	2 490	4 809	16 271	20 723	20 723	10 096	-	-
Housing		10 658	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Health										
Economic and environmental services		13 279	12 071	13 407	30 410	21 757	21 757	26 493	3 571	17 000
Planning and development		1 540	45	1 346	8 899	3 896	3 896	14 748	-	-
Road transport		11 739	12 026	12 061	21 510	17 860	17 860	11 745	3 571	17 000
Environmental protection										
Trading services		63 498	42 619	84 872	162 402	122 760	122 760	155 758	95 899	70 528
Energy sources		30 496	16 268	28 893	34 124	29 226	29 226	24 641	44 000	22 000
Water management		15 772	3 257	12 270	48 504	39 982	39 982	46 469	27 516	22 000
Waste water management		17 217	21 523	42 210	62 843	43 241	43 241	64 310	24 384	26 528
Waste management		12	1 572	1 499	16 931	10 311	10 311	20 339	-	-
Other										
Total Capital Expenditure - Functional	3,7	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Funded by:										
National Government		25 530	21 786	30 445	39 010	39 010	39 010	29 887	28 470	31 628
Provincial Government		7 681	42 477	35 615	31 184	88 287	88 287	732	-	-
District Municipality										
Other transfers and grants		10 002	4 414	26 942		1 259	1 259	45 956	60 667	43 750
Transfers recognised - capital	4	43 214	68 677	93 002	70 194	128 557	128 557	76 575	89 137	75 378
Public contributions & donations	5									
Borrowing	6	35 550	19 199	36 495	90 501	69 925	69 925	92 199	50 000	50 000
Internally generated funds		13 104	17 379	45 613	100 981	77 251	77 251	98 322	37 000	20 000
Total Capital Funding	7	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

References

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
- Capital expenditure by functional classification must reconcile to the appropriations by vote
- Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
- Must reconcile to Budgeted Financial Performance (revenue and expenditure)
- Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17
- Total Capital Funding must balance with Total Capital Expenditure
- Include any capitalised interest (MFMA section 46) as part of relevant capital budget

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

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2020/21 in the 2019/20 Annual Budget			Multi-year appropriation for 2021/22 in the 2019/20 Annual Budget			New multi-year appropriations (funds for new and existing projects)				
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure - Municipal Vote	1																				
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																					
Vote 2 - Municipal Manager & Internal Audit																					
2.1 - Municipal Manager																					
2.2 - Internal Audit																					
2.3 - Risk Management																					
Vote 3 - Management Services																					
3.1 - Director: Management Services																					
3.2 - Communication																					
3.3 - Legal Services																					
3.4 - Strategic Services																					
3.5 - Human Resources																					
3.6 - Info & Communication Technology																					
3.7 - Council Support Services																					
3.8 - Social Development																					
3.9 - Municipal Court																					
Vote 4 - Finance																					
4.1 - Finance: Director								30 000	20 000												
4.2 - Finance: Deputy Director								30 000	20 000												
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		30 496		63 169	40 128	92 716	92 716	108 105	131 101	95 550											
5.1 - Director: Infrastructure & Planning								1 000	1 000												
5.2 - Deputy Director: Engineering Planning								28 089	29 000	30 700											
5.3 - Engineering Services & Housing Development				34 276	26 439	79 723	79 723	56 320	58 101	42 850											
5.4 - Town Planning																					
5.5 - Geographical Info System (GIS)																					
5.6 - Building Control Services																					
5.7 - Environmental Management Services																					
5.8 - Electricity		30 496		28 893	13 689	12 993	12 993	22 696	43 000	22 000											
5.9 - Solid Waste Planning & Solid Waste Disposal																					
5.10 - Property Administration																					
Vote 6 - Protection Services				4 809	5 588																
6.1 - Director: Protection Services																					
6.2 - Traffic																					
6.3 - Law Enforcement																					
6.4 - Vehicle testing																					
6.5 - Fire Brigade				4 809	5 588																
6.6 - Vehicle Licensing																					

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2020/21 in the 2019/20 Annual Budget				Multi-year appropriation for 2021/22 in the 2019/20 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
6.7 - Special Task Team Unit							-	-	-												
6.8 - Disaster Management							-	-	-												
6.9 - Security Services							-	-	-												
Vote 7 - Economic and Social Development & Tourism		-	-	-	-	-	-	-	-												
7.1 - Director: Economic Development & Planning							-	-	-												
7.2 - Tourism							-	-	-												
7.3 - Social Development							-	-	-												
7.4 - EPWP							-	-	-												
7.5 - Thusong Centre: Hawston							-	-	-												
7.6 - Parking Services							-	-	-												
Vote 8 - Community Services		53 713	-	66 541	54 583	42 897	42 897														
8.1 - Director & Administration		644																			
8.2 - Offices & Community Buildings																					
8.3 - Parks & Townlands, Cemeteries																					
8.4 - Libraries																					
8.5 - Sport & Recreation																					
8.6 - Housing & Social Upliftment		10 658																			
8.7 - Roads & Stormwater		11 739		19 308	19 409	10 800	10 800														
8.8 - Water		15 772		12 270	19 173	19 690	19 690														
8.9 - Sewerage		14 887		34 963	16 001	12 407	12 407														
8.10 - Refuse		12																			
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																					
Vote 11 - [NAME OF VOTE 11]																					
Vote 12 - [NAME OF VOTE 12]																					

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Vote 3 - Management Services	1	72	6 346	295	3 975	3 975	3 975	3 315	-	-
3.1 - Director: Management Services		72			25	25	25	15	-	-
3.2 - Communication								-	-	-
3.3 - Legal Services								-	-	-
3.4 - Strategic Services								-	-	-
3.5 - Human Resources								-	-	-
3.6 - Info & Communication Technology			6 346	295	3 950	3 950	3 950	3 300	-	-
3.7 - Council Support Services								-	-	-
3.8 - Social Development								-	-	-
3.9 - Municipal Court								-	-	-
Vote 4 - Finance		885	-	-	30	30	30	60	-	-
4.1 - Finance: Director		885			30	30	30	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		1 540	16 315	28 195	45 186	43 870	43 870	99 373	15 036	29 828
5.1 - Director: Infrastructure & Planning		1 540	47	2 773	993	923	923	8 184	-	-
5.2 - Deputy Director: Engineering Planning								44 141	3 000	10 200
5.3 - Engineering Services & Housing Development				23 923	19 581	25 191	25 191	27 803	12 036	19 628
5.4 - Town Planning								-	-	-
5.5 - Geographical Info System (GIS)								-	-	-
5.6 - Building Control Services								-	-	-
5.7 - Environmental Management Services								-	-	-
5.8 - Electricity			16 268		19 612	15 506	15 506	945	-	-
5.9 - Solid Waste Planning & Solid Waste Disposal				1 499	5 000	2 250	2 250	18 300	-	-
5.10 - Property Administration								-	-	-
Vote 6 - Protection Services		996	2 517	-	6 680	15 659	15 659	10 046	-	-
6.1 - Director: Protection Services					300	300	300	485	-	-
6.2 - Traffic					1 100	2 808	2 808	1 000	-	-
6.3 - Law Enforcement					2 380	2 380	2 380	1 790	-	-
6.4 - Vehicle testing								-	-	-
6.5 - Fire Brigade		996	2 517		2 900	10 171	10 171	6 671	-	-
6.6 - Vehicle Licensing								-	-	-
6.7 - Special Task Team Unit								-	-	-
6.8 - Disaster Management								-	-	-
6.9 - Security Services								100	-	-
Vote 7 - Economic and Social Development & Tourism		-	-	-	7 906	2 973	2 973	842	-	-
7.1 - Director: Economic Development & Planning					7 906	2 973	2 973	442	-	-
7.2 - Tourism								400	-	-
7.3 - Social Development								-	-	-
7.4 - EPWP								-	-	-
7.5 - Thusong Centre: Hawston								-	-	-
7.6 - Parking Services								-	-	-
Vote 8 - Community Services		4 167	80 077	12 100	97 601	73 611	73 611	45 355	-	-
8.1 - Director & Administration			1 929	12 100	19 093	19 141	19 141	45 255	-	-
8.2 - Offices & Community Buildings								-	-	-
8.3 - Parks & Townlands, Cemeteries								-	-	-
8.4 - Libraries								-	-	-
8.5 - Sport & Recreation		1 837	5 427					-	-	-
8.6 - Housing & Social Upliftment			34 180					-	-	-
8.7 - Roads & Stormwater		2 330	12 023		27 285	27 044	27 044	100	-	-
8.8 - Water			3 257		33 631	21 843	21 843	-	-	-
8.9 - Sewerage			21 523		17 593	5 584	5 584	-	-	-

Multi-year appropriation for Budget Year 2020/21 in the 2019/20 Annual Budget				Multi-year appropriation for 2021/22 in the 2019/20 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
8.10 - Refuse			1 739							
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										
Vote 11 - [NAME OF VOTE 11]										
Vote 12 - [NAME OF VOTE 12]										
Vote 13 - [NAME OF VOTE 13]										
Vote 14 - [NAME OF VOTE 14]										
Vote 15 - [NAME OF VOTE 15]										

Multi-year appropriation for Budget Year 2020/21 in the 2019/20 Annual Budget				Multi-year appropriation for 2021/22 in the 2019/20 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		7 659	105 255	40 590	161 378	140 119	140 119	158 990	15 036	29 828
Total Capital Expenditure		91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

Multi-year appropriation for Budget Year 2020/21 in the 2019/20 Annual Budget				Multi-year appropriation for 2021/22 in the 2019/20 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23

WC032 Overstrand - Table A6 Budgeted Financial Position

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
ASSETS										
Current assets										
Cash		89 087	94 453	123 988	124 120	265 426	265 426	140 118	100 749	72 724
Call investment deposits	1	170 728	380 514	409 200	320 000	320 000	320 000	400 000		400 000
Consumer debtors	1	62 129	64 957	73 481	73 134	73 134	73 134	74 557	76 324	78 455
Other debtors		47 370	52 806	65 059	35 523	35 523	35 523	34 983	34 411	33 804
Current portion of long-term receivables		12	10	11	7	7	7	3	1	-
Inventory	2	35 438	32 352	39 086	30 752	9 000	9 000	9 540	10 113	10 719
Total current assets		404 764	625 093	710 826	583 535	703 090	703 090	659 202	621 597	595 703
Non current assets										
Long-term receivables		27	20	9	4	4	4	1	-	-
Investments		37 982	44 595	50 524	57 885	57 885	57 885	65 460	73 294	81 414
Investment property		155 269	113 951	119 698	114 846	121 846	121 846	121 846	121 846	121 846
Investment in Associate										
Property, plant and equipment	3	3 502 661	3 470 377	3 509 274	3 645 621	3 627 977	3 627 977	3 753 765	3 790 619	3 803 017
Agricultural										
Biological										
Intangible		6 287	6 699	8 597	5 323	5 323	5 323	4 753	4 322	4 025
Other non-current assets										
Total non current assets		3 702 225	3 635 642	3 688 101	3 823 679	3 813 035	3 813 035	3 945 825	3 990 082	4 010 302
TOTAL ASSETS		4 106 989	4 260 735	4 398 927	4 407 214	4 516 125	4 516 125	4 605 027	4 611 679	4 606 005
LIABILITIES										
Current liabilities										
Bank overdraft	1	-	-	-	-	-	-	-	-	-
Borrowing	4	29 580	33 448	39 725	42 244	42 244	42 244	53 427	46 121	54 028
Consumer deposits		37 039	38 462	40 020	63 074	63 074	63 074	62 074	65 799	69 747
Trade and other payables	4	85 793	119 809	110 010	95 207	73 455	73 455	95 272	102 534	112 872
Provisions		27 795	29 790	33 010	33 570	33 570	33 570	35 286	37 105	38 980
Total current liabilities		180 206	221 509	222 765	234 096	212 344	212 344	246 060	251 558	275 627
Non current liabilities										
Borrowing		412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464
Provisions		217 138	205 051	222 157	239 095	239 095	239 095	256 985	275 754	295 494
Total non current liabilities		629 633	613 708	645 090	694 547	694 547	694 547	705 981	728 629	741 958
TOTAL LIABILITIES		809 839	835 218	867 854	928 643	906 891	906 891	952 041	980 187	1 017 585
NET ASSETS	5	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)		3 293 898	3 422 258	3 527 808	3 475 231	3 605 894	3 605 894	3 649 641	3 628 142	3 585 065
Reserves	4	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
TOTAL COMMUNITY WEALTH/EQUITY	5	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Total Assets must balance with Total Liabilities
6. Net Assets must balance with Total Community Wealth/Equity

WC032 Overstrand - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		195 733	213 851	231 322	241 063	241 862	241 862	270 864	286 351	302 822
Service charges		561 634	590 742	643 620	673 293	679 913	679 913	720 929	767 879	818 190
Other revenue		73 850	75 406	82 274	66 179	178 616	178 616	153 202	176 568	170 619
Government - operating	1	119 507	131 819	118 820	152 183	125 794	125 794	131 840	141 735	154 275
Government - capital	1	33 681	64 248	57 030	70 194	46 216	46 216	30 619	28 470	31 628
Interest		23 018	34 175	45 960	32 161	40 311	40 311	44 201	46 726	49 473
Dividends								-	-	-
Payments										
Suppliers and employees		(791 231)	(818 415)	(915 305)	(1 017 533)	(983 962)	(983 962)	(1 062 230)	(1 237 091)	(1 340 576)
Finance charges		(45 910)	(46 129)	(44 921)	(51 549)	(51 549)	(51 549)	(53 668)	(54 327)	(54 392)
Transfers and Grants	1	(1 898)	(1 800)	(486)	(500)	(500)	(500)	(12 420)	(12 010)	(12 010)
NET CASH FROM/(USED) OPERATING ACTIVITIES		168 384	243 897	218 314	165 492	276 701	276 701	223 337	144 301	120 029
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		2 943	81 451	(566)	-	-	-	-	-	-
Decrease (Increase) in non-current debtors								-	-	-
Decrease (increase) other non-current receivables		15	8	10	10	10	10	7	3	1
Decrease (increase) in non-current investments		(4 980)	(4 980)	(4 980)	(7 339)	(7 339)	(7 339)	(7 575)	(7 834)	(8 120)
Payments										
Capital assets		(84 505)	(105 255)	(175 110)	(261 677)	(275 733)	(275 733)	(267 095)	(176 137)	(145 378)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(86 528)	(28 775)	(180 645)	(269 006)	(283 062)	(283 062)	(274 664)	(183 968)	(153 497)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-	-	-
Borrowing long term/refinancing		30 000	30 000	54 000	74 300	74 300	74 300	54 000	50 000	50 000
Increase (decrease) in consumer deposits		-	-	-	23 028	23 028	23 028	(1 000)	3 724	3 948
Payments										
Repayment of borrowing		(26 822)	(29 969)	(33 448)	(38 709)	(38 709)	(38 709)	(46 981)	(53 427)	(48 504)
NET CASH FROM/(USED) FINANCING ACTIVITIES		3 178	31	20 552	58 619	58 619	58 619	6 019	298	5 444
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at the year begin:	2	174 780	259 815	474 967	489 014	533 188	533 188	585 426	540 118	500 749
Cash/cash equivalents at the year end:	2	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less
3. The MTREF is populated directly from SA30.

Total Receipts	1 010 381	1 191 700	1 178 470	1 235 083	1 312 722	1 312 722	1 351 661	1 447 732	1 527 007
Total Payments	(923 545)	(971 598)	(1 135 821)	(1 331 259)	(1 311 743)	(1 311 743)	(1 395 414)	(1 479 564)	(1 552 356)
	1 933 926	220 101	42 649	(96 175)	978	978	(43 752)	(31 832)	(25 349)
Borrowings & Investments & Cash Deposits	25 020	25 020	49 020	89 989	89 989	89 989	45 425	45 890	45 828
Repayment of Borrowing	(26 822)	(29 969)	(33 448)	(38 709)	(38 709)	(38 709)	(46 981)	(53 427)	(48 504)
	1 932 123	215 153	58 220	(44 895)	52 259	52 259	(45 308)	(39 369)	(28 025)
BALANCE NET INCREASE/ (DECREASE) IN CASH HELD	(1 847 089)	-	-	-	-	-	-	-	-

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Cash and investments available										
Cash/cash equivalents at the year end	1	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724
Other current investments > 90 days		-	(0)	-	(0)	(20)	(20)	(0)	(0)	0
Non current assets - Investments	1	37 982	44 595	50 524	57 885	57 885	57 885	65 460	73 294	81 414
Cash and investments available:		297 796	519 562	583 711	502 005	643 312	643 312	605 578	574 043	554 138
Application of cash and investments										
Unspent conditional transfers		6 474	21 776	12 590	5 636	5 636	5 636	-	-	-
Unspent borrowing		15	10 450	38 199	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(26 304)	(16 860)	(36 904)	(17 691)	(39 143)	(39 143)	(11 350)	(6 481)	3 139
Other provisions										
Long term investments committed	4	37 982	44 595	50 524	57 885	57 885	57 885	65 640	73 294	81 414
Reserves to be backed by cash/investments	5	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
Total Application of cash and investments:		21 418	63 220	67 672	49 170	27 718	27 718	57 635	70 163	87 908
Surplus(shortfall)		276 379	456 342	516 039	452 835	615 593	615 593	547 943	503 880	466 230

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

<u>Other working capital requirements</u>										
Debtors		105 623	114 892	134 324	107 262	106 962	106 962	106 622	109 015	109 733
Creditors due		79 319	98 032	97 420	89 571	67 819	67 819	95 272	102 534	112 872
Total		26 304	16 860	36 904	17 691	39 143	39 143	11 350	6 481	(3 139)
<u>Debtors collection assumptions</u>										
Balance outstanding - debtors		109 526	117 783	138 550	108 661	108 661	108 661	109 541	110 735	112 259
Estimate of debtors collection rate		96,4%	97,5%	97,0%	98,7%	98,4%	98,4%	97,3%	98,4%	97,7%

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Long term investments committed</u>										
Balance (<i>Insert description; eg sinking fund</i>)										
Bankers Acceptance Certificate		-	-	-	-	-	-	-	-	-
Deposit Taking Institutions		-	-	-	-	-	-	-	-	-
Bank Repurchase Agreements		-	-	-	-	-	-	-	-	-
Derivative Financial Assets		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (Sinking)		37 982	44 595	50 524	57 885	57 885	57 885	65 640	73 294	81 414
Listed/Unlisted Bonds and Stocks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
National Government Securities		-	-	-	-	-	-	-	-	-
Negotiable Certificate of Deposits: Banks		-	-	-	-	-	-	-	-	-
Unamortised Debt Expense		-	-	-	-	-	-	-	-	-
Unamortised Preference Share Expense		-	-	-	-	-	-	-	-	-
Interest Rate Swaps		-	-	-	-	-	-	-	-	-
		37 982	44 595	50 524	57 885	57 885	57 885	65 640	73 294	81 414
<u>Reserves to be backed by cash/investments</u>										
Housing Development Fund		3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
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		-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-
		3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355

WC032 Overstrand - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	57 389	75 610	175 110	214 907	234 242	234 242	198 779	140 833	99 850
<i>Roads Infrastructure</i>		2 260	10 003	12 061	19 683	16 033	16 033	11 545	3 571	17 000
<i>Storm water Infrastructure</i>		-	255	7 247	23 841	18 641	18 641	10 864	7 864	-
<i>Electrical Infrastructure</i>		30 496	15 449	28 893	23 801	18 999	18 999	23 641	43 000	15 000
<i>Water Supply Infrastructure</i>		5 276	627	12 270	42 344	35 423	35 423	20 247	5 732	6 000
<i>Sanitation Infrastructure</i>		5 718	-	34 963	24 093	11 949	11 949	19 208	4 000	4 000
<i>Solid Waste Infrastructure</i>		8 930	105	1 499	10 000	4 500	4 500	17 379	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		52 681	26 438	96 933	143 762	105 545	105 545	102 884	64 166	42 000
Community Facilities		2 212	3 229	30 804	12 420	7 959	7 959	16 632	-	-
Sport and Recreation Facilities		-	5 427	-	380	50	50	50	-	-
Community Assets		2 212	8 656	30 804	12 800	8 009	8 009	16 682	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		2 497	4 372	3 092	9 034	10 029	10 029	3 650	-	-
Housing		-	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Other Assets		2 497	38 552	37 368	35 472	94 402	94 402	49 606	46 667	37 850
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	1 593	1 346	4 200	4 220	4 220	7 090	-	-
Furniture and Office Equipment		-	205	295	280	280	280	1 025	-	-
Machinery and Equipment		-	166	1 428	900	1 400	1 400	760	-	-
Transport Assets		-	-	6 936	17 493	20 385	20 385	20 732	30 000	20 000
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Total Renewal of Existing Assets	2	34 479	29 644	-	6 570	6 558	6 558	28 083	12 050	16 200
<i>Roads Infrastructure</i>		11 809	2 020	-	10	10	10	-	-	-
<i>Storm water Infrastructure</i>		-	10 677	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	819	-	-	-	-	1 000	1 000	-
<i>Water Supply Infrastructure</i>		10 496	2 629	-	2 560	2 548	2 548	23 822	10 400	15 500
<i>Sanitation Infrastructure</i>		9 169	10 591	-	4 000	4 000	4 000	3 261	650	700
<i>Solid Waste Infrastructure</i>		1 740	1 634	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		33 214	28 370	-	6 570	6 558	6 558	28 083	12 050	16 200
Community Facilities		1 265	1 217	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		1 265	1 217	-	-	-	-	-	-	-
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		-	57	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Total Upgrading of Existing Assets	6	-	-	-	40 200	34 933	34 933	40 233	23 254	29 328
Roads Infrastructure		-	-	-	-	-	-	200	-	-
Storm water Infrastructure		-	-	-	3 160	3 160	3 160	8 000	-	-
Electrical Infrastructure		-	-	-	9 750	9 750	9 750	-	-	7 000
Water Supply Infrastructure		-	-	-	3 600	2 011	2 011	2 400	11 384	500
Sanitation Infrastructure		-	-	-	5 662	984	984	22 976	11 870	21 828
Solid Waste Infrastructure		-	-	-	1 000	1 000	1 000	2 960	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	23 172	16 905	16 905	36 536	23 254	29 328
Community Facilities		-	-	-	-	-	-	976	-	-
Sport and Recreation Facilities		-	-	-	16 928	17 928	17 928	2 721	-	-
Community Assets		-	-	-	16 928	17 928	17 928	3 697	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	100	100	100	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	100	100	100	-	-	-
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		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Total Capital Expenditure	4	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Roads Infrastructure		14 069	12 023	12 061	19 693	16 043	16 043	11 745	3 571	17 000
Storm water Infrastructure		-	10 932	7 247	27 001	21 801	21 801	18 864	7 864	-
Electrical Infrastructure		30 496	16 268	28 893	33 551	28 749	28 749	24 641	44 000	22 000
Water Supply Infrastructure		15 772	3 257	12 270	48 504	39 982	39 982	46 469	27 516	22 000
Sanitation Infrastructure		14 887	10 591	34 963	33 755	16 933	16 933	45 446	16 520	26 528
Solid Waste Infrastructure		10 670	1 739	1 499	11 000	5 500	5 500	20 339	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		85 895	54 809	96 933	173 504	129 009	129 009	167 503	99 470	87 528
Community Facilities		3 477	4 446	30 804	12 420	7 959	7 959	17 608	-	-
Sport and Recreation Facilities		-	5 427	-	17 308	17 978	17 978	2 771	-	-
Community Assets		3 477	9 873	30 804	29 728	25 937	25 937	20 379	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		2 497	4 372	3 092	9 134	10 129	10 129	3 650	-	-
Housing		-	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Other Assets		2 497	38 552	37 368	35 572	94 502	94 502	49 606	46 667	37 850
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	1 593	1 346	4 200	4 220	4 220	7 090	-	-
Furniture and Office Equipment		-	205	295	280	280	280	1 025	-	-
Machinery and Equipment		-	223	1 428	900	1 400	1 400	760	-	-
Transport Assets		-	-	6 936	17 493	20 385	20 385	20 732	30 000	20 000
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSET REGISTER SUMMARY - PPE (WDV)	5	3 664 217	3 591 027	3 637 568	3 765 790	3 755 146	3 755 146	3 880 365	3 916 787	3 928 888
<i>Roads Infrastructure</i>		1 042 924	1 054 313	1 068 859	1 019 303	1 015 653	1 015 653	994 045	964 432	948 382
<i>Storm water Infrastructure</i>		196 761	201 871	200 999	231 052	225 852	225 852	237 817	238 784	231 890
<i>Electrical Infrastructure</i>		534 751	522 972	525 175	525 147	520 345	520 345	518 450	535 915	531 384
<i>Water Supply Infrastructure</i>		505 838	481 367	465 975	496 853	488 331	488 331	506 209	506 704	506 744
<i>Sanitation Infrastructure</i>		376 119	367 433	381 878	400 735	385 133	385 133	410 886	408 103	416 548
<i>Solid Waste Infrastructure</i>		35 559	30 303	26 500	34 270	28 770	28 770	46 539	44 144	41 851
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		2 691 953	2 658 258	2 669 386	2 707 359	2 664 084	2 664 084	2 713 946	2 698 081	2 676 799
Community Assets		-	183 622	204 522	-	-	-	-	-	-
Heritage Assets		124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182
Investment properties		155 269	113 951	119 698	114 846	121 846	121 846	121 846	121 846	121 846
Other Assets		627 851	442 613	437 294	719 198	741 417	741 417	795 504	826 210	848 013
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		6 287	6 699	8 597	5 323	5 323	5 323	4 753	4 322	4 025
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		10 659	8 673	8 949	14 190	14 210	14 210	20 554	18 954	17 585
Machinery and Equipment		3 763	3 542	3 924	4 671	5 171	5 171	5 268	4 693	4 236
Transport Assets		44 254	49 487	61 016	76 020	78 912	78 912	94 311	118 499	132 202
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	3 664 217	3 591 027	3 637 568	3 765 790	3 755 146	3 755 146	3 880 365	3 916 787	3 928 888

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE OTHER ITEMS										
<u>Depreciation</u>	7	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
<u>Repairs and Maintenance by Asset Class</u>	3	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069
Roads Infrastructure		55 545	53 229	61 860	65 331	66 157	66 157	70 462	74 697	79 130
Storm water Infrastructure		6 392	6 017	5 765	6 600	6 375	6 375	7 605	7 632	6 250
Electrical Infrastructure		17 747	17 645	23 082	37 099	37 630	37 630	31 243	32 852	34 749
Water Supply Infrastructure		16 489	15 014	17 367	16 935	17 568	17 568	20 432	21 580	22 799
Sanitation Infrastructure		11 672	13 051	14 967	11 541	11 007	11 007	14 970	15 806	16 698
Solid Waste Infrastructure		2 546	12 946	22 918	2 220	2 269	2 269	3 362	4 589	4 820
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	189	147	147	221	231	241
Information and Communication Infrastructure		-	-	-	40	40	40	42	44	46
Infrastructure		110 392	117 901	145 959	139 955	141 193	141 193	148 335	157 430	164 733
Community Facilities		4 867	12 289	27 117	34 241	33 129	33 129	38 222	40 027	42 399
Sport and Recreation Facilities		-	-	12 685	5 957	6 164	6 164	7 972	8 371	8 807
Community Assets		4 867	12 289	39 801	40 198	39 293	39 293	46 194	48 398	51 207
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	8 009	2 217	3 281	3 281	3 657	3 831	4 013
Housing		-	-	-	-	-	-	37	39	41
Other Assets		-	-	8 009	2 217	3 281	3 281	3 695	3 869	4 053
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	5 653	6 353	6 353	5 926	6 235	6 560
Intangible Assets		-	-	-	5 653	6 353	6 353	5 926	6 235	6 560
Computer Equipment		5 536	5 207	4 890	1 193	1 068	1 068	2 193	2 301	2 415
Furniture and Office Equipment		-	17 919	16 364	431	440	440	2 959	3 009	3 069
Machinery and Equipment		-	6 719	-	9 542	12 335	12 335	-	-	-
Transport Assets		-	-	-	-	-	-	10 007	10 507	11 032
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		253 327	294 882	346 128	330 474	335 249	335 249	361 185	371 463	376 346
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		37,5%	28,2%	0,0%	17,9%	15,0%	15,0%	25,6%	20,0%	31,3%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		26,0%	22,0%	0,0%	35,6%	31,6%	31,6%	48,2%	25,3%	34,2%
<i>R&M as a % of PPE</i>		3,4%	4,6%	6,1%	5,5%	5,6%	5,6%	5,8%	6,1%	6,4%
<i>Renewal and upgrading and R&M as a % of PPE</i>		4,0%	5,0%	6,0%	7,0%	7,0%	7,0%	7,0%	7,0%	7,0%

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Detail of upgrading of existing assets provided in Table SA34e
7. Detail of depreciation provided in Table SA34d

WC032 Overstrand - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets	1									
Water:										
Piped water inside dwelling		34 449	29 174	29 800	29 800	29 800	29 800	30 694	31 615	32 563
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	3 067	3 052	3 620	3 620	3 620	3 620	4 650	4 900	5 000
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
Energy:										
Electricity (at least min.service level)		6 356	6 112	5 831	5 587	5 587	5 587	5 343	5 099	4 855
Electricity - prepaid (min.service level)		18 530	18 814	19 464	20 243	20 243	20 243	21 022	21 801	22 580
<i>Minimum Service Level and Above sub-total</i>		24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
Refuse:										
Removed at least once a week		32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
<i>Minimum Service Level and Above sub-total</i>		32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		1 726 155	2 132 310	14 612 386	14 234 391	14 234 391	14 234 391	14 225 280	15 517 440	16 891 670
Sanitation (free minimum level service)		-	-	15 697 098	17 938 492	17 938 492	17 938 492	17 966 670	19 639 680	21 422 352
Electricity/other energy (50kwh per household per month)		3 448 132	4 680 864	33 723 364	33 656 038	33 656 038	33 656 038	35 864 520	42 575 040	50 429 789
Refuse (removed at least once a week)		-	-	15 222 708	18 219 957	18 219 957	18 219 957	18 267 990	19 989 120	21 823 805
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		1 726	2 132	14 612	14 234	14 234	14 234	14 225	15 517	16 892

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Sanitation (free sanitation service to indigent households)		–	–	15 697	17 938	17 938	17 938	17 967	19 640	21 422
Electricity/other energy (50kwh per indigent household per month)		3 448	4 681	33 723	33 656	33 656	33 656	35 865	42 575	50 430
Refuse (removed once a week for indigent households)		–	–	15 223	18 220	18 220	18 220	18 268	19 989	21 824
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		5 174	6 813	79 256	84 049	84 049	84 049	86 324	97 721	110 568

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
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	6	6	6
Sanitation (kilolitres per household per month)		4	4	4	4	4	4	4	4	4
Sanitation (Rand per household per month)		69	73	78	82	82	82	193	201	217
Electricity (kwh per household per month)		50	50	50	50	50	50	68	77	87
Refuse (average litres per week)		210	210	210	210	210	210	196	208	220
Revenue cost of subsidised services provided (R'000)										
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	9	2 135	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		48 431	51 711	50 983	54 042	54 042	54 042	66 192	70 164	74 374
Water (in excess of 6 kilolitres per indigent household per month)		-	-	779	250	250	250	265	281	298
Sanitation (in excess of free sanitation service to indigent households)		-	-	318	-	-	-	-	-	-
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		50 566	51 711	52 080	54 292	54 292	54 292	66 457	70 445	74 671

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)
8. Must reflect the cost to the municipality of providing the Free Basic Service
9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
REVENUE ITEMS:										
Property rates										
Total Property Rates	6	245 535	267 473	284 258	296 192	296 992	296 992	337 444	356 993	377 769
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		48 431	51 711	50 983	54 042	54 042	54 042	66 192	70 164	74 374
Net Property Rates		197 104	215 763	233 274	242 150	242 950	242 950	271 251	286 830	303 395
Service charges - electricity revenue										
Total Service charges - electricity revenue	6	338 213	353 979	412 392	432 524	437 524	437 524	467 613	504 202	544 275
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)		3 448	4 681	33 723	33 656	33 656	33 656	35 865	42 575	50 430
Net Service charges - electricity revenue		334 765	349 298	378 668	398 868	403 868	403 868	431 748	461 627	493 845
Service charges - water revenue										
Total Service charges - water revenue	6	116 796	113 064	145 363	141 804	143 304	143 304	148 517	157 777	167 597
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)				779	250	250	250	265	281	298
less Cost of Free Basic Services (6 kilolitres per indigent household per month)		1 726	2 132	14 612	14 234	14 234	14 234	14 225	15 517	16 892
Net Service charges - water revenue		115 070	110 932	129 971	127 320	128 820	128 820	134 027	141 979	150 407
Service charges - sanitation revenue										
Total Service charges - sanitation revenue		66 890	72 106	93 787	97 959	98 959	98 959	101 738	108 438	115 549
less Revenue Foregone (in excess of free sanitation service to indigent households)				318				-	-	-
less Cost of Free Basic Services (free sanitation service to indigent households)		-	-	15 697	17 938	17 938	17 938	17 967	19 640	21 422
Net Service charges - sanitation revenue		66 890	72 106	77 772	80 020	81 020	81 020	83 772	88 798	94 127
Service charges - refuse revenue										
Total refuse removal revenue	6	54 389	57 775	77 011	88 342	87 462	87 462	90 682	96 746	103 185
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)		-	-	15 223	18 220	18 220	18 220	18 268	19 989	21 824
Net Service charges - refuse revenue		54 389	57 775	61 788	70 122	69 242	69 242	72 414	76 757	81 361
Other Revenue by source										
Fuel Levy								-	-	-
Other Revenue								-	-	-
Discontinued Operations		34 706	48 492	63 142	27 416	143 735	143 735	-	-	-
Rent on Land								4 212	4 354	4 504
Operational Revenue								7 530	7 812	8 105
Intercompany/Parent-subsidiary Transactions								-	-	-
Surcharges and Taxes								-	-	-
Sales of Goods and Rendering of Services								115 228	122 893	123 563
Gains and Losses : Gains								7 000	7 000	7 000
Total 'Other' Revenue	3 1	34 706	48 492	63 142	27 416	143 735	143 735	133 971	142 058	143 172

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries and Wages	2	302 363	296 682	367 858	399 804	399 521	399 521	287 210	296 701	313 835
Pension and UIF Contributions								48 588	51 441	54 519
Medical Aid Contributions								18 241	18 425	19 867
Overtime								295	313	333
Performance Bonus								22 134	23 512	24 975
Motor Vehicle Allowance								8 032	8 167	8 213
Cellphone Allowance								2 565	2 566	2 588
Housing Allowances								2 870	3 045	3 235
Other benefits and allowances								42 803	44 347	47 059
Payments in lieu of leave								-	-	-
Long service awards								2 166	2 274	2 388
Post-retirement benefit obligations								12 869	13 513	14 188
sub-total	4									
	5	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
<u>Less: Employees costs capitalised to PPE</u>		-	-	-	-	-	-	-	-	-
Total Employee related costs	1	302 363	296 682	367 858	399 804	399 521	399 521	447 773	464 303	491 199
Contributions recognised - capital										
<i>List contributions by contract</i>		-	-	-	-	-	-	-	14 000	5 900
Total Contributions recognised - capital		-	-	-	-	-	-	-	14 000	5 900

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Depreciation & asset impairment										
Depreciation of Property, Plant & Equipment		132 532	134 846	131 104	131 285	131 285	131 285	141 307	139 283	132 980
Lease amortisation								570	431	297
Capital asset impairment		-	-	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE	10	-	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277
Bulk purchases										
Electricity Bulk Purchases		217 523	225 844	242 614	275 880	280 880	280 880	323 012	371 463	427 183
Water Bulk Purchases		-	-	-	-	-	-	-	-	-
Total bulk purchases	1	217 523	225 844	242 614	275 880	280 880	280 880	323 012	371 463	427 183
Transfers and grants										
Cash transfers and grants		1 898	1 800	486	500	500	500	12 420	12 010	12 010
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-
Total transfers and grants	1	1 898	1 800	486	500	500	500	12 420	12 010	12 010
Contracted services										
<i>Outsourced Services</i>								90 393	97 400	102 324
<i>Consultants and Professional Services</i>								42 467	37 147	38 959
<i>Contractors</i>		155 726	167 079	186 758	207 536	214 349	214 349	96 506	98 113	101 474
sub-total	1	155 726	167 079	186 758	207 536	214 349	214 349	229 366	232 659	242 756
Allocations to organs of state:										
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total contracted services		155 726	167 079	186 758	207 536	214 349	214 349	229 366	232 659	242 756

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Other Expenditure By Type										
Collection costs								6 666	7 066	7 490
Contributions to 'other' provisions								4 109	4 315	4 530
Consultant fees								-	-	-
Audit fees								5 322	5 322	5 322
General expenses	3	50 631	55 726	58 609	83 450	103 992	103 992			
Operating Leases								1 814	1 835	1 856
Operational Cost								105 979	113 425	124 640
Statutory Payments other than Income Taxes								-	-	-
Discontinued Operations								-	-	-
Gains and Losses : Discontinued Operations and Disposals of Non-current Assets								-	-	-
Gains and Losses : Fair Value Adjustment								-	-	-
Gains and Losses : Foreign Exchange								-	-	-
Gains and Losses : Inventory								-	-	-
Gains and Losses : Water Losses								-	-	-
Total 'Other' Expenditure	1	50 631	55 726	58 609	83 450	103 992	103 992	123 890	131 963	143 839
by Expenditure Item										
Employee related costs	8	50 261	53 689	89 415	97 024	97 594	97 594	102 952	108 991	115 771
Other materials		3 500	30 000	17 594	13 845	18 645	18 645	20 717	21 894	23 094
Contracted Services		36 145	67 791	85 762	69 331	71 811	71 811	84 459	89 143	91 911
Other Expenditure		30 890	8 555	22 253	18 990	15 913	15 913	11 181	11 721	12 293
Total Repairs and Maintenance Expenditure	9	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069

References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)
2. Must reconcile to supporting documentation on staff salaries
3. Insert other categories where revenue or expenditure is of a material nature (list separate items until 'General expenses' is not > 10% of Total Expenditure)
4. Expenditure to meet any 'unfunded obligations'
- 5 This sub-total must agree with the total on SA22, but excluding councillor and board member items
6. Include a note for each revenue item that is affected by 'revenue foregone'
7. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)
8. Repairs and Maintenance is not a GRAP item. However to facilitate transparency, municipalities must provide a breakdown of the amounts included in the relevant GRAP items that will be spent on Repairs and Maintenance.
9. Must reconcile with Repairs and Maintenance by Asset Class (Total Repairs and Maintenance) on Table SA34c.
10. Only applicable to municipalities that have adopted the 'revaluation method' in GRAP 17. The aim is to prevent overstating 'depreciation and asset impairment'

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

Description	Ref	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	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates		-	-	-	271 251	-	-	-	-	-	-	-	-	-	-	-	271 251
Service charges - electricity revenue		-	-	-	130	431 618	-	-	-	-	-	-	-	-	-	-	431 748
Service charges - water revenue		-	-	-	450	-	-	-	133 577	-	-	-	-	-	-	-	134 027
Service charges - sanitation revenue		-	-	-	-	-	0	-	83 772	-	-	-	-	-	-	-	83 772
Service charges - refuse revenue		-	-	-	-	-	-	-	72 414	-	-	-	-	-	-	-	72 414
Rental of facilities and equipment		-	-	-	-	0	-	85	3 622	-	-	-	-	-	-	-	3 707
Interest earned - external investments		-	-	-	39 350	-	-	-	-	-	-	-	-	-	-	-	39 350
Interest earned - outstanding debtors		-	-	-	4 851	-	-	-	0	-	-	-	-	-	-	-	4 851
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	1	141	32 295	-	144	-	-	-	-	-	-	-	32 581
Licences and permits		-	-	-	-	-	2 008	-	483	-	-	-	-	-	-	-	2 491
Agency services		-	-	-	-	-	5 500	-	26	-	-	-	-	-	-	-	5 526
Other revenue		142	-	841	9 019	111 085	780	2 001	10 103	-	-	-	-	-	-	-	133 971
Transfers and subsidies		17 593	-	525	1 025	41 598	2 200	2 500	66 399	-	-	-	-	-	-	-	131 840
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		17 735	-	1 366	326 077	584 443	42 783	4 586	370 539	-	-	-	-	-	-	-	1 347 529
Expenditure By Type																	
Employee related costs		15 833	6 527	27 558	49 019	69 259	74 775	13 827	190 974	-	-	-	-	-	-	-	447 773
Remuneration of councillors		11 896	-	170	-	1 586	-	-	141	-	-	-	-	-	-	-	13 794
Debt impairment		-	-	-	156	156	25 367	-	467	-	-	-	-	-	-	-	26 147
Depreciation & asset impairment		4	66	1 555	122	27 020	1 072	97	111 940	-	-	-	-	-	-	-	141 877
Finance charges		-	-	-	69	16 816	-	-	36 783	-	-	-	-	-	-	-	53 668
Bulk purchases		-	-	-	-	323 012	-	-	-	-	-	-	-	-	-	-	323 012
Other materials		43	50	1 692	448	6 301	512	274	33 127	-	-	-	-	-	-	-	42 448
Contracted services		308	652	8 086	15 279	102 444	8 539	2 583	91 476	-	-	-	-	-	-	-	229 366
Transfers and subsidies		810	-	-	11 610	-	-	-	-	-	-	-	-	-	-	-	12 420
Other expenditure		7 856	358	18 191	22 111	60 264	3 984	3 833	7 292	-	-	-	-	-	-	-	123 890
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		36 751	7 654	57 253	98 816	606 858	114 249	20 614	472 201	-	-	-	-	-	-	-	1 414 394
Surplus/(Deficit)		(19 017)	(7 654)	(55 887)	227 262	(22 415)	(71 466)	(16 028)	(101 662)	-	-	-	-	-	-	-	(66 866)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	8 000	732	-	21 887	-	-	-	-	-	-	-	30 619
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)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(19 017)	(7 654)	(55 887)	227 262	(14 415)	(70 734)	(16 028)	(79 775)	-	-	-	-	-	-	-	(36 247)

References

1. Departmental columns to be based on municipal organisation structure

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
ASSETS										
Call investment deposits										
Call deposits		170 728	380 514	409 200	320 000	320 000	320 000	400 000	400 000	400 000
Other current investments										
Total Call investment deposits	2	170 728	380 514	409 200	320 000	320 000	320 000	400 000	400 000	400 000
Consumer debtors										
Consumer debtors		82 722	86 731	99 589	95 394	95 394	95 394	101 117	107 184	113 615
Less: Provision for debt impairment		(20 593)	(21 774)	(26 108)	(22 260)	(22 260)	(22 260)	(26 560)	(30 860)	(35 160)
Total Consumer debtors	2	62 129	64 957	73 481	73 134	73 134	73 134	74 557	76 324	78 455
Debt impairment provision										
Balance at the beginning of the year		19 098	20 593	21 774	21 000	21 000	21 000	22 260	26 560	30 860
Contributions to the provision		2 616	1 983	5 162	1 760	1 760	1 760	5 200	5 200	5 200
Bad debts written off		(1 121)	(803)	(828)	(500)	(500)	(500)	(900)	(900)	(900)
Balance at end of year		20 593	21 774	26 108	22 260	22 260	22 260	26 560	30 860	35 160
Property, plant and equipment (PPE)										
PPE at cost/valuation (excl. finance leases)		5 536 674	5 628 094	5 793 483	6 065 800	6 048 156	6 048 156	6 315 251	6 491 388	6 636 766
Leases recognised as PPE										
Less: Accumulated depreciation		2 034 013	2 157 716	2 284 209	2 420 179	2 420 179	2 420 179	2 561 486	2 700 769	2 833 749
Total Property, plant and equipment (PPE)	2	3 502 661	3 470 377	3 509 274	3 645 621	3 627 977	3 627 977	3 753 765	3 790 619	3 803 017
LIABILITIES										
Current liabilities - Borrowing										
Short term loans (other than bank overdraft)										
Current portion of long-term liabilities		29 580	33 448	39 725	42 244	42 244	42 244	53 427	46 121	54 028
Total Current liabilities - Borrowing		29 580	33 448	39 725	42 244	42 244	42 244	53 427	46 121	54 028
Trade and other payables										
Trade Payables		79 319	98 032	97 420	89 571	67 819	67 819	95 272	102 534	112 872
Other Creditors										
Unspent conditional transfers		6 474	21 776	12 590	5 636	5 636	5 636			
VAT										
Total Trade and other payables	2	85 793	119 809	110 010	95 207	73 455	73 455	95 272	102 534	112 872
Non current liabilities - Borrowing										
Borrowing		412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464
Finance leases (including PPP asset element)										
Total Non current liabilities - Borrowing	4	412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464
Provisions - non-current										
Retirement benefits		122 588	98 747	108 914	120 259	120 259	120 259	132 766	145 918	159 717
List other major provision items										
Refuse landfill site rehabilitation		84 877	92 013	98 402	103 385	103 385	103 385	106 868	110 510	114 340
Other		9 673	14 291	14 841	15 450	15 450	15 450	17 351	19 326	21 437
Total Provisions - non-current		217 138	205 051	222 157	239 095	239 095	239 095	256 985	275 754	295 494

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
CHANGES IN NET ASSETS										
Accumulated Surplus/(Deficit)										
Accumulated Surplus/(Deficit) - opening balance		3 256 152	3 293 898	3 439 499	3 479 983	3 479 983	3 479 983	3 605 894	3 649 641	3 628 142
GRAP adjustments		(5 775)	(15 766)	(17 240)						
Restated balance		3 250 376	3 278 133	3 422 258	3 479 983	3 479 983	3 479 983	3 605 894	3 649 641	3 628 142
Surplus/(Deficit)		41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Appropriations to Reserves										
Transfers to/from Reserves		1 935	(5)	(5)	1 500	1 500	1 500	(6)	(6)	(6)
Depreciation offsets										
Other adjustments						89 068	89 068	80 000		
Accumulated Surplus/(Deficit)	1	3 293 898	3 422 258	3 527 808	3 475 231	3 605 894	3 605 894	3 649 641	3 628 142	3 585 065
Reserves										
Housing Development Fund		3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
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										
Revaluation										
Total Reserves	2	3 251	3 259	3 264	3 340	3 340	3 340	3 345	3 350	3 355
TOTAL COMMUNITY WEALTH/EQUITY	2	3 297 149	3 425 517	3 531 072	3 478 571	3 609 234	3 609 234	3 652 986	3 631 492	3 588 420

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21	2021/22	2022/23

References

1. Must reconcile with Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Must reconcile with Table A6 Budgeted Financial Position
3. Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases
4. Borrowing must reconcile to Table A17

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

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
The provision of democratic, accountable and ethical governance	Good Governance	1		315 623	334 461	327 076	317 773	334 875	334 875	353 015	371 644	386 633
The provision and maintenance of municipal services	Basic Service Delivery	2		600 303	674 417	752 662	778 700	789 029	789 029	856 129	926 326	976 001
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		54 775	52 972	70 070	85 575	83 589	83 589	65 694	66 897	70 245
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5		65 909	79 437	64 318	61 663	120 856	120 856	103 309	111 203	124 427

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	1 036 610	1 141 287	1 214 127	1 243 711	1 328 349	1 328 349	1 378 148	1 476 069	1 557 305

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Balance of allocations not directly linked to an IDP strategic objective

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

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
The provision of democratic, accountable and ethical governance	Good Governance	1		177 829	185 276	222 170	247 061	248 145	248 145	589 379	606 312	638 675
The provision and maintenance of municipal services	Basic Service Delivery	2		515 721	490 339	576 651	639 154	645 951	645 951	606 334	661 323	717 345
The encouragement of structured community participation in the matters of the municipality	Good Governance	3		1 793	1 486	1 250	1 085	1 235	1 235	1 195	1 195	1 195
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4		102 799	125 449	141 579	164 538	168 740	168 740	68 246	70 616	73 691
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5		196 881	194 606	166 921	198 125	228 936	228 936	149 241	158 116	169 470

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousand													
Allocations to other priorities													
Total Expenditure				1	995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Balance of allocations not directly linked to an IDP strategic objective

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

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
The provision of democratic, accountable and ethical governance	Good Governance	1		957	6 346	8 659	4 105	4 105	4 105	3 375	30 000	20 000
The provision and maintenance of municipal services	Basic Service Delivery	2		63 498	42 786	84 872	162 402	122 760	122 760	155 758	95 899	70 528
The encouragement of structured community participation in the matters of the municipality	Good Governance	3		3 729	41 536	5 250	5 415	5 265	5 265	5 305		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4		10 406	2 517	28 646	32 906	37 472	37 472	30 208		
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5		13 279	12 070	47 683	56 849	106 130	106 130	72 449	50 237	54 850

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
Allocations to other priorities			3									
Total Capital Expenditure			1	91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure
2. Goal code must be used on Table SA36
3. Balance of allocations not directly linked to an IDP strategic objective

WC032 Overstrand - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Council and Municipal Manager										
Council and Municipal Manager										
Municipal Manager										
Percentage of a municipality's capital budget actually spent on capital projects identified for the financial year in terms of the municipality's IDP $\{(Actual\ amount\ spent\ on\ projects\ as\ identified\ for\ the\ year\ in\ the\ IDP/Total\ amount\ budgeted\ on\ capital\ projects) \times 100\}$	% of capital budget spent	98,0%	90,13%	99.39%	95,0%	95,0%	95,0%	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	6	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 quarterly progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	4	5	6	4	4	4	4	4	4
Bi-annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2020 to be completed by Sept 2020 and the current period October to December 2020 to be completed by February 2021.	Number of appraisals	12	12	12	12	12	12	12	12	12
Submit the final Annual report and oversight report to Council before 31 March	Final Annual report and oversight report submitted	1	1	1	1	1	1	1	1	1
Prepare the final IDP for submission to Council by the end of May	Final IDP submitted	1	1	1	1	1	1	1	1	1
Draft the annual report and submit to the Auditor-General by the end of August	Draft Annual report submitted	1	1	1	1	1	1	1	1	1
Submit the Final MTREF budget by the end of May	Budget submitted	1	1	1	1	1	1	1	1	1
Risk Management										
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive	Number of progress reports submitted	4	4	3	4	4	4	4	4	4
Management Services										
Director: Management Services										
Human Resources										
92% of the approved and funded organogram filled $\{(actual\ number\ of\ posts\ filled\ divided\ by\ the\ funded\ posts\ budgeted) \times 100\}$	% filled	89,0%	93,4%	92.30%	92,0%	92,0%	92,0%	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	63	70	68	67	67	67	67	67	67
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	99,5%	99,87%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Review the Municipal Organisational Staff Structure by the end of June	Structure reviewed	1	1	1	1	1	1	1	1	1
Corporate Support Services										
Revise the Section 14 Access to Information Manual by the end of June to ensure compliant and up to date policies	Manual revised	1	1	1	1	1	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)	Ratio achieved	5.18	6.56	6.55	3	3	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)	Ratio achieved (2019/20 -Target Type was changed to Number from Percentage)	20.09%	19.96%	22.91%	12	15	15	15	15	15
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved	9.86%	10.52%	10.02%	12.20%	12.20%	12.20%	14,0%	14,0%	14,0%
Submit a reviewed long term financial plan to the CFO by the end of October	Reviewed long term financial plan submitted	1	1	1	1	1	1	1	1	1
Financial statements submitted to the Auditor General by 31 August	Financial statements submitted	1	1	0	1	1	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	7418	7385	7630	7450	7450	7450	7750	8000	8000
Achieve a debt recovery rate not less than 96% (Receipts/total billed for 12 months period x 100)	% Recovered	99.44%	99.35%	98.6%	96,0%	96,0%	96,0%	96,0%	96,0%	96,0%
Community Services										
Director: Community Services										
Director: Community Services										
98% of the operational conditional grant (Libraries, approved Pavement Management System within	% of total conditional m ² of roads patched and	86.07%	93,0%	100,0%	98,0%	98,0%	98,0%	98,0%	98,0%	98,0%
of kiloliter water purified - Number of kiloliter water	% of water unaccounted for	135298	112932	112982	100000	100000	100000	106000	110000	110000
Ward committee meetings held to facilitate consistent	No of ward committee	19.14%	18.82%	24.25%	19,0%	19,0%	19,0%	18,0%	18,0%	18,0%
		9	8	114	117	117	117	117	117	117

Provision of water to informal households (excluding invaded state-owned land and private land) based on households within 200 m from households	The number of taps installed to informal households that meet agreed service	252	253	285	253	285	285	300	320	320
Provision of refuse removal, refuse dumps and solid waste provision of refuse removal, refuse dumps and solid waste provision of refuse removal, refuse dumps and solid waste	Number of formal households which are billed	34449	29174	29800	29174	29800	29800	30396	30615	30615
Provision of refuse removal, refuse dumps and solid waste provision of refuse removal, refuse dumps and solid waste	Number of weekly removal of the number of tonets	32029	32695	33105	32695	33105	33105	34098	35121	35121
Provision of refuse removal, refuse dumps and solid waste	Number of weekly removal of the number of tonets	52	52	52	52	52	52	52	52	52
Provision of refuse removal, refuse dumps and solid waste	Number of weekly removal of the number of tonets	794	794	881	794	884	884	930	980	980
Provision of sanitation services to formal residential households (A household is a residential unit being land with available funding)	households which are billed	28841	29165	29631	29165	29631	29631	30520	31436	31436
The provision of sanitation services to informal	The number of taps installed for informal provided for informal	no kpi set	no kpi set	88	98	98	98	80	70	70
The provision of sanitation services to informal	The number of taps installed for informal provided for informal	no kpi set	no kpi set	120	0	130	130	105	95	95
Infrastructure & Planning										
Director: Infrastructure and Planning										
Water Treatment										
Quality of effluent comply 90% with license and/or general limit in terms of the Water Act (Act 36 of 1998)	% compliance	92.93%	93.5%	95.77%	90,0%	90,0%	90,0%	90,0%	90,0%	90,0%
Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	99,0%	98,0%	98.90%	95,0%	95,0%	95,0%	95,0%	95,0%	95,0%
Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	1	1	1	1	1	1	1	1	1
Electricity										
Limit electricity losses to 7.5% 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	7.37%	5.12%	6.45%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
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	20916	21048	21332	21048	21048	21048	21332	21332	21332
MIG										
100% of the Municipal Infrastructure Grant (MIG) spent by 30 June (Actual MIG expenditure/Allocation received)	% Expenditure of allocated funds	100,0%	79.70%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Protection Services										
Director Protection Services										
Protection Services										
Arrange public awareness sessions on Protection Services	Number of sessions held	88	84	90	100	100	100	100	100	100
Collect R16 500 000 Public Safety Income by 30 June (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income (excluding fines impairment amount)	R40 357 315	R20 167 767	R15 493 008	R16 500 000	R16 500 000	R16 500 000	R16 500 000	R16 500 000	R16 500 000
Review Community Safety Plan in three year cycle by end of June of the third year in conjunction with the Department of Community Safety	Plan reviewed	1	no kpi set	no kpi set	1	1	1	0	0	0
Disaster and Fire Management										

Annually review and submit Disaster Management Plan to Council by the end of October	Reviewed plan submitted	1	1	1	1	1	1	1	1	1
Local Economic Development, Social										
Director: LED										
LED, Social Development and Tourism										
Provide four progress reports on LED, Social Development and Tourism initiatives to Council by end June 2020 (Refers to the 4th quarter report of previous financial year and three progress reports for the 2019/20 financial year)	Number of progress reports on LED, Social Development & Tourism initiatives	3	3	3	4	4	4	4	4	4
Provide a schedule of funded events to the Executive Mayor for sign off by end of July 2019	Number of schedules submitted	1	1	1	1	1	1	1	1	1
Support 120 SMME's in terms of the SMME Development Programme by 30 June	Number of SMME's supported	92	80	120	120	120	120	120	120	120
Support 50 Emerging Contractors in terms of the Emerging Contractor Development Programme by 30 June	Number of emerging contractors supported	48	43	52	50	50	50	50	50	50
Report on projects/ initiatives in collaboration with other stakeholders for local economic development, social development and tourism	Number of projects / initiatives collaborated on	no kpi set	3	14	12	12	12	12	12	12
The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 1020 work opportunities)	Number of temporary jobs created	828	994	1048	1020	1020	1020	1020	1020	1020
And so on for the rest of the Votes										

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))
2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities
3. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

WC032 Overstrand - Entities measurable performance objectives

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Entity 1 - (name of entity)										
<i>Insert measure/s description</i>										
Entity 2 - (name of entity)										
<i>Structure by the end of June</i>										
Entity 3 - (name of entity)										
<i>Structure by the end of June</i>										
And so on for the rest of the Entities										

1. Include a measurable performance objective as agreed with the parent municipality (MFMA s87(5)(d))

2. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

WC032 Overstrand - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Borrowing Management										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	7,3%	7,6%	7,1%	7,2%	7,0%	7,0%	7,1%	7,2%	6,4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	8,2%	7,9%	7,6%	8,8%	7,8%	7,8%	8,3%	8,3%	7,5%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	61,7%	82,0%	65,8%	38,8%	50,5%	50,5%	28,3%	57,5%	71,4%
Safety of Capital										
Gearing	Long Term Borrowing/ Funds & Reserves	12687,3%	12540,1%	12959,0%	13636,3%	13636,3%	13636,3%	13422,9%	13518,7%	13307,4%
Liquidity										
Current Ratio	Current assets/current liabilities	2,2	2,8	3,2	2,5	3,3	3,3	2,7	2,5	2,2
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2,2	2,8	3,2	2,5	3,3	3,3	2,7	2,5	2,2
Liquidity Ratio	Monetary Assets/Current Liabilities	1,4	2,1	2,4	1,9	2,8	2,8	2,2	2,0	1,7
Revenue Management										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		98,6%	99,8%	99,3%	99,6%	99,6%	0,0%	99,9%	99,8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		98,6%	99,8%	99,3%	99,6%	99,6%	99,6%	99,9%	99,8%	99,8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	10,9%	10,9%	12,1%	9,3%	8,5%	8,5%	8,1%	7,7%	7,4%
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%	99,5%	99,5%	99,0%	99,0%	99,0%	99,0%	99,0%	99,0%
Creditors to Cash and Investments		30,5%	20,6%	18,3%	20,2%	11,6%	11,6%	17,6%	20,5%	23,9%
Other Indicators										
	Total Volume Losses (kW)	18113084	12858011	16537242	14613426	14613426	14613426	17426149	17948933	18033917
	Total Cost of Losses (Rand '000)	9 479	8 882	12 219	11 252	11 252	11 252	22 522	23 198	23 308
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0
	Total Volume Losses (kV)	1 444	1 112	1 701	1 159	1 159	1 159	1 518	1 563	1 610
	Total Cost of Losses (Rand '000)	2210,719	2132297	2308814	1969065	1969065	1969065	2248958	2316427	2385920
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0
Employee costs	Employee costs/(Total Revenue - capital revenue)	30,1%	27,5%	32,0%	34,1%	31,2%	31,2%	33,2%	32,4%	32,3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	31,0%	28,5%	33,0%	35,0%	32,1%	32,1%	34,3%	33,8%	33,7%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	12,0%	14,9%	18,7%	17,0%	15,9%	15,9%	16,3%	16,2%	16,0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	17,8%	16,8%	15,3%	15,6%	14,3%	14,3%	14,5%	13,5%	12,3%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	13,9	12,1	14,5	12,9	12,9	12,9	12,1	13,2	13,9
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	14,0%	14,5%	15,6%	11,8%	11,7%	11,7%	11,0%	10,4%	10,0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	4,1	7,4	7,3	5,4	7,0	7,0	5,8	5,0	4,3

References

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

Calculation data

Debtors > 90 days	63 989	64 530	73 332	82 641	83 596	83 596	93 811	99 903	108 714
Monthly fixed operational expenditure	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%	40,0%
Fixed operational expenditure % assumption	48 654	36 578	82 108	191 483	147 176	147 176	190 520	87 000	70 000
Own capex	30 000	30 000	54 000	74 300	74 300	74 300	54 000	50 000	50 000
Borrowing									

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	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Demographics												
Population			55 012	74 546	80 432	93	102	105	108	112	116	117
Females aged 5 - 14			2 770	5 837	5 228	6	7	7	7	7	7	8
Males aged 5 - 14			2 816	5 892	5 278	6	7	7	7	7	8	8
Females aged 15 - 34			5 561	11 567	13 139	15	17	17	18	18	19	19
Males aged 15 - 34			6 029	11 235	13 648	16	17	18	18	19	19	20
Unemployment			5	8	4	5	5	5	6	6	6	6
Monthly household income (no. of households)												
No income	1, 12		2 226	770	4 585	5 443	5 601	5 763	5 930	6 148	6 347	6 439
R1 - R1 600			6 149	5 307	5 326	6 323	6 506	6 695	6 889	7 142	7 373	7 480
R1 601 - R3 200			3 742	3 177	4 878	5 791	5 959	6 131	6 309	6 541	6 753	6 851
R3 201 - R6 400			3 344	3 789	4 362	5 178	5 328	5 483	5 642	5 849	6 038	6 125
R6 401 - R12 800			2 303	2 750	3 830	4 547	4 678	4 814	4 954	5 135	5 301	5 378
R12 801 - R25 600			920	1 947	2 896	3 438	3 538	3 640	3 746	3 884	4 009	4 067
R25 601 - R51 200			227	1 066	1 456	1 728	1 779	1 830	1 883	1 953	2 016	2 045
R52 201 - R102 400			77	184	486	577	594	611	629	652	673	683
R102 401 - R204 800			44	176	109	129	133	137	141	146	151	153
R204 801 - R409 600					81	96	99	105	109	112	114	
R409 601 - R819 200												
> R819 200			-	-	-	-	-	-	-	-	-	-
Poverty profiles (no. of households)												
< R2 060 per household per month	13					11 943	12 397	12 397	12 868	13 254	13 652	14 062
	2					-	-	-	-	-	-	-
Household/demographics (000)												
Number of people in municipal area			55 012	74 546	80 432	93	102	105	108	112	116	117
Number of poor people in municipal area												
Number of households in municipal area			19 032	19 166	28 009	33	34	35	36	38	39	39
Number of poor households in municipal area						7	7	7	7	8	8	8
Definition of poor household (R per month)						6 041	6 401	6 761	7 121			
Housing statistics												
Formal	3					30 173	30 640	31 162	31 712	33 615	35 632	37 769
Informal						3 067	3 052	3 620	3 620	6 044	6 407	6 791
Total number of households			-	-	-	33 240	33 692	34 782	35 332	39 659	42 038	44 561
Dwellings provided by municipality	4					220	341	171	124	254	100	100
Dwellings provided by province/s												
Dwellings provided by private sector	5					530	555	429	193			
Total new housing dwellings			-	-	-	750	896	600	317	254	100	100
Economic												
Inflation/inflation outlook (CPIX)	6					6,6%	6,4%	4,7%	5,2%	4,5%	4,6%	4,6%
Interest rate - borrowing						11,75%	10,7%	10,5%	10,7%	10,7%	10,7%	10,7%
Interest rate - investment						7,45%	7,7%	7,6%	7,3%	7,1%	7,5%	7,8%
Remuneration increases						6,0%	7,4%	6,0%	6,3%	4,0%	4,0%	4,0%
Consumption growth (electricity)						0,1%	0,0%	1,0%	2,0%	3,0%	3,0%	3,0%
Consumption growth (water)						4,0%	2,2%	2,4%	3,0%	3,0%	3,0%	3,0%
Collection rates												
	7											

Property tax/service charges				99,3%	99,4%	98,2%	98,5%	98,0%	98,0%	98,0%
Rental of facilities & equipment				99,8%	99,7%	96,8%	96,1%	98,0%	98,0%	98,0%
Interest - external investments				100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Interest - debtors				99,8%	99,7%	98,2%	98,5%	98,0%	98,0%	98,0%
Revenue from agency services				100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	34 449	29 174	29 800	29 800	29 800	29 800	30 694	31 615	32 563
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
8		Using public tap (at least min.service level)	3 067	3 052	3 620	3 620	3 620	3 620	4 650	4 900	5 000
10		Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
9		Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
10		Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
		Energy:									
		Electricity (at least min.service level)	6 356	6 112	5 831	5 587	5 587	5 587	5 343	5 099	4 855
		Electricity - prepaid (min.service level)	18 530	18 814	19 464	20 243	20 243	20 243	21 022	21 801	22 580
		<i>Minimum Service Level and Above sub-total</i>	24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
		Refuse:									
		Removed at least once a week	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
		<i>Minimum Service Level and Above sub-total</i>	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175

Municipal in-house services	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	34 449	29 174	29 800	29 800	29 800	29 800	30 694	31 615	32 563
		Piped water inside yard (but not in dwelling)									
8		Using public tap (at least min.service level)	3 067	3 052	3 620	3 620	3 620	3 620	4 650	4 900	5 000
10		Other water supply (at least min.service level)									
		<i>Minimum Service Level and Above sub-total</i>	37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
9		Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
10		Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	37 516	32 226	33 420	33 420	33 420	33 420	35 344	36 515	37 563
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	28 841	29 165	29 631	29 631	29 631	29 631	30 520	31 436	32 379
		Energy:									
		Electricity (at least min.service level)	6 356	6 112	5 831	5 587	5 587	5 587	5 343	5 099	4 855
		Electricity - prepaid (min.service level)	18 530	18 814	19 464	20 243	20 243	20 243	21 022	21 801	22 580
		<i>Minimum Service Level and Above sub-total</i>	24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	24 886	24 926	25 295	25 830	25 830	25 830	26 365	26 900	27 435
		Refuse:									
		Removed at least once a week	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
		<i>Minimum Service Level and Above sub-total</i>	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	32 029	32 695	33 105	33 105	33 105	33 105	34 098	35 121	36 175

Municipal entity services	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
Name of municipal entity		Household service targets (000)										
		<u>Water:</u>										
		Piped water inside dwelling	-	-	-	-	-	-	-	-	-	-
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-	-
	8	Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-	-
	10	Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-	-
Name of municipal entity		Sanitation/sewerage:										
		Flush toilet (connected to sewerage)	-	-	-	-	-	-	-	-	-	-
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-	-
Name of municipal entity		Energy:										
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-	-
Name of municipal entity		Refuse:										
		Removed at least once a week	-	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-	-

Services provided by 'external mechanisms'	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Names of service providers		Household service targets (000)									
		Water:									
		Piped water inside dwelling	-	-	-	-	-	-	-	-	-
		Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
	8	Using public tap (at least min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
	10	Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	-	-	-	-	-	-	-	-	-
		Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
		Chemical toilet	-	-	-	-	-	-	-	-	-
		Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Bucket toilet	-	-	-	-	-	-	-	-	-
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		Energy:									
		Electricity (at least min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
		Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
		Other energy sources	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		Refuse:									
		Removed at least once a week	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	-	-	-
		Using own refuse dump	-	-	-	-	-	-	-	-	-
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-

Detail of Free Basic Services (FBS) provided		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Electricity	Ref.	Location of households for each type of FBS								
List type of FBS service		Formal settlements - (50 kwh per indigent household per month Rands)								
		3 448 132	4 680 864	33 723 364	33 656 038	33 656 038	33 656 038	35 864 520	42 575 040	50 429 789
		<i>Number of HH receiving this type of FBS</i>								
		7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
		Informal settlements (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Other (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Total cost of FBS - Electricity for informal settlements								
		-	-	-	-	-	-	-	-	-
Water	Ref.	Location of households for each type of FBS								
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month Rands)								
		1 726 155	2 132 310	14 612 386	14 234 391	14 234 391	14 234 391	14 225 280	15 517 440	16 891 670
		<i>Number of HH receiving this type of FBS</i>								
		7 418	7 385	7 400	7 450	7 450	7 450	7 750	8 000	8 240
		Informal settlements (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Other (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Total cost of FBS - Water for informal settlements								
		-	-	-	-	-	-	-	-	-
Sanitation	Ref.	Location of households for each type of FBS								
List type of FBS service		Formal settlements - (free sanitation service to indigent households)								
		7 418	7 385	7 400	17 938 492	17 938 492	17 938 492	17 966 670	19 639 680	21 422 352
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Informal settlements (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Other (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Total cost of FBS - Sanitation for informal settlements								
		-	-	-	-	-	-	-	-	-
Refuse Removal	Ref.	Location of households for each type of FBS								
List type of FBS service		Formal settlements - (removed once a week to indigent households)								
		7 418	7 385	7 400	15 222 708	18 219 957	18 219 957	18 219 957	18 267 990	19 989 120
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Informal settlements (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Other (Rands)								
		-	-	-	-	-	-	-	-	-
		<i>Number of HH receiving this type of FBS</i>								
		-	-	-	-	-	-	-	-	-
		Total cost of FBS - Refuse Removal for informal settlements								
		-	-	-	-	-	-	-	-	-

References

1. Monthly household income threshold. Should include all sources of income.
2. Show the poverty analysis the municipality uses to determine its indigents policy and the provision of services
3. Include total of all housing units within the municipality
4. Number of subsidised dwellings to be constructed by the municipality under agency agreement with province
5. Provide estimate based on building approval information. Include any non-subsidised dwellings constructed by the municipality
6. Insert actual or estimated % increases assumed as a basis for budget calculations
7. Insert actual or estimated % collection rate assumed as a basis for budget calculations for each revenue group
8. Stand distance \leq 200m from dwelling
9. Stand distance $>$ 200m from dwelling
10. Borehole, spring, rain-water tank etc.
11. Must agree to total number of households in municipal area
12. Household income categories assume an average 4 person household. Stats SA - Census 2011 Questionnaire
13. Based on National poverty line of R515 per capita per month (2008 prices), assuming an average household size of 4 persons

WC032 Overstrand Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funding measures											
Cash/cash equivalents at the year end - R'000	18(1)b	1	259 815	474 967	533 188	444 120	585 446	585 446	540 118	500 749	472 724
Cash + investments at the yr end less applications - R'000	18(1)b	2	276 379	456 342	516 039	452 835	615 593	615 593	547 943	503 880	466 230
Cash year end/monthly employee/supplier payments	18(1)b	3	4,1	7,4	7,3	5,4	7,0	7,0	5,8	5,0	4,3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	41 587	144 131	105 555	(6 252)	35 343	35 343	(36 247)	(21 493)	(43 071)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(1,1%)	3,4%	(1,8%)	(5,2%)	(6,0%)	1,3%	0,3%	0,4%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	96,4%	97,5%	97,0%	98,7%	98,4%	98,4%	97,3%	98,4%	97,7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	2,9%	2,2%	2,0%	2,7%	2,7%	2,7%	2,6%	2,6%	2,6%
Capital payments % of capital expenditure	18(1)c,(19)	8	92,0%	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	61,7%	82,0%	65,8%	38,8%	50,5%	50,5%	28,3%	57,5%	71,4%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10							100,0%	100,0%	100,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	7,5%	17,6%	(21,6%)	0,0%	0,0%	0,8%	1,1%	1,4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(24,5%)	(56,8%)	(58,0%)	0,0%	0,0%	(84,7%)	(100,0%)	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	3,4%	4,6%	6,1%	5,5%	5,6%	5,6%	5,8%	6,1%	6,4%
Asset renewal % of capital budget	20(1)(vi)	14	37,5%	28,2%	0,0%	2,5%	2,4%	2,4%	10,5%	6,8%	11,1%

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Supporting indicators											
% incr total service charges (incl prop rates)	18(1)a			4,9%	9,4%	4,2%	0,8%	0,0%	7,3%	6,3%	6,4%
% incr Property Tax	18(1)a			9,5%	8,1%	3,8%	0,3%	0,0%	11,6%	5,7%	5,8%
% incr Service charges - electricity revenue	18(1)a			4,3%	8,4%	5,3%	1,3%	0,0%	6,9%	6,9%	7,0%
% incr Service charges - water revenue	18(1)a			(3,6%)	17,2%	(2,0%)	1,2%	0,0%	4,0%	5,9%	5,9%
% incr Service charges - sanitation revenue	18(1)a			7,8%	7,9%	2,9%	1,2%	0,0%	3,4%	6,0%	6,0%
% incr Service charges - refuse revenue	18(1)a			6,2%	6,9%	13,5%	(1,3%)	0,0%	4,6%	6,0%	6,0%
% 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		768 218	805 874	881 474	918 480	925 900	925 900	993 211	1 055 991	1 123 135
Service charges			768 218	805 874	881 474	918 480	925 900	925 900	993 211	1 055 991	1 123 135
Property rates			197 104	215 763	233 274	242 150	242 950	242 950	271 251	286 830	303 395
Service charges - electricity revenue			334 765	349 298	378 668	398 868	403 868	403 868	431 748	461 627	493 845
Service charges - water revenue			115 070	110 932	129 971	127 320	128 820	128 820	134 027	141 979	150 407
Service charges - sanitation revenue			66 890	72 106	77 772	80 020	81 020	81 020	83 772	88 798	94 127
Service charges - refuse removal			54 389	57 775	61 788	70 122	69 242	69 242	72 414	76 757	81 361
Service charges - other			-	-	-	-	-	-	-	-	-
Rental of facilities and equipment			11 613	5 616	6 341	3 562	3 562	3 562	3 707	3 899	4 108
Capital expenditure excluding capital grant funding			48 654	36 578	82 108	191 483	147 176	147 176	190 520	87 000	70 000
Cash receipts from ratepayers	18(1)a		831 217	879 999	957 215	980 535	1 100 391	1 100 391	1 144 995	1 230 798	1 291 631
Ratepayer & Other revenue	18(1)a		861 928	902 149	987 324	993 324	1 117 862	1 117 862	1 176 338	1 250 223	1 321 362
Change in consumer debtors (current and non-current)			18 785	8 256	20 767	(29 894)	(29 894)	(29 894)	877	1 192	1 524
Operating and Capital Grant Revenue	18(1)a		148 093	180 721	185 036	222 377	172 009	172 009	162 459	170 205	185 903
Capital expenditure - total	20(1)(vi)		91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Capital expenditure - renewal	20(1)(vi)		34 479	29 644	-	6 570	6 558	6 558	28 083	12 050	16 200
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									121 368	131 023	143 389
DoRA capital grants total MFY									29 887	28 470	31 628
Provincial operating grants									10 472	10 712	10 886
Provincial capital grants									732	-	-
District Municipality grants									-	-	-
Total gazetted/advised national, provincial and district grants									162 459	170 205	185 903
Average annual collection rate (arrears inclusive)											

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
DoRA operating											
Operational Revenue:General Revenue:Equitable Share									117 318	129 473	141 839
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]									-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]									2 500	-	-
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
Mitchell's Plain Urban Renewal									-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]									-	-	-
Municipal Disaster Grant [Schedule 5B]									-	-	-
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]									-	-	-
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									-	-	-
									121 368	131 023	143 389

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
DoRA Capital											
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]									8 000	5 000	7 000
Municipal Infrastructure Grant [Schedule 5B]									21 887	23 470	24 628
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]									-	-	-
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									-	-	-
Municipal Emergency Housing Grant									-	-	-
Metro Informal Settlements Partnership Grant									-	-	-
									29 887	28 470	31 628

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Trend											
Change in consumer debtors (current and non-current)			18 785	8 256	20 767	(29 894)	(29 894)	(29 894)	877	1 192	1 524
Total Operating Revenue			1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777
Total Operating Expenditure			995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Operating Performance Surplus/(Deficit)			7 906	79 868	39 495	(76 446)	(13 491)	(13 491)	(66 866)	(63 963)	(80 599)
Cash and Cash Equivalents (30 June 2012)									540 118		
Revenue											
% Increase in Total Operating Revenue				7,4%	6,6%	2,2%	9,0%	0,0%	5,3%	6,4%	6,0%
% Increase in Property Rates Revenue				9,5%	8,1%	3,8%	0,3%	0,0%	11,6%	5,7%	5,8%
% Increase in Electricity Revenue				4,3%	8,4%	5,3%	1,3%	0,0%	6,9%	6,9%	7,0%
% Increase in Property Rates & Services Charges				4,9%	9,4%	4,2%	0,8%	0,0%	7,3%	6,3%	6,4%
Expenditure											
% Increase in Total Operating Expenditure				0,2%	11,2%	12,8%	3,4%	0,0%	9,4%	5,9%	6,9%
% Increase in Employee Costs				(1,9%)	24,0%	8,7%	(0,1%)	0,0%	12,1%	3,7%	5,8%
% Increase in Electricity Bulk Purchases				3,8%	7,4%	13,7%	1,8%	0,0%	15,0%	15,0%	15,0%
Average Cost Per Budgeted Employee Position (Remuneration)					510913,5153	343179,1674			382058,8387		
Average Cost Per Councillor (Remuneration)					422929,12	455312,28			551747,8		
R&M % of PPE			3,4%	4,6%	6,1%	5,5%	5,6%	5,6%	5,8%	6,1%	6,4%
Asset Renewal and R&M as a % of PPE			4,0%	5,0%	6,0%	7,0%	7,0%	7,0%	7,0%	7,0%	7,0%
Debt Impairment % of Total Billable Revenue			2,9%	2,2%	2,0%	2,7%	2,7%	2,7%	2,6%	2,6%	2,6%
Capital Revenue											
Internally Funded & Other (R'000)			13 104	17 379	45 613	100 981	77 251	77 251	98 322	37 000	20 000
Borrowing (R'000)			35 550	19 199	36 495	90 501	69 925	69 925	92 199	50 000	50 000
Grant Funding and Other (R'000)			43 214	68 677	93 002	70 194	128 557	128 557	76 575	89 137	75 378
Internally Generated funds % of Non Grant Funding			26,9%	47,5%	55,6%	52,7%	52,5%	52,5%	51,6%	42,5%	28,6%
Borrowing % of Non Grant Funding			73,1%	52,5%	44,4%	47,3%	47,5%	47,5%	48,4%	57,5%	71,4%
Grant Funding % of Total Funding			47,0%	65,2%	53,1%	26,8%	46,6%	46,6%	28,7%	50,6%	51,8%
Capital Expenditure											
Total Capital Programme (R'000)			91 868	105 255	175 110	261 677	275 733	275 733	267 095	176 137	145 378
Asset Renewal			34 479	29 644	-	6 570	6 558	6 558	28 083	12 050	16 200
Asset Renewal % of Total Capital Expenditure			37,5%	28,2%	0,0%	2,5%	2,4%	2,4%	10,5%	6,8%	11,1%
Cash											
Cash Receipts % of Rate Payer & Other			96,4%	97,5%	97,0%	98,7%	98,4%	98,4%	97,3%	98,4%	97,7%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	0
Borrowing											
Credit Rating (2009/10)									0		
Capital Charges to Operating			7,3%	7,6%	7,1%	7,2%	7,0%	7,0%	7,1%	7,2%	6,4%
Borrowing Receipts % of Capital Expenditure			61,7%	82,0%	65,8%	38,8%	50,5%	50,5%	28,3%	57,5%	71,4%
Reserves											
Surplus/(Deficit)			276 379	456 342	516 039	452 835	615 593	615 593	547 943	503 880	466 230
Free Services											
Free Basic Services as a % of Equitable Share			7,1%	8,1%	82,5%	78,8%	78,8%	78,8%	73,6%	75,5%	78,0%
Free Services as a % of Operating Revenue (excl operational transfers)			5,7%	5,4%	5,1%	5,3%	4,7%	4,7%	5,5%	5,5%	5,5%
High Level Outcome of Funding Compliance											
Total Operating Revenue			1 002 928	1 077 023	1 148 067	1 173 517	1 279 516	1 279 516	1 347 529	1 433 599	1 519 777
Total Operating Expenditure			995 023	997 156	1 108 572	1 249 963	1 293 006	1 293 006	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) Budgeted Operating Statement			7 906	79 868	39 495	(76 446)	(13 491)	(13 491)	(66 866)	(63 963)	(80 599)
Surplus/(Deficit) Considering Reserves and Cash Backing			276 379	456 342	516 039	452 835	615 593	615 593	547 943	503 880	466 230
MTREF Funded (1) / Unfunded (0)	15		1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	15		✓	✓	✓	✓	✓	✓	✓	✓	✓

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23

References

15. Subject to figures provided in Schedule.

WC032 Overstrand - Supporting Table SA11 Property rates summary

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Valuation:	1									
Date of valuation:		02/07/2016	02/07/2016	02/07/2016	02/07/2016					
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)		60	60	48	12			-		
No. of properties	5	42 494	42 494	42 823	42 895			42 895		
No. of sectional title values	5	2 555	2 560	2 210	2 577			2 577		
No. of unreasonably difficult properties s7(2)		-	-	-	-			-		
No. of supplementary valuations		1	1	1	2			2		
No. of valuation roll amendments		6	12	27	10			10		
No. of objections by rate payers		7	12	11	14			14		
No. of appeals by rate payers		3	1	2	12			12		
No. of successful objections	8	3	1	6	14			14		
No. of successful objections > 10%	8	1	1	1	11			11		
Supplementary valuation		2 322	2 500	2 566	3 009			3 009		
Public service infrastructure value (Rm)	5	98	82	84	92			97		
Municipality owned property value (Rm)		739	905	924	894			947		
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		98	98	84	92	92	92	97	97	97
Valuation reductions-nature reserves/park (Rm)		-	368	368	339	339	339	359	359	359
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		445	450	476	475	475	475	503	503	503
Valuation reductions-public worship (Rm)		151	158	175	183	183	183	194	194	194
Valuation reductions-other (Rm)		1 947	1 946	2 860	2 028	2 028	2 028	2 150	2 150	2 150
Total valuation reductions:		2 641	3 020	3 963	3 116	3 116	3 116	3 303	3 303	3 303
Total value used for rating (Rm)	5	42 303	43 689	46 907	48 668	48 668	48 668	51 588	51 588	51 588
Total land value (Rm)	5	22 249	21 274	22 595	23 042	23 042	23 042	24 424	24 424	24 424
Total value of improvements (Rm)	5	21 516	25 585	27 770	28 743	28 743	28 743	30 468	30 468	30 468
Total market value (Rm)	5	43 765	46 859	50 364	51 785	51 785	51 785	54 892	54 892	54 892
Rating:										
Residential rate used to determine rate for other categories? (Y/N)	5	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		
Special rating area used? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)				No	No	-	-	No	-	-
Rates policy accompanying budget? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)		220	220	220	220			220		
Non-residential prescribed ratio s19? (%)		51,6%	51,5%	51,5%	51,5%					

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Rate revenue:										
Rate revenue budget (R'000)	6	197 140	214 975	233 034	242 070	242 070	242 070	259 450	275 017	291 580
Rate revenue expected to collect (R'000)	6	197 140	214 975	233 034	242 070	242 070	242 070	259 450	275 017	291 580
Expected cash collection rate (%)		98,3%	99,3%	98,4%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Special rating areas (R'000)	7	6 863	7 494	8 047						
Rebates, exemptions - indigent (R'000)			-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		604	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		99	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		5 390	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)			-	-	-	-	-	-	-	-
Total rebates,exemptns,eductns,discs (R'000)		6 093	-	-	-	-	-	-	-	-

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
2. To give effect to rates policy
3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
4. Required to implement new system (FTE)
5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12
6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
7. Included in rate revenue budget
8. In favour of the rate-payer

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/nts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum	
Current Year 2019/20																								
Valuation:																								
No. of properties		37 867	-	1 591	220	364	2 088	485	-	-	-	-	-	164	-	141	-	-	-	-	-	-	-	43
No. of sectional title property values		2 249	-	328	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	-	-	-	-	-	-	0
Supplementary valuation (Rm)		TOTAL 4143																					-	
No. of valuation roll amendments		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	-	-	-	-	-	-	0
No. of objections by rate-payers		IN PROCESS																					-	
No. of appeals by rate-payers		IN PROCESS																					-	
No. of appeals by rate-payers finalised		IN PROCESS																					-	
No. of successful objections	5	IN PROCESS																					-	
No. of successful objections > 10%	5	IN PROCESS																					-	
Estimated no. of properties not valued		100 TOTAL																					-	
Years since last valuation (select)		4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	-	-	-	-	-	-	-
Frequency of valuation (select)		5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	-	-	-	-	-	-	-
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	Uniform	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	-	-	-	-	-	-	-
Valuation reductions:																								
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	91 833
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	339	-	-	-	-	-	-	-	-	-	338 593
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		475	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	474 872
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	183	-	-	-	-	-	-	-	182 585
Valuation reductions-other (Rm)	2	2 028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 028 270
Total valuation reductions:																								
Total value used for rating (Rm)	6	42 451	-	4 933	293	476	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48 153 108
Total land value (Rm)	6	19 634	-	1 825	458	291	645	77	-	-	-	-	-	268	-	128	-	-	-	-	-	-	-	23 324 939
Total value of improvements (Rm)	6	28 485	-	3 132	159	240	249	15	-	-	-	-	-	101	-	208	-	-	-	-	-	-	-	32 589 712
Total market value (Rm)	6	44 479	-	4 957	616	531	894	92	-	-	-	-	-	370	-	336	-	-	-	-	-	-	-	52 274 651
Rating:																								
Average rate	3	0,005703		0,008639	0,001426	0,008639				0,005703														
Rate revenue budget (R'000)		199 520		38 500	650	3 400																		242 070
Rate revenue expected to collect (R'000)		199 520		38 500	650	3 400																		242 070
Expected cash collection rate (%)	4	100,0%		100,0%	100,0%	100,0%																		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,eductns,discs (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include arrears collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

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 Monum/nts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum	
Budget Year 2020/21																								
Valuation:																								
No. of properties																								-
No. of sectional title property values		37 867	-	1 591	220	364	2 088	485	-	-	-	-	-	164	-	141	-	-	-	-	-	-	-	43
No. of unreasonably difficult properties s7(2)		2 249	-	328	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		100	TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Frequency of valuation (select)		5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Method of valuation used (select)		5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Base of valuation (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Phasing-in properties s21 (number)		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.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Combination of rating types used? (Y/N)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flat rate used? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Is balance rated by uniform rate/variable rate?		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Valuation reductions:																								
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97 343
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	359	-	-	-	-	-	-	-	-	-	358 909
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		503	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	503 364
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	196	-	-	-	-	-	-	-	196 410
Valuation reductions-other (Rm)	2	2 150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 149 966
Total valuation reductions:																								
Total value used for rating (Rm)	6	44 998	-	5 229	311	504	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51 042 294
Total land value (Rm)	6	20 812	-	1 934	485	308	683	81	-	-	-	-	-	284	-	136	-	-	-	-	-	-	-	24 724 436
Total value of improvements (Rm)	6	30 194	-	3 320	168	254	264	16	-	-	-	-	-	108	-	220	-	-	-	-	-	-	-	34 545 095
Total market value (Rm)	6	47 148	-	5 254	653	563	947	97	-	-	-	-	-	392	-	356	-	-	-	-	-	-	-	55 411 130
Rating:																								
Average rate	3	0,006100		0,009240	0,001520	0,009240	-	-	-	0,006100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R '000)		213 900		41 004	804	3 742	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	259 450
Rate revenue expected to collect (R'000)		213 900		41 004	804	3 742	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	259 450
Expected cash collection rate (%)	4	100,0%		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%	0,0%	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,eductns,discs (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include arrears collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

WC032 Overstrand - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Property rates (rate in the Rand)									
Residential properties	1		0,0047	0,0051	0,0054	0,0057	0,0061	0,0065	0,0069
Residential properties - vacant land			0,0065	0,0070	0,0074	0,0078	0,0084	0,0089	0,0094
Formal/informal settlements									
Small holdings									
Farm properties - used			0,0012	0,0013	0,0013	0,0014	0,0015	0,0016	0,0017
Farm properties - not used									
Industrial properties									
Business and commercial properties			0,0072	0,0077	0,0082	0,0086	0,0092	0,0098	0,0104
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties			0,0072	0,0077	0,0082	0,0086	0,0092	0,0098	0,0104
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									
Other rebates or exemptions	2		75%	75%	75%	75%	75%	75%	75%
Water tariffs									
Domestic									
Basic charge/fixd fee (Rands/month)			115	122	129	137	145	153	162
Service point - vacant land (Rands/month)			115	122	129	137	145	153	162
Water usage - flat rate tariff (c/kl)			404	450	502	560	624	661	701
Water usage - life line tariff			966	1 024	1 085	1 147	1 215	1 288	1 365
Water usage - Block 1 (c/kl)			1 567	1 661	1 761	1 861	1 971	2 089	2 215
Water usage - Block 2 (c/kl)			2 413	2 557	2 711	2 866	3 035	3 217	3 410
Water usage - Block 3 (c/kl)			3 134	3 322	3 521	3 722	3 942	4 179	4 429
Water usage - Block 4 (c/kl)			4 179	4 430	4 696	4 964	5 257	5 572	5 907
Other	2								

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Waste water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			102	109	115	122	129	137	145
Service point - vacant land (Rands/month)			123	109	115	122	129	137	145
Waste water - flat rate tariff (c/kl)			1 153	1 222	1 296	1 370	1 451	1 538	1 630
Volumetric charge - Block 1 (c/kl)		Basic charge pumps	69	73	78	82	87	92	98
Volumetric charge - Block 2 (c/kl)		Service per pump	471	499	529	560	593	628	666
Volumetric charge - Block 3 (c/kl)									
Volumetric charge - Block 4 (c/kl)									
Other									
Electricity tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			255	268	292	335	394	418	443
Service point - vacant land (Rands/month)			255	268	292	335	386	409	433
FBE		(how is this targeted?)							
Life-line tariff - meter		(describe structure)							
Life-line tariff - prepaid		(describe structure)	100	101	107	120	137	145	154
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	109	109	115	129	146	155	165
Meter - IBT Block 3 (c/kwh)		351 - 600 kWh	155	158	168	189	216	229	242
Meter - IBT Block 4 (c/kwh)		> 600 kWh	189	193	206	232	267	283	300
Meter - IBT Block 5 (c/kwh)		Prepaid Meter							
Prepaid - IBT Block 1 (c/kwh)		0 - 350 kWh	100	100	106	119	135	143	152
Prepaid - IBT Block 2 (c/kwh)		351 - 600 kWh	146	149	158	178	203	216	228
Prepaid - IBT Block 3 (c/kwh)		> 600 kWh	182	185	198	223	256	272	288
Prepaid - IBT Block 4 (c/kwh)		(fill in thresholds)							
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
Other									
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/ fixed fee			146	155	164	185	196	208	221
80l bin - once a week									
250l bin - once a week			146	155	164	185	196	208	221

References

1. If properties are not rated or zero rated this must be indicated as such
2. Please provide detailed descriptions on Sheet SA13b

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
Electricity tariffs									
		Basic charge/fixed fee	255	268	292	335	394	418	443
		Basic - Vacant Land	255	268	292	335	386	409	433
		Flat rate prepaid (c/kWh)	100	101	107	120	137	145	154
		Credit Meter							
		0 - 350 kWh	109	109	115	129	146	155	165
		351 - 600 kWh	155	158	168	189	216	229	242
		> 600 kWh	189	193	206	232	267	283	300
		Prepaid Meter							
		0 - 350 kWh	100	100	106	119	135	143	152
		351 - 600 kWh	146	149	158	178	203	216	228
		> 600 kWh	182	185	198	223	256	272	288
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-

WC032 Overstrand - Supporting Table SA14 Household bills

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Rand/cent											
Monthly Account for Household - 'Middle Income Range'											
Rates and services charges:											
Property rates		205,32	220,57	233,78	247,14	247,14	247,14	7,0%	264,33	280,19	297,00
Electricity: Basic levy		254,78	267,52	291,60	335,34	335,34	335,34	15,0%	385,64	417,66	442,72
Electricity: Consumption		1 445,42	1 464,97	1 558,89	1 729,49	1 729,49	1 729,49	15,0%	2 016,97	2 127,95	2 255,63
Water: Basic levy		114,93	121,83	129,14	136,50	136,50	136,50	5,9%	144,55	153,22	162,42
Water: Consumption		333,62	354,92	377,69	400,93	400,93	400,93	6,4%	426,48	452,07	479,19
Sanitation		344,53	365,16	387,25	409,35	409,35	409,35	5,9%	433,54	459,55	487,13
Refuse removal		146,26	155,04	164,35	185,49	185,49	185,49	5,9%	196,43	208,22	220,71
Other		41,70	53,54	53,54	53,54	53,54	53,54	-	53,54	53,54	53,54
sub-total		2 886,56	3 003,55	3 196,24	3 497,78	3 497,78	3 497,78	12,1%	3 921,48	4 152,40	4 398,33
VAT on Services		375,37	396,57	422,15	487,60	487,60	487,60		548,41	580,83	615,20
Total large household bill:		3 261,93	3 400,12	3 618,39	3 985,38	3 985,38	3 985,38	12,2%	4 469,89	4 733,23	5 013,53
% increase/-decrease			4,2%	6,4%	10,1%	-	-	12,2%	12,2%	5,9%	5,9%
Monthly Account for Household - 'Affordable Range'											
Rates and services charges:											
Property rates		142,15	152,70	161,85	171,10	171,10	171,10	7,0%	183,00	193,98	205,62
Electricity: Basic levy		254,78	267,52	291,60	335,34	335,34	335,34	15,0%	385,64	417,66	442,72
Electricity: Consumption		571,30	574,61	608,63	658,70	658,70	658,70	15,0%	785,55	825,13	874,63
Water: Basic levy		114,93	121,83	129,14	136,50	136,50	136,50	5,9%	144,55	153,22	162,42
Water: Consumption		251,79	268,19	285,74	303,75	303,75	303,75	6,5%	323,56	342,97	363,55
Sanitation		304,18	322,39	341,89	361,40	361,40	361,40	5,9%	382,76	405,73	430,07
Refuse removal		146,26	155,04	164,35	185,49	185,49	185,49	5,9%	196,43	208,22	220,71
Other		41,70	53,54	53,54	53,54	53,54	53,54	-	53,54	53,54	53,54
sub-total		1 827,09	1 915,82	2 036,74	2 205,82	2 205,82	2 205,82	11,3%	2 455,03	2 600,44	2 753,26
VAT on Services		235,89	251,24								
Total small household bill:		2 062,98	2 167,06	2 036,74	2 205,82	2 205,82	2 205,82	11,3%	2 455,03	2 600,44	2 753,26
% increase/-decrease			5,0%	(6,0%)	8,3%	-	-	11,3%	11,3%	5,9%	5,9%
Monthly Account for Household - 'Indigent' Household receiving free basic services											
Rates and services charges:											
Property rates		78,97	84,83	89,92	95,06	95,06	95,06	6,9%	101,66	107,76	114,23
Electricity: Basic levy		254,78	267,52	291,60	335,34	335,34	335,34	15,0%	385,64	417,66	442,72
Electricity: Consumption		351,58	351,05	371,42	391,60	391,60	391,60	15,0%	478,38	501,78	531,89
Water: Basic levy		114,93	121,83	129,14	136,50	136,50	136,50	5,9%	144,55	153,22	162,42
Water: Consumption		173,44	185,14	197,69	210,70	210,70	210,70	6,8%	225,01	238,51	252,82
Sanitation		263,82	279,62	296,53	313,45	313,45	313,45	5,9%	331,97	351,89	373,00
Refuse removal		146,26	155,04	164,35	185,49	185,49	185,49	5,9%	196,43	208,22	220,71
Other		(701,43)	(727,86)	(796,06)	(887,87)	(887,87)	(887,87)		(988,16)	(1 092,08)	(1 208,38)
sub-total		682,35	717,17	744,59	780,27	780,27	780,27	12,2%	875,48	886,96	889,40
VAT on Services		78,64	90,11	93,29	102,78	102,78	102,78		116,58	116,88	116,28
Total small household bill:		760,99	807,28	837,88	883,05	883,05	883,05	12,3%	992,06	1 003,84	1 005,68
% increase/-decrease			6,1%	3,8%	5,4%	-	-	12,3%	12,3%	1,2%	0,2%

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)
4. Note this is for a SINGLE household.

WC032 Overstrand - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		170 728	380 514	409 200	320 000	320 000	320 000	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)		37 982	44 595	50 524	57 885	57 885	57 885	65 460	73 294	81 414
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	208 709	425 109	459 723	377 885	377 885	377 885	465 460	473 294	481 414
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:		208 709	425 109	459 723	377 885	377 885	377 885	465 460	473 294	481 414

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

WC032 Overstrand - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
LIBERTY 15934476		15 Years	Policy	Yes	Variable	Fair Value Adjustment			01/09/2025	17 783	1 072		1 500	20 356
LIBERTY 21196964		14 Years	Policy	Yes	Variable	Fair Value Adjustment			01/09/2025	29 631	1 251		3 120	34 002
MOMENTUM 3853776		15 Years	Policy	Yes	Variable	Fair Value Adjustment			01/07/2026	3 132	36		360	3 528
Deposits - Bank		2 to 6 Months	Call accounts	No	Fixed				30/06/2020	409 200	33 501	(122 701)		320 000
														-
														-
														-
														-
														-
														-
														-
														-
														-
														-
														-
														-
														-
														-
														-
Municipality sub-total										459 746		(122 701)	4 980	377 885
Entities														
										-	-	-	-	-
										-	-	-	-	-
										-	-	-	-	-
										-	-	-	-	-
										-	-	-	-	-
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										-	-	-	-	-
										-	-	-	-	-
										-	-	-	-	-
										-	-	-	-	-
										-	-	-	-	-
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	1									459 746		(122 701)	4 980	377 885

References
 1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)
 2. List investments in expiry date order
 3. If 'variable' is selected in column F, input interest rate range
 4. Withdrawals to be entered as negative

WC032 Overstrand - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality										
Annuity and Bullet Loans		312 495	308 658	322 933	355 453	355 453	355 453	348 996	352 875	346 464
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	412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464
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	412 495	408 658	422 933	455 453	455 453	455 453	448 996	452 875	446 464

Borrowing - Categorised by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		15	10 450	38 199	-	-	-	-	-	-
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	15	10 450	38 199	-	-	-	-	-	-
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	15	10 450	38 199	-	-	-	-	-	-

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

WC032 Overstrand - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		76 347	88 073	99 544	110 882	110 882	110 882	121 368	131 023	143 389
Operational Revenue:General Revenue:Equitable Share		72 950	84 223	96 068	106 697	106 697	106 697	117 318	129 473	141 839
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]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 922	2 300	1 926	2 635	2 635	2 635	2 500	-	-
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]		1 475	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]		-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Provincial Government:		41 312	38 766	23 028	38 392	13 478	13 478	10 472	10 712	10 886
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		41 175	38 627	22 891	38 266	13 352	13 352	10 327	10 567	10 741
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		137	139	137	126	126	126	145	145	145
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>All Grants</i>		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-
<i>Foreign Government and International Organisations</i>		-	-	-	-	-	-	-	-	-
<i>Households</i>		-	-	-	-	-	-	-	-	-
<i>Non-profit Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Private Enterprises</i>		-	-	-	-	-	-	-	-	-
<i>Public Corporations</i>		-	-	-	-	-	-	-	-	-
<i>Higher Educational Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Parent Municipality / Entity</i>		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	117 659	126 839	122 572	149 274	124 360	124 360	131 840	141 735	154 275

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Transfers and Grants										
National Government:		26 030	26 330	25 901	39 010	39 010	39 010	29 887	28 470	31 628
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		5 000	4 000	4 262	7 000	7 000	7 000	8 000	5 000	7 000
Municipal Infrastructure Grant [Schedule 5B]		21 030	22 330	21 639	32 010	32 010	32 010	21 887	23 470	24 628
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]		-	-	-	-	-	-	-	-	-
WiFi Connectivity		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		-	-	-	-	-	-	-	-	-
Aquaponic Project		-	-	-	-	-	-	-	-	-
Restitution Settlement		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring Seed Funding		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		10 490	42 992	25 463	28 281	10 324	10 324	732	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	800	-	-	-	-	732	-	-
Disaster and Emergency Services		-	-	-	1 843	1 843	1 843	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		8 290	36 661	25 463	26 439	6 981	6 981	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Libraries, Archives and Museums		1 000	-	-	-	-	-	-	-	-
Other		-	360	-	-	-	-	-	-	-
Public Transport		-	4 000	-	-	1 500	1 500	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-	-
Sports and Recreation		1 200	1 171	-	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>All Grants</i>		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	14 000	5 900	-
<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-
<i>Foreign Government and International Organisations</i>		-	-	-	-	-	-	-	-	-
<i>Households</i>		-	-	-	-	-	-	-	-	-
<i>Non-Profit Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Private Enterprises</i>		-	-	-	-	-	-	-	-	-
<i>Public Corporations</i>		-	-	-	-	-	-	14 000	5 900	-
<i>Higher Educational Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Parent Municipality / Entity</i>		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
<i>Transfer from Operational Revenue</i>		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	36 520	69 322	51 364	67 291	49 334	49 334	30 619	42 470	37 528
TOTAL RECEIPTS OF TRANSFERS & GRANTS		154 179	196 161	173 936	216 565	173 694	173 694	162 459	184 205	191 803

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		3 397	3 850	3 476	4 185	4 185	4 185	4 050	1 550	1 550
Operational Revenue:General Revenue:Equitable Share		-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 922	2 300	1 926	2 635	2 635	2 635	2 500	-	-
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]		1 475	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]		-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-
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 Emergencv Housing Grant		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Provincial Government:		38 034	28 348	19 432	37 968	10 671	10 671	10 472	10 712	10 886
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		87	258	448	4 717	2 482	2 482	2 676	2 495	2 225
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		31 921	21 645	12 688	25 837	776	776	-	-	-
Infrastructure		137	139	137	126	126	126	145	145	145
Libraries, Archives and Museums		5 889	6 306	6 160	7 287	7 287	7 287	7 651	8 072	8 516
Other		-	-	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure - Maintenance		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>All Grants</i>		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	176	186	186	-	-	-
<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-
<i>Foreign Government and International Organisations</i>		-	-	-	-	-	-	-	-	-
<i>Households</i>		-	-	-	-	10	10	-	-	-
<i>Non-profit Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Private Enterprises</i>		-	-	-	176	176	176	-	-	-
<i>Public Corporations</i>		-	-	-	-	-	-	-	-	-
<i>Higher Educational Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Parent Municipality / Entity</i>		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		41 431	32 198	22 908	42 329	15 042	15 042	14 522	12 262	12 436

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure of Transfers and Grants										
National Government:		26 030	21 786	30 445	39 010	39 010	39 010	29 887	28 470	31 628
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		5 000	4 000	4 262	7 000	7 000	7 000	8 000	5 000	7 000
Municipal Infrastructure Grant [Schedule 5B]		21 030	17 786	26 183	32 010	32 010	32 010	21 887	23 470	24 628
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]		-	-	-	-	-	-	-	-	-
WiFi Connectivity		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		-	-	-	-	-	-	-	-	-
Aquaponic Project		-	-	-	-	-	-	-	-	-
Restitution Settlement		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Restructuring Seed Funding		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		7 681	42 462	35 615	31 184	8 103	8 103	732	-	-
Capacity Building		-	2 000	-	-	-	-	732	-	-
Capacity Building and Other		-	5 141	390	4 746	8 103	8 103	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		7 651	34 180	34 108	26 439	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Libraries, Archives and Museums		30	1 141	1 117	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>All Grants</i>		-	-	-	-	-	-	-	-	-
Other Grant Providers:		-	-	-	-	-	-	-	-	-
<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-
<i>Foreign Government and International Organisations</i>		-	-	-	-	-	-	-	-	-
<i>Households</i>		-	-	-	-	-	-	-	-	-
<i>Non-Profit Institutions</i>		-	-	-	-	-	-	-	-	-
<i>Private Enterprises</i>		-	-	-	-	-	-	-	-	-
<i>Public Corporations</i>		-	-	-	-	-	-	-	-	-
<i>Higher Educational Institutions</i>		-	-	-	-	-	-	-	-	-
<i>District Municipality / Entity</i>		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<i>Transfer from Operational Revenue</i>										
Total capital expenditure of Transfers and Grants		33 711	64 248	66 060	70 194	47 113	47 113	30 619	28 470	31 628
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		75 143	96 446	88 968	112 523	62 155	62 155	45 141	40 732	44 064

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		76 347	88 073	99 544	110 882	110 882	110 882	121 368	131 023	143 389
Conditions met - transferred to revenue		76 347	88 073	99 544	110 882	110 882	110 882	121 368	131 023	143 389
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		2 944	(10 418)	(3 596)	2 909	1 433	1 433			
Current year receipts		41 312	38 803	23 028	38 392	13 478	13 478	10 472	10 712	10 886
Conditions met - transferred to revenue		38 064	28 385	19 432	41 301	14 912	14 912	10 472	10 712	10 886
Conditions still to be met - transferred to liabilities		6 192	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		114 411	116 458	118 976	152 183	125 794	125 794	131 840	141 735	154 275
Total operating transfers and grants - CTBM	2	6 192	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		26 030	26 330	25 901	39 010	39 010	39 010	29 887	28 470	31 628
Conditions met - transferred to revenue		26 030	26 330	25 901	39 010	39 010	39 010	29 887	28 470	31 628
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		1 440	(682)	14 695	2 903	(501)	(501)			
Current year receipts		10 490	43 028	25 463	28 281	10 324	10 324	732	-	-
Conditions met - transferred to revenue		11 930	42 346	40 159	31 184	9 823	9 823	732	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
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									14 000	5 900
Current year receipts		5 254	-	26 942	-	-	-	-	-	-
Conditions met - transferred to revenue		5 254	-	26 942	-	-	-	-	14 000	5 900
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		43 214	68 676	93 002	70 194	48 833	48 833	30 619	42 470	37 528
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		157 626	185 134	211 978	222 377	174 627	174 627	162 459	184 205	191 803
TOTAL TRANSFERS AND GRANTS - CTBM		6 192	-	-	-	-	-	-	-	-

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										

2. CTBM = conditions to be met

3. National Treasury database will require this reconciliation for each transfer/grant

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
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											
Operational				486	500	500	500		650	400	400
Capital											
Total Cash Transfers To Organisations		-	-	486	500	500	500	-	650	400	400
Cash Transfers to Groups of Individuals											
Special Rating Areas		1 898	1 800						11 770	11 610	11 610
Total Cash Transfers To Groups Of Individuals:		1 898	1 800	-	-	-	-	-	11 770	11 610	11 610
TOTAL CASH TRANSFERS AND GRANTS	6	1 898	1 800	486	500	500	500	-	12 420	12 010	12 010

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
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	1 898	1 800	486	500	500	500	-	12 420	12 010	12 010

References

1. Insert description listed by municipal name and demarcation code of recipient
2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)
3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)
4. Insert description of each other organisation (e.g. charity)
5. Insert description of each other organisation (e.g. the aged, child-headed households)
6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

WC032 Overstrand - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		8 608	9 056	9 467	10 317	10 317	10 317	12 684	18 550	19 567
Pension and UIF Contributions				-	-	-	-	-	-	-
Medical Aid Contributions				-	-	-	-	-	-	-
Motor Vehicle Allowance				-	-	-	-	-	-	-
Cellphone Allowance		657	1 081	1 106	1 066	1 066	1 066	1 110	1 110	1 110
Housing Allowances				-	-	-	-	-	-	-
Other benefits and allowances				-	-	-	-	-	-	-
Sub Total - Councillors		9 265	10 138	10 573	11 383	11 383	11 383	13 794	19 660	20 677
% increase	4		9,4%	4,3%	7,7%	-	-	21,2%	42,5%	5,2%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		9 944	10 489	11 036	11 292	11 292	11 292	12 506	13 262	14 066
Pension and UIF Contributions				-	-	-	-	-	-	-
Medical Aid Contributions				-	-	-	-	-	-	-
Overtime				-	-	-	-	-	-	-
Performance Bonus			103	187	109	109	109	-	-	-
Motor Vehicle Allowance	3			-	-	-	-	-	-	-
Cellphone Allowance	3	158	187	187	187	187	187	187	187	187
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		10 102	10 779	11 416	11 588	11 588	11 588	12 692	13 449	14 253
% increase	4		6,7%	5,9%	1,5%	-	-	9,5%	6,0%	6,0%
Other Municipal Staff										
Basic Salaries and Wages		175 723	206 677	214 176	245 260	244 146	244 146	272 286	281 461	297 667
Pension and UIF Contributions		30 114	33 240	36 580	41 471	41 366	41 366	48 588	51 441	54 519
Medical Aid Contributions		10 523	11 195	12 035	14 459	14 588	14 588	18 241	18 425	19 867
Overtime		15 613	18 388	34 501	29 320	29 325	29 325	32 190	33 522	35 617
Performance Bonus				-	-	34	34	462	486	510
Motor Vehicle Allowance	3	7 602	7 850	7 897	7 947	8 077	8 077	8 032	8 167	8 213
Cellphone Allowance	3	1 483	2 013	1 887	2 067	2 067	2 067	2 378	2 380	2 402
Housing Allowances	3	5 064	5 482	2 350	2 567	2 630	2 630	2 870	3 045	3 235
Other benefits and allowances	3	26 398	14 069	26 930	30 363	30 939	30 939	34 997	36 142	38 341
Payments in lieu of leave		1 385	772	2 532	1 125	1 125	1 125	-	-	-
Long service awards		1 836	6 054	2 598	2 062	2 062	2 062	-	-	-
Post-retirement benefit obligations	6	16 076	(19 984)	14 955	11 571	11 571	11 571	15 035	15 787	16 576
Sub Total - Other Municipal Staff		291 817	285 757	356 441	388 216	387 933	387 933	435 081	450 854	476 946
% increase	4		(2,1%)	24,7%	8,9%	(0,1%)	-	12,2%	3,6%	5,8%
Total Parent Municipality		311 185	306 674	378 431	411 187	410 904	410 904	461 567	483 963	511 877

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand			(1,4%)	23,4%	8,7%	(0,1%)	-	12,3%	4,9%	5,8%
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		311 185	306 674	378 431	411 187	410 904	410 904	461 567	483 963	511 877
% increase	4		(1,4%)	23,4%	8,7%	(0,1%)	-	12,3%	4,9%	5,8%

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
TOTAL MANAGERS AND STAFF	5,7	301 919	296 536	367 858	399 804	399 521	399 521	447 773	464 303	491 199

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved
2. s57 of the Systems Act
3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance
4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/C
5. Must agree to the sub-total appearing on Table A1 (Employee costs)
6. Includes pension payments and employer contributions to medical aid
7. Correct as at 30 June

Column Definitions:

- A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited
- D. The original budget approved by council for the budget year.
- E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.
- G. The amount to be appropriated for the budget year.
- H and I. The indicative projection

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

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	730 076	-	44 400	-	-	774 476
Chief Whip		-	-	-	-	-	-	-
Executive Mayor		1	912 588	-	44 400	-	-	956 988
Deputy Executive Mayor		1	730 099	-	44 400	-	-	774 499
Executive Committee		-	3 422 220	-	222 000	-	-	3 644 220
Total for all other councillors		-	6 888 712	-	754 800	-	-	7 643 512
Total Councillors	8	3	12 683 695	-	1 110 000			13 793 695
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1 857 391	-	27 540	260 000	-	2 144 931
Chief Finance Officer		1	1 823 376	-	24 480	-	-	1 847 856
Director Management Services		1	1 683 168	-	27 540	-	-	1 710 708
Director Community Services		1	1 745 398	-	27 540	-	-	1 772 938
Director Protection Services		1	1 633 320	-	27 540	-	-	1 660 860
Director Infrastructure & Planning		1	1 830 246	-	24 480	-	-	1 854 726
<i>List of each official with packages >= senior manager</i>								
Director LED		1	1 672 601	-	27 540	-	-	1 700 141
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Total Senior Managers of the Municipality	8,10	7	12 245 500	-	186 660	260 000		12 692 160

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
A Heading for Each Entity List each member of board by designation	6,7							
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Total for municipal entities	8,10	-	-	-	-	-	-	-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	10	24 929 195	-	1 296 660	260 000		26 485 855

- References
1. Pension and medical aid
 2. Total package must equal the total cost to the municipality
 3. List each political office bearer by designation. Provide a total for all other councillors
 4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)
 5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation
 6. List each entity where municipality has an interest and state percentage ownership and control
 7. List each senior manager reporting to the CEO of an Entity by designation
 8. Must reconcile to relevant section of Table SA24
 9. Must reconcile to totals shown for the budget year of Table SA22
 10. Correct as at 30 June

WC032 Overstrand - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2018/19			Current Year 2019/20			Budget Year 2020/21		
		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		25	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	56	54		54	50		53	48	
Professionals		23	21	–	26	25	–	26	24	–
Finance		20	18		21	20		21	19	
Spatial/town planning					2	2		2	2	
Information Technology		1	1		1	1		1	1	
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other		2	2		2	2		2	2	
Technicians		188	167	–	195	174	–	199	172	–
Finance										
Spatial/town planning		13	12		11	10		12	12	
Information Technology		5	3		5	4		5	4	
Roads		9	8		9	9		9	8	
Electricity		30	24		31	27		31	27	
Water		19	18		21	18		21	18	
Sanitation		2	2		2	2		2	2	
Refuse		4	4		5	5		5	5	
Other		106	96		111	99		114	96	
Clerks (Clerical and administrative)		262	234		277	241		277	246	
Service and sales workers		104	95		115	92		124	108	
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		59	55		61	57		60	57	
Elementary Occupations		423	105		430	410		426	412	
TOTAL PERSONNEL NUMBERS	9	1 147	745	–	1 190	1 063	–	1 197	1 081	–
% increase					3,7%	42,7%	–	0,6%	1,7%	–
Total municipal employees headcount	6, 10	1 122	1 038		1 165	1 056		1 172	1 074	–
Finance personnel headcount	8, 10	113	100		113	104		113	106	–
Human Resources personnel headcount	8, 10	18	18		18	18		18	17	–

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number fo persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions
9. Correct as at 30 June
10. Must account for all budgeted positions, as per the municipal organogram

WC032 Overstrand - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2020/21											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source																
Property rates		22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	22 604	271 251	286 830	303 395
Service charges - electricity revenue		35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	35 979	431 748	461 627	493 845
Service charges - water revenue		11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	11 169	134 027	141 979	150 407
Service charges - sanitation revenue		6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	6 981	83 772	88 798	94 127
Service charges - refuse revenue		6 034	6 034	6 034	6 034	6 034	6 035	6 034	6 034	6 034	6 034	6 035	6 035	72 414	76 757	81 361
Rental of facilities and equipment		309	309	309	309	309	309	309	309	309	309	309	310	3 707	3 899	4 108
Interest earned - external investments		3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	39 350	41 641	44 140	
Interest earned - outstanding debtors		404	404	404	404	404	404	404	404	404	404	404	4 851	5 085	5 333	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2 715	2 715	2 715	2 715	2 715	2 716	2 715	2 715	2 715	2 715	2 716	32 581	34 701	36 721	
Licences and permits		207	207	208	207	207	209	207	207	208	207	209	2 491	2 633	2 688	
Agency services		461	461	461	461	461	461	461	461	461	461	461	5 526	5 856	6 206	
Transfers and subsidies		10 803	10 803	11 353	10 803	10 803	11 353	10 803	10 803	11 353	10 803	11 353	131 840	141 735	154 275	
Other revenue		11 154	11 154	11 180	11 154	11 154	11 182	11 154	11 154	11 180	11 154	11 198	133 971	142 058	143 172	
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)		112 100	112 100	112 676	112 100	112 100	112 681	112 100	112 100	112 676	112 100	112 699	1 347 529	1 433 599	1 519 777	
Expenditure By Type																
Employee related costs		37 076	37 076	37 076	37 076	37 076	37 076	37 076	37 076	37 076	37 076	37 076	39 932	447 773	464 303	491 199
Remuneration of councillors		1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 150	13 794	19 660	20 677	
Debt impairment		2 179	2 179	2 179	2 179	2 179	2 179	2 179	2 179	2 179	2 179	2 179	26 147	27 454	28 827	
Depreciation & asset impairment		11 823	11 823	11 823	11 823	11 823	11 823	11 823	11 823	11 823	11 823	11 824	141 877	139 714	133 277	
Finance charges		4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 473	53 668	54 327	54 392	
Bulk purchases		26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	323 012	371 463	427 183	
Other materials		3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 539	42 448	44 009	46 216	
Contracted services		19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 116	229 366	232 659	242 756	
Transfers and subsidies		1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	12 420	12 010	12 010	
Other expenditure		9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	9 799	16 099	123 890	131 963	143 839	
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure		117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	126 264	1 414 394	1 497 562	1 600 376	
Surplus/(Deficit)		(5 003)	(5 003)	(4 427)	(5 003)	(5 003)	(4 421)	(5 003)	(5 003)	(4 427)	(5 003)	(13 565)	(66 866)	(63 963)	(80 599)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	30 619	28 470	31 628	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	14 000	5 900	
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions		(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)	
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit)	1	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)	

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote																
Vote 1 - Council & Mayor's Office		1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	1 478	17 735	17 990	13 383
Vote 2 - Municipal Manager & Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services		114	114	114	114	114	114	114	114	114	114	114	114	1 366	1 366	1 366
Vote 4 - Finance		27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 172	27 187	326 077	344 411	363 965
Vote 5 - Infrastructure & Planning		49 370	49 370	49 370	49 370	49 370	49 371	49 370	49 370	49 370	49 370	49 371	49 371	592 443	647 600	683 983
Vote 6 - Protection Services		3 443	3 443	3 993	3 443	3 443	3 993	3 443	3 443	3 993	3 443	3 443	3 993	43 515	45 592	47 592
Vote 7 - Economic and Social Development & Tourism		382	382	382	382	382	382	382	382	382	382	382	382	4 586	2 091	2 247
Vote 8 - Community Services		32 693	32 693	32 719	32 693	32 693	32 723	32 693	32 693	32 719	32 693	32 693	32 725	392 426	417 019	444 770
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		114 651	114 651	115 227	114 651	114 651	115 233	114 651	114 651	115 227	114 651	114 651	115 250	1 378 148	1 476 069	1 557 305
Expenditure by Vote to be appropriated																
Vote 1 - Council & Mayor's Office		2 539	2 539	2 539	2 539	2 539	2 539	2 539	2 539	2 539	2 539	2 539	8 819	36 751	37 583	39 358
Vote 2 - Municipal Manager & Internal Audit		638	638	638	638	638	638	638	638	638	638	638	638	7 654	8 013	8 450
Vote 3 - Management Services		4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 771	4 772	57 253	59 982	62 583
Vote 4 - Finance		8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 218	8 418	98 816	95 410	99 881
Vote 5 - Infrastructure & Planning		50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 571	50 572	606 858	673 160	747 711
Vote 6 - Protection Services		9 447	9 447	9 447	9 447	9 447	9 447	9 447	9 447	9 447	9 447	9 447	10 328	114 249	117 569	123 633
Vote 7 - Economic and Social Development & Tourism		1 568	1 568	1 568	1 568	1 568	1 568	1 568	1 568	1 568	1 568	1 568	3 363	20 614	18 664	20 126
Vote 8 - Community Services		39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 350	39 353	472 201	487 179	498 634
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	126 264	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) before assoc.		(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

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

Description	Ref	Budget Year 2020/21											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional																
Governance and administration		29 416	29 416	29 417	29 416	29 416	29 418	29 416	29 416	29 417	29 416	29 416	29 434	353 015	371 644	386 633
Executive and council		1 485	1 485	1 486	1 485	1 485	1 487	1 485	1 485	1 486	1 485	1 487	17 826	18 084	13 479	
Finance and administration		27 931	27 931	27 931	27 931	27 931	27 931	27 931	27 931	27 931	27 931	27 947	335 188	353 560	373 154	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Community and public safety		12 842	12 842	13 393	12 842	12 842	13 396	12 842	12 842	13 393	12 842	12 842	13 397	156 318	163 867	166 496
Community and social services		676	676	676	676	676	678	676	676	676	676	679	8 115	8 546	9 151	
Sport and recreation		1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 173	14 065	12 758	13 502	
Public safety		3 443	3 443	3 993	3 443	3 443	3 993	3 443	3 443	3 993	3 443	3 993	43 515	45 592	47 592	
Housing		7 552	7 552	7 552	7 552	7 552	7 552	7 552	7 552	7 552	7 552	7 552	90 623	96 970	96 250	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Economic and environmental services		1 057	1 057	1 057	1 057	1 057	1 058	1 057	1 057	1 057	1 057	1 058	12 686	14 232	28 176	
Planning and development		1 033	1 033	1 033	1 033	1 033	1 034	1 033	1 033	1 033	1 033	1 035	12 403	10 376	10 887	
Road transport		20	20	20	20	20	20	20	20	20	20	20	235	3 806	17 235	
Environmental protection		4	4	4	4	4	4	4	4	4	4	4	48	51	54	
Trading services		71 336	71 336	71 361	71 336	71 336	71 361	71 336	71 336	71 361	71 336	71 361	856 129	926 326	976 001	
Energy sources		40 605	40 605	40 605	40 605	40 605	40 605	40 605	40 605	40 605	40 605	40 605	487 257	535 591	572 180	
Water management		13 001	13 001	13 001	13 001	13 001	13 001	13 001	13 001	13 001	13 001	13 001	156 014	171 049	170 007	
Waste water management		9 925	9 925	9 950	9 925	9 925	9 950	9 925	9 925	9 950	9 925	9 950	119 196	120 031	126 999	
Waste management		7 805	7 805	7 805	7 805	7 805	7 805	7 805	7 805	7 805	7 805	7 805	93 662	99 655	106 814	
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue - Functional		114 651	114 651	115 227	114 651	114 651	115 233	114 651	114 651	115 227	114 651	114 651	115 250	1 378 148	1 476 069	1 557 305
Expenditure - Functional																
Governance and administration		22 707	22 707	22 707	22 707	22 707	22 707	22 707	22 707	22 707	22 707	22 707	29 188	278 960	280 378	294 048
Executive and council		4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	4 796	11 076	63 831	66 663	70 148
Finance and administration		17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 613	17 815	211 553	209 971	219 937
Internal audit		298	298	298	298	298	298	298	298	298	298	298	3 576	3 744	3 963	
Community and public safety		20 456	20 456	20 456	20 456	20 456	20 456	20 456	20 456	20 456	20 456	20 456	22 756	247 771	263 127	282 468
Community and social services		1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 989	23 858	24 515	25 715	
Sport and recreation		4 647	4 647	4 647	4 647	4 647	4 647	4 647	4 647	4 647	4 647	4 648	55 766	58 449	61 750	
Public safety		9 492	9 492	9 492	9 492	9 492	9 492	9 492	9 492	9 492	9 492	11 790	116 197	122 184	128 494	
Housing		4 329	4 329	4 329	4 329	4 329	4 329	4 329	4 329	4 329	4 329	4 329	51 950	57 978	66 510	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Economic and environmental services		14 996	14 996	14 996	14 996	14 996	14 996	14 996	14 996	14 996	14 996	14 996	15 374	180 331	187 390	194 762
Planning and development		4 388	4 388	4 388	4 388	4 388	4 388	4 388	4 388	4 388	4 388	4 765	53 028	54 088	56 084	
Road transport		9 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	111 003	114 856	119 213	
Environmental protection		1 358	1 358	1 358	1 358	1 358	1 358	1 358	1 358	1 358	1 358	1 358	16 300	18 446	19 465	
Trading services		58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 473	58 475	701 679	762 265	824 553
Energy sources		33 925	33 925	33 925	33 925	33 925	33 925	33 925	33 925	33 925	33 925	33 925	407 099	457 889	515 650	
Water management		10 452	10 452	10 452	10 452	10 452	10 452	10 452	10 452	10 452	10 452	10 452	125 419	128 644	128 070	
Waste water management		7 810	7 810	7 810	7 810	7 810	7 810	7 810	7 810	7 810	7 810	7 811	93 724	97 277	98 525	
Waste management		6 286	6 286	6 286	6 286	6 286	6 286	6 286	6 286	6 286	6 286	6 287	75 437	78 455	82 309	
Other		471	471	471	471	471	471	471	471	471	471	471	471	5 653	4 403	4 544
Total Expenditure - Functional		117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	117 103	126 264	1 414 394	1 497 562	1 600 376
Surplus/(Deficit) before assoc.		(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(1 870)	(2 452)	(2 452)	(1 876)	(2 452)	(2 452)	(11 013)	(36 247)	(21 493)	(43 071)

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
Multi-year expenditure to be appropriated	1																
Vote 1 - Council & Mayor's Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Finance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Infrastructure & Planning		-	250	8 024	5 500	10 150	10 124	11 100	8 039	15 374	11 600	12 850	15 094	108 105	30 000	20 000	95 550
Vote 6 - Protection Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Economic and Social Development & Tourism		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	250	8 024	5 500	10 150	10 124	11 100	8 039	15 374	11 600	12 850	15 094	108 105	161 101	115 550	
Single-year expenditure to be appropriated																	
Vote 1 - Council & Mayor's Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services		-	-	-	350	450	405	1 000	200	250	55	-	605	3 315	-	-	-
Vote 4 - Finance		-	-	-	-	-	-	-	20	20	20	-	-	60	-	-	-
Vote 5 - Infrastructure & Planning		-	3 000	7 140	5 820	9 561	11 628	6 655	10 514	14 748	11 095	9 531	9 679	99 373	15 036	29 828	
Vote 6 - Protection Services		-	-	1 119	400	400	2 354	-	390	2 241	690	120	2 334	10 046	-	-	-
Vote 7 - Economic and Social Development & Tourism		-	-	-	-	-	23	200	150	350	97	-	23	842	-	-	-
Vote 8 - Community Services		-	310	1 620	2 313	1 773	7 520	4 354	10 194	9 056	4 682	1 833	1 701	45 355	-	-	-
Vote 9 - Costing Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Main Ledger Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	-	3 310	9 879	8 883	12 185	21 929	12 209	21 468	26 665	16 639	11 484	14 341	158 990	15 036	29 828	
Total Capital Expenditure	2	-	3 560	17 903	14 383	22 335	32 053	23 309	29 507	42 039	28 239	24 334	29 435	267 095	176 137	145 378	

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

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

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional	1															
Governance and administration		-	-	-	350	450	405	1 000	220	270	75	-	605	3 375	30 000	20 000
Executive and council		-	-	-	-	-	-	-	-	-	5	-	-	5	-	-
Finance and administration		-	-	-	350	450	405	1 000	220	270	70	-	605	3 370	30 000	20 000
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	4 919	5 131	8 089	10 957	11 435	10 876	11 084	7 213	4 728	7 039	81 469	46 667	37 850
Community and social services		-	-	-	881	-	4 765	3 295	5 856	4 213	2 078	278	103	21 468	-	-
Sport and recreation		-	-	-	50	89	39	540	830	830	595	530	446	3 949	-	-
Public safety		-	-	1 119	400	400	2 354	-	390	2 241	740	120	2 334	10 096	-	-
Housing		-	-	3 800	3 800	7 600	3 800	7 600	3 800	3 800	3 800	3 800	4 156	45 956	46 667	37 850
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	310	1 105	870	1 617	3 015	1 508	3 953	6 228	2 330	3 700	1 858	26 493	3 571	17 000
Planning and development		-	-	-	100	100	1 233	900	2 765	4 890	1 272	2 655	833	14 748	-	-
Road transport		-	310	1 105	770	1 517	1 782	608	1 188	1 338	1 058	1 045	1 025	11 745	3 571	17 000
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		-	3 250	11 880	8 032	12 179	17 676	9 366	14 458	24 457	18 621	15 906	19 934	155 758	95 899	70 528
Energy sources		-	250	2 424	-	750	2 981	1 500	1 750	4 424	2 000	3 650	4 911	24 641	44 000	22 000
Water management		-	1 000	4 653	2 000	3 100	5 853	1 835	2 789	8 186	4 950	5 250	6 853	46 469	27 516	22 000
Waste water management		-	-	2 803	3 817	6 129	6 542	4 531	7 855	9 047	9 061	6 356	8 170	64 310	24 384	26 528
Waste management		-	2 000	2 000	2 215	2 200	2 300	1 500	2 064	2 800	2 610	650	-	20 339	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	2	-	3 560	17 903	14 383	22 335	32 053	23 309	29 507	42 039	28 239	24 334	29 435	267 095	176 137	145 378
Funded by:																
National Government		-	-	2 920	1 100	1 700	4 020	2 000	2 600	5 120	2 300	3 300	4 826	29 887	28 470	31 628
Provincial Government		-	-	-	-	-	-	-	-	732	-	-	-	732	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	3 800	3 800	7 600	3 800	7 600	3 800	3 800	3 800	3 800	4 156	45 956	60 667	43 750
Transfers recognised - capital		-	-	6 720	4 900	9 300	7 820	9 600	6 400	9 652	6 100	7 100	8 982	76 575	89 137	75 378
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	3 250	7 250	5 000	7 011	10 950	5 235	6 619	14 833	10 600	9 650	11 800	92 199	50 000	50 000
Internally generated funds		-	310	3 933	4 483	6 023	13 282	8 474	16 488	17 553	11 539	7 584	8 654	98 322	37 000	20 000
Total Capital Funding		-	3 560	17 903	14 383	22 335	32 053	23 309	29 507	42 039	28 239	24 334	29 435	267 095	176 137	145 378

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

WC032 Overstrand - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand															
Cash Receipts By Source													1		
Property rates	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	22 572	270 864	286 351	302 822
Service charges - electricity revenue	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	35 928	431 132	460 857	492 911
Service charges - water revenue	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	11 153	133 835	141 742	150 123
Service charges - sanitation revenue	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	6 971	83 652	88 650	93 949
Service charges - refuse revenue	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	6 026	72 310	76 629	81 207
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	308	308	308	308	308	309	308	308	308	308	308	309	3 701	3 893	4 100
Interest earned - external investments	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	3 279	39 350	41 641	44 140
Interest earned - outstanding debtors	404	404	404	404	404	404	404	404	404	404	404	404	4 851	5 085	5 333
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	581	581	581	581	581	582	581	581	581	581	581	582	6 972	7 555	7 946
Licences and permits	207	207	208	207	207	209	207	207	208	207	207	209	2 491	2 633	2 688
Agency services	461	461	461	461	461	461	461	461	461	461	461	461	5 526	5 856	6 206
Transfer receipts - operational	10 803	10 803	11 353	10 803	10 803	11 353	10 803	10 803	11 353	10 803	10 803	11 353	131 840	141 735	154 275
Other revenue	11 199	11 199	11 225	11 199	11 199	11 227	11 199	11 199	11 225	11 199	11 199	11 243	134 511	156 630	149 679
Cash Receipts by Source	109 892	109 892	110 468	109 892	109 892	110 474	109 892	109 892	110 468	109 892	109 892	110 491	1 321 036	1 419 259	1 495 379
Other Cash Flows by Source															
Transfer receipts - capital	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	2 552	30 619	28 470	31 628
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)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	54 000	-	-	-	-	-	-	54 000	50 000	50 000
Increase (decrease) in consumer deposits	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(1 000)	3 724	3 948
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	1	1	1	1	1	1	1	1	1	1	1	1	7	3	1
Decrease (increase) in non-current investments	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(7 575)	(7 834)	(8 120)
Total Cash Receipts by Source	111 729	111 729	112 305	111 729	111 729	166 311	111 729	111 729	112 305	111 729	111 729	112 328	1 397 087	1 493 622	1 572 835
Cash Payments by Type															
Employee related costs	36 004	36 004	36 004	36 004	36 004	36 004	36 004	36 004	36 004	36 004	36 004	38 860	434 904	450 791	477 011
Remuneration of councillors	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 149	1 150	13 794	19 660	20 677
Finance charges	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 472	4 473	53 668	54 327	54 392
Bulk purchases - Electricity	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	26 918	323 012	371 463	427 183
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 537	3 539	42 448	44 009	46 216
Contracted services	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 114	19 116	229 366	232 659	242 756
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	1 035	12 420	12 010	12 010
Other expenditure	1 038	1 038	1 038	1 038	1 038	1 038	1 038	1 038	1 038	1 038	1 038	7 285	18 707	118 509	126 732
Cash Payments by Type	93 268	93 268	93 268	93 268	93 268	93 268	93 268	93 268	93 268	93 268	93 268	102 374	1 128 318	1 303 428	1 406 978
Other Cash Flows/Payments by Type															
Capital assets	-	3 560	17 903	14 383	22 335	32 053	23 309	29 507	42 039	28 239	24 334	29 435	267 095	176 137	145 378
Repayment of borrowing	1 778	1 289	1 173	8 124	953	8 876	1 862	-	2 597	8 562	1 012	10 753	46 981	53 427	48 504
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	95 046	98 117	112 344	115 774	116 555	134 197	118 438	122 774	137 904	130 069	118 614	142 563	1 442 395	1 532 991	1 600 860
NET INCREASE/(DECREASE) IN CASH HELD	16 684	13 613	(38)	(4 045)	(4 826)	32 115	(6 709)	(11 045)	(25 598)	(18 339)	(6 885)	(30 234)	(45 308)	(39 369)	(28 025)
Cash/cash equivalents at the month/year begin:	585 426	602 110	615 722	615 684	611 639	606 814	638 928	632 219	621 174	595 576	577 237	570 352	585 426	540 118	500 749
Cash/cash equivalents at the month/year end:	602 110	615 722	615 684	611 639	606 814	638 928	632 219	621 174	595 576	577 237	570 352	540 118	540 118	500 749	472 724

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22

References

1. Note that this section of Table SA 30 is deliberately not linked to Table A4 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. However for the MTREF it is now directly linked to A7.

WC032 Overstrand - NOT REQUIRED - municipality does not have entities

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R million										
Financial Performance										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-
Investment revenue		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		-	-	-	-	-	-	-	-	-
Other own revenue		-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-

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 treatment Outsourcing of sub function operation of landfill site 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	Yrs	15	Outsourcing of sub function water and waste water treatment	07 December 2033	1 271 426
	Yrs	13	Outsourcing of sub function operation of landfill site	30 November 2032	100 366

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand

References

1. Total agreement period from commencement until end
2. Annual value

WC032 Overstrand - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework			Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total Contract Value
		Total	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
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.			43 847	47 112	50 630	54 421	58 507	62 911	67 658	72 778	78 299	84 254	90 678	711 095
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			4 976	5 278	5 600	5 943	6 324	6 703	7 127	7 588	8 066	8 576	9 035	75 215
Contract 3 SC1933/2018: PROVISION FOR BANKING SERVICES			1 370	1 410	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		-	50 193	53 801	57 724	61 946	66 505	69 614	74 785	80 366	86 365	92 830	99 713	793 840

Description	Ref	Preceding Years	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework			Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total Contract Value
		Total	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
Capital Expenditure 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 Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	50 193	53 801	57 724	61 946	66 505	69 614	74 785	80 366	86 365	92 830	99 713	793 840

Description	Ref	Preceding Years	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework			Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total Contract Value
		Total	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
Entities:														
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														-
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 Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

Description	Ref	Preceding Years	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework			Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total Contract Value
		1,3	Total	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Capital Expenditure 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 Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Entity Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column
2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)
3. For municipalities with approved total revenue not exceeding R250 m - all contracts with an annual cost greater than R500 000. For municipalities with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		52 681	26 438	96 933	143 762	105 545	105 545	102 884	64 166	42 000
Roads Infrastructure		2 260	10 003	12 061	19 683	16 033	16 033	11 545	3 571	17 000
Roads		2 260	10 003	12 061	19 683	16 033	16 033	11 545	3 571	17 000
Road Structures								-	-	-
Road Furniture								-	-	-
Capital Spares								-	-	-
Storm water Infrastructure		-	255	7 247	23 841	18 641	18 641	10 864	7 864	-
Drainage Collection						500	500	100	-	-
Storm water Conveyance			255	7 247	23 841	18 141	18 141	10 764	7 864	-
Attenuation								-	-	-
Electrical Infrastructure		30 496	15 449	28 893	23 801	18 999	18 999	23 641	43 000	15 000
Power Plants						-	-	-	-	-
HV Substations						-	-	-	-	-
HV Switching Station						-	-	-	-	-
HV Transmission Conductors		30 496				-	-	-	-	-
MV Substations					6 956	6 260	6 260	9 696	38 000	8 000
MV Switching Stations					-	-	-	-	-	-
MV Networks			15 449	28 893	16 845	12 739	12 739	13 945	5 000	7 000
LV Networks								-	-	-
Capital Spares								-	-	-
Water Supply Infrastructure		5 276	627	12 270	42 344	35 423	35 423	20 247	5 732	6 000
Dams and Weirs					-	-	-	-	-	-
Boreholes					2 000	6 153	6 153	6 000	-	-
Reservoirs				12 270	16 273	12 648	12 648	13 217	3 000	3 000
Pump Stations					-	-	-	-	2 732	3 000
Water Treatment Works		5 276	627		2 150	6 153	6 153	-	-	-
Bulk Mains					-	-	-	-	-	-
Distribution					21 921	10 469	10 469	1 030	-	-
Distribution Points					-	-	-	-	-	-
PRV Stations					-	-	-	-	-	-
Capital Spares					-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Sanitation Infrastructure		5 718	-	34 963	24 093	11 949	11 949	19 208	4 000	4 000
<i>Pump Station</i>					300	600	600	-	-	-
<i>Reticulation</i>				34 963	14 358	7 438	7 438	19 208	4 000	4 000
<i>Waste Water Treatment Works</i>		5 718			9 435	3 911	3 911	-	-	-
<i>Outfall Sewers</i>								-	-	-
<i>Toilet Facilities</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Solid Waste Infrastructure		8 930	105	1 499	10 000	4 500	4 500	17 379	-	-
<i>Landfill Sites</i>								-	-	-
<i>Waste Transfer Stations</i>								-	-	-
<i>Waste Processing Facilities</i>								16 864	-	-
<i>Waste Drop-off Points</i>		8 930	105	1 499	10 000	4 500	4 500	515	-	-
<i>Waste Separation Facilities</i>								-	-	-
<i>Electricity Generation Facilities</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>								-	-	-
<i>Rail Structures</i>								-	-	-
<i>Rail Furniture</i>								-	-	-
<i>Drainage Collection</i>								-	-	-
<i>Storm water Conveyance</i>								-	-	-
<i>Attenuation</i>								-	-	-
<i>MV Substations</i>								-	-	-
<i>LV Networks</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>								-	-	-
<i>Piers</i>								-	-	-
<i>Revetments</i>								-	-	-
<i>Promenades</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<i>Data Centres</i>								-	-	-
<i>Core Layers</i>								-	-	-
<i>Distribution Layers</i>								-	-	-
<i>Capital Spares</i>								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Community Assets		2 212	8 656	30 804	12 800	8 009	8 009	16 682	-	-
Community Facilities		2 212	3 229	30 804	12 420	7 959	7 959	16 632	-	-
Halls		2 212	437		-			26	-	-
Centres					-			-	-	-
Crèches			100	559	793	718	718	75	-	-
Clinics/Care Centres					-			-	-	-
Fire/Ambulance Stations			2 440		-			-	-	-
Testing Stations				4 809	1 100	1 100	1 100	-	-	-
Museums					-			-	-	-
Galleries					-			-	-	-
Theatres					-			-	-	-
Libraries				1 132	-			4 374	-	-
Cemeteries/Crematoria			251	381	1 500	980	980	1 292	-	-
Police					-			-	-	-
Parks					526	526	526	202	-	-
Public Open Space				23 923	5 321	4 636	4 636	3 456	-	-
Nature Reserves					2 300			5 700	-	-
Public Ablution Facilities					880			750	-	-
Markets					-			-	-	-
Stalls					-			397	-	-
Abattoirs					-			-	-	-
Airports								-	-	-
Taxi Ranks/Bus Terminals								360	-	-
Capital Spares								-	-	-
Sport and Recreation Facilities		-	5 427	-	380	50	50	50	-	-
Indoor Facilities								-	-	-
Outdoor Facilities			5 427		380	50	50	50	-	-
Capital Spares								-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments								-	-	-
Historic Buildings								-	-	-
Works of Art								-	-	-
Conservation Areas								-	-	-
Other Heritage								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property								-	-	-
Unimproved Property								-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property								-	-	-
Unimproved Property								-	-	-
Other assets		2 497	38 552	37 368	35 472	94 402	94 402	49 606	46 667	37 850
Operational Buildings		2 497	4 372	3 092	9 034	10 029	10 029	3 650	-	-
Municipal Offices		2 497	4 372	3 092	9 034	10 029	10 029	3 650	-	-
Pay/Enquiry Points								-	-	-
Building Plan Offices								-	-	-
Workshops								-	-	-
Yards								-	-	-
Stores								-	-	-
Laboratories								-	-	-
Training Centres								-	-	-
Manufacturing Plant								-	-	-
Depots								-	-	-
Capital Spares								-	-	-
Housing		-	34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
Staff Housing								-	-	-
Social Housing			34 180	34 276	26 439	84 373	84 373	45 956	46 667	37 850
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								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
<i>Unspecified</i>								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Computer Equipment		–	1 593	1 346	4 200	4 220	4 220	7 090	–	–
Computer Equipment			1 593	1 346	4 200	4 220	4 220	7 090	–	–
Furniture and Office Equipment		–	205	295	280	280	280	1 025	–	–
Furniture and Office Equipment			205	295	280	280	280	1 025	–	–
Machinery and Equipment		–	166	1 428	900	1 400	1 400	760	–	–
Machinery and Equipment			166	1 428	900	1 400	1 400	760	–	–
Transport Assets		–	–	6 936	17 493	20 385	20 385	20 732	30 000	20 000
Transport Assets				6 936	17 493	20 385	20 385	20 732	30 000	20 000
Land		–	–	–	–	–	–	–	–	–
Land								–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals								–	–	–
Total Capital Expenditure on new assets	1	57 389	75 610	175 110	214 907	234 242	234 242	198 779	140 833	99 850

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expenc

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		33 214	28 370	–	6 570	6 558	6 558	28 083	12 050	16 200
Roads Infrastructure		11 809	2 020	–	10	10	10	–	–	–
Roads		11 809	2 020		10	10	10	–	–	–
Road Structures								–	–	–
Road Furniture								–	–	–
Capital Spares								–	–	–
Storm water Infrastructure		–	10 677	–	–	–	–	–	–	–
Drainage Collection			10 677					–	–	–
Storm water Conveyance								–	–	–
Attenuation								–	–	–
Electrical Infrastructure		–	819	–	–	–	–	1 000	1 000	–
Power Plants								–	–	–
HV Substations								–	–	–
HV Switching Station								–	–	–
HV Transmission Conductors								–	–	–
MV Substations								–	–	–
MV Switching Stations								1 000	1 000	–
MV Networks			819					–	–	–
LV Networks								–	–	–
Capital Spares								–	–	–
Water Supply Infrastructure		10 496	2 629	–	2 560	2 548	2 548	23 822	10 400	15 500
Dams and Weirs								–	–	–
Boreholes								–	–	–
Reservoirs								–	–	–
Pump Stations								1 300	400	500
Water Treatment Works		10 496						–	–	–
Bulk Mains								–	–	–
Distribution			2 629		2 560	2 548	2 548	22 522	10 000	15 000
Distribution Points								–	–	–
PRV Stations								–	–	–
Capital Spares								–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Sanitation Infrastructure		9 169	10 591	-	4 000	4 000	4 000	3 261	650	700
<i>Pump Station</i>					4 000	4 000	4 000	600	650	700
<i>Reticulation</i>								-	-	-
<i>Waste Water Treatment Works</i>		9 169	10 591					-	-	-
<i>Outfall Sewers</i>								2 661	-	-
<i>Toilet Facilities</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Solid Waste Infrastructure		1 740	1 634	-	-	-	-	-	-	-
<i>Landfill Sites</i>								-	-	-
<i>Waste Transfer Stations</i>		1 740	1 634					-	-	-
<i>Waste Processing Facilities</i>								-	-	-
<i>Waste Drop-off Points</i>								-	-	-
<i>Waste Separation Facilities</i>								-	-	-
<i>Electricity Generation Facilities</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>								-	-	-
<i>Rail Structures</i>								-	-	-
<i>Rail Furniture</i>								-	-	-
<i>Drainage Collection</i>								-	-	-
<i>Storm water Conveyance</i>								-	-	-
<i>Attenuation</i>								-	-	-
<i>MV Substations</i>								-	-	-
<i>LV Networks</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>								-	-	-
<i>Piers</i>								-	-	-
<i>Revetments</i>								-	-	-
<i>Promenades</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<i>Data Centres</i>								-	-	-
<i>Core Layers</i>								-	-	-
<i>Distribution Layers</i>								-	-	-
<i>Capital Spares</i>								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Community Assets		1 265	1 217	-	-	-	-	-	-	-
Community Facilities		1 265	1 217	-	-	-	-	-	-	-
Halls		1 265						-	-	-
Centres								-	-	-
Crèches								-	-	-
Clinics/Care Centres								-	-	-
Fire/Ambulance Stations			76					-	-	-
Testing Stations								-	-	-
Museums								-	-	-
Galleries								-	-	-
Theatres								-	-	-
Libraries			1 141					-	-	-
Cemeteries/Crematoria								-	-	-
Police								-	-	-
Parks								-	-	-
Public Open Space								-	-	-
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								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
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								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
<i>Unspecified</i>								-	-	-

SAMRAS^m

Prepared by :

Date : 2020/03/25 10:20

ALTRON

BYTES
SYSTEMS
INTEGRATION

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	57	-	-	-	-	-	-	-
Machinery and Equipment		-	57	-	-	-	-	-	-	-
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	34 479	29 644	-	6 570	6 558	6 558	28 083	12 050	16 200
Renewal of Existing Assets as % of total capex		0,0%	28,2%	0,0%	2,5%	2,4%	2,4%	10,5%	6,8%	11,1%
Renewal of Existing Assets as % of deprecn"		26,0%	22,0%	0,0%	5,0%	5,0%	5,0%	19,8%	8,6%	12,2%

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expen

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		110 392	117 901	145 959	139 955	141 193	141 193	148 335	157 430	164 733
Roads Infrastructure		55 545	53 229	61 860	65 331	66 157	66 157	70 462	74 697	79 130
<i>Roads</i>		55 545	53 229	61 860	62 398	62 598	62 598	66 722	70 765	74 998
<i>Road Structures</i>					2 933	3 558	3 558	3 741	3 932	4 132
<i>Road Furniture</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Storm water Infrastructure		6 392	6 017	5 765	6 600	6 375	6 375	7 605	7 632	6 250
<i>Drainage Collection</i>				5 765	3 339	3 214	3 214	3 725	3 936	4 183
<i>Storm water Conveyance</i>		6 392	6 017		3 262	3 162	3 162	3 880	3 696	2 067
<i>Attenuation</i>								-	-	-
Electrical Infrastructure		17 747	17 645	23 082	37 099	37 630	37 630	31 243	32 852	34 749
<i>Power Plants</i>					12 895			-	-	-
<i>HV Substations</i>					-	-	-	-	-	-
<i>HV Switching Station</i>					-	-	-	-	-	-
<i>HV Transmission Conductors</i>		17 747	17 645		-	-	-	42	43	43
<i>MV Substations</i>					-	-	-	-	-	-
<i>MV Switching Stations</i>					-	-	-	-	-	-
<i>MV Networks</i>				23 082	20 741	34 048	34 048	28 758	30 284	32 060
<i>LV Networks</i>					3 462	3 583	3 583	2 443	2 525	2 646
<i>Capital Spares</i>								-	-	-
Water Supply Infrastructure		16 489	15 014	17 367	16 935	17 568	17 568	20 432	21 580	22 799
<i>Dams and Weirs</i>								-	-	-
<i>Boreholes</i>								-	-	-
<i>Reservoirs</i>								-	-	-
<i>Pump Stations</i>								-	-	-
<i>Water Treatment Works</i>		16 489	15 014					-	-	-
<i>Bulk Mains</i>								-	-	-
<i>Distribution</i>				17 367	16 935	17 568	17 568	20 432	21 580	22 799
<i>Distribution Points</i>								-	-	-
<i>PRV Stations</i>								-	-	-
<i>Capital Spares</i>								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Sanitation Infrastructure		11 672	13 051	14 967	11 541	11 007	11 007	14 970	15 806	16 698
<i>Pump Station</i>					-	-	-	-	-	-
<i>Reticulation</i>					726	726	726	-	-	-
<i>Waste Water Treatment Works</i>		11 672	13 051	14 967	10 671	10 137	10 137	14 970	15 806	16 698
<i>Outfall Sewers</i>					143	143	143	-	-	-
<i>Toilet Facilities</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Solid Waste Infrastructure		2 546	12 946	22 918	2 220	2 269	2 269	3 362	4 589	4 820
<i>Landfill Sites</i>					55	41	41	83	87	91
<i>Waste Transfer Stations</i>		2 546	12 946	22 918	427	436	436	1 077	1 132	1 190
<i>Waste Processing Facilities</i>					74	129	129	842	1 768	1 859
<i>Waste Drop-off Points</i>					1 433	1 433	1 433	1 102	1 152	1 205
<i>Waste Separation Facilities</i>					230	230	230	258	450	475
<i>Electricity Generation Facilities</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>								-	-	-
<i>Rail Structures</i>								-	-	-
<i>Rail Furniture</i>								-	-	-
<i>Drainage Collection</i>								-	-	-
<i>Storm water Conveyance</i>								-	-	-
<i>Attenuation</i>								-	-	-
<i>MV Substations</i>								-	-	-
<i>LV Networks</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Coastal Infrastructure		-	-	-	189	147	147	221	231	241
<i>Sand Pumps</i>								-	-	-
<i>Piers</i>								-	-	-
<i>Revetments</i>								-	-	-
<i>Promenades</i>					189	147	147	221	231	241
<i>Capital Spares</i>								-	-	-
Information and Communication Infrastructure		-	-	-	40	40	40	42	44	46
<i>Data Centres</i>					40	40	40	42	44	46
<i>Core Layers</i>								-	-	-
<i>Distribution Layers</i>								-	-	-
<i>Capital Spares</i>								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Community Assets		4 867	12 289	39 801	40 198	39 293	39 293	46 194	48 398	51 207
Community Facilities		4 867	12 289	27 117	34 241	33 129	33 129	38 222	40 027	42 399
Halls				4 287	3 875	4 079	4 079	5 206	5 495	5 800
Centres					-	-	-	646	46	47
Crèches					-	50	50	-	-	-
Clinics/Care Centres					-	-	-	-	-	-
Fire/Ambulance Stations					912	912	912	439	459	480
Testing Stations					13	113	113	20	21	22
Museums					-	-	-	-	-	-
Galleries					-	-	-	-	-	-
Theatres					-	-	-	-	-	-
Libraries				28	164	170	170	196	205	214
Cemeteries/Crematoria				1 059	978	938	938	1 066	1 100	1 160
Police					258	324	324	518	542	564
Parks					23 822	23 580	23 580	27 079	28 945	30 725
Public Open Space		4 867	12 289	21 743	4 219	2 964	2 964	2 849	3 003	3 166
Nature Reserves								-	-	-
Public Ablution Facilities								202	211	221
Markets								-	-	-
Stalls								-	-	-
Abattoirs								-	-	-
Airports								-	-	-
Taxi Ranks/Bus Terminals								-	-	-
Capital Spares								-	-	-
Sport and Recreation Facilities		-	-	12 685	5 957	6 164	6 164	7 972	8 371	8 807
Indoor Facilities								-	-	-
Outdoor Facilities				12 685	5 957	6 164	6 164	7 972	8 371	8 807
Capital Spares								-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments								-	-	-
Historic Buildings								-	-	-
Works of Art								-	-	-
Conservation Areas								-	-	-
Other Heritage								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property								-	-	-
Unimproved Property								-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property								-	-	-
Unimproved Property								-	-	-
Other assets		-	-	8 009	2 217	3 281	3 281	3 695	3 869	4 053
Operational Buildings		-	-	8 009	2 217	3 281	3 281	3 657	3 831	4 013
Municipal Offices				8 009	2 074	3 145	3 145	3 490	3 663	3 845
Pay/Enquiry Points					-	-	-	-	-	-
Building Plan Offices					105	99	99	129	130	130
Workshops					-	-	-	-	-	-
Yards					-	-	-	-	-	-
Stores					38	38	38	-	-	-
Laboratories								-	-	-
Training Centres								-	-	-
Manufacturing Plant								-	-	-
Depots								38	38	38
Capital Spares								-	-	-
Housing		-	-	-	-	-	-	37	39	41
Staff Housing								-	-	-
Social Housing								37	39	41
Capital Spares								-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets								-	-	-
Intangible Assets		-	-	-	5 653	6 353	6 353	5 926	6 235	6 560
Servitudes								-	-	-
Licences and Rights		-	-	-	5 653	6 353	6 353	5 926	6 235	6 560
Water Rights								-	-	-
Effluent Licenses								-	-	-
Solid Waste Licenses								-	-	-
Computer Software and Applications					5 653	6 353	6 353	5 926	6 235	6 560
Load Settlement Software Applications								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
<i>Unspecified</i>								-	-	-

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Prepared by :

Date : 2020/03/25 10:20

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Computer Equipment		5 536	5 207	4 890	1 193	1 068	1 068	2 193	2 301	2 415
Computer Equipment		5 536	5 207	4 890	1 193	1 068	1 068	2 193	2 301	2 415
Furniture and Office Equipment		–	17 919	16 364	431	440	440	2 959	3 009	3 069
Furniture and Office Equipment			17 919	16 364	431	440	440	2 959	3 009	3 069
Machinery and Equipment		–	6 719	–	9 542	12 335	12 335	–	–	–
Machinery and Equipment			6 719		9 542	12 335	12 335	–	–	–
Transport Assets		–	–	–	–	–	–	10 007	10 507	11 032
Transport Assets								10 007	10 507	11 032
Land		–	–	–	–	–	–	–	–	–
Land								–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals								–	–	–
Total Repairs and Maintenance Expenditure	1	120 795	160 036	215 024	199 189	203 963	203 963	219 309	231 750	243 069
R&M as a % of PPE		3,4%	4,6%	6,1%	5,5%	5,6%	5,6%	0,0%	6,2%	6,4%
R&M as % Operating Expenditure		12,1%	16,0%	19,4%	15,9%	15,8%	15,8%	0,0%	16,4%	16,2%

References

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SA1

WC032 Overstrand - Supporting Table SA34d Depreciation by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		115 226	111 962	112 502	104 946	104 946	104 946	117 641	115 336	108 810
Roads Infrastructure		31 811	32 761	33 523	34 090	34 090	34 090	33 352	33 184	33 050
Roads		31 811	32 761	32 825	34 090	34 090	34 090	33 352	33 184	33 050
Road Structures				-				-	-	-
Road Furniture				-				-	-	-
Capital Spares				698				-	-	-
Storm water Infrastructure		5 741	5 822	5 827	6 044	6 044	6 044	6 899	6 897	6 894
Drainage Collection				-				6 899	6 897	6 894
Storm water Conveyance		5 741	5 822	5 827	6 044	6 044	6 044	-	-	-
Attenuation								-	-	-
Electrical Infrastructure		27 997	24 862	24 965	25 166	25 166	25 166	26 537	26 535	26 531
Power Plants								-	-	-
HV Substations								-	-	-
HV Switching Station								-	-	-
HV Transmission Conductors		27 997	24 862	24 965	25 166	25 166	25 166	-	-	-
MV Substations								-	-	-
MV Switching Stations								-	-	-
MV Networks								-	-	-
LV Networks								26 537	26 535	26 531
Capital Spares								-	-	-
Water Supply Infrastructure		28 338	27 417	27 676	27 501	27 501	27 501	28 591	27 021	21 960
Dams and Weirs				-				-	-	-
Boreholes				-				-	-	-
Reservoirs				-				-	-	-
Pump Stations				-				-	-	-
Water Treatment Works		28 338	27 417	-				-	-	-
Bulk Mains				-				-	-	-
Distribution				27 444	27 501	27 501	27 501	28 591	27 021	21 960
Distribution Points				-				-	-	-
PRV Stations				-				-	-	-
Capital Spares				232				-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Sanitation Infrastructure		17 631	16 353	16 668	9 897	9 897	9 897	19 694	19 303	18 083
<i>Pump Station</i>				-				-	-	-
<i>Reticulation</i>				16 390				-	-	-
<i>Waste Water Treatment Works</i>		17 631	16 353	-	9 897	9 897	9 897	19 694	19 303	18 083
<i>Outfall Sewers</i>				-				-	-	-
<i>Toilet Facilities</i>				-				-	-	-
<i>Capital Spares</i>				278				-	-	-
Solid Waste Infrastructure		3 709	4 747	3 843	2 248	2 248	2 248	2 569	2 396	2 293
<i>Landfill Sites</i>				481				2 569	2 396	2 293
<i>Waste Transfer Stations</i>		3 709	4 747	-	2 248	2 248	2 248	-	-	-
<i>Waste Processing Facilities</i>				3 361				-	-	-
<i>Waste Drop-off Points</i>				-				-	-	-
<i>Waste Separation Facilities</i>				-				-	-	-
<i>Electricity Generation Facilities</i>				-				-	-	-
<i>Capital Spares</i>				-				-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>								-	-	-
<i>Rail Structures</i>								-	-	-
<i>Rail Furniture</i>								-	-	-
<i>Drainage Collection</i>								-	-	-
<i>Storm water Conveyance</i>								-	-	-
<i>Attenuation</i>								-	-	-
<i>MV Substations</i>								-	-	-
<i>LV Networks</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>								-	-	-
<i>Piers</i>								-	-	-
<i>Revetments</i>								-	-	-
<i>Promenades</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<i>Data Centres</i>								-	-	-
<i>Core Layers</i>								-	-	-
<i>Distribution Layers</i>								-	-	-
<i>Capital Spares</i>								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Community Assets		2 452	-	-	-	-	-	15 899	15 960	16 046
Community Facilities		-	-	-	-	-	-	15 899	15 960	16 046
Halls								-	-	-
Centres								15 899	15 960	16 046
Crèches								-	-	-
Clinics/Care Centres								-	-	-
Fire/Ambulance Stations								-	-	-
Testing Stations								-	-	-
Museums								-	-	-
Galleries								-	-	-
Theatres								-	-	-
Libraries								-	-	-
Cemeteries/Crematoria								-	-	-
Police								-	-	-
Parks								-	-	-
Public Open Space								-	-	-
Nature Reserves								-	-	-
Public Ablution Facilities								-	-	-
Markets								-	-	-
Stalls								-	-	-
Abattoirs								-	-	-
Airports								-	-	-
Taxi Ranks/Bus Terminals								-	-	-
Capital Spares								-	-	-
Sport and Recreation Facilities		2 452	-	-	-	-	-	-	-	-
Indoor Facilities								-	-	-
Outdoor Facilities		2 452						-	-	-
Capital Spares								-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments								-	-	-
Historic Buildings								-	-	-
Works of Art								-	-	-
Conservation Areas								-	-	-
Other Heritage								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property								-	-	-
Unimproved Property								-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property								-	-	-
Unimproved Property								-	-	-
Other assets		8 270	16 673	11 971	12 662	12 662	12 662	-	-	-
Operational Buildings		8 270	16 673	11 971	12 662	12 662	12 662	-	-	-
Municipal Offices		8 270	16 673	11 971	12 662	12 662	12 662	-	-	-
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		448	659	525	723	723	723	570	431	297
Servitudes								-	-	-
Licences and Rights		448	659	525	723	723	723	570	431	297
Water Rights								-	-	-
Effluent Licenses								-	-	-
Solid Waste Licenses								-	-	-
Computer Software and Applications		448	659	525	723	723	723	570	431	297
Load Settlement Software Applications								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
<i>Unspecified</i>								-	-	-

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Computer Equipment		1 416	-	-	-	-	-	-	-	-
Computer Equipment		1 416						-	-	-
Furniture and Office Equipment		904	2 006	1 826	8 137	8 137	8 137	1 771	1 600	1 370
Furniture and Office Equipment		904	2 006	1 826	8 137	8 137	8 137	1 771	1 600	1 370
Machinery and Equipment		694	724	764	736	736	736	663	576	457
Machinery and Equipment		694	724	764	736	736	736	663	576	457
Transport Assets		3 122	2 823	3 516	4 081	4 081	4 081	5 333	5 811	6 297
Transport Assets		3 122	2 823	3 516	4 081	4 081	4 081	5 333	5 811	6 297
Land		-	-	-	-	-	-	-	-	-
Land								-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals								-	-	-
Total Depreciation	1	132 532	134 846	131 104	131 285	131 285	131 285	141 877	139 714	133 277

References

1. Depreciation based on write down values. Not including Depreciation resulting from revaluation.

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	23 172	16 905	16 905	36 536	23 254	29 328
Roads Infrastructure		-	-	-	-	-	-	200	-	-
Roads								200	-	-
Road Structures								-	-	-
Road Furniture								-	-	-
Capital Spares								-	-	-
Storm water Infrastructure		-	-	-	3 160	3 160	3 160	8 000	-	-
Drainage Collection								-	-	-
Storm water Conveyance					3 160	3 160	3 160	8 000	-	-
Attenuation								-	-	-
Electrical Infrastructure		-	-	-	9 750	9 750	9 750	-	-	7 000
Power Plants								-	-	-
HV Substations								-	-	-
HV Switching Station								-	-	-
HV Transmission Conductors								-	-	-
MV Substations								-	-	-
MV Switching Stations								-	-	-
MV Networks					9 750	9 750	9 750	-	-	7 000
LV Networks								-	-	-
Capital Spares								-	-	-
Water Supply Infrastructure		-	-	-	3 600	2 011	2 011	2 400	11 384	500
Dams and Weirs								-	-	-
Boreholes								-	-	-
Reservoirs								-	-	-
Pump Stations								-	-	-
Water Treatment Works								-	-	-
Bulk Mains								-	-	-
Distribution					3 600	2 011	2 011	2 400	11 384	500
Distribution Points								-	-	-
PRV Stations								-	-	-
Capital Spares								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Sanitation Infrastructure		-	-	-	5 662	984	984	22 976	11 870	21 828
<i>Pump Station</i>								8 520	4 000	5 000
<i>Reticulation</i>					5 662	984	984	9 056	800	8 828
<i>Waste Water Treatment Works</i>								5 400	6 450	8 000
<i>Outfall Sewers</i>								-	620	-
<i>Toilet Facilities</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Solid Waste Infrastructure		-	-	-	1 000	1 000	1 000	2 960	-	-
<i>Landfill Sites</i>								2 500	-	-
<i>Waste Transfer Stations</i>					1 000	1 000	1 000	460	-	-
<i>Waste Processing Facilities</i>								-	-	-
<i>Waste Drop-off Points</i>								-	-	-
<i>Waste Separation Facilities</i>								-	-	-
<i>Electricity Generation Facilities</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>								-	-	-
<i>Rail Structures</i>								-	-	-
<i>Rail Furniture</i>								-	-	-
<i>Drainage Collection</i>								-	-	-
<i>Storm water Conveyance</i>								-	-	-
<i>Attenuation</i>								-	-	-
<i>MV Substations</i>								-	-	-
<i>LV Networks</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>								-	-	-
<i>Piers</i>								-	-	-
<i>Revetments</i>								-	-	-
<i>Promenades</i>								-	-	-
<i>Capital Spares</i>								-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<i>Data Centres</i>								-	-	-
<i>Core Layers</i>								-	-	-
<i>Distribution Layers</i>								-	-	-
<i>Capital Spares</i>								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Community Assets		-	-	-	16 928	17 928	17 928	3 697	-	-
Community Facilities		-	-	-	-	-	-	976	-	-
Halls								-	-	-
Centres								-	-	-
Crèches								-	-	-
Clinics/Care Centres								-	-	-
Fire/Ambulance Stations								-	-	-
Testing Stations								-	-	-
Museums								-	-	-
Galleries								-	-	-
Theatres								-	-	-
Libraries								-	-	-
Cemeteries/Crematoria								-	-	-
Police								-	-	-
Parks								340	-	-
Public Open Space								540	-	-
Nature Reserves								-	-	-
Public Ablution Facilities								70	-	-
Markets								-	-	-
Stalls								-	-	-
Abattoirs								-	-	-
Airports								-	-	-
Taxi Ranks/Bus Terminals								26	-	-
Capital Spares								-	-	-
Sport and Recreation Facilities		-	-	-	16 928	17 928	17 928	2 721	-	-
Indoor Facilities								-	-	-
Outdoor Facilities					16 928	17 928	17 928	2 721	-	-
Capital Spares								-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments								-	-	-
Historic Buildings								-	-	-
Works of Art								-	-	-
Conservation Areas								-	-	-
Other Heritage								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property								-	-	-
Unimproved Property								-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property								-	-	-
Unimproved Property								-	-	-
Other assets		-	-	-	100	100	100	-	-	-
Operational Buildings		-	-	-	100	100	100	-	-	-
Municipal Offices								-	-	-
Pay/Enquiry Points								-	-	-
Building Plan Offices								-	-	-
Workshops								-	-	-
Yards					100	100	100	-	-	-
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								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
<i>Unspecified</i>								-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
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	-	-	-	40 200	34 933	34 933	40 233	23 254	29 328
Upgrading of Existing Assets as % of total capex		0,0%	0,0%	0,0%	15,4%	12,7%	12,7%	15,1%	13,2%	20,2%
Upgrading of Existing Assets as % of deprecn"		0,0%	0,0%	0,0%	30,6%	26,6%	26,6%	28,4%	16,6%	22,0%

References

1. Total Capital Expenditure on upgrading of existing assets (SA34e) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure.

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

Vote Description	Ref	2020/21 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Council & Mayor's Office		-	-	-				
Vote 2 - Municipal Manager & Internal Audit		-	-	-				
Vote 3 - Management Services		3 315	-	-				
Vote 4 - Finance		60	30 000	20 000				
Vote 5 - Infrastructure & Planning		207 477	146 137	125 378	25 000	17 000	30 000	
Vote 6 - Protection Services		10 046	-	-				
Vote 7 - Economic and Social Development & Tourism		842	-	-				
Vote 8 - Community Services		45 355	-	-	37 500	40 000	35 000	
Vote 9 - Costing Services		-	-	-				
Vote 10 - Main Ledger Services		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		267 095	176 137	145 378	62 500	57 000	65 000	-
Future operational costs by vote	2							
Vote 1 - Council & Mayor's Office		36 751	37 583	39 358				
Vote 2 - Municipal Manager & Internal Audit		7 654	8 013	8 450				
Vote 3 - Management Services		53 938	59 982	62 583				
Vote 4 - Finance		98 756	65 410	79 881				
Vote 5 - Infrastructure & Planning		399 380	527 024	622 333	18 032	18 870	19 709	245 316
Vote 6 - Protection Services		104 202	117 569	123 633				
Vote 7 - Economic and Social Development & Tourism		19 772	18 664	20 126				
Vote 8 - Community Services		426 846	487 179	498 634	12 065	12 627	13 188	164 147
Vote 9 - Costing Services		-	-	-				
Vote 10 - Main Ledger Services		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
Total future operational costs		1 147 299	1 321 425	1 454 998	30 097	31 497	32 897	409 463

Vote Description	Ref	2020/21 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Present value
R thousand								
Future revenue by source	3							
Property rates		271 251	286 830	303 395				
Service charges - electricity revenue		431 748	461 627	493 845				
Service charges - water revenue		134 027	141 979	150 407				
Service charges - sanitation revenue		83 772	88 798	94 127				
Service charges - refuse revenue		72 414	76 757	81 361				
Service charges - other		-	-	-				
Rental of facilities and equipment		3 707	3 899	4 108				
Interest earned - external investments		39 350	41 641	44 140				
Interest earned - outstanding debtors		4 851	5 085	5 333				
Dividends received		-	-	-	-	-	-	-
Fines, penalties and forfeits		32 581	34 701	36 721	92 597	88 497	97 897	409 463
Licences and permits		2 491	2 633	2 688				
Agency services		5 526	5 856	6 206				
Transfers and subsidies		131 840	141 735	154 275				
Other revenue		133 971	142 058	143 172				
Gains on disposal of PPE		-	-	-				
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		30 619	28 470	31 628				
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	14 000	5 900				
Transfers and subsidies - capital (in-kind - all)		-	-	-				
<i>List entity summary if applicable</i>								
Total future revenue		1 378 148	1 476 069	1 557 305	92 597	88 497	97 897	409 463
Net Financial Implications		36 247	21 493	43 071	-	-	-	-

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

R thousand													2020/21 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 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality:															
<i>List all capital projects grouped by Function</i>															
EXECUTIVE & COUNCIL	MINOR ASSETS - COUNCIL	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide	296	10	5		
FINANCE AND ADMINISTRATION	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide	8 364	4 095	600		
	UPS REPLACEMENT	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide			300		
	DATA CENTRE VIRTUAL SERVER HOST REPLACEMENT EOL	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide			200		
	DR HOST SERVER WITH ATTACHED STORAGE - REPLACEMENT EOL	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide			300		
	NEW HIGH SITE HAWSTON MOUNTAIN	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide			600		
	PDF LICENSES	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide			100		
	OPERATIONAL ASSET MANAGEMENT MODULE FOR MANAGE ENGINE PRO	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide			300		
	OPERATIONAL MICROSOFT MANAGEMENT AND DEPLOYMENT SYSTEM	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide			300		
	REPLACEMENT OF UPS HIGHSITE	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide			200		
	MINOR ASSETS FINANCE	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide			60		
	MINOR ASSETS MANAGEMENT SERVICES	New	A capable, ethical and developmental state	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide			10		
	MINOR ASSETS ICT ORGANIZATION WIDE	New	A capable, ethical and developmental state	Governance	1	Computer Equipment	Other	Overstrand	Overstrand	Overstrand Wide			400		
	SURPLUS PROJECTS	New	A capable, ethical and developmental state	Governance	1	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide				15 000	10 000
	SURPLUS NON TARIFF INFRASTRUCTURE PROJECTS	New	A capable, ethical and developmental state	Governance	1	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide				15 000	10 000
PUBLIC SAFETY	UPGRADING OF FACILITIES: ABLUTION BLOCK ICS CENTRE	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide	4 809	20 723	1 000		
	CCTV CAMERAS	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand Wide			1 500		
	RAISING GANSBAAI FIRE STATION ROOF	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide			300		
	CHANGE EXIT OF KLEINMOND FIRE STATION	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide			300		
	SPEED CAMERA AND EQUIP FOR INHOUSE SPEED ENFORCEMENT	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand Wide			1 000		
	ADDITIONAL OFFICES LAW ENFORCEMENT AT BESKEMHOUTSKLOOF FAR	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide			300		
	CCTV SECURITY AT BESKEMHOUTSKLOOF FARM	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand Wide			300		
	ACCESS CONTROL	New	Social cohesion and safe communities	Governance	4	Operational Buildings	Other	Overstrand	Overstrand	Overstrand Wide			100		
	SECURITY FENCING COMMUNAL SPORTSGROUNDS	New	Social cohesion and safe communities	Governance	4	Community Facilities	Public Open Space	Ward 02	-34.582618, 19.353971	-34.582618, 19.353971			50		
	CCTV CAMERAS	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Ward 03	34°23'52.81"S 19°15'56.13"E	34°23'52.81"S 19°15'56.13"E			200		
	CCTV CAMERAS	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Ward 04	19°21'70"E 34°42'00"S	19°21'70"E 34°42'00"S			150		
	CCTV CAMERAS	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Ward 05	19°21'50"E 34°42'00"S	19°21'50"E 34°42'00"S			120		
	CCTV CAMERAS	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Ward 06	19°21'70"E 34°42'00"S	19°21'70"E 34°42'00"S			120		
	CCTV CAMERAS	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Ward 08	19°12'70"E 34°39'70"S	19°12'70"E 34°39'70"S			120		
	SAFETY CAMERAS	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Ward 09	19°02'06"E 34°20'23"S	19°02'06"E 34°20'23"S			100		
	CCTV CAMERAS	New	Social cohesion and safe communities	Governance	4	Machinery and Equipment	Other	Wards 12	34°25'25.77"S 19°12'31.21"E	34°25'25.77"S 19°12'31.21"E			150		
	MINOR ASSETS PROTECTION SERVICES	New	Social cohesion and safe communities	Governance	4	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide			400		
	MINOR ASSETS PROTECTION SERVICES	New	Social cohesion and safe communities	Governance	4	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide			85		
	VEHICLES PUBLIC SAFETY	New	Social cohesion and safe communities	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide			2 838		
	VEHICLES PUBLIC SAFETY	New	Social cohesion and safe communities	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide			732		
PLANNING & DEVELOPMENT	MINOR ASSETS LED	New	A capable, ethical and developmental state	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide	1 346	3 896	45		
	BUILDING CONTROL OFFICE EXTENSION	New	A capable, ethical and developmental state	Inclusion and access	5	Operational Buildings	Municipal Offices	Overstrand	19.240 -34.418 Degrees	19.240 -34.418 Degrees			1 000		
	INFORMAL TRADING STALLS SWARTDAM TRADING	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 05	19°21'50"E 34°42'00"S	19°21'50"E 34°42'00"S			397		
	UPGRADING OF TOURISM OFFICES RENOVATIONS	New	A capable, ethical and developmental state	Inclusion and access	5	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand Wide			400		
	ECO CENTRE ESTABLISHMENT	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Other	Overstrand	Overstrand	Overstrand Wide			75		
	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			2 980		
	VEHICLES PLANNING DEVELOPMENT	New	A capable, ethical and developmental state	Inclusion and access	5	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide			3 731		
	FERNKLOOF NATURE RESERVE FACILITIES	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Nature Reserves	Ward 03	19.266 -34.398 Degrees	19.266 -34.398 Degrees			2 100		
	FERNKLOOF NATURE RESERVE FACILITIES	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Nature Reserves	Ward 03	19.266 -34.398 Degrees	19.266 -34.398 Degrees			3 600		
	MINOR ASSETS INFRASTRUCTURE PLANNING	New	A capable, ethical and developmental state	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide			420		
COMMUNITY AND SOCIAL SERVICES	MINOR ASSETS COMMUNITY SERVICES	New	A capable, ethical and developmental state	Inclusion and access	3	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide	5 164	2 980	760		
	VEHICLES COMMUNITY SERVICES	New	A capable, ethical and developmental state	Inclusion and access	3	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide			13 430		
	SHELTER FOR COMMUNITIES AT TAXI RANK	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Taxi Rank/Bus Terminals	Ward 03	19.210 -34.418	19.210 -34.418			300		
	BEAUTIFICATION OF ENTRANCES TO KLEINMOND	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Open Space	Multi-ward KM Area	34°20'17.2"E 19°02'20.4"E	34°20'17.2"E 19°02'20.4"E			150		
	ABLUTION FACILITIES ONRUS SWIMMING BEACH PHASE 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			750		
	RETAINING WALL SECTION 9TH AVENUE SPAR	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Open Space	Ward 09	34°20'17.2"E 19°01'55.8"E	34°20'17.2"E 19°01'55.8"E			26		
	KITCHEN EQUIPMENT OVERHILLS COMMUNITY HALL	New	A capable, ethical and developmental state	Inclusion and access	3	Furniture and Office Equipment	Other	Ward 10	34°20'11.8"E 19°02'04.4"E	34°20'11.8"E 19°02'04.4"E			26		
	UPGRADING OF ZWELHLE TAXI RANK STALLS	Upgrading	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Taxi Rank/Bus Terminals	Ward 06	19°21'70"E 34°42'00"S	19°21'70"E 34°42'00"S			360		
	CEMETERY INFRASTRUCTURE	Renewal	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Cemeteries/Crematoria	Ward 10	34°20'07.1"S 18°59'47.1"E	34°20'07.1"S 18°59'47.1"E			1 292		
LIBRARIES	ZWELHLE LIBRARY	New	A capable, ethical and developmental state	Inclusion and access	4	Community Facilities	Libraries	Ward 05	34.427 19.217 Degrees	34.427 19.217 Degrees			4 374		
SPORT & RECREATION	UPGRADE HAWSTON SPORT COMPLEX	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.126 -34.384 Degrees	19.126 -34.384 Degrees	23 923	19 095	2 001		
	UPGRADE HAWSTON SPORT COMPLEX	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.126 -34.384 Degrees	19.126 -34.384 Degrees			600		
	UPGRADING OF SOCCER FIELD SOCCER STAND	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 01	-34.591601, 19.355348	-34.591601, 19.355348			2 021		
	UPGRADING WARD 5 PLAY PARK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 05	19°21'50"E 34°42'00"S	19°21'50"E 34°42'00"S			80		
	OUTDOOR GYM EQUIPMENT MOUNTAIN VIEW BOWLS CLUB AREA	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Other	Ward 09	34°20'16.1"S 19°05'56.9"E & 34°20'19.6"S 19°02'09.7"E	34°20'16.1"S 19°05'56.9"E & 34°20'18.6"S 19°02'09.7"E			50		
	WALKWAY TO PALMIET BEACH	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 09	34°20'43.8"E 19°02'04.0"E	34°20'43.8"E 19°02'04.0"E			50		
	PLAYPARK EQUIPMENT DAWIDSKRAAL & MALKOPSVLEI	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 10	34°21'22.6"S 19°55'16.0"E & 34°21'22.4"S 19°54'18.0"E	34°21'22.6"S 19°55'16.0"E & 34°21'22.4"S 19°54'18.0"E			40		
	MALIKOPSVLEI PLAY GROUND	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 10	34°21'43.8"E 19°52'51.9"E	34°21'43.8"E 19°52'51.9"E			26		
	PLAYPARK EQUIPMENT PROTADORP	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 10	34°20'19.2"S 19°03'39.8"E	34°20'19.2"S 19°03'39.8"E			26		
	BUS STOPS INCL REPAIRING REPLACEMENT OF ONE AT SYABULELA OVE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 10	34°20'19.1"S 19°03'37.5"E	34°20'19.1"S 19°03'37.5"E			26		
	UPGRADE OF PUBLIC BOAT LAUNCHING SITE ABLUTIONS DU TOIT STREET	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 11	19.609 & 34.751	19.609 & 34.751			210		
	UPGRADING WARD 12 PLAY PARKS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Wards 12	34.424 19.212 Degrees	34.424 19.212 Degrees			70		
	UPGRADING SYABULELA EDUCARE CENTRE PLAY PARKS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Wards 12	34.424 19.212 Degrees	34.424 19.212 Degrees			50		
	FENCING DOG PARK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 13	19.176 -34.420	19.176 -34.420			100		
	UPGRADING WALL AT MOUNT PLEASANT SPORTSGROUND	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 04	19°21'70"E 34°42'00"S	19°21'70"E 34°42'00"S	34 276	84 373	45 956	46 667	37 860
HOUSING	LCH SERVICES CONSTRUCTION CONTRACTS	New	Spatial integration, human settlements and local government	Spatial integration	4	Housing	Social Housing	Overstrand	Overstrand	Overstrand Wide					
ROADS	SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	34°36'18.7"S 19°23'50.1"E	34°36'18.7"S 19°23'50.1"E	12 061	17 860	150		
	SIDEWALKS TRAFFIC CALMING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	34°35'51.6"S 19°21'38.5"E	34°35'51.6"S 19°21'38.5"E			200		
	SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	34°35'54.2"S 19°23'46.7"E	34°35'54.2"S 19°23'46.7"E			200		
	TRAFFIC CALMING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19.210 -34.418	19.210 -34.418			100		
	MOUNT PLEASANT SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19.233 -34.425	19.233 -34.425			100		
	TRAFFIC CALMING MOUNT PLEASANT	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19.212 & -34.414						

Function	Project Description	Type	MTSP Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2019/20	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
ELECTRICITY	TRAFFIC CALMING WESTCLIFF SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19°23'20"E / 34°42'50"S	19°23'20"E / 34°42'50"S					175		
	TRAFFIC CALMING SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 05	19°21'80"E / 34°42'60"S	19°21'80"E / 34°42'60"S					100		
	TRAFFIC CALMING SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 06	19°21'00"E / 34°43'10"S	19°21'00"E / 34°43'10"S					150		
	DEVELOPMENT AND UPGRADE OF ROADS SIDEWALKS AND PARKING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 07	19°12'5 - 34°356	19°12'5 - 34°356					500		
	TRAFFIC CALMING CURBING AND TARRING OF SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	-34.38919.139	-34.38919.139					150		
	DEVELOPMENT AND CONSTRUCTION OF PARKING AREA AT ERF 1229 FOR SPEED CALMING MEASURES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19°12'50"E / 34°35'60"S	19°12'50"E / 34°35'60"S					50		
	STONEWALL OR SIDEWALK AT MAIN BEACH AREA	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 09	34°20'25.5"S / 19°01'55.5"E	34°20'25.5"S / 19°01'55.5"E					50		
	DISABLED FRIENDLY FOOTPATH IN NATURE RESERVE ROEGELS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 09	34°20'25.5"S / 19°01'55.5"E	34°20'25.5"S / 19°01'55.5"E					24		
	PAVING OF ANEONE ROAD	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 10	34°18'17.7"S / 19°48'58.4"E	34°18'17.7"S / 19°48'58.4"E					26		
	TRAFFIC CALMING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 10	34°18'55.9"S / 19°48'58.7"E	34°18'55.9"S / 19°48'58.7"E					150		
	NEW SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°3941.775 / 19°2940.27E	34°3941.775 / 19°2940.27E					30		
	NEW SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°2823.87S / 19°2713.67E	34°2823.87S / 19°2713.67E					50		
	CONSTRUCTION AND UPGRADE OF ATLANTIC DRIVE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°2709.07S / 19°2654.07E	34°2709.07S / 19°2654.07E					50		
	TRAFFIC CALMING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	534°24.810 / E19°10.001	534°24.810 / E19°10.001					370		
	STREET LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	19°17'00"E / 34°41'00"S	19°17'00"E / 34°41'00"S					100		
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19.263, 34.149 Degrees	19.263, 34.149 Degrees					6 200		
	TARRING OF EXISTING GRAVEL ROADS IN SANDBAAI PERLEMENGALE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 06	34°2623.87S / 19°2713.67E	34°2623.87S / 19°2713.67E					300		
	EXTENSION OF PLEIN STREET	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 07	19.125 - 34.356	19.125 - 34.356					700		
	HAWSTON PAVING TARRING OF CIRCLES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19.126 - 34.384 Degrees	19.126 - 34.384 Degrees					600		
	BLOMPARK HOUSING PROJECT BUS ROUTE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19.134 - 34.396 Degrees	19.134 - 34.396 Degrees					5000		
	STANFORD HOUSING PROJECT BUS ROUTE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	34°3854.86"S / 19°2049.51"E	34°3854.86"S / 19°2049.51"E					3 571		
	MASKHANE HOUSING PROJECT BUS ROUTE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34.446248 & 19.446291	34.446248 & 19.446291					6 000		
	KFRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION	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 / 19°20'3.08"E	34°37'5.14"S / 19°20'3.08"E		28 893	29 226		9 000	17 000	2 100
	KFRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION	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 / 19°20'3.08"E	34°37'5.14"S / 19°20'3.08"E					696		
	KFRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION	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 / 19°20'3.08"E	34°37'5.14"S / 19°20'3.08"E					7 000		
	KFRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION	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 / 19°20'3.08"E	34°37'5.14"S / 19°20'3.08"E					10 000		5 900
	STREET LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Ward 03	34° 34' 33.08" S / 19° 17' 05.40" E	34° 34' 33.08" S / 19° 17' 05.40" E					100		15
	STREET LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Ward 06	34° 22' 10.38" S / 19° 07' 06.24" E	34° 22' 10.38" S / 19° 07' 06.24" E					16		15
	ELECTRIFICATION OF LOW COST HOUSING AREAS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	34° 29' 00.63" S / 19° 10' 23.28" E	34° 29' 00.63" S / 19° 10' 23.28" E					30		3
	ELECTRIFICATION OF LOW COST HOUSING AREAS (NEP)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	34° 29' 36.26" S / 19° 13' 11.15" E	34° 29' 36.26" S / 19° 13' 11.15" E					5 000		
	HIGHMAST LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	34° 30' 47.44" S / 19° 20' 31.63" E	34° 30' 47.44" S / 19° 20' 31.63" E					8 000	5 000	7 000
	HERMANUS MV LV UPGRADE REPLACEMENT	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 03	34°29'16.83"S / 19°13'00.62"E	34°29'16.83"S / 19°13'00.62"E					3 000		
	KLEINMOND MV LV NETWORK UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 09	34°29'16.83"S / 19°13'00.62"E	34°29'16.83"S / 19°13'00.62"E					2 000		
	HANSTON MV LV UPGRADE REPLACEMENT	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 08	34°29'09.91"S / 19°07'56.01"E	34°29'09.91"S / 19°07'56.01"E					2 000		
	ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Overstrand	34° 25' 25.83" S / 19° 11' 27.49" E	34° 25' 25.83" S / 19° 11' 27.49" E					1 000	1 000	
	WATER MASTER PLAN IMPLEMENTATION	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand					10 000		
	WATER MASTER PLAN IMPLEMENTATION	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand					8 300		
	WATER MASTER PLAN IMPLEMENTATION	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Refiltration	Overstrand	Overstrand	Overstrand					1 733		
	REFURBISHMENT OF BULK WATER PIPELINES	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Refiltration	Overstrand	Overstrand	Overstrand					900		2 000
	FENCING AT WATER INSTALLATIONS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand					700	700	500
	REPLACEMENT OF OVERSTRAND WATER PIPES	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Refiltration	Overstrand	Overstrand	Overstrand					1 589	7 000	7 000
	WATER FACILITIES CONTINGENCY	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Overstrand	Overstrand	Overstrand					400	400	500
NEW 4ML RESERVOIR	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 01	19°21'32"E / 34°35'27"S	19°21'32"E / 34°35'27"S					7 582			
UPGRADE WATER LINES	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Refiltration	Ward 01	34°3954.86"S / 19°2049.51"E	34°3954.86"S / 19°2049.51"E					5 200			
NEW BOOSTER PUMPSTATION VALVES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Refiltration	Ward 01	19°21'32"E / 34°35'27"S	19°21'32"E / 34°35'27"S					2 732			
UPGRADE BULK WATER	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	34.446248 & 19.446291	34.446248 & 19.446291					3 484			
UPGRADE HERMANUS WELLS FIELDS PHASE 2	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 04	19°22' E / -34.396° S	19°22' E / -34.396° S					6 000			
NEW RESERVOIR FOR PRINGLE BAY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° E / -34.349° S	18.848° E / -34.349° S					2 000			
NEW RESERVOIR FOR PRINGLE BAY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° E / -34.349° S	18.848° E / -34.349° S					3 635			
REFURBISHMENT OF KLEINMOND BUFFERS RIVER WTW	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Ward 10	Overstrand	Overstrand					900		6 000	
KUPKAT GROTTE PUMP STATIONS REFURBISHMENT	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 02	19.376° E / -34.546° S	19.376° E / -34.546° S					900			
ACCESS ROADS TO KLEINMOND BUFFERS RIVER WTW UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Ward 09	Overstrand	Overstrand					1 100	2 000		
NEW SANDBAAI RESERVOIR	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 07	19.125 - 34.356	19.125 - 34.356					3 000	3 000	3 000	
NEW VOORBERG BOOSTER PUMP STATION	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Ward 10	34°21'28.57"S / 19°54'15.7"E	34°21'28.57"S / 19°54'15.7"E					3 000			
EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 06	34°2623.87S / 19°2713.67E	34°2623.87S / 19°2713.67E					680			
EHP WATER PROVISION FOR INFORMAL SETTLEMENTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	34°2623.87S / 19°2713.67E	34°2623.87S / 19°2713.67E					350			
REFURISH ELECTRICAL PANEL STANFORD EYE FOUNTAIN	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	19.454° E / -34.452° S	19.454° E / -34.452° S					600			
SEWERAGE FACILITIES CONTINGENCY	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Pump Station	Overstrand	Overstrand	Overstrand		34 963	17 991		600	600	700	
KLEINMOND - SEWER NETWORK EXTENSION	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Refiltration	Ward 09	19.026° E / -34.338° S	19.026° E / -34.338° S					4 000		4 000	
KLEINMOND - SEWER NETWORK EXTENSION (F22)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Refiltration	Ward 09	19.026° E / -34.338° S	19.026° E / -34.338° S					4 000			
KLEINMOND WTWV REFURISH UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Refiltration	Ward 10	18.988° E / -34.342° S	18.988° E / -34.342° S					5 400	3 450	8 000	
UPGRADING OF KIDDOEKE PIPELINE	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Refiltration	Ward 13	19.183° E / -34.413° S	19.183° E / -34.413° S					4 800			
REHABILITATE MAIN BULK SEWER TO WTW PH1	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Refiltration	Ward 09	19.005° E / -34.337° S	19.005° E / -34.337° S					2 861			
UPGRADE BULK SEWER SUPPLY AREA A	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Refiltration	Ward 01	-34.5019.362	-34.5019.362					2 600		7 628	
UPGRADE BULK SEWER PUMPSTATION	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Refiltration	Ward 02	19°21'25"E / 34°35'20"S	19°21'25"E / 34°35'20"S					800			
UPGRADE BULK SEWER	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Refiltration	Ward 11	19.447407 - 34.440390	19.447407 - 34.440390					800			
FENCING AT SEWERAGE INSTALLATIONS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Refiltration	Overstrand	Overstrand	Overstrand					800	800		
GANSBAAI CBD SEWER NETWORK EXTENSION	New	Consolidating the social wage through reliable and quality basic services	In														

Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
WASTE MANAGEMENT	STORMWATER DRAINAGE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 05	19°21'00"E 34°42'00"S	19°21'00"E 34°42'00"S					100
	STORMWATER AND TARRING OF CIRCLES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 08	34°23'09.91"S 19°07'56.01"E	34°23'09.91"S 19°07'56.01"E					150
	STORMWATER AD HOC PROTEA STREET	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	34°27'09.07"S 19°26'54.07"E	34°27'09.07"S 19°26'54.07"E					50
	STORMWATER AD HOC	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	19°48'40.7" -34°46'03.0"	19°48'40.7" -34°46'03.0"					50
	STORMWATER NETWORK UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward HM Area	19°20'50"E 34°42'00"S	19°20'50"E 34°42'00"S					1 500
	STORMWATER NETWORK UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward HM Area	19 244 -34 418 Degrees	19 244 -34 418 Degrees					500
	STORMWATER NETWORK UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward Gb Area	34°35'08.4"S 19°21'03.5"E	34°35'08.4"S 19°21'03.5"E					500
	STORMWATER NETWORK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°20'56.9"S 18°50'01.9"E	34°20'56.9"S 18°50'01.9"E					1 000
	STORMWATER MAIN RD HIGH STREET	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 03	19 244 - 34 419 degrees	19 244 - 34 419 degrees					4 500
	HERMANIUS 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	1 499	10 311			10 300
	HERMANIUS 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					5 500
	GANSBAAN LANDFILL SITE FENCE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Landfill Sites	Ward 02	19° 12' 24.28" E / -34° 25' 27.27" S	19° 12' 24.28" E / -34° 25' 27.27" S					2 500
	WHEELIE BINS 140L	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 02	19 343 -34 595 Degrees	19 343 -34 595 Degrees					500
	BINS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 08	19 126 -34 384 Degrees	19 126 -34 384 Degrees					15
	HIGH RISK PARAMETER FENCING KLEINMOND TRANSFER STATION	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 10	34°20'21.16"S 19°01'34.39"E	34°20'21.16"S 19°01'34.39"E					460
RECYCLING PLANT	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Ward 06	19 207° E / -34 425° S	19 207° E / -34 425° S					1 064	
Parent Capital expenditure											175 110	275 733	267 095	176 137	145 378
Entities: List all capital projects grouped by Entity															
Entity A Water project A															
Entity B Electricity project B															
Entity Capital expenditure															
Total Capital expenditure											175 110	275 733	267 095	176 137	145 378

References
 Must reconcile with Budgeted Capital Expenditure
 Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by Function
 Asset class as per table A9 and asset sub-class as per table SA34
 GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.
 Distinguish projects approved in terms of MPMA section 19(1)(b) and MRRR Regulation 1
 Project Number consists of MSCOA Project Longitude and seq No (sample: PC00100206002_00002)

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WC032 Overstrand - Supporting Table SA37 Projects delayed from previous financial years

R thousand	Function	Project name	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2019/20		2020/21 Medium Term Revenue & Expenditure Framework	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
													Original Budget	Full Year Forecast				
Parent municipality: <i>List all capital projects grouped by Function</i>																		
PLANNING & DEVELOPMENT	Fernkloof Nature Reserve facilities	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Nature Reserves	Ward 03	34°23'52.81"S 19°15'56.13"E	34°23'52.81"S 19°15'56.13"E	2 100	-	2 100					
	ECCO centre establishment	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Crèches	Overstrand	Overstrand	Overstrand	Overstrand	783	718	75				
STORMWATER	Hawilton Industrial (Business) Hub	New	A capable, ethical and developmental state	Inclusion and access	5	Community Facilities	Public Open Space	Ward 08	19.134 -34.398 Degrees	19.134 -34.398 Degrees	4 871	1 891	2 980					
	Stormwater - Main Rd & High Street	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 03	19.244 -34.419 Degrees	19.244 -34.419 Degrees	6 258	1 158	4 500					
ELECTRICITY	Electrification of low cost housing areas	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	EW 19.349978, NS -34.61828	EW 19.349978, NS -34.61828	5 000	-	5 000					
	Fkraal, Kbaai & Bhead: New 66/11kv substation	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand	2 000	1 304	696					
ROADS	CBD Regeneration programme (Roads)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19°26'53"E 34°41'9"S	19°26'53"E 34°41'9"S	7 644	1 444	6 200					
	Water Master Plan Implementation (F1/2)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand	16 286	7 986	8 300					
WATER	Replacement of Overstrand Water Pipes	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand	2 900	1 311	1 589					
	New Reservoir for Pringle Bay (F1/2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 10	18.848° / -34.349°	18.848° / -34.349°	9 175	5 550	3 625					
WASTE MANAGEMENT	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	Overstrand	Overstrand	10 000	4 500	5 500					
	Cemetery infrastructure	Renewal	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Cemeteries/Crematoria	Ward 10	-34 33 64 64 °18 98 49 66	-34 33 64 64 °18 98 49 66	1 500	208	1 292					
COMMUNITY AND SOCIAL SERVICES	Sewerage-bypass in Sipumelelo Corridor	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 05	34.427 19.217 Degrees	34.427 19.217 Degrees	1 000	158	842					
	Sewerage -Peach House Precinct Upgrade	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 06	34.431 19.215 Degrees	34.431 19.215 Degrees	3 000	444	1 556					
SEWERAGE	Sewerage-Bypass in Sipumelelo Corridor	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 12	34.424 19.212 Degrees	34.424 19.212 Degrees	1 500	220	1 280					
	Kleinmond - Sewer Network Extension	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 09	19.026° / -34.338°	19.026° / -34.338°	5 000	1 107	4 000					
SEWERAGE	Upgrading of Kidbrooke Pipeline	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 13	S34°24.810' / E19°10.001'	S34°24.810' / E19°10.001'	3 070	409	2 661					
	Zwelihle Sewer (F1/2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 5,6,12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S	3 000	353	2 647					
SEWERAGE	Zwelihle Sewer (F2/2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 5,6,12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S	1 723		1 723					
	Entities: <i>List all capital projects grouped by Entity</i>																	
Entity Name <i>Project name</i>																		

References
 List all projects with planned completion dates in current year that have been re-budgeted in the MTREF
 Asset class as per table A9 and asset sub-class as per table SA34
 GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.
 Project Number consists of MSCOA Project Longcode and seq No (sample PC001002006002_00002)

WC032 Overstrand - Supporting Table SA38 Consolidated detailed operational projects

Municipal Vote/Operational project	Program/Project description	2020/21 Medium Term Revenue & Expenditure Framework			Project information
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Ward location
Parent municipality:					
<i>List all operational projects grouped by Municipal Vote</i>					
Vote 1 - Council	Municipal Running Cost	16 330	16 424	8 626	
Vote 2 - Municipal Manager	Municipal Running Cost	668	675	479	
Vote 3 - Management Services	Municipal Running Cost	30 679	32 451	16 403	
	Repairs and Maintenance	15 604	16 443	9 177	
	Typical Workstreams	6 978	7 168	3 269	
Vote 4 - Finance	Municipal Running Cost	68 582	57 946	29 840	
	Repairs and Maintenance	1 674	1 687	1 505	
	Typical Workstreams	33 181	33 181	32 731	
Vote 5 - Community Services	Municipal Running Cost	407 312	420 340	455 667	
	Repairs and Maintenance	185 629	222 705	272 370	
	Typical Workstreams	1 770	1 770	1 770	
Vote 6 - Local Economic Development	Municipal Running Cost	8 365	8 900	9 689	
	Repairs and Maintenance	15	16	17	
	Typical Workstreams	804	845	887	
Vote 7 - Infrastructure & Planning	Municipal Running Cost	496 195	525 148	593 405	
	Repairs and Maintenance	1 078	1 132	1 188	
	Typical Workstreams	44 267	49 903	58 000	

Municipal Vote/Operational project R thousand	Program/Project description	2020/21 Medium Term Revenue & Expenditure Framework			Project information
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Ward location
Vote 8 - Protection Services	Municipal Running Cost Repairs and Maintenance Typical Workstreams	93 673 1 454 135	99 333 1 495	105 355 -	
Parent operational expenditure		1 414 394	1 497 562	1 600 376	
Entities: <i>List all operational projects grouped by Entity</i>					
Entity A Water project A					
Entity B Electricity project B					
Entity Operational expenditure		-	-	-	
Total Operational expenditure		1 414 394	1 497 562	1 600 376	

References

1. Must reconcile with Budgeted Operating Expenditure
2. As per Table SA5

Municipal manager's quality certificate

I, CC Groenewald, municipal manager of Overstrand Municipality, hereby certify that the **Draft Budget** for the **2020/2021 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: CC Groenewald

Municipal manager of Overstrand Municipality (WC032)

Signature: _____

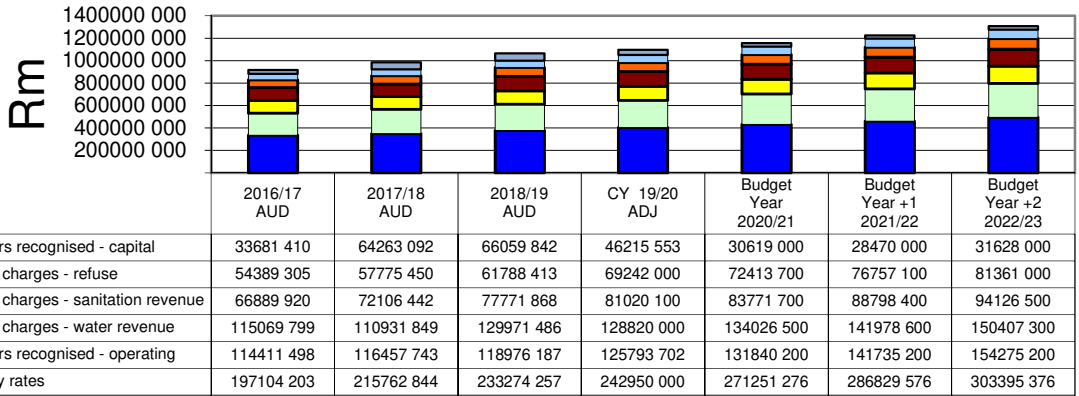
A handwritten signature in black ink, appearing to read 'CC Groenewald', is written over a horizontal line. The signature is stylized and somewhat cursive.

Date: _____

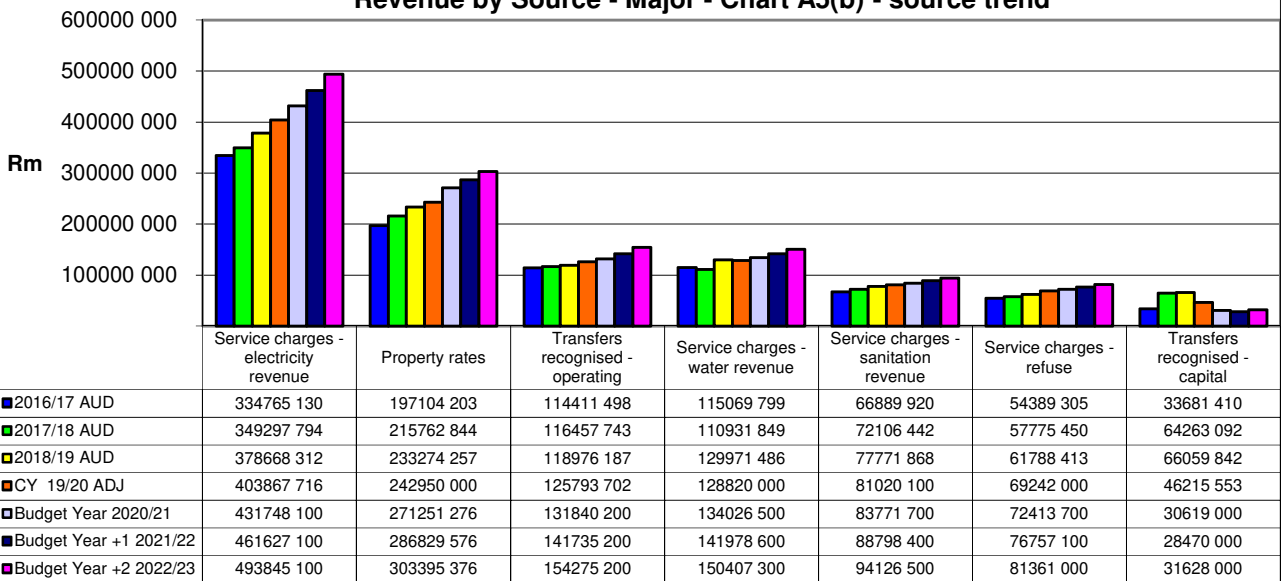
25.08.2020

OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

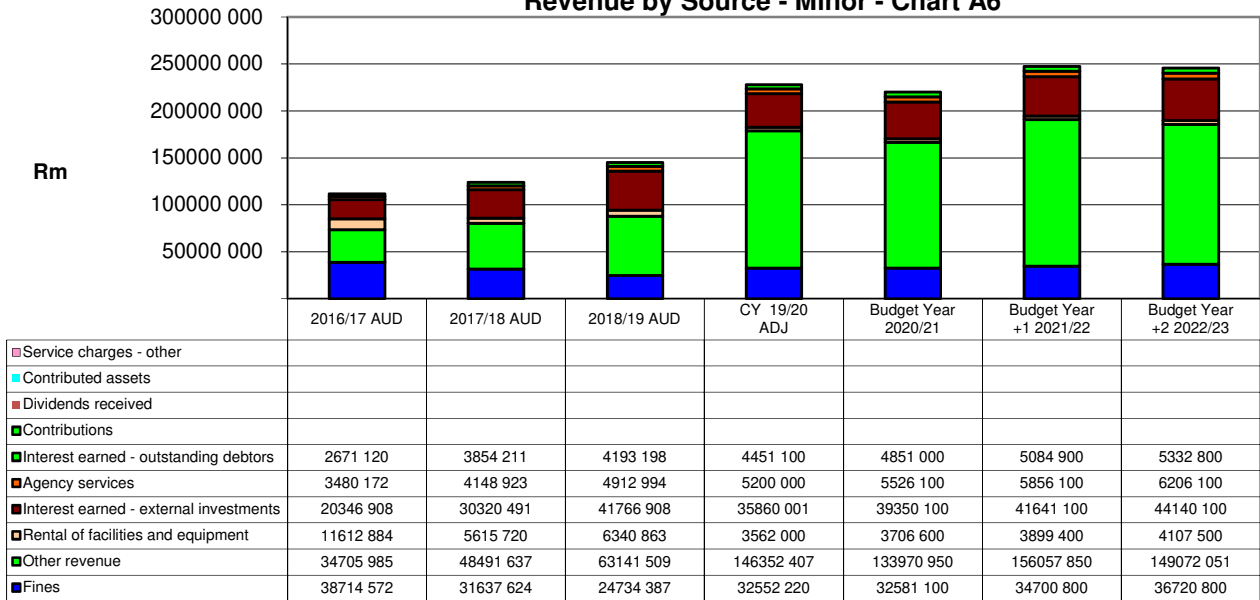
Revenue by Source - Major - Chart A5(a)



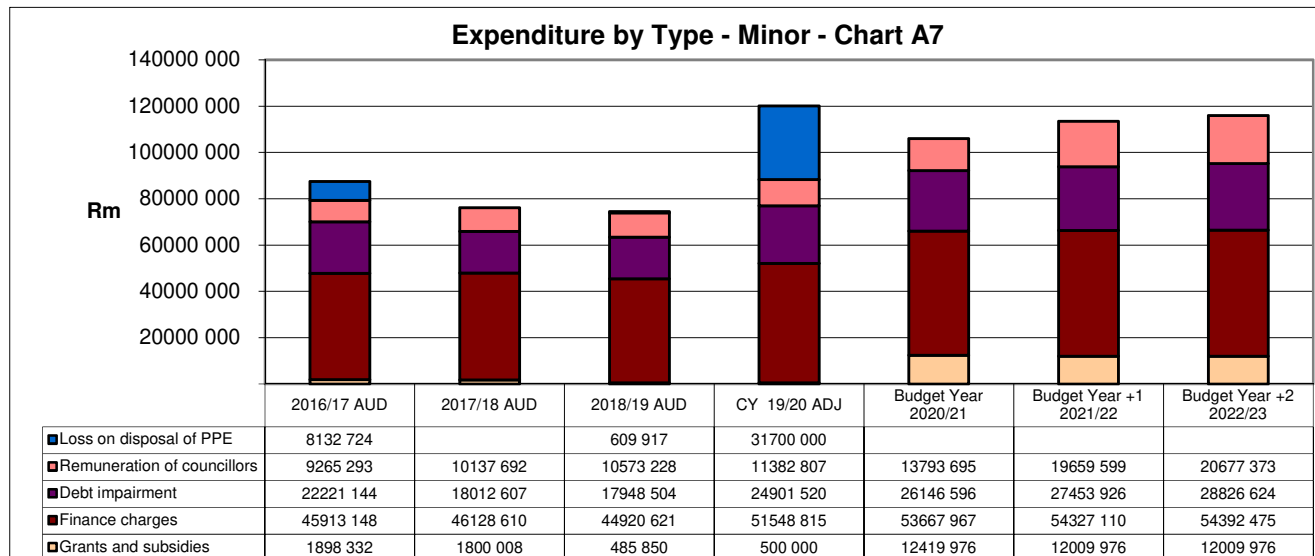
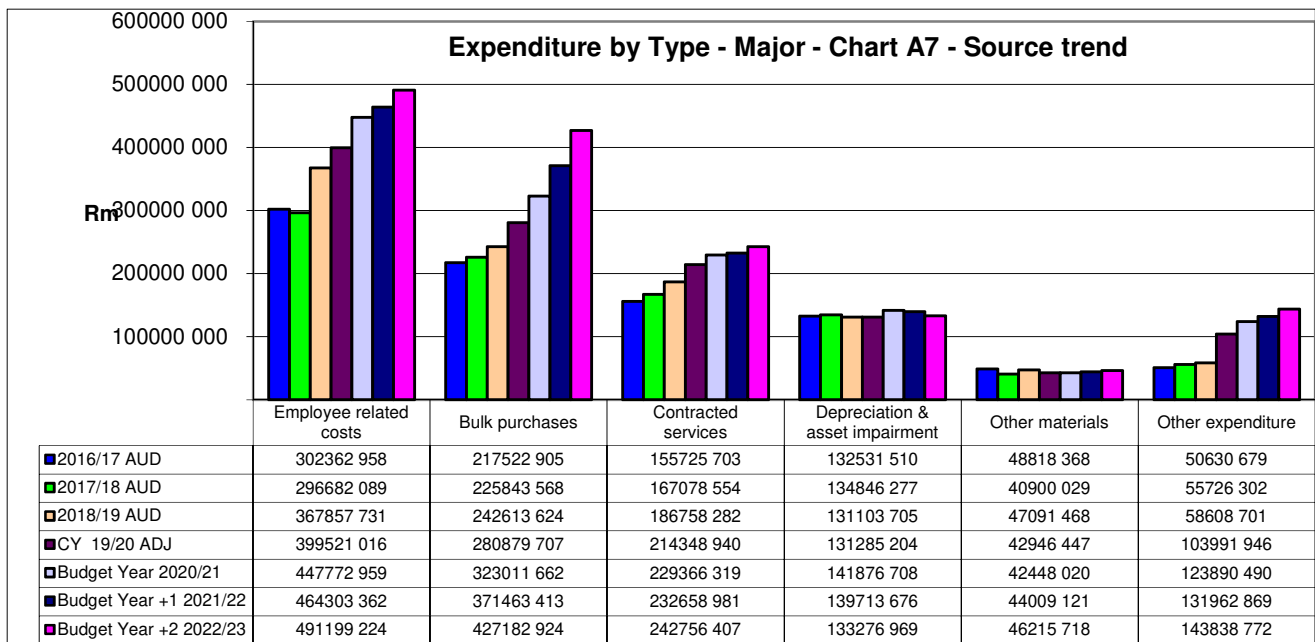
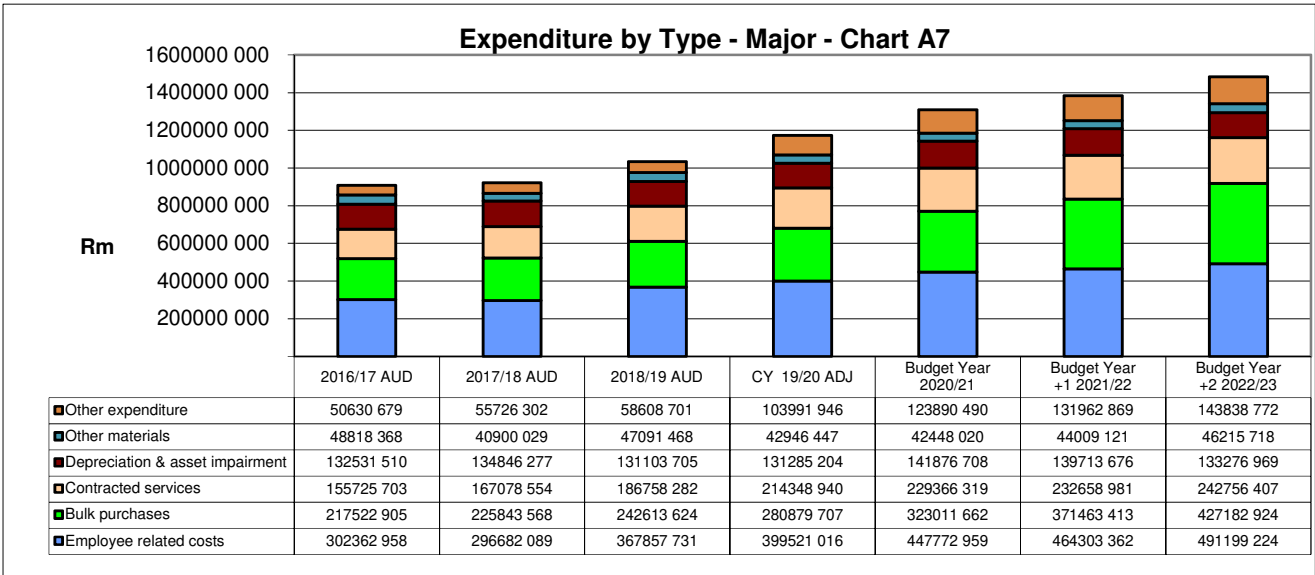
Revenue by Source - Major - Chart A5(b) - source trend



Revenue by Source - Minor - Chart A6

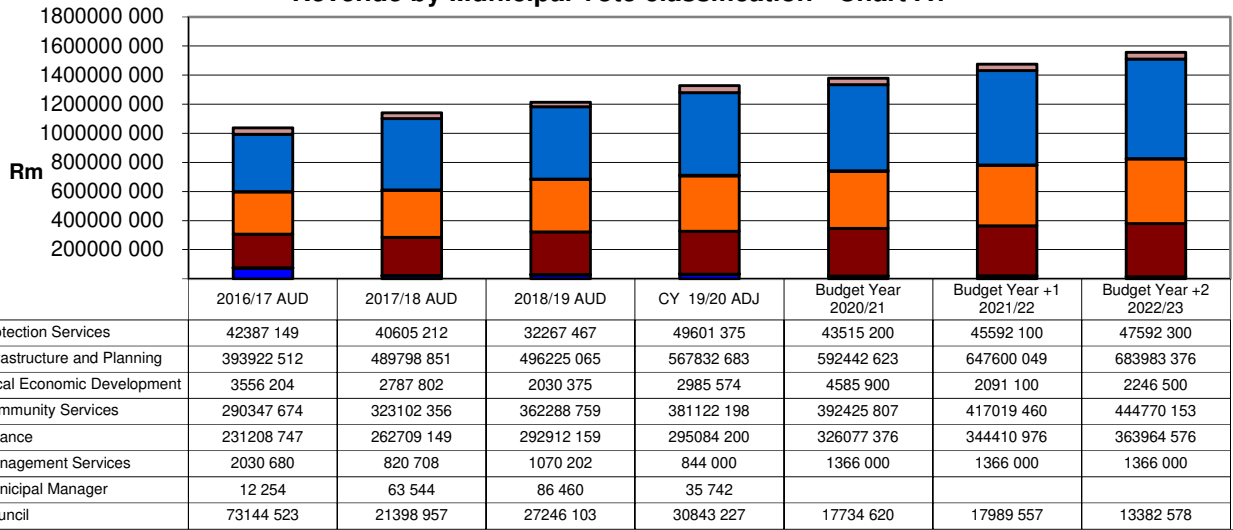


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

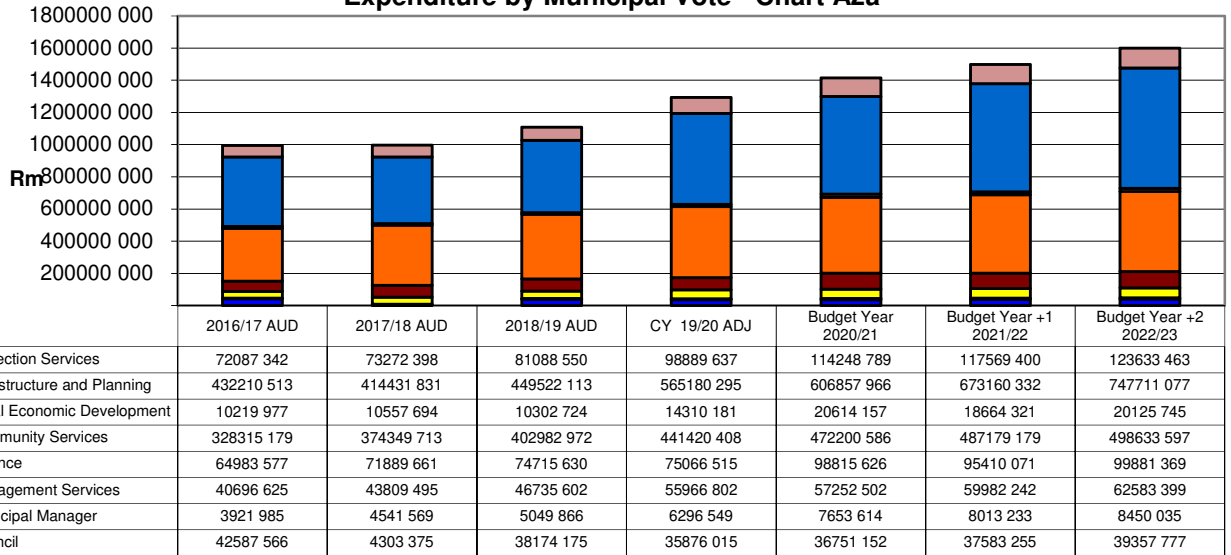


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

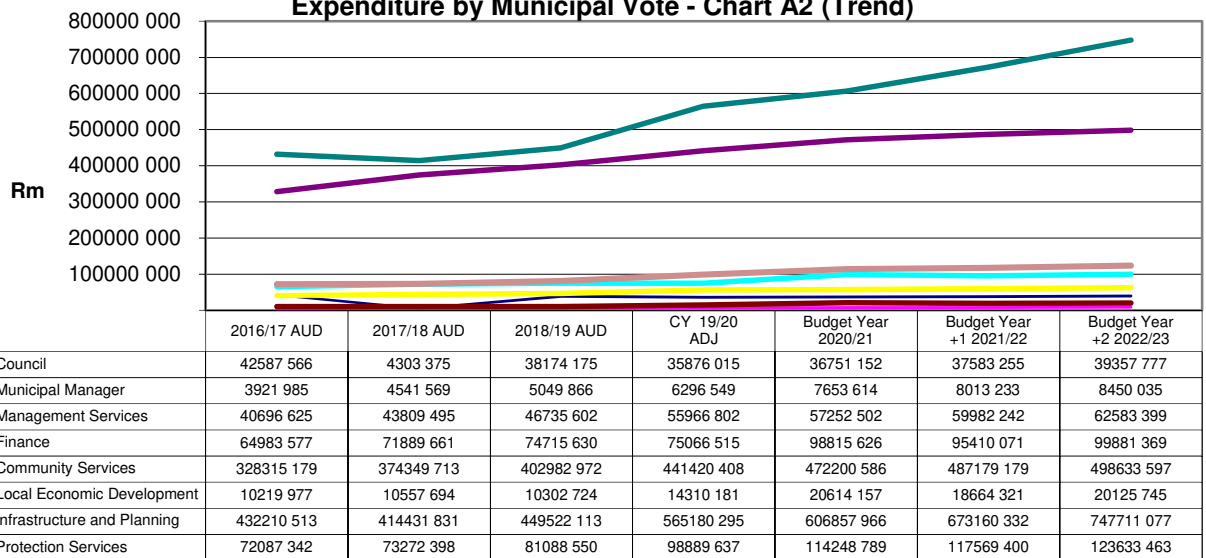
Revenue by Municipal Vote classification - Chart A1



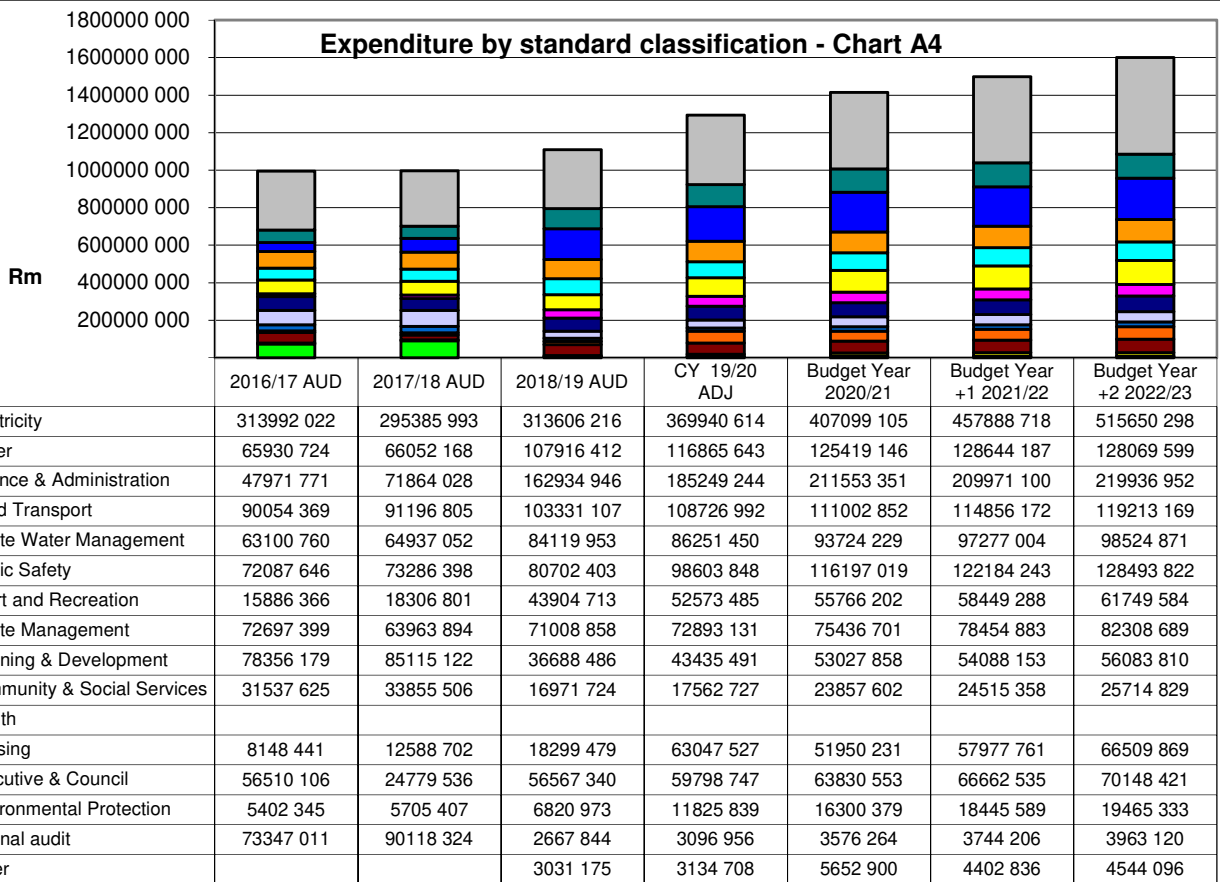
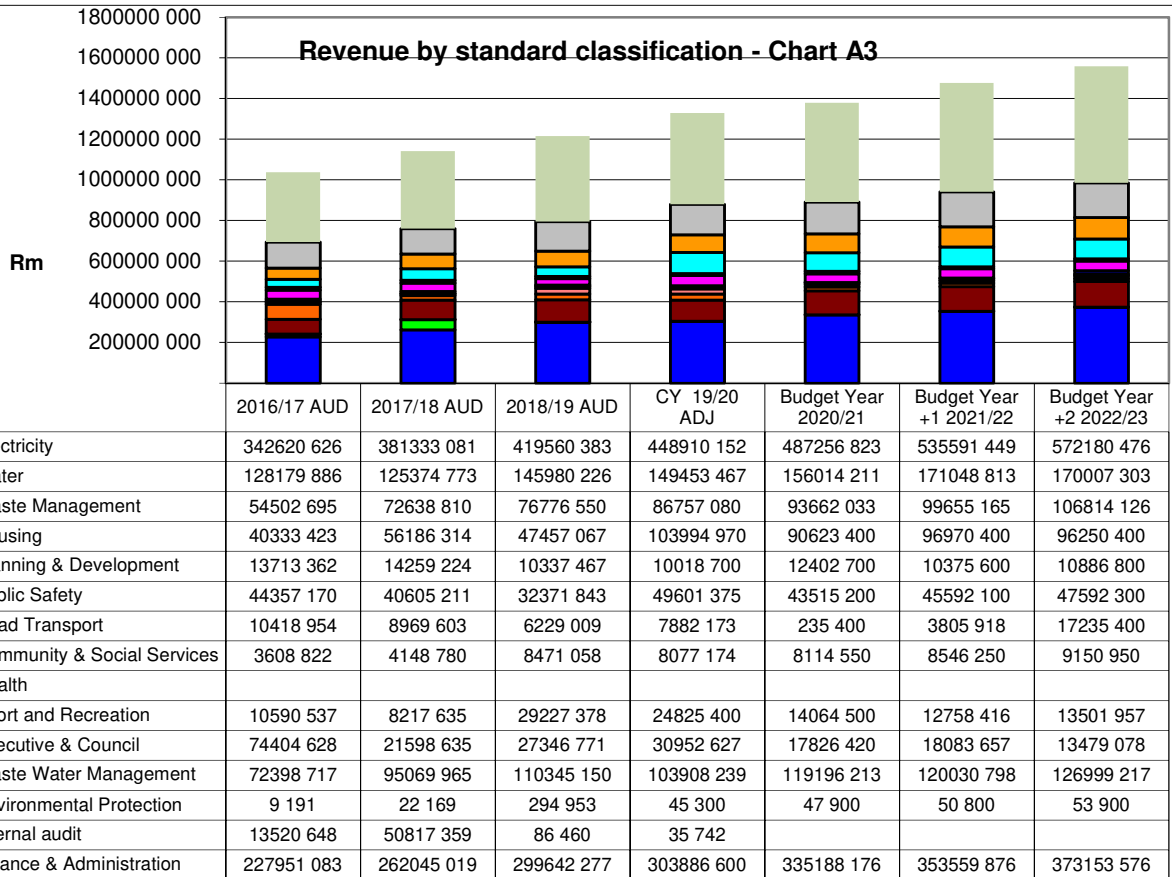
Expenditure by Municipal Vote - Chart A2a



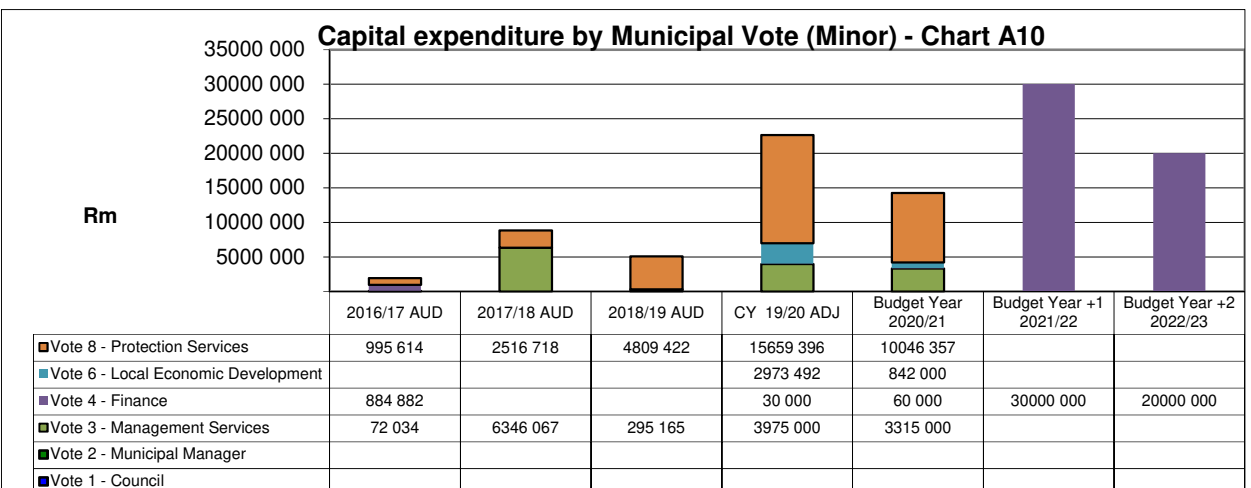
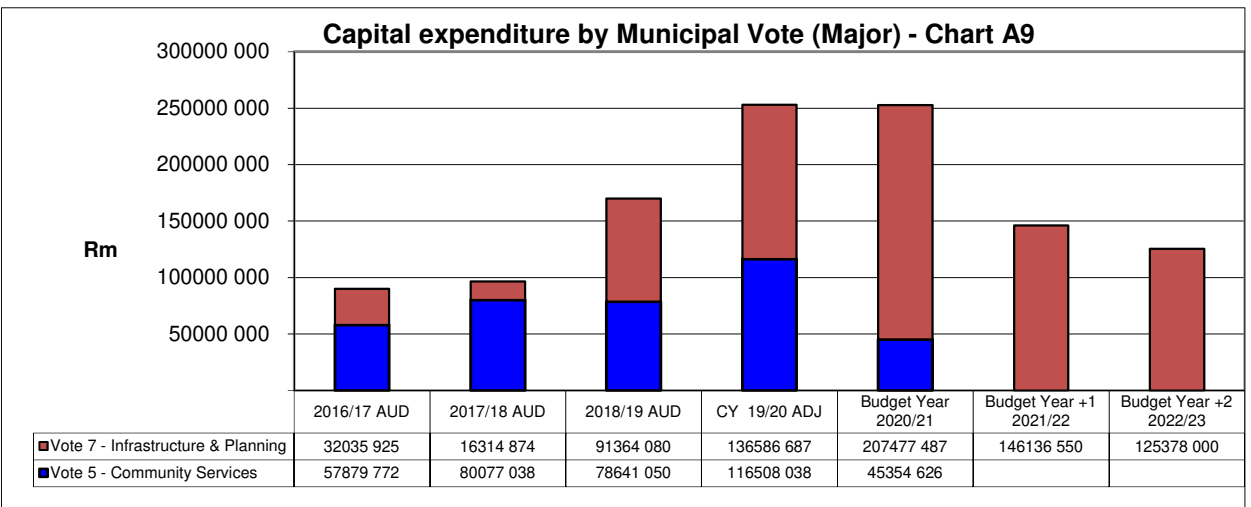
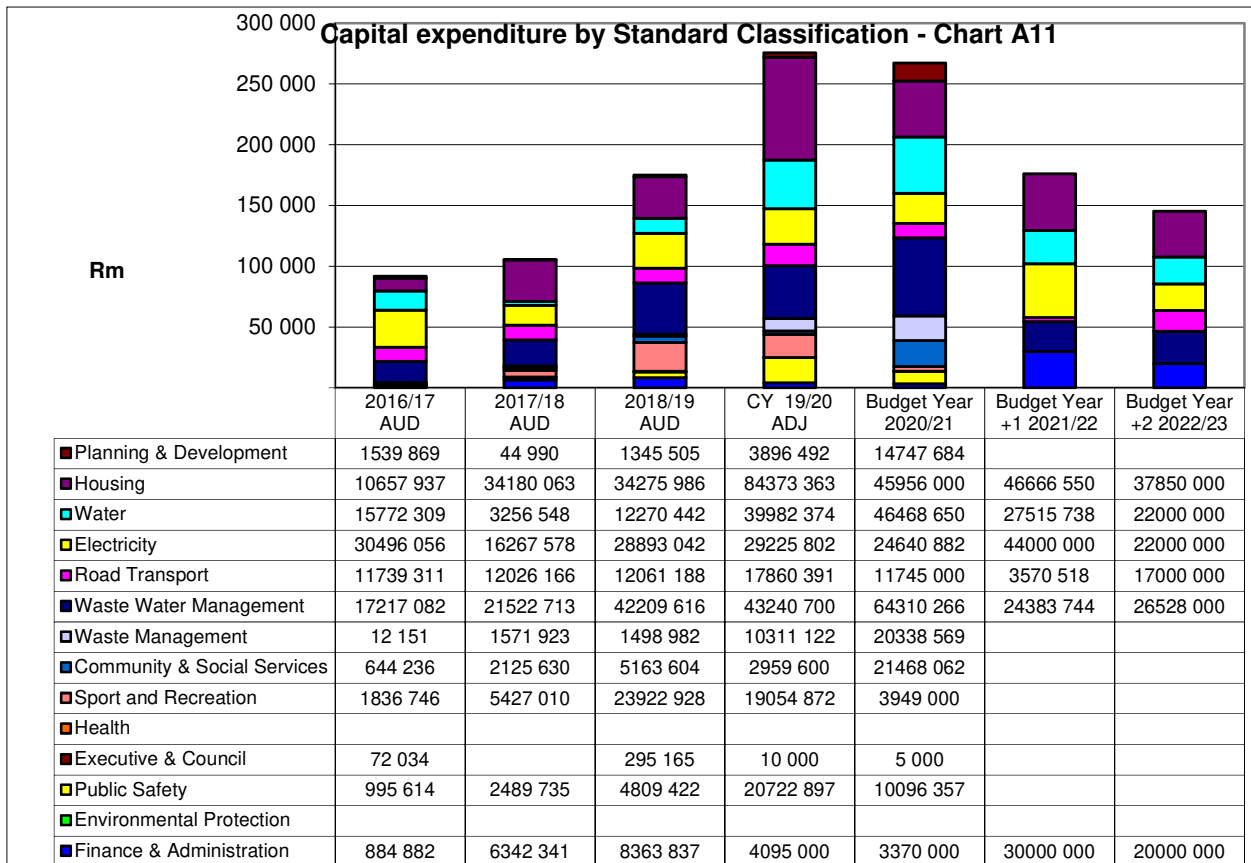
Expenditure by Municipal Vote - Chart A2 (Trend)



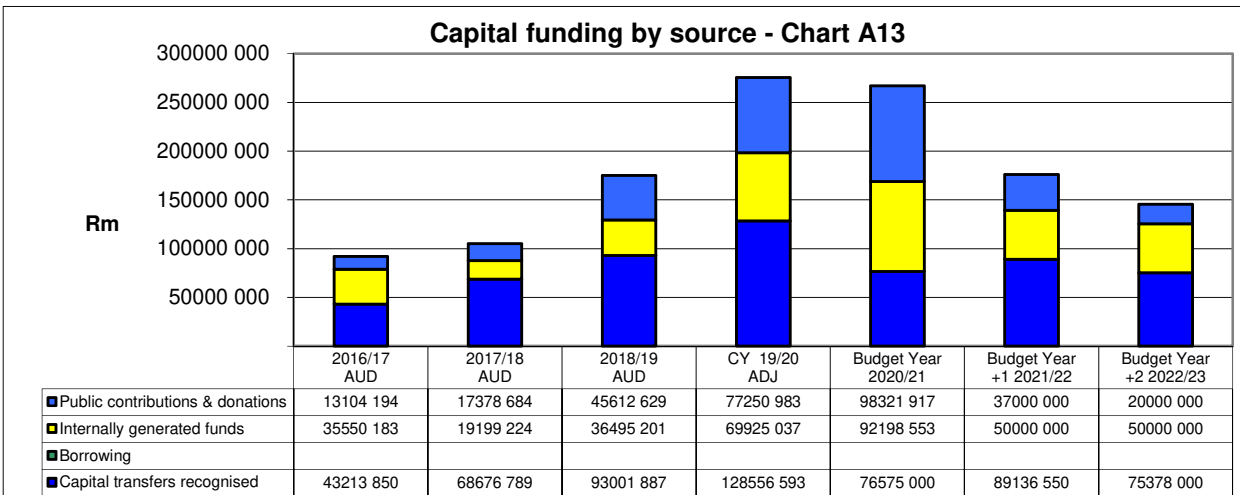
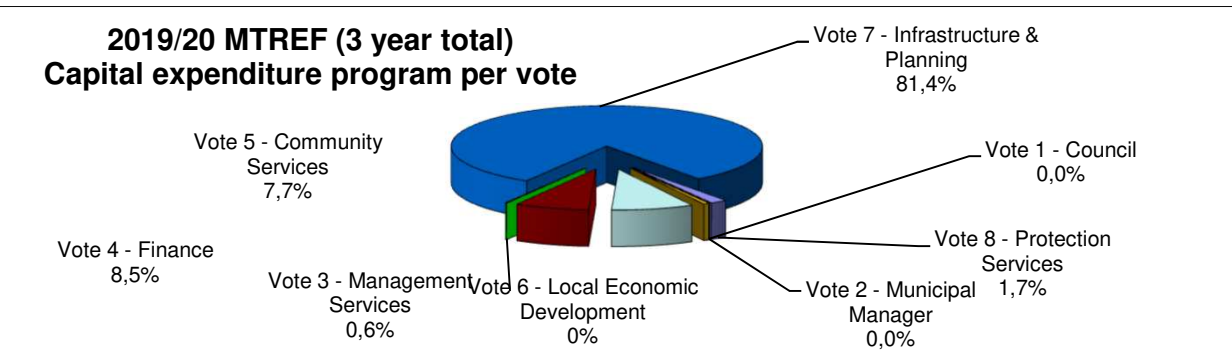
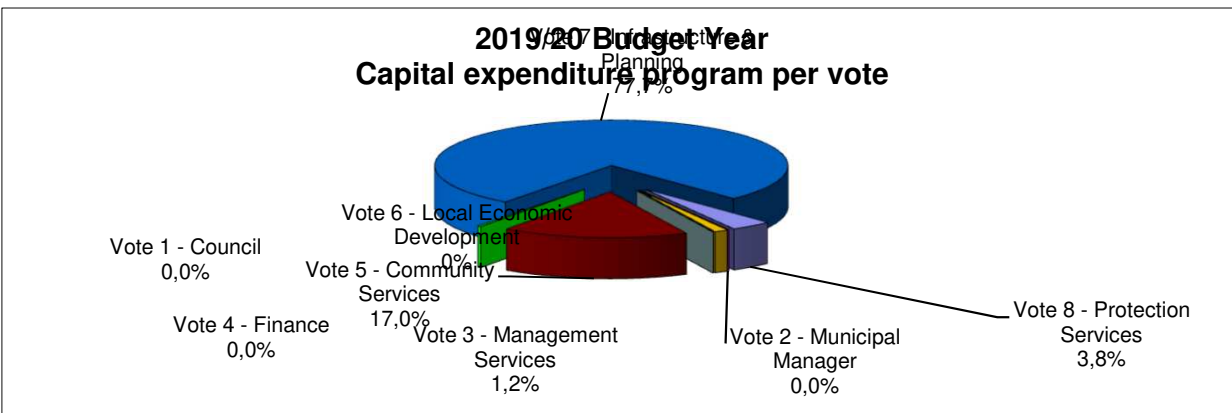
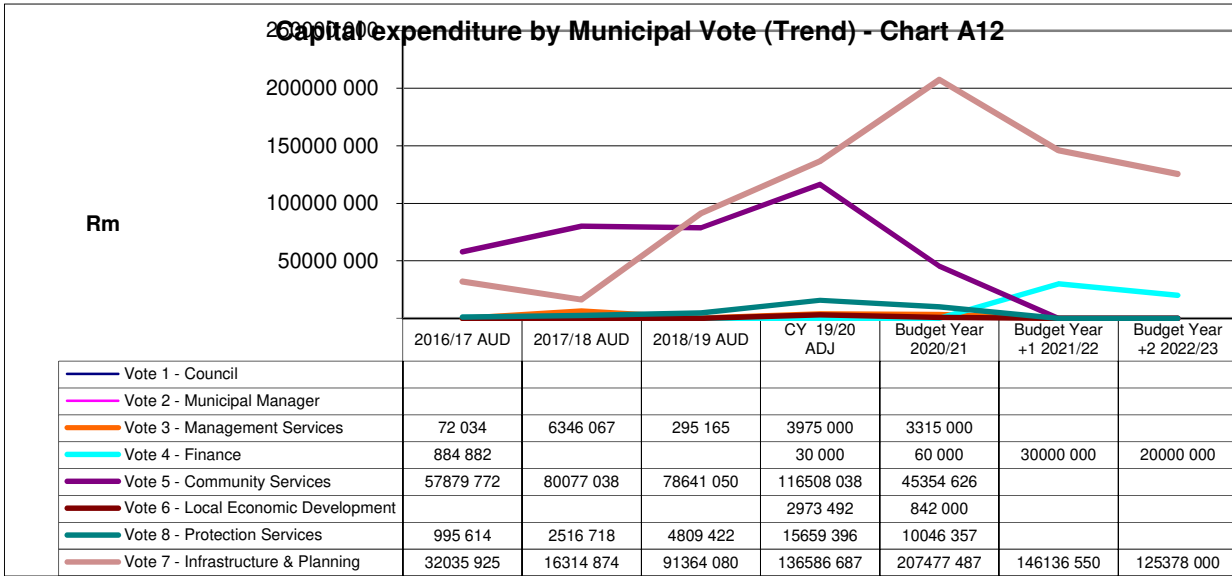
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET



OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

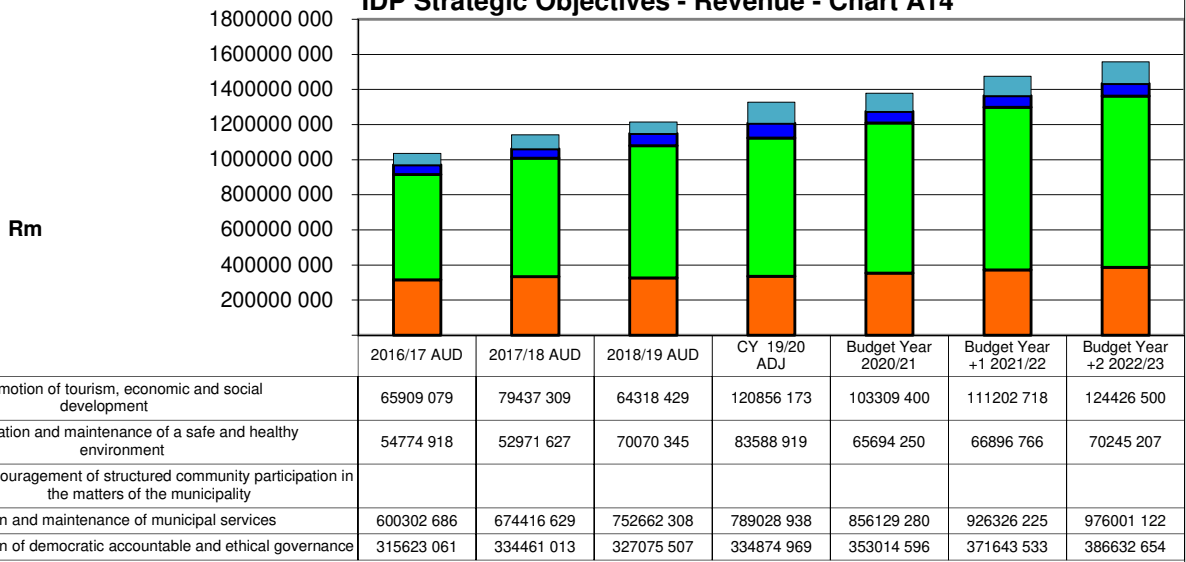


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

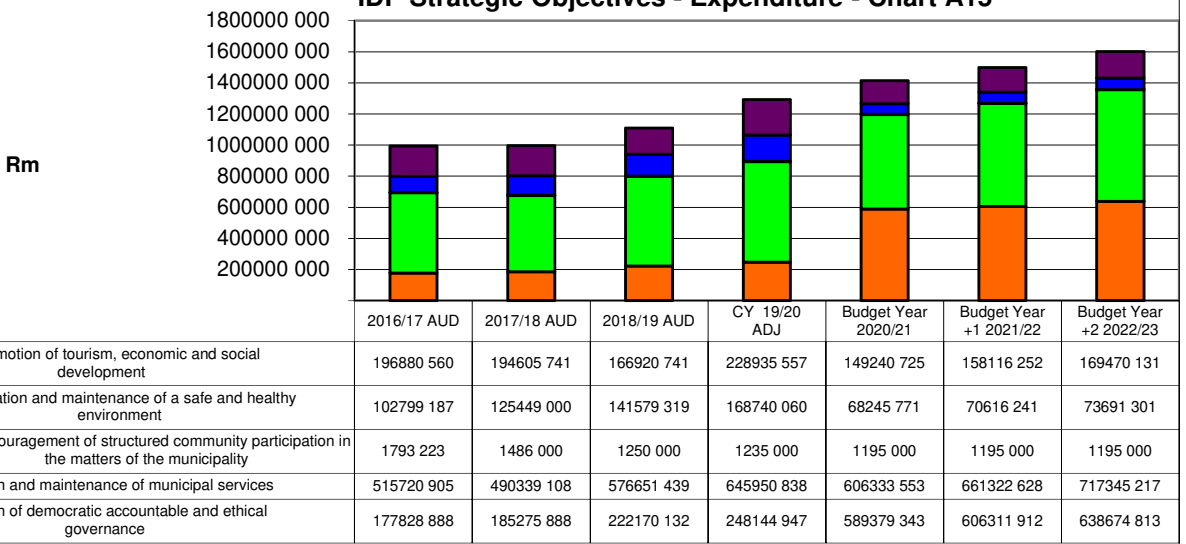


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

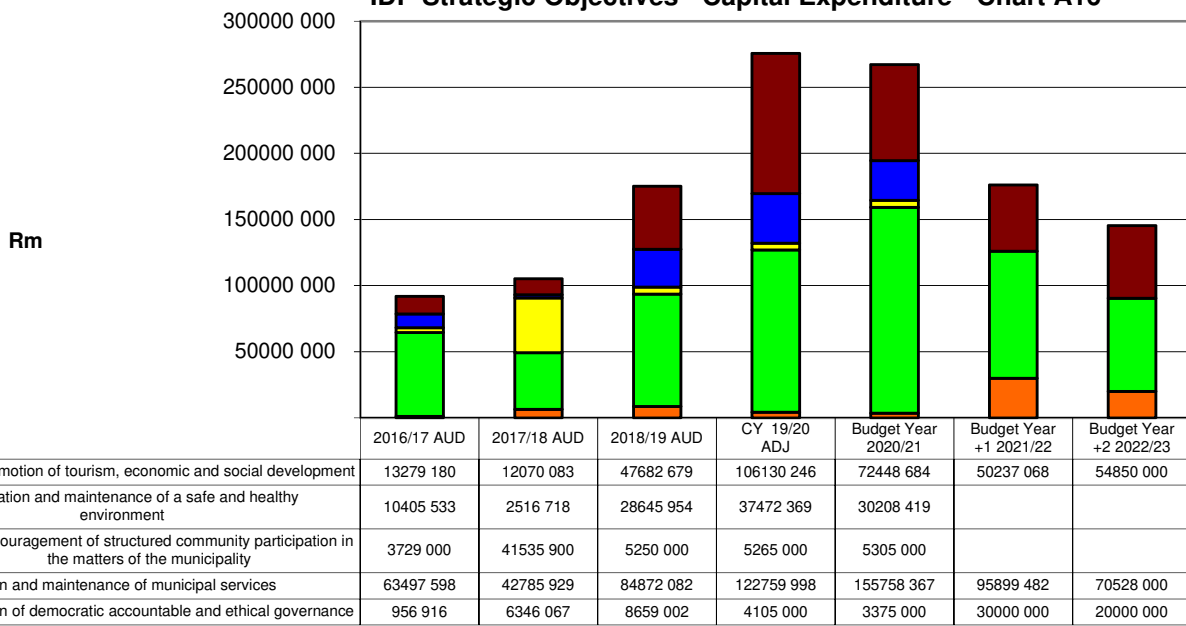
IDP Strategic Objectives - Revenue - Chart A14



IDP Strategic Objectives - Expenditure - Chart A15

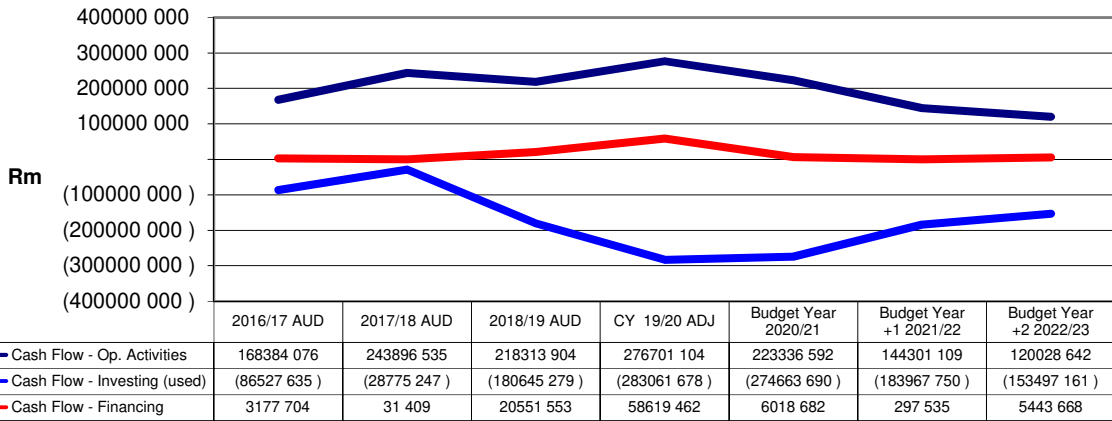


IDP Strategic Objectives - Capital Expenditure - Chart A16

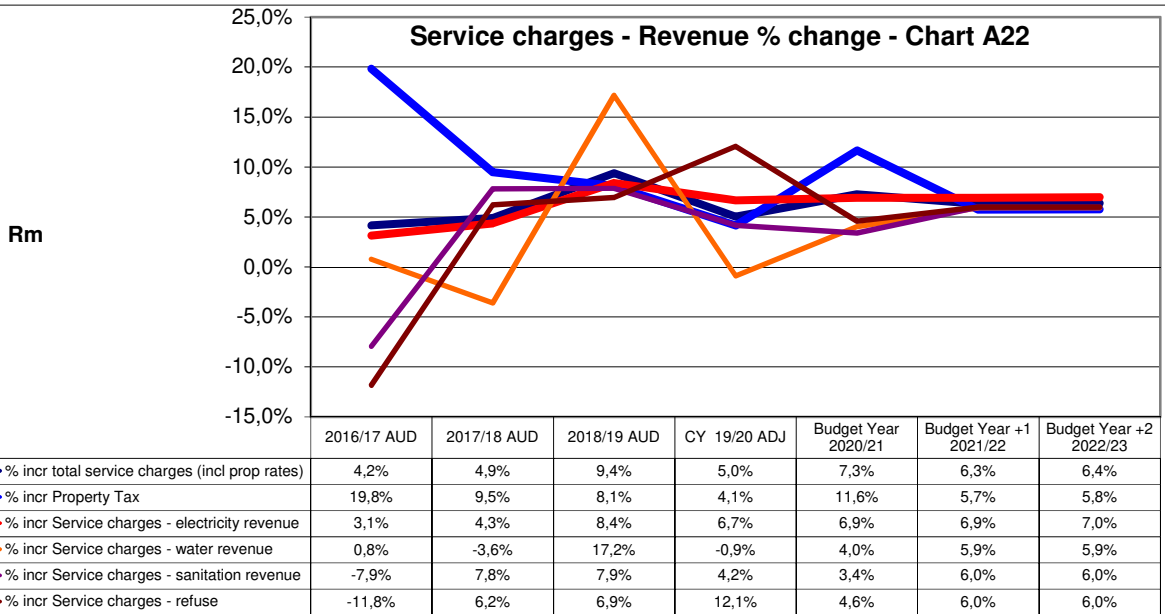


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

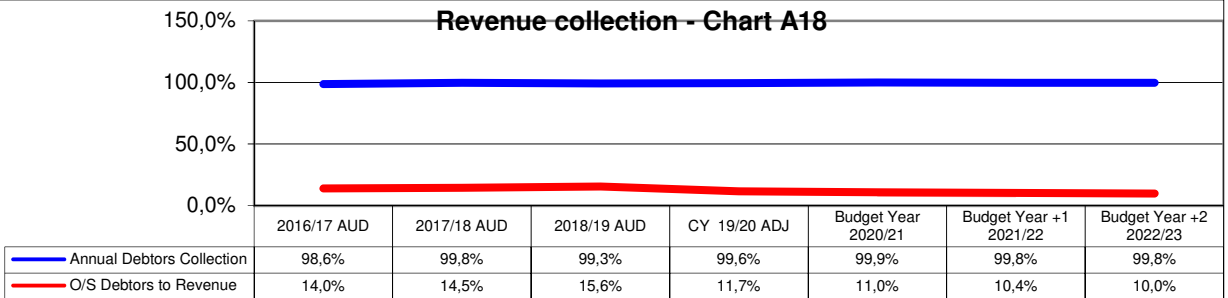
Cash flow trend - Chart A23



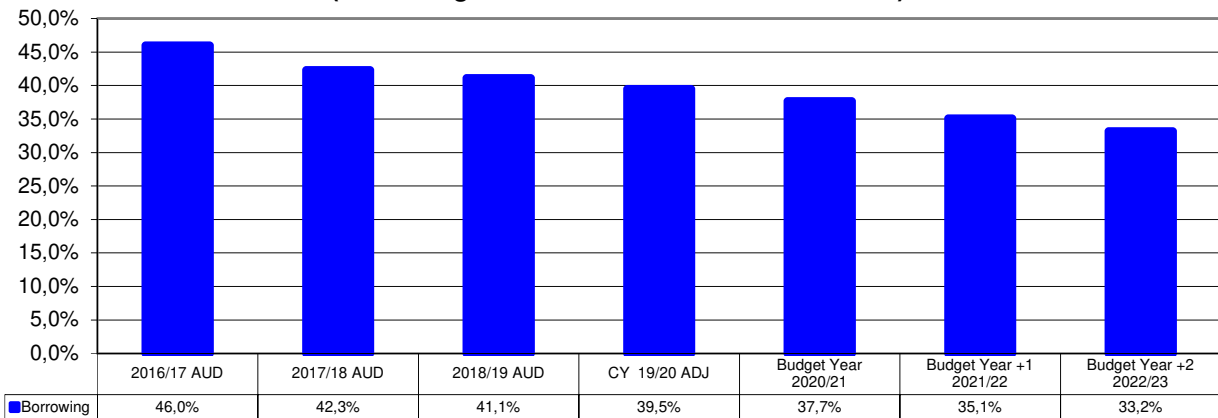
Service charges - Revenue % change - Chart A22



Revenue collection - Chart A18

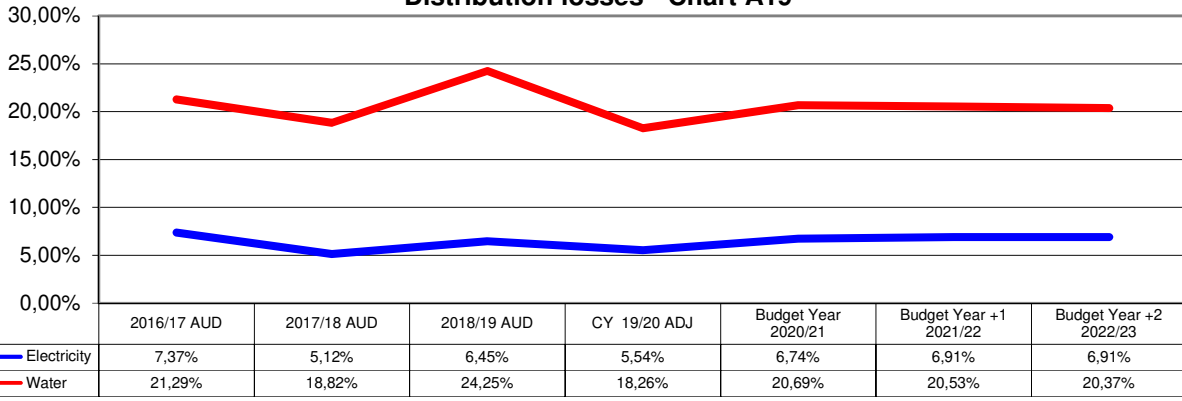


Debt (borrowing as a % of total revenue collection) - Chart A17

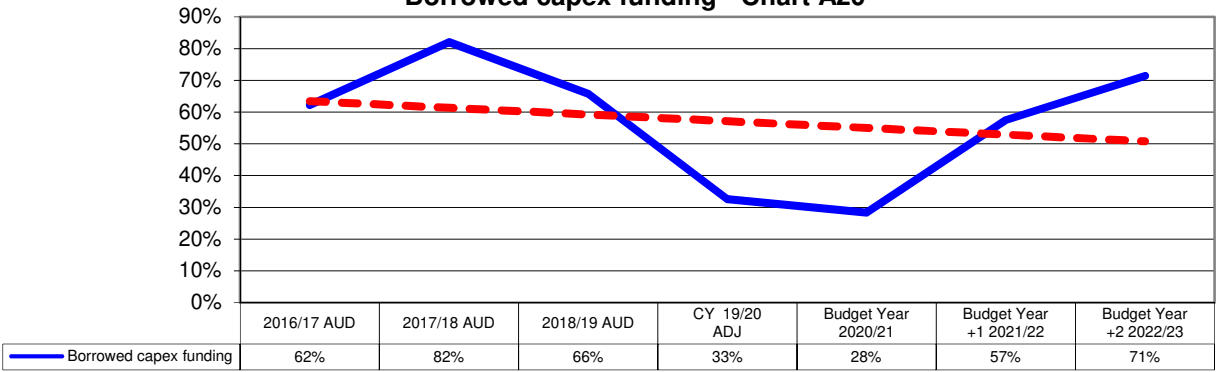


OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

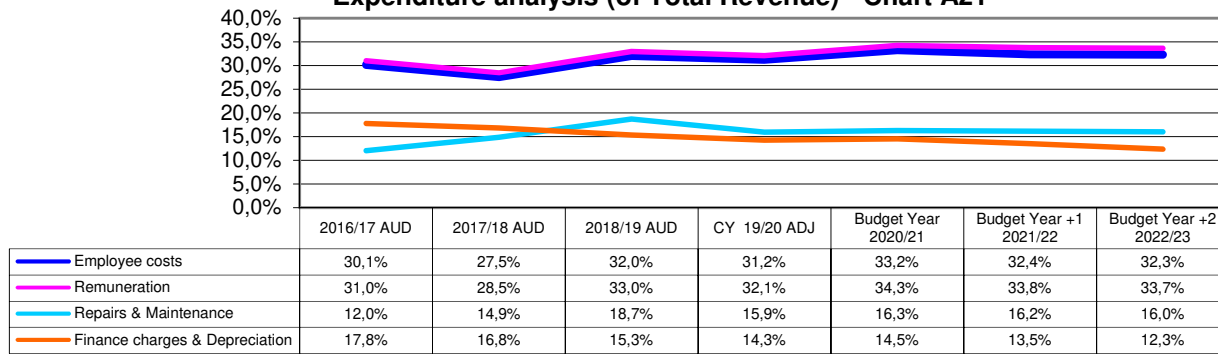
Distribution losses - Chart A19



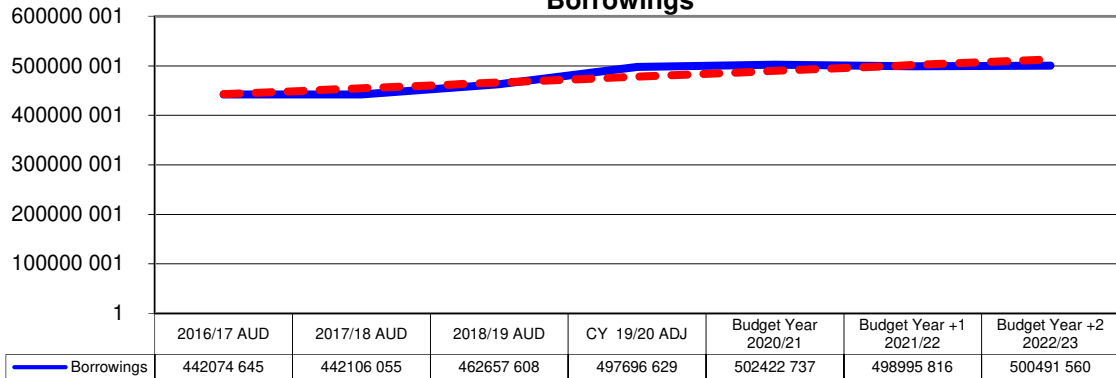
Borrowed capex funding - Chart A20



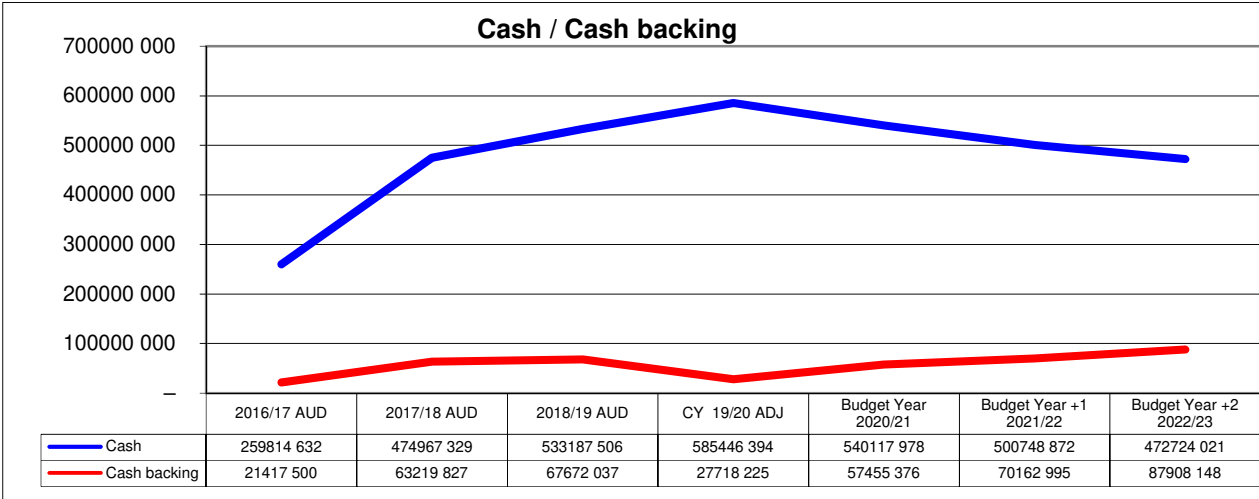
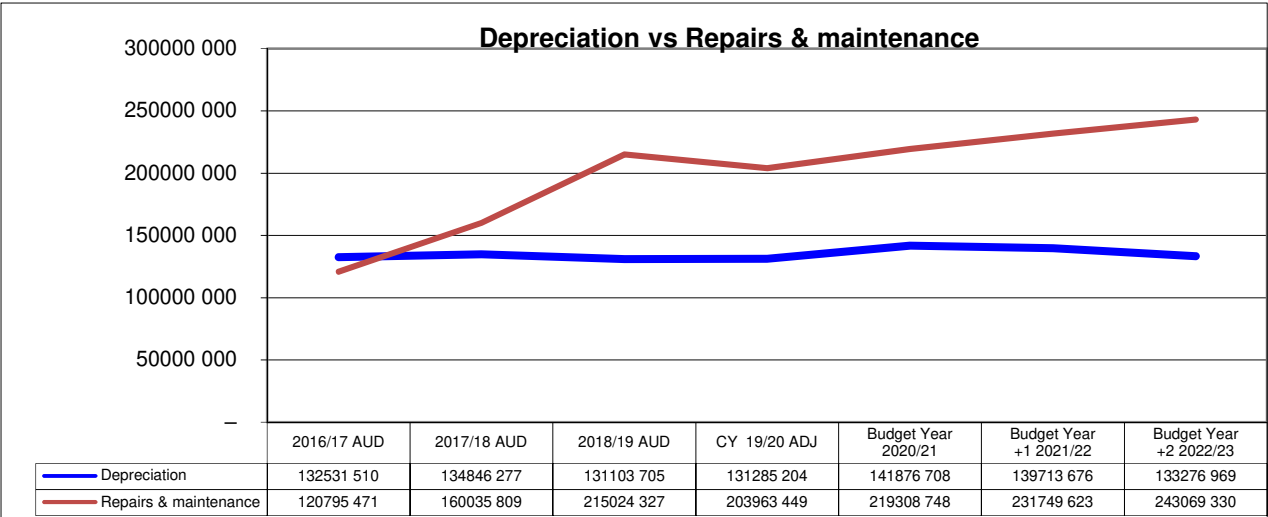
Expenditure analysis (of Total Revenue) - Chart A21



Borrowings



OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET



ANNEXURE C

RATES AND TARIFFS

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

RATES TARIFFS

Tariff Code	Detail	2020/2021		2019/2020		
		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	0,00924	0,00924	0,008639	0,008639	1,0690 6,9568%
RATE2*	Residential Land with Improvements <i>* See attached schedule of Exemptions and Rebates applicable</i>	0,00610	0,00610	0,005703	0,005703	6,9612%
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	0,000000	0,000000	
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)	0,00152	0,00152	0,001426	0,001426	6,5919%
RATE8	Undeveloped erven	0,00835	0,00835	0,007809	0,007809	6,9279%
RATE9	Government Properties: Commercial	0,00924	0,00924	0,008639	0,008639	6,9568%
RAT10	Government Properties: Residential	0,00610	0,00610	0,005703	0,005703	6,9612%
	Special Rating Areas					
RAT11	HSRA (Hermanus)	0,00061	0,00061	new	new	
RAT12	KSRA (Kleinmond)	0,00050	0,00050	new	new	
RAT13	OVSRA (Onrus-Vermont)	0,00035	0,00035	new	new	
PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES						

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

(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 <u>difference between Bus and Res rate</u> : 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 urban 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 Property 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 urban 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 permanently 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

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

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 .
Agricultural societies	Property belonging to agricultural societies affiliated to the SA Agricultural Union used for the purposes of the society
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.

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

SUNDRY TARIFF LIST (ROUNDING APPLICABLE)

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S1	BOAT LICENSE/PERMITS, LAUNCHING & ENTRANCE FEE					
S1J	<u>Kleinbaai Boat Launching:</u>					
S1J1	On site Parking pm	993,04	1 142,00	937,39	1 078,00	5,94%
S1J2A	Category B1: Shark-view operators/whale-watching (Incl on-site parking) pa	41 662,61	47 912,00	39 341,74	45 243,00	5,90%
S1J2B	Category B2: Shark-view operators/whale-watching (excl on-site parking) pm	3 188,70	3 667,00	3 011,30	3 463,00	5,89%
S1J2C	Category B2: Shark-view operators/whale-watching (excl on-site parking) pa	31 800,00	36 570,00	30 027,83	34 532,00	5,90%
S1J4A	Kelp Collectors pm	3 983,48	4 581,00	3 761,74	4 326,00	5,89%
S1J4B	Kelp Collectors pa	39 750,44	45 713,00	37 536,00	43 166,40	5,90%
S1J4C	Kelp Collectors per launch	258,26	297,00	243,48	280,00	6,07%
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	754,78	868,00	713,04	820,00	5,85%
S1J6C	Support Service per launch	100,00	115,00	94,78	109,00	5,51%
S1J7A1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	643,48	740,00	607,83	699,00	5,87%
S1J7A2	Recreational Fishing Vessels < 7m per Launch	75,65	87,00	71,30	82,00	6,10%
S1J7A3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	773,04	889,00	729,57	839,00	5,96%
S1J7A4	Recreational Fishing Vessels > 7m per Launch	100,00	115,00	94,78	109,00	5,51%
S1J7B1	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	701,74	807,00	662,61	762,00	5,91%
S1J7B2	Commercial Fishing Vessels > 7m pa	930,44	1 070,00	878,26	1 010,00	5,94%
S1J7B3	Commercial Fishing Vessels < 7m per launch	88,70	102,00	83,48	96,00	6,25%
S1J7B4	Commercial Fishing Vessels > 7m per launch	112,17	129,00	106,09	122,00	5,73%
S1J8A	Passenger Boats pm	1 591,30	1 830,00	1 502,61	1 728,00	5,90%
S1J8B	Passenger Boats per launch	153,91	177,00	145,22	167,00	5,98%
S1J9	Use of Tractor for Boat Launching per month	269,57	310,00	254,78	293,00	5,80%
S1J11	Formal Shop Rental / month	925,22	1 064,00	873,91	1 005,00	5,87%
S1J12	Informal Trader under cover rental / month	608,69	700,00	574,78	661,00	5,90%
S1M	<u>Kleinmond Slipway:</u>					
S1M1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	643,48	740,00	607,83	699,00	5,87%
S1M2	Recreational Fishing Vessels < 7m per Launch	75,65	87,00	71,30	82,00	6,10%
S1M3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	773,04	889,00	729,57	839,00	5,96%
S1M4	Recreational Fishing Vessels > 7m per Launch	100,00	115,00	94,78	109,00	5,51%
S1M5	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	701,74	807,00	662,61	762,00	5,91%
S1M6	Commercial Fishing Vessels > 7m pa	930,44	1 070,00	878,26	1 010,00	5,94%
S1M7	Commercial Fishing Vessels < 7m per launch	88,70	102,00	83,48	96,00	6,25%
S1M8	Commercial Fishing Vessels > 7m per launch	105,22	121,00	99,13	114,00	6,14%
S1M9	Passenger Boats pm	1 591,30	1 830,00	1 502,61	1 728,00	5,90%
S1M10	Passenger Boats per launch	153,91	177,00	145,22	167,00	5,98%
S1T	<u>Registered Launching Sites managed by the Overstrand Municipality (08:00-16:00) (Western Cape December School Holiday and when declared by Council)</u>					
S1T1	<u>Affiliated Members</u>					

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S1T1A	Annually	234,78	270,00	221,74	255,00	1,059
S1T1B	Monthly	140,87	162,00	133,04	153,00	1,059
S1T1C	Weekly	71,30	82,00	66,96	77,00	5,88%
S1T1D	Daily	24,35	28,00	22,96	26,40	5,89%
S1T2	Non- Affiliated Members					6,48%
S1T2A	Annually	468,70	539,00	442,61	509,00	6,05%
S1T2B	Monthly	211,30	243,00	199,13	229,00	
S1T2C	Weekly	118,26	136,00	111,30	128,00	5,89%
S1T2D	Daily	35,65	41,00	33,91	39,00	6,11%
S2	BUILDING CONTROL					6,25%
S2A1	Building Plan Fees up to 100 m ² (R/m ²)	32,17	37,00	30,35	34,90	5,13%
S2A2	Building Plan Fees from 101 m ² to 200 sq m (R/m ²)	38,26	44,00	35,83	41,20	
S2A3	Building Plan Fees from 201 m ² to 300 sq m (R/m ²)	44,78	51,50	42,26	48,60	6,00%
S2A4	Building Plan Fees greater than 300 m ² (R/m ²)	49,57	57,00	46,96	54,00	6,78%
S2A5	Building Plan fees - Additions to Government Subsidized Housing Schemes < 801 m ² (Standard Plan with once off fixed fee)	230,44	265,00	217,39	250,00	5,96%
S2A6	Building Plans Fees - Government Subsidized Housing Schemes (verandas < 15 m ²)	no charge	no vat	49,57	57,00	5,55%
S2A7	Building Plans New Government Subsidised Housing Schemes	no charge	no vat	new	new	6,00%
S2B	Building Plan Fees 0 - 30 m ² (S2A1 X 30)	965,22	1 110,00	909,57	1 046,00	0,00%
S2C	Building Plan fees related to other outbuildings (farm sheds, stables, etc) R/m ²	21,30	24,50	20,17	23,20	6,12%
S2D1	Building Plan fees related to Industrial buildings R/m ²	21,30	24,50	20,17	23,20	5,60%
S2D2	Building Plan Fees Related to Government Buildings (School etc) (R/m ²)	no charge	no vat	20,17	23,20	5,60%
S2F1	Plan Scrutiny Fees - < 200 m ²	573,91	660,00	539,13	620,00	6,45%
S2F2	Plan Scrutiny Fees - > 200 m ² (R/m ²)	4,78	5,50	4,61	5,30	3,69%
S2G	Demolition application	573,91	660,00	519,13	597,00	10,55%
S2H	Inspection & Re-inspection fees and Inspections on complaints, rates clearance etc.	327,83	377,00	309,57	356,00	5,90%
S2J1	Building Deposit - < 50m ² or less or less than R150,000.00	975,00	no vat	920,00	no vat	5,98%
S2J2	Building Deposit - Recoverable 50m ² to 200m ² or more than R150,000.00	2 590,00	no vat	2 447,00	no vat	5,84%
S2J3	Building Deposit - Recoverable more than 200m ²	7 105,00	no vat	6 711,00	no vat	5,87%
S2J4	Building Deposit - Sub economic Areas only (Not applicable to Additions)	no charge	no vat	no charge	no vat	
S2K	Administration / Viewing fee Request, Filing retrieval and Copying of Plans	65,22	75,00	60,66	69,76	7,51%
S2L	Minor Building Works	260,87	300,00	243,57	280,11	7,10%
S2L1	Heritage Investigation Minor Alterations (no additions)	517,39	595,00	486,22	559,15	6,41%
S2L2	Heritage Investigation add and alt smaller than 30m ² (2 X S2L1)	1 034,78	1 190,00	971,52	1 117,25	6,51%
S2L3	Heritage Investigation add and alt greater than 30m ² (2 X S2L2)	2 069,57	2 380,00	1 942,12	2 233,44	6,56%
S2M1	Signage application fee for consent (S4.2.1)	495,65	570,00	new	new	
S2M2	Signage application fee for departure (S4.3.1)	495,65	570,00	new	new	
S3	BUILDING CONTROL: PLAN PRINTING FEES					
S3A1	Per sheet - Size A0 (Private copy)	66,96	77,00	63,48	73,00	5,48%
S3A2	Size A1 (Private copy)	52,17	60,00	49,57	57,00	5,26%
S3A3	Size A2 (Private copy)	39,13	45,00	36,52	42,00	7,15%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S3A4	Per sheet - Size A0 (Official copy)	52,17	60,00	49,57	57,00	1,059
S3A5	- Size A1 (Official copy)	39,13	45,00	36,52	42,00	1,059
S3A6	- Size A2 (Official copy)	27,83	32,00	26,09	30,00	
S3B1	Per sheet - Size A0 (Private copy) Colour	329,57	379,00	329,57	379,00	5,26%
S3B2	Size A1 (Private copy) Colour	251,30	289,00	251,30	289,00	7,15%
S3B3	Size A2 (Private copy) Colour	167,83	193,00	167,83	193,00	6,67%
S3B4	Per sheet - Size A0 (Official copy) Colour	167,83	193,00	167,83	193,00	0,00%
S3B5	- Size A1 (Official copy) Colour	125,22	144,00	125,22	144,00	0,00%
S3B6	- Size A2 (Official copy) Colour	84,35	97,00	84,35	97,00	0,00%
S5	BUSINESS LICENCE					
S5B1	Business Licence - Formal	817,39	940,00	771,30	887,00	5,98%
S5B2	Business Licence - Informal	293,04	337,00	276,52	318,00	5,97%
S5B3	Re-inspection Fee	160,87	185,00	151,30	174,00	6,33%
S5B4	Duplicate Licence Fee	160,87	185,00	151,30	174,00	6,33%
S5B5	Liquor Licence per Calender year (January to December) or part there of					
S5B5A	Application for extended Liquor (Trading Hours up to 2am) for consumption after 02:00, per hour-annum	1 739,13	2 000,00	869,57	1 000,00	100,00%
S5B5B	Application for extended Liquor (Trading on Sunday) per annum ** (to be applicable according By-law)	1 739,13	2 000,00	new	new	
S15	CEMETERY					
	Residents (RES):					
S15A	Plot Cost (Fixed)					
Note	<p>Grave Depths</p> <ul style="list-style-type: none"> - 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 deph graves (in depth) must have a soil coverage of not less than 4-5 1 meters with a 300mm soil between the coffins; - Child grave must have a soil coverage of not less than 1 meter. 					
S15A1	All cemeteries - single grave	633,91	729,00	598,26	688,00	5,96%
S15A2	All cemeteries - Double graves - depth for two coffins	982,61	1 130,00	927,83	1 067,00	5,90%
S15A3	Double grave next to each other	1 265,22	1 455,00	1 194,78	1 374,00	5,90%
S15A4	Children under 12years	475,65	547,00	448,70	516,00	6,01%
S15A5	Garden Wall of Remembrance Fees	232,17	267,00	219,13	252,00	5,95%
S15B	Indication of grave					
S15B1	New graves (include inspection before and after funeral)	627,83	722,00	593,04	682,00	5,87%
S15B2	Existing graves	201,74	232,00	190,44	219,00	5,94%
S18	COMMERCIAL FILMING/PHOTOGRAPHING					
S18A	Large per day or part thereof ≥ 50 people	15 005,22	17 256,00	14 168,70	16 294,00	5,90%
S18B	Small per day or part thereof more than 10 but < 50 people	5 263,48	6 053,00	4 969,57	5 715,00	5,91%
S18C	Small per day or part thereof ≤ 10 people	1 509,57	1 736,00	1 425,22	1 639,00	5,92%
S18F	Addition to Shoot					

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S18F1	Animals (per animal per day or part of a day)	187,83	216,00	177,39	204,00	1,059
S18F2	Area required for production and catering (per m² per day or part of a day)	43,48	50,00	40,87	47,00	1,059
S18F3	Cancellation Fee (per application at full permit fee)	15% of Fee	applicable vat	15% of Fee	applicable vat	
S18F4	Environmental Control Officer: Fees per hour or part thereof	440,87	507,00	415,65	478,00	5,89%
S18F5	Vehicles off Public Roads per Parking Bay (per vehicle per day/part of a day)	158,26	182,00	149,57	172,00	6,39%
S20	CREDIT CONTROL AND DEBT COLLECTION					
S20A1	Admin fee on arrear accounts Notices	315,65	363,00	315,65	363,00	0,00%
S20A2	Admin fee on 24 hour Notices - Bulk users	315,65	363,00	315,65	363,00	0,00%
S20B	Admin fee on arrear accounts Disconnection and Reconnection Fee	530,44	610,00	530,44	610,00	0,00%
S20C	SMS admin fee on arrear accounts Notices	21,74	25,00	21,74	25,00	0,00%
S22	DOG TAX					
S22A	Licence per dog	78,26	90,00	75,30	86,60	3,93%
S22B	Social pensioner and registered indigent clients on application	no charge	no vat	no charge	no vat	
S23	FIRE SERVICES & DISASTER MANAGEMENT					
S23A	Plot Clearing	Actual Cost + R1 145 admin. Fee	applicable vat	Actual Cost + R1 081.12 admin. Fee	applicable vat	5,91%
S23B	Re-inspection Fee under By-law	170,44	196,00	160,87	185,00	5,95%
S23C	Extinguishing of Fires					
S23C1	Extinguishing of structural fires per hour or part thereof per incident	R1 930.00 + add cost incurred	applicable vat	R1 822.10 + add cost incurred	applicable vat	5,92%
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	R573.00 + add cost incurred	applicable vat	R540.56 + add cost incurred	applicable vat	6,00%
S23C4	Extinguishing of vehicle/equipment fires per hour or part thereof	R491.00 + add cost incurred	applicable vat	R463.60 + add cost incurred	applicable vat	5,91%
S23C5	Assistance at motor vehicle 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	644,35	741,00	607,83	699,00	6,01%
S23E	Fire Prevention Inspections					
S23E1	Tank installation - per tank	364,35	419,00	343,48	395,00	6,08%
S23E2	LP Gas - per installation 48Kg and more incl bulk tanks	364,35	419,00	343,48	395,00	6,08%
S23F	Fire Safety (excluding municipal buildings)					
S23F1	1st compliance inspection per 20 minutes	148,70	171,00	140,00	161,00	6,21%
S23F2	2nd and continuing compliance inspection per 20 minutes	148,70	171,00	140,00	161,00	6,21%
S23F3	Rates Clearance Inspection	199,13	229,00	186,09	214,00	7,01%
S23F5	Fire Compliance Certificate	492,17	566,00	464,35	534,00	5,99%
S23G	Events					
S23G1	Inspection of location and issuing of Population Certificate	243,48	280,00	229,57	264,00	6,06%
S23G2	Standby at event per event per day or part thereof for vehicle and fire fighters	1 213,91	1 396,00	1 146,09	1 318,00	5,92%
S23H	Burn Permits					
S23H1	Burn Permit Inspection	304,35	350,00	286,96	330,00	6,06%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S23J	Special Services					1,059
S23J1	Ad hoc services	662,61	762,00	625,22	719,00	5,98%
S23J2	Water Supply per hour, excluding water tariff as set out in the water tariff structure	662,61	762,00	625,22	719,00	5,98%
S25	LAW ENFORCEMENT					
S25C	Impoundment of Informal Traders (Hawkers) Goods					
S25C1	Per Impoundment	725,22	834,00	684,35	787,00	5,97%
S25C2	Removal of illegal structure per structure	2 971,30	3 417,00	2 805,22	3 226,00	5,92%
S25C3	Storage Fee per day	193,91	223,00	182,61	210,00	6,19%
S25D	Pound fee: Dogs and Cats					
S25D1	Impoundment of Dogs and Cats per animal	79,13	91,00	74,78	86,00	5,82%
S25D2	Pound fee: from day 2 per day per animal	51,30	59,00	47,83	55,00	7,25%
S25E	Pound fee: Other Animals (not listed here)					
S25E1	Impoundment fee per week per animal	780,00	897,00	735,65	846,00	6,03%
S25F	Pound fee: Horses					
S25F1	Impoundment of Horses per animal	785,22	903,00	741,74	853,00	5,86%
S25F2	Pound fee: per day per animal	197,39	227,00	186,09	214,00	6,07%
S25G	Pound fee: Sheep and Goats					
S25G1	Impoundment of Sheep and Goats per animal	197,39	227,00	186,09	214,00	6,07%
S25G2	Pound fee: per day per animal	99,13	114,00	93,04	107,00	6,55%
S25H	Pound fee: Cattle					
S25H1	Impoundment of Cattle per animal	786,09	904,00	741,74	853,00	5,98%
S25H2	Pound fee: per day per animal	148,70	171,00	140,00	161,00	6,21%
S25I	Pound fee: Pigs					
S25I1	Impoundment of Pigs per animal	393,04	452,00	371,30	427,00	5,86%
S25I2	Pound fee: per day per animal	148,70	171,00	140,00	161,00	6,21%
S25J	Pound fee: Poultry					
S25J1	Impoundment of Poultry per animal	99,13	114,00	93,04	107,00	6,55%
S25J2	Pound fee: per day per animal	20,87	24,00	19,13	22,00	9,10%
S25K	Pound fee: Shopping Trolley					
S25K1	Impoundment of Shopping Trolley per trolley	434,78	500,00	new	new	
S25P	Bylaw on Outdoor Advertising					
S25P1	Impoundment of illegal Advertising/Agent boards (per board) - small <2400cm ²	79,13	91,00	74,78	86,00	5,82%
S25P2	Impoundment of illegal Advertising/Agent boards (per board) - large >2400cm ²	780,00	897,00	736,52	847,00	5,90%
S28	LIBRARY					
S28A1	Copies: A3 / Page	4,35	5,00	4,35	5,00	0,00%
S28A3	Copies: A3 page Colour	7,83	9,00	7,83	9,00	0,00%
S28A5	Copies: A4/Page	0,87	1,00	0,87	1,00	0,00%
S28A7	Copies: A4 page Colour	5,22	6,00	5,22	6,00	0,00%
S28B1	Deposit to person/s non-residents - Fiction & Non-Fiction	440,00	no vat	416,46	no vat	5,65%
S28C1	Fax per page - excluding 0865/6 numbers	5,22	6,00	5,04	5,80	3,57%
S28C2	Fax per page - 0865/6 numbers	8,70	10,00	8,26	9,50	5,27%

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		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S28D1	Lost Cards: Laminated (R/card) first time	27,83	32,00	26,09	30,00	1,059
S28D1a	Lost Cards: Laminated (R/card)(subsequent lost card)	55,65	64,00	52,17	60,00	1,059
S28D2	Laminated Cost A3	6,78	7,80	6,44	7,40	6,67%
S28D3	Laminated Cost A4	3,91	4,50	3,65	4,20	5,36%
S28E1	Penalty per book per week	3,00	no vat	2,50	no vat	7,12%
S28E2	Penalty per record/CD per week	3,00	no vat	2,50	no vat	20,00%
S28E3	Penalty per video/DVD per day	5,00	no vat	4,50	no vat	20,00%
S28F1	Scanning of Document - Black & White	21,74	25,00	20,87	24,00	11,11%
S28F2	Scanning of Document - Colour	24,35	28,00	22,61	26,00	4,17%
S28G1	Special Requests - Hold per Book	5,65	6,50	5,22	6,00	7,70%
S28G2	Special Requests - ILL per Book	12,17	14,00	11,30	13,00	8,24%
S28H1	Subscriptions/ reader - Adults (Non residents)	166,09	191,00	156,52	180,00	7,70%
S28H2	Subscriptions/ reader - Children (Non residents)	105,22	121,00	99,13	114,00	6,11%
S28H3	Subscriptions/ reader - Family max 5 (Non residents)	408,70	470,00	386,09	444,00	6,14%
S28K	Visitor's fee - Handling charge / item	13,91	16,00	13,04	15,00	5,85%
S28L1	Hire of Library Hall per Hour - Fundraising event	160,87	185,00	151,30	174,00	6,67%
S28L2	Hire of Library Hall per Hour - NON- Fundraising event	31,30	36,00	29,57	34,00	6,33%
S28M1	Minor Damage to book (per book)	31,30	36,00	29,57	34,00	5,87%
S28M2	Damage or lost library material	As per System Price Rounded	applicable vat	As per System Price Rounded	applicable vat	5,87%
S30	STONY POINT					
S30A1	Visitors fee Stony Point Nature Reserve per day (persons 12 years and older)	expire	expire	19,13	22,00	
S30A2	Visitors fee Stony Point Nature Reserve per day (children under 12 years)	expire	expire	9,57	11,00	
S32	PARKING FEE					
	Metered parking (excluding public holidays)					
S32P	Parking Monthly Permit per vehicle	294,78	339,00	278,26	320,00	5,94%
S32Q	Per Quarter Hour or part of it - Monday to Friday 08:30 - 16:00	expire	expire	0,87	1,00	
S32R	Per Half Hour or part of it 0 - 30 minutes or part thereof - Monday to Friday 08:30 - 16:00 30 and Saterdag 08:30 - 14:00	no charge	no vat	1,74	2,00	
S32S	There after per Hour or part thereof-in (Monday to Friday : 08:30 - 16:00 30)	4,35	5,00	3,48	4,00	25,00%
S32T	There after per Hour or part thereof Saturday (08:30 - 13:40 00)	4,35	5,00	3,48	4,00	25,00%
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					
S34A1	Lease or purchase of/or encroachment on Municipal Property land (excluding Sport Facilities/Stalls and organs of state)	2 830,44	3 255,00	2 673,04	3 074,00	5,89%
S34A2	Lease or purchase of Municipal Property land - registered Social Care Institutions / Organisations / NPO's / PBO's/Community organisations	607,83	699,00	573,91	660,00	5,91%

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S34A3	Tempory lease of Municipal Property for the storage of building materials next to building sites	607,83	699,00	573,91	660,00	1,059
S34C	Encroachment Fee:					1,059
S34C1	Encroachments of Veranda, Balcony, Sign, Signboards or similar structure over/onto Municipal land (per annum) (Par. 64.2)	488,70	562,00	461,74	531,00	5,91%
S34C2	Encroachments onto Commonage, Public Open Spaces, or Conservation areas Municipal land (per annum) (Par. 64.3)	488,70	562,00	461,74	531,00	5,84%
S34C3	Enclosure or exclusive use or portions of the Commonage, Public Open Spaces, Road Reserves or Public Thoroughfares for gardening purposes (per m ² per month) (Par 64.4)	14,08	16,20	13,30	15,30	5,90%
S34G	Leases					
S34G1	Tempory use (<12months) of Municipal land for general purposes (per m ² per month)	5,57	6,40	5,22	6,00	6,61%
S34G2	Use Lease of Municipal land for outdoor seating adjoining a Restaurant (per m ² per month) (Par. 64.5)	31,30	36,00	29,57	34,00	5,87%
S34G3	Lease of Municipal land to registered Social Care Institutions / Registered Organisations / NPO's/ PBO's/ Sport facilities/Community organisations (R/month)	156,52	180,00	147,83	170,00	5,88%
S34G4	Lease of stalls/containers on Municipal land for informal trading (full stall/container)	186,96	215,00	new	new	
S34G5	Lease of stalls/containers on Municipal land for informal trading (half a stall/container)	93,48	107,50	new	new	
S34G6	Lease of Municipal land for the displaying of vehicles (R/m ² per month)	5,83	6,70	new	new	
S34H	Radio Mast					
S34H1	Equipment on Mast - per month per mast	2 152,17	2 475,00	2 032,17	2 337,00	5,91%
S34H2	Space in building per m ² - per month	566,09	651,00	534,78	615,00	5,85%
S34H3	Space outside the building per m ² - per month	284,35	327,00	268,70	309,00	5,83%
S34H4	Land for-mast per m ² - per month	72,17	83,00	67,83	78,00	6,40%
S34J	Memorial Benches					
S34J1	Memorial Benches (Installation and application)	3 538,26	4 069,00	3 340,87	3 842,00	5,91%
S34J2	Memorial Benches (per Annum)	284,35	327,00	268,70	309,00	5,83%
S36	PROPERTY INFORMATION					
S36A1	Clearance Certificate (R/certificate) - ELECTRONIC	107,83	124,00	101,74	117,00	5,99%
S36A2	Clearance Certificate (R/certificate) - MANUAL	327,83	377,00	309,57	356,01	5,90%
S36B1	Deeds office registrations with sales information (R/100 erven or part)	141,74	163,00	133,91	154,00	5,85%
S36B2	Deeds office registrations with sales information (R/erf)	36,52	42,00	34,78	40,00	5,00%
S36C	Extract from the Valuation Roll (R/page)	11,91	13,70	11,30	13,00	5,40%
S36F	Revaluation fee	2 024,35	2 328,00	1 911,30	2 198,00	5,91%
S36G1	Valuation Certificate (R/certificate) - ELECTRONIC	50,44	58,00	47,83	55,00	5,45%
S36G2	Valuation Certificate (R/certificate) - MANUAL	170,44	196,00	160,87	185,00	5,95%
S36H	Access of valuation roll Information on CD	386,96	445,00	365,22	420,00	5,95%
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	
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					

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S40A1	Deposit for all functions (refundable) - excluding meetings	1 900,00	no vat	1 900,00	no vat	0,00%
S40A2	Hire of Auditorium and Banqueting Hall per Hour or part of a hour	676,52	778,00	639,13	735,00	5,85%
S40A3	Hire of Auditorium per Hour or part of a hour	395,65	455,00	373,91	430,00	5,81%
S40A4	Hire of Banqueting Hall per Hour or part of a hour	395,65	455,00	373,91	430,00	5,81%
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	514,78	592,00	486,09	559,00	5,90%
S40A6	Piano per event	Actual Tuning Cost + R381.00 admin. Fee	applicable vat	Actual Tuning Cost + R359.71 admin. Fee	applicable vat	5,92%
S40A7	Sound and/or Ligthing Equipment per event per hour	107,83	124,00	101,74	117,00	5,99%
S40A8	Use of Kitchen per day	706,96	813,00	667,83	768,00	5,86%
S40A9	Hire of Glasses or Cups, Sauers and teaspoons per event	208,70	240,00	196,52	226,00	6,20%
S40A10	Local NGO's and CBO's per hour per venue - all events	220,87	254,00	208,70	240,00	5,83%
S40A12	Preparation for event - per hour	140,87	162,00	133,04	153,00	5,89%
S40A13	Meetings: Government departments (private meetings), NGO's and CBO's from outside the municipal area, per hour (Banquet hall)	312,17	359,00	294,78	339,00	5,90%
S40A14	Meetings: Local CBO's & NGO's per hour (Banquet hall only)	30,44	35,00	28,70	33,00	6,06%
S40A15	Weddings, Birthdays and Special Occasions per day (including the Kitchen)	1 964,35	2 259,00	1 854,78	2 133,00	5,91%
S40A16	Festivals/Exhibitions/Events per day (max 14 days). Both venues, excluding extras - more than 14 days refer to general tariffs	676,52	778,00	639,13	735,00	5,85%
S40C	<u>Rental Units - Kleinmond</u>					
S40C1	Hire per room per month	47,83	55,00	45,22	52,00	5,77%
S40E	<u>Baardskeerdersbos / Betty's Bay / Blompark / Buffelsjags /Eluxolweni/Fernkloof Hall /Hawston Abalone Hall /Kleinmond Youth Centre / Kleinmond Club House / Masakane / Moffat Hall / Mooiuitsig / Overhills / Pringle Bay / Proteadorp / Stanford / Stanford Committee Room / Zwelihle</u>					
S40E4	Fundraising: (Karaoke) Per daytime or evening	312,17	359,00	294,78	339,00	5,90%
S40E5	Funeral Tea (three hours)	128,70	148,00	121,74	140,00	5,71%
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	new	new	
S40E7	Non-fundraising events for Schools, other training institutions and sport & recreation	258,26	297,00	243,48	280,00	6,07%
S40E8	Meetings: Local CBO's and NGO's per hour	30,44	35,00	28,70	33,00	6,06%
S40E9	Non-fundraising (parties) Per daytime or evening	156,52	180,00	147,83	170,00	5,88%
S40E10	Use of Kitchen - Fundraising events per event	284,35	327,00	268,70	309,00	5,83%
S40E11	Use of Kitchen - Non Fundraising	284,35	327,00	268,70	309,00	5,83%
Note	Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)					
S40J	<u>Kleinmond Hall-Civic Center Hall, & Hawston Thusong Centre</u>					
S40J1	Deposit: (refundable) Government Imbizos & Government Meetings.	554,00	no vat	554,00	no vat	0,00%
S40J2	Deposit (refundable): Hawston Thusong Centre	1 000,00	no vat	1 000,00	no vat	0,00%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S40J3	Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening	706,96	813,00	667,83	768,00	1,059
S40J4	Church Services per day	98,26	113,00	93,04	107,00	1,059
S40J5	Funeral Tea (three hours)	128,70	148,00	121,74	140,00	5,86%
S40J6	Government Imbizos (per day)	2 180,87	2 508,00	2 059,13	2 368,00	5,61%
S40J7	Non-fundraising events for Schools, other training institutions and sport & recreation	258,26	297,00	243,48	280,00	5,71%
S40J8	Meetings: Government Departments (private meetings) & CBO's outside Municipal area per hour	312,17	359,00	294,78	339,00	5,91%
S40J9	Meetings: Local CBO's, NGO's, Non-fund-raising indoor sports per hour (only large groups > 30) - (No Deposits)	30,44	35,00	28,70	33,00	6,07%
S40J10	Preparation for event - per hour	73,91	85,00	69,57	80,00	5,90%
S40J11	Non-fundraising: Parties, weddings, indoor sports, etc. per daytime or evening	354,78	408,00	334,78	385,00	6,06%
S40J12	Tariff for events continuing after midnight (24h00) per hour	216,52	249,00	204,35	235,00	6,25%
S40J13	Sound OR Ligthing Equipment per event (each item) per hour	108,70	125,00	102,61	118,00	5,97%
S40J14	Use of kitchen (per event per day)	340,87	392,00	321,74	370,00	5,96%
S40J15	Use of kitchen for water jugs and glasses or tea cups & sauces (per event per day)	49,57	57,00	46,96	54,00	5,93%
Note	Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)					5,95%
S43	RENTAL: INFORMAL TRADERS' (HAWKERS') STALLS, OPEN SPACES & BEACHES (applicable Overstrand Wide)					5,55%
S43A	CBD					
S43A1	All open stalls per day (demarcated area)(excluding Western Cape December Holiday plus Easter Weekend)	30,44	35,00	28,70	33,00	6,06%
S43A2	Open Stalls per day (Western Cape December Holiday plus Easter Weekend)	44,35	51,00	41,74	48,00	6,25%
S43B	Outside the CBD					
S43B1	Open Stalls Rental - Western Cape December Holiday plus Easter Weekend / pm	97,39	112,00	92,17	106,00	5,66%
S43B2	Open Stalls Rental - excluding Western Cape December Holiday plus Easter Weekend / pm	41,74	48,00	39,13	45,00	6,66%
S43D	Public Open Space					
S43D1	Car Park - Private Car Sales per day (demarcated areas)	39,13	45,00	36,52	42,00	7,15%
S43D2	Funfair, Circus etc per day	920,87	1 059,00	869,57	1 000,00	5,90%
S43D3	Welfare, churches, non-profit organizations	no charge	no vat	no charge	no vat	
S43D4	Sport Events per day	4 173,91	4 800,00	3 941,74	4 533,00	5,89%
S43F	Beaches					
S43F1	Beach Rentals - per day (Private functions)	1 345,22	1 547,00	1 270,44	1 461,00	5,89%
S46	RENTAL: OFFICE					
S46A	Rental per m ² / pm (Hermanus area)	128,70	148,00	121,74	140,00	5,71%
S46A1	Rental per m ² / pm (Gansbaai, Stanford & Kleinmond)	64,35	74,00	60,87	70,00	5,72%
S46A2	NGO's/NPO's/ Government Departments/State Owned Enterprises per m ² / pm	38,26	44,00	36,52	42,00	4,76%
S46B	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)	178,26	205,00	167,83	193,00	6,21%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S48A2	Club House - Sport events hosted by Overstrand Municipal Sport and Recreation structures per 2 hours or part thereof	43,48	50,00	no charge	no vat	1,059
S48A3	Club House - Sport Event hosted by non Overstrand Sport and Recreation structures - per hour	89,57	103,00	84,35	97,00	6,18%
S48A4	Sport grounds -Per event hosted by non Overstrand Sport and Recreation structures	1 749,57	2 012,00	1 652,17	1 900,00	5,89%
S48A6	Sport grounds - Functions/Events (excluding departmental events)	966,09	1 111,00	912,17	1 049,00	5,91%
S48A7	Gym fees per month - (Gansbaai Space for Sport only)	90,44	104,00	85,22	98,00	6,12%
S48A8	Change Rooms - Sport events hosted by Overstrand Sport and Recreation Structures	no charge	no charge	new	new	
Note	Sportgrounds refer to playing surfaces					
S48B	Overhills					
S48B1	Sport grounds - Per event hosted by non Overstrand Sport and Recreation structures	1 749,57	2 012,00	1 652,17	1 900,00	5,89%
S48B2	Sport grounds - Functions/Events (excluding departmental events)	966,09	1 111,00	912,17	1 049,00	5,91%
S49	RENTAL: UNDEVELOPED VACANT SERVICED ERVEN FOR LOW COST HOUSING					
S49A	Wetcore Stands (Social Housing) - rent per month	35,65	41,00	33,91	39,00	5,13%
S50	SCHUSS HOUSES KLEINMOND (Meerenvlei)					
S50A	Rent per month	1 047,83	1 205,00	989,57	1 138,00	5,89%
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 + R51.00	applicable vat	actual cost + R47.92	applicable vat	6,43%
S55B2	Administration Cost - RD cheques, Post Dated Cheques	actual cost + R51.00	applicable vat	actual cost + R47.92	applicable vat	6,43%
S55B3	Administration Cost - Trace of Direct Deposit	actual cost + R103.00	applicable vat	actual cost + R97.36	applicable vat	5,79%
S55C	Copies of Council Agendas and Minutes per annum	expire	expire	1 380,87	1 588,00	
S55D1	Copies: A3 page	4,35	5,00	4,35	5,00	0,00%
S55D2	Copies: A3 page Colour	7,83	9,00	7,83	9,00	0,00%
S55D3	Copies: A4 page	1,83	2,10	1,83	2,10	0,00%
S55D4	Copies: A4 page Colour	5,22	6,00	5,22	6,00	0,00%
S55E	Foreign Bank Cost	actual cost	applicable vat	actual cost	applicable vat	
S55F1	Fax per page - excluding 0865/6 numbers	5,22	6,00	5,04	5,80	3,57%
S55F2	Fax per page - 0865/6 numbers	8,70	10,00	8,26	9,50	5,27%
S55G1	Interest on accounts in arrear	prime + 4%	no vat	prime + 4%	no vat	
S55G2	Placard / Poster Deposit for Elections	4 850,00	no vat	4 573,00	no vat	6,06%
S55G4	Placard / Poster Deposit for Political Parties	4 850,00	no vat	4 573,00	no vat	6,06%
S55H	Placard / Poster each	17,39	20,00	16,52	19,00	5,27%
S55I	Duplicate Account	8,70	10,00	8,26	9,50	5,27%
S55I1	Duplicate PayDay pay slip	9,57	11,00	8,70	10,00	10,01%
S55J	Section 62 of local Government: Systems Act: appeal deposit (refundable if appeal is upheld)	3 220,00	no vat	3 220,00	no vat	0,00%
S55K1A	Tender objection deposit (refundable if appeal is upheld)	3 410,00	no vat	3 220,00	no vat	5,90%
S55k1B	Tender objection deposit (partially upheld -50% refundable)	1 698,00	no vat	1 603,00	no vat	5,93%
S55K2	Tender documentation Administration Fee: (less than 20 pages)	34,78	40,00	32,61	37,50	6,65%
S55K3	Tender documentation Administration Fee: (more than 21 pages less than 50 pages)	182,61	210,00	172,17	198,00	6,06%
S55K4	Tender documentation Administration Fee: (more than 50 pages)	736,52	847,00	695,65	800,00	5,88%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S55L	Advertising Signs Auctioneers per 14days	525,22	604,00	495,65	570,00	1,059
S55K1	Laminated Cost A3	6,78	7,80	6,44	7,40	1,059
S55K2	Laminated Cost A4	3,91	4,50	3,65	4,20	5,97%
S60	SWIMMING POOL					
S60A	Daily Tariffs (01 December - 31 March & Easter Weekend & Events approved by the Administration)					
S60A1	Persons older than 16 ² years of age - per person per DAY or part of a day	4,35	5,00	4,35	5,00	0,00%
S60A2	Children (< 16 ² years) per child per day or part of a day	No Charge	no vat	No Charge	no vat	
S60A4	Galas	107,83	124,00	101,74	117,00	5,99%
S60A5	Training sessions (Schools & Clubs) per season	170,44	196,00	160,87	185,00	5,95%
S65	TOP MANAGEMENT CONSULTATIONS					
S65A1	Consultation Fee (Top Management) per hour	1 043,48	1 200,00	983,48	1 131,00	6,10%
S72	TOWN PLANNING: APPLICATION FEES					
S72A	Amendment, deletion or additional conditions in respect of an existing approval	2 275,65	2 617,00	2 148,70	2 471,00	5,91%
S72B	Application for deviation of SDF/Sectoral Plans	2 678,26	3 080,00	2 528,70	2 908,00	5,91%
S72F	Removal of Title Deed Restrictions					
S72F1	Erven 150m ² and smaller	263,48	303,00	248,70	286,00	5,95%
S72F2	Erven between 150 m ² and 400 m ²	526,96	606,00	497,39	572,00	5,95%
S72F3	Erven 400 m ² and larger	4 007,83	4 609,00	3 784,35	4 352,00	5,91%
S72G	Consolidations					
S72G1	Erven 150m ² and smaller	246,96	284,00	233,04	268,00	5,97%
S72G2	Erven between 150 m ² and 400 m ²	496,52	571,00	468,70	539,00	5,94%
S72G3	Erven 400 m ² and larger	2 830,44	3 255,00	2 673,04	3 074,00	5,89%
S72H	Subdivision (cumulative)					
S72H1	up to 5 erven	5 519,13	6 347,00	5 211,30	5 993,00	5,91%
S72H2	6 to 10 erven	6 509,57	7 486,00	6 146,96	7 069,00	5,90%
S72H3	More than 10	6 509,57	7 486,00	6 146,96	7 069,00	5,90%
S72H3A	Additional per erf after 10	98,26	113,00	93,04	107,00	5,61%
S72I	Application for Consent Use/Special Use/Occasional Use/Additional Consent					
S72I1	Erven 150m ² and smaller	223,48	257,00	211,30	243,00	5,76%
S72I2	Erven between 150m ² and 400m ²	595,65	685,00	562,61	647,00	5,87%
S72I3	Erven 400 m ² and larger	2 830,44	3 255,00	2 673,04	3 074,00	5,89%
S72J	Application for Rezoning					
S72J1	Erven 150 m ² and smaller	595,65	685,00	562,61	647,00	5,87%
S72J2	Erven between 150 m ² and 400 m ²	4 670,44	5 371,00	4 410,44	5 072,00	5,90%
S72J3	Erven between 400m ² and 5000m ²	6 509,57	7 486,00	6 146,96	7 069,00	5,90%
S72J4	Erven 5000m ² and larger	6 509,57	7 486,00	6 146,96	7 069,00	5,90%
S72J4A	Erven larger than 5000m ² additional per land use (Excluding Public Open Spaces and Public Roads)	982,61	1 130,00	927,83	1 067,00	5,90%
S72K	Departure ito Section 16(2)(b) and (c) of OM Land Use Planning Bylaw					
S72K1A	Erven 150m and smaller	223,48	257,00	211,30	243,00	5,76%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S72K1B	Erven between 150m ² and 400m ²	495,65	570,00	467,83	538,00	5,95%
S72K1C	Erven 400 m ² and larger	2 830,44	3 255,00	2 673,04	3 074,00	5,89%
S72L	Appeal deposit in terms of Section 78(2) of the Bylaw on Municipal Land Use Planning (refundable if appeal is upheld)					
S72L1	Erven 150m ² and smaller	336,00	no vat	317,00	no vat	5,99%
S72L2	Erven between 150m ² and 400 m ²	629,00	no vat	594,00	no vat	5,89%
S72L3	Erven 400 m ² and larger	3 396,00	no vat	3 207,00	no vat	5,89%
S72M	Amendment of site development plan, Constitution/Architectural Guidelines, Phasing, amendment or cancellation of a plan of subdivision or a part thereof	2 059,13	2 368,00	1 944,35	2 236,00	5,90%
S72N	Determination of Zoning					
S72N1	Erven 150m ² and smaller	595,65	685,00	562,61	647,00	5,87%
S72N2	Erven between 150 m ² and 400 m ²	4 670,44	5 371,00	4 410,44	5 072,00	5,90%
S72N3	Erven 400 m ² and larger	6 509,57	7 486,00	6 146,96	7 069,00	5,90%
S72N4	Disestablishment of HOA	2 830,44	3 255,00	2 673,04	3 074,00	5,89%
S72P	Relaxation of Title Deed					
S72P1	Erven 400m ² and smaller	495,65	570,00	467,83	538,00	5,95%
S72P2	Erven larger than 400m ²	2 816,52	3 239,00	2 660,00	3 059,00	5,88%
S72Q	Permission in terms of Zoning Scheme					
S72Q1	Erven 150m ² and smaller	223,48	257,00	211,30	243,00	5,76%
S72Q2	Erven between 150m ² and 400m ²	495,65	570,00	467,83	538,00	5,95%
S72Q3	Erven 400 m ² and larger	2 830,44	3 255,00	2 673,04	3 074,00	5,89%
S72Q4	Closure of Public Place/Part thereof	6 509,57	7 486,00	6 146,96	7 069,00	5,90%
S72R	Exemption of Time	711,30	818,00	671,30	772,00	5,96%
S72S	Exemption in terms of Section 26	112,17	129,00	106,09	122,00	5,73%
S75	TOWN PLANNING: LAND USE PLANNING FEE					
S75A1	Advertising Costs Government Gazette	3 961,74	4 556,00	3 740,87	4 302,00	5,90%
S75A2	Advertising Costs Local newspapers	3 961,74	4 556,00	3 740,87	4 302,00	5,90%
S75A3	Advertising Costs Local Newspaper (Removal of Restriction only)	7 923,48	9 112,00	7 481,74	8 604,00	5,90%
S75A4	Advertising Costs - Placing of Final Notice in the Government Gazette	1 120,00	1 288,00	1 057,39	1 216,00	5,92%
S75B	Regulations of Zoning schemes	467,83	538,00	441,74	508,00	5,91%
S75C	Spatial Development Framework	1 105,22	1 271,00	1 043,48	1 200,00	5,92%
S75D	Zoning Certificate	284,35	327,00	268,70	309,00	5,83%
S75D1	Zoning Certificate - Non Profit Organisation (NPO)	No Charge	no vat	0,00	0,00	0,00%
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	
S75F	CD - Planning Documents	467,83	538,00	441,74	508,00	5,91%
S75G	Search Fee	284,35	327,00	268,70	309,00	5,83%
S75H	Section 30(2) Certification / Clearance (only for the first transfer)	1 679,13	1 931,00	1 585,22	1 823,00	5,92%
S75I	Determination of a Contravention Penalty	20% of built cost as determined by a Quantity Surveyor	applicable vat	20% of built cost as determined by a Quantity Surveyor	applicable vat	
S80	TRAFFIC					

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
S80J	Business & Other Events					
S80J1	Per officer per hour or part thereof - Mon - Sat	495,65	570,00	467,83	538,00	5,95%
S80J2	Per officer per hour or part thereof - Sundays and public Holidays	565,22	650,00	534,78	615,00	5,69%
S80J4	Administrative fee for provision of officers - per application	139,13	160,00	133,04	153,00	4,58%
S80K	Removal of Vehicles/Towing Fee					
S80K1	Removal of Vehicles per vehicle	1 191,30	1 370,00	1 123,48	1 292,00	6,04%
S80K2	Storage Fees per day	330,44	380,00	308,70	355,00	7,04%
S80K3	Towing Charge	Cost plus 15%	applicable vat	Cost plus 15%	applicable vat	
S80K4	Wheel Clamping per vehicle	434,78	500,00	293,91	338,00	47,93%
S80L	Traffic Cones					
S80L1	Hire of Traffic Cones per Cone per day	69,57	80,00	67,83	78,00	2,56%
S80P	Disabled Parking Token					
S80P1	Disabled Parking Token per application - valid for 2year period	129,57	149,00	122,61	141,00	5,67%
S80P2	Tempory Disabled Parking Token per application - valid for 1year period					
S80R	Impoundment of Boats					
S80R1	Impoundment Fee per boat	1 739,13	2 000,00	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	441,74	508,00	new	new	
S85A2	Administration fee for a wayleave or permit to use the road reserve to install an underground service per permit/event/incident	1 536,52	1 767,00	new	new	
S85A3	Supervision fee for a wayleave or permit to install an underground service per permit/event/incident	2 843,47	3 269,99	new	new	
S85A4	Unauthorised commencement of use of the road reserve per permit/event/incident	200% of applicable above administration and supervision fee	applicable vat	new	new	
S85B	Remedying, Repairing and Cleaning					
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	new	new	
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)	217,39	250,00	new	new	
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)	9 973,91	11 470,00	new	new	

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

REFUSE (SOLID WASTE) TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
SAN1	REFUSE REMOVAL (1 removal per week of 4 bags or 1X240 Bin)					1,0590
	DOMESTIC WASTE					
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	196,43	225,90	185,49	213,31	5,90%
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)	196,43	225,90	185,49	213,31	5,90%
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)	185,49	213,31	185,49	213,31	0,00%
	BUSINESS WASTE					
SAN1C	Commercial/Business (Hostels, Old Age Homes, Caravan Sites, Semi-permanent Resorts etc) (R/Month)	196,43	225,90	185,49	213,31	5,90%
SA1N1	Bulk Container 240L (Wheeley bin) (R/Month) 1 X per week (if available)	196,43	225,90	185,49	213,31	5,90%
SAN1N	Bulk Container 240L (Wheeley bin) (R/Month) 2 X per week (if available)	392,86	451,79	370,97	426,62	5,90%
SA1N3	Bulk Container 240L (Wheeley bin) (R/Month) 3 X per week CBD (if available)	589,27	677,66	556,44	639,91	5,90%
SA1N4	Bulk Container 240L (Wheeley bin) (R/Month) 4 X per week CBD (if available)	785,70	903,56	741,93	853,22	5,90%
SA1N2	Bulk Container 240L (Wheeley bin) (R/Month) 5 X per week CBD (if available)	982,14	1 129,46	927,42	1 066,53	5,90%
SAN1O	Camphill Route (R/Month) (If available)	1 543,34	1 774,85	1 457,36	1 675,96	5,90%
SAN1P	Additional Removals per week on Saturday per Bin (R/Month) per removal	294,63	338,83	278,22	319,95	5,90%
SA1P1	Additional Removals on request Central Town (CBD) per bin (R/Month) (Sunday or Public Holidays) per removal	392,86	451,79	370,97	426,62	5,90%
SA1P2	All CBD's additional Removal during normal working week, per Bin, per removal	45,42	52,23	42,89	49,32	5,90%
SA1P3	All CBD's additional Removal on Saturday, per Bin per removal	68,13	78,34	64,33	73,98	5,90%
SA1P4	All CBD's additional Removal during Sunday or Public Holidays, per Bin per removal	90,83	104,45	85,77	98,64	5,90%
SA1Q	Caravan Sites, Chalets, Semi-permanent & Resorts (R/Month) (Uilenskraalmond Vakansieoord; Franskraal Vakansieoord; Pearly Beach Camp, Micheal Fuchs Guesthouse) NO REMOVAL (per unit/site)	63,19	72,67	59,67	68,62	5,90%
SAN1R	Departmental Consumption (Municipal Consumption per removal site per month)	196,43	225,90	185,49	213,31	5,90%
SAN1U	Schools (R/Month)	196,43	225,90	185,49	213,31	5,90%
SAN1T	Removal outside service area (per removal per hour) (if available)	1 473,20	1 694,18	1 391,12	1 599,79	5,90%
SAN1V	Single Quarters & Transit Camps per unit	63,14	72,61	59,62	68,56	5,90%
SAN1W	Guesthouses, Bed & Breakfast (R/Month)	196,43	225,90	185,49	213,31	5,90%
SAN1X	Removal of food waste for safe disposal (R/per Collection)	391,09	449,75	369,30	424,70	5,90%
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, and Hawston Drop Off and Zwelihle Drop Off (no admission to Hermanus Transfer Station). (All vehicles above 1 ton load capacity only to landfills).	no Charge	no vat	no Charge	no vat	

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
SAN2B	SELF DUMPING TRANSFER STATIONS & DROP OFF'S: GENERAL AND GARDEN REFUSE					1,0590
SA2B1	Vehicles up to 1 Ton per vehicle load capacity (maximum volume of 5m ³)	no Charge	no vat	no Charge	no vat	
SA2B2	Vehicles >1 & up to 2 Ton per vehicle load capacity	452,17	520,00	426,64	490,64	5,98%
SA2B3	Vehicles >2 & up to 3 Ton per vehicle load capacity	678,26	780,00	639,96	735,95	5,98%
SA2B4	Vehicles >3 & up to 4 Ton per vehicle load capacity	expire	expire	853,28	981,27	
SA2B4	Vehicles >4 & up to 5 Ton per vehicle load capacity	eepire	eepire	1 066,60	1 226,59	
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	226,09	260,00	213,32	245,32	5,99%
SAN3D	Clean builders rubble (<250mm) and sand	no Charge	no vat	no Charge	no vat	
SAN3F	Mixed builders rubble per ton weighed	226,09	260,00	213,32	245,32	5,99%
SAN4	BASIC FEE REFUSE SERVICE (Erven without approved building plans)					
SAN4A	All registered erven without approved building plans (R/Month)	98,21	112,94	92,74	106,65	5,90%
SAN5	SUNDRIES (rounding applicable)					
SAN5A	Rental of Bulk Container per day (including disposal)	105,22	121,00	99,02	113,87	6,26%
SAN5B	Deposit - rental of bulk containers per 4 bins or less	795,00	no vat	750,52	no vat	5,93%
SAN5C	Asbestos Sheet - per unit (Limited to max 10 sheets)	126,09	145,00	70,27	80,81	79,44%
SAN5D	Baboon Resistant 240L Wheelie bin with lock delivered to homes - projects	1 252,17	1 440,00	1 182,00	1 359,30	5,94%
SAN5E	Replacement lock on baboon resistant wheelie bin	388,70	447,00	367,34	422,44	5,81%
SAN5F	Selling of Chipped Organic Material					
SANF1	Per ton	419,13	482,00	395,99	455,39	5,84%
SANF2	Per cubic (m ³)	94,78	109,00	89,11	102,48	6,36%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

SEWER TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2020/2021		2019/2020		
		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)					1,059
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.	14,51	16,68	13,70	15,76	5,90%
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.	128,83	148,15	new	new	
SEWERAGE - REGISTERED INDIGENT HOUSEHOLDS						
SE7A4	0 - 4.2 kl - subsidised	14,51	16,68	13,70	15,76	5,90%
SE7A5	4.3 - 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.	14,51	16,68	13,70	15,76	5,90%
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	14,51	16,68	13,70	15,76	5,90%
SE7C	SEWERAGE - GUEST HOUSE; BED & BREAKFAST ESTABLISHMENTS					
SE7C1	per kl (based on 70% of water usage) per unit per month	14,51	16,68	13,70	15,76	5,90%
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	14,51	16,68	13,70	15,76	5,90%
SE7E	CONSUMPTION - DEPARTMENTAL					
SE7E1	0 - 35 kl per kl (based on 70% of max 50kl water usage) per unit per month	14,51	16,68	13,70	15,76	5,90%
SE8	BASIC CHARGE					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	128,83	148,15	121,65	139,90	5,90%
SE8A1	Basic Monthly Charge Subsidy Residential Indigent as per paragraph A of the Indigent Policy per month	128,83	148,15	121,65	139,90	5,90%
SE8A2	Basic Monthly Charge 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 month	86,80	99,81	81,96	94,25	5,90%
SE8C	Basic Monthly Charge Undeveloped sites - can connect to the network per erf/unit per month	128,83	148,15	121,65	139,90	5,90%
SE8D	Basic Monthly Charge Developed sites - with a septic Tank per erf/unit per month	86,80	99,81	81,96	94,25	5,90%
SE8E	Basic Monthly Charge - Low Cost Housing & Single Quarters per erf/unit per month	86,80	99,81	81,96	94,25	5,90%
SE8F	Infrastructure					
SE8F1	Fixed Infrastructure Basic Charge per erf/unit per month	9,60	11,04	9,60	11,04	0,00%
SE8F2	Fixed Infrastructure Basic Charge per erf/unit per month	3,43	3,94	3,43	3,94	0,00%
SE8F3	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent	3,43	3,94	3,43	3,94	0,00%
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)	592,58	681,47	559,57	643,50	5,90%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
SE9A2	Vacuum Tanker Service provided on request < 5kl (per 5kl or part thereof)	592,58	681,47	559,57	643,50	1,059
SE9A4	Vacuum Tanker Service provided on request > 6kl (per 6kl or part thereof)	592,58	681,47	559,57	643,50	5,90%
SE9A5	Call out fee for Tank Service request but no service due to another defect	592,58	681,47	559,57	643,50	5,90%
SE9A6	More than 3 pipes an additional fee per pipe for users not paying tariff SE7 above	86,80	99,81	81,96	94,25	5,90%
SE9BA	After Hours Vacuum Tanker Service - PROVIDED ON REQUEST					
SE9B1	After Hours - per request < 6kl (per 6kl or part thereof)	1 185,16	1 362,93	1 119,13	1 287,00	5,90%
SE9B2	After Hours - per request > 6kl (per 6kl or part thereof)	1 185,16	1 362,93	1 119,13	1 287,00	5,90%
SE9B3	After Hours - per request < 5kl (per 5kl or part thereof)	1 185,16	1 362,93	1 119,13	1 287,00	5,90%
SE9B2	After Hours Businesses with Public Toilets per removal	355,86	409,23	336,03	386,43	5,90%
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	355,86	409,24	336,04	386,44	5,90%
SE9C2	Normal ApplicableTariff (SE9A2) plus additional per km	17,37	19,97	16,40	18,86	5,90%
	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	355,86	409,23	336,03	386,43	5,90%
SE9C7	After Hours Applicable Tariff (SE9B2) plus additional per km	17,37	19,97	16,40	18,86	5,90%
SE10	SUNDRY CHARGES					
SE9D	Testing and Connection Fees					
SE9D1	Testing of the septic and conservancy tanks per test	1 542,61	1 774,00	1 456,52	1 675,00	5,91%
SE9D2	Smallbore sewerage connection fee + tank test	7 074,78	8 136,00	6 680,87	7 683,00	5,90%
SE9D3	Sewer Connection	5 301,74	6 097,00	5 006,09	5 757,00	5,91%
SE9E	Disposal					
SE9E1	Charge per kl or part thereof	77,39	89,00	73,04	84,00	5,96%
SE11	ILLEGAL CONNECTION / TAMPERING FEE					
SE11A	1st Offence	7 271,00	no vat	6 866,00	no vat	5,90%
SE11B	2 nd Offence (SE11A X 2)	14 542,00	no vat	13 730,00	no vat	5,91%
NOTE: Any requests for tanker services after 15:00 will be charged at the after hour rate						

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021 BEFORE NERSA APPROVAL

ELECTRICITY TARIFFS 2020/2021 (ROUNDING APPLICABLE) (BEFORE NERSA approval)

Tariff Code	Detail		2020/2021		2019/2020				
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%			
ED	CONSUMER DEPOSITS							1,1500	1,1500
ED1	Large Power User Group tariff E5 (excluding Kleinmond)	R	0,00	no vat	0,00	no vat		1,059	1,1500
ED2	Large Power User Group tariff E5 Kleinmond 2 weeks highest average consumption	R	calculated	no vat	calculated	no vat			1,1500
ED3	Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity	R	2 842,00	no vat	2 471,71	no vat			14,98%
ED4	Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity	R	4 976,00	no vat	4 327,19	no vat			14,99%
ED5	Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity	R	11 374,00	no vat	9 890,23	no vat			15,00%
ED6	Domestic & Commercial Single Phase Pre-paid (Two Part Tariff) - Electricity	R	654,00	no vat	568,74	no vat			14,99%
ED7	Domestic & Commercial Three Phase Pre-paid (Two Part Tariff) - Electricity	R	1 308,00	no vat	1 137,48	no vat			14,99%
ED8	Indigent Registered	R	212,00	no vat	184,30	no vat			15,03%
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	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	385,64	443,49	335,34	385,64			15,00%
	kWH Unit cost								
E1A2	IBT BLOCK 1 0 - 350 kWh	c	147,97	170,17	128,67	147,97			15,00%
E1A3	IBT BLOCK 2 351 - 600 kWh	c	217,32	249,91	188,97	217,32			15,00%
E1A4	IBT BLOCK 3 > 600 kWh	c	267,01	307,06	232,18	267,01			15,00%
E1B	Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)								
E1B1	Basic Monthly charge per meter	R	385,64	443,49	335,34	385,64			15,00%
	kWH Unit cost								
E1B2	IBT BLOCK 1 0 - 350 kWh	c	136,68	157,18	118,85	136,68			15,00%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	204,78	235,50	178,07	204,78			15,00%
E1B4	IBT BLOCK 3 > 600 kWh	c	256,66	295,16	223,18	256,66			15,00%
E1C	SINGLE PHASE : COMMERCIAL								
E1C1	Basic Monthly charge per meter	R	385,64	443,49	335,34	385,64			15,00%
E1C2	kWH Unit cost - Credit Meters	c	221,46	254,67	192,57	221,46			15,00%
E1C3	kWh Unit cost - Pre-paid meters	c	208,69	239,99	181,47	208,69			15,00%
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								

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021 BEFORE NERSA APPROVAL

Tariff Code	Detail		2020/2021		2019/2020		1,1500	1,1500	
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%			
E1D1	IBT BLOCK 1 0 - 350 kWh	c	138,17	158,90	120,15	138,17	1,059	1,1500	
E1E	One part tariff (Pre-paid meters only) Local Economic Development Projects								
	kWH Unit cost								
E1E1	IBT BLOCK 1 0 - 350 kWh	c	238,73	274,54	207,59	238,73		15,00%	
E3	THREE PHASE: COMMERCIAL & DOMESTIC								
E3E	Two-Part Tariff: Credit up to 100A (70 kVA BDMD) DOMESTIC								
E3E1	Basic Monthly charge per meter	R	771,27	886,96	670,67	771,27		15,00%	
	kWH Unit cost								
E3E2	IBT BLOCK 1 0 - 350 kWh	c	149,36	171,77	129,88	149,36		15,00%	
E3E3	IBT BLOCK 2 351 - 600 kWh	c	218,21	250,94	189,75	218,21		15,00%	
E3E4	IBT BLOCK 3 > 600 kWh	c	265,35	305,15	230,74	265,35		15,00%	
E3E	Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) DOMESTIC								
E3E5	Basic Monthly charge per meter	R	771,27	886,96	670,67	771,27		15,00%	
	kWH Unit cost								
E3E6	IBT BLOCK 1 0 - 350 kWh	c	137,99	158,69	119,99	137,99		15,00%	
E3E7	IBT BLOCK 2 351 - 600 kWh	c	205,63	236,48	178,81	205,63		15,00%	
E3E8	IBT BLOCK 3 > 600 kWh	c	255,06	293,32	221,79	255,06		15,00%	
E3E	Two-Part Tariff: Credit up to 100A (70 kVA BDMD) COMMERCIAL								
E3E9	Basic Monthly charge per meter	R	771,27	886,96	670,67	771,27		15,00%	
E3E10	kWH Unit cost	c	221,46	254,67	192,57	221,46		15,00%	
E3E	Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) COMMERCIAL								
E3E11	Basic Monthly charge per meter	R	771,27	886,96	670,67	771,27		15,00%	
E3E12	kWH Unit cost	c	208,69	239,99	181,47	208,69		15,00%	
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	263,40	302,91	229,04	263,40		15,00%	
E5	TIME OF USE TARIFF								
	Service Charge (per month) for MV and LV consumers								
E5A1	Administrative and Service Charge Medium Voltage per month	R	3 667,48	4 217,60	3 189,11	3 667,48		15,00%	
E5A1A	Administrative and Service Charge Low Voltage per month	R	3 243,54	3 730,07	2 820,47	3 243,54		15,00%	
E5A2	Network Demand Charge kVA: Utilised capacity	R	35,71	41,07	30,04	34,55		18,87%	
E5A3	Network Capacity Charge kVA: Notified Maximum Demand (NMD)	R	28,45	32,72	23,90	27,49		19,04%	
	Medium Voltage Metering Points (11000V)								
E5A4	Off Peak kWh Unit Charge	c	60,87	70,00	52,93	60,87		15,00%	
E5A5	Standard kWh Unit Charge	c	109,56	125,99	95,27	109,56		15,00%	
E5A6	Peak kWh Unit Charge	c	356,07	409,49	309,63	356,07		15,00%	
	Low Voltage Metering Points (400V)								
E5A7	Off Peak kWh Unit Charge	c	65,45	75,26	56,91	65,45		15,00%	
E5A8	Standard kWh Unit Charge	c	114,13	131,24	99,24	114,13		15,00%	

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021 BEFORE NERSA APPROVAL

Tariff Code	Detail		2020/2021		2019/2020				
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%			
E5A9	Peak kWh Unit Charge	c	360,65	414,75	313,61	360,65	1,1500	1,1500	
	Sundry Charges						1,059	1,1500	
E5A10	Exceed NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month	R	1 036,52	1 192,00	978,95	1 125,79		5,88%	
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	385,64	443,49	335,34	385,64		15,00%	
E6B	Basic Monthly Charge: Residential Indigent as per paragraph B, C & E of the Indigent Policy per meter	R	291,60	335,34	291,60	335,34		0,00%	
E7	PUBLIC LIGHTING & CCTV								
E7A1	Streetlights & CCTV (metered) per kWh (no basic charge)	c	96,22	110,65	83,67	96,22		15,00%	
E7A2	Streetlights & CCTV (consumption) (per unit/per month) (no basic charge)	R	33,75	38,82	29,35	33,75		15,00%	
E7A5	Illuminated street sign boards per month	R	33,75	38,82	29,35	33,75		15,00%	
E7A6	Hire of Sleeve space for fibre optic cable (per meter per month per fiber optic - no basic charge)	R	0,92	1,06	0,87	1,00		5,90%	
E8	CASUAL SUPPLIES								
E8A1	Per connection includes disconnection excluding hire of kiosk	R	1 227,61	1 411,75	1 159,22	1 333,10		5,90%	
E8A2	Consumption per day if not metered	R	79,76	91,72	75,32	86,62		5,89%	
E8A3	Hire of temporary distribution kiosk, per kiosk, per occasion	R	481,05	553,21	454,25	522,39		5,90%	
E8A4	Deposit (Usage will be subtracted)	R	1 656,02	no vat	1 563,76	no vat		5,90%	
E8A5	One part tariff : Prepaid or Credit Casual Supply	c	261,94	301,23	227,77	261,94		15,00%	
E9	AVAILABILITY NETWORK CHARGES: SERVICED LAND								
E9A1	Availability Network charge per vacant serviced plot per month	R	385,64	443,49	335,34	385,64		15,00%	
E9A2	Infrastructure per vacant plot per month	R	16,65	19,15	16,65	19,15		0,00%	
E10	SUNDRY CHARGES								
E10A1	Call-out Fee - office hours (Based on 2 hours for electr & assist + 30km)	R	734,78	845,00	693,91	798,00		5,89%	
E10A2	Call-out Fee - after hours: Weekdays & Saturdays (Based on 2 hrs (time and a half) for electr & assist + 30km)	R	1 031,30	1 186,00	973,91	1 120,00		5,89%	
E10A3	Call-out Fee - after hours: Sundays & Public Holidays (Based on 2 hrs (double time) for electr & assist + 30km)	R	1 326,96	1 526,00	1 253,04	1 441,00		5,90%	
E10A4	MV. Switching on Council's equipment office hours (Based on 3 hours for superintendent & electr + 60km)	R	2 138,26	2 459,00	2 019,13	2 322,00		5,90%	
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	3 065,22	3 525,00	2 894,78	3 329,00		5,89%	
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	3 993,04	4 592,00	3 770,44	4 336,00		5,90%	
E10A7	Contractor Inspection 2nd	R	719,13	827,00	679,13	781,00		5,89%	
E10A8	Contractor Inspection 3rd	R	1 086,09	1 249,00	1 025,22	1 179,00		5,94%	
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	574,78	661,00	542,61	624,00		5,93%	
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	1 465,22	1 685,00	1 383,48	1 591,00		5,91%	

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021 BEFORE NERSA APPROVAL

Tariff Code	Detail		2020/2021		2019/2020		1,1500	1,1500	
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%			
E10A11	Disconnection	R	353,04	406,00	333,04	383,00	1,059	1,1500	
E10A12	Reconnection	R	353,04	406,00	333,04	383,00		6,01%	
E10A13	Verification of a Meter Reading	R	353,04	406,00	333,04	383,00		6,01%	
E10A14	Administration fee - recalculation due to no meter access	R	183,48	211,00	173,04	199,00		6,03%	
E10A15	Test of Meter: 1 & 3 Phase (Conditionally Refundable) External testing	R	676,52	778,00	639,13	735,00		5,85%	
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	239,13	275,00	226,09	260,00		5,77%	
E10A18	Damage elect meter (based on meter cost + call out X 2)	R	2 407,83	2 769,00	2 273,91	2 615,00		5,89%	
E10A19	Damage elect meter 3 phase (based on meter cost + call out X 2)	R	3 677,39	4 229,00	3 472,17	3 993,00		5,91%	
E10A20	Replacement of CIU (Meter keypad) (Based on keypad cost and call out fee)	R	1 213,04	1 395,00	1 145,22	1 317,00		5,92%	
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	7 959,13	9 153,00	7 515,65	8 643,00		5,90%	
E10A22	Change to Time of Use (with existing bulk meter) + Deposit	R	718,26	826,00	678,26	780,00		5,90%	
E10A23	Change to Time of Use (without existing bulk meter) + Deposit	R	12 466,09	14 336,00	11 771,30	13 537,00		5,90%	
E10A24	Commission of Bulk meter, supplied by customer (call out fee x 3)	R	2 203,48	2 534,00	2 080,72	2 392,83		5,90%	
E10A25	Damage of HV Cable	R	cost + R40138.86	applicable vat	cost + R37 902.61	applicable vat		5,90%	
E10A26	Damage of MV Cable	R	cost + R10 493.12	applicable vat	cost + R 9 908.52	applicable vat		5,90%	
E10A27	Damage of LV Cable	R	cost + R 4 225.93	applicable vat	cost + R 3 990.49	applicable vat		5,90%	
E10A28	Damage of Service Connection Cable	R	cost + R 1 056.48	applicable vat	cost + R 997.62	applicable vat		5,90%	
E10A29	Working without Way leave	R	5 416,52	6 229,00	5 114,78	5 882,00		5,90%	
E10A30	Refundable Wayleave deposit for HV cables	R	77 358,00	no vat	73 049,00	no vat		5,90%	
E10A31	Refundable Way leave deposit for MV cables	R	19 341,00	no vat	18 263,00	no vat		5,90%	
E10A32	Refundable Way leave deposit for LV cables	R	4 179,00	no vat	3 946,00	no vat		5,90%	
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	875,65	1 007,00	826,96	951,00		5,89%	
E12	CONVERSION OF METERS								
E12A1	Convert Credit Meter to Pre-paid: SP (no cable work) (based on meter cost + call out)	R	1 673,91	1 925,00	1 580,87	1 818,00		5,89%	
E12A2	Convert Credit Meter to Pre-paid: 3P (no cable work) (based on meter cost + call out)	R	2 943,48	3 385,00	2 779,13	3 196,00		5,91%	
E12A3	Convert Credit Three Phase to Singe Phase Pre-paid meter	R	1 512,17	1 739,00	1 427,83	1 642,00		5,91%	
E12A4	Convert Credit Three Phase to Single Phase Credit (Commercial only)	R	1 140,87	1 312,00	1 077,39	1 239,00		5,89%	
E12A5	Convert Pre-paid Single Phase to Three Phase Pre-paid (based on tariff E13A8) cost includes cable to boundary	R	R12 190.61 + ext fee	applicable vat	R11 511.44 + ext fee	applicable vat		5,90%	
E12A6	Convert pre-paid Three phase to Single phase pre-paid (based on meter cost + call out + CB)	R	1 862,61	2 142,00	1 759,13	2 023,00		5,88%	
E12A7	Removal of Meter (based on call out fee)	R	733,91	844,00	693,04	797,00		5,90%	
E12A8	Repositioning of Meter (excl. cable) (based on call out fee)	R	733,91	844,00	693,04	797,00		5,90%	
E12A9	Repositioning of Meter (incl. cable) (based on call out fee + 30m cable)	R	2 423,48	2 787,00	2 288,70	2 632,00		5,89%	
E13	SERVICE CONNECTIONS								
E13A1	Builders connection (plus applicable service connection tariff)	R	931,30	1 071,00	879,13	1 011,00		5,93%	

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021 BEFORE NERSA APPROVAL

Tariff Code	Detail		2020/2021		2019/2020		1,1500 1,059	1,1500 1,1500	
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%			
E13A4	Single Phase (Credit - 60A) option for Commercial users only (Based on 30m cable + meter cost + average labour cost + 15% admin fee)	R	6 601,74	7 592,00	6 233,91	7 169,00		5,90%	
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	6 601,74	7 592,00	6 233,91	7 169,00		5,90%	
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	R12 190.61 + ext fee	applicable vat	R11 511.44 + ext fee	applicable vat		5,90%	
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	R12 190.61 + ext fee	applicable vat	R11 511.44 + ext fee	applicable vat		5,90%	
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	6 130,44	7 050,00	5 788,70	6 657,00		5,90%	
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	1 925,22	2 214,00	1 818,26	2 091,00		5,88%	
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	1 925,22	2 214,00	1 818,26	2 091,00		5,88%	
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 384.35 + ext fee	applicable vat	R3 195.80 + ext fee	applicable vat		5,90%	
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 384.35 + ext fee	applicable vat	R3 195.80 + ext fee	applicable vat		5,90%	
E13A14	Any other none standard connections		cost + 15% admin	applicable vat	cost + 15% admin	applicable vat			
E14	ILLEGAL CONNECTION / TAMPERING FEE (Including SSEG and damage or bypass of the DSM Hot Water Cylinder Control Unit)								
E14A1	1 st Offence	R	4 288,00	no vat	4 049,37	no vat		5,89%	
E14A2	2 nd Offence (E14A1 X 2)	R	8 575,00	no vat	8 097,68	no vat		5,89%	
E14A3	3 rd Offence and re-occurrence (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			
E14A4	Unsafe / Illegal leads (per visit) (reconnection fee included)	R	1 921,74	2 210,00	1 814,37	2 086,52		5,92%	
E15	UPGRADING EXTENSION FEES 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	1 227,19	1 411,27	1 227,19	1 411,27		0,00%	
E15A2	Primary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply excluding Dist. TF	R	3 561,74	4 096,00	3 363,16	3 867,63		5,90%	
E15A3	Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF	R	4 284,21	4 926,84	4 284,21	4 926,84		0,00%	
E15A4	Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF and Kiosk	R	5 589,47	6 427,89	5 589,47	6 427,89		0,00%	
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	4 255,65	4 894,00	4 018,44	4 621,21		5,90%	

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021 BEFORE NERSA APPROVAL

Tariff Code	Detail		2020/2021		2019/2020				
			Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%			
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	1,1500	1,1500	
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	79,27	91,16	68,93	79,27		15,00%	
DC2	DEVELOPMENT CONTRIBUTIONS (Bulk Service Levies - BICL) (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	29 596,52	34 036,00	27 947,35	32 139,45		5,90%	
DC2B	New Developments								
DC2B1	Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (13.8 kVA xE15A2 x.36)	R	17 693,91	20 348,00	16 708,18	19 214,41		5,90%	
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2x.36)	R	53 851,30	61 929,00	50 850,98	58 478,63		5,90%	
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	R	3 561,74	4 096,00	3 363,16	3 867,63		5,90%	
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	R	4 284,21	4 926,84	4 284,21	4 926,84		0,00%	

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

WATER TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
WD	CONSUMER DEPOSITS					1,059
WD1	Domestic - Water	629,00	no vat	594,03	no vat	1,115
WD2	Commercial - Water - Consumption < 40kl	2 516,00	no vat	2 376,14	no vat	5,89%
WD3	Commercial - Water - Consumption 40 - 100kl	8 805,00	no vat	8 314,36	no vat	5,89%
WD4	Commercial - Water - Consumption 100 kl +	15 094,00	no vat	14 252,59	no vat	5,90%
WD5	Domestic - Water RUE's	Applicable Rue's X WD1A	no vat	Applicable Rue's X WD1A	no vat	5,90%
WD6	Indigent - registered	201,00	no vat	190,26	no vat	5,64%
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	applicable 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's Two 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	144,55	166,24	136,50	156,98	5,90%
W1A2A	Basic Monthly Charge Subsidy : Residential Indigent as per paragraph A of the Indigent Policy per erf/unit per month	144,55	166,24	136,50	156,98	5,90%
W1A2B	Basic Monthly Charge 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	15,45	17,77	15,45	17,77	0,00%
W1A3B	Fixed Infrastructure Basic Charge per erf/unit per month	8,41	9,67	8,41	9,67	0,00%
W1A3C	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households	8,41	9,67	8,41	9,67	0,00%
	<i>See attachment for the amount of RUE's allocated to different household consumers</i>					
W1B	CONSUMPTION - HOUSEHOLDS					
	Normal Tariff & Level 1 water restrictions					
W1B1	0 - 6 kl per kl	6,24	7,18	5,60	6,44	11,50%
W1B2	7 - 18 kl per kl	12,15	13,97	11,47	13,19	5,90%
W1B3	19 - 30 kl per kl	19,71	22,66	18,61	21,40	5,90%
W1B4	31 - 45 kl per kl	30,35	34,90	28,66	32,96	5,90%
W1B5	46 - 60 kl per kl	39,42	45,33	37,22	42,80	5,90%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
W1B6	>60kl per kl	52,57	60,45	49,64	57,09	1,059
Restriction Tariff 1 (level 2 & 3 water restrictions)						
W1B7	0 - 6 kl per kl	6,24	7,18	5,60	6,44	1,115
W1B8	7 - 18 kl per kl	15,79	18,16	14,91	17,15	5,90%
W1B9	19 - 30 kl per kl	25,62	29,46	24,19	27,82	5,90%
W1B10	31 - 45 kl per kl	39,45	45,36	37,25	42,84	5,90%
W1B11	46 - 60 kl per kl	54,15	62,27	51,13	58,80	5,90%
W1B12	>60kl per kl	72,20	83,03	68,18	78,41	5,90%
Restriction Tariff 2 (level 4 & 5 water restrictions)						
W1B13	0 - 6 kl per kl	6,24	7,18	5,60	6,44	11,50%
W1B14	7 - 18 kl per kl	19,45	22,37	18,37	21,13	5,90%
W1B15	19 - 30 kl per kl	31,55	36,28	29,79	34,26	5,90%
W1B16	31 - 45 kl per kl	48,56	55,84	45,85	52,73	5,90%
W1B17	46 - 60 kl per kl	66,65	76,65	62,94	72,38	5,90%
W1B18	>60kl per kl	88,85	102,18	83,90	96,49	5,90%
Restriction Tariff 3 (level 6 water restrictions)						
W1B19	0 - 6 kl per kl	6,24	7,18	5,60	6,44	11,50%
W1B20	7 - 18 kl per kl	25,68	29,53	24,25	27,89	5,90%
W1B21	>18 kl per kl	111,08	127,74	104,89	120,62	5,90%
W1BI	CONSUMPTION - REGISTERED INDIGENT HOUSEHOLDS					
Normal Tariff & Level 1 water restrictions						
W1BI1	0 - 6 kl per kl - subsidised	6,24	7,18	5,60	6,44	11,50%
W1BI2	7 - 18 kl per kl	12,15	13,97	11,47	13,19	5,90%
W1BI3	19 - 30 kl per kl	19,71	22,66	18,61	21,40	5,90%
W1BI4	31 - 45 kl per kl	30,35	34,90	28,66	32,96	5,90%
W1BI5	46 - 60 kl per kl	39,42	45,33	37,22	42,80	5,90%
W1BI6	>60kl per kl	52,57	60,45	49,64	57,09	5,90%
Restriction Tariff 1 (level 2 & 3 water restrictions)						
W1BI7	0 - 6 kl per kl - subsidised	6,24	7,18	5,60	6,44	11,50%
W1BI8	7 - 18 kl per kl	15,79	18,16	14,91	17,15	5,90%
W1BI9	19 - 30 kl per kl	25,62	29,46	24,19	27,82	5,90%
W1BI10	31 - 45 kl per kl	39,45	45,36	37,25	42,84	5,90%
W1BI11	46 - 60 kl per kl	54,15	62,27	51,13	58,80	5,90%
W1BI12	>60kl per kl	72,20	83,03	68,18	78,41	5,90%
Restriction Tariff 2 (level 4 & 5 water restrictions)						
W1BI13	0 - 6 kl per kl - subsidised	6,24	7,18	5,60	6,44	11,50%
W1BI14	7 - 18 kl per kl	19,45	22,37	18,37	21,13	5,90%
W1BI15	19 - 30 kl per kl	31,55	36,28	29,79	34,26	5,90%
W1BI16	31 - 45 kl per kl	48,56	55,84	45,85	52,73	5,90%
W1BI17	46 - 60 kl per kl	66,65	76,65	62,94	72,38	5,90%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
W1BI18	>60kl per kl	88,85	102,18	83,90	96,49	1,059
	Restriction Tariff 3 (level 6 water restrictions)					1,115
W1BI19	0 - 6 kl per kl - subsidised	6,24	7,18	5,60	6,44	5,90%
W1BI20	7 - 18 kl per kl	25,68	29,53	24,25	27,89	11,50%
W1BI21	>18 kl per kl	111,08	127,74	104,89	120,62	5,90%
W1C	CONSUMPTION - ALL OTHER					
	Normal Tariff & Level 1 water restrictions					
W1C1	0 - 18 kl per kl	13,44	15,45	12,69	14,59	5,90%
W1C2	19 - 30 kl per kl	19,71	22,66	18,61	21,40	5,90%
W1C3	31 - 45 kl per kl	30,35	34,90	28,66	32,96	5,90%
W1C4	46 - 60 kl per kl	39,42	45,33	37,22	42,80	5,90%
W1C5	>60 kl per kl	52,57	60,45	49,64	57,09	5,90%
	Restriction Tariff 1 (level 2 & 3 water restrictions)					
W1C6	0 - 18 kl per kl	17,47	20,09	16,50	18,98	5,90%
W1C7	19 - 30 kl per kl	25,62	29,46	24,19	27,82	5,90%
W1C8	31 - 45 kl per kl	39,45	45,36	37,25	42,84	5,90%
W1C9	46 - 60 kl per kl	54,16	62,28	51,14	58,81	5,90%
W1C10	>60 kl per kl	72,19	83,02	68,17	78,40	5,90%
	Restriction Tariff 2 (level 4 & 5 water restrictions)					
W1C11	0 - 18 kl per kl	21,52	24,75	20,32	23,37	5,90%
W1C12	19 - 30 kl per kl	31,55	36,28	29,79	34,26	5,90%
W1C13	31 - 45 kl per kl	48,56	55,84	45,85	52,73	5,90%
W1C14	46 - 60 kl per kl	66,65	76,65	62,94	72,38	5,90%
W1C15	>60 kl per kl	88,85	102,18	83,90	96,49	5,90%
	Restriction Tariff 3 (level 6 water restrictions)					
W1C16	0 - 10 kl per kl	26,89	30,92	25,39	29,20	5,90%
W1C17	>10 kl per kl	111,08	127,74	104,89	120,62	5,90%
W1D	OTHER CONSUMERS					
W1D1	Departmental per Kl (Including temporary connection for municipal purposes)	24,86	28,59	23,39	26,90	6,28%
W1D2	Fire Hoses: Basic per Month	183,96	211,55	173,71	199,77	5,90%
W1D3	Bulk usage (Unconnected to networks) per Kl - Consumers Permanently residing within Overstrand municipality area	14,88	17,11	14,05	16,16	5,90%
W1D3A	Restriction Tariff 1 (level 2 & 3 water restrictions)	19,35	22,25	18,27	21,01	5,90%
W1D3B	Restriction Tariff 2 (level 4 & 5 water restrictions)	23,59	27,13	22,28	25,62	5,90%
W1D3C	Restriction Tariff 3 (level 6 water restrictions)	29,76	34,22	28,10	32,32	5,90%
W1D4	Kid Brooke (Van Cauter 0 - 8000kl per year)	0,08	0,09	0,08	0,09	0,00%
W1D5	Onrus Small Holdings tariff 2 (Van Cauter)	0,08	0,09	0,08	0,09	0,00%
W1D6	Onrus Small Holdings tariff 4 (Per agreement)	1,11	1,28	1,11	1,28	0,00%
W1D7	Contractors water consumption - temporary connection (only for municipal purposes)	24,86	28,59	23,39	26,90	6,28%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
						1,059
						1,115
W1D8	Bulk usage (Unconnected to networks) per Kl - People residing outside the Overstrand municipal area	55,18	63,46	52,11	59,93	5,90%
W1D8A	Restriction Tariff 1 (level 2 & 3 water restrictions)	71,74	81,78	67,74	77,22	5,90%
W1D8B	Restriction Tariff 2 (level 4 & 5 water restrictions)	88,30	100,66	83,38	95,05	5,90%
W1D8C	Restriction Tariff 3 (level 6 water restrictions)	110,37	125,82	104,22	118,81	5,90%
W1E	WET COMMERCIAL, SPORT, PARKS etc (must apply for this tariff)					
	Normal Tariff & Level 1 water restrictions					
W1E1	0 - 500kl per kl	19,56	22,49	18,47	21,24	5,90%
W1E2	501 - 1000kl per kl	29,57	34,00	27,92	32,11	5,90%
W1E3	>1000kl per kl	39,43	45,34	37,23	42,81	5,90%
	Restriction Tariff 1 (level 2 & 3 water restrictions)					
W1E4	0 - 300kl per kl	25,44	29,25	24,02	27,62	5,90%
W1E5	301 - 700kl per kl	38,43	44,20	36,29	41,73	5,90%
W1E6	>700kl per kl	51,26	58,94	48,40	55,66	5,90%
	Restriction Tariff 2 (level 4 & 5 water restrictions)					
W1E7	0 - 250kl per kl	31,29	35,99	29,55	33,98	5,90%
W1E8	251 - 500kl per kl	47,31	54,40	44,67	51,37	5,90%
W1E9	>500kl per kl	63,07	72,54	59,56	68,49	5,90%
	Restriction Tariff 3 (level 6 water restrictions)					
W1E10	0 - 100kl per kl	39,12	44,99	36,94	42,48	5,90%
W1E11	>100 kl per kl	78,85	90,68	74,46	85,63	5,90%
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	20,38	23,43	19,24	22,13	5,90%
W1F2	> 5800kl per kl	39,43	45,34	37,23	42,81	5,90%
	Restriction Tariff 1 (level 2 & 3 water restrictions)					
W1F3	0 - 5800kl per kl	26,49	30,46	25,01	28,76	5,90%
W1F4	> 5800kl per kl	51,26	58,94	48,40	55,66	5,90%
	Restriction Tariff 2 (level 4 & 5 water restrictions)					
W1F5	0 - 5800kl per kl	32,60	37,49	30,78	35,40	5,90%
W1F6	> 5800kl per kl	63,07	72,54	59,56	68,49	5,90%
	Restriction Tariff 3 (level 6 water restrictions)					
W1F7	0 - 5 800kl per kl	40,74	46,85	38,47	44,24	5,90%
W1F8	>5 800 kl per kl	78,85	90,68	74,46	85,63	5,90%
W2A	AVAILABILITY CHARGES					
W2A1	Overstrand per month	144,55	166,24	136,50	156,98	5,90%
W2A2	Farms connected to water pipe line	144,55	166,24	136,50	156,98	5,90%
W2J	REBATES (This can be granted by the Municipal Manager after application) refer to Policy # 6.8.1					
W2J1	Kl above average - per kl	24,86	28,59	23,39	26,90	6,28%
W3A	IRRIGATION WATER ("LEI WATER") & RAW WATER					

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
W3A1	Use and pump water (80-90 min) per MONTH Stanford	44,18	50,81	41,72	47,98	1,059
W3A2	Pearly Beach Small Holdings: Basic	53,91	62,00	50,91	58,55	1,115
W3A3	Pearly Beach Small Holdings: Consumption 0- 70 kl per kl	4,21	4,85	3,98	4,58	5,90%
W3A4	Pearly Beach Small Holdings: Consumption >70 kl per kl	9,87	11,35	9,32	10,72	5,90%
W3A5	Others	4,21	4,85	3,98	4,58	5,90%
W3A6	Farm 1/722 Stanford as per agreement 1.75% of raw water abstraction from municipal boreholes, maximum 8760 kl/a	0,00	0,00	0,00	0,00	0,00%
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	0,00%
W3A8	Farm 586 Volmoed raw water from De Bos pipeline consumption >300 kl/month per kl	3,97	4,57	3,75	4,31	5,90%
W3B	IRRIGATION WATER - (TREATED EFFLUENT)					
W3B2	Hermanus Golf Club per month	47 959,60	55 153,54	45 287,63	52 080,77	5,90%
W3B3	All other per kl	2,70	3,11	2,55	2,93	5,90%
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	2,70	3,11	2,55	2,93	5,90%
W4	SUNDRY CHARGES					
W4A1	Testing of a Meter (Call-out Fee incl)(Conditionally refundable)	966,09	1 111,00	912,17	1 049,00	5,91%
W4A2	Testing of a Meter (Ind/Bulk Meter)(Conditionally refundable) <i>*Minimum charge of R500</i>	Cost plus 15%	applicable vat	Cost plus 15%	applicable vat	
W4A3	Disconnection	438,26	504,00	413,91	476,00	5,88%
W4A4	Reconnection	438,26	504,00	413,91	476,00	5,88%
W4A5	Reconnection After Normal Working Hours	875,65	1 007,00	826,96	951,00	5,89%
W4A6	Administration fee - recalculation due to no meter access	171,30	197,00	161,74	186,00	5,91%
W4A7	Verification of a Meter Reading	239,13	275,00	226,09	260,00	5,77%
W4A8	Final and Special Readings	219,13	252,00	206,96	238,00	5,88%
W4A9	Call-out Fee - Normal Working Hours	437,39	503,00	413,04	475,00	5,90%
W4A10	Call-out Fee - After Hours	874,78	1 006,00	826,09	950,00	5,89%
W4A11	Replacement of damage meter	1 174,78	1 351,00	1 109,57	1 276,00	5,88%
W4A12	Removal of Meter (based on call out fee)	966,09	1 111,00	912,17	1 049,00	5,91%
W4A13	Registration of Borehole (Including inspection fee)	327,83	377,00	309,57	356,00	5,90%
W4A14	Repositioning of Meter (excl. pipe)	961,74	1 106,00	907,83	1 044,00	5,94%
W4A15	Convert to Water Flow Restrictor Meter	3 131,30	3 601,00	2 956,52	3 400,00	5,91%
W4A16	Temporary Connections - Deposit	8 239,00	no vat	7 780,00	no vat	5,90%
W4A17	Temporary Connection - Usage per kl	24,77	28,49	23,39	26,90	5,90%
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 311.57	applicable vat	Actual cost plus R3 127.07	applicable vat	5,90%
W4A20	Damage of Service Connection (including water meter)	Actual cost plus R870.52	applicable vat	Actual cost plus R822.02	applicable vat	5,90%
W5	ILLEGAL CONNECTION / TAMPERING FEE					
W5A1	1st Offence	7 308,16	no vat	6 901,00	no vat	5,90%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
W5A2	2 nd Offence Must convert to a flow-restriction watermeter at applicable tariff plus	8 575,78	no vat	8 098,00	no vat	1,059
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	1,115 5,90%
W6	CONNECTION FEE					
W6A1	20 mm Connection Conventional Meter	5 353,91	6 157,00	5 055,65	5 814,00	5,90%
W6A2	20 mm Connection Water Flow Restrictor Meter	6 357,39	7 311,00	6 003,48	6 904,00	5,90%
W6A3	Other Connections	Actual cost plus 15%	applicable vat	Actual cost plus 15%	applicable vat	
W6A4	Connections (Erf Boundary - by Developer)	1 392,17	1 601,00	1 314,78	1 512,00	5,89%
W7	BULK SERVICES DEVELOPMENT FEES					
	Tariffs set out in Development Contribution Tariff list					

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/21

ANNEXURE TO WATER TARIFFS

ALLOCATION OF RUE's TO CATEGORIES OF CONSUMERS 2019/2020

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

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

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

Tariff Code	Detail	2020/2021		2019/2020		1,059
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
DC1	WATER					
DC1A	Standard Fee per Equivalent Unit	21 111,30	24 278,00	19 934,78	22 925,00	5,90%
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	29 596,52	34 036,00	27 947,35	32 139,45	5,90%
DC2B	New Developments					
DC2B1	Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (Based on 13.8 kVA x E15A2 x .36)	17 693,91	20 348,00	16 708,18	19 214,41	5,90%
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (Based on 42kVA x E15A2x .36)	53 851,30	61 929,00	50 850,98	58 478,63	5,90%
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	3 561,74	4 096,00	3 363,16	3 867,63	5,90%
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	4 284,21	4 926,84	4 284,21	4 926,84	0,00%
DC3	SEWERAGE					
DC3A	Standard Fee per Equivalent Unit	14 233,91	16 369,00	13 440,87	15 457,00	5,90%
DC4	ROADS					
DC4A	Standard Fee per Equivalent Unit	6 382,61	7 340,00	6 026,96	6 931,00	5,90%
DC5	STORMWATER					
DC5A	Standard Fee per Equivalent Unit	7 364,35	8 469,00	6 953,91	7 997,00	5,90%
DC6	SOLID WASTE					
DC6A	Standard Fee per Equivalent Unit	1 276,52	1 468,00	1 205,22	1 386,00	5,92%
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	8 843,48	10 170,00	8 350,44	9 603,00	5,90%
DC8A3	11 - 25	14 887,83	17 121,00	14 058,26	16 167,00	5,90%
DC8A4	26 - 50	20 484,35	23 557,00	19 343,48	22 245,00	5,90%
DC8A5	51 - 100	23 506,96	27 033,00	22 197,39	25 527,00	5,90%
DC8A6	101 - 250	26 080,87	29 993,00	24 627,83	28 322,00	5,90%
DC8A7	251 - 500	30 446,96	35 014,00	28 750,44	33 063,00	5,90%
DC8A8	501 - 2000	34 364,35	39 519,00	32 449,57	37 317,00	5,90%
DC8A9	2000 – 5000	41 304,35	47 500,00	39 003,48	44 854,00	5,90%
DC8A10	> 5001	46 901,74	53 937,00	44 288,70	50 932,00	5,90%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020		1,059
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
DC8E	Sanitation					
	No. of Equivalent units					
DC8E1	1 - 4	no charge	no vat	no charge	no vat	
DC8E2	5 - 10	8 843,48	10 170,00	8 350,44	9 603,00	5,90%
DC8E3	11 - 25	14 887,83	17 121,00	14 058,26	16 167,00	5,90%
DC8E4	26 - 50	20 484,35	23 557,00	19 343,48	22 245,00	5,90%
DC8E5	51 - 100	23 506,96	27 033,00	22 197,39	25 527,00	5,90%
DC8E6	101 - 250	26 080,87	29 993,00	24 627,83	28 322,00	5,90%
DC8E7	251 - 500	30 446,96	35 014,00	28 750,44	33 063,00	5,90%
DC8E8	501 - 2000	34 364,35	39 519,00	32 449,57	37 317,00	5,90%
DC8E9	2000 – 5000	41 304,35	47 500,00	39 003,48	44 854,00	5,90%
DC8E10	> 5001	46 901,74	53 937,00	44 288,70	50 932,00	5,90%

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

RESORTS TARIFF LIST (ROUNDING APPLICABLE)

Tariff Code	Detail	2020/2021		2019/2020	
		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	420,00	483,00	396,52	456,00
R1A2	B Stands per day	337,39	388,00	318,26	366,00
R1A3	C Stands per day	299,13	344,00	282,61	325,00
R1B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)				
R1B1	A Stands per day	233,04	268,00	220,00	253,00
R1B2	B Stands per day	200,00	230,00	188,70	217,00
R1B3	C Stands per day	183,48	211,00	173,04	199,00
	The above tariffs include for up to four (4) persons and one (1) vehicle with one trailer or caravan or small boat per day				
R1F	Sundry Costs				
R1F1	Electricity if available per stand per day	28,27	32,51	24,58	28,27
R1F2	Additional persons up to a maximum of two (2) - per person per day	60,87	70,00	57,39	66,00
R1F3	Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day	33,91	39,00	32,17	37,00
R1F4	Day visitors for campers up to a maximum of four (4) per person per day	60,87	70,00	57,39	66,00
R1F5	Day visitors vehicle per day	46,96	54,00	44,35	51,00
	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)	30,44	35,00	28,70	33,00
R1F8	Gate Card / Key Deposit per set - Refundable	180,00	no vat	166,00	no vat
R1J	Low Season 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	Qualify for a reduced tariff for a period of 30 days	2 830,44	3 255,00	2 673,04	3 074,00
R 10	KLEINMOND: FRANK ROBB HUT				
R10A	Camping per person per day (Maximum of 10 persons)	99,13	114,00	93,91	108,00
R 20	ONRUS CARVAN PARK: PLETT HOUSE				
R20A	Peak Season - 1 December - 31 January & Easter Weekend	464,35	534,00	438,26	504,00
R20B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)	287,83	331,00	272,17	313,00
R 30	ONRUS CARVAN PARK				
R30A	Peak Season - 1 December - 31 January & Easter Weekend				
R30A1	A Stands per day	457,39	526,00	432,17	497,00
R30A2	B Stands per day	350,44	403,00	331,30	381,00

1,059

1,1500

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
R30A3	C Stands per day	320,87	369,00	302,61	348,00
R30B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)				
R30B1	A Stands per day	253,04	291,00	239,13	275,00
R30B2	B Stands per day	214,78	247,00	202,61	233,00
R30B3	C Stands per day	200,00	230,00	188,70	217,00
	The above tariffs include for up to four (4) persons and one (1) vehicle with one trailer or caravan or small boat per day				
R30F	Sundry Costs				
R30F1	Electricity if available per stand per day	28,27	32,51	24,58	28,27
R30F2	Additional persons up to a maximum of two (2) - per person per day	66,96	77,00	63,48	73,00
R30F3	Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day	35,65	41,00	33,91	39,00
R30F4	Children under two (2) years	no charge	no vat	no charge	no vat
R30F5	Children under twelve (12)	33,91	39,00	32,17	37,00
R30F6	Daily Functions (pre-arrangement) per day	166,09	191,00	156,52	180,00
R30F7	Full 30 day Rental	4 524,35	5 203,00	4 272,17	4 913,00
R30F8	Gate Card / Key Deposit per set - Refundable	180,00	no vat	169,00	no vat
R30J	Long Term Rental				
R30J1	Rental per annum	14 800,87	17 021,00	13 976,52	16 073,00
	Plus:				
R30J2	Pergola with covering per annum	1 586,96	1 825,00	1 498,26	1 723,00
R30J3	Water tap per annum	338,26	389,00	319,13	367,00
R30J4	Structure for storing purposes per annum	338,26	389,00	319,13	367,00
R30J5	Permanent fireplace structure per annum	338,26	389,00	319,13	367,00
R30J6	Electricity per stand per annum	1 248,70	1 436,00	1 085,47	1 248,29
R30L	Low Season 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	3 110,44	3 577,00	2 937,39	3 378,00
R 60	GANSBAAAI CARAVAN PARK				
R60A	Peak Season - 1 December - 31 January & Easter Weekend				
R60A1	A+ Stands per day	331,30	381,00	313,04	360,00
R60A2	A Stands per day	282,61	325,00	266,96	307,00
R60A3	B Stands per day	233,04	268,00	220,00	253,00
R60A4	C Stands per day	200,00	230,00	188,70	217,00
R60B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)				
R60B1	A+ Stands per day	253,91	292,00	240,00	276,00
R60B2	A Stands per day	209,57	241,00	198,26	228,00
R60B3	B Stands per day	200,00	230,00	188,70	217,00
R60B4	C Stands per day	183,48	211,00	173,04	199,00

1,059

OVERSTRAND MUNICIPALITY TARIFF LIST 2020/2021

Tariff Code	Detail	2020/2021		2019/2020	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
	The above tariffs include for up to four (4) persons and one (1) vehicle with one trailer or caravan or small boat per day				
R60F	Sundry Costs				
R60F1	Additional persons up to a maximum of two (2) - per person per day	60,87	70,00	57,39	66,00
R60F2	Additional vehicle or small trailer or small boat - per unit per day	44,35	51,00	41,74	48,00
R60F3	Children under two (2) years	no charge	no vat	no charge	no vat
R60F4	Children under twelve (12)	30,44	35,00	28,70	33,00
R60F5	Day visitors for campers up to a maximum of four (4) per person per day	44,35	51,00	41,74	48,00
R60F6	Gate Card / Key Deposit per set - Refundable	180,00	no vat	166,00	no vat
R60J	Long Term Rental				
R60J1	Rental per annum	8 308,70	9 555,00	7 846,09	9 023,00
E60K	Low Season 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	200,00	230,00	188,70	217,00
R80A2	Parking Fees per vehicle (excluding busses >20 seats)	14,78	17,00	13,91	16,00
R80A3	Per Bus >20 seats	171,30	197,00	161,74	186,00
R80A4	Entrance Fee: Adults (per person)	14,78	17,00	13,91	16,00
R80A5	Entrance Fee: Children (per child < 12)	4,35	5,00	4,35	5,00
R80B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)				
R80B1	Camping Sites	108,70	125,00	102,61	118,00
R80B2	Parking Fees per vehicle (excluding busses >20 seats)	14,78	17,00	13,91	16,00
R80B3	Per Bus >20 seats	171,30	197,00	161,74	186,00
R80B4	Entrance Fee: Adults (per person)	14,78	17,00	13,91	16,00
R80B5	Entrance Fee: Children (per child < 12)	4,35	5,00	4,35	5,00
R80B6	The above tariffs include for up to six (6) persons and one (1) vehicle with one trailer or caravan or small boat per day				
R80E	Sundry Costs				
R80E1	Electricity if available per stand per day	28,27	32,51	24,58	28,27
R80E2	Additional vehicle or small trailer or small boat - per unit per day	41,74	48,00	39,13	45,00
R80E3	Events - partial or whole day camp site, per day or portion of the day (Excluding other services eg. Refuse collection, electricity etc.)	565,22	650,00	533,91	614,00
R80J	Low Season 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

1,059

ANNEXURE D

TARIFF BASKETS

MONTHLY BASKET OF TARIFFS - SINGLE RESIDENTIAL 2020/2021

		Year		Increase/Decrease	
		2019/2020	2020/2021	Amount	%
Residential					
High Consumption with credit elect meter					
	Valuation	R3 500 000			
Rates		1 311,69	1 403,00	91,31	6,96
Sewer	SE7A1+SE8A	601,15	636,62	35,47	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	1X Per Week	185,49	196,43	10,94	5,90
Water	50 kl	1 147,06	1 216,62	69,56	6,06
VAT	15%	298,09	315,48	17,40	5,84
SUB TOTAL		3 597,02	3 821,69	224,68	6,25
Electricity Credit Meter	1500 kWh	3 347,73	3 849,89	502,16	15,00
VAT	15%	502,16	577,48	75,32	15,00
TOTAL		7 446,91	8 249,06	802,16	10,77
High Consumption with prepaid elect meter					
	Valuation	R3 500 000			
Rates		1 311,69	1 403,00	91,31	6,96
Sewer	SE7A1+SE8A	601,15	636,62	35,47	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	1X Per Week	185,49	196,43	10,94	5,90
Water	50 kl	1 147,06	1 216,62	69,56	6,06
VAT	15%	298,09	315,48	17,40	5,84
SUB TOTAL		3 597,02	3 821,69	224,68	6,25
Electricity Prepaid Meter	1500 kWh	3 205,11	3 685,88	480,77	15,00
VAT	15%	480,77	552,88	72,11	15,00
TOTAL		7 282,89	8 060,45	777,56	10,68
Medium Consumption with credit elect meter					
	Valuation	R2 500 000			
Rates		931,49	996,33	64,84	6,96
Sewer	SE7A1+SE8A	361,40	382,72	21,32	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	1X Per Week	185,49	196,43	10,94	5,90
Water	25 kl	438,01	465,73	27,72	6,33
VAT	15%	155,77	164,76	9,00	5,78
SUB TOTAL		2 125,70	2 259,53	133,83	6,30
Electricity Credit Meter	800 kWh	1 722,47	1 980,84	258,37	15,00
VAT	15%	258,37	297,13	38,76	15,00
TOTAL		4 106,54	4 537,50	430,96	10,49
Medium Consumption with prepaid elect meter					
	Valuation	R2 500 000			
Rates		931,49	996,33	64,84	6,96
Sewer	SE7A1+SE8A	361,40	382,72	21,32	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	1X Per Week	185,49	196,43	10,94	5,90
Water	25 kl	438,01	465,73	27,72	6,33
VAT	15%	155,77	164,76	9,00	5,78
SUB TOTAL		2 125,70	2 259,53	133,83	6,30
Electricity Prepaid Meter	800 kWh	1 642,85	1 889,28	246,43	15,00
VAT	15%	246,43	283,39	36,96	15,00
TOTAL		4 014,97	4 432,20	417,22	10,39
Low Consumption with credit meter					
	Valuation	R1 000 000			
Rates		361,19	386,33	25,14	6,96
Sewer	SE7A1+SE8A	265,50	281,16	15,66	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	1X Per Week	185,49	196,43	10,94	5,90
Water	15 kl	273,33	291,34	18,01	6,59
VAT	15%	116,68	123,37	6,69	5,74
SUB TOTAL		1 255,73	1 332,18	76,45	6,09
Electricity Credit Meter	600 kWh	1 258,11	1 446,83	188,72	15,00
VAT	15%	188,72	217,02	28,31	15,00
TOTAL		2 702,56	2 996,03	293,48	10,86

Low Consumption with prepaid elect meter

Valuation		R1 000 000	2019/2020	2020/2021	Amount	%
Rates			361,19	386,33	25,14	6,96
Sewer	SE7A1+SE8A		265,50	281,16	15,66	5,90
Infrastructure Basic Charge Water, Electricity & Sewer						
Refuse	1X Per Week		185,49	196,43	10,94	5,90
Water	15 kl		273,33	291,34	18,01	6,59
VAT	15%		116,68	123,37	6,69	5,74
TOTAL			1 255,73	1 332,18	76,45	6,09
Electricity Prepaid Meter	600 kWh		1 196,49	1 375,96	179,47	15,00
VAT	15%		179,47	206,39	26,92	15,00
			2 631,69	2 914,54	282,85	10,75

Life-Line Consumption (ONE PART) (Indigent)

Valuation		R50 000	2019/2020	2020/2021	Amount	%
Rates			0,00	0,00	0,00	0,00
Sewer	SE7A1		19,18	20,31	1,13	5,90
Infrastructure Basic Charge Water, Electricity & Sewer						
Refuse	1X Per Week		0,00	0,00	0,00	0,00
Water	8 kl		22,94	24,29	1,35	5,90
VAT	15%		12,57	12,95	0,37	2,96
SUB TOTAL			96,39	99,25	2,86	2,96
Electricity Pre-paid	300 kWh		360,45	414,52	54,07	15,00
VAT	15%		54,07	62,18	8,11	15,00
TOTAL			510,91	575,95	65,04	12,73

Conservancy Tanks**If tariff SE7 is not applicable**

			2019/2020	2020/2021	Amount	%
Smaller than 6kl			559,57	592,58	33,01	5,90
Greater than 6kl			559,57	592,58	33,01	5,90
Outside urban area Plus	per km		16,40	17,37	0,97	5,90
Plus	Per hour		336,03	355,86	19,83	5,90
After hours						
Smaller than 6kl			1 119,13	1 185,16	66,03	5,90
Greater than 6kl			1 119,13	1 185,16	66,03	5,90

Sub-Economic Consumption (Indigent)

Valuation		R50 000	2019/2020	2020/2021	Amount	%
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						
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		178,28	205,02	26,74	15,00
VAT	15%		26,74	30,75	4,01	15,00
TOTAL			252,97	283,72	30,75	12,16

MONTHLY BASKET OF TARIFFS - BUSINESS 2018/2019

Bussiness - Large (Time of Use)		2019/2020	2020/2021	Amount	%
Valuation R35 000 000					
Rates		25 197,08	26 950,00	1 752,92	6,96
Sewer	SE7D1+SE8A 30	9 321,30	9 871,26	549,96	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	Bins 2X Per Week 30	11 129,10	11 785,72	656,62	5,90
Water	460 kl	21 432,44	22 696,95	1 264,51	5,90
VAT	15%	6 290,46	6 661,12	370,66	5,89
SUB TOTAL		73 423,92	78 018,59	4 594,67	6,26
Electricity Credit Meter	108751 + 436kVA	148 204,15	170 955,79	22 751,64	15,35
VAT	15%	22 230,62	25 643,37	3 412,75	15,35
TOTAL		243 858,69	274 617,74	30 759,05	12,61

Bussiness - Medium (Three Phase)		2019/2020	2020/2021	Amount	%
Valuation R3 200 000					
Rates		2 303,73	2 464,00	160,27	6,96
Sewer	SE7D1+SE8A 1	614,85	651,13	36,28	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	1X Per Week 3	556,47	589,30	32,83	5,90
Water	40 kl	874,84	926,46	51,62	5,90
VAT	15%	314,96	333,06	18,11	5,75
SUB TOTAL		4 718,39	5 017,49	299,10	6,34
Electricity Credit Meter	7000 kWh	14 150,57	16 273,16	2 122,59	15,00
VAT	15%	2 122,59	2 440,97	318,39	15,00
TOTAL		20 991,54	23 731,62	2 740,07	13,05

Bussiness - Small (Three Phase)		2019/2020	2020/2021	Amount	%
Valuation R3 200 000					
Rates		2 303,73	2 464,00	160,27	6,96
Sewer	SE7D1+SE8A 1	614,85	651,13	36,28	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	1X Per Week 2	370,98	392,87	21,89	5,90
Water	40 kl	874,84	926,46	51,62	5,90
VAT	15%	287,13	303,60	16,47	5,73
SUB TOTAL		4 505,07	4 791,59	286,51	6,36
Electricity Credit Meter	4000 kWh	8 373,47	9 629,49	1 256,02	15,00
VAT	15%	1 256,02	1 444,42	188,40	15,00
TOTAL		14 134,57	15 865,50	1 730,94	12,25

Bussiness - Small (Three Phase)		2019/2020	2020/2021	Amount	%
Valuation R3 200 000					
Rates		2 303,73	2 464,00	160,27	6,96
Sewer	SE7D1+SE8A 1	614,85	651,13	36,28	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	1X Per Week 2	370,98	392,87	21,89	5,90
Water	40 kl	874,84	926,46	51,62	5,90
VAT	15%	287,13	303,60	16,47	5,73
SUB TOTAL		4 505,07	4 791,59	286,51	6,36
Electricity Credit Meter	1000 kWh	2 596,37	2 985,83	389,46	15,00
VAT	15%	389,46	447,87	58,42	15,00
TOTAL		7 490,90	8 225,29	734,39	9,80

Bussiness - Small (Three Phase) Prepaid Electricity		2019/2020	2020/2021	Amount	%
Valuation R3 200 000					
Rates		2 303,73	2 464,00	160,27	6,96
Sewer	SE7D1+SE8A 1	614,85	651,13	36,28	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
Refuse	1X Per Week 2	370,98	392,87	21,89	5,90
Water	40 kl	874,84	926,46	51,62	5,90
VAT	15%	287,13	303,60	16,47	5,73
SUB TOTAL		4 505,07	4 791,59	286,51	6,36
Electricity Pre-paid	1000 kWh	2 485,37	2 858,18	372,81	15,00
VAT	15%	372,81	428,73	55,92	15,00
TOTAL		7 363,25	8 078,49	715,24	9,71

MONTHLY BASKET OF TARIFFS - VACANT ERVEN 2017/2018

Valuation High		2019/2020	2020/2021	Amount	%
Valuation	R780 000				
Rates		507,59	542,75	35,17	6,93
Sewer can connect	Availability	121,65	128,83	7,18	5,90
Refuse	Availability	92,74	98,21	5,47	5,90
Electricity	Availability	335,34	385,64	50,30	15,00
Water	Availability	136,50	144,55	8,05	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
VAT	15%	110,97	121,62	10,65	9,60
TOTAL		1 358,32	1 475,14	116,82	8,60

Valuation Average		2019/2020	2020/2021	Amount	%
Valuation	R250 000				
Rates		162,69	173,96	11,27	6,93
Sewer can connect	Availability	121,65	128,83	7,18	5,90
Refuse	Availability	92,74	98,21	5,47	5,90
Electricity	Availability	335,34	385,64	50,30	15,00
Water	Availability	136,50	144,55	8,05	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
VAT	15%	110,97	121,62	10,65	9,60
TOTAL		1 013,42	1 106,35	92,92	9,17

Valuation Lower		2019/2020	2020/2021	Amount	%
Valuation	R110 000				
Rates		71,58	76,54	4,96	6,93
Sewer can connect	Availability	121,65	128,83	7,18	5,90
Refuse	Availability	92,74	98,21	5,47	5,90
Electricity	Availability	335,34	385,64	50,30	15,00
Water	Availability	136,50	144,55	8,05	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
VAT	15%	110,97	121,62	10,65	9,60
TOTAL		922,32	1 008,93	86,61	9,39

Valuation Low		2019/2020	2020/2021	Amount	%
Valuation	R15 000				
Rates		9,76	10,44	0,68	6,93
Sewer can connect	Availability	121,65	128,83	7,18	5,90
Refuse	Availability	92,74	98,21	5,47	5,90
Electricity	Availability	335,34	385,64	50,30	15,00
Water	Availability	136,50	144,55	8,05	5,90
Infrastructure Basic Charge Water, Electricity & Sewer		53,54	53,54	0,00	0,00
VAT	15%	110,97	121,62	10,65	9,60
TOTAL		860,50	942,83	82,33	9,57

ANNEXURE E

CAPITAL BUDGET, WARD PROJECTS & HOUSING PROGRAMME

DRAFT CAPITAL BUDGET 2020/21-2022/23

				2020/21 BUDGET			2021/22 BUDGET			2022/23 BUDGET				
Area	Local Area	Ward	Project Description	Project Manager	Funding Source	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL
EXECUTIVE & COUNCIL						5 000		5 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS COUNCIL	D Arrison	Surplus	5 000		5 000						
FINANCE AND ADMINISTRATION						3 370 000		3 370 000	15 000 000		15 000 000	10 000 000		10 000 000
Overstrand	Overstrand	Overstrand	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS	C Johnson	Surplus	600 000		600 000						
Overstrand	Overstrand	Overstrand	UPS REPLACEMENT	C Johnson	Surplus	300 000		300 000						
Overstrand	Overstrand	Overstrand	DATA CENTRE VIRTUAL SERVER HOST REPLACEMENT EOL	C Johnson	Surplus	200 000		200 000						
Overstrand	Overstrand	Overstrand	DR HOST SERVER WITH ATTACHED STORAGE - REPLACEMENT EOL	C Johnson	Surplus	300 000		300 000						
Overstrand	Overstrand	Overstrand	NEW HIGH SITE HAWSTON MOUNTAIN	C Johnson	Surplus	600 000		600 000						
Overstrand	Overstrand	Overstrand	PDF LICENSES	C Johnson	Surplus	100 000		100 000						
Overstrand	Overstrand	Overstrand	OPERATIONAL ASSET MANAGEMENT MODULE FOR MANAGE ENGINE PROGRAM	C Johnson	Surplus	300 000		300 000						
Overstrand	Overstrand	Overstrand	OPERATIONAL MICROSOFT MANAGEMENT AND DEPLOYMENT SYSTEM	C Johnson	Surplus	300 000		300 000						
Overstrand	Overstrand	Overstrand	REPLACEMENT OF UPS HIGHSITE	C Johnson	Surplus	200 000		200 000						
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						
Overstrand	Overstrand	Overstrand	MINOR ASSETS ICT ORGANIZATION WIDE	C Johnson	Surplus	400 000		400 000						
Overstrand	Overstrand	Overstrand	SURPLUS	TMT	Surplus				15 000 000	15 000 000		10 000 000		10 000 000
PUBLIC SAFETY						9 364 357	732 000	10 096 357						
Overstrand	Overstrand	Overstrand	UPGRADING OF FACILITIES ABLUTION BLOCK ICS CENTRE	L Smith	Surplus - Non tariff	1 000 000		1 000 000						
Overstrand	Overstrand	Overstrand	CCTV CAMERAS	L Smith	Surplus - Non tariff	1 500 000		1 500 000						
Overstrand	Overstrand	Overstrand	RAISING GANSBAAI FIRE STATION ROOF	L Smith	Surplus - Non tariff	300 000		300 000						
Overstrand	Overstrand	Overstrand	CHANGE EXIT OF KLEINMOND FIRE STATION	L Smith	Surplus - Non tariff	300 000		300 000						
Overstrand	Overstrand	Overstrand	SPEED CAMERA AND EQUIPMENT FOR INHOUSE SPEED ENFORCEMENT	R Fraser	Surplus - Non tariff	1 000 000		1 000 000						
Overstrand	Overstrand	Overstrand	ADDITIONAL OFFICES LAW ENFORCEMENT AT BESKEMHOUTSKLOOF FARM	R Fraser	Surplus - Non tariff	500 000		500 000						
Overstrand	Overstrand	Overstrand	CCTV SECURITY AT BESKEMHOUTSKLOOF FARM	R Fraser	Surplus - Non tariff	300 000		300 000						
Overstrand	Overstrand	Overstrand	ACCESS CONTROL	L Smith	Surplus - Non tariff	100 000		100 000						
Gansbaai	Gansbaai	Ward 02	SECURITY FENCING COMMUNAL SPORTSGROUNDS	F Myburgh	Operating Cash-WSP	50 000		50 000						
Hermanus	Hermanus	Ward 03	CCTV CAMERAS	L Smith	Operating Cash-WSP	200 000		200 000						
Hermanus	Mount Pleasant	Ward 04	CCTV CAMERAS	L Smith	Operating Cash-WSP	150 000		150 000						
Hermanus	Zwellihle	Ward 05	CCTV CAMERAS	L Smith	Operating Cash-WSP	120 000		120 000						
Hermanus	Zwellihle	Ward 06	CCTV CAMERAS	L Smith	Operating Cash-WSP	150 000		150 000						
Hermanus	Fisherhaven	Ward 08	CCTV CAMERAS	L Smith	Operating Cash-WSP	120 000		120 000						
Kleinmond	KM/Protea	Ward 09	SAFETY CAMERAS	L Smith	Operating Cash-WSP	100 000		100 000						
Hermanus	Zwellihle	Wards 12	CCTV CAMERAS	L Smith	Operating Cash-WSP	150 000		150 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS PROTECTION SERVICES (F1/2)	N Micheals	Surplus	400 000		400 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS PROTECTION SERVICES (F2/2)	N Micheals	Operating Cash	85 000		85 000						
Overstrand	Overstrand	Overstrand	VEHICLES-PUBLIC SAFETY (F1/2)	T Steenberg	Surplus	2 839 357		2 839 357						
Overstrand	Overstrand	Overstrand	VEHICLES-PUBLIC SAFETY (F2/2)	L Smith	Prov-Fire Serv Cap		732 000							
PLANNING & DEVELOPMENT						14 747 684		14 747 684						
Overstrand	Overstrand	Overstrand	MINOR ASSETS LED	S Madikane	Surplus	45 000		45 000						
Overstrand	Overstrand	Overstrand	BUILDING CONTROL OFFICE EXTENSION	S Muller	Surplus - Non tariff	1 000 000		1 000 000						
Hermanus	Zwellihle	Ward 05	INFORMAL TRADING STALLS SWARTDAM TRADING	S Madikane	Surplus(Ins)	397 000		397 000						
Overstrand	Overstrand	Overstrand	UPGRADING OF TOURISM OFFICES RENOVATIONS	S Madikane	Surplus - Non tariff	400 000		400 000						
Overstrand	Overstrand	Overstrand	ECD CENTRE ESTABLISHMENT	H Blignaut	Land Sales- R/O	75 000		75 000						
Hermanus	Hawston	Ward 08	HAWSTON INDUSTRIAL BUSINESS HUB	D Hendriks	Land Sales- R/O	2 980 000		2 980 000						
Overstrand	Overstrand	Overstrand	VEHICLES PLANNING DEVELOPMENT	T Steenberg	Surplus	3 730 684		3 730 684						
Hermanus	Hermanus	Ward 03	FERNKLOOF NATURE RESERVE FACILITIES (F1/2)	S Muller	Land Sales- R/O	2 100 000		2 100 000						
Hermanus	Hermanus	Ward 03	FERNKLOOF NATURE RESERVE FACILITIES (F2/2)	S Muller	Surplus non tariff	3 600 000		3 600 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS INFRASTRUCTURE PLANNING	S Muller	Surplus	420 000		420 000						
COMMUNITY AND SOCIAL SERVICES						17 094 451		17 094 451						
Overstrand	Overstrand	Overstrand	MINOR ASSETS COMMUNITY SERVICES	R Williams	Surplus	760 000		760 000						
Overstrand	Overstrand	Overstrand	VEHICLES COMMUNITY SERVICES	T Steenberg	Surplus	13 429 959		13 429 959						
Hermanus	Hermanus	Ward 03	SHELTER FOR COMMUNITIES AT TAXI RANK	B Plaatjies	Surplus - Non tariff	300 000		300 000						
Kleinmond	Kleinmond	Multi-ward KM	BEAUTIFICATION OF ENTRANCES TO KLEINMOND	D Lacey	Surplus - Non tariff	150 000		150 000						
Hermanus	Onrus/Verr	Ward 13	ABLUTION FACILITIES ONRUS SWIMMING BEACH PHASE 2	T Marx	Surplus - Non tariff	750 000		750 000						
Kleinmond	Kleinmond	Ward 09	RETAINING WALL SECTION 9TH AVENUE SPAR	D van Rhodie	Operating Cash-WSP	26 000		26 000						
Kleinmond	Overhills	Ward 10	KITCHEN EQUIPMENT OVERHILLS COMMUNITY HALL	D Lacey	Operating Cash-WSP	26 000		26 000						
Hermanus	Zwellihle	Ward 06	UPGRADING OF ZWELIHLE TAXI RANK STALLS	B Plaatjies	Surplus(Ins)	360 492		360 492						
Kleinmond	Kleinmond	Ward 10	CEMETERY INFRASTRUCTURE	T Steenberg	Land Sales R/O	1 292 000		1 292 000						
LIBRARIES						4 373 611		4 373 611						
Hermanus	Zwellihle	Ward 05	ZWELIHLE LIBRARY	A Wyngaard	Surplus(Ins)	4 373 611		4 373 611						
SPORT & RECREATION						1 926 000	2 021 000	3 949 000						
Hermanus	Hawston	Ward 08	UPGRADE HAWSTON SPORT COMPLEX (F1/2)	D Hendriks	MIG		2 021 000							
Hermanus	Hawston	Ward 08	UPGRADE HAWSTON SPORT COMPLEX (F2/2)	D Hendriks	Surplus - Non tariff	600 000		600 000						
Gansbaai	Masakhane	Ward 01	UPGRADING OF SOCCER FIELD SOCCER STAND	F Myburgh	Operating Cash-WSP	100 000		100 000						
Hermanus	Zwellihle	Ward 05	UPGRADING WARD 5 PLAY PARK	T Marx	Operating Cash-WSP	80 000		80 000						
Kleinmond	Kleinmond	Ward 09	OUTDOOR GYM EQUIPMENT MOUNTAIN VIEW BOWLS CLUB AREA	D van Rhodie	Operating Cash-WSP	50 000		50 000						
Kleinmond	Kleinmond	Ward 09	WALKWAY TO PALMIET BEACH	D van Rhodie	Operating Cash-WSP	40 000		40 000						
Betty's Bay	Betty's Bay	Wards 10	PLAYPARK EQUIPMENT DAWIDSKRAAL & MALKOPSVLEI	D van Rhodie	Operating Cash-WSP	50 000		50 000						
Betty's Bay	Mooiuisig	Wards 10	MOOIUISIG PLAY GROUND	D van Rhodie	Operating Cash-WSP	26 000		26 000						
Kleinmond	Protea	Wards 10	PLAYPARK EQUIPMENT PROTEADORP	D van Rhodie	Operating Cash-WSP	26 000		26 000						
Kleinmond	Overhills & I	Wards 10	BUS STOPS INCL. REPAIRING REPLACEMENT OF ONE AT SIYABULELA OVERHILLS & MOOIUIT	D van Rhodie	Operating Cash-WSP	26 000		26 000						
Stanford	Stanford	Wards 11	UPGRADE OF PUBLIC BOAT LAUNCHING SITE ABLUTIONS DU TOIT STREET	F Myburgh	Operating Cash-WSP	70 000		70 000						
Hermanus	Zwellihle	Wards 12	UPGRADING WARD 12 PLAY PARKS	B Plaatjies	Operating Cash-WSP	210 000		210 000						
Hermanus	Zwellihle	Wards 12	UPGRADING SIYAKHA EDUCARE CENTRE PLAY PARK	B Plaatjies	Operating Cash-WSP	50 000		50 000						
Hermanus	Onrus/Verr	Ward 13	FENCING DOG PARK	D Nel	Surplus - Non tariff	100 000		100 000						
Hermanus	Mount Pleasant	Ward 04	UPGRADING WALL AT MOUNT PLEASANT SPORTSGROUND	D Nel	Surplus - Non tariff	500 000		500 000						

DRAFT CAPITAL BUDGET 2020/21-2022/23

				2020/21 BUDGET			2021/22 BUDGET			2022/23 BUDGET					
Area	Local Area	Ward	Project Description	Project Manager	Funding Source	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	
HOUSING							45 956 000	45 956 000		46 666 550	46 666 550		37 850 000	37 850 000	
Overstrand	Overstrand	Overstrand	LCH SERVICES CONSTRUCTION CONTRACTS	D Hendriks	Construction Contracts		45 956 000	45 956 000		46 666 550	46 666 550		37 850 000	37 850 000	
ROADS							11 745 000	0	11 745 000	3 570 518	3 570 518		17 000 000	17 000 000	
Gansbaai	Franskraal	Ward 01	SIDEWALKS	T Steenberg	Operating Cash-WSP	150 000		150 000							
Gansbaai	Masakhane	Ward 01	SIDEWALKS TRAFFIC CALMING	T Steenberg	Operating Cash-WSP	200 000		200 000							
Gansbaai	DKelders,GI	Ward 02	SIDEWALKS	T Steenberg	Operating Cash-WSP	250 000		250 000							
Hermanus	Hermanus	Ward 03	TRAFFIC CALMING	T Marx	Operating Cash-WSP	100 000		100 000							
Hermanus	Mount Pleasant	Ward 04	MOUNT PLEASANT SIDEWALKS	T Marx	Operating Cash-WSP	100 000		100 000							
Hermanus	Mount Pleasant	Ward 04	TRAFFIC CALMING MOUNT PLEASANT	T Marx	Operating Cash-WSP	50 000		50 000							
Hermanus	Westcliff	Ward 04	TRAFFIC CALMING WESTCLIFF	T Marx	Operating Cash-WSP	175 000		175 000							
Hermanus	Zwellihle	Ward 05	SIDEWALKS	T Marx	Operating Cash-WSP	100 000		100 000							
Hermanus	Zwellihle	Ward 06	SIDEWALKS	T Marx	Operating Cash-WSP	150 000		150 000							
Hermanus	Sandbaai	Ward 07	DEVELOPMENT AND UPGRADING OF ROADS SIDEWALKS AND PARKING AREAS	T Marx	Operating Cash-WSP	500 000		500 000							
Hermanus	Fisherhaver	Ward 08	TRAFFIC CALMING	T Marx	Operating Cash-WSP	100 000		100 000							
Hermanus	Hawston	Ward 08	CURBING AND TARRING OF SIDEWALKS	T Marx	Operating Cash-WSP	50 000		50 000							
Hermanus	Hawston	Ward 08	DEVELOPMENT AND CONSTRUCTION OF PARKING AREA AT ERF 1229 FOR CEMETERY	T Marx	Operating Cash-WSP	50 000		50 000							
Kleinmond	Kleinmond	Ward 09	SPEED CALMING MEASURES	D van Rhodie	Operating Cash-WSP	50 000		50 000							
Kleinmond	Kleinmond	Ward 09	STONEWALL OR SIDEWALK AT MAIN BEACH AREA	D van Rhodie	Operating Cash-WSP	24 000		24 000							
Rooiels	Rooiels	Ward 10	DISABLED FRIENDLY FOOTPATH IN NATURE RESERVE ROOIELS	D van Rhodie	Operating Cash-WSP	26 000		26 000							
Rooiels	Rooiels	Wards 10	PAVING OF ANEMONE ROAD	D van Rhodie	Operating Cash-WSP	150 000		150 000							
Gansbaai	Pearly Beac	Ward 11	TRAFFIC CALMING	T Steenberg	Operating Cash-WSP	30 000		30 000							
Stanford	Stanford	Ward 11	NEW SIDEWALKS	T Steenberg	Operating Cash-WSP	50 000		50 000							
Stanford	Thembehle	Ward 11	NEW SIDEWALKS	T Steenberg	Operating Cash-WSP	50 000		50 000							
Hermanus	Onrus/Verr	Ward 13	CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE	T Marx	Operating Cash-WSP	370 000		370 000							
Hermanus	Onrus/Verr	Ward 13	TRAFFIC CALMING	T Marx	Operating Cash-WSP	100 000		100 000							
Hermanus	Hermanus	Ward 03	CBD REGENERATION PROGRAM	D Hendriks	Land Sales-R/O	6 200 000		6 200 000							
Hermanus	Zwellihle	Ward 06	EMERGENCY HOUSING PROJECT SCHULPHOEK	T Steenberg	Surplus - Non tariff	920 000		920 000							
Hermanus	Sandbaai	Ward 07	TARRING OF EXISTING GRAVEL ROADS IN SANDBAAI PERLEMON/GALJOEN ST	T Marx	Surplus - Non tariff	700 000		700 000							
Hermanus	Hawston	Ward 08	EXTENSION OF PLEIN STREET	T Marx	Surplus - Non tariff	500 000		500 000							
Hermanus	Hawston	Ward 08	HAWSTON PAVING TARRING OF CIRCLES	T Marx	Surplus - Non tariff	600 000		600 000							
Gansbaai	Blompark	Ward 02	BLOMPARK HOUSING PROJECT BUS ROUTE	D Hendriks	MIG				3 570 518		3 570 518				
Stanford	Stanford	Ward 11	STANFORD HOUSING PROJECT BUS ROUTE	D Hendriks	MIG										
Gansbaai	Masakhane	Ward 01	MASAKHANE HOUSING PROJECT BUS ROUTE	D Hendriks	MIG										
ELECTRICITY							16 640 882	8 000 000	24 640 882	25 000 000	19 000 000	44 000 000	9 100 000	12 900 000	22 000 000
Gansbaai	Gansbaai A	Multi-ward Gb A	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F1/4)	D Maree	EL21/22/23	9 000 000		9 000 000		17 000 000		17 000 000		2 100 000	2 100 000
Gansbaai	Gansbaai A	Multi-ward Gb A	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F2/4)	D Maree	BICL-R/O	695 882		695 882							
Gansbaai	Gansbaai A	Multi-ward Gb A	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F3/4)	D Maree	BICL				7 000 000		7 000 000				
Gansbaai	Gansbaai A	Multi-ward Gb A	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F4/4)	D Maree	DTI CIP / DBSA					14 000 000	14 000 000		5 900 000	5 900 000	
Hermanus	Hermanus	Ward 03	STREET LIGHTS	K d Plessis	Operating Cash-WSP	100 000		100 000							
Hermanus	Hawston	Ward 08	STREET LIGHTS	K d Plessis	Operating Cash-WSP	15 000		15 000							
Hermanus	Onrus/Verr	Ward 13	STREET LIGHTS	K d Plessis	Operating Cash-WSP	30 000		30 000							
Overstrand	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS	K d Plessis	Surplus - Non tariff R/O	5 000 000		5 000 000							
Overstrand	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP)	K d Plessis	INEP		8 000 000	8 000 000		5 000 000	5 000 000		7 000 000	7 000 000	
Hermanus	Zwellihle	Ward 05	HIGHMAST LIGHTS	K d Plessis	Surplus - Non tariff	800 000		800 000							
Hermanus	Hermanus	Ward 03	HERMANUS MV LV UPGRADE REPLACEMENT	K d Plessis	EL 23							3 000 000		3 000 000	
Kleinmond	Kleinmond	Ward 09	KLEINMOND MV LV NETWORK UPGRADE	K d Plessis	EL 23							2 000 000		2 000 000	
Hermanus	Hawston	Ward 08	HAWSTON MV LV UPGRADE REPLACEMENT	K d Plessis	EL 23							2 000 000		2 000 000	
Overstrand	Overstrand	Overstrand	ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY	S Muller	EL 21/22	1 000 000		1 000 000		1 000 000				1 000 000	
WATER							40 886 906	5 581 744	46 468 650	16 100 000	11 415 738	27 515 738	22 000 000	22 000 000	
Overstrand	Overstrand	Overstrand	WATER MASTER PLAN IMPLEMENTATION (F1/3)	H Blignaut	EL-INFRA LEVY	10 000 000		10 000 000							
Overstrand	Overstrand	Overstrand	WATER MASTER PLAN IMPLEMENTATION (F2/3)	H Blignaut	EL-INF LEVY19-20 R/O	8 300 000		8 300 000							
Overstrand	Overstrand	Overstrand	WATER MASTER PLAN IMPLEMENTATION (F3/3)	H Blignaut	EL-INF LEVY18-19	1 733 060		1 733 060							
Overstrand	Overstrand	Overstrand	REFURBISHMENT OF BULK WATER PIPELINES	H Blignaut	EL21/22/23	900 000		900 000	3 000 000		3 000 000	2 000 000		2 000 000	
Overstrand	Overstrand	Overstrand	FENCING AT WATER INSTALLATIONS	H Blignaut	EL21/22/23	700 000		700 000				500 000		500 000	
Overstrand	Overstrand	Overstrand	REPLACEMENT OF OVERSTRAND WATER PIPES	H Blignaut	EL20 R/O - EL 22/23	1 588 846		1 588 846	7 000 000		7 000 000	7 000 000		7 000 000	
Overstrand	Overstrand	Overstrand	WATER FACILITIES CONTINGENCY	H Blignaut	EL 21/22/23	400 000		400 000	400 000		400 000	500 000		500 000	
Gansbaai	Masakhane	Ward 01	NEW 4ML RESERVOIR	D Hendriks	EL21 MIG	2 000 000	5 581 744	7 581 744							
Gansbaai	Masakhane	Ward 01	UPGRADE WATER LINES	D Hendriks	MIG					5 200 000	5 200 000				
Gansbaai	Masakhane	Ward 01	NEW BOOSTER PUMPSTATION VALVES	D Hendriks	MIG					2 732 000	2 732 000				
Stanford	Stanford	Ward 11	UPGRADE BULK WATER	D Hendriks	MIG					3 483 738	3 483 738				
Hermanus	Hermanus	Ward 04	UPGRADE HERMANUS WELL FIELDS PHASE 2	H Blignaut	EL21	6 000 000		6 000 000							
Kleinmond	Pringle Bay	Ward 10	NEW RESERVOIR FOR PRINGLE BAY (F1/2)	H Blignaut	EL21	2 000 000		2 000 000							
Kleinmond	Pringle Bay	Ward 10	NEW RESERVOIR FOR PRINGLE BAY (F2/2)	H Blignaut	EL 20 R/O	3 635 000		3 635 000							
Kleinmond	Bettiesbay	Ward 10	REFURBISHMENT OF KLEINMOND BUFFELS RIVER WTW	H Blignaut	EL23							6 000 000		6 000 000	
Gansbaai	Gansbaai	Ward 02	KLIPGAT GROTTE PUMP STATIONS REFURBISHMENT	H Blignaut	EL21	900 000		900 000							
Kleinmond	Kleinmond	Ward 09	ACCESS ROADS TO KLEINMOND BUFFELS RIVER WTW UPGRADE	H Blignaut	EL21/22	1 100 000		1 100 000	2 000 000		2 000 000				
Hermanus	Sandbaai	Ward 07	NEW SANDBAAI RESERVOIR	H Blignaut	EL 22/23				3 000 000		3 000 000				
Kleinmond	Bettiesbay	Ward 10	NEW VOORBERG BOOSTER PUMP STATION	H Blignaut	EL 23							3 000 000		3 000 000	
Hermanus	Zwellihle	Ward 06	EMERGENCY HOUSING PROJECT SCHULPHOEK	T Steenberg	Surplus - Non tariff	680 000		680 000							
Overstrand	Overstrand	Overstrand	EHP WATER PROVISION FOR INFORMAL SETTLEMENTS	T Steenberg	Surplus - Non tariff	350 000		350 000							
Stanford	Stanford	Ward 11	REFURBISH ELECTRICAL PANEL STANFORD EYE FOUNTAIN	H Blignaut	EL 21	600 000		600 000							

DRAFT CAPITAL BUDGET 2020/21-2022/23

			2020/21 BUDGET			2021/22 BUDGET			2022/23 BUDGET				
Local Area	Ward	Project Description	Project Manager	Funding Source	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL
SEWERAGE					41 526 010	3 920 000	45 446 010	15 900 000	620 000	16 520 000	18 900 000	7 628 000	26 528 000
Overstrand	Overstrand	Overstrand	SEWERAGE FACILITIES CONTINGENCY	H Blignaut	EL21/22/23	600 000	600 000	650 000		650 000	700 000		700 000
Kleinmond	Kleinmond	Ward 09	KLEINMOND SEWER NETWORK EXTENSION (F1/2)	H Blignaut	EL 21/23	4 000 000	4 000 000			4 000 000	4 000 000		4 000 000
Kleinmond	Kleinmond	Ward 09	KLEINMOND - SEWER NETWORK EXTENSION (F2/2)	H Blignaut	EL20 R/O	4 000 000	4 000 000			4 000 000			4 000 000
Kleinmond	Kleinmond	Ward 10	KLEINMOND WWTW REFURBISH UPGRADE	H Blignaut	EL21/22/23	5 400 000	5 400 000	3 450 000		3 450 000	8 000 000		8 000 000
Hermanus	Ornus	Ward 13	UPGRADING OF KIDBROOKE PIPELINE	H Blignaut	EL19 R/O	480 247	480 247			480 247			480 247
Kleinmond	Kleinmond	Ward 09	REHABILITATE MAIN BULK SEWER TO WWTW PH1	H Blignaut	EL 20 R/O	2 661 400	2 661 400			2 661 400			2 661 400
Gansbaai	Masakhane	Ward 01	UPGRADE BULK SEWER SUPPLY AREA A	D Hendriks	MIG							7 628 000	7 628 000
Gansbaai	Masakhane	Ward 02	UPGRADE BULK SEWER PUMPSTATION	D Hendriks	MIG		3 920 000			3 920 000			3 920 000
Stanford	Stanford	Ward 11	UPGRADE BULK SEWER	D Hendriks	MIG						620 000		620 000
Overstrand	Overstrand	Overstrand	FENCING AT SEWERAGE INSTALLATIONS	H Blignaut	EL21/22	800 000	800 000	800 000		800 000			800 000
Gansbaai	Gansbaai	Ward 02	GANSBAAI CBD SEWER NETWORK EXTENSION	H Blignaut	EL-INFRA LEVY -EL22	4 000 000	4 000 000	4 000 000		4 000 000			4 000 000
Overstrand	Overstrand	Overstrand	UPGRADING OF PUMPSTATIONS RISING MAINS	H Blignaut	EL21/22/23	4 600 000	4 600 000	4 000 000		4 000 000	5 000 000		5 000 000
Hermanus	Hermanus	Ward 03	HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING	H Blignaut	EL22			3 000 000		3 000 000			3 000 000
Hermanus	Zwelihle	Multi-ward HM A	ZWELIHLE SEWER (F1/4)	H Blignaut	Surplus -Non tariff	3 000 000	3 000 000						
Hermanus	Zwelihle	Multi-ward HM A	ZWELIHLE SEWER (F2/4)	H Blignaut	Surplus -Non tariff R/O	2 647 290	2 647 290						
Hermanus	Zwelihle	Multi-ward HM A	ZWELIHLE SEWER (F3/4)	H Blignaut	Land Sales-R/O	1 722 500	1 722 500						
Hermanus	Zwelihle	Multi-ward HM A	ZWELIHLE SEWER (F4/4)	H Blignaut	Land Sales	386 693	386 693						
Hermanus	Zwelihle	Ward 06	EMERGENCY HOUSING PROJECT SCHULPHOEK	T Steenberg	Surplus -Non tariff	2 400 000	2 400 000						
Zwelihle	Zwelihle	Ward 05	SEWERAGE BYPASS IN SIPUMELELO CORRIDOR	T Marx	Land Sales-R/O	842 000	842 000						
Zwelihle	Zwelihle	Ward 06	SEWERAGE PEACH HOUSE PRECINT UPGRADE	T Marx	Land Sales-R/O	1 555 630	1 555 630						
Zwelihle	Zwelihle	Ward 12	SEWERAGE BYPASS IN SIPUMELELO CORRIDOR	T Marx	Land Sales-R/O	1 280 250	1 280 250						
Overstrand	Overstrand	Overstrand	EHP SEWER PROVISION FOR INFORMAL SETTLEMENTS	T Steenberg	Surplus -Non tariff	650 000	650 000						
Hermanus	Hermanus	Multi-ward HM A	SEWER NETWORK UPGRADE	T Marx	Surplus -Non tariff	500 000	500 000						
Hermanus	Hermanus	Ward 03	REFURBISH HERMANUS WWTW TREATED EFFLUENT IRRIGATION PIPELINE	H Blignaut	EL 23						1 200 000		1 200 000
STORMWATER					8 500 000	10 364 256	18 864 256		7 863 744	7 863 744			
Gansbaai	Masakhane	Ward 01	MASAKHANE HOUSING PROJECT BULK STORMWATER	D Hendriks	MIG		5 864 256		4 406 744	4 406 744			4 406 744
Stanford	Stanford	Ward 11	STANFORD HOUSING PROJECT BULK STORMWATER	D Hendriks	MIG		4 500 000		3 457 000	3 457 000			3 457 000
Gansbaai	Franskraal	Ward 01	STORMWATER AD-HOC	T Steenberg	Operating Cash-WSP	50 000	50 000			50 000			50 000
Gansbaai	Gansbaai	Ward 02	STORMWATER AD-HOC	T Steenberg	Operating Cash-WSP	100 000	100 000			100 000			100 000
Hermanus	Zwelihle	Ward 05	STORMWATER DRAINAGE	T Marx	Operating Cash-WSP	100 000	100 000			100 000			100 000
Hermanus	Haweston	Ward 08	STORMWATER AND TARRING OF CIRCLES	T Marx	Operating Cash-WSP	150 000	150 000			150 000			150 000
Gansbaai	Baardskeer	Ward 11	STORMWATER AD-HOC PROTEA STREET	T Steenberg	Operating Cash-WSP	50 000	50 000			50 000			50 000
Stanford	Thembelihle	Ward 11	STORMWATER AD-HOC	T Steenberg	Operating Cash-WSP	50 000	50 000			50 000			50 000
Hermanus	Zwelihle	Multi-ward HM A	STORMWATER NETWORK UPGRADE	T Marx	Surplus -Non tariff	1 500 000	1 500 000						
Hermanus	Hermanus	Multi-ward HM A	STORMWATER NETWORK UPGRADE	T Marx	Surplus -Non tariff	500 000	500 000						
Gansbaai	Gansbaai	Multi-ward Gb A	STORMWATER NETWORK UPGRADE	T Steenberg	Surplus -Non tariff	500 000	500 000						
Kleinmond	Betty's Prin	Ward 10	STORMWATER NETWORK	D Van Rhodde	Surplus -Non tariff	1 000 000	1 000 000						
Hermanus	Hermanus	Ward 03	STORMWATER MAIN RD HIGH STREET	D Hendriks	Land Sales: R/O	4 500 000	4 500 000						
WASTE MANAGEMENT					20 338 569		20 338 569						
Overstrand	Overstrand	Overstrand	HERMANUS NEW WASTE MANAGEMENT FACILITY(F1/2)	C Mitchell	EL20B	10 300 000	10 300 000						
Overstrand	Overstrand	Overstrand	HERMANUS NEW WASTE MANAGEMENT FACILITY(F2/2)	C Mitchell	EL20B -R/O	5 500 000	5 500 000						
Gansbaai	Gansbaai	Ward 02	GANSBAAI LANDFILL SITE FENCE	C Mitchell	Surplus -Non tariff	2 500 000	2 500 000						
Gansbaai	Blompark	Ward 02	WHEELIE BINS 140L	F Myburgh	Surplus -Non tariff	500 000	500 000						
Hermanus	Fisherhaver	Ward 08	BINS	T Marx	Operating Cash-WSP	15 000	15 000						
Kleinmond	Kleinmond	Ward 10	HIGH RISK PARAMETER FENCING KLEINMOND TRANSFER STATION	D van Rhodde	Surplus -Non tariff	460 000	460 000						
Hermanus	Zwelihle	Ward 06	RECYCLING PLANT	S Muller	Surplus(Ins)	1 063 569	1 063 569						
SURPLUS NON TARIFF INFRASTRUCTURE								15 000 000		15 000 000	10 000 000		10 000 000
GRAND TOTAL					190 520 470	76 575 000	267 095 470	87 000 000	89 136 550	176 136 550	70 000 000	75 378 000	145 378 000

FUNDING:

EXTERNAL LOAN 21/22/23 (GENERAL CAPITAL)	40 000 000	40 000 000	50 000 000		50 000 000		50 000 000		50 000 000
EXTERNAL LOAN 19 (ROLL OVER)	480 247	480 247							
EXTERNAL LOAN 20 (ROLL OVER)	11 885 246	11 885 246							
EXTERNAL LOAN (INFRA LEVY)	14 000 000	14 000 000							
EXTERNAL LOAN- INFRA LEVY 20(ROLL OVER)	8 300 000	8 300 000							
EXTERNAL LOAN- INFRA LEVY 19(ROLL OVER)	1 733 060	1 733 060							
EXTERNAL LOAN 20B	10 300 000	10 300 000							
EXTERNAL LOAN 20B (ROLL OVER)	5 500 000	5 500 000							
BULK INFRASTRUCTURE LEVY(BICL)			7 000 000		7 000 000				
BULK INFRASTRUCTURE LEVY(ROLL OVER)	695 882	695 882							
SURPLUS	25 000 000	25 000 000	15 000 000		15 000 000		10 000 000		10 000 000
SURPLUS -NON TARIFF INFRASTRUCTURE	30 460 000	30 460 000	15 000 000		15 000 000		10 000 000		10 000 000
SURPLUS -NON TARIFF INFRASTRUCTURE -(ROLL OVER)	7 647 290	7 647 290							
LAND SALES(ROLL OVER)	22 547 380	22 547 380							
LAND SALES	386 693	386 693							
OPERATING CASH	85 000	85 000							
OPERATING CASH -WSP	5 305 000	5 305 000							
SURPLUS(INSURANCE)	6 194 672	6 194 672							
CONSTRUCTION CONTRACTS		45 956 000	45 956 000			46 666 550	46 666 550		37 850 000
DTI CIP / DBSA						14 000 000	14 000 000		5 900 000
INEP		8 000 000	8 000 000			5 000 000	5 000 000		7 000 000
MIG		21 887 000	21 887 000			23 470 000	23 470 000		24 628 000
PROV-FIRE SERV CAP BUILD GRANT		732 000	732 000						
GRAND TOTAL	190 520 470	76 575 000	267 095 470	87 000 000	89 136 550	176 136 550	70 000 000	75 378 000	145 378 000

DRAFT WARD SPECIFIC PROJECTS - 2020/2021

Town	Local Area	Ward	Project Description	PROJECT MANAGER	BUDGET	CAPEX/OPEX
Gansbaai	Franskraal	1	Stormwater (ad hoc)	T Steenberg	50 000	Capex
Gansbaai	Franskraal	1	Sidewalks	T Steenberg	150 000	Capex
Gansbaai	Masakhane	1	Sidewalks & Traffic Calming	T Steenberg	200 000	Capex
Gansbaai	Masakhane	1	Upgrading of soccer field (soccer stand)	F Myburgh	100 000	Capex
					500 000	
Gansbaai	De Kelders, Perlemoenbaai, Gansbaai, Blompark, Kleinbaai	2	Sidewalks	T Steenberg	250 000	Capex
Gansbaai	Gansbaai	2	Security Fencing – Communal Sportsgrounds	F Myburgh	50 000	Capex
Gansbaai	Gansbaai	2	Stormwater (ad hoc)	T Steenberg	100 000	Capex
Gansbaai	Gansbaai	2	Upgrading of the Duiwelsgat Hiking trail	F Myburgh	100 000	Opex
					500 000	
Hermanus	Hermanus	3	CCTV Cameras	L Smith	200 000	Capex
Hermanus	Hermanus	3	Traffic Calming	T Marx	100 000	Capex
Hermanus	Hermanus	3	Street Lights	K Du Plessis	100 000	Capex
Hermanus	Hermanus	3	Cliff Path Maintenance	T Marx	100 000	Opex
					500 000	
Hermanus	Mount Pleasant	4	Mount Pleasant Sidewalks	T Marx	100 000	Capex
Hermanus	Mount Pleasant	4	Traffic Calming: Mount Pleasant	T Marx	50 000	Capex
Hermanus	Mount Pleasant	4	CCTV Cameras	L Smith	150 000	Capex
Hermanus	Westcliff	4	Traffic Calming: Westcliff	T Marx	175 000	Capex
Hermanus	Westcliff	4	Cliff Path:Board Walk	T Marx	25 000	Opex
					500 000	
Hermanus	Zwelihle	5	Upgrading ward 5 play park	T Marx	20 000	Opex
Hermanus	Zwelihle	5	Upgrading ward 5 play park	T Marx	80 000	Capex
Hermanus	Zwelihle	5	Upgrading of ZW -Sport Ground Change Rooms	T Marx	80 000	Opex
Hermanus	Zwelihle	5	Sidewalks	T Marx	100 000	Capex
Hermanus	Zwelihle	5	Stormwater Drainage	T Marx	100 000	Capex
Hermanus	Zwelihle	5	CCTV Cameras	L Smith	120 000	Capex
					500 000	
Hermanus	Zwelihle	6	Upgrading of Zwelihle Sport Ground Boundary Wall	T Marx	200 000	Opex
Hermanus	Zwelihle	6	Sidewalks	T Marx	150 000	Capex
Hermanus	Zwelihle	6	CCTV Cameras	L Smith	150 000	Capex
					500 000	
Hermanus	Sandbaai	7	Development and upgrading of roads, sidewalks and parking areas	T Marx	500 000	Capex
					500 000	
Hermanus	Fisherhaven	8	CCTV Cameras : Fisherhaven	L Smith	120 000	Capex
Hermanus	Fisherhaven	8	Traffic Calming	T Marx	100 000	Capex
Hermanus	Fisherhaven	8	Streetlights	K Du Plessis	15 000	Capex
Hermanus	Fisherhaven	8	Bins	T Marx	15 000	Capex
Hermanus	Hawston	8	Stormwater and Tarring of Circles	T Marx	150 000	Capex
Hermanus	Hawston	8	Curbing and Tarring of sidewalks	T Marx	50 000	Capex
Hermanus	Hawston	8	Development and Construction of Parking Area at Erf 1229 For Cemetery	T Marx	50 000	Capex
					500 000	

Town	Local Area	Ward	Project Description	PROJECT MANAGER	BUDGET	CAPEX/OPEX
Kleinmond	Kleinmond	9	Upgrade Windows at Town Hall	D van Rhodie	150 000	Opex
Kleinmond	Kleinmond/Proteadorp	9	Safety Cameras	L Smith	100 000	Capex
Kleinmond	Kleinmond / Proteadorp	9	Speed Calming Measures	D van Rhodie	50 000	Capex
Kleinmond	Proteadorp/Kleinmond	9	Outdoor Gym Equipment (Mountain View+Bowls Club Area)	D van Rhodie	50 000	Capex
Kleinmond	Kleinmond	9	Walkway to Palmiet Beach	D van Rhodie	40 000	Capex
Kleinmond	Kleinmond	9	Retaining Wall Section (9th Avenue Spar)	D van Rhodie	26 000	Capex
Kleinmond	Kleinmond	9	Stonewall or Sidewalk at Main Beach Area	D van Rhodie	24 000	Capex
Kleinmond	Kleinmond/Proteadorp	9	Signage	D van Rhodie	10 000	Opex
Kleinmond	Proteadorp	9	Wheele bins	D van Rhodie	50 000	Opex

500 000

Betty's Bay	Dawidskraal & Malkopsvlei	10	Playpark equipment - Dawidskraal & Malkopsvlei	D Van Rhodie	50 000	Capex
Kleinmond	Overhills	10	Kitchen equipment: Overhills Community Hall	D Lakey	26 000	Capex
Betty's Bay	Mooiuitsig	10	Mooiuitsig Play Ground	D Van Rhodie	26 000	Capex
Pringle Bay	Pringle Bay	10	Upgrades at Public Toilets and Baboon Monitoring Store Room - Pringle Bay	D van Rhodie	26 000	Opex
Rooiels	Rooiels	10	Disabled-friendly footpath in nature reserve - Rooiels	D van Rhodie	26 000	Capex
Kleinmond	Proteadorp	10	Playpark equipment - Proteadorp	D Van Rhodie	26 000	Capex
Kleinmond & Betty's Bay	Overhills & Mooiuitsig	10	Bus stops (including repairing/replacement of one at Siyabulela) - Overhills & Mooiuitsig	D van Rhodie	26 000	Capex
Betty's Bay	Betty's Bay	10	Street names project - Betty's Bay	D Van Rhodie	10 000	Opex
Rooiels	Rooiels	10	Storm water channel in Perspicua Road - Rooiels	D Van Rhodie	26 000	Opex
Kleinmond	Proteadorp / Overhills	10	Storm water projects - Proteadorp/Overhills	D Van Rhodie	26 000	Opex
Betty's Bay/Overhills/Proteadorp	Proteadorp/Overhills/Mooiuitsig	10	Provision of baboon proof wheelee bins - Proteadorp/Poppedorp/Mooiuitsig	D van Rhodie	82 000	Opex
Rooiels	Rooiels	10	Paving of Anemone Road	D van Rhodie	150 000	Capex

500 000

Gansbaai	Baardskeerdersbos	11	Stormwater (ad hoc) (Protea Street)	T Steenberg	50 000	Capex
Gansbaai	Pearly Beach	11	Replacement of Boardwalk	F Myburgh	30 000	Opex
Gansbaai	Pearly Beach	11	Traffic Calming	T Steenberg	30 000	Capex
Stanford	Thembelihle	11	Stormwater (ad hoc)	T Steenberg	50 000	Capex
Stanford	Stanford	11	New sidewalks	T Steenberg	50 000	Capex
Stanford	Thembelihle	11	New sidewalks	T Steenberg	50 000	Capex
Stanford	Stanford	11	Upgrade of Public Boat Launching Site (Ablutions) Du Toit Street	F Myburgh	70 000	Capex
Gansbaai	Buffeljachts	11	Replacement of Roof sheets – Community Hall	F Myburgh	80 000	Opex
Gansbaai	Eluxolweni	11	Streets (Resealing of Madaica)	T Steenberg	90 000	Opex

500 000

Hermanus	Zwelihle	12	Upgrading ward 12 play parks	T Marx	90 000	Opex
Hermanus	Zwelihle	12	Upgrading ward 12 play parks	B Plaatjies	210 000	Capex
Hermanus	Zwelihle	12	Upgrading Siyakha Educare Centre Play Park	B Plaatjies	50 000	Capex
Hermanus	Zwelihle	12	CCTV Cameras	L Smith	150 000	Capex

500 000

Hermanus	Onrus/Vermont	13	Construction and upgrading of atlantic drive	T Marx	370 000	Capex
Hermanus	Onrus/Vermont	13	Traffic Calming	T Marx	100 000	Capex
Hermanus	Onrus/Vermont	13	Street Lights	K Du Plessis	30 000	Capex

500 000

**1 195 000 OPEX
5 305 000 CAPEX**

GRAND TOTAL	6 500 000
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REVISED 3 YEAR HOUSING BUDGET 2020/2021 - 2022/2023

Project	Proposed Budget 2020/2021	Proposed Budget 2021/2022	Proposed Budget 2022/2023
Hawston TS (378)	23 100 000	756 000	
Blompark TS	6 500 000	13 000 000	13 000 000
Swartdamweg Site C1 TS (150)	9 150 000	9 750 000	150 000
Housing Admin Site TS (39)	400 000		
Masakhane TS	5 117 000	13 397 450	18 850 000
Stanford TS		13 000 000	26 000 000
TOTAL OPEX	44 267 000	49 903 450	58 000 000
Stanford IRDP (783)	7 200 000		
Masakhane IRDP (296)	2 696 000		
Masakhane UISP (1179)	10 500 000	12 000 000	24 440 000
Beverly Hills (100)	1 155 000		
Hawston IRDP	1 500 000		
Mandela Square /Garden Site	155 000		
Transit Camp & Asazani (154)	8 900 000	3 106 550	
Tambo Square & New Camp (82)		7 380 000	
Tsepe-Tsepe & Serviced Site (90)			8 190 000
Mount Pleasant IRDP Infill	4 000 000	10 980 000	1 220 000
Kleinmond IRDP		600 000	1 000 000
Kleinmond Overhills UISP		600 000	1 000 000
Mnt Pleasant Erf 11472 Purchase	350 000		
Marikana Emergency Sites, Zwelihle	1 500 000		
Schulphoek	3 000 000		
Schulphoek Professional Fees	2 000 000		
Greater Hermanus	3 000 000	12 000 000	2 000 000
TOTAL CAPEX	45 956 000	46 666 550	37 850 000
GRAND TOTAL	90 223 000	96 570 000	95 850 000

ANNEXURE F

SERVICE LEVEL STANDARDS

Province: Municipality(WC032) - Schedule of Service Delivery Standards	
Description	
Standard	Service Level 2020/2021
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)	NO
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)	Recycling - Yes in Gansbaai and Stanford / no not by municipality for Hermanus and Kleinmond until new MRF constructed, however smaller private recyclers operating on small scale in the areas.
Licensed landfill site(Yes/No)	Yes
Water Service	
Water Quality rating (Blue/Green/Brown/N0 drop)	Programme discontinued by DWA
Is free water available to all? (All/only to the indigent consumers)	Indigent Consumers
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)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
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 2.4Bar 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
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	YES

Description	
Standard	Service Level 2020/2021
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 charge plus 4,2kl or tanker service
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)	Increase
Are the financial statement outsources? (Yes/No)	No
Are there Council adopted business process restructuring the flow and management of documentation feeding to Trial Balance?	Standard Operating Procedures
How long does it take for an Tax/Invoice to be paid from the date it has been received?	30 days
quaterly and annually 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
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

Description	
Standard	Service Level 2020/2021
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)	4.25 min
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	15 min urban
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	40 min urban
Economic development	
How many economic development projects does the municipality drive?	7
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	4
What percentage of the projects have created sustainable job security?	50
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
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

2014

Blue Drop Report



020_2012



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		
<p style="text-align: center;">(1)</p> <p style="text-align: center;">WATER SAFETY PLANNING</p> <p style="text-align: center;">35%</p>	<p style="text-align: center;">(1.1)</p> <p style="text-align: center;">WATER SAFETY PLANNING PROCESS (10%)</p>	<p>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</p> <p>b) There should be clear indication that the Water Services Institution conducted a water safety planning process and not only drafted a document</p> <p>c) There should be clear reference to the specific water supply system at hand and not only global risk management measurements put in place</p>
	<p style="text-align: center;">(1.2)</p> <p style="text-align: center;">RISK ASSESSMENT (35%)</p>	<p>a) The Risk Assessment must cover catchment, treatment and reticulation</p> <p>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</p> <p>c) The Water Safety Planning process must include (adequate) Control Measures for each significant hazard or hazardous event identified</p> <p>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</p> <p>e) The WSI to proof implementation of mitigation measures from previous Water Safety Plans</p>
	<p style="text-align: center;">(1.3)</p> <p style="text-align: center;">MONITORING PROGRAMME (30%)</p>	<p>a) Prove Operational Monitoring is:</p> <p>i) Informed by the Risk Assessment</p> <p>ii) Required sites to monitor: Raw water, after filtration (per process unit) and final water</p> <p>iii) Determinands (minimum): pH, turbidity and disinfectant residual</p> <p>iv) Frequency of analyses: at least every 8 hours</p> <p>v) Equipment used + calibration records</p> <p>b) Prove Compliance Monitoring is:</p> <p>i) Informed by the Risk Assessment and SANS 241 compliant</p> <p>ii) Monitoring programme is registered on BDS</p> <p>iii) Actual monitoring occur according to registered BDS monitoring programme (>80%)</p> <p>iv) Required sites to monitor: Water works final & distribution network + Frequency of analyses: Water works final according SANS 241; distribution network according SANS 241</p> <p>v) Coverage of population served must at least be 80%</p>
	<p style="text-align: center;">(1.4)</p> <p style="text-align: center;">CREDIBILITY of DWQ DATA (15%)</p>	<p>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</p> <p>b) DWQ Data credibility on the BDS (Blue Drop Certified Data)</p>
	<p style="text-align: center;">(1.5)</p> <p style="text-align: center;">INCIDENT MANAGEMENT (10%)</p>	<p>a) Protocol to specify:</p> <ol style="list-style-type: none"> 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 <p>b) Incident Register to include:</p> <ol style="list-style-type: none"> 7) Date, location and description of incident 8) Action taken and date of resolution 9) Outcome of cause investigation
	<p style="text-align: center;">BONUS (1):</p> <p style="text-align: center;">Sampler's Training</p>	<p>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)</p>

		<p>1) Evidence of relevant sampling training that will ensure credibility of the sampling process; or</p> <p>2) Evidence of control measures to ensure sampling credibility</p>
	<p>BONUS (2): Incident Management Protocol Communication</p>	<p>Communication on the Incident Management Protocol process with all relevant staff within the Municipality</p>
<p>(2) DWQ PROCESS MANAGEMENT & CONTROL 8%</p>	<p>(2.1) WORKS CLASSIFICATION COMPLIANCE (15%)</p>	<p>Treatment works classified according the requirements of Regulation 2834- <u>ONLY</u> 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 (<i>confirmed during on-site assessments</i>)</p>
	<p>(2.2) PROCESS CONTROL REGISTRATION COMPLIANCE (50%)</p>	<p>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 <u>ONLY</u>, WSI's to ensure correct classification of all staff per treatment plant</p>
	<p>(2.3) WATER TREATMENT WORKS' LOGBOOK (35%)</p>	<p>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)</p>
	<p>BONUS (1): Process Control Training</p>	<p>Proof of Process Control staff being subjected to relevant training the past 12 months to allow Process Controllers to meet the education requirements towards higher level draft Regulation 813 Registration (Year 2013)</p>
	<p>BONUS (2): Process Control Excellence</p>	<p>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 <u>75%</u> 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</p>
<p>Water Quality Data Period – 1 January 2013 – 31 December 2013</p>		
<p>(3) DRINKING WATER QUALITY VERIFICATION 30%</p>	<p>(3.1.1) MICROBIOLOGICAL DWQ COMPLIANCE (50%)</p>	<p>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 (<i>E coli</i>) - Excellent Compliance (97% for <100 000 population) & (99% for >100 000 population)</p>
	<p>(3.1.2) CHEMICAL DWQ COMPLIANCE (45%)</p>	<p>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)</p>
	<p>(3.1.3) OPERATIONAL</p>	<p>The compliance of operational determinands must comply with the 2014 Blue Drop Excellent Limits set by the Blue Drop Programme</p>

	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) MANAGEMENT, ACCOUNTABILITY, & 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 public 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 not run short 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 <u>Financial</u> expenditure to apply as per Municipal Budget Year: <u>Jul 2012 to Jun 2013</u>
	(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)

<p style="font-size: 24px; color: #003366; margin: 0;">(6)</p> <p style="font-weight: bold; margin: 0;">WATER USE EFFICIENCY & WATER LOSS MANAGE- MENT</p> <p style="font-size: 24px; color: #003366; margin: 0;">3%</p>	<p style="color: #C00000; font-weight: bold; margin: 0;">(6.1)</p> <p style="font-weight: bold; margin: 0;">WATER BALANCE</p> <p style="margin: 0;">(30%)</p>	<p>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:</p> <ul style="list-style-type: none"> 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 <p>and to be supported by a schematic showing bulk meters, zones and main infrastructure components</p> <p><i>Note: WSI's to ensure that units are clearly indicated against numeric values in water balance (e.g. 100 kl/annum, 50 m³/day, etc)</i></p>																																								
	<p style="color: #C00000; font-weight: bold; margin: 0;">(6.2)</p> <p style="font-weight: bold; margin: 0;">WDM STRATEGY and BUSINESS PLAN and IMPLEMENTATION</p> <p style="margin: 0;">(30%)</p>	<ul style="list-style-type: none"> a) Evidence must be provided of a Council approved WDM strategy and business plan consisting of at least the following: <ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> - List of Interventions (Projects) - Movement against targets for demand, NRW, commercial and real losses - Budget and Multi-year Implementation Timeline <p><i>(Reg 509 of 2001 Clause 10)</i></p>																																								
	<p style="color: #C00000; font-weight: bold; margin: 0;">(6.3)</p> <p style="font-weight: bold; margin: 0;">COMPLIANCE and PERFORMANCE</p> <p style="margin: 0;">(40%)</p>	<ul style="list-style-type: none"> a) Provide historic data in order to calculate the following: <ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> - Physical (real) water loss status - Commercial water loss status - Water use efficiency status <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="background-color: #FF8C00; color: white;">Population number served:</th> <th style="background-color: #D3D3D3;"></th> <th style="background-color: #FF8C00; color: white;">SIV (System Input Volume) (kl/annum):</th> <th style="background-color: #D3D3D3;"></th> <th style="background-color: #FF8C00; color: white;">Average system pressure (m):</th> <th style="background-color: #D3D3D3;"></th> </tr> </thead> <tbody> <tr> <td style="background-color: #FF8C00; color: white;">Households served:</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">Authorised, Billed and Metered (kl/annum):</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">Usage (l/cap/day):</td> <td style="background-color: #D3D3D3;"></td> </tr> <tr> <td style="background-color: #FF8C00; color: white;">Total connections:</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">Authorised, Billed and Unmetered (kl/annum):</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">Non-revenue (l/cap/day):</td> <td style="background-color: #D3D3D3;"></td> </tr> <tr> <td style="background-color: #FF8C00; color: white;">Metered connections:</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">Authorised and Unbilled (kl/annum):</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">Real losses (l/cap/day):</td> <td style="background-color: #D3D3D3;"></td> </tr> <tr> <td style="background-color: #FF8C00; color: white;">Unmetered connections:</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">Authorised Consumption (kl/annum):</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">% Metering</td> <td style="background-color: #D3D3D3;"></td> </tr> <tr> <td style="background-color: #FF8C00; color: white;">Households with deemed of flat rate billing:</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">Revenue water (kl/annum):</td> <td style="background-color: #D3D3D3;"></td> <td rowspan="2" style="background-color: #FF8C00; color: white; vertical-align: middle;">Efficiency =</td> <td style="background-color: #D3D3D3;"></td> </tr> <tr> <td style="background-color: #FF8C00; color: white;">Number of metered</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #FF8C00; color: white;">Non-revenue water</td> <td style="background-color: #D3D3D3;"></td> <td style="background-color: #D3D3D3;"></td> </tr> </tbody> </table>	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	
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Number of metered		Non-revenue water																																								





		connections billed:	(kl/annum):	Water loss =
		Proven Industrial use (kl/annum):	Water losses (kl/annum):	
		Length of mains installed :	Apparent or Commercial losses (kl/annum):	
		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		<p>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</p> <p>b) Proof required on team manager competency (Qualification & Experience) with the following additional requirement: Manager to have suitable tertiary qualification with suitable experience</p> <p>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</p> <p>d) Additional proof required on team competency for the team presented under (c) above (e.g. Qualification & Experience & Trade-test)</p> <p>e) Indicate number of suitably qualified plumbers per 1000 connections</p>		
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%
<i>2012 Blue Drop Score</i>	91.6%	93.8%	95.0%	97.1%
<i>2011 Blue Drop Score</i>	93.7%	75.4%	95.1%	95.1%
<i>System Design Capacity (Ml/d)</i>	0.15	0.1	5.5	7.1
<i>Operational Capacity (% ito Design)</i>	100%	105%	44%	100%
<i>Average daily Consumption (l/p/d)</i>	655.0	310.3	803.4	445.9
<i>Microbiological Compliance (%)</i>	90.0%	95.5%	99.9%	99.9%
<i>Chemical Compliance (%)</i>	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%
<i>2012 Blue Drop Score</i>	97.9%	95.0%	95.2%	92.7%
<i>2011 Blue Drop Score</i>	87.2%	93.1%	94.3%	95.2%
<i>System Design Capacity (Ml/d)</i>	28.0	5.8	1.4	1.5
<i>Operational Capacity (% ito Design)</i>	29%	39%	100%	57%
<i>Average daily Consumption (l/p/d)</i>	192.4	230.1	1605.4	159.9
<i>Microbiological Compliance (%)</i>	98.9%	99.9%	99.9%	99.9%
<i>Chemical Compliance (%)</i>	96.4%	96.4%	99.9%	96.4%
Blue Drop Risk Rating (2012)	78.1%	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

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.

Additional information regarding the Blue Drop Risk Rating			
Water Supply System	Baardskeerdersbos		
	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%

Additional information regarding the Blue Drop Risk Rating			
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%

Additional information regarding the Blue Drop Risk Rating			
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%

Additional information regarding the Blue Drop Risk Rating			
Water Supply System	Greater Gansbaai		
	2012	2013	2014
A: Process Control RR	79.5%	34.9%	74.4%
B: Drinking Water Quality RR	40.7%	11.1%	40.7%
C: Risk Management RR	13.0%	13.0%	26.1%

Additional information regarding the Blue Drop Risk Rating			
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%

Additional information regarding the Blue Drop Risk Rating			
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%

Additional information regarding the Blue Drop Risk Rating			
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%

Additional information regarding the Blue Drop Risk Rating			
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 tanks

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

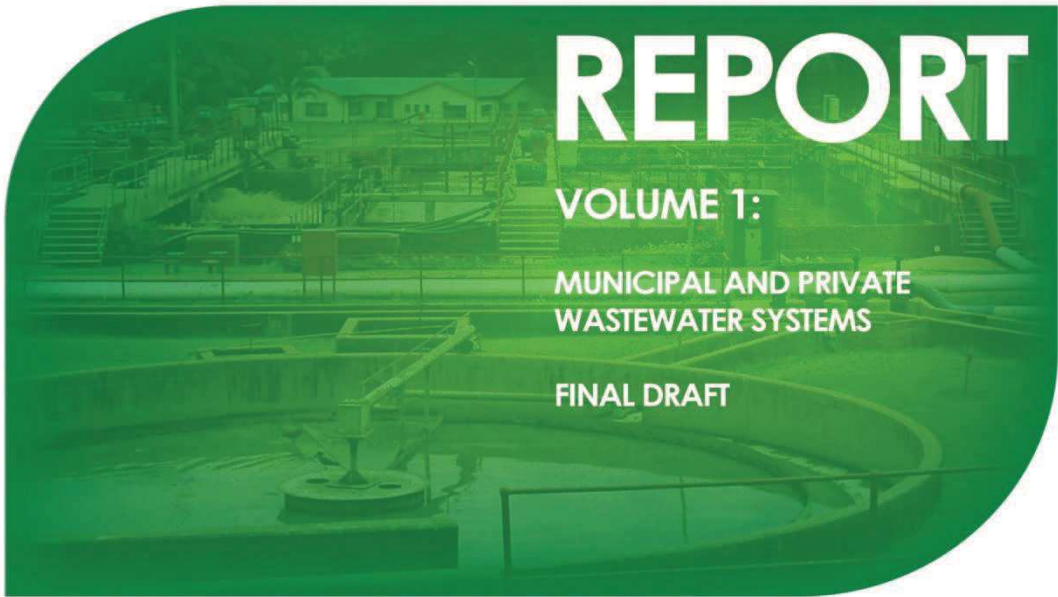


Chemical tanks not banded



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

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 ₂ RAP	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%	<p>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).</p> <p>Arrows: Depict the current Green Drop status of the plant. A ↑ arrow shows improvement upon the 2009situation, ↓ shows digress, → shows unchanged situation</p>	
2011 Municipal Green Drop Score	63.80%		
2009 Municipal Green Drop Score	75.00%		
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	MI/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

Green Drop Score (2013)	74.88%	<p>≥90% = Green Drop Certification <30% = Purple Drop Status</p>
2011 Green Drop Score	47.00%	
2009 Green Drop Score	66.00%	
Capacity Utilisation (% ADWF ito Design Capacity)	112.0%	<p>Plant is receiving 12% more wastewater compared to its original design capacity (ADWF)</p>
Effluent Quality Compliance	20.90%	<p>Effluent quality compliance to legislative standards carries a high (30%) weight in the GDC score</p>
Wastewater Risk Rating (2012)	76.50%	<p>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.</p>
Wastewater Risk Rating (2013)	76.47%	

CRR% Deviation	Risk Level	Colour
90 – 100%	Critical risk WWTP	Red
70 - <90%	High Risk WWTP	Orange
50-<70%	Medium risk WWTP	Yellow
<50%	Low Risk WWTP	Green

Note: volumetric capacity refers to Average Dry Weather Flow

1. GREEN DROP SCORECARD 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 [10%]	(1.1) WORKS REGISTRATION	a) The wastewater treatment facility is registered as per the Requirements of Regulation 2834/17.
	(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: <ol style="list-style-type: none"> 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	(2.1) OPERATIONAL MONITORING	Details of Operational Monitoring: a) Proof of Operational Monitoring sites, determinands and frequency; b) Samples must include: i) <i>inflow</i> ii) <i>outflow</i> iii) <i>process flows</i> iv) <i>industrial</i> v) <i>sludge</i> 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)
[15%]	(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 ($-2 \geq z$ -score ≥ 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 <i>[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.]</i>
(3) Submission of Wastewater Quality Results	(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
[5%]	PENALTY (1): Data Not Captured	Penalty will apply should Wastewater results be available but not captured on GDS.
	OR	
	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 (on GDS) in order to present a false impression of WWQ Performance and/or compliance.

(4) Wastewater Effluent Quality Compliance [30%]	(4.1) WATER USE AUTHORISATION	a) Copy of authorisation, detailing Effluent Quality Standards. NOTE: List Standards to comply with.
	(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 [15%]	(5.1) WASTEWATER RISK ABATEMENT PLAN (W₂RAP)	a) A practical and site specific Wastewater Risk Abatement Plan (W ₂ RAP) 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
	(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 [5%]	(6.1) BYLAWS	Proof of the Bylaws providing for the regulation of: 1. <i>industrial (trade) influent (volumes & quality) discharged into municipal system,</i> 2. <i>package plants,</i> 3. <i>decentralized systems,</i> 4. <i>vacuum tank discharges and</i> 5. <i>Spillages into the environment.</i> 6. <i>Storm-water connections to sewer system.</i>
	(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).

	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 Wastewater 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	<p>a) Documented design capacity (hydraulic and organic) of the wastewater treatment facility</p> <ol style="list-style-type: none"> 1. Design capacity as Average Dry Weather Flow (ADWF) and COD load to the plant and <p>b) Documented daily receiving flows over the 12 months of assessed period (ideally \leq than design capacity)</p> <ol style="list-style-type: none"> 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. <p>c) Monitoring of outflow volumes (available records) - provide proof of verification system and/or calibration of meters)</p>
[5%]	(7.2) WWTW CAPACITY PLANNING	<p>Medium to long term planning to ensure sufficient capacity for treatment system and to ensure effluent quality compliance;</p> <p>1. Detailed Work-plan which stipulates:</p> <ol style="list-style-type: none"> i) <i>type of work,</i> ii) <i>associated budget,</i> iii) <i>projected timeframe</i> iv) <i>planned output of this work.</i>
	(7.3) COLLECTOR CAPACITY PLANNING	<p>Medium to long term planning to ensure sufficient capacity for collecting system</p> <p>1. Detailed Work-plan which stipulates:</p> <ol style="list-style-type: none"> i) <i>type of work,</i> ii) <i>associated budget</i> iii) <i>projected timeframe</i> iv) <i>the planned output of this work</i> <p>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)</p>
	PENALTY	Capacity Utilisation <40%, >90%, >100%
(8) Wastewater Asset Management	(8.1) PROCESS AUDIT	<p>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.</p> <p>b) Evidence/plan of implementation of findings during year following Audit Report required.</p>
[15%]	(8.2) SEWER MAIN INSPECTION	<p>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.</p> <p>Note: both the process audit and sewer network report could serve as baseline to the W₂RAP (may run concurrently with "system description and risk identification/rating)</p>

	(8.3) WASTEWATER ASSET REGISTER	<p>d) Updated sanitation / wastewater Infrastructure Asset Register</p> <p>1. Proof of Asset Register, evidence to be submitted. Asset register to include movable equipment and immovable infrastructure / assets with matching detail.</p> <p>The asset register must detail :</p> <p>a) relevant equipment and infrastructure b) indicate asset description c) location d) condition (remaining life) e) replacement value</p>
	(8.4) O&M BUDGET & EXPENDITURE	<p>e) Operation and maintenance budget and comparative expenditure detail for:</p> <p>1. <i>wastewater treatment (in cents/m³), and</i> 2. <i>collection system (R/m³)</i></p> <p>The assessor will require the WSI to explain how these figures compare or are benchmarked to determine whether budget is (in)sufficient</p> <p>NOTE: Indicate whether WSI could only provide global figures or system specific figures.</p>
	(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	MI/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%

2009 Green Drop Score		66.00%
System Design Capacity	MI/d	2
Capacity Utilisation (% ADWF to 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. Regrettably, 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 W₂RAP 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-PO₄, 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



Municipal Budget Circular for the 2020/21 MTREF

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1. Introduction

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF). This circular is linked to the Municipal Budget and Reporting Regulations (MBRR); and strives to support the budget preparation processes of municipalities so that the minimum requirements of the MBRR promulgated in 2009 are achieved.

In 2010, the National Treasury introduced the local government budget and financial reform agenda. Since then several projects to further this agenda have been introduced. The recent implementation of the municipal Standard Chart of Accounts (*mSCOA*) and the accompanying “game changers” signals a smarter way forward to strengthening local government finances.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake the annual budget preparation in accordance with the budget and financial reform agenda and the associated “game changers”.

Municipalities are reminded to refer to the previous annual budget circulars for guidance on budget preparation issues that are not covered in this circular.

2. The South African economy and inflation targets

In the 2019 Medium Term Budget Policy Statement (MTBPS) tabled by the Minister of Finance on 30 October 2019, he stated that, he is tabling the 2019 MTBPS in a difficult global and domestic environment. The global growth forecast for 2019 is the lowest since the 2008 financial crisis, weighed down by mounting trade tensions and political uncertainty. Economic activity in two engines of the world economy, namely China and India, is also slowing this year. Policy makers have taken a number of steps to support growth, but there is a risk that these measures will create new vulnerabilities, as interest rates in advanced economies decline. About a quarter of government bonds in these countries have negative yields.

In South Africa, economic growth has continued to stagnate and weaknesses in the world economy are likely to amplify our own challenges. The discussion paper termed the Economic transformation, inclusive growth, and competitiveness released by the National Treasury has proposed a number of economic reforms that might boost GDP growth over the medium and longer term, and support increased investment and job creation. These measures have been broadly agreed on within government. The next step is to implement the reforms urgently. Nevertheless, the economy has continued to weaken with the economic growth projected to grow at 1.2 per cent in the 2020/21 financial year, while long term estimates have fallen prompting government to review its outer year’s estimates.

In addition to low growth, South Africa’s biggest economic risk is Eskom. Ongoing problems with the utility’s operations continue to disrupt the supply of electricity to households and businesses. Government has allocated significant resources to assist Eskom. With the immediate financial restraints lifted, the focus must be on operational problems and restructuring Eskom into three separate entities. Doing so will mark the beginning of a transition to a competitive, transparent and financially viable electricity sector.

South Africa’s public finances deteriorated over the past decade; a trend that accelerated in recent years as low growth led to large revenue shortfalls. For 10 years, the country has run large budget deficits. This has put us deeply in debt, to the point where interest payments have begun crowding out social and economic spending programmes. This cannot be sustained.

Government proposed a range of expenditure reductions to restore the public finances to a sustainable position, some of which are likely to be painful. We owe it to future generations to ensure that we are good stewards of our country's resources and that they do not have to pay for faults in our decision-making.

The following macro-economic forecasts must be considered when preparing the 2020/21 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2018 - 2022

Fiscal year	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimate	Forecast		
CPI Inflation	4.7%	4.3%	4.9%	4.8%	4.8%

Source: Medium Term Budget Policy Statement 2019.

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.

3. Key focus areas for the 2020/21 budget process

3.1 Division of Revenue outlook

Municipal governments face multiple pressures over the period ahead with local government expected to expand access to free basic service to poor households, while ensuring that those who can afford to pay for services do so.

The 2020 MTEF includes large reductions in planned transfers to municipalities. The implication of these reductions is that municipalities will be required to reprioritise projects. Larger reductions in grants are mainly affecting urban municipalities which have the capacity to offset the effects of these cuts from their own revenue investments.

A notable revision is that of the Public Transport Network Grant (PTNG) which has funded 13 cities over the past decade, yet only six have launched operations. In the 2020 MTEF, the grant will be allocated only to 10 cities and these cities will be required to reduce their costs and to demonstrate their effectiveness to receive PTNG funding.

3.2 Local government conditional grants and additional allocations

The proposed division of revenue is still biased towards prioritising funding services for poor communities. Allocations to local government subsidise the cost of delivering free basic services to the less fortunate and the poorest of the poor households, and the infrastructure needed to deliver those services, as well as the maintenance of the infrastructure to ensure the sustainable delivery of these services.

The 2019 Medium Term Budget Policy Statement (MTBPS) projects transfers for local government for the 2020 MTREF at R397 billion, of which 62.2 per cent comprise unconditional allocations while the remainder is conditional grant funding. The allocations for local government over the medium term represent 8.6 per cent of non-interest expenditure and a slight decrease from the 8.9 per cent realised in the 2018 budget.

The equitable share and the allocation of the general fuel levy to local government constitutes unconditional funding. Municipalities are reminded that this funding allocation is formula driven and designed to fund the provision of free basic services to disadvantaged communities. Conditional grant funding must be utilised for the intended purpose within the timeframes, as specified in the annual Division of Revenue Bill. Monies not spent must be returned to the fiscus and requests for roll-overs will only be considered in extenuating circumstances.

The annual Division of Revenue Bill will be published in February 2020 after the budget speech by the Minister of Finance. The grant allocations will be specified in this Bill and municipalities must reconcile their budgets to the numbers published therein.

Municipalities are advised to use the indicative numbers presented in the 2019 Division of Revenue Act to compile their 2020/21 MTREF. In terms of the outer year allocations (2021/22 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as proposed in the 2019 Division of Revenue Act for 2021/22. The DoRA is available at <http://www.treasury.gov.za/documents/national%20budget/2019/default.aspx>

3.3 Changes to the structure of local government allocations

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 MTEF period.

Large urban municipalities continue to underinvest in infrastructure, primarily because of poor programme and project preparation practices, leading to long delays, higher costs and breakdowns in service delivery. While public and private capital funding is available, these weaknesses translate into low levels of effective demand from the municipalities.

To address these problems, from 2020/21 government will introduce dedicated grant funding for large urban municipalities. Eligible municipalities will receive co-financing on a declining basis over three years. Financing will be conditional on establishing a municipal project preparation fund and an infrastructure delivery management system, and achieving targets for programmes and projects under preparation. Funding for this new facility will be reprioritised from existing allocations to municipalities.

Government is also working with municipalities to increase their revenue raising potential. The Municipal Fiscal Powers and Functions Amendment Bill, which will be tabled shortly, will standardise the regulation of development charges. Development charges are the mechanism by which municipalities recover the capital costs of connecting new developments to infrastructure for water, roads, electricity and other services. Currently, these charges are frequently below cost, so municipalities effectively subsidise the provision of infrastructure to businesses and other developments, reducing their ability to subsidise infrastructure directly for lower-income residents.

The change could increase municipal revenues for capital spending by an estimated R20 billion a year. Several efforts are also under way to improve the effectiveness of transfers to rural municipalities. The possibility of using municipal infrastructure grant funds to buy waste management vehicles, which must be purchased through a contract facilitated by the National Treasury to minimise costs, is being investigated to expand services in rural areas. Funds may be reprioritised between water and sanitation grants to accelerate the completion of regional bulk water schemes.

The Department of Energy will complete an electrification master plan to guide the future allocation of funds between the Eskom, municipal, and non-grid components of the Integrated National Electrification Programme. The Department of Transport will establish a national database for all road traffic and condition data to inform the prioritisation and monitoring of road maintenance across all roads.

3.4 Addressing unfunded budgets in local government

A revised strategy to address municipal financial performance failures has been endorsed by the Budget Council and Budget Forum (the respective intergovernmental forums for provincial and local government finances). This strategy is based on an analysis of performance failures in governance, financial management, institutional capabilities and service delivery. As part of this strategy, municipalities must ensure that their budgets are adequately funded.

The number of councils adopting unfunded budgets, where realistically anticipated revenue is insufficient to cover planned spending sustainably, increased from 74 in 2016/17 to 126 in 2019/20. The National Treasury, alongside provincial treasuries, has provided extensive advice and support to ensure that municipalities plan affordable expenditure and collect all the revenue owed to them. All municipalities are able to table a funded budget. This is easier for transfer-dependent municipalities as they have more predictable revenue and can plan their spending accordingly.

The 126 municipalities with unfunded budgets were required to table special adjustments budgets to align their spending plans with projected revenues and ensure they have plans in place to pay their creditors (including Eskom and the water boards). Those municipalities that did not table funded adjustments budgets by 15 November 2019 had their December 2019 tranche of the local government equitable share withheld as the MFMA requires that a municipality must table a funded budget.

Municipalities who are finding it difficult to table funded and sustainable budgets should contact National or their respective provincial treasury for assistance to reprioritise their budgets.

3.5 Municipal Standard Chart of Accounts (*mSCOA*)

3.2.1 Release of Version 6.4 of the Chart

On an annual basis, the *mSCOA* chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.4 is released with this circular (see Annexure A). Version 6.4 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF and is available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

3.2.2 Budgeting, transacting and reporting in an *mSCOA* environment

The *mSCOA* Regulations¹ prescribes the uniform recording and classification of municipal budget and financial information at a transaction level. All municipalities and municipal entities had to comply with the Regulations by 01 July 2017.

This standard classification framework enforces the link between planning (IDP) and the budget through the project segment and enables annual reporting and performance management linked to strategic service delivery objectives.

By now, all municipalities should:

- Have acquired, upgraded and maintain the hardware, software and licences required to be and remain *mSCOA* compliant;

¹ The Minister of Finance promulgated the Municipal Regulations on a Standard Chart of Accounts in government gazette Notice No. 37577 on 22 April 2014.

- Budget, transact and report on all six (6) legislated *m*SCOA segments and directly on the core financial system and submit the required data strings directly from this system to the Local Government Portal;
- Lock down the budget adopted by Council on the core municipal financial system before submitting the budget (ORGB) data string to the local government portal;
- Closed the core financial system at month-end as required in terms of the MFMA before submitting the monthly data string to the local government portal; and
- Generate regulated Schedules (A, B, C) directly from the core municipal financial systems.

If your municipality has not achieved the above level of implementation as yet, then the implementation of *m*SCOA in your municipality should be accelerated. Towards this end:

- A road map must be provided to the National and respective provincial treasury to indicate how the municipality will become *m*SCOA compliant;
- The municipality's *m*SCOA Project Steering Committee (chaired by the Accounting Officer) must meet at least monthly (if not more often) to track the progress against the road map and take corrective action where required;
- The National Treasury (in the case of non-delegated municipalities) and respective provincial treasury (in the case of delegated municipalities) should be invited to the *m*SCOA Project Steering Committee meeting; and
- Progress against the road map should be presented at the Mid-Year Budget and Performance and Budget Benchmark engagements.

3.2.3 Changing of the Core Financial System

Municipalities are reminded to follow the required due diligence processes in terms of MFMA Circulars No. 80 and 93 and *m*SCOA Circulars No. 5 and 6 when they procure a core financial system.

In addition, if a municipality enters into a contract with a system vendor for the maintenance of the procured system that will impose financial obligations on the municipality beyond the three years covered in the MTREF budget, then the provisions of Section 33 of the MFMA should be adhered to.

Service level agreements (SLA) with system vendors must also be managed properly. Penalties, including the termination of the SLA in cases of persistent non-compliance, should be imposed if the agreed upon milestones are not met by the system vendor. Likewise, if a system vendor has delivered on the services agreed upon in the SLA, then the municipality should pay all money owing to the system vendor within 30 days of receiving the relevant invoice or statement, as per the requirements of Section 65(2)(e) of the MFMA.

The National Treasury will conduct independent audits on all municipal core financial systems in 2020 to determine to what extent these systems comply with the functionality requirements and 15 business processes required in terms of *m*SCOA. These results will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2021. Until these audits have been concluded and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary *m*SCOA functionality requirements.

Municipalities are advised to use their internal audit function to ensure that the correct process was followed. Internal audit must ensure that the municipality has complied with the requirements of MFMA Circulars No. 80 and 93, *m*SCOA Circulars No. 5 and 6 and Section 33 of the MFMA when they procure a core financial system and/or enter into an SLA with a

system vendor. The reports on these matters of internal audit must be tabled to the audit committee and at municipal council for consideration.

3.2.4 Submission of Borrowing Monitoring and Investment Monitoring Data Strings

Chapter 3 of the *mSCOA* Regulations provides that the Minister of Finance may determine minimum business processes and system requirements through issuing a gazette. MFMA Circular No. 80 provided guidance on these requirements for all categories of municipality (A, B and C). The Request for Proposal (RFP) issued on 4 March 2016 for the appointment of service providers for an integrated financial management and internal control system for local government (RT25-2016 published in Tender Bulletin No. 2906), provided further guidance on the requirements applicable to a specific category of municipality.

It should be noted that National Treasury will expand the requirements applicable to categories B and C municipalities in 2020 to include business processes and system functionality relating to investment, borrowing or performance management. The expanded requirements will provide the basis for the new transversal contract for the appointment of service providers for an integrated financial management and internal control system for local government that might be issued in 2021, as well as the minimum business and system requirements that will be gazetted at a future date, as envisaged in the Regulation.

In the interim, categories B and C municipalities that have not procured investment, borrowing or performance management modules, will have to prepare and submit their quarterly Investment Monitoring and Borrowing Monitoring data strings to the Local Government Portal manually.

3.2.5 Cash Flow Reconciliation

The cash flow information presented on Table A7 of Budget Schedule A and Table B7 of Adjustments Budget Schedule B did not reconcile to the corresponding data strings for the past two financial years. One of the contributing factors to this was that there were errors in the linkages in the segment item: asset and liabilities on the Local Government Database. National Treasury has now corrected these linkages in the segment item: asset and liabilities.

It was further noticed that a number of municipalities do not use the movement accounts correctly in the *mSCOA* chart which distorts the figures reported in the cash flow tables. Guidance on the use of movement accounts is provided in **Annexure A**.

4. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. Even as demand for services rises, weak economic growth has put stress 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. Municipal budgets will be scrutinised to ensure that municipalities adequately provide to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

Municipalities are reminded that the local government equitable share allocation is mainly to fund the costs of free basic services and to subsidise the administrative costs of the smaller and more rural municipalities. The increasing unemployment and growth in the number of

persons per household means that the revenue foregone in respect of free basic services will likely increase and it will become even more difficult to collect revenue. The household budget will be under pressure and trade-offs will be applied as it may be unaffordable to pay all household expenses with regularity.

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 upper 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 2020/21** in their budget narratives, and pay careful attention to the differential incidence of 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.

4.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circular No. 93, item 3.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2020/21 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities not attaining their desired collection rates.

It is therefore essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities are encouraged to undertake this exercise as a routine practice. The list of exceptions derived from this reconciliation will provide an indication of where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this with the deeds office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit the required information to the National Treasury by no later than 7 February 2020.

The above information must be submitted on a CD or USB to the National Treasury, for attention:

For couriered documents
Ms Linda Kruger
National Treasury
40 Church Square
Pretoria, 0002

For posted documents
Ms Linda Kruger
National Treasury
Private Bag X115
Pretoria, 0001

4.2 Setting cost reflective tariffs

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 starting point for sound tariff setting is 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 (FFC, 2011). Credible budgets are critical for local government to fulfil its mandate to sustainably provide services. **If the budget is not credible then tariffs will not result in financial sustainability even if they are set using a sound methodology.**

A credible expenditure budget reflects the costs necessary to provide a service efficiently and effectively:

- An *effective* budget is one that is adequate to deliver a service of the necessary quality on a sustainable basis.
- An *efficient* budget is one that delivers services at the lowest possible cost.

In many cases, municipal budgets have costs that are bloated in some areas (high governance and administration costs are one commonly cited example) but inadequate in other areas (inadequate allowance for maintenance is an example). This means that a budget may be both ineffective and inefficient. Before embarking on the tariff setting process, a municipality must assess its budget to determine its efficiency and effectiveness. Ideally, a budget should be zero-based, at least periodically. This would typically require an assessment of what infrastructure is in place and what is needed to operate and maintain this infrastructure.

There are several tools and methodologies to support municipalities in setting tariffs. The common observation is that these tools and methodologies are not aligned. This creates confusion on the approach to be applied. Research has further identified that many municipalities set tariffs through an incremental method and not a scientific method. As a result, many municipalities do not recover the cost of providing that service.

Against this background an exercise was undertaken to bring certainty when setting tariffs. A tool and guide has been developed by National Treasury for this purpose and caters for all categories of municipalities. It also assists those municipalities that lack credible data which is the corner stone for setting a proper tariff. The emphasis is on setting tariffs for the four trading services namely water, sanitation, electricity and solid waste. The methodology follows an approach to tariff setting consistent with existing methodologies developed by SALGA, the NERSA Cost of Supply Framework for electricity, and the DWS Norms and Standards for water services.

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>

Setting cost reflective tariffs is the start to improved budgeting and financial sustainability.

How will reducing Non-Revenue Water and Non-Revenue Electricity bring down the tariffs required?

Many municipalities have very high levels of Non-Revenue Water (NRW), and some also have high levels of Non-Revenue Electricity (NRE). NRW and NRE can be broken down into 'technical' and 'non-technical' losses*.

Technical losses are related to physical losses out of the system. In the case of water, this is

due to pipe bursts and leakages or due to overflows on storage tanks. In the case of electricity, these are due to resistive losses and other similar effects. The cost of real losses sits in the bulk portion of the bulk purchases cost or if a municipality is performing the bulk water function internally, a portion of the costs associated with bulk water treatment and supply. If a municipality reduces its real losses, it will lose less water and electricity from the system and the cost of purchasing water and electricity or treating bulk water will be reduced.

Non-technical losses refer to losses due to theft or to metering inaccuracies. In these cases, there is no physical loss of water or electricity: someone is using the water or electricity and simply not paying for it. Reducing non-technical losses will have no effect on the cost of supplying a service but it will have an effect on the volumes sold. Since the tariff is calculated as the revenue required divided by the volume sold, increasing the volume sold will reduce the tariff required.

Reducing technical losses will thus reduce the tariffs required because the cost of supplying the service will be reduced. Reducing non-technical losses will reduce the tariffs required because the volumes sold will be increased.

Note that the International Water Association (IWA) uses the term 'real losses' and not technical losses, and 'apparent losses' in place of 'non-technical losses'.

4.3 Bulk electricity tariffs

Final electricity bulk price increases for 2020/21 are uncertain at this stage. Although the National Energy Regulator of South Africa (NERSA) has approved a Multi-Year Price Determination (MYPD) for the period from 1 April 2019 to 31 March 2022, Eskom has submitted an urgent application to the courts to revise the bulk tariffs allowed under the MYPD. In their most recent MYPD decision, NERSA allowed for tariff increases of 9.41 per cent in 2019/20, 8.1 per cent in 2020/21 and 5.22 per cent in 2021/22 (for national financial years). However, Eskom disagrees with the way NERSA accounted for the R23 billion per year in fiscal support from government in determining Eskom's allowable revenue for this MYPD period. Eskom has requested that the court to allow revised tariff increases of between 16.6 and 16.72 per cent in 2020/21 and 2021/22. The application has been made on an urgent basis, and a decision could be handed down as soon as early in February 2020.

The difference between municipal and national financial years means that in 2020/21, bulk tariff increases for municipalities will be slightly lower than the figures cited above for increases applicable in the national financial year. NERSA has not yet published guidance on the exact tariffs for the 2020/21 municipal financial year. National Treasury's advice to municipalities is to prepare scenarios for electricity bulk price increases in 2020/21 of between about 7 per cent and 15 per cent (to account for the difference in financial years and the potential outcomes of the court case).

Municipalities should also note that if a court decision is made in February 2020 to allow a higher bulk electricity tariff increase, the decision is likely to be too late for National Treasury to make any changes to the equitable share allocations which will be tabled in the Division of Revenue Bill on 19 February 2020.

4.4 Levying of surcharges

Municipal Surcharges are regulated through the Municipal Fiscal Powers and Functions Act (MFPFA) and Local Government Municipal Systems Act (MSA). Section 8 of the MFPFA gives power to the Minister of Finance to prescribe compulsory national norms and standards for imposing "municipal surcharges". Municipal surcharges are defined as: "a charge in excess of the municipal base tariff that a municipality may impose on fees for a municipal service provided by or on behalf of a municipality, in terms of section 229(1)(a) of the Constitution;".

Section 75A of MSA empowers municipalities to “levy and recover fees, charges or tariffs in respect of any function or service of the municipality”. Municipalities must also adopt and implement a tariff policy on the levying of fees for municipal services in terms of section 74 of the Systems Act. The tariff policy should then guide the exercise of power given under section 75A. In section 74(2)(f) the Act provides that the tariff policy must reflect at least the following principles:

“provision may be made in appropriate circumstances for a surcharge on the tariff for a service;”.

Furthermore, Section 9 of the MFPPFA requires a municipality to comply with processes in section 75A (2), (3) and (4) of the Systems Act in levying a surcharge.

In terms of the process, the Minister of Finance determines the norms and standards that municipalities must comply with in the exercise of their powers in terms of section 75A of the Systems Act. Approval for surcharges is done by the municipality in terms of section 75A of the Systems Act but subject to the norms and standards prescribed by the Minister of Finance in terms of the MFPPFA.

The Minister of Finance has not yet prescribed the norms and standards (the power to prescribe is discretionary). The absence of norms and standards does not prevent municipalities from including surcharges in their tariffs as the power to impose a surcharge is given in the Municipal Systems Act. However, if a municipality decide to levy a surcharge, an approval is done by the municipal council in terms of section 75A of the Municipal Systems Act which gives power to municipalities to levy and recover fees, charges or tariffs in respect of any function or service of the municipality.

A surcharge is normally treated as part of the tariff. When a municipality determines a base tariff, it can include a surcharge (added as a separate variable). The municipal base tariff and a surcharge (if applicable) collectively becomes the tariff for a municipal service (such as electricity). The collective tariff must be approved by the municipal council and published for public comments in terms of section 75A of the Municipal Systems Act (MSA). It must also be subjected to the prescribed budget processes in terms of the MFMA.

In the case of electricity, NERSA only approves the base tariff. However, the final tariff that is published for public comments in terms of MSA and MFMA should include the surcharge if the municipality opted to levy it and is approved by the municipal council.

5. Funding choices and Budgeting issues

The Circular clearly outlines that, as a result of the economic landscape and weak tariff setting, municipalities are under pressure to generate revenue. 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 2020/21 MTREF budgets:

- improving the effectiveness of revenue management processes and procedures;
- paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as per the Cost Containment Regulations that was issued on 07 June 2019;
- 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 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 promulgated on 30 May 2014.

5.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 30 June 2021 is still in operation, therefore municipalities need to budget for their employee related costs in line with the multi-year wage agreement, and also ensure the agreement is correctly implemented and applied as per clauses of the agreement.

5.2 Remuneration of councilors

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. Any overpayment to councillors 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 councillor(s) concerned.

5.3 Budgeting for water under inventory

GRAP 12, paragraph .07 defines inventory as follows:

“Inventories are assets:

- (a) in the form of materials or supplies to be consumed in the production process,*
- (b) in the form of materials or supplies to be consumed or distributed in the rendering of services,*
- (c) held for sale or distribution in the ordinary course of operations, or*
- (d) in the process of production for sale or distribution.”*

In terms of this definition water should be treated as inventory and should be budgeted and accounted for accordingly. Annexure B to MFMA Circular No. 70 (Municipal Budget Circular for the 2014/15 MTREF) included guidance on the treatment of non-revenue water and electricity. To date the National Treasury has allowed municipalities to either budget for bulk purchasing of water as a direct expense in the Statement of Financial Performance as an interim measure or to account for water under inventory.

Municipalities were cautioned in MFMA Circular No. 93 for the 2019/20 MTREF that the A1 Schedule for the 2020/21 MTREF will be amended in line with the prescripts of GRAP 12. The draft amendments to the A1 Schedule to cater for water under inventory in line with GRAP 12 is attached to the budget circular as **Annexure B**. The amendments are circulated for comments and will be implemented with effect from the 2021/22 MTREF.

In terms of the mSCOA definition **“Inventory consumed water”** water stock should be treated as follows:

Water stock must be accounted for as inventory. This will include water purchased and not yet sold at reporting date insofar as it is stored (controlled) in reservoirs and pipes at year end. Water stock also includes any water purification costs incurred for non-purchased water. Pre-purified, non-purchased water should not be capitalised as part of inventory. The cost of water purchased and not yet sold at reporting comprises the purchase price, import duties, and other taxes (other than those subsequently recoverable by the municipalities from the taxing

authorities, such as VAT) and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Importantly, trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Substantial changes to the A1 schedule were required to accommodate this approach to account for water under inventory.

5.4 Budgeting for debt impairment in *m*SCOA

Municipalities are incorrectly using the line item for bad debts written-off under the Item Expenditure segment when budgeting for debt impairment. It should be highlighted that bad debts written-off is not the same as debt impairment. Debt impairment is the provision that the municipality makes for non-payment while bad debt written-off is the irrecoverable debts written off during the financial year as approved by Council per type of service. Therefore, municipalities are advised to use impairment loss under the Item Gains and Losses segment for debt impairment. This provides a breakdown for the different categories that can be impaired, for example, trade and other receivables from exchange transactions: water.

6. Conditional Grant Transfers to Municipalities

6.1 Non-compliance of in year monitoring

In terms of Section 74(1) of the Municipal Finance Management Act, 2003 (Act No. 56. of 2003) (MFMA), municipalities must submit to the transferring officers, National and Provincial treasuries documents and monthly grant reports as may be prescribed or required. Furthermore, section 12(2) of the Division of Revenue Act, 2019 (Act No. 16 of 2019) (DoRA) states that the municipality, as part of the report required in terms of section 71 of the MFMA, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant Transferring Officer.

There are municipalities that have not been complying with the reporting requirements as stipulated above. Municipalities are reminded that non-submission of monthly reports translates to non-compliance with the MFMA and DoRA. The National Treasury and Transferring Officer will be implementing stringent measures to municipalities that do not comply with the prescripts. This includes, but is not limited to, the stopping and reallocation of conditional grants funding away from municipalities that are non-compliant. Municipalities are encouraged to comply with the reporting requirements in order to avoid withholding or stopping of an allocation. Reporting for conditional grants will also be extended in future to include the information from National Transferring Officers in the *m*SCOA format.

In terms of performance reporting on conditional grants, municipalities and Transferring Officers are urged to pay particular attention to the contents of money spent against conditional grants. Government is not realizing full value for money against the substantial investments it makes through grants. While financial reporting has become a routine matter on reporting, output/outcome based reporting has become important and it requires attention by all stakeholders. Workshops must be initiated across all government institutions to ensure value for money on conditional grants.

6.2 Stopping and reallocation in terms of the Division of Revenue Act

National Treasury as part of its in-year monitoring on conditional grants has through the Minister of Finance approved requests from the transferring officers to publish a gazette on stopping and reallocations between grants early in the beginning of the year, 2019/20. The gazette addresses shifting of allocations from underperforming local municipalities to their respective district municipalities, correction of errors against allocations made during the main budget and the conversion of allocations between schedules.

Integrated National Electrification Programme

The Department of Energy (DoE) is stopping and re-allocating funds from the Masilonyana Local Municipality (LM) to Lejweleputswa District Municipality (DM) under the Integrated National Electrification Programme (INEP 5B). The Masilonyana LM and the Lejweleputswa DM have entered into a Memorandum of Understanding wherein it was agreed that the district municipality will implement the electrification project on behalf of the local municipality with the assistance of the Municipal Infrastructure Support Agent (MISA) to verify the work done.

Conversion of allocations

According to Section 21(2)(a) of the 2019 DoRA, National Treasury may, after consultation with the relevant transferring officer, receiving officer and provincial treasury, convert any portion of an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6 if it is satisfied that the conversion shall prevent under-expenditure or improve the level of service delivery in respect of the allocation in question or convert any portion of an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5.

Neighbourhood Development Partnership Grant

The Neighbourhood Development Partnership Programme within the National Treasury is converting funds under the Neighbourhood Development Partnership Grant (NDPG) due to anticipated underspending. The 2019/20 NDPG 5B allocations for West Rand DM and Emfuleni LM will be converted from Part B of Schedule 5 to Part B of Schedule 6.

The Municipal Emergency Housing Grant

An amount of R149.1 million is allocated to Eastern Cape and KwaZulu-Natal municipalities after the Department of Human Settlements (DHS) declared a disaster in municipalities in these provinces. The allocation is done through the Municipal Emergency Housing Grant (MEHG) for the emergency relief to fund the temporary shelters following various disaster incidents namely fire and severe rain that caused damages and affected home owners. Funding for the MEHG remains unallocated in the Division of Revenue Act it only gets allocated upon disaster declaration.

Correction of errors in the Division of Revenue Act

According to Section 16(2) of the 2019 DoRA, for purposes of correcting an error or omission in an allocation or framework published, the National Treasury must on its initiative and after consultation with the relevant transferring officer by notice in the Gazette amend the affected allocation or framework.

The Magareng, Emthanjeni and Prince Albert local municipalities in the Northern Cape and Western Cape province respectively had their 2019/20 MIG erroneously allocated in the Section 16 gazette. The MIG allocation for the Prince Albert LM did not take into account the final sport allocation of R3.6 million which was allocated to the Magareng (R2 million) and the Emthanjeni (R1.6 million) local municipalities.

6.3 Invoice Verification against conditional grant expenditure/ Cost reimbursement

National Treasury has over the past two years introduced a system of monitoring all invoices that are paid by municipalities against the transferred conditional grants. The process involves a team of various stakeholders to be periodically placed in municipalities and facilitate verification on all issued invoices to check whether the work done is compliant to the conditional grant framework. This initiative was necessitated by the extent of unauthorized,

irregular and unrecognized expenditure that was being recorded by municipalities through the Auditor General's report. This process will also reduce and ultimately seek to eliminate the extent of misuse of conditional grant allocations.

A selected number of municipalities are earmarked on an annual basis to be supported through this process and transfers are only made to these municipalities once the team is satisfied after verification of the invoices has taken place. These processes assist against the transfer of funds for projects that are not ready for implementation, but at the same time recognizes municipalities that are spending well and incentivizes them for the good work.

Furthermore, in instances where a local municipality is unable to deliver the current year's projects, this process allows for the funds be rechanneled through their district municipalities as part of the District Development Model launched in November 2019. The District Development Model allows for government to allocate funding to the district for implementation on behalf of the local municipality until such time that capacity is built within the local municipality to implement projects on their own.

A process map for invoice verification/or cost reimbursement is attached as **Annexure C**.

7. Preparation of Municipal Budgets for 2020/21 MTREF

7.1 Schedule A1 version to be used for the 2020/21 MTREF

National Treasury has released Version 6.4 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.4 of the *m*SCOA classification framework and must be used when compiling the 2020/21 MTREF budget. Refer to Annexure B for the changes to this version of the Schedule A1.

ALL municipalities **MUST** prepare their 2020/21 MTREF tabled and adopted budgets using the A1 schedule version 6.4.

It is imperative that all municipalities prepare their 2020/21 MTREF budgets **in their financial systems and that the Schedule A1 be produced directly from their financial system**. Vendors have demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Therefore, there is no reason why the 2020/21 MTREF budget must be done manually which has been found to create alignment problems.

Municipalities **must** start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and **must** ensure that they produce their Schedule A1 directly out of the budget module.

Ultimately the aim is to get to a point where all municipalities budget and transact directly in and report from their core financial system. This will result in one version of the **'truth'** where the financial performance reported to Council will not differ from the financial performance information submitted to and published by National and provincial treasuries. This will also reduce the reliance on consultants and system vendors to prepare municipal reports.

The National Treasury has indicated in MFMA Circular No. 93 that in future all A1 Schedules must be submitted in PDF format only. Some vendors have expressed concerns regarding the layout of some of the worksheets and the presentation thereof in PDF. Given the fact that the *m*SCOA classification framework makes it possible to generate the financial data required in the A1 schedule directly from the data strings and to promote the *m*SCOA approach for additional data needed and prescribed in the MBRR from sub-systems, the National Treasury will only accept a prescribed data string containing the supporting data, populated and

uploaded by each municipality (refer to the attachment to this MFMA Budget Circular No 98 on the website for the layout of the data string) from the **2020/21 MTREF**. The publication in the 2020/21 MTREF of non-financial data will be done using the supporting data uploaded from these data strings.

The National Treasury will no longer gather supporting data from the MBRR A1 Schedules, but will expect each municipality to submit the prescribed supporting data strings containing the required data using the LG Upload Portal.

The detail of supporting data strings is available as attachments to this circular.

Version 6.4 of Schedule A1 is available on the following link and is accompanied a comparison between mSCOA vs 6.3 and vs 6.4, highlighting changes made.

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

The Municipal Budget and Reporting Regulations, formats and associated guides are available on National Treasury's website at:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx>

7.2 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
Buffalo City	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
Johannesburg & Tshwane	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
eThekweni	Johan Botha	012-315 5171	Johan.Botha@treasury.gov.za
	Una Rautenbach	012-315 5700	Una.Rautenbach@treasury.gov.za
	Abigail Maila		Abigail.Maila@treasury.gov.za
Limpopo	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Musa Mnguni	012 315 5072	Musa.Mnguni@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
Cape Town George	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
	Willem Voigt &	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lqdataqueries@treasury.gov.za

National and provincial treasuries, will undertake a completeness check on the data string submissions and will analyse the supporting data strings. Where municipalities have not provided complete supporting information, the municipality will be informed and will be required to make the necessary corrections and resubmit the data strings.

7.3 Verification process and period of 2020/21 MTREF budgets

As the mSCOA reporting requirements state that a budget must be locked into the financial system by latest 30 June before the start of the new municipal financial year, in the previous timeframes provided, there was no opportunity to evaluate the adopted budget to be funded and complete BEFORE the start of the municipal financial year. The traditional verification period from July to September can no longer be applied as the municipalities are already transacting against the adopted and locked budget. Amending an unfunded and incomplete budget in an adjusted budget is also not the solution as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes.

The verification period of all municipal budget will therefore be brought forward to the period 31 May to 30 June. In this one-month period, the National and provincial treasuries will be required to 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.

Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution, as well as a budget locking certificate (in the case of adopted budgets) in accordance with the format specified in Regulation 31 of Schedule A of the Municipal Budget and Reporting Regulations.

The National Treasury would like to emphasise that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to go back to the municipal Council and table a complete budget document aligned to the requirements of the Municipal Budget and Reporting Regulations and the Municipal Standard Chart of Accounts Regulations. In addition, where municipalities have adopted an unfunded budget, they will be required to correct the budget to ensure they adopt and implement a funded budget.***

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.

Annually during the budget verification process, it is noted that municipalities have challenges to align the audited years, which results in amendments to the Schedule A. Municipalities

must ensure that the audited figures and adjusted budget figures captured on the Schedule A aligns to the annual financial statements and Schedule B respectively.

8. Budget process and submissions for the 2020/21 MTREF

8.1 Submitting budget documentation and schedules for 2020/21 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 2020**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Wednesday, 01 April 2020**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the Municipal Budget and Reporting Regulations, 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. E.g. if the council approves the annual budget on **29 May 2020**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Monday, 1 June 2020**.

Municipalities are no longer expected to submit hard copies of budget related documents to National Treasury from the 2020/21 MTREF.

8.2 Expected submissions for 2020/21 MTREF

- The budget documentation as set out in the Municipal Budget and Reporting Regulations (MBRR). The budget document must include the main Tables (A1 - A10) and the supporting tables in the A1 schedule must be submitted in the prescribed *m*SCOA data string in the format indicated in an attachment as part of this circular.
- the draft and final service delivery and budget implementation plan in electronic PDF format;
- the draft and final integrated development plan;
- the council resolution for the tabled and adopted budgets;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations for the tabled and adopted budgets;
- schedules D specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

Budget related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/>.

Please note that the LG Upload Portal does not have the same size restrictions previously encountered but requires all documents to:

1. be in PDF format only; and
2. 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 and uploaded separately.

Any problems experienced in this regard can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

In addition to the above-mentioned budget documentation, metropolitan municipalities must submit the draft Built Environment Performance Plan (BEPP) tabled in council by 31 March 2020 to Yasmin.coovadia@treasury.gov.za. If the BEPP documents are too large to be sent via email (exceeds 4MB) please submit to yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with Yasmin.Coovadia@treasury.gov.za. Hard copies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd floor 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001. (Yasmin to confirm if she still needs hard copies.)

8.3 Retirement of the Budget reform returns (Appendix B)

Municipalities must conclude all reporting for 2018/19 up to restated audit outcomes on the Appendix B (old electronic returns) to lqdatabase@treasury.gov.za before we can retire the returns.

Ensure that each municipality also submit the pre-audit and audited data strings in the *mSCOA* classification framework as data strings and that the figures are aligned to the Appendix B returns. Pre-audit and audited outcomes will only be submitted in the *mSCOA* data strings prescribed from 2019/20 onwards.

8.4 Publications from the *mSCOA* classification framework

The 2019 MTREF and the preliminary Quarter 1 Section 71 results for the 2019/20 financial year that has recently been published, have exposed that the credibility of the *mSCOA* data strings is a concern. At the core of the problem is:

- The incorrect use of the *mSCOA* and municipal accounting practices by municipalities;
- A large number of municipalities are not budgeting, transacting and reporting directly in/from their core financial systems. Instead they prepare their budgets and reports on excel spreadsheet and then import the excel spreadsheets into the system. Often this manipulation of data leads to unauthorised, irregular, fruitful and wasteful (UIFW) expenditure and fraud and corruption as the controls that are built into the core financial systems are not triggered and transactions are processed that should not be processed; 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 2020/21, 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.

To improve the credibility of these data string, National and provincial treasuries are analysing the accuracy of the data strings and the use of the six regulated segments. The National Treasury has developed tools to analyse the segment/chart use and trained budget analysts from both National and provincial treasuries on the use thereof.

The data strings are also verified against the Council adopted budget (A1 Schedule), adjustments budget (B Schedule) and monthly performance against the budget (C Schedule) to ensure that these figures reconcile.

Quality improving focus areas for the 2020/21 MTREF:

- Pay specific attention to the funding of the capital budget and expenditure. The total capital expenditure must balance with the total funding used. Currently the expenditure is much higher than the funding reported.
- Opening balances, especially for capital projects, will always be DEFAULT projects as it will remain a system activity governed by council decision. In the current publications, capital expenditure is highly overstated due to incorrect use of opening balances for capital projects and presents a very inflated view of the actual capital expenditure.
- The cash flow data supplied by municipalities is not credible. This is partly due to the different ways in which the vendors treat actual cash collected but also is a result of the National Treasury not giving clear guidance on the procedures and processes to follow to get credible cash flow figures. In this budget circular signals have been given as to the treatments the National Treasury wants all municipalities to follow to get credible figures from the *mSCOA* data stings. The National Treasury will implement these guidelines in March 2020 in time for the receipt of the 2020/21 MTREF budget data strings. It will affect the third and fourth quarter Section 71 publications of 2019/20 as well.
- It is imperative that vendors assist municipalities to populate SA30 / SC30 when submitting cash flow figures. The detail that is required to ring fence functions and to determine actual cash collections are in the mentioned MBRR supporting worksheets and not in A7 / C7 which is a summarised version. When transferring payments made from sub-system to the general ledger, please ensure that these transfers are done using the prescribed 6 segments at the detailed level prescribed in SA30 / SC30.
- Municipalities are not using the FUND, REGION and COSTING segment correctly. In many instances these segments are simply defaulted and hence the true power of the *mSCOA* classification framework cannot be demonstrated.
- The National Treasury is currently developing Municipal Money Phase II. The first step is to interactively show all capital projects municipalities have budgeted for and are reporting on monthly to all citizens. It has become apparent that many municipalities are not using the correct GPS coordinates when reporting on the capital projects. Many are simply using the GPS coordinates of the municipal building or using 0 coordinates. Special attention must be given to the correct location and the proper description of projects as citizens will now be able to drill down and follow what is happening in their own wards.

8.5 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.

Link to all previous circulars

[K:\CD - LGBA\Municipalities\20. Budget Regulations\04. Budget Circulars\2020 MTREF](#)

Contact



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JH Hattingh
Chief Director: Local Government Budget Analysis
06 December 2019

Annexure A – Cash Flow Reconciliation

The following movement accounts should only be used for cash inflow and outflow transactions:

Item Assets:

- *Collections*: Collections received pertaining to a respective account (example is collection on receivables from non-exchange (property rates) and non-exchange (service charges electricity) transactions).
- *Acquisitions*: Purchases of assets and other expenditure.
- *Disposal*: Sale of non-current assets (example land).
- *Earned*: Interest earned on a bank account.

Item Liabilities:

- *Receipts*: Current year receipts on transfer and subsidies.
- *Advances*: Advances taken for the year, example for borrowing.
- *Repayments*: Repayments for the year, example for borrowing.
- *Payments*: Payments made; example defined benefits.
- *Withdrawals*: Payments made, examples are for bulk purchases for electricity and bulk purchases water.

Funding segment

Most municipalities are transacting incorrectly on the funding segment and accordingly overstate the cash balances available per function (example energy sources (electricity), water management (water treatment) etc. for the payment of services.

The “Funding” segment in the financial system identifies the various sources of funding available to municipalities for financing expenditure relating to the operation of the municipality for both capital and operational expenditure.

The intent with the Funding segment is to assist municipalities in the management of available funds to use in running the municipality (working capital), capital expanding, maintenance programmes and operational projects intended for the benefit of the community. **The underlying principle in recording of transactions in this segment is therefore cash based or funds available to utilise.**

The key question in finding the appropriate classification code for this segment is: “against which source of funding is the payment allocated and against which source is revenue received?”

The primary sources of funding for a municipality are property rates, service charges, equitable share and own revenue. Further to these sources of revenue a municipality also spend funds transferred from other sectors within government, namely transfers and subsidies such as appropriated by national and provincial government in terms of the Division of Revenue Act (DORA). A further source of funds available for utilisation is “cash backed reserves” as directed by the municipality’s financial policy on the utilisation of the reserves.

The projects as defined within the Project segment together with the “funding” and “Item” segments provide information on how funds have been spent and on what. The Funding segment’s structure distinguishes between “Operational, Capital and Non-Funding Transactions”.

Operational: Operational revenue provides for funds from all other sources of income such as taxes, service charges, commercial services, transfer and subsidies, etc.

Capital: Funds to finance capital projects.

Non-funding Transactions: This is items that does not relate to a cash transaction.

Examples of non-funding transactions are:

- Billing for services on consumer accounts issued;
- Recording of invoices;
- Depreciation; and
- Debt provision.

Example 1: A municipality has issued a consumer account (billing) to a client for electricity consumption amounting to R100 in Ward X.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Function: Energy Sources: Non-core Function: Electricity	Function: Energy Sources: Non-core Function: Electricity
Item	Assets: Current Assets: Trade and other Receivables from Exchange Transactions: Trading Service and Customer Service Debtors: Electricity: Monthly Billing	Revenue: Exchange Revenue: Service Charges: Electricity: Electricity Sales :Domestic Low: Conventional Non funding transaction
Funding	Non funding transaction	
Region	Ward X	Ward X
Costing	Default	Default
Amount	100	100

The monthly billing of a consumer does not relate to any cash inflow, the funding segment therefore a non-funding transaction.

Example 2: The client pays the municipality R100 on the consumer account received.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Function: Energy Sources: Non-core Function: Electricity	Function: Energy Sources: Non-core Function: Electricity
Item	Assets: Current Assets: Cash and Cash Equivalents: Cash at Bank: Bank Account: Specify (replace with account description): Deposits	Assets: Current Assets: Trade and other Receivables from Exchange Transactions: Trading Service and Customer Service Debtors: Electricity: Collections
Funding	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity
Region	Ward X	Ward X
Costing	Default	Default
Amount	100	100

The payment received will be recorded as a cash inflow against revenue service charges electricity for the function electricity. The electricity function will now have R100 funding (cash inflow) available for the payment of expenditure.

Example 3: The municipality receives an invoice from Eskom for the usage of electricity amounting to R50.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Municipal Running Cost	Municipal Running Cost
Function	Electricity	Electricity
Item	Expenditure: Bulk Purchases: Electricity: ESKOM	Liabilities: Current Liabilities: Trade and Other Payable Exchange Transactions: Electricity Bulk Purchase: Deposits
Funding	Non funding transaction	Non funding transaction
Region	Mun	Mun
Costing	Default	Default
Amount	R50	R50

The recording of an invoice in the financial system does not relate to any cash outflow, no payment has been made, the funding segment therefore is a non-funding transaction.

Example 4: The municipality pay Eskom R50 on the invoice received.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Electricity	Electricity
Item	Liabilities: Current Liabilities: Trade and Other Payable Exchange Transactions: Electricity Bulk Purchase: Withdrawals	Assets: Current Assets: Cash and Cash Equivalents: Cash at Bank: Bank Account: Specify (replace with account description):Withdrawals
Funding	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity
Region	Mun	Mun
Costing	Default	Default
Amount	R50	R50

The payment made will be recorded as a cash outflow against revenue service charges electricity for the function electricity. The electricity function will now have a balance of R50 cash available (funding) which is the difference between the cash received of R100 from a consumer on electricity consumption (example 2) and the payment of R50 to Eskom for the usage of electricity (example 4).

The electricity function will have a net balance of R50 positive cash (funding) which reconcile to the net cash in the bank account of R50.

Annexure B – Amendments to the A1 Schedule to cater for water under inventory in line with GRAP 12

Substantial changes to the A1 schedule were required to accommodate the approach to account for water under inventory. The draft adjustment to the A1 Schedule (Excel version) is attached to this published circular with amendments highlighted in light orange. The Excel document has been populated for one financial year to demonstrate the accounting treatment of the proposed changes. These changes are not for implementation during the 2020/21 MTREF but are included in the circular for comments prior to final implementation during the 2021/22 MTREF. The main changes were to Table SA3 that required further changes to some other worksheets as indicated below.

Table SA3

Changes to this table included the addition of water and other inventory items to enable municipalities to fully budget for the acquisition, issuing, adjustment, write-off, transfer and sale of all inventories. This will provide a detail reconciliation for the disclosure of inventory on the Statement of Financial Position (Table A6). This section has been aligned to the mSCOA chart - Item Assets – Inventory and, as it relates to water inventory, also to the IWA Modified Water Balance utilised by the DWS. The layout of the section includes the following inventory items:

- Water (separate item)
- Agricultural, Consumables, Finished Goods, Materials and Supplies (consolidated into one item)
- Work-in-progress (separate item)
- Housing Stock (separate item)
- Land (separate item)

It is important to note that, as a result of these changes, bulk purchasing of water will be processed as a cash transaction in the Statement of Financial Position – Acquisition of Inventory (Table A6). Acquisitions of water stock should include the following:

- Bulk purchases - Supply from bulk or other water service providers recognised by the amount paid.
- Water purified - Potable supply from Water Treatment Works. Value is to be determined by calculating primary and secondary cost components.
- Natural sources - Supply from boreholes, springs, fountain if not supplied through the water treatment plant. Value is to be determined by calculating primary and secondary cost components.

Currently the Statement of Financial Performance (Table A4) reflected the bulk purchasing of water as a cash expense. In terms of the change to treating water as inventory the cost of sales (water inventory consumed) is disclosed as a separate non-cash expense included under “Other materials & inventory consumed” on Table A4.

The cost of water losses and any write-down of inventory are expensed as a non-cash entry under “Expenditure by type Losses” on Table A4. When there is clear evidence of an increase in net realisable value of inventory adjustments are accounted for as a non-cash entry under “Revenue by source Gains” on Table A4.

Water Inventory consumed (cost of sales) included under “Other materials & Inventory Consumed” on Table A4 should include the following:

Billed Authorised Consumption

Billed Metered Consumption

- Free Basic Water
- Subsidised Water
- Revenue Water

Billed Unmetered Consumption

- Free Basic Water
- Subsidised Water
- Revenue Water

Un-Billed Authorised Consumption

- Unbilled Metered Consumption
- Unbilled Unmetered Consumption

The above-mentioned amendments to Table SA3 also necessitated adjustments to the following other tables as indicated below:

Table SA1

In order to adequately account for inventory, including water inventory, the following detail calculations were added on Table SA1:

Addition of Other materials & Inventory Consumed

- Inventory Consumed - Water
- Inventory Consumed - Other material
- Other materials

Total Other Material & Inventory Consumed

Bulk purchases: Electricity & Waste Water (previously Electricity & Water - now water changed to "Waste Water")

The change of terminology

- Electricity Bulk Purchases (no change)
- Waste Water Bulk Purchases (previously Water Bulk Purchases now water changed to "Waste Water")

Table A4

The change of terminology:

- Bulk purchases now ***"Bulk purchases: Electricity & Waste Water"***
- Gains on disposal of PPE now ***"Gains"***
- Loss on disposal of PPE now ***"Losses"***
- Other Material changed to ***"Other materials & inventory consumed"***

Table SA 30

The changes of terminology to cash payments by type:

- Bulk purchases - Electricity now changed to ***"Bulk purchases - Electricity & Waste Water"***
- Bulk purchases - Water & Sewer" now changes to ***"Acquisition Inventory - Water & other inventory"***

Annexure C – Process map for invoice verification/cost reimbursement

ACTIVITY	INSTITUTION	INDIVIDUAL
Step 1: Municipality receives invoices from the contractors and consultants	Municipality	Technical Director and PMU Manager
Step 2: Check completeness and all documents included and update the verification list/implementation plan	Municipality	PMU Manager
Step 3: Invoices and verification list submitted to Province (PT, Transport, CoGTA province, DWS, Energy, human settlement and MISA)	Municipality	Technical Director
Step 4: Province coordinates the site verification meeting/s with all stakeholders (Prov CoGTA and Treasury, MISA and municipality)	Province	Provincial selected lead official
Step 5: Municipality arranges with consultants and contractors to be on site and prepares the necessary progress report	Municipality	Technical Director and PMU
Steps 6: Site meeting/s held	(Prov CoGTA/Treasury, MISA and municipality)	Verification Team
Step 7: Transferring National Officer/MISA prepares the verification report and shares with all the verification team members. It recommends the amount to be released to municipality or recommends a refer back	Transferring National Officer/MISA	Transferring National Officer/MISA
Step 8: Verification team (coordinated by Province) to consider the recommendations by Transferring National Officer/MISA and submit recommendations to NT/Sector department	Province	Transferring National Officer/MISA with Provincial Treasury

ACTIVITY	INSTITUTION	INDIVIDUAL
<p>Step 9: Transferring National Office reviews all documentation submitted and:</p> <ul style="list-style-type: none"> (i) either refer back to Province for corrections; or (ii) submits report to NT 	Transferring National Officer	Director: Grant Administration in national department
<p>Step 10: NT evaluates and provides go ahead to Transferring National Officer and confirms amount for the transfer</p>	National Treasury	Municipal Grant Monitoring and Analysis (MGMA) Unit within NT
<p>Step 11: Transferring National Officer prepares sundry payment advise for Finance and confirm the date with NT</p>	Transferring National Officer	Transferring National Officer
<p>Step 12: Finance confirms transfer details with National Treasury (date amount) and loads transfer</p> <p>NT loads transfers on Safety Web</p>	Finance	Finance Grant Administration Unit with NT
<p>Step 13: Transferring National Officer confirms transfer with receiving officer</p>	Finance	FINANCE
<p>Step 14: Municipality effects the payments to contractors and submit Proof of Payment (POP)'s Transferring National Officer</p>	Municipality	Technical Director / CFO
<p>Step 15: Next transfer of funds may be effected once the previous POP has been verified</p>	National Treasury and Transferring National Officer	National Treasury and Transferring National Officer



Municipal Budget Circular for the 2020/21 MTREF

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Introduction

This budget circular is a follow-up to MFMA Circular No. 98 that was issued on 06 December 2019. It aims to provide further guidance to municipalities with the preparation of their 2020/21 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 2020 Budget Review and the 2020 Division of Revenue Bill are also key focus areas in this circular.

1. The South African economy and inflation targets

Over the past year, economic growth has been weaker than forecasted and is only expected to reach 0.9 per cent in 2020. The 2020 budget highlights the difficult economic and fiscal choices confronting government over the next several years.

It is projected that revenue to be collected for the 2020/21 financial year will amount to R1.5 trillion which equates to 29.2 per cent of the Gross Domestic Product (GDP), whereas expenditure is projected to be at R1.95 trillion which is equivalent to 36 per cent of GDP. This means that there is a consolidated budget deficit of R370.5 billion or 6.8 per cent of GDP in 2020/21. The gross national debts by the end of 2020/21 is projected to be R3.56 trillion which is 65.6 per cent of GDP.

It is evident that determined action is required to reverse the deterioration of the public finances by narrowing the budget deficit, containing debt and growing the economy faster and in a sustainable manner. Municipalities therefore need to exercise caution when they prepare their 2020/21 MTREF budgets to ensure synergy with national economic and fiscal prudence.

The declining economic growth which might be impacted on further by the Corona virus pandemic and international companies closing down as a result, the deteriorating state of the finances for state-owned entities, continued high unemployment and water and electricity shortages will put pressure on the ability of municipalities to raise revenue. Municipalities are therefore advised to follow a conservative approach when projecting their revenue and to eliminate any waste and unnecessary expenditure. Importantly, municipalities should ensure that they adopt realistic and funded 2020/21 MTREF budgets, collect the debts owed to them and pay their creditors within 30 days of receipt of invoice.

The following macro-economic forecasts must be considered when preparing the 2020/21 MTREF municipal budgets.

Table 1 Macroeconomic performance and projections

	2019	2020	2021	2022
Percentage change	Estimate	Forecast		
Real GDP growth	0.3	0.9	1.3	1.6
CPI inflation	4.1	4.5	4.6	4.6

Source: 2020 Budget Review.

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 2020/21 municipal budget process

After budgeting for debt-service costs, the contingency reserve and provisional allocations, 48.2 per cent of the nationally raised funds are allocated to national government, 43 per cent to provinces and 8.8 per cent to local government. This is a reduction from the 9.1 per cent allocated to local government when compared to the 2019/20 financial year.

Local government continue to receive the least share of the division of nationally raised revenue because it has extensive powers to raise its own revenue. On aggregate; the local government sphere raises about 70 per cent of its own revenue. However, municipalities should make every effort to improve the collection rates through improved billing and collection practices. In the present current economic climate, municipalities cannot afford to provide municipal services without recovering the cost of providing these services.

Spending outcomes for 2018/19 varied across the 257 municipalities. Many municipalities adopted unrealistic spending plans. As a result, 211 municipalities underspent their operating budgets and 214 municipalities underspent their capital budgets. This was a slight improvement from the previous year.

Of the R33.6 billion in conditional grants transferred to municipalities in 2018/19, R27.2 billion (80.1 per cent) was spent, compared to 93 per cent spent in 2017/18. This decline was partly due to underspending on drought relief funds allocated in the middle of the financial year.

2.1 Local government grants and municipal revenue strength

The conditional grants to municipalities have been reduced and most conditional grants have been reduced as part of efforts to limit growth in government expenditure and ensure that public debt is sustainable. To manage the effect on services, these reductions take into account:

- Past spending and performance;
- Whether the conditional grant funds salaries, and other related costs; and
- Whether there has been significant real growth in allocations in recent years.

Where possible, the National Treasury has reduced transfers that are more likely to go unspent or to be spent less effectively. Accordingly, grants that have persistently underperformed have been reduced by larger amounts. The largest proportional reduction to local government grants in 2020/21 has been made in respect of the public transport network grant, because only six of the 13 cities receiving the grant have successfully launched public transport systems. The three cities that have shown the least progress, namely Buffalo City, Msunduzi and Mbombela have been suspended from the grant and will not receive allocations in the 2020 MTEF period.

Legislation governing local planning and budgeting emphasises community participation in decision-making. The partnership between municipalities and communities relies on households and businesses recognising the value of, and paying for, municipal services. While government subsidises municipal services for low-income households, these services are only sustainable if people who can afford them and use larger quantities thereof pay their bills. Therefore, the sustainability of municipalities depends on how they collect and spend their own revenues.

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
<http://www.treasury.gov.za/documents/national%20budget/2020/default.aspx>

2.1. Changes to local government allocations

2.1.1. Unconditional grants

Over the next three years, above-inflation growth in allocations to the local government equitable share continues, while growth in conditional grants is slower as a result of the reductions announced in the 2020 Budget. The local government Equitable Share continues to receive above inflation increases because it allows municipalities to offer free basic services to indigent residents who cannot afford to pay for services. The total direct allocations to local government grow at an annual average rate of 6.6 per cent over the MTEF period.

2.1.2. Conditional grants

The 2020 Division of Revenue Bill has technical adjustments which were effected through the shifting of funds between different municipal allocations. However, it should be noted that the technical adjustments do not change the total amount allocated to local government. These changes to the grants include the shifting of:

- R400 million in 2020/21 from the municipal infrastructure grant, the water services infrastructure grants and the urban settlements development grant to the indirect regional bulk infrastructure grant to assist in funding the rehabilitation of wastewater treatment infrastructure in the Vaal River System;
- R160 million from the direct *neighbourhood development partnership grant* to the indirect component of the grant over the MTEF period;
- R3 billion that had been indicatively allocated to the new *informal settlement upgrading partnership grant* in 2020/21. This amount is shifted back to the *urban settlements development grant* following the decision to extend the informal settlements window within this grant for another year; and
- R166 million over the 2020 MTEF period from the *municipal infrastructure grant* to the *integrated urban development grant* for the entry of one additional municipality into the grant.

In addition to funds shifted from other local government grants, R250 million has been added to the indirect *regional bulk infrastructure grant* in 2020/21 to assist with addressing pollution in the Vaal River System. These funds were reprioritised from allocations in other spheres of government.

2.2 Response to the Finance and Fiscal Commission (FFC)'s recommendations

The Finance and Fiscal Commission Act, 1997 (Act No. No 99) requires that the FFC tables their recommendations on financial and fiscal matters at least 10 months before the start of each financial year. The FFC tabled its *Submission for the Division of Revenue 2020/21* to Parliament in May 2019. This year's theme is "reprioritising local government finances". The 2020/21 recommendations cover the following areas: local government financing framework, municipal government capacity building, local government sustainability, infrastructure management and efficiency, investment and developmental challenges in the local government sector.

2.2.1 Supplementary revenue sources for local government

The FFC recommended that the Minister of Finance should take steps (including piloting) to add supplementary revenue sources to the list of allowable taxes for different types of municipalities in a differentiated manner. National government supports this recommendation that additional revenue sources to municipalities should be fully explored. In response, various reforms have been prioritised to supplement the revenue sources of municipalities.

These include: amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 12 of 2007) to ensure development charges are uniformly regulated and updating the municipal borrowing policy framework to clarify the funding instruments that municipalities are allowed to use to leverage their borrowing including clarifying the role of development finance institutions in this regard.

The Municipal Fiscal Powers and Functions Act already allows municipalities to apply to the Minister of Finance to levy additional taxes such as the tourism levies and fire levies recommended by the FFC. This Act also allows the Minister of Finance to introduce new municipal taxes on his own initiative. Applications from municipalities to implement new revenue sources provide a good mechanism for piloting new revenue sources like these as it ensures that the pilot municipalities are ready and willing to implement the new taxes. To be considered by the Minister of Finance, an application to introduce additional taxes must include the following:

- What the revenue from the proposed new municipal tax will be used for;
- Its compliance with section 229(2)(a) of the Constitution, which requires that municipal taxes do not prejudice national economic policy;
- The tax base, the desired tax rate, people liable for the tax and tax relief measures;
- The tax collecting authority; and
- Particulars of any consultations conducted, including consultations with a provincial government and organised local government and other municipalities where applicable, and the outcomes of these consultations.

2.2.2 Local government infrastructure management and efficiency

Government continues to provide responses to the FFC's recommendations on an annual basis. These annual recommendations by the FFC are required in terms of section 9 of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997). The FFC recommended that the Ministers of Cooperative Governance and Traditional Affairs (CoGTA) and Finance should jointly strengthen the linkage between technical project planning processes and budgeting and foster smooth intergovernmental infrastructure coordination as part of the ongoing local government infrastructure grant reforms.

Government acknowledges the need to consolidate municipal infrastructure grants and to strengthen the linkages between the technical project planning process and the budgeting. The review of local government infrastructure grants has identified consolidation and rationalisation in the number of grants received by each municipality as a key area for reforming the grant system. As the various grants in the system serve different purposes, the consolidation and rationalisation process requires extensive consultation before grants can be merged. As a result, there is no definitive dates set on when the consolidation of grants will take place. However, government is committed to achieving the vision of a differentiated grant system.

2.3 Building capability for infrastructure delivery

The National Treasury continues to expand the tools available for provinces and municipalities to improve spending. Weaknesses in preparing and authorising projects and programmes are one of the main causes of poor performance on infrastructure transfers. The Infrastructure Delivery Management System (IDMS) has assisted provinces to build infrastructure units with qualified staff and institutionalise best practices. In the 2020/21 MTEF, cities will receive grant funding through the *integrated city development grant* to institutionalise an effective system for preparing programmes and projects. Metros will only be eligible for this funding if they:

- Have not had an adverse or disclaimed audit opinion in the last two financial years;

- Have formally adopted the Cities' Infrastructure Delivery and Management System (CIDMS) guidelines;
- Establish a programme and project approval committee to authorise work; and
- Commit to co-financing contributions and budget management arrangements.

National government provides a broad range of capacity-support grants and programmes for local government. These grants and programmes are under review and reforms to improve its effectiveness are likely to be implemented from 2021/22.

2.4 Development Charges reforms

National Treasury continues to explore how municipalities can use a broader package of infrastructure financing sources to meet their developmental mandate. One of these sources is development charges.

A development charge is a once-off charge imposed by a municipality on a land owner as a condition of approving a land development application that will substantially result in increased demand for municipal infrastructure services. These charges are imposed to cover the costs incurred by the municipality when installing new infrastructure or upgrading an existing infrastructure that is required to service the proposed development. It is based on the concept that urban growth and expanded land use creates the need for additional infrastructure services, therefore the developer should pay the incidence costs.

Municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. National Treasury is therefore amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 97 of 1997) to incorporate the regulation of development charges. Cabinet has approved the publication of the draft Amendment Bill for public comment. The due date for submitting comments is 31 March 2020.

The draft Bill can be accessed on the National Treasury website at: http://www.treasury.gov.za/legislation/draft_bills/default.aspx.

3. Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. However, there has not been any determination by NERSA since the impasse around Eskom's application.

While the court case between NERSA and Eskom is still pending, municipalities should use the tariff increases previously (March 2019) approved by the regulator of 8.1 per cent for 2020/21, 5.2 per cent 2021/22 and 8.9 per cent for 2022/23.

4. Budgeting issues

4.1 The wage bill

The 2020 Budget Review highlighted the proposed wage bill reduction for the public service. Similar to national and provincial government, municipalities must ensure that compensation demands are balanced with the broader needs of society. In this context, municipalities should start taking decisive action to address bloated organisational structures and above inflation wage increases.

Wage bill increases are crowding out spending on capital projects for future economic growth and impacts on service delivery.

Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving own revenue collection, working more efficiently and implementing cost containment measures.

4.2 Pension fund and SARS contributions

In terms of section 13A of the Pension Funds Act, 1956 (Act No. 24 of 1956), an employer must pay contributions it collected from employees' salaries to the relevant pension fund by the 7th day after the end of the month in respect of which the contributions were payable.

According to the latest annual report by the Pension Fund Adjudicator (PFA), it is especially concerned about non-payment of contributions in the municipal sector, thereby putting members' benefits at risk for extended periods of time. Over and above, there is interest on contributions that an employer is liable to pay if pension fund contributions are not paid over timeously. The Financial Services Laws General Amendment Act, 2013 (Act No. 45 of 2013) makes the employer's failure to pay contributions to a retirement fund a **criminal offence**. The amendment to this Act now provides for personal liability of persons who are entrusted with managing the overall financial affairs of the employer.

Section 65(2)(f) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) states that the accounting officer must take all reasonable steps to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees, and their statutory commitments. Section 171(1) of the MFMA provides that the accounting officer commits financial misconduct if that accounting officer fails to comply with a duty imposed by a provision of the Act on the accounting officer of a municipality. In addition, section 173(1)(a)(i) of the MFMA than provides that an accounting officer is guilty an offence if that accounting officer deliberately or in a grossly negligent way amongst other, contravene or fails to comply with the provision of section 65(2)(f) of the MFMA. We will therefore be monitoring whether municipalities are addressing this failure by accounting officers consistent with the legal framework provided for in the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings and take the necessary action where there is failure on the part of municipalities to address this matter.

4.3 Water

Access to clean and potable water is a mandatory imperative in terms of the country's Constitution, the National Water Act, 1998 (Act No. 36 of 1998) and priorities set by the government in the National Development Plan (NDP). Water is also recognised as a fundamental human right and there is no doubt about the important role that water plays in human existence, the environment, economic development and sustainability.

Municipalities should take strategic action to ensure effective water management and resilience to drought, including the security of water supply, environmental degradation, and pollution of resources to achieve economic growth, development and socio-economic priorities in an equitable and sustainable manner.

4.4 Attracting economic investment

Maintaining clean cities underpins economic activity and wellbeing. Investors are not interested in investing in filthy cities. Therefore, municipalities should place emphasis on sensible land use planning and development and building plan control for housing,

commercial, industrial and recreational uses. Investments in waste collection and treatment infrastructure should be made in tandem with industrial and urban developments to minimise pollution to our land and waters.

4.5 Borrowing for multi-year capital projects

In terms of sections 16(3) of the MFMA, money for capital expenditure may be appropriated for a period not exceeding three financial years, provided that a separate appropriation is made for each of those financial years.

Section 19(1) of the MFMA further states that *a municipality may spend money on a capital project only if —*

- (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2)(b) the project, including the total cost, has been approved by the council;
- (b) section 33 has been complied with, to the extent that that section may be applicable to the project; and
- (c) the sources of funding have been considered, are available and have not been committed *for other purposes*.

Before approving a capital project, the municipal council must consider:

- a) the projected cost covering all financial years until the project is operational; and
- b) the future operational costs and revenue on the project, including municipal tax and tariff implications.

A municipality must adjust the revenue and expenditure estimates in an approved annual budget downwards through an adjustments budget if there is material under-collection of revenue during the current year in terms of section 28(2) of the MFMA. It may also appropriate additional revenues that have become available over and above those anticipated in the annual budget, **but only to revise or accelerate spending programmes already budgeted** for. New capital projects can therefore not be included in the adjustments budget, unless provided for in terms of section 28(2) of the MFMA.

With regard to the shifting of funds between multi-year appropriations, section 31 of the MFMA requires that *when funds for a capital programme are appropriated in terms of section 16(3) for more than one financial year, expenditure for that programme during a financial year may exceed the amount of that year's appropriation for that programme, provided that —*

- (a) *the increase does not exceed 20 per cent of that year's appropriation for the programme;*
- (b) *the increase is funded within the following year's appropriation for that programme;*
- (c) *the municipal manager certifies that -*
 - (i) *actual revenue for the financial year is expected to exceed budgeted revenue; and*
 - (ii) **sufficient funds are available for the increase without incurring further borrowing beyond the annual budget limit;**
- (d) *prior written approval is obtained from the mayor for the increase; and*
- (e) *the documents referred to in paragraphs (c) and (d) are submitted to the relevant provincial treasury and the Auditor-General.*

Considering the above sections of the MFMA, it is clear that section 16(3) allows for a multi-year capital appropriation not exceeding three financial years, while section 31 allows for:

- A maximum increase of 20 per cent in the appropriation for the year provided that it is funded within the following year's appropriation for that programme. By implication it

must be a multi-year programme and the increase should also fit within the limit of the next year's appropriation;

- Sufficient funds are available for the increase **without incurring further borrowing beyond the approved annual budget limit**. This means that additional revenues should be available in the year that the municipality intends to accelerate the expenditure or that a project saving that was funded from the borrowing that was approved for the current year should be used to prevent borrowing to exceed the annual budget limit; and
- This further implies that additional revenues should be available and prohibits the use of accumulated cash backed reserves from previous years for the acceleration of the programme.

Section 28(2)(b) prescribes that additional revenues that have become available may be used to revise or accelerate programmes already budgeted for. The same section further indicates that an adjustments budget process will be required to accelerate a capital programme. The municipal manager must provide certification that the additional revenues will be available within the financial year that the programme will be accelerated in terms of section 31 of the MFMA.

The legislation is not clear as to the timeframes for section 31 other than to state that prior written approval should be obtained from the Mayor. A prudent approach would be to include the documentation as part of the adjustments budget process and the dates set out in the Municipal Budget and Reporting Regulations.

This part of the Circular should also be read in conjunction with MFMA Circular No. 58 issued on 14 December 2011.

4.6 Refinancing of existing loans

Section 46(5) of the MFMA allows a municipality to re-financing existing long-term debt, provided that —

- (a) the existing long-term debt was lawfully incurred;
- (b) the re-financing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed;
- (c) the net present value of projected future payments (including principal and interest payments) after re-financing is less than the net present value of projected future payments before re-financing; and
- (d) the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.

If the re-financing of an existing loan does not comply with the above requirements, then the municipality should consider going to the market for a new loan that offers more affordable terms and/or negotiate a payment arrangement with the financial institution until the loan can be repaid as per the original terms.

5. Conditional Grant Transfers to Municipalities

This section provides guidance to municipalities with regard to the preparation for the 2019/20 unspent conditional grant and roll-over process and should be referenced against previous annual budget circulars.

5.1 Criteria for the rollover of conditional grant funds

Section 22 of the 2019 Division of Revenue Act (DoRA) requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer, provincial treasury and transferring national officer proves 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 22(2) of the 2019 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer must be addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2019 DoRA;
2. 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;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
 - a) Proof that the project tender was published and the period for tender submissions closed before 31 March;
 - b) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
 - c) Proof of a project tender, appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
 - d) Incorporation of the Appropriation Statement;
 - e) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2021 (attach cash flow projection for the applicable grant).
4. A progress report (also in percentages) on the status of each project's implementation that includes an attached, legible **implementation plan**);
5. The value of the committed project funding, and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;
7. Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
8. An indication of the time-period within which the funds are to be spent if the roll over is approved; and
9. 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 2020, the application will be declined.

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:

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2019 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements information to National Treasury by 31 August 2020;
3. Accurate disclosure of grant performance in the 2019/20 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Cash available in the bank (net position including short term investments) as at 30 June 2020 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 not approve portions of roll over requests.

It should be noted that under no circumstances will the National Treasury consider requests to roll-over:

1. The entire 2019/20 allocation to the municipality, in cases whereby the roll over request is more than 50 per cent of the total allocation National Treasury will approve the roll over amount up to 50 per cent of the 2019/20 allocation;
2. Roll Over request of the same grant for the third consecutive time;
3. 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
4. A portion of an allocation where the proof of commitment for the roll over application is linked to invoices that were issued before or on 31 May 2020.

5.2 Unspent conditional grant funds for 2019/20

The process to ensure the return of unspent conditional grants for the 2019/20 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

- Step 1: Municipalities must submit their June 2020 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 2020. 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;
- Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2018 DoRA that the unspent funds are committed to identifiable projects, the roll over application pack must be submitted to National Treasury by 31 August 2020.

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 23 October 2020;
- Step 5: National Treasury will communicate the unspent conditional grants amount by 06 November 2020. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 20 November 2020; and

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 20 November 2020, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 04 December 2020 equitable share allocation.

All other issues pertaining to Appropriation Statement and reporting on approved roll overs are addressed in the Annexure to MFMA Circular No. 86.

6. The Municipal Budget and Reporting Regulations

National Treasury, together with the provincial treasuries, are rolling out training on budgeting and transacting in the *m*SCOA environment to all provinces to improve the credibility of the 2020/21 MTREF budgets.

6.1 Assistance with the compilation of budgets

In cases where the municipality requires 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 officials	NT	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe		012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
Free State	Cethekile Moshane		012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi Kevin Bell		012-315 5866 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi Johan Botha		012-315 5936 012-315 5171	Kgomotso.Baloyi@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Willem Voigt Sifiso Mabaso		012-315 5830 012-315 5952	Willem.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani		012-315 5807	Mandla.Gilimani@treasury.gov.za
Northern Cape	Mandla Gilimani		012-315 5807	Mandla.Gilimani@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja		012-315 5830 012-315 5156	Willem.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Vuyo Mbunge		012-315 5661	Vuyo.Mbunge@treasury.gov.za
Technical issues Local Government Database	Elsabe Rossouw		012-315 5534	lgdataqueries@treasury.gov.za

National Treasury, together with the provincial treasuries, will undertake a compliance check and, where municipalities have not provided complete budget information, the municipal budgets will be returned to the mayors and municipal managers of the affected municipalities for the necessary corrections. Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution in accordance with the format specified in regulation 31 of Schedule A of the Municipal Budget and Reporting Regulations. In addition to the above compliance check, the *m*SCOA data strings will be assessed to determine whether the municipalities are compliant.

The National Treasury herewith emphasises that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to return to the municipal council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations.***

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 Schedule A that the municipality submits to National Treasury must be a consolidated budget for the municipality (plus entities) and the budget of the parent municipality. Schedules D must be submitted for each entity.

7. Municipal Chart of Accounts (*mSCOA*)

7.1 Release of Version 6.4.1 of the Chart

Version 6.4.1 was released to include the amendments in conditional grants as per the 2020 DoRA. Version 6.4.1 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF. It is available on the link below:

[Link to *mSCOA*](#)

7.2 Use of funding segment to populate the cash flow tables

It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. The general rule that applies is that the “funding” and “Item” segments must be combined to provide cash flow information on how funds have been spent and on what.

This means that the budget is available at a cash flow level (A1 Schedule Budget Table SA30 and A7) and not when billing is done or when invoices are processed (A1 Schedule Budget Table A4: Statement of Financial Performance). Municipalities must apply the budgeted assumed collection rate to determine the cash flow budgets. Therefore, expenditure can only be processed against items with funding in line with the anticipated cash inflow and not billing. Municipalities should therefore identify the relevant source in the funding segment where revenue is received from and identify the funds to be used when payments are made. Guidance on this was provided in MFMA Circular No. 98.

However, there are still challenges to populate the detail of cash payments by type in the A1 Schedule Budget Table SA30 from Item Liabilities: Current Liabilities: Trade and other payables from exchange transactions as payables and accruals are not broken down by type (e.g. other materials, contracted services etc.). This omission of detail in the *mSCOA* chart will be addressed through chart amendments in version 6.5 of the chart.

As an interim measure the cash flow will be populated as follows:

For Cash Receipts:

The **cash receipts by source** will be populated using Item Assets: Current Assets: Cash and cash equivalents: Cash at bank: Bank account: Deposits in conjunction with the Funding Segment.

For Cash Payments:

The **cash payments** by type will be populated using Item Liabilities: Current Liabilities: Trade and other payables Exchange and Non- Exchange Transactions: Withdrawals in conjunction with the Funding Segment.

The cash payments that are not classified by type, will be grouped together as other payments on table SA30. This will enable population of suppliers and employees on the cash flow (Table A7).

National Treasury will share the linking of A1 Schedule Budget Tables SA30 and A7 to the mSCOA chart items to ensure that the cash flow information is populated correctly with municipalities and system vendors.

7.3 Capital Projects using Internally Generated Funding

Capital Projects in acquiring Assets using Internally Generated Funding must use: Funding: Capital: Transfer from Operational Revenue. This will ensure that table A5 will be populated correctly.

8. Budget process and submissions for the 2020/21 MTREF

8.1 Submitting budget documentation and schedules for 2020/21 MTREF

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 PDF and electronic formats. However, in cases where Council requires amendments to the tabled budget prior to consultation, municipalities should inform the National Treasury and the relevant provincial treasury **immediately** and submit the required budget documents and corresponding mSCOA data strings **within three working days** after the Council meeting.

The approved annual budget must still be submitted to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget.

8.2 Document uploads to the Local Government Upload Portal

Due to the number of queries received on the document upload process using the Local Government Upload Portal, a full guideline will be issued in due course to explain the process and to outline which documents will be required to upload.

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
09 March 2020



**Western Cape
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TREASURY CIRCULAR MUN. NO. 4/2020

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THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR H CLEOPHAS
THE MAYOR, MATZIKAMA MUNICIPALITY: MS M BAINS
THE MAYOR, CEDERBERG MUNICIPALITY: MS S QUANTA
THE MAYOR, BERGRIVIER MUNICIPALITY: MR R VAN ROOY
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR M KOEN
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: DR H VON SCHLICHT
THE MAYOR, WITZENBERG MUNICIPALITY: MR BC KLAASEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MR C J POOLE
THE MAYOR, STELLENBOSCH MUNICIPALITY: ADV. G VAN DEVENTER
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN
THE MAYOR, LANGEBERG MUNICIPALITY: MR HM JANSEN
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THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MS CJM VOSLOO
THE MAYOR, OVERSTRAND MUNICIPALITY: MR D COETZEE
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR PJ SWART
THE MAYOR, SWELLEN DAM MUNICIPALITY: MR NG MYBURGH
THE MAYOR, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M BOOYSEN
THE MAYOR, KANNALAND MUNICIPALITY: MS M BARRY
THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDLES
THE MAYOR, MOSSEL BAY MUNICIPALITY: MR HJ LEVENDAL
THE MAYOR, GEORGE MUNICIPALITY: MR MG NAIK
THE MAYOR, OUDTSHOORN MUNICIPALITY: MR C SYLVESTER
THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE
THE MAYOR, KNYSNA MUNICIPALITY: MR A TSENGWA
THE MAYOR, CENTRAL KAROO DISTRICT MUNICIPALITY: DR A RABIE
THE MAYOR, LAINGSBURG MUNICIPALITY: MR M GOUWS
THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR N CONSTABLE
THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR L MBANDAZAYO
THE MUNICIPAL MANAGER, WEST COAST DISTRICT MUNICIPALITY: MR D JOUBERT
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR L PHILLIPS (ACTING)
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR H SLIMMERT (ACTING)
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: ADV. H LINDE
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR H METTLER
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT MUNICIPALITY: MR H PRINS
THE MUNICIPAL MANAGER, WITZENBERG MUNICIPALITY: MR D NASSON
THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: DR J LEIBBRANDT
THE MUNICIPAL MANAGER, STELLENBOSCH MUNICIPALITY: MS G METTLER
THE MUNICIPAL MANAGER, BREEDE VALLEY MUNICIPALITY: MR D McTHOMAS
THE MUNICIPAL MANAGER, LANGEBERG MUNICIPALITY: MR SA MOKWENI
THE MUNICIPAL MANAGER, OVERBERG DISTRICT MUNICIPALITY: MR D BERETTI
THE MUNICIPAL MANAGER, THEEWATERSKLOOF MUNICIPALITY: MR G MATTHYSE
THE MUNICIPAL MANAGER, OVERSTRAND MUNICIPALITY: MR C GROENEWALD
THE MUNICIPAL MANAGER, CAPE AGULHAS MUNICIPALITY: MR D O'NEILL
THE MUNICIPAL MANAGER, SWELLEN DAM MUNICIPALITY: MR A GROENEWALD
THE MUNICIPAL MANAGER, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M STRATU
THE MUNICIPAL MANAGER, KANNALAND MUNICIPALITY: MR R STEVENS
THE MUNICIPAL MANAGER, HESSEQUA MUNICIPALITY: MR J JACOBS
THE MUNICIPAL MANAGER, MOSSEL BAY MUNICIPALITY: ADV. MG GILIOME
THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR T BOTHA
THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR A PAULSE
THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: ADV. L NGOQO
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: DR S VATALA
THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR S JOOSTE
THE MUNICIPAL MANAGER, LAINGSBURG MUNICIPALITY: MR J KOMANISI (ACTING)

THE MUNICIPAL MANAGER, PRINCE ALBERT MUNICIPALITY: MS A VORSTER
 THE MUNICIPAL MANAGER, BEAUFORT WEST MUNICIPALITY: MR K HAARHOFF
 THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR K JACOBY
 THE CHIEF FINANCIAL OFFICER, WEST COAST DISTRICT MUNICIPALITY: DR JCP TESSELAAR
 THE CHIEF FINANCIAL OFFICER, MATZIKAMA MUNICIPALITY: MR J BOOYSEN
 THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR E ALFRED
 THE CHIEF FINANCIAL OFFICER, BERGRIVIER MUNICIPALITY: MR F LÖTTER
 THE CHIEF FINANCIAL OFFICER, SALDANHA BAY MUNICIPALITY: MR S VORSTER
 THE CHIEF FINANCIAL OFFICER, SWARTLAND MUNICIPALITY: MR M BOLTON
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 THE CHIEF FINANCIAL OFFICER, STELLENBOSCH MUNICIPALITY: MR K CAROLUS
 THE CHIEF FINANCIAL OFFICER, BREEDE VALLEY MUNICIPALITY: MR R ONTONG
 THE CHIEF FINANCIAL OFFICER, LANGEBERG MUNICIPALITY: MR B BROWN
 THE CHIEF FINANCIAL OFFICER, OVERBERG DISTRICT MUNICIPALITY: MR C HOFFMAN
 THE CHIEF FINANCIAL OFFICER, THEEWATERSKLOOF MUNICIPALITY: MR D LOUW
 THE CHIEF FINANCIAL OFFICER, OVERSTRAND MUNICIPALITY: MS S REYNEKE-NAUDÉ
 THE CHIEF FINANCIAL OFFICER, CAPE AGULHAS MUNICIPALITY: MR H VAN BILJON
 THE CHIEF FINANCIAL OFFICER, SWELLENDAM MUNICIPALITY: MR H SCHLEBUSCH
 THE CHIEF FINANCIAL OFFICER, GARDEN ROUTE DISTRICT MUNICIPALITY: MR JW DE JAGER
 THE CHIEF FINANCIAL OFFICER, KANNALAND MUNICIPALITY: MR R BUTLER
 THE CHIEF FINANCIAL OFFICER, HESSEQUA MUNICIPALITY: MS HJ VILJOEN
 THE CHIEF FINANCIAL OFFICER, MOSSEL BAY MUNICIPALITY: MR DM ASMAL
 THE CHIEF FINANCIAL OFFICER, GEORGE MUNICIPALITY: MS Z VAN ROOYEN (ACTING)
 THE CHIEF FINANCIAL OFFICER, OUDTSHOORN MUNICIPALITY: (VACANT)
 THE CHIEF FINANCIAL OFFICER, BITOU MUNICIPALITY: MR V MKHEFA
 THE CHIEF FINANCIAL OFFICER, KNYSNA MUNICIPALITY: MR M MEIMANI
 THE CHIEF FINANCIAL OFFICER, CENTRAL KAROO DISTRICT MUNICIPALITY: MS U BAARTMAN
 THE CHIEF FINANCIAL OFFICER, LAINGSBURG MUNICIPALITY: MS A GROENEWALD
 THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR J NEETHLING
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 THE HEAD OFFICIAL: PROVINCIAL TREASURY (MR D SAVAGE)
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 THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MR A PHILLIPS)
 THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS A PICK) (ACTING)
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (VACANT)
 THE CHIEF DIRECTOR: ASSET MANAGEMENT (MS N EBRAHIM) (ACTING)
 THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)
 THE CHIEF FINANCIAL OFFICER (MS A SMIT)
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (MS C GREEN)
 THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR P PIENAAR)
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 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR C MAPEYI)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR M SIGABI)
 THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN)
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 THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS R SLINGER)
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 THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS T RAKIEP) (ACTING)
 THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS N ISMAIL)
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 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS – NATIONAL TREASURY (MR J HATTINGH)
 THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY (MR TV PILLAY)

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MUNICIPAL BUDGET CIRCULAR FOR THE 2020/21 MTREF AND ASSOCIATED STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS: 2020

1. PURPOSE

The purpose of this circular is to:

- provide guidance to municipalities with the finalisation of the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF) Budgets and accompanied budget documentation, and
- brief municipalities on the 2020 Strategic Integrated Local Government Medium Term Expenditure Committee Process (i.e. LG MTEC) and related matters.

2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government 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; and
- 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 2020 SIME process gives effect to the “Integrated Work Plan” agreed to in 2017. It builds on the 2019 integrated municipal and provincial processes in order to strengthen alignment between municipal and provincial planning and budgeting and driving the theme of “**Integrated Service Delivery**”. The 2020 process continues to drive this theme for the current 4th Generation Integrated Development Planning Cycle.

The SIME process has been amended from previous years in response to the challenges resulting from the Coronavirus disease (COVID-19) pandemic.

3. BACKGROUND

3.1 2020 National Budget

The 2020 National Budget, which was tabled by the Minister for Finance, Tito Mboweni on 26 February 2020, was formulated in an environment of slow economic growth and constrained fiscal environment. Low growth has led to a R63.3 billion downward revisions to estimates of tax revenue in 2019/20 relative to the 2019 Budget. To support growth, no major tax increases have been proposed. Debt is not projected to stabilize over the medium term, and debt-service costs now absorb 15.2 per cent of main budget revenue. Over the next three years, the 2020 Budget proposes total reductions of R261 billion, which includes a R160.2 billion reduction to the wage bill of national and provincial departments, and national public entities. Reallocations and additions total R111.1 billion over the medium term, of which R60 billion is set aside for Eskom (to address the electricity crises via debt payment, the renewable energy programme and allowing municipalities to purchase electricity from independent power producers) and South African Airways. These measures narrow the consolidated deficit from 6.8 per cent of GDP in 2020/21 to 5.7 per cent in 2022/23, with debt rising to 71.6 per cent of GDP over the same period.

Along with faster economic growth, fiscal sustainability will require targeted reduction of specific programmes, and firm decisions to rein in extra-budgetary pressures, including reform of state-owned companies and the Road Accident Fund (RAF).

Key programmes to be implemented over the medium term include: modernizing network industries; restructuring state-owned enterprises; opening markets to trade with the rest of the continent; focusing on job creating sectors such as agriculture and tourism; lowering the cost of doing business, supporting Jobs Fund projects; creating a fairer process for third party access into the rail network; the Innovation Fund; Industrial Business Incentives, refurbishment of industrial parks in townships and rural economies; small business incentive programmes; and implementing a State Bank.

The 2020 National Budget documentation are available at:

<http://www.treasury.gov.za/documents/National%20Budget/2020/>

3.2 2020 Western Cape Provincial Budget

The 2020 Provincial Budget, which was tabled by the Minister of Finance and Economic Opportunities, Mr David Maynier on 10 March 2020, was formulated in an environment of sluggish economic growth and fragile fiscal environment. The Western Cape is also confronted by perennial supply side constraints in the water and energy sectors, rising crime levels, increased service load pressures associated with population growth.

The 2020 MTEF offers the Western Cape Government (WCG) response to the volatile and uncertain economic and fiscal environment, while giving effect to the Province's vision of a "safe Western Cape where everyone prospers". The MTEF aims to ensure that the credibility and sustainability of public finances is maintained while keeping the citizen at the centre of delivery through responsive fiscal and budget policy.

The Provincial Budget amounts to R71.619 billion in 2020/21, R74.887 billion in 2021/22 and R78.308 billion in 2022/23. The Provincial Budget delivers on the Western Cape's Vision Inspired Priorities (VIPs) embedded in the 2020-2024 Provincial Strategic Plan by allocating an estimated R224 billion over the medium term as follows:

- R4 billion towards VIP1: To create **safe and cohesive communities** by enhancing capacity and effectiveness of policing and law enforcement; strengthening youth-at-risk referral pathways and child-and-family centred initiatives to reduce violence; and increasing social cohesion and safety of public spaces.
- R32.4 billion towards VIP 2: Economic **growth and jobs** by increasing investment; engaging in infrastructure investment and development and building and maintaining infrastructure; growing the economy through export growth and resource resilience; and creating opportunities for job creation through skills development.
- R173.8 billion towards VIP 3: **Empowering people** through long-term and holistic planning that target socio-economic challenges facing children and families, education and learning, youth and skills, health and wellness and older persons and persons with disabilities.
- R24.6 billion towards VIP 4: Enabling **Mobility and Spatial Transformation** through better linkages between places through public transport and mobility systems that work together; creating spatially and economically viable growth points; creating more opportunities for people to live in better locations; and improving the places where people live.

- R7.5 billion towards VIP 5: **Innovation and Culture**: where the WCG will engage in citizen-centric culture and innovation; innovation for impact; integrated service delivery and good governance transformation.

The 2020 Provincial Budget documentation are available at:

<https://www.westerncape.gov.za/provincial-treasury/news/western-cape-budget-202021>

3.3 2020/21 Strategic Integrated Municipal Engagements

The Integrated Implementation Plan (IIP) for Provincial and Municipal planning, budgeting and implementation is an annual plan which outlines the approach, processes and actions required as well as the stakeholders who will be involved in executing the Integrated Work Plan (IWP) for the respective year. Taking an Integrated Management approach therefore involves the practice of co-planning, co-budgeting and co-implementation through both vertical and horizontal integration. The IIP takes into account the policy, economic and fiscal context and identifies the objectives and approach for 2020/21 to give effect to Integrated and Citizen-centric Service Delivery. The IIP is the official departure point for the 2020/21 integrated planning and budgeting process and is further complimented by the Joint District Approach. The 2020/21 integrated planning and budgeting process focuses on strengthening the progress made to align planning and budgeting in the Province and will place particular emphasis on enhancing the provincial and local government interface.

The Integrated Management approach seeks to ensure that, inter alia, the budgets, programmes and projects of municipalities and provincial and national departments are derived from robust and integrated planning processes, at the heart of which is the development of an Integrated Development Plan (IDP) and its core components, such as a Spatial Development Framework (SDF). SDFs must direct the spatial location of growth and development within the municipal areas.

The *SIME* which takes place in April and May precedes the approval and implementation of municipal budgets. The engagement provides provincial government the opportunity to assess the Municipality's compliance and performance through the planning review of Municipal IDP and budgeting efforts for the upcoming financial year.

The engagement will include an assessment compliance and performance information obtained from the Western Cape Monitoring and Evaluation System (MES) as well as conformance, responsiveness, credibility and sustainability of the municipality's draft budget, IDP, SDF and supporting plans to ensure they are aligned and give effect to the national and provincial priorities while highlighting possible risks and informing provincial support plans to municipalities.

The *SIME* process will primarily focus on strategic issues emanating from the municipalities integrated development plans, strategic development planning frameworks and draft annual budgets. The aim will be to strengthen the synergies between the three main sets of documents in order to gear the municipalities for sustainable growth and development and social upliftment.

A key focus of the 2020/21 *SIME* process will be on local governments responsiveness to its socio-economic environment and the related impact for its citizens. This will also reveal potential opportunities and gaps for spending and collaboration or partnerships with Province or other stakeholders.

The overall objectives of the 2020/21 SIME process and the key messages therefore emphasises:

- Aligning strategic intent as encapsulated within the 2019 - 2024 Provincial Strategic Plan and 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, also across different spheres of government;
- Identification of areas that require amendment to the IDP; support and training; as well as opportunities for collaboration and partnerships.

The discussions at the engagements are strategic in nature. The representation at the SIME engagements between the Province and municipalities will be as follows:

- The Provincial Government - senior officials from the Provincial Treasury, Department of Local Government, Department of Environmental Affairs and Development Planning and relevant provincial departments.
- Municipalities - Municipal Manager, section 56 Managers, Budget and Treasury officials, IDP Manager/officials and Planning officials.
- **Due to the developments with the COVID-19 pandemic and the measures announced by the President to minimize the risk of the spread of the disease, SIME engagements will no longer take place on site at municipal offices. The Provincial Treasury will instead arrange for engagements to take place via video-conferencing.** A list of available video-conference facilities across the Province will be made available for use by any municipality that does not have access to such facilities.
- The SIME engagements are provisionally scheduled to take place from 24 April 2020 to 8 May 2020 and is 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.

4. NATIONAL TREASURY AND PROVINCIAL TREASURY GUIDELINES

4.1 Context

- Municipalities are advised to consult the latest Budget Circular, MFMA Circular 99 released on 9 March 2020, which is a follow up circular on MFMA Circular 98 issued on 6 December 2019.
- Municipalities MUST include the National and Provincial Treasury Budget Circulars as part of the source documents consulted in the preparation of the 2020/21 MTREF Budget documents and table it as part of the budget documentation in the Municipal Council.

4.2 Changes to the Local Government Fiscal Framework

Improve municipal revenue thru pilot initiatives

The 2020 Budget includes funding to support pilot initiatives to improve municipal revenue collection. The National Treasury will work with selected municipalities that have large outstanding debts to bulk

suppliers, including Eskom, as a result of customer non-payment. Smart meters will be retrofitted in these municipalities to test whether revenue collections increase sufficiently to pay for the meters and recover associated costs. If so, further rollout of smart meters may be funded by borrowing against future revenue increases. The Department of Cooperative Governance has also been funded to run a payment culture campaign.

Review of municipal funding model

In 2020, the Minister of Finance will host a special lekgotla of the Budget Forum – the intergovernmental structure established to facilitate formal consultation on local government finances – to review the municipal funding model broadly. The National Treasury is working with the Department of Cooperative Governance, the South African Local Government Association, the Financial and Fiscal Commission and provinces to prepare for this lekgotla.

Division of Revenue Outlook

Municipalities will be experiencing pressure as they are expected to expand the provision of free basic services and improve revenue collection. This comes on the back of large reductions in transfers to municipalities (conditional grants) in the 2020 MTEF; a reduction in the amount of cities with access to the Public Transport Network Grant; and the Municipal Cost Containment Regulations, 2019 which calls for municipalities to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures. Re-prioritization of projects may therefore be required over the MTEF.

Local Government conditional grants and additional allocations

The proposed division of revenue will prioritize the funding of services for the poor. Allocations will be geared towards the provision of basic services, new infrastructure and maintenance of existing infrastructure.

The 2020 Division of Revenue Bill (DoRB) indicates that equitable share transfers to Western Cape local municipalities for the 2020 MTREF amount to R5.689 billion and will grow at an annual average rate of 6.6 per cent over the MFEF period. Municipalities will receive unconditional funding in the form of equitable share and the general fuel levy. Conditional grant funding must be utilised for the intended purpose within the timeframes, as specified in the annual DoRB. Unspent funds should be returned to the fiscus. Requests for roll-overs will only be considered where unforeseen and unavoidable circumstances led to underspending of conditional grants. Refer to the criteria for the rollover of conditional grants as published in MFMA Circular No. 75. Unspent cash-backed grants should be classified as “Cash and cash equivalents” and any over expenditure must be funded from the municipalities own revenue.

The 2020 DoRB has been published by the Minister of Finance. The grant allocations are specified in this Act and municipalities must reconcile their budgets to the numbers published therein. Municipalities are advised to use these numbers to compile their 2020/21 MTREF. The DoRB is available at:

[http://www.treasury.gov.za/legislation/bills/2020/\[B03-2019\]%20Division%20of%20Revenue.pdf](http://www.treasury.gov.za/legislation/bills/2020/[B03-2019]%20Division%20of%20Revenue.pdf)

Changes to the structure of local government allocations

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 MTEF period.

Due to underinvestment in infrastructure amongst large urban municipalities, government will introduce dedicated grant funding for these municipalities. Eligible municipalities will receive co-financing on a declining basis over three years. Financing will be conditional on establishing a municipal project preparation fund and an infrastructure delivery management system, and achieving targets for programmes and projects under preparation. Funding for this new facility will be reprioritised from existing allocations to municipalities.

Government will continue to assist municipalities with raising their revenue. The Municipal Fiscal Powers and Functions Amendment Bill, which has been published for public comment (due 31 March 2020), will standardise the regulation of development charges. Currently, these charges are frequently below cost. The change could increase municipal revenues for capital spending by an estimated R20 billion a year. The draft Bill can be accessed on the National Treasury website at: http://www.treasury.gov.za/legislation/draft_bills/default.aspx.

4.3. Municipal Tariffs and Charges Increases

- Municipalities are urged to maintain tariff and charges increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring sustainability of the Municipality.
- Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; thus municipalities are required to justify all increases in excess of the projected inflation target of **4.5 per cent** for 2020/21, **4.6 per cent** for 2021/22 and 2021/22 in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups.
- Municipalities should include details of their revenue growth assumptions for the different service charges in their budget narrative. Valuation roll data should be reconciled with that of the billing system to ensure that anticipated revenue is realistic and accurate.

4.4. Setting cost reflective tariffs

- Section 74(2) of the MSA states that tariffs must reflect the costs reasonably associated with rendering the service. Municipalities thus need to set credible budgets which reflects the costs necessary to provide a service efficiently and effectively. As such the National Treasury has developed a tool to set proper tariffs for water, sanitation, electricity and solid waste. Municipalities are encouraged to use the tool in order to improve budgeting and financial sustainability.
- 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>
- The Municipalities should attempt to reduce its technical and non-technical losses as these will reduce the cost of supplying services and increase the volumes sold. In turn this will reduce the tariffs required.

4.5 Electricity Supply and Tariffs

- On 9 March 2020, the National Energy Regulator of South Africa (NERSA) considered Eskom's application for Retail Tariffs and Structure Adjustment (ERTSA). The bulk input tariff applicable to municipalities from 1 July 2020 is 6.9 per cent.
- The National Energy Regulator of South Africa (NERSA) has not yet published their Municipal Benchmark 2020/21.
- Taking the above into consideration municipalities are advised to prepare scenarios for an electricity bulk price increase in 2020/21 of between 7.0 and 15.0 per cent (as per the guidance provided in MFMA Circular 98). **Municipalities should also include a disclaimer in the Budget documentation and Tariff List** which states that the electricity tariffs are still subject to change due to the non-availability of the NERSA Tariff Guidelines for municipalities.
- Municipalities are cautioned that the proposed bulk input tariff was finalised before the High court ruling on Tuesday, 10 March 2020.
- NERSA's upcoming "Municipal Tariff Guidelines Increases, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2020/21 financial year" publication should be consulted before the tabling of the final budgets.

4.6 Borrowing and refinancing for capital projects

- A municipality may appropriate funding for capital expenditure for a period not exceeding three financial years, provided that a separate appropriation is made for each of those financial years. Municipalities should spend on their capital budgets in accordance with Section 19(1) of the MFMA.
- Before approving capital budgets, the municipal council must consider the projected cost until the project is operational and the future operational costs and revenue of the project.
- Expenditure may be revised downward if there is material under-collection of revenue for the current year in terms of section 28(2) of the MFMA and may similarly appropriate additional revenues for the project if revenues are higher than anticipated, via an adjustments budget process. These appropriations can only be used to revise or accelerate spending programmes already budgeted for and cannot be used for new capital projects, unless provided for in terms of section 28(2) of the MFMA.
- Funds can be shifted between multi-year appropriations as long as it is done in accordance with section 31 of the MFMA.
- A municipality is allowed to re-finance existing long-term debt in accordance with the provisions set out in Section 46(5) of the MFMA. If the re-financing of an existing loan does not comply with these provisions, then the municipality should consider going to the market for a new loan that offers more affordable terms and/or negotiate a payment arrangement with the financial institution until the loan can be repaid as per the original terms.

4.7 Addressing unfunded budgets in local government

A revised strategy to address municipal financial performance failures has been endorsed by the Budget Council and Budget Forum. This strategy is largely aimed at ensuring that municipalities adopt funded budgets. This is in order to avoid financial distress in the long run, which could affect the municipalities ability to fund its strategic goals. It is also essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities who are finding it difficult to table funded and sustainable budgets should contact National or the Western Cape Provincial Treasury for assistance to reprioritise their budgets. The SIME process will advise municipalities on whether their budgets are funded or not. Should the municipality proceed to table an unfunded budget then a strategy should be tabled along with the budget to indicate how the municipality will proceed to make their budget funded over the course of the financial year.

4.8 Municipal Standard Chart of Accounts (mSCOA)

Release of Version 6.4.1 of the Chart

On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.4.1 was released with MFMA Circular No. 98. Version 6.4.1 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF. The chart is available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

Should a municipality not be mSCOA compliant, the Municipality must provide a road map to National and Provincial Treasury indicating how they will become mSCOA compliant. Progress against the road map must be presented at the Benchmark engagements.

4.9 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 2020) before the start of the budget year.

It is important to note there is no explicit requirement for council to endorse or approve the tabled budget or reviewed/amended IDP tabled by the mayor for public participation. The municipal council only has the legal authority to consider a tabled budget and reviewed/amended 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 placed 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 by 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 annual review and/or revision of the Municipality's IDP has not been completed.

If a municipality has failed to complete the relevant processes applicable to review and revision of the annual budget and IDP in time for the deadline applicable to the tabling of the proposed annual budget (i.e. 31 March), the mayor should submit an application for an extension of the said deadline.

Municipalities are kindly requested to indicate any changes to the confirmed tabling dates as per **Appendix A** with the Provincial Treasury as it is crucial for the budget documentation and the assessment schedule leading up to the SIME engagements. Municipalities are requested to indicate any changes to the confirmed tabling dates to Tania.Bosser@westerncape.gov.za by **23 March 2020**.

In light of the recent developments with the COVID-19 pandemic and the National Address by the President of South Africa on 15 March 2020, the Department of Local Government is aware of the difficulties presented to undertake the IDP and budget public participation process. Consequently, there was a Special MinMay held on 18 March 2020 where public participation engagements formed part of the agenda. The Department of Local Government's Circular C4 of 2020 provides guidance on how public participation should be conducted under the prevailing circumstances.

4.10 Submitting budget documentation and schedules for 2020/21 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 the National Treasury and the relevant provincial treasury.
- If the annual budget is tabled in council on 31 March 2020, the final date of submission of the electronic budget documents and corresponding **mSCOA data strings** is Wednesday, 1 April 2020.
- However, in cases where Council requires amendments to the tabled budget prior to consultation, municipalities should inform the National Treasury and the relevant provincial treasury immediately and submit the required budget documents and corresponding mSCOA data strings within **three working days** after the Council meeting.
- Metropolitan municipalities should also submit the Built Environment Performance Plan (BEPP) to Yasmin.coovadia@treasury.gov.za or if it exceeds 4 MB to Yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with Yasmin.Coovadia@treasury.gov.za. Hardcopies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd Floor, 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001. The BEPP should also be submitted to Provincial Treasury together with the budget documentation.
- The accompanying checklist (see Appendix B) provides an inclusive list of the documentation as required from Provincial Government. Electronic budget related documents need to be provided in PDF format. In addition, the A schedules should be provided in both Microsoft Excel and PDF formats.
- 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.

4.11 Electronic copy submissions

National Treasury budget related documents and schedule should be uploaded by approved registered users using the LG Upload Portal at: <https://lguploadportal.treasury.gov.za/>. Documents should be in PDF format. Each document type should be identified and uploaded separately. National Treasury will issue a full guideline in due course to explain the process and to outline which documents municipalities will be required to upload.

Provincial Treasury electronic documents should be submitted to: MFMA.MFMA@westerncape.gov.za or if too large (exceeds 3 MB) must be submitted via the lift server function (<http://lift.pgwc.gov.za/>) or One Drive. Instructions for uploading the budget related documents are provided in Appendix C.

Hard copies of the budget related documentation should be submitted to the Provincial Treasury via 24-hour courier to the following address:

For attention: Mr Paul Pienaar

Room 3.50
3rd Floor
7 Wale Street
Cape Town
8001

4.12 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.

5. CONCLUSION

Municipalities are encouraged to take into account and apply the contents on this budget circular in the 2020/21 planning and budgeting process.

Please direct any queries regarding this circular to: Malcolm Booyesen at Malcolm.Booyesen@westerncape.gov.za.



J GANTANA

ACTING DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES

DATE: 19 March 2020



CONFIRMED 2020 BUDGET TABLING DATES

Municipality	Confirmed date
City of Cape Town	Thursday, 26 March 2020
Matzikama	Tuesday, 31 March 2020
Cederberg	Tuesday, 31 March 2020
Bergrivier	Tuesday, 31 March 2020
Saldanha Bay	Tuesday, 31 March 2020
Swartland	Tuesday, 31 March 2020
West Coast District Municipality	Wednesday, 25 March 2020
Witzenberg	Tuesday, 31 March 2020
Drakenstein	Tuesday, 31 March 2020
Stellenbosch	Wednesday, 30 March 2020
Breede Valley	Tuesday, 24 March 2020
Langeberg	Tuesday, 31 March 2020
Cape Winelands District Municipality	Thursday, 26 March 2020
Theewaterskloof	Thursday, 26 March 2020
Overstrand	Wednesday, 25 March 2020
Cape Agulhas	Tuesday, 31 March 2020
Swellendam	Thursday, 26 March 2020
Overberg District Municipality	Monday, 30 March 2020
Kannaland	Thursday, 26 March 2020
Hessequa	Tuesday, 31 March 2020
Mossel Bay	Tuesday, 31 March 2020
George	Tuesday, 31 March 2020
Oudtshoorn	Tuesday, 31 March 2020
Bitou	Tuesday, 31 March 2020
Knysna	Tuesday, 31 March 2020
Garden Route District Municipality	Monday, 30 March 2020
Laingsburg	Tuesday, 31 March 2020
Prince Albert	Monday, 30 March 2020
Beaufort West	Tuesday, 31 March 2020
Central Karoo District Municipality	Thursday, 26 March 2020

SUBMISSION CHECKLIST FOR THE 2020/21 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 (A1 - A10) and the supporting tables (SA1 - SA38) are completed in **version 6.4.1** of Schedule A1 (the Excel formats) 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 Budget			
Draft Service Delivery and Budget Implementation Plan			
Procurement Plan			
Draft Service Level Standards			
Signed Quality Certificate as prescribed in the MBRR			
Budget Narrative, including budget tables in PDF format			
Municipal Budget Tables: Tables A1 to A10			
Table A1: Budget Summary			
Table A2: Budgeted Financial Performance (revenue and expenditure by standard classification)			
Table A2A: Budgeted Financial Performance (revenue and expenditure by standard classification)			
Table A3: Budgeted Financial Performance (revenue and expenditure by municipal vote)			
Table A3A: Budgeted Financial Performance (revenue and expenditure by municipal vote)			
Table A4: Budgeted Financial Performance (revenue and expenditure)			
Table A5: Budgeted Capital Expenditure (by vote, standard classification & funding source)			
Table A5A: Budgeted Capital Expenditure (by vote, standard classification & funding source)			
Table A6: Budgeted Financial Position			
Table A7: Budgeted Cash Flow			

Budget Documentation	Yes	No	N/A
Table A8: Cash Backed Reserves/Accumulated Surplus Reconciliation			
Table A9: Asset Management			
Table A10: Basic Service Delivery Measurement			
Municipal Budget Supporting Tables: Supporting Tables SA1 to SA38			
SA1: Supporting Detail to Budgeted Financial Performance			
SA2: Matrix Financial Performance Budget (revenue source/expenditure type and department)			
SA3: Supporting Detail to Budgeted Financial Position			
SA4: Reconciliation of IDP Strategic Objectives and Budget (revenue)			
SA5: Reconciliation of IDP Strategic Objectives and Budget (operating expenditure)			
SA6: Reconciliation of IDP Strategic Objectives and Budget (capital expenditure)			
SA7: Measurable Performance Objectives			
SA8: Performance Indicators and Benchmarks			
SA9: Social, Economic and Demographic Statistics and Assumptions			
SA10: Funding Measurement			
SA11: Property Rates Summary			
SA12a: Property Rates by Category (current year)			
SA12b: Property Rates by Category (budget year)			
SA13a: Service Tariffs by Category			
SA13b: Service Tariffs by Category (explanatory)			
SA 14: Household Bills			
SA15: Investment Particulars by Type			
SA16: Investment Particulars by Type			
SA17: Borrowing			
SA18: Transfers and Grant Receipts			
SA19: Expenditure on Transfers and Grant Programme			
SA20: Reconciliation of Transfers, Grant Receipts and Unspent Funds			
SA21: Transfers and Grants made by the Municipality			
SA22: Summary Councillor and Staff Benefits			
SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)			
SA24: Summary of Personnel Numbers			
SA25: Budgeted Monthly Revenue and Expenditure			
SA26: Budgeted Monthly Revenue and Expenditure (municipal vote)			
SA27: Budgeted Monthly Revenue and Expenditure (standard classification)			
SA28: Budgeted Monthly Capital Expenditure (municipal vote)			
SA29: Budgeted Monthly Capital Expenditure (standard classification)			
SA30: Budgeted Monthly Cash Flow			
SA31: Aggregated Entity Budget (where applicable)			
SA32: List of External Mechanisms			
SA33: Contracts having Future Budgetary Implications			
SA34a: Capital Expenditure on New Assets by Asset Class			
SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class			
SA34c: Repairs and Maintenance Expenditure by Asset Class			
SA34d: Depreciation by Asset Class			
SA34e: Upgrading of Existing Infrastructure			
SA35: Future Financial Implications of the Capital Budget			
SA36: Detail Capital Budget			
SA37: Projects Delayed from Previous Financial Years			

Budget Documentation	Yes	No	N/A
SA38: Consolidated Detail Operational Projects			
Excel version of all main (A1 - A10) and supporting budget tables (SA1 - SA38)			
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			
Proposed amendments to the IDP			
Process Plan/Time schedule according to Section 29) of the MSA read in conjunction with Section 21 (b) of the MFMA			
Spatial Development Framework			
Council Resolution in terms of the adoption of the <i>Spatial Development Framework</i>			
Applicable Disaster Management Plan			
Council Resolution in terms of the adoption of the <i>Disaster Management Framework</i>			
Integrated Waste Management Plan			
Air Quality Management Plan			
Coastal Management Plan (<i>Coastal Municipalities only</i>)			
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			
Additional documentation for the metro			
Draft Built Environment Performance Plan (BEPP)			

MUNICIPAL REPRESENTATIVE: _____

Name: _____

Signature: _____

Date: _____



The following instructions provide a guide for the upload of budget documentation onto the lift server and OneDrive respectively.

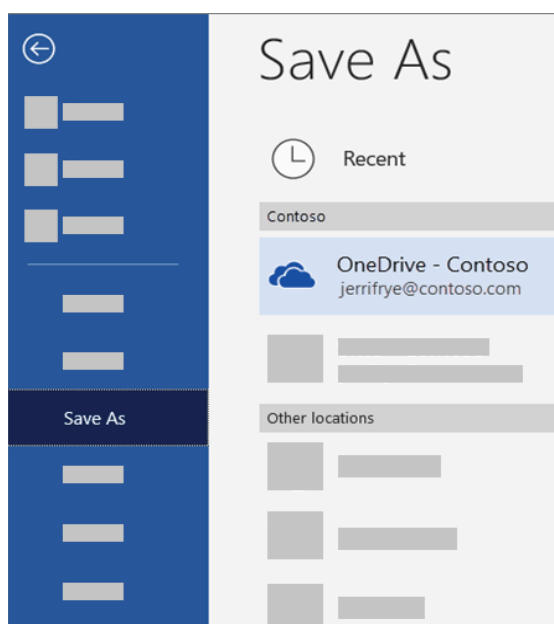
- **How to lift:**

1. Go to the website: <http://lift.pgwc.gov.za/>
2. Type in the email address: MFMA.MFMA@westerncape.gov.za
3. Browse to and click on the correct file for uploading
4. Press: Submit

- **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 2020 Budget Documents) and place all the budget related documents within it.



2. In order 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.2020)
- Name of document submitted (e.g. Draft Budget, draft IDP, draft SDBIP etc.)
E.g.: DC1 2020 Draft IDP or DC1 2020 MTREF main budget
E.g.: DC1_A1 Schedule - mSCOA vs 6.4.1



Cost Containment Measures (updated November 2016)

Purpose

Section 62(1)(a) of the Municipal Finance Management Act No. 56 of 2003 (MFMA) stipulates that the accounting officer of a municipality is responsible for managing the financial administration of a municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

In terms of the legal framework, the elected councils and accounting officers are required to institute appropriate measures to ensure that the limited resources and public funds are appropriately utilized to ensure value for money is achieved.

The purpose of this Circular is to guide municipalities and municipal entities on cost containment measures that must be implemented in an effort to address the impact of the country's economic challenges and to promote growth, address unemployment and equality, amongst others.

Background

The national government has been aware of the need to contain costs and Cabinet resolved that all spheres of government, including municipalities and municipal entities must implement measures to contain operational costs and eliminate all non-essential expenditure.

In the 2016 State of the Nation Address, cost containment measures were re-emphasised. It was highlighted that excessive and wasteful expenditure has to be reduced, and that increased action be taken to manage unnecessary expenditure. The following measures were among those announced:

- Curtailment of overseas trips;
- The submission of strong motivation to MM's, Mayors and, where necessary, oversight mechanisms at local, provincial and national spheres of Government by those requesting permission to travel either locally or abroad: i.e. their detailed report including research which argues the necessity of the trip and the benefit the country will achieve in undertaking the journey;
- The institutionalization of further restrictions on conferences, catering, entertainment and social functions.

In reinforcing the above, the Minister of Finance also announced further cost containment measures in his budget speech on 24 February 2016, and urged Mayors of municipalities to exercise and oversee the elimination of wasteful expenditure in

government. SALGA supported the call for cost containment measures to be implemented in municipalities as per the Budget Forum engagements and commitments.

Municipalities must make clear and quantified commitments in this regard when tabling their upcoming budgets, and to reference these commitments when submitting budget documentation to the National and Provincial Treasuries, as required by the MFMA.

Annexure A of this circular presents cost containment measures that accounting officers and chief finance officers must consider in order to contain operational costs and eliminate non-essential expenditure. In addition, municipalities are advised to refer to MFMA Budget Circular No. 70 and other relevant Circulars on the elimination of non-priority spending. (<http://mfma.treasury.gov.za/Circulars/Pages/default.aspx>).

Enforcement of cost containment measures

SALGA recently expressed concern over the lack of enforcement of such measures and municipal councils are herewith reminded of Section 171(1) of the MFMA whereby the accounting officer of a municipality commits an act of financial misconduct if that accounting officer deliberately or negligently contravenes a provision of the Act, or fails to comply with a duty imposed by the Act on the accounting officer of the municipality.

Failure to fulfill the duty outlined in section 62(1) (a) of the MFMA may result in the accounting officer committing an act of financial misconduct and that disciplinary or criminal proceedings are instituted against any official who has allegedly committed an act of financial misconduct or an offence in terms of chapter 15. The accounting officer also has a duty to ensure that unauthorized, irregular or fruitless and wasteful expenditure and other losses are prevented.

In addition, section 167 of the MFMA provides that a municipality may only remunerate its office bearers within the parameters set out in that section. In particular, sub-section 167(2) provides that any benefit paid that is outside the parameters set out in subsection (1) is irregular expenditure and must be recovered from the political office-bearer concerned.

Details of precisely what a municipality may pay or remunerate its political office bearers are set out in the Notices issued in terms of the Political Office Bearers Act by the Minister of Cooperative Governance and Traditional Affairs.

Municipalities are reminded that the National Treasury will soon be conducting municipal budget benchmark engagements with non-delegated municipalities during which all municipal budgets will be assessed against the cost containment measures outlined in this Circular. Provincial Treasuries will be conducting similar engagements and budget assessments with delegated municipalities.

Consideration has been given to the lack of enforcement measures and therefore it is envisaged that regulations will be issued to align these measures with financial misconduct regulations. Disclosure of cost containment measures applied by the municipality and entity must be included in the Municipal Budget and Annual Report. Measures implemented and regular reports must be submitted to the Municipal Public

Accounts Committee for review and recommendations to Council on additional measures to be taken.

The contents of this Circular has been shared with the office of the Auditor-General for their application, scrutiny and assessment.

Conclusion

It is important that the accounting officer ensures that the content of this Circular is brought to the attention of the Municipal Council and all other relevant officials within municipalities and municipal entities. It is recommended that:

- Municipalities adopt this Circular together with their annual budgets;
- Municipalities are advised to review other finance related policies to ensure consistency with this Circular;
- Municipalities implement the circular by creating the appropriate oversight mechanisms to monitor cost containment measures;
- Implementation of such measures will assist in ensuring that the provisions of sections 62 and 167 of the MFMA are complied with to ensure that reasonable steps are taken for public resources to be used effectively, efficiently, economically and in the best interests of the local community.

Any queries relating to municipalities preparation of municipal budgets in line with the cost containment measures should be directed to the respective National or Provincial Treasury official responsible for monitoring the municipality's budget. The names of these officials can be obtained from MFMA Circular 79 and / or other related MFMA Circulars. This Circular must be tabled before the municipal council for adoption together with the 2016/17 MTREF budget.

Issued on behalf of:

Malijeng Ngqaleni
Intergovernmental Relations

Kenneth Brown
Chief Procurement Officer

Jayce Nair
Acting Accountant-General

Contact



Post **Private Bag X115, Pretoria 0001**
 Phone **012 315 5850**
 Fax **012 315 5230**
 Email – General mfma@treasury.gov.za
 Website www.treasury.gov.za/mfma

TV PILLAY
CHIEF DIRECTOR: MFMA IMPLEMENTATION
30 MARCH 2016

Annexure A – Cost Containment Measures

Cabinet resolved, on 23 October 2013 that cost containment measures must be implemented to eliminate wasteful expenditure, reprioritize spending and ensure savings on the following focus areas among others; engagement of consultants, travel and subsistence costs, issuing of credit cards, accommodation costs, office furnishing costs, advertising or sponsorship costs, catering and events related costs.

It is prudent that Municipalities consider consultation with its employees and through public participation to obtain input and consideration from affected stakeholders such as communities, ratepayers, businesses, and so on which may prove to be beneficial when facilitating the implementation of cost containment policies and actions.

Municipalities are advised to ensure appropriate monitoring and reporting on such cost saving measures is instituted for ease of reporting to management and council on progress on a regular basis. The internal audit unit of municipalities must be copied with such reports.

1. Engagement of Consultants

- Accounting Officers must only contract with consultants after a gap analysis report has confirmed that the municipality does not have the requisite skills or resources in its permanent employment to perform the services required.
- Evidence of acute planning of the project must be visible to all relevant persons including the administration and political oversight mechanisms in place at the municipality.
- Consultants, including construction and infrastructure related services, must only be remunerated at the rates equal to or below those:
 - determined in the “Guidelines on fees for audits done on behalf of the Auditor-General South Africa”, issued by the South African Institute of Chartered Accountants (SAICA);
 - set out in the “Guide on Hourly Fee Rates for Consultants”, by the Department of Public Service and Administration (DPSA); or
 - Prescribed by the body regulating the profession of the consultant.
- Ensure an exacting “specification” of the work to be accomplished accompanies the tender and is used as a monitoring tool, are appropriately recorded and monitored.
- Ensure that contracts for consultants include retention and penalty clauses for poor performance and in this regard against the above specification, accounting officers must invoke such clauses, where deemed necessary.
- It is mandatory that accounting officers of municipalities and municipal entities conclude on the best “value for money”, i.e. matching fees against quality and against benchmarked practices.
- Accounting officers of municipalities and municipal entities must appoint consultants on a time and cost basis with specific start and end dates.
- Travel and subsistence costs for the appointment of consultants must be in accordance with the travel policy of government and the contract price specifies all travel & subsistence costs.

- If travel and subsistence costs for appointed consultants are exclusive of the contract, the costs must be in accordance with the following provisions:
 - a) Hotel accommodation may not exceed the amount mentioned in this Circular;
 - b) Only economy class air tickets may be purchased for flights;
 - c) Only group B vehicles or lower may be hired for engagements, as mentioned in this Circular;
 - d) Kilometres claimed for the use of private vehicles may not exceed the rates approved by the National Department of Transport, as updated from time to time.
- Municipalities are urged to develop consultancy reduction plans.
- Undertake all engagements of consultants in accordance with the SCM Regulations and the municipality's SCM policy.

2. Travel and subsistence

The National Treasury, on behalf of all three spheres of government, has negotiated improved upfront discounts for flights as well as discounted accommodation rates. Therefore municipalities and municipal entities are requested to utilize these agreements to assist in their respective cost containment measures, unless they can negotiate lower air travel rates or utilize other service providers that offer lower rates.

Net and Non-Commissionable Rates

All rates offered to Government as of 1 April 2016 will be net and non-commissionable. This will include the informal accommodation market e.g. Guest Houses and Bed & Breakfast establishments.

Rebates, Overrides, Volume based income

In the spirit of transparency, the OCPO is taking a firm position on rebates, overrides or any volume driven target incentives being paid by suppliers to Travel Management Company (TMC). As of 1 April 2016 these payments and the practice of overrides is to discontinue for Government business.

2.1 National Travel Policy

The National Treasury will issue a National Travel Policy framework during December 2016.

http://ocpo.treasury.gov.za/Buyers_Area/Legislation/Pages/default.aspx

2.2 Air Travel

- The National Treasury has negotiated with South African Airways (SAA) and Comair/British Airways (BA) for upfront discounted air fares for government employees travelling domestically for official purpose. These Domestic Air Travel Fares will be regularly reviewed by the National Treasury (These rates are not applicable for International Air Travel).
- For SAA, the discounts range from 5% (L class) up to 30% (Y Class) for Economy Class tickets; and 10% (D Class) up to 26% (C Class) for Business


Class tickets. Please note that business class is not encouraged, however where a single flight exceed 5 hours, consideration may be applied.

- For BA the discounts range from 10% (O, Q class) up to 25% (Y Class) for Economy Class tickets; and 20% (J Class) for Business Class tickets. Please note that business class is not encouraged, however where a single flight exceeds 5 hours, consideration may be applied.
- Treasury entered into a short-term Corporate Agreement from 1 April 2016 to 30 September 2016. This has been extended by a further six months. .
- The premise of “Best Fare on the Day” should be implemented making full use of the negotiated Government Corporate Agreements with SAA and BA Comair. Quotations are to be obtained from at least SAA and BA Comair before issue. Municipalities must also request quotations from other Low Cost Carriers. Please note that all discounted rates are subject to class availability.
- In order to make full use of the corporate discount with SAA and BA, municipalities and municipal entities must instruct their appointed TMCs or persons making their bookings for domestic airline tickets, to book against the relevant deal codes as detailed in Annexure B.
- Corporate agreements with SAA and BA/Comair will be made available to TMCs that are currently contracted to Government. Should the municipal TMC have not been contacted by the full service carrier representative, they are to inform National Treasury with the agents name; physical address, contact name, email address and IATA number. Upon receipt of the information, the representatives of the full service carriers will ensure that the TMC is given access to the deal code. The TMC must have an authenticated IATA number.
- Accounting officers of municipalities and municipal entities are advised to include a clause in their respective documents that travel agencies are only permitted to make booking arrangements on behalf of municipalities and municipal entities in line with this Circular. Current arrangements need to be updated and amended to reflect these changes.
- Disabled persons can be accommodated in economy class, however, in extremely exceptional and rare cases an Accounting Officer may approve, with evidence, other than economy class air travel.

2.3 Domestic Hotel Accommodation

National Treasury has established maximum allowable rates for domestic accommodation. When sourcing accommodation for officials, municipalities should find options that are equal to or lower than the rates in Table 1, depending on the allowable star grading and the band. Competition and cost effectiveness must remain a key principle.

Table 1: Rates set for Domestic Hotel Accommodation

Voucher Includes	BAND 1	BAND 2	BAND 3
	Room Only Tourism Levy VAT	Bed & Breakfast Tourism Levy VAT	Dinner, Bed and Breakfast Tourism Levy VAT 2 x soft Drinks at Dinner
Graded Hotel, Boutique Hotel, Lodge or Resort			
	BAND 1	BAND 2	BAND 3
1 Star	R 580	R 710	R 855
2 Star	R 900	R 1 030	R 1 230
3 Star	R 1 100	R 1 200	R 1 400
4 Star	R 1 250	R 1 350	R 1 550
5 Star	R 2 100	R 2 200	R 2 500
Bed & Breakfast, Country House or Guest house			
	BAND 1	BAND 2	BAND 3
1 Star	R 300	R 450	R 630
2 Star	R 500	R 650	R 830
3 Star	R 900	R 1 050	R 1 230
4 Star	R 1 000	R 1 150	R 1 330
5 Star	R 1 200	R 1 350	R 1 530
Self-Catering*			
	BAND 1	BAND 2	BAND 3
1 Star	R 580		
2 Star	R 900		
3 Star	R 1 100		
4 Star	R 1 250		
5 Star	R 1 450		
Meals**			
	BAND 1	BAND 2	BAND 3
Breakfast	R 120	R -	R -
Lunch	R 150	R 150	R 150
Dinner	R 150	R 150	R -
Total	R 420	R 300	R 150
<p>Accommodation costs are assumed to be inclusive of Parking and Wi-Fi (if available), and exclusive of Laundry expenses.</p> <p>*Including Exclusive and Shared Facilities. Exclusive facilities offer travellers a sole occupancy unit consisting of one or more bedrooms and self-contained public areas e.g. kitchen, dining area and lounge.</p> <p>Shared Facilities consisting of one or more bedrooms and self-contained shared public areas e.g. kitchen, dining area and lounge.</p> <p>**Maximum amounts that can be claimed for meals. The claim for the actual amounts must be supported by a receipt.</p>			

- If a negotiated rate for a specific star grading is equivalent to or lower than the rate for the lower star grading, the official may be accommodated in the establishment with the higher star grading. This means that an official may be accommodated at a four star establishment if the rate at the four star establishment is the same as or lower than a three star establishment.

- Where there is an alternative star grading indicated in **Table 1** (i.e. 4/5 or 3/4), the maximum allowable rate of the lower star grading will be the benchmark. The higher star grading can only be booked if:
 - a. the higher star graded facility is the only available option due to location and availability; or
 - b. the municipality or municipal entity has negotiated lower rates with the higher star graded facility.
- Accounting officers must ensure that overnight accommodation is limited to instances where the distance travelled by road by the employee exceeds 500 kilometres to and from the destination (return journey).

2.4 Vehicle Hire

- Municipalities are encouraged to continue considering their own fleet first, where viable, prior to hiring of vehicles;
- Notwithstanding the provisions above, all employees must make use of shuttle services if the cost of such a service is below the cost of hiring a vehicle.
- Accounting officers must also consider making use of shuttle services if the cost of kilometres claimable by the employee and the cost of parking are higher than the shuttle services.
- Ensure the hiring of vehicles from a category below Group B or an equivalent class. Accounting officers may permit employees to accept up-graded group of hired vehicles if such an up-grade is offered for free or at a lower charge than Group B.
- Vehicle travel claims by employees of municipalities and municipal entities must be restricted to the actual distance travelled in excess of the normal distance from the employee's residence to his or her place of work or as may be negotiated using a motor vehicle allowance scheme.

3 Credit Cards

The use of credit and debit cards was addressed in an earlier MFMA Circular.

A bank, or any other institution, may not issue credit cards or debit cards linked to a bank account of a municipality or a municipal entity to any councillors, entity board members, municipal or entity officials or any other person. The issuing and use of such cards be it for official purposes:

- contravenes section 11 and 85 of the MFMA as there is no way of ensuring that all purchases made on the card are in accordance with the items listed in the sections or as prescribed;
- contravenes section 167 of the MFMA which provides that any bursary, loan, advance or other benefit paid to a municipal councillor otherwise than in accordance with the provisions of the Remuneration of Public Office Bearers Act constitutes irregular expenditure;
- contravening section 15 of the MFMA by incurring expenditure not authorised in an approved budget;
- non-compliance with section 164 of the MFMA which provides that no municipality or municipal entity may make loans to councillors or officials of the municipality, directors or officials of the entity or members of the public;
- non-compliance with the supply chain management regulations; and

- undermines efforts to safeguard municipal funds, combat fraud and corruption, as well as other irregular practices.

While the use of petrol cards or garage cards for municipal vehicles is permitted, it must be utilised in accordance with an appropriate policy and related procedures to avoid misuse thereof. Cost containment measures should be applied in managing and planning trips.

Where officials or councillors incur expenses in relation to official municipal activities, they should use their personal credit cards or cash, and request reimbursement from the municipality in accordance with the relevant municipal policy and processes. Alternatively, the municipality should make arrangements with the service provider that the expenditure be settled directly by the municipality.

4 Catering costs

- Do not incur catering expenses for any meetings where only municipal officials are in attendance. Notwithstanding the above, the accounting officer may incur catering expenses for the following, provided that such lasts for five (5) continuous hours or more:
 - a) The hosting of conferences, workshops, courses, forums, recruitment interviews, training courses, hearings;
 - b) Meetings related to commissions or committees of inquiry; or
 - c) Meetings hosted by municipal councils and the board of directors of municipal entities, including governance committee meetings.
- Ensure that entertainment allowances of qualifying officials do not exceed two thousand rand (R2 000) per person per financial year. The National Treasury may periodically review this amount.
- Do not incur expenses on alcoholic beverages.
- Ensure that team building and social functions, including year-end functions, are not financed from the municipal budgets or by any suppliers or sponsors.
- Notwithstanding the above, accounting officers may incur no more than the petty cash allocation or limitations on expenditure from their respective budgets to host farewell functions to employees who are either:
 - (a) proceeding on retirement due to ill health; or
 - (b) proceeding on retirement after reaching the qualifying age limit of a minimum of ten (10) or more years working for the public service.
- Accounting officers and accounting authorities may **not** host farewell functions for employees who have:
 - (a) been dismissed;
 - (b) elected to resign or leave by accepting severance packages; or
 - (c) Approached the end of their contractual term.

5 Events, advertising and sponsorships

- Eliminate wasteful expenditure on events, advertising in magazines, television, newspapers etc. where the municipality can use other cost effective means such as websites to market the institution or properly publicise the matters or events under consideration.

- Memorabilia, gifts and other novelties should be of token value only and should only be offered by municipalities and municipal entities in order to acknowledge support or a visit or attendance by a dignitary in connection with a benefit to the local community; to reciprocate the giving of a similar token gift by another organisation; or similar but in all cases there must be an identifiable benefit to the community.
- Limit or stop all unnecessary expenditure on matters such as printing of shirts, hosting of sporting events, festivals and other associated events, cruises, lavish functions, and extraordinary costs associated with visits of dignitaries or induction of new councillors.

6 Conferences, meetings, study tours, etc.

- Employees of municipalities and municipal entities may attend conferences hosted by professional bodies or non-governmental institutions (external conferences) held within the borders of South Africa provided that expenses related to their attendance do not exceed two thousand five hundred rand (R2 500) per person per day. In instances where the cost exceeds this amount, officials must obtain prior approval from the accounting officer. The number of municipal officials attending such conferences and workshops must be limited, see below. The National Treasury may periodically review this amount.
- Employees must make every effort to take advantage of early registration discounts by seeking the required approvals to attend well in advance of the conference as it relates to their area of work. No late registration is acceptable.
- Conferences abroad must be limited to its ultimate minimum or none at all.
- Utilise municipal and/or provincial office facilities for conferences, meetings, strategic planning sessions etc. where an appropriate venue exists within the municipal jurisdiction.
- Limit or stop overseas trips and the delegations going on such trips unless a tangible and clear benefit to the local community and performance of essential service provision can be established beforehand.
- The number of employees travelling to conferences or meetings on official duty for the same matter is limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer, having due regard to the cost containment measures.
- Similar to the above, the number of employees travelling by air to other centres to attend an official engagement on the same matter is also limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer, having due regard to the cost containment measures.

7 Office furnishing

- Municipalities should exercise due precaution in refurbishing offices, purchasing equipment, etc. especially when new persons are elected or appointed. Use of existing facilities and equipment is encouraged.
- Office furnishing, when required, should be contained to minimal costs, avoiding elaborate and expensive furniture or equipment.

8 Staff study, perks and suspension costs

- Training attended by employees and councillors of municipalities and municipal entities may only be attended at pre-approved service providers to ensure sufficient quality of training and obtain value for money.
- Expenditure associated with overseas study tours by councillors or officials must be reduced and preferably stopped.
- Encourage staff to take time off to make up for overtime worked.
- Planned overtime must be submitted to management for consideration on a monthly basis.
- Unplanned overtime worked must be motivated and approved by management.
- Costs associated with long-standing staff suspensions and legal costs associated with not following due processes when suspending and dismissing staff must be eliminated.
- Constant management of staff, improvements in productivity levels and feedback must be provided to all staff.

9 Cost containment on other related expenditure items

- Accounting officers of municipalities and municipal entities are advised to ensure that all commodities and products that the National Treasury designated as transversal contracts are utilised to benefit from savings where lower prices or rates have been negotiated.
- Periodic or quarterly threat assessments against councillors and key officials should be undertaken by the appropriate authority (SAPS) and reported to the Speakers Office. Approval for security measures must be informed by such reports, if paid for from municipal funds. The use of metropolitan traffic officers for such purposes should be avoided.
- Municipal funds may not be used to fund election campaign activities, including the provision of supporting material, clothing, food, inducements to vote either as part of, or during election rallies.
- Printing of documents should carefully considered be back-to-back and use of colour printing for graphs only, while use of electronic means should be preferred.
- Review and introduce limits on municipal staff telephones and limiting private call to a reasonable amount.
- Every effort must be made to recover debt from consumers before write-off. Municipalities to avoid the excessive usage of debt collectors and improve its internal capacity for debt collection.
- Ensure synergy between municipal divisions or departments to avoid duplication of processes and efforts.
- Where possible the warranties on vehicle and computer equipment should be extended instead of procuring new ones.
- Labour saving devices should be shared to optimize the capacity utilization of each device.
- Purchasing of newspapers and other publications for municipal employees to limited and stopped.
- Municipalities should ensure that awareness is raised with municipal staff so that a high degree of energy saving measures can be introduced, e.g. air-conditioning and lights in buildings are switched off at night and when offices are not in use.

- All other cost containment measures introduced by council are also encouraged and supported.

Annexure B: BA/COMAIR and SAA Deal Codes per Municipality

Municipalities and municipal entities should use the following codes when requesting quotes from BA/COMAIR.

MUNICIPALITIES	
NAME	DEAL CODE
EASTERN CAPE	
Alfred Nzo District Municipality Matatiele, Mbizana, Ntabankulu and uMzimvubu	1020907
Amathole District Municipality Amahlathi, Mnquma, Ngqushwa, Raymond Mhlaba, Mbashe and Great Kei,	1020906
Buffalo City Metropolitan Municipality	1020901
Chris Hani District Municipality Emalahleni, Engcobo, Intsika, Inxuba, Sakhisizwe and Enoch Mgijima	1020908
Joe Gqabi District Municipality Elundini, Walter Sisulu and Senqu	1020909
Nelson Mandela Bay Metropolitan Municipality	1020899
OR Tambo District Municipality Ingquza Hill, King Sabata Dalindyebo, Mhlontlo, Nyandeni and Port St Johns	1020903
Sarah Baartman District Municipality Dr Beyers Naudé, Blue Crane Route, Makana, Ndlambe, Sundays River Valley, Kouga and Kou-kamma	1020921
FREE STATE	
Fezile Dabi District Municipality Mafube, Moqhaka, Metsimaholo and Ngwathe	1020922
Lejweleputswa Distric Municipality Masilonyana, Matjhabeng, Nala, Tokologo and Tswelopele	1020923
Mangaung Metropolitan	1020923
Thabo Mafutsanyana District Dihlabeng, Maluti - a- Phofung, Mantsopa, Nketoana, Phumelela and Setsoto	1020924
Xhariep District Kopanong, Letsemeng and Mohokare	1020925
GAUTENG	
City of Johannesburg Metropolitan	1020900
City of Tshwane Metropolitan	1020898
Ekurhuleni Metropolitan	1020904
Sedibeng District Emfuleni, Lesedi and Midvaal	1020926
West Rand District Merafong, Mogale City, Rand West	1020927
KWAZULU-NATAL	
eThekwini Metropolitan	1008810
iLembe District Municipality KwaDukuza, Mandeni, Maphumulo and Ndwedwe	1020929
Harry Gwala District Municipality Greater Kokstad, Uhlebezwe, Umzimkhulu and Dr Nkosazana Dlamini Zuma	1020835

MUNICIPALITIES	
NAME	DEAL CODE
Ugu District Municipality uMdoni, Umzumbe, uMuziwabantu and Ray Nkonyeni	1020836
uMgungundlovu District Municipality KZN uMshwathi, uMngeni, Mpofana, Impendle, Msunduzi, Mkhambathini and Richmond	1020837
uMkhanyakude District Municipality KZN Umhlabuyalingana, Jozini, Mtubatuba and Big Five Hlabisa	1020838
uMzinyathi District Municipality KZN Endumeni, Nquthu, Msinga, Umvoti	1020839
uThukela District Municipality Okhahlamba, iNkosi Langalibalele and Alfred Duma	1020840
King Cetshwayo district Municipality uMfolozi, uMhlathuze, uMlalazi, Mthonjaneni and Nkandla	1020841
Zululand District Municipality KZN eDumbe, uPhongolo, Abaqulusi, Nongoma and Ulundi	1020842
LIMPOPO	
Capricon District Municipality Blouberg, Lepelle-Nkumpi, Molemole and Polokwane	1020843
Mopani District Municipality Ba-Phalaborwa, Greater Giyani, Greater Letaba, Greater Tzaneen and Maruleng	1020844
Sekhukhune District Municipality LM Ephraim Mogale, Elias Motsoaledi, Makhuduthamaga and LIM476	1020845
Vhembe District Municipality LM Musina, Thulamela, Makhado and LIM345	1020846
Waterberg District Municipality Thabazimbi, Lephallale, Bela Bela, Mogalakwena and LIM 368	1020847
MPUMALANGA	
Ehlanzeni District Municipality Thaba Chweu, Nkomazi, Bushbuckridge and City of Mbombela	1020902
Gert Sibande District Albert Luthuli, Dipaleseng, Govan Mbeki, Lekwa, Mkhondo, Msukaligwa and Pixley Ka Isaka Seme	1020848
Nkangala District Dr JS Moroka, Emakhazeni, Emalahleni, Steve Tshwete, Thembisile Hani and Victor Khanye	1020849
NORTH WEST	
Bojanala Platinum District Kgetlengrivers, Madibeng, Moretele, Moses Kotane and Rustenburg	1020850
Dr Kenneth Kaunda District Municipality City of Matlosana, Maquassi and NW405	1020851
Dr Ruth Segomotsi Mompoti District Municipality Greater Taung, Kagisano-Molopo, Lekwa-Teemane, Mamusa and Naledi	1020852
Ngaka Modiri Molema District Municipality Ditsobotla, Mahikeng, Ramotshere, Ratlou and Tswaing	1020853
NORTHERN CAPE	
John Taolo Gaetsewe Ga-Segonyana, Joe Morolong and Gamagara	1020909
Namakwa	1020856

MUNICIPALITIES	
NAME	DEAL CODE
Hantam, Kamiesberg, Karoo Hoogland, Khai-Ma, Nama Khoi and Richtersveld	
Pixley Ka Seme Emthanjeni, Kareeberg, Renosterberg, Siyancuma, Siyathemba, Thembelihle, Ubuntu and Umsobomvu	1020857
ZF Mgcawu !Kai! Garib, !Kheis, Tsantsabane, Kgatelopele and Dawid Kruiper	1020858
WESTERN CAPE	
Cape Winelands District Municipality Witzenberg, Drakenstein, Stellenbosch, Breede Valley and Langeberg	1020859
Central Karoo District Municipality Beaufort West, Laingsburg and Prince Albert	1020859
City of Cape Town Metro	1008771
Eden District Municipality Bitou, George, Hessequa, Kannaland, Kynsna, Mossel Bay and Oudtshoorn	1020861
Overberg District Municipality Cape Agulhas, Overstrand, Swellendam and Theewaterskloof	1020862
West Coast District Municipality Bergrivier, Cederberg, Matzikama, Swartland and Saldanha Bay	1020863

Municipalities and municipal entities not listed above should use the following details to contact BA/Comair to obtain a deal code:

Contact Details

Nangamso Letlape: National Account Manager: Government
Nan.letlape@comair.co.za

Municipalities and municipal entities should use the following deal code when requesting quotations from SAA: CK3828. In order to arrange access to the deal codes, travel management companies servicing municipalities and municipal entities should contact the following SAA representatives:

Contact Details

Eastern Cape: Tracy Mentzel (tracymentzel@flysaa.com)
 Western Cape: Enid Sinequan (enidsinequan@flysaa.com)
 KwaZulu-Natal: Kriba Govender (kribagovender@flysaa.com)
 All other provinces: Mark Steele (marksteele@flysaa.com)



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 indicate 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

$((\text{Gross Debtors} - \text{Bad Debt Provision}) / \text{Billed Revenue}) \times 365$

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

$(\text{Total Operating Revenue} - \text{Total Operating Expenditure}) / \text{Total Operating Revenue} \times 100\%$

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

$$\frac{(\text{Period Under Review's Total Revenue} - \text{Previous Period's Total Revenue})}{\text{Previous Period's Total Revenue}} \times 100$$

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

$$\frac{((\text{Period Under Review's Total Revenue Excluding Capital Grants} - \text{Previous Period's Total Revenue Excluding Capital Grants}))}{\text{Previous Period's Total Revenue Excluding Capital Grants}} \times 100$$

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.



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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	$(\text{Gross Debtors Closing Balance} + \text{Billed Revenue} - \text{Gross Debtors Opening Balance} + \text{Bad Debts Written Off}) / \text{Billed Revenue} \times 100$	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	$\text{Bad Debts Written-off} / \text{Provision for Bad Debt} \times 100$	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%
3	Net Debtors Days	$((\text{Gross Debtors} - \text{Bad debt Provision}) / \text{Actual Billed Revenue}) \times 365$	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days

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	$(\text{Total Operating Revenue} - \text{Total Operating Expenditure}) / \text{Total Operating Revenue}$	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	$\text{Total Electricity Revenue less Total Electricity Expenditure} / \text{Total Electricity Revenue} \times 100$	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%
3	Net Surplus /Deficit Water	$\text{Total Water Revenue less Total Water Expenditure} / \text{Total Water Revenue} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%
4	Net Surplus /Deficit Refuse	$\text{Total Refuse Revenue less Total Refuse Expenditure} / \text{Total Refuse Revenue} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%
5	Net Surplus /Deficit Sanitation and Waste Water	$\text{Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure} / \text{Total Sanitation and Waste Water Revenue} \times 100$	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)	$(\text{Number of Electricity Units Purchased and/or Generated} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased and/or Generated} \times 100$	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%
2	Water Distribution Losses (Percentage)	$(\text{Number of Kilolitres Water Purchased or Purified} - \text{Number of Kilolitres Water Sold}) / \text{Number of Kilolitres Water Purchased or Purified} \times 100$	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	$(\text{Period under review's number of Active Debtor Accounts} - \text{previous period number of Active Debtor Accounts}) / \text{previous period number of Active Debtor Accounts} \times 100$	Debtors System	None
2	Revenue Growth (%)	$(\text{Period under review's Total Revenue} - \text{previous period's Total Revenue}) / \text{previous period's Total Revenue} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI
3	Revenue Growth (%) - Excluding capital grants	$(\text{Period under review's Total Revenue Excluding capital grants} - \text{previous period's Total Revenue excluding capital grants}) / \text{previous period's Total Revenue excluding capital grants} \times 100$	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)	$\text{Trade Creditors Outstanding} / \text{Credit Purchases (Operating and Capital)} \times 365$	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	$(\text{Irregular, Fruitless and Wasteful and Unauthorised Expenditure}) / \text{Total Operating Expenditure} \times 100$	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%
3	Remuneration as % of Total Operating Expenditure	$\text{Remuneration (Employee Related Costs and Councillors' Remuneration)} / \text{Total Operating Expenditure} \times 100$	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%
4	Contracted Services % of Total Operating Expenditure	$\text{Contracted Services} / \text{Total Operating Expenditure} \times 100$	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

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 action/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 action/plans should be taken and reviewed

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%		8%	2022/23 Projected 2	
					Total Operating Expenditure	1 600 376 462		
					Taxation Expense	-		
					Total Capital Expenditure	145 378 000		
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%		0%	2022/23 Projected 2	
					PPE, Investment Property and Intangible Impairment			
					PPE at carrying value	3 803 017 178		
					Investment at carrying value	121 846 000		
		Intangible Assets at carrying value	4 025 295					
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%		6%	2022/23 Projected 2	Repairs & maintenance comprises 15.19% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	243 069 330		
					PPE at carrying value	3 803 017 178		
					Investment Property at Carrying value	121 846 000		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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B. Debtors Management

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%		99%	2022/23 Projected 2	
					Gross Debtors closing balance	113 615 207		
					Gross Debtors opening balance	107 184 158		
					Bad debts written Off	900 000		
					Billed Revenue	1 123 135 276		

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%		3%	2022/23 Projected 2	The norm range appears incorrect
					Consumer Debtors Bad debts written off	900 000		
					Consumer Debtors Current bad debt Provision	35 159 999		

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		25 days	2022/23 Projected 2	
					Gross debtors	113 615 207		
					Bad debts Provision	35 159 999		
					Billed Revenue	1 123 135 276		

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		4 Month	2022/23 Projected 2	
					Cash and cash equivalents	72 724 021		
					Unspent Conditional Grants			
					Overdraft			
					Short Term Investments	400 000 000		
Total Annual Operational Expenditure	1 438 272 869							

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2,16	2022/23 Projected 2	
					Current Assets	595 702 728		
					Current Liabilities	275 626 957		

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%		6%	2022/23 Projected 2	
					Interest Paid	54 392 475		
					Redemption	48 504 144		
					Total Operating Expenditure	1 600 376 462		
					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%		37%	2022/23 Projected 2	
					Total Debt	500 491 560		
					Total Operating Revenue	1 519 777 483		
					Operational Conditional Grants	154 275 200		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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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%		16517%	2022/23 Projected 2	
					Cash and cash Equivalents	72 724 021		
					Bank Overdraft			
					Short Term Investment	400 000 000		
					Long Term Investment	81 414 015		
					Unspent Grants			
					Net Assets	3 588 420 274		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
Fair Value Adjustment Reserve								
Accumulated Surplus	3 585 065 274							

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%		-5%	2022/23 Projected 2	
					Total Operating Revenue	1 519 777 483		
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure	1 600 376 462		
					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%		-1%	2022/23 Projected 2	
					Total Electricity Revenue	572 180 476		
					Total Electricity Expenditure	578 142 178		

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%		14%	2022/23 Projected 2	
					Total Water Revenue	170 007 303		
					Total Water Expenditure	146 451 762		

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%		12%	2022/23 Projected 2	
					Total Refuse Revenue	106 814 126		
					Total Refuse Expenditure	94 447 673		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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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%		8%	2022/23 Projected 2	
					Total Sanitation and Water Waste Revenue	126 999 217		
					Total Sanitation and Water Waste Expenditure	117 065 003		

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%		7%	2022/23 Projected 2	
					Number of units purchased and/or generated	260 982 879		
					Number of units sold	242 948 963		

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%		20%	2022/23 Projected 2	
					Number of kilolitres purchased and/or purified	7 903 417		
					Number of kilolitres sold	6 293 491		

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%	2022/23 Projected 2	
					Number of Active Debtors Accounts (Previous)	48 755		
					Number of Active Debtors Accounts (Current)	48 755		

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		8%	2022/23 Projected 2	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue (Previous)	1 447 627 712		
					Total Revenue (Current)	1 557 305 483		

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		6%	2022/23 Projected 2	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 433 599 242		
					Total Revenue Exl.Capital (Current)	1 519 777 483		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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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		21 days	2022/23 Projected 2	
					Trade Creditors	56 436 067		
					Contracted Services	150 845 437		
					Repairs and Maintenance	127 298 634		
					General expenses	131 545 562		
					Bulk Purchases	427 182 924		
					Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	145 378 000		

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%		0%	2022/23 Projected 2	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-		
					Total Operating Expenditure	1 600 376 462		
					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%		32%	2022/23 Projected 2	
					Employee/personnel related cost	491 199 224		
					Councillors Remuneration	20 677 373		
					Total Operating Expenditure	1 600 376 462		
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%		15%	2022/23 Projected 2	Cost analysis conducted to deliver cost effective services.
					Contracted Services	242 756 407		
					Total Operating Expenditure	1 600 376 462		
					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		48%	2022/23 Projected 2	
					Internally generated funds	20 000 000		
					Borrowings	50 000 000		
					Total Capital Expenditure	145 378 000		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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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 2	
					Internally generated funds	20 000 000		
					Total Capital Expenditure	145 378 000		

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		92%	2022/23 Projected 2	
					Total Revenue	1 557 305 483		
					Government grant and subsidies	154 275 200		
					Public contributions and Donations	5 900 000		
Capital Grants	31 628 000							

3. 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%		100%	2022/23 Projected 2	
					Actual Capital Expenditure	145 378 000		
					Budget Capital Expenditure	145 378 000		

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%		100%	2022/23 Projected 2	
					Actual Operating Expenditure	1 600 376 462		
					Budget Operating Expenditure	1 600 376 462		

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%		100%	2022/23 Projected 2	
					Actual Operating Revenue	1 519 777 483		
					Budget Operating Revenue	1 519 777 483		

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 2	
					Actual Service Charges and Property Rates Revenue	1 123 135 276		
					Budget Service Charges and Property Rates Revenue	1 123 135 276		



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 action/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 action/plans should be taken and reviewed

Template for Calculation of Uniform Financial Ratios and Norms 2017/18 Restated

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	10% - 20%	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10%	Restated		
					Total Operating Expenditure			997 155 727
					Taxation Expense			
					Total Capital Expenditure	105 254 697		
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	0%	Statement of Financial Position, Notes to the AFS and AR	0%	Restated		
					PPE, Investment Property and Intangible Impairment			4 908 414
					PPE at carrying value			3 346 195 212
					Investment at carrying value			113 951 000
					Intangible Assets at carrying value	6 698 891		
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	8%	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	5%	Restated	Repairs & maintenance comprises 16.05% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.	
					Total Repairs and Maintenance Expenditure			160 035 809
					PPE at carrying value			3 346 195 212
					Investment Property at Carrying value			113 951 000

B. Debtors Management

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%		99%	Restated	
					Gross Debtors closing balance	86 730 701		
					Gross Debtors opening balance	82 721 539		
					Bad debts written Off	801 303		
					Billed Revenue	805 874 379		

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%		4%	Restated	The norm range appears incorrect
					Consumer Debtors Bad debts written off	801 303		
					Consumer Debtors Current bad debt Provision	21 773 613		

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		29 days	Restated	
					Gross debtors	86 730 701		
					Bad debts Provision	21 773 613		
					Billed Revenue	805 874 379		

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		6 Month	Restated	
					Cash and cash equivalents	94 453 193		
					Unspent Conditional Grants	21 776 160		
					Overdraft			
					Short Term Investments	380 514 135		
Total Annual Operational Expenditure	844 296 843							

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2,82	Restated	
					Current Assets	625 092 549		
					Current Liabilities	221 509 247		

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%		8%	Restated	
					Interest Paid	46 128 610		
					Redemption	29 968 590		
					Total Operating Expenditure	997 155 727		
					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%		46%	Restated	Higher gearing due to much needed infrastructure investment over the past decade. Reduction policy in place. Reduces to 42% over 2018/2019 MTREF.
					Total Debt	442 106 055		
					Total Operating Revenue	1 077 023 486		
					Operational Conditional Grants	116 457 743		

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%		15275%	Restated	
					Cash and cash Equivalents	94 453 193		
					Bank Overdraft			
					Short Term Investment	380 514 135		
					Long Term Investment	44 594 781		
					Unspent Grants	21 776 160		
					Net Assets	3 425 517 137		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
Fair Value Adjustment Reserve								
Accumulated Surplus	3 422 258 320							

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%		7%	Restated	
					Total Operating Revenue	1 077 023 486		
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure	997 155 727		
					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%		10%	Restated	
					Total Electricity Revenue	380 758 022		
					Total Electricity Expenditure	344 304 010		

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%		36%	Restated	
					Total Water Revenue	125 311 786		
					Total Water Expenditure	80 455 216		

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%		7%	Restated	Aware of the rising costs of refuse removal - Referred to Costing of Services for future budgets
					Total Refuse Revenue	72 638 810		
					Total Refuse Expenditure	67 681 220		

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%		32%	Restated	
					Total Sanitation and Water Waste Revenue	95 069 965		
					Total Sanitation and Water Waste Expenditure	64 937 052		

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%		5%	Restated	
					Number of units purchased and/or generated	251 003 895		
					Number of units sold	238 145 884		

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%		22%	Restated	
					Number of kilolitres purchased and/or purified	6 774 478		
					Number of kilolitres sold	5 300 394		

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		5%	Restated	
					Number of Active Debtors Accounts (Previous)	46 426		
					Number of Active Debtors Accounts (Current)	48 637		

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		6%	Restated	
					CPI	6%		
					Total Revenue (Previous)	1 036 609 742		
					Total Revenue (Current)	1 102 158 975		

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		4%	Restated	
					CPI	6%		
					Total Revenue Exl.Capital (Previous)	996 686 318		
					Total Revenue Exl.Capital (Current)	1 037 895 882		

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		36 days	Restated	The nature of the calculation is not a fair reflection of the actual
					Trade Creditors	57 198 564		
					Contracted Services	99 287 803		
					Repairs and Maintenance	106 346 369		
					General expenses	46 500 713		
					Bulk Purchases	225 843 568		

	Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)				105 254 697		reflection of the actual payment period
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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%		0%	Restated	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	242 531		
					Total Operating Expenditure	997 155 727		
					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%		31%	Restated	
					Employee/personnel related cost	296 682 085		
					Councillors Remuneration	10 137 692		
					Total Operating Expenditure	997 155 727		
					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%		17%	Restated	Cost analysis conducted to deliver cost effective services.
					Contracted Services	167 078 552		
					Total Operating Expenditure	997 155 727		
					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		35%	Restated	
					Internally generated funds	17 542 593		
					Borrowings	19 199 225		
					Total Capital Expenditure	105 254 697		

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		17%	Restated	
					Internally generated funds	17 542 593		
					Total Capital Expenditure	105 254 697		

3	Own Source Revenue to Total Operating Revenue(Including	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		89%	Restated	
					Total Revenue	1 141 286 579		
					Government grant and subsidies	180 720 836		

Agency Revenue)	Donations/ Total Operating Revenue (including agency services) x 100			Public contributions and Donations	4 834 149	
				Capital Grants	64 263 093	

3. 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%		90%	Restated	Noted
					Actual Capital Expenditure	105 254 697		
					Budget Capital Expenditure	116 619 618		
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%		95%	Restated	
					Actual Operating Expenditure	997 155 727		
					Budget Operating Expenditure	1 052 196 675		
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%		103%	Restated	Not sure why 100% collection should be penalised
					Actual Operating Revenue	1 077 023 486		
					Budget Operating Revenue	1 047 640 286		
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%		101%	Restated	Not sure why 100% collection should be penalised
					Actual Service Charges and Property Rates Revenue	805 874 379		
					Budget Service Charges and Property Rates Revenue	800 899 364		



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 action 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 action plans should be taken and reviewed

Template for Calculation of Uniform Financial Ratios and Norms 2018/19 Audited

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%		14%	Audited	
					Total Operating Expenditure	1 108 571 630		
					Taxation Expense			
					Total Capital Expenditure	175 109 715		
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%	Audited	
					PPE, Investment Property and Intangible Impairment	1 444 354		
					PPE at carrying value	3 385 091 861		
					Investment at carrying value	119 697 500		
					Intangible Assets at carrying value	8 596 755		
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%		6%	Audited	Repairs & maintenance comprises 19.40% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	215 024 327		
					PPE at carrying value	3 385 091 861		
					Investment Property at Carrying value	119 697 500		

B. Debtors Management

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%		98%	Audited	
					Gross Debtors closing balance	99 589 466		
					Gross Debtors opening balance	86 730 701		
					Bad debts written Off	827 584		
					Billed Revenue	881 474 336		

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%		3%	Audited	The norm range appears incorrect
					Consumer Debtors Bad debts written off	827 584		
					Consumer Debtors Current bad debt Provision	26 108 000		

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		30 days	Audited	
					Gross debtors	99 589 466		
					Bad debts Provision	26 108 000		
					Billed Revenue	881 474 336		

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		7 Month	Audited	
					Cash and cash equivalents	123 987 652		
					Unspent Conditional Grants	12 589 924		
					Overdraft			
					Short Term Investments	409 199 854		
Total Annual Operational Expenditure	958 909 506							

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		3,19	Audited	
					Current Assets	710 826 046		
					Current Liabilities	222 764 681		

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%		7%	Audited	
					Interest Paid	44 920 621		
					Redemption	33 448 447		
					Total Operating Expenditure	1 108 571 630		
					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%		45%	Audited	
					Total Debt	462 657 608		
					Total Operating Revenue	1 148 066 744		
					Operational Conditional Grants	118 976 187		

E. Sustainability

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	110 676 558	Audited	
					Total Sanitation and Water Waste Expenditure	99 416 701		

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%		6%	Audited	
					Number of units purchased and/or generated	256 543 041		
					Number of units sold	240 005 798		

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%		24%	Audited	
					Number of kilolitres purchased and/or purified	7 015 091		
					Number of kilolitres sold	5 314 233		

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%	Audited	
					Number of Active Debtors Accounts (Previous)	48 637		
					Number of Active Debtors Accounts (Current)	48 613		

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		10%	Audited	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue (Previous)	1 102 158 975		
					Total Revenue (Current)	1 207 431 324		

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		10%	Audited	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 037 895 882		
					Total Revenue Exl.Capital (Current)	1 141 371 482		

D. Expenditure Management

					27 days		
					Trade Creditors	49 732 965	
					Contracted Services	100 996 465	

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	Repairs and Maintenance	125 609 636	Audited	
					General expenses	36 025 190		
					Bulk Purchases	242 613 624		
					Capital Credit Purchases (<i>Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment</i>)	175 109 715		

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%	Audited	Unauthorised expenditure to the amount of R24 mil was due to non-cash public contributions towards capital
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	28 491 155		
					Total Operating Expenditure	1 108 571 630		
					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%		34%	Audited	
					Employee/personnel related cost	367 857 729		
					Councillors Remuneration	10 573 228		
					Total Operating Expenditure	1 108 571 630		
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%		17%	Audited	Cost analysis conducted to deliver cost effective services.
					Contracted Services	186 758 283		
					Total Operating Expenditure	1 108 571 630		
					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		48%	Audited	
					Internally generated funds	47 008 272		
					Borrowings	36 495 201		
					Total Capital Expenditure	175 109 715		

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		27%	Audited	
					Internally generated funds	47 008 272		
					Total Capital Expenditure	175 109 715		

						87%		
		Own Source Revenue (Total revenue - Government			Total Revenue	1 214 126 586		

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	Government grant and subsidies	185 036 029	<i>Audited</i>	
					Public contributions and Donations	26 418 172		
					Capital Grants	66 059 842		

3. 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%		100%	<i>Audited</i>	
					Actual Capital Expenditure	175 109 715		
					Budget Capital Expenditure	174 748 163		

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%		96%	<i>Audited</i>	
					Actual Operating Expenditure	1 108 571 630		
					Budget Operating Expenditure	1 154 476 388		

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%		106%	<i>Audited</i>	Not sure why 100% collection should be penalised
					Actual Operating Revenue	1 148 066 744		
					Budget Operating Revenue	1 083 297 864		

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%		103%	<i>Audited</i>	Not sure why 100% collection should be penalised
					Actual Service Charges and Property Rates Revenue	881 474 336		
					Budget Service Charges and Property Rates Revenue	859 716 500		



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 action plans should be taken and reviewed.

Template for Calculation of Uniform Financial Ratios and Norms 2019/20 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%		18%	2019/20 Projected 5	
					Total Operating Expenditure	1 293 006 402		
					Taxation Expense	-		
					Total Capital Expenditure	275 732 613		
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%	2019/20 Projected 5	
					PPE, Investment Property and Intangible Impairment	-		
					PPE at carrying value	3 627 976 737		
					Investment at carrying value	121 846 000		
						5 323 069		
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%		5%	2019/20 Projected 5	Repairs & maintenance comprises 15.77% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	203 963 449		
					PPE at carrying value	3 627 976 737		
					Investment Property at Carrying value	121 846 000		

B. Debtors Management

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%		100%	2019/20 Projected 5	
					Gross Debtors closing balance	95 393 519		
					Gross Debtors opening balance	99 589 466		
					Bad debts written Off	500 000		
					Billed Revenue	925 899 816		
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%		2%	2019/20 Projected 5	The norm range appears incorrect
					Consumer Debtors Bad debts written off	500 000		
					Consumer Debtors Current bad debt Provision	22 259 999		
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		29 days	2019/20 Projected 5	
					Gross debtors	95 393 519		
					Bad debts Provision	22 259 999		
					Billed Revenue	925 899 816		

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		6 Month	2019/20 Projected 5	
					Cash and cash equivalents	265 426 394		
					Unspent Conditional Grants	5 636 369		
					Overdraft			
					Short Term Investments	320 000 000		
Total Annual Operational Expenditure	1 105 119 678							
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		3,31	2019/20 Projected 5	
					Current Assets	703 090 001		
					Current Liabilities	212 343 578		

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 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%		7%	2019/20 Projected 5	
					Interest Paid	51 548 815		
					Redemption	38 708 696		
					Total Operating Expenditure	1 293 006 402		
					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%		43%	2019/20 Projected 5	
					Total Debt	497 696 629		
					Total Operating Revenue	1 279 515 769		
					Operational Conditional Grants	125 793 702		

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%		19092%	2019/20 Projected 5	
					Cash and cash Equivalents	265 426 394		
					Bank Overdraft			
					Short Term Investment	320 000 000		
					Long Term Investment	57 885 203		
					Unspent Grants	5 636 369		
					Net Assets	3 609 233 910		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
Fair Value Adjustment Reserve								
Accumulated Surplus	3 605 893 910							

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%		.1%	2019/20 Projected 5	
					Total Operating Revenue	1 279 515 769		
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure	1 293 006 402		
					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%		6%	2019/20 Projected 5	
					Total Electricity Revenue	448 910 152		
					Total Electricity Expenditure	424 181 345		

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%		11%	2019/20 Projected 5	
					Total Water Revenue	149 453 467		
					Total Water Expenditure	132 820 707		

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%		4%	2019/20 Projected 5	
					Total Refuse Revenue	86 757 080		
					Total Refuse Expenditure	83 429 338		

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%		2%	2019/20 Projected 5	
					Total Sanitation and Water Waste Revenue	103 908 239		
					Total Sanitation and Water Waste Expenditure	102 343 626		

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%		6%	2019/20 Projected 5	
					Number of units purchased and/or generated	263 780 253		
					Number of units sold	249 166 827		

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%		18%	2019/20 Projected 5	
					Number of kilolitres purchased and/or purified	6 349 660		
					Number of kilolitres sold	5 190 212		

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%	2019/20 Projected 5	
					Number of Active Debtors Accounts (Previous)	48 613		
					Number of Active Debtors Accounts (Current)	48 755		

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		10%	2019/20 Projected 5	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue (Previous)	1 207 431 324		
					Total Revenue (Current)	1 328 348 999		

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		12%	2019/20 Projected 5	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 141 371 482		
					Total Revenue Exl.Capital (Current)	1 279 515 769		

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		18 days	2019/20 Projected 5	
					Trade Creditors	43 727 511		
					Contracted Services	142 537 908		
					Repairs and Maintenance	106 369 172		
					General expenses	88 079 029		
					Bulk Purchases	280 879 707		

	Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	275 732 613		
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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%		0%	2019/20 Projected 5	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-		
					Total Operating Expenditure	1 293 006 402		
					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%		32%	2019/20 Projected 5	
					Employee/personnel related cost	399 521 016		
					Councillors Remuneration	11 382 807		
					Total Operating Expenditure	1 293 006 402		
					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%		17%	2019/20 Projected 5	Cost analysis conducted to deliver cost effective services.
					Contracted Services	214 348 940		
					Total Operating Expenditure	1 293 006 402		
					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		53%	2019/20 Projected 5	
					Internally generated funds	77 250 983		
					Borrowings	69 925 037		
					Total Capital Expenditure	275 732 613		

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		28%	2019/20 Projected 5	
					Internally generated funds	77 250 983		
					Total Capital Expenditure	275 732 613		

3	Own Source Revenue to Total Operating Revenue(Including	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		90%	2019/20 Projected 5	
					Total Revenue	1 328 348 999		
					Government grant and subsidies	172 009 255		

Agency Revenue)	Donations/ Total Operating Revenue (including agency services) x 100			Public contributions and Donations	2 617 677	
				Capital Grants	46 215 553	

3. 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%		100%	2019/20 Projected 5
					Actual Capital Expenditure	275 732 613	
					Budget Capital Expenditure	275 732 613	

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%		100%	2019/20 Projected 5
					Actual Operating Expenditure	1 293 006 402	
					Budget Operating Expenditure	1 293 006 402	

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%		100%	2019/20 Projected 5
					Actual Operating Revenue	1 279 515 769	
					Budget Operating Revenue	1 279 515 769	

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%	2019/20 Projected 5
					Actual Service Charges and Property Rates Revenue	925 899 816	
					Budget Service Charges and Property Rates Revenue	925 899 816	



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 action plans should be taken and reviewed

Template for Calculation of Uniform Financial Ratios and Norms 2020/21 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	10% - 20%	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR		16%	
					Total Operating Expenditure	1 414 394 392	
					Taxation Expense	-	
					Total Capital Expenditure	267 095 470	
						2020/21 Projected 4	
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	0%	Statement of Financial Position, Notes to the AFS and AR		0%	
					PPE, Investment Property and Intangible Impairment	-	
					PPE at carrying value	3 753 765 476	
					Investment at carrying value	121 846 000	
						2020/21 Projected 4	
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	8%	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports		6%	
					Total Repairs and Maintenance Expenditure	219 308 748	
					PPE at carrying value	3 753 765 476	
					Investment Property at Carrying value	121 846 000	
						2020/21 Projected 4	Repairs & maintenance comprises 15.51% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.

B. Debtors Management

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%		99%	2020/21 Projected 4	
					Gross Debtors closing balance	101 117 130		
					Gross Debtors opening balance	95 393 519		
					Bad debts written Off	900 000		
					Billed Revenue	993 211 276		

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%		3%	2020/21 Projected 4	The norm range appears incorrect
					Consumer Debtors Bad debts written off	900 000		
					Consumer Debtors Current bad debt Provision	26 559 999		

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		27 days	2020/21 Projected 4	
					Gross debtors	101 117 130		
					Bad debts Provision	26 559 999		
					Billed Revenue	993 211 276		

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		5 Month	2020/21 Projected 4	
					Cash and cash equivalents	140 117 978		
					Unspent Conditional Grants	-		
					Overdraft	-		
					Short Term Investments	400 000 000		
Total Annual Operational Expenditure	1 246 371 088							

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2,68	2020/21 Projected 4	
					Current Assets	659 201 697		
					Current Liabilities	246 059 985		

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%		7%	2020/21 Projected 4	
					Interest Paid	53 667 967		
					Redemption	46 981 318		
					Total Operating Expenditure	1 414 394 392		
					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%		41%	2020/21 Projected 4	
					Total Debt	502 422 737		
					Total Operating Revenue	1 347 528 526		
					Operational Conditional Grants	131 840 200		

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%		18104%	2020/21 Projected 4	
					Cash and cash Equivalents	140 117 978		
					Bank Overdraft			
					Short Term Investment	400 000 000		
					Long Term Investment	65 460 010		
					Unspent Grants	-		
					Net Assets	3 652 986 044		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
Fair Value Adjustment Reserve								
Accumulated Surplus	3 649 641 044							

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%		-5%	2020/21 Projected 4	
					Total Operating Revenue	1 347 528 526		
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure	1 414 394 392		
					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%		5%	2020/21 Projected 4	
					Total Electricity Revenue	487 256 823		
					Total Electricity Expenditure	463 997 632		

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%		9%	2020/21 Projected 4	
					Total Water Revenue	156 014 211		
					Total Water Expenditure	142 156 008		

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%		8%	2020/21 Projected 4	
					Total Refuse Revenue	93 662 033		
					Total Refuse Expenditure	86 489 182		

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%		7%	2020/21 Projected 4	
					Total Sanitation and Water Waste Revenue	119 196 213		
					Total Sanitation and Water Waste Expenditure	110 604 922		

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%		7%	2020/21 Projected 4	
					Number of units purchased and/or generated	258 548 205		
					Number of units sold	241 122 056		

2	Water Distribution Losses (Percentage)	(Number of Kilotres Water Purchased or Purified - Number of Kilotres Water Sold) / Number of Kilotres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%		21%	2020/21 Projected 4	
					Number of kilolitres purchased and/or purified	7 334 505		
					Number of kilolitres sold	5 816 996		

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%	2020/21 Projected 4	
					Number of Active Debtors Accounts (Previous)	48 755		
					Number of Active Debtors Accounts (Current)	48 755		

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		4%	2020/21 Projected 4	
					CPI	5%		
					Total Revenue (Previous)	1 328 348 999		
					Total Revenue (Current)	1 378 147 526		

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		5%	2020/21 Projected 4	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 279 515 769		
					Total Revenue Exl.Capital (Current)	1 347 528 526		

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		19 days	2020/21 Projected 4	
					Trade Creditors	50 636 183		
					Contracted Services	144 907 589		
					Repairs and Maintenance	116 356 920		
					General expenses	112 709 657		
					Bulk Purchases	323 011 662		

	Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	267 095 470	
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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%		0%	2020/21 Projected 4	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-		
					Total Operating Expenditure	1 414 394 392		
					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%		33%	2020/21 Projected 4	
					Employee/personnel related cost	447 772 959		
					Councillors Remuneration	13 793 695		
					Total Operating Expenditure	1 414 394 392		
					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%		16%	2020/21 Projected 4	Cost analysis conducted to deliver cost effective services.
					Contracted Services	229 366 319		
					Total Operating Expenditure	1 414 394 392		
					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		71%	2020/21 Projected 4	
					Internally generated funds	98 321 917		
					Borrowings	92 198 553		
					Total Capital Expenditure	267 095 470		

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		37%	2020/21 Projected 4	
					Internally generated funds	98 321 917		
					Total Capital Expenditure	267 095 470		

3	Own Source Revenue to Total Operating Revenue(Including	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		92%	2020/21 Projected 4	
					Total Revenue	1 378 147 526		
					Government grant and subsidies	131 840 200		

Agency Revenue)	Donations/ Total Operating Revenue (including agency services) x 100			Public contributions and Donations	-	
				Capital Grants	30 619 000	

3. 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%		100%	2020/21 Projected 4
					Actual Capital Expenditure	267 095 470	
					Budget Capital Expenditure	267 095 470	

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%		100%	2020/21 Projected 4
					Actual Operating Expenditure	1 414 394 392	
					Budget Operating Expenditure	1 414 394 392	

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%		100%	2020/21 Projected 4
					Actual Operating Revenue	1 347 528 526	
					Budget Operating Revenue	1 347 528 526	

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%	2020/21 Projected 4
					Actual Service Charges and Property Rates Revenue	993 211 276	
					Budget Service Charges and Property Rates Revenue	993 211 276	



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 action 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 action plans should be taken and reviewed

Template for Calculation of Uniform Financial Ratios and Norms 2021/22 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%		11%	2021/22 Projected 3	
					Total Operating Expenditure	1 497 562 033		
					Taxation Expense	-		
					Total Capital Expenditure	176 136 550		
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%	2021/22 Projected 3	
					PPE, Investment Property and Intangible Impairment			
					PPE at carrying value	3 790 619 005		
					Investment at carrying value	121 846 000		
						4 322 437		
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%		6%	2021/22 Projected 3	Repairs & maintenance comprises 15.48% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	231 749 623		
					PPE at carrying value	3 790 619 005		
					Investment Property at Carrying value	121 846 000		

B. Debtors Management

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%		99%	2021/22 Projected 3	
					Gross Debtors closing balance	107 184 158		
					Gross Debtors opening balance	101 117 130		
					Bad debts written Off	900 000		
					Billed Revenue	1 055 990 776		
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%		3%	2021/22 Projected 3	The norm range appears incorrect
					Consumer Debtors Bad debts written off	900 000		
					Consumer Debtors Current bad debt Provision	30 859 999		
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		26 days	2021/22 Projected 3	
					Gross debtors	107 184 158		
					Bad debts Provision	30 859 999		
					Billed Revenue	1 055 990 776		

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		5 Month	2021/22 Projected 3	
					Cash and cash equivalents	100 748 872		
					Unspent Conditional Grants	-		
					Overdraft			
					Short Term Investments	400 000 000		
Total Annual Operational Expenditure	1 330 394 431							
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2,47	2021/22 Projected 3	
					Current Assets	621 597 087		
					Current Liabilities	251 557 824		

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%		0%	2021/22 Projected 3	
					Interest Paid	54 327 110		
					Redemption	-53 426 927		
					Total Operating Expenditure	1 497 562 033		
					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%		39%	2021/22 Projected 3	
					Total Debt	498 995 816		
					Total Operating Revenue	1 433 599 242		
					Operational Conditional Grants	141 735 200		

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%		17136%	2021/22 Projected 3	
					Cash and cash Equivalents	100 748 872		
					Bank Overdraft			
					Short Term Investment	400 000 000		
					Long Term Investment	73 294 298		
					Unspent Grants	-		
					Net Assets	3 631 492 255		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
Fair Value Adjustment Reserve								
Accumulated Surplus	3 628 142 255							

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%		-4%	2021/22 Projected 3	
					Total Operating Revenue	1 433 599 242		
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure	1 497 562 033		
					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%		3%	2021/22 Projected 3	
					Total Electricity Revenue	535 591 449		
					Total Electricity Expenditure	517 518 374		

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%		15%	2021/22 Projected 3	
					Total Water Revenue	171 048 813		
					Total Water Expenditure	146 184 419		

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%		10%	2021/22 Projected 3	
					Total Refuse Revenue	99 655 165		
					Total Refuse Expenditure	90 037 883		

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%		4%	2021/22 Projected 3	
					Total Sanitation and Water Waste Revenue	120 030 798		
					Total Sanitation and Water Waste Expenditure	114 967 970		

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%		7%	2021/22 Projected 3	
					Number of units purchased and/or generated	259 753 010		
					Number of units sold	241 804 077		

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%		21%	2021/22 Projected 3	
					Number of kilolitres purchased and/or purified	7 613 419		
					Number of kilolitres sold	6 050 384		

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%	2021/22 Projected 3	
					Number of Active Debtors Accounts (Previous)	48 755		
					Number of Active Debtors Accounts (Current)	48 755		

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		5%	2021/22 Projected 3	
					CPI	5%		
					Total Revenue (Previous)	1 378 147 526		
					Total Revenue (Current)	1 447 627 712		

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		6%	2021/22 Projected 3	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 347 528 526		
					Total Revenue Exl.Capital (Current)	1 433 599 242		

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		21 days	2021/22 Projected 3	
					Trade Creditors	53 266 849		
					Contracted Services	143 515 668		
					Repairs and Maintenance	122 758 315		
					General expenses	120 241 698		
					Bulk Purchases	371 463 413		

	Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)				176 136 550		
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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%		0%	2021/22 Projected 3	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-		
					Total Operating Expenditure	1 497 562 033		
					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%		32%	2021/22 Projected 3	
					Employee/personnel related cost	464 303 362		
					Councillors Remuneration	19 659 599		
					Total Operating Expenditure	1 497 562 033		
					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%		16%	2021/22 Projected 3	Cost analysis conducted to deliver cost effective services.
					Contracted Services	232 658 981		
					Total Operating Expenditure	1 497 562 033		
					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%	2021/22 Projected 3	
					Internally generated funds	37 000 000		
					Borrowings	50 000 000		
					Total Capital Expenditure	176 136 550		

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		21%	2021/22 Projected 3	
					Internally generated funds	37 000 000		
					Total Capital Expenditure	176 136 550		

3	Own Source Revenue to Total Operating Revenue(Including	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		91%	2021/22 Projected 3	
					Total Revenue	1 476 069 242		
					Government grant and subsidies	141 735 200		

Agency Revenue)	Donations/ Total Operating Revenue (including agency services) x 100			Public contributions and Donations	14 000 000	
				Capital Grants	28 470 000	

3. 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%		100%	2021/22 Projected 3
					Actual Capital Expenditure	176 136 550	
					Budget Capital Expenditure	176 136 550	

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%		100%	2021/22 Projected 3
					Actual Operating Expenditure	1 497 562 033	
					Budget Operating Expenditure	1 497 562 033	

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%		100%	2021/22 Projected 3
					Actual Operating Revenue	1 433 599 242	
					Budget Operating Revenue	1 433 599 242	

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%	2021/22 Projected 3
					Actual Service Charges and Property Rates Revenue	1 055 990 776	
					Budget Service Charges and Property Rates Revenue	1 055 990 776	



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 action 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 action plans should be taken and reviewed

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%		8%	2022/23 Projected 2	
					Total Operating Expenditure	1 600 376 462		
					Taxation Expense	-		
					Total Capital Expenditure	145 378 000		
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%		0%	2022/23 Projected 2	
					PPE, Investment Property and Intangible Impairment			
					PPE at carrying value	3 803 017 178		
					Investment at carrying value	121 846 000		
						4 025 295		
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%		6%	2022/23 Projected 2	Repairs & maintenance comprises 15.19% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	243 069 330		
					PPE at carrying value	3 803 017 178		
					Investment Property at Carrying value	121 846 000		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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B. Debtors Management

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%		99%	2022/23 Projected 2	
					Gross Debtors closing balance	113 615 207		
					Gross Debtors opening balance	107 184 158		
					Bad debts written Off	900 000		
					Billed Revenue	1 123 135 276		

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%		3%	2022/23 Projected 2	The norm range appears incorrect
					Consumer Debtors Bad debts written off	900 000		
					Consumer Debtors Current bad debt Provision	35 159 999		

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		25 days	2022/23 Projected 2	
					Gross debtors	113 615 207		
					Bad debts Provision	35 159 999		
					Billed Revenue	1 123 135 276		

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		4 Month	2022/23 Projected 2	
					Cash and cash equivalents	72 724 021		
					Unspent Conditional Grants			
					Overdraft			
					Short Term Investments	400 000 000		
Total Annual Operational Expenditure	1 438 272 869							

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2,16	2022/23 Projected 2	
					Current Assets	595 702 728		
					Current Liabilities	275 626 957		

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%		6%	2022/23 Projected 2	
					Interest Paid	54 392 475		
					Redemption	48 504 144		
					Total Operating Expenditure	1 600 376 462		
					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%		37%	2022/23 Projected 2	
					Total Debt	500 491 560		
					Total Operating Revenue	1 519 777 483		
					Operational Conditional Grants	154 275 200		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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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%		16517%	2022/23 Projected 2	
					Cash and cash Equivalents	72 724 021		
					Bank Overdraft			
					Short Term Investment	400 000 000		
					Long Term Investment	81 414 015		
					Unspent Grants			
					Net Assets	3 588 420 274		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
Fair Value Adjustment Reserve								
Accumulated Surplus	3 585 065 274							

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%		-5%	2022/23 Projected 2	
					Total Operating Revenue	1 519 777 483		
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure	1 600 376 462		
					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%		-1%	2022/23 Projected 2	
					Total Electricity Revenue	572 180 476		
					Total Electricity Expenditure	578 142 178		

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%		14%	2022/23 Projected 2	
					Total Water Revenue	170 007 303		
					Total Water Expenditure	146 451 762		

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%		12%	2022/23 Projected 2	
					Total Refuse Revenue	106 814 126		
					Total Refuse Expenditure	94 447 673		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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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%		8%	2022/23 Projected 2	
					Total Sanitation and Water Waste Revenue	126 999 217		
					Total Sanitation and Water Waste Expenditure	117 065 003		

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%		7%	2022/23 Projected 2	
					Number of units purchased and/or generated	260 982 879		
					Number of units sold	242 948 963		

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%		20%	2022/23 Projected 2	
					Number of kilolitres purchased and/or purified	7 903 417		
					Number of kilolitres sold	6 293 491		

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%	2022/23 Projected 2	
					Number of Active Debtors Accounts (Previous)	48 755		
					Number of Active Debtors Accounts (Current)	48 755		

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		8%	2022/23 Projected 2	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue (Previous)	1 447 627 712		
					Total Revenue (Current)	1 557 305 483		

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		6%	2022/23 Projected 2	Refer to fluctuations in the housing grant (operational vs capital)
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 433 599 242		
					Total Revenue Exl.Capital (Current)	1 519 777 483		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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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		21 days	2022/23 Projected 2	
					Trade Creditors	56 436 067		
					Contracted Services	150 845 437		
					Repairs and Maintenance	127 298 634		
					General expenses	131 545 562		
					Bulk Purchases	427 182 924		
Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	145 378 000							

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%		0%	2022/23 Projected 2	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-		
					Total Operating Expenditure	1 600 376 462		
					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%		32%	2022/23 Projected 2	
					Employee/personnel related cost	491 199 224		
					Councillors Remuneration	20 677 373		
					Total Operating Expenditure	1 600 376 462		
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%		15%	2022/23 Projected 2	Cost analysis conducted to deliver cost effective services.
					Contracted Services	242 756 407		
					Total Operating Expenditure	1 600 376 462		
					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		48%	2022/23 Projected 2	
					Internally generated funds	20 000 000		
					Borrowings	50 000 000		
					Total Capital Expenditure	145 378 000		

RATIO	FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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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 2	
					Internally generated funds	20 000 000		
					Total Capital Expenditure	145 378 000		

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		92%	2022/23 Projected 2	
					Total Revenue	1 557 305 483		
					Government grant and subsidies	154 275 200		
					Public contributions and Donations	5 900 000		
Capital Grants	31 628 000							

3. 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%		100%	2022/23 Projected 2	
					Actual Capital Expenditure	145 378 000		
					Budget Capital Expenditure	145 378 000		

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%		100%	2022/23 Projected 2	
					Actual Operating Expenditure	1 600 376 462		
					Budget Operating Expenditure	1 600 376 462		

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%		100%	2022/23 Projected 2	
					Actual Operating Revenue	1 519 777 483		
					Budget Operating Revenue	1 519 777 483		

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 2	
					Actual Service Charges and Property Rates Revenue	1 123 135 276		
					Budget Service Charges and Property Rates Revenue	1 123 135 276		



NATIONAL TREASURY
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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 action 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 action plans should be taken and reviewed

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 (#)
" 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%		#DIV/0!	2023/24 Projected 1	
					Total Operating Expenditure			
					Taxation Expense			
					Total Capital Expenditure			
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%		#DIV/0!	2023/24 Projected 1	
					PPE, Investment Property and Intangible Impairment			
					PPE at carrying value			
					Investment at carrying value			
					Intangible Assets at carrying value			
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%		#DIV/0!	2023/24 Projected 1	
					Total Repairs and Maintenance Expenditure			
					PPE at carrying value			
					Investment Property at Carrying value			

B. Debtors Management

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%		#DIV/0!	2023/24 Projected 1	
					Gross Debtors closing balance			
					Gross Debtors opening balance			
					Bad debts written Off			
		Billed Revenue						

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%		#DIV/0!	2023/24 Projected 1	
					Consumer Debtors Bad debts written off			
					Consumer Debtors Current bad debt Provision			

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		#DIV/0!	2023/24 Projected 1	
					Gross debtors			
					Bad debts Provision			
					Billed Revenue			

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		#DIV/0!	2023/24 Projected 1	
					Cash and cash equivalents			
					Unspent Conditional Grants			
					Overdraft			
					Short Term Investments			
Total Annual Operational Expenditure								

2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		#DIV/0!	2023/24 Projected 1	
					Current Assets			
					Current Liabilities			

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%		#DIV/0!	2023/24 Projected 1	
					Interest Paid			
					Redemption			
					Total Operating Expenditure			
		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%		#DIV/0!	2023/24 Projected 1	
					Total Debt			
					Total Operating Revenue			
					Operational Conditional Grants			

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%		#DIV/0!	2023/24 Projected 1	
					Cash and cash Equivalents			
					Bank Overdraft			
					Short Term Investment			
					Long Term Investment			
					Unspent Grants			
					Net Assets			
					Share Premium			
					Share Capital			
					Revaluation Reserve			
Fair Value Adjustment Reserve								
Accumulated Surplus								

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%		#DIV/0!	2023/24 Projected 1	
					Total Operating Revenue			
					Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>			
					Total Operating Expenditure			
					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%		#DIV/0!	2023/24 Projected 1	
					Total Electricity Revenue			
					Total Electricity Expenditure			

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%		#DIV/0!	2023/24 Projected 1	
					Total Water Revenue			
					Total Water Expenditure			

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%		#DIV/0!	2023/24 Projected 1	
					Total Refuse Revenue			
					Total Refuse Expenditure			

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%		#DIV/0!	2023/24 Projected 1	
					Total Sanitation and Water Waste Revenue			
					Total Sanitation and Water Waste Expenditure			

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%		#DIV/0!	2023/24 Projected 1	
					Number of units purchased and/or generated			
					Number of units sold			

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%		#DIV/0!	2023/24 Projected 1	
					Number of kilolitres purchased and/or purified			
					Number of kilolitres sold			

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		#DIV/0!	2023/24 Projected 1	
					Number of Active Debtors Accounts (Previous)			
					Number of Active Debtors Accounts (Current)			

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		#DIV/0!	2023/24 Projected 1	
					CPI			
					Total Revenue (Previous)			
					Total Revenue (Current)			

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		#DIV/0!	2023/24 Projected 1	
					CPI			
					Total Revenue Exl.Capital (Previous)			
					Total Revenue Exl.Capital (Current)			

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		#DIV/0!	2023/24 Projected 1	
					Trade Creditors			
					Contracted Services			
					Repairs and Maintenance			
					General expenses			
					Bulk Purchases			

	Capital Credit Purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)						
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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%		#DIV/0!	2023/24 Projected 1	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure			
					Total Operating Expenditure			
					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%		#DIV/0!	2023/24 Projected 1	
					Employee/personnel related cost			
					Councillors Remuneration			
					Total Operating Expenditure			
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%		#DIV/0!	2023/24 Projected 1	
					Contracted Services			
					Total Operating Expenditure			
					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		#DIV/0!	2023/24 Projected 1	
					Internally generated funds			
					Borrowings			
					Total Capital Expenditure			

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		#DIV/0!	2023/24 Projected 1	
					Internally generated funds			
					Total Capital Expenditure			

3	Own Source Revenue to Total Operating Revenue(Including	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		#DIV/0!	2023/24 Projected 1	
					Government grant and subsidies			

Agency Revenue)	Donations/ Total Operating Revenue (including agency services) x 100			Public contributions and Donations		
				Capital Grants		

3. 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%		#DIV/0!	2023/24 Projected 1	
					Actual Capital Expenditure			
					Budget Capital Expenditure			

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%		#DIV/0!	2023/24 Projected 1	
					Actual Operating Expenditure			
					Budget Operating Expenditure			

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%		#DIV/0!	2023/24 Projected 1	
					Actual Operating Revenue			
					Budget Operating Revenue			

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%		#DIV/0!	2023/24 Projected 1	
					Actual Service Charges and Property Rates Revenue			
					Budget Service Charges and Property Rates Revenue			

Name Of Municipality

Ratio Analysis Report		Restated	Audited	Projected					
	Norm	2018	2019	2020	2021	2022	2023	2024	
FINANCIAL POSITION									
Asset Management/Utilisation									
1	Capital Expenditure to Total Expenditure	10% - 20%	10%	14%	18%	16%	11%	8%	N/A
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	0%	0%	0%	0%	0%	0%	0%	N/A
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	8%	5%	6%	5%	6%	6%	6%	N/A
Debtors Management									
1	Collection Rate	95%	99%	98%	100%	99%	99%	99%	N/A
2	Bad Debts Written-off as % of Provision for Bad Debt	100%	4%	3%	2%	3%	3%	3%	N/A
3	Net Debtors Days	30 days	29 days	30 days	29 days	27 days	26 days	25 days	N/A
Liquidity Management									
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	1 - 3 Months	6 Month	7 Month	6 Month	5 Month	5 Month	4 Month	N/A
2	Current Ratio	1.5 - 2:1	2,82	3,19	3,31	2,68	2,47	2,16	N/A
Liability Management									
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	6% - 8%	8%	7%	7%	7%	0%	6%	N/A
2	Debt (Total Borrowings) / Revenue	45%	46%	45%	43%	41%	39%	37%	N/A
FINANCIAL PERFORMANCE									
Efficiency									
1	Net Operating Surplus Margin	= or > 0%	7%	3%	-1%	-5%	-4%	-5%	N/A
2	Net Surplus /Deficit Electricity	0% - 15%	10%	13%	6%	5%	3%	-1%	N/A
3	Net Surplus /Deficit Water	= or > 0%	36%	16%	11%	9%	15%	14%	N/A
4	Net Surplus /Deficit Refuse	= or > 0%	7%	-6%	4%	8%	10%	12%	N/A
5	Net Surplus /Deficit Sanitation and Waste Water	= or > 0%	32%	10%	2%	7%	4%	8%	N/A
Distribution Losses									
1	Electricity Distribution Losses (Percentage)	7% - 10%	5%	6%	6%	7%	7%	7%	N/A
2	Water Distribution Losses (Percentage)	15% - 30%	22%	24%	18%	21%	21%	20%	N/A
Revenue Management									
1	Growth in Number of Active Consumer Accounts	None	5%	0%	0%	0%	0%	0%	N/A
2	Revenue Growth (%)	= CPI	6%	10%	10%	4%	5%	8%	N/A
3	Revenue Growth (%) - Excluding capital grants	= CPI	4%	10%	12%	5%	6%	6%	N/A
Expenditure Management									
1	Creditors Payment Period (Trade Creditors)	30 days	36 days	27 days	18 days	19 days	21 days	21 days	N/A
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	0%	0%	3%	0%	0%	0%	0%	N/A
3	Remuneration as % of Total Operating Expenditure	25% - 40%	31%	34%	32%	33%	32%	32%	N/A
4	Contracted Services % of Total Operating Expenditure	2% - 5%	17%	17%	17%	16%	16%	15%	N/A
Grant Dependency									
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	None	35%	48%	53%	71%	49%	48%	N/A
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	None	17%	27%	28%	37%	21%	14%	N/A
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	None	89%	87%	90%	92%	91%	92%	N/A
BUDGET IMPLEMENTATION									
1	Capital Expenditure Budget Implementation Indicator	95% - 100%	90%	100%	100%	100%	100%	100%	N/A
2	Operating Expenditure Budget Implementation Indicator	95% - 100%	95%	96%	100%	100%	100%	100%	N/A
3	Operating Revenue Budget Implementation Indicator	95% - 100%	103%	106%	100%	100%	100%	100%	N/A
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	95% - 100%	101%	103%	100%	100%	100%	100%	N/A

ANNEXURE I

mSCOA REGULATIONS & IMPLEMENTATION

MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA):

POST IMPLEMENTATION STATUS OF THE mSCOA PROJECT - MARCH 2020

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 SamrasClassic, 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 up to 31 December 2019, as part of the reporting to Council.

2. mSCOA: Scope and Overview

Business Rationale

mSCOA stands for "*municipal Standard Chart of Accounts*" and provides a uniform and standardized financial transaction classification framework. mSCOA is a "proudly South African" project researched by National Treasury based on municipal practices, reporting outcomes, policy implementation and reviews.

Prior to mSCOA, each municipality managed and reported on its financial affairs in accordance with its own organizational structure and unique chart of accounts. The result is a disjuncture amongst municipalities and municipal entities and between municipalities and the other spheres of government as to how they classify revenue and expenditure and consequently report thereon. This compromises transparency, reliability and accuracy throughout the planning and reporting process and impedes the ability of national government to integrate information and to formulate coherent policies in response to the objectives of local government.

This is done at transactional level and ensures that a municipality and its entities must have minimum business processes in place.

In essence it means that mSCOA is primarily business reform rather than a mere financial reform and requires multi-dimensional recording and reporting of every transaction across 7 pre-defined segments.

Key Objectives of mSCOA

Key Objective 1 - The mSCOA Regulations to provide for a national standard for the uniform recording and classification of municipal budget and financial information at a transaction level by prescribing a standard chart of accounts for municipalities and municipal entities which-

- Are aligned to the budget formats and accounting standards prescribed for municipalities and municipal entities and with the standard charts of accounts for national and provincial government; and

- Enable uniform information sets recorded in terms of national norms and standards across the whole of government for the purposes of national policy coordination and reporting, benchmarking and performance measurement in the local government sphere.

Key Objective 2 - The Regulations to enable the alignment of budget information with information captured in the course of the implementation of the budget.

mSCOA Classification Framework

As per the directive from National Treasury, from 01 July 2017, all municipalities had to capture all their financial transactions against a predefined classification framework, which will result in uniformity of line items in terms of revenue, expenditure, assets and liabilities.

3. mSCOA Project Governance and Management

During the Life Cycle of the mSCOA Project Implementation, National Treasury has provided various Project Implementation Frameworks to assist municipalities to achieve full compliance with all the mSCOA Legislative, Regulatory functional systems requirements. These frameworks have been applied as a reference guide by the Overstrand municipality to ensure that:

- 1) A fully informed and transparent assessment of all legislative and regulatory mSCOA functional compliance requirements are done;
- 2) All non-compliance matters are identified and assessed in terms of its relevance and,
- 3) Corrective measures to be instituted timeously to achieve full compliance status by National Treasury and the Auditor General of South Africa.

Every municipality and local government entity is ultimately responsible to ensure full compliance to all the mSCOA legislative and regulatory requirements.

Chapter 6 of the MFMA tasks the Municipal Manager of the municipality with managing the financial administration of the municipality. The Municipal Manager also has the overall responsibility to manage the successful implementation of the mSCOA project within the municipality.

The Municipal Manager, in terms of the MFMA has delegated some of these mSCOA Implementation responsibilities. The Municipal Manager has tasked an mSCOA Steering Committee and mSCOA Project Implementation Team to drive and oversee the successful implementation of the Municipal Regulations on Standard Chart of Accounts in the municipality and to advise the Municipal Manager and to report progress go to council at least on a quarterly basis.

Best practice Project Governance and Management structures and forums were established to monitor progress with the mSCOA Implementation Project and to assess the quality of service delivery by the appointed Service Provider and to report at least quarterly to council on progress being made with the **mSCOA project Implementation and all other relevant matters.**

Every municipality and local government entity is ultimately responsible to ensure full compliance to all the mSCOA legislative and regulatory requirements.

4. mSCOA Project Implementation Frameworks

mSCOA Compliance Frameworks

To maximize the integrity and transparency of the mSCOA assessment process the mSCOA compliance frameworks as prescribed by National Treasury during the various project implementation phases, were used by the Overstrand municipality.

RT25 -2016: ICT due Diligence Functional Assessment Framework

The RT25 National Treasury Transversal Tender, published in the MFMA 80, dated 8 March 2016, states that:

"The technical systems specifications was designed to address not only the mSCOA requirements but also to list all the components needed to fully automate and accommodate the accountability cycle of municipalities (considering the current local government legal environment). Best Practices and Optional requirements were discerned in this tender in order to clearly identify only the essential systems functionality. Optional systems features and functions have been identified as non-• regulated options / add-ons. The RT25-2016 also allowed for 3rd party integration as well as future developments. Through this approach the National Treasury allowed for a municipality to follow an evolutionary systems approach if such is preferred."

The RT25-2016 National Treasury Transversal contract also aimed to achieve the following additional key objectives:

- (a) Improved data quality and credibility;
 - (b) The achievement of a greater level of standardization;
 - (c) The development of uniform data sets critical for 'whole-of-government' reporting;
 - (d) the standardization and alignment of the 'local government accountability cycle' by the regulation of not only the budget and in-year reporting formats but also the annual report and annual financial statement formats;
 - (e) the creation of the opportunity to standardize key business processes with the consequential introduction of further consistency in the management of municipal finances;
 - (f) Improved transparency, accountability and governance through uniform recording of transactions at posting account level detail;
 - (g) Enabling deeper data analysis and sector comparisons to improve financial performance; and
 - (h) the standardization of the account classification to facilitate mobility in financial skills within local government and between local government and other spheres as well as the private sector and to enhance the ability of local government to attract and retain skilled personnel.
- In line with the directives as stated above, the Overstrand municipality decided to follow an evolutionary process and therefore only the Legislative and mSCOA regulatory functional requirements were assessed for compliance and only the core financial system, being the Samras system, was assessed.
 - During the initial assessment process in 2017 it was found that:
 - i. Some of the sub-processes/modules nominated by National Treasury in the RT25 Tender, do not require any legislative and/or mSCOA regulatory functional requirements; and,

- ii. Some sub-process/modules do not form part of the Samras systems portfolio. currently used by the Overstrand municipality and therefore have been excluded from the functional compliance assessment process.

5. Financial Management and Internal Control Requirements

As per MFMA Circular 80, paragraph 4, (Dated 8 March 2016) states as follows:

*"Municipalities must ensure when examining the functionality of their current systems of financial management and internal control that it meets the minimum business processes and system requirements as stated in the mSCOA Regulation. In this regard it refers to a system of financial management and internal controls capable of providing for the uniform recording and classification of both municipal and financial information at a transactional level in the prescribed municipal standard chart of accounts. As a consequence, systems of financial management and internal control **must, as a minimum, comply with these explicit business process requirements:**"*

mSCOA Budgetary Compliance Requirements

(Reference: Addendum to MFMA Circular 80, paragraph 3, dated 18 October 2016)

Whether employing the RT25-2016 panel or not, municipalities are required to:

- 1) Have a systems-integrated IDP (integrated development plan) Module.
- 2) Have a systems-integrated Budget Module.
- 3) Enable a municipality, with effect 1 July 2017, to transact across the seven segments of mSCOA with subsystems seamlessly integrating to the core financial system.
- 4) It should specifically be noted that the due date for all these deliverables was set by the Service provider to be 31 March 2017.

Business Process Requirements and Associated System

(Reference: Addendum to Circular 80, Paragraph 5, dated 18 October 2016)

Any system of financial management and internal control, as a minimum, must comply with the seven main business and process components. The seven components must integrate seamlessly with the mSCOA general ledger and comply at a posting level to the mSCOA Regulations and GRAP. The seven main components are defined as follows:

- General Ledger/Billing/Supply chain management/Assets management/Inventory and stores/Budgeting and planning/Human Resources and payroll.

Directly aligned to the defined components as listed above, fifteen major business processes have been defined within Local Government:

- Corporate Governance/Municipal Budgeting/Financial Accounting/Costing & Reporting/Project Accounting/Cash Management/Procurement Cycle/Grant Management/Assets Life Cycle Management/Real Estate & Resource Management/HR & Payroll/Customer Care, Credit Control/Valuation Roll Management/Land Use Management/Revenue Cycle

6. Vendor Technical Systems Design and Development Strategies

ICT Industry Migration to Knowledge Based Systems Architectures:

- Since Y2K the demand for large databases systems and broad band data communications networks has brought about a total new paradigm how databases and Management Information Systems must be designed and developed.
- This requirement for "*knowledge based systems and best industry practice systems architectures*", providing access to "*data on demand*" at "*anytime from anywhere*", eventually also found its inroads into all three spheres of government in the Republic of South Africa with various ICT initiatives being deployed by various governmental institutions: The mSCOA initiative introduced by National Treasury in 2011, being one of them. Reference: MFMA Circular 57: Financial Systems and Processes, dated 20 October 2011 –

"Service delivery is a by-product of effective, efficient and economical processes that are informed by strategic direction, resource planning and implementation. Furthermore, a municipality with poorly designed business processes will not resolve the problem by implementing a new (financial) system.

Firstly, processes must be redesigned with the necessary data validation rules if the municipality is to improve its data integrity. This foundation is integral to ensuring that software applications generate credible information and can be used effectively by municipalities."

In 2014 the Overstrand municipality opted to be one of a few municipalities selected by National Treasury to engage with our current Service Provider on a pilot mSCOA Implementation project, taking full advantage of early lessons learned and a focused support from National Treasury.

During the piloting process, based on circumstances, the vendor decided to retain its current legacy system and database architectures for all transactional processing, and to develop a separate Web-portal architecture as required by National Treasury for Budgeting and Reporting purposes for the mSCOA implementation phase up to 1 July 2017.

- Development of the remainder of the mSCOA functional requirements for implementation was envisaged by not later than 31 September 2017, to coincide with the commencement of Budget planning cycle for the next financial year: 2018/2019, which, at the time made good business sense, given the scope of the transversal tender, RT25-2016 functional requirements as well.
- It was thus also the intent of the vendor to decommission its legacy system and database architectures and to migrate all the municipal financial data to a new Web-enabled systems and database architecture, to also coincide with the commencement of the budget planning cycle for 2018/2019.

The Vendor informed the municipality during the User Acceptance Testing phase prior to 1 July 2017 that they will not be able to implement in accordance to the time frames as indicated for the intended migration strategy to the new Web-enabled architecture.

The service provider was also notified at that stage by the Western Cape Provincial Treasury, together with municipalities, that they are working towards 31 March 2018 to ensure that all modules are fully functional and that all 3rd Party Integrations are complete and operational.

The national and provincial treasuries have communicated on various occasions with municipalities around the successful submissions of data strings and the alignment of the C-Schedules, as the next stage of the mSCOA implementation. National Treasury intensified efforts to encourage municipalities to meet the following priorities:

- 1) Submission of TABB (Tabled Budget) data strings for 2018/19: Deadline was 5 April 2018 (as per budget circular);
- 2) Submission of PATA (Project Detail Tabled Budget) data strings for 2018/19;

- 3) Submission of M01 to M12 (Monthly, cumulative) for 2017/18: Deadline is 10 working days after the end of the month.

The National Treasury has also secured funding to conduct independent audits on all municipal core financial systems to determine to what extent these systems comply with the functionality requirements and 15 business processes required in terms of mSCOA. These audits had to commence within the next month and the results were scheduled to be published and shared in a media release. It was indicated that these results will also inform the new transversal tender for the procurement of municipal financial systems when RT25-2016 comes to an end in March 2019;

The feedback regarding the anticipated outcome of the before-mentioned audit process of mSCOA system vendors by National Treasury has been communicated since then to municipalities, in confirming that NT has now scheduled this process for the second part of 2019.

Update on the submission of data strings by the municipality:

- All the monthly data strings M01 - M12 (July 2018 to June 2019) have been successfully submitted and verified by the NT database.
- All the monthly Debtors and Creditors data strings for the period July 2018 to June 2019 have been successfully submitted and verified by the NT database.
- All the quarterly IM (Investments) and BM (Borrowing) data strings for the periods September & December 2018 and March & June 2019 have been successfully submitted and verified by the NT database.
- The tabled & original budget and IDP data strings for the 2019/2020 budget been
- Successfully submitted and verified by the NT database.
- Some challenges still exist with the submission of older data strings such as the
- 2017/2018 PAUD & AUDA (Pre- and audited information) and the tabled, original and
- Adjustments budgets, IDP data strings for the 2018/2019 budget. This can partly be ascribed to system challenges with the various versions of the mSCOA charts for the past three years.

Notwithstanding successful submissions of the above mentioned data strings, it should be noted that manual intervention still occurs in correcting some data strings due to modules not yet available in the Web portal and system data verification procedures. These aspects are constantly being communicated with the system vendor.

7. Bytes Systems and Engagements

Samras Financial System

The transactional and operational processing in the SamrasClassic environment was also at an acceptable level of functionality at the time (2014). Flat file structures with some relational database capabilities was primarily the state of the art for Information databases and Systems Architectures, but then also primarily for a localized environment i.e. the Overstrand municipality.

However, given the emergence of "*Knowledge based systems and Database Architectures*" Bytes, our current Service Provider, at the time realized that the SamrasClassic systems and database architectures cannot be the ICT enabling platform to provide all the required functionalities going forward into the 21st Century: mSCOA and the Smart Cities concepts being some of the strategic initiatives for local government institutions.

Since 2009 Bytes made service offerings to its local government clients with the intent to also introduce best practice ICT enabling platforms as part of its internal growth strategies moving into the 21st Century.

With the advent of MSCOA, now being in its final phase of completion, it is now also the most appropriate time to assess the outcomes of the various Samras service offerings by Bytes since 2009 to determine to what extent these service offerings were able to align with the expectations of local government, enabling good governance and improved service delivery to all our communities and residents.

Summarized Overview and Assessment of the Bytes Service Offerings and Service

Delivery Performance:

<p>2013 to Date</p>	<p>mSCOA: Initial Bytes Implementation Project Refer Diagram 1 below – Operational processing still occurs in the SamrasClassic Domain. Data ceding between the two platforms remain a work in progress and an operational challenge as earlier indicated.</p>
<p>2015/2019</p>	<p>2015/2019 Samras Modernisation, subsequently referenced /Web Enablement (Web Interface Business Process) Refer Diagram 2 & 3 below – 2015 Planning - Deliver a complete Web based solution, with self-service focus for rate payers: Aligned with all financial business processes and transparency to all stakeholders. 2016 Planning - Samras User Group Complete full delivery of scheduled for 6 to 7 March all core processes on the 2019 provided some high Web by April 2017; level indications without sufficient detailed implementation plan made available thus development test and far. 2019 Expectation - is to deliver a fully Web based Solution and phase out SamrasClassic by not later than December 2019. February 2019: Still await updated detailed Project Implementation Plan and Modernization Scope and Specifications from Bytes. Still no clear feedback regarding phasing out of the SamrasClassic. June 2019 Usergroup meeting: The status will be considered after the Samras Usergroup meeting scheduled for 16/17 October 2019. No positive developments in terms of implementation of the Web based at any of the municipalities in the group were observed at the usergroup. October 2019 Usergroup meeting: The Municipality has yet to receive an updated project plan for the rollout of the complete suite of the Samras web based modules from Bytes Systems Integration - Bytes however started a proses to implement a web modules at one of the district municipalities in the usergroup, but several challenges have been experienced during the second part of 2019, impacting on progress made. March 2020 Usergroup meeting: The service provider has also started a process to test some modules at municipalities; however the web development is according to our observation, is not 100 percent ready for Overstrand municipality to implement the next module of the web based system as envisaged. The municipality is however in the process to follow instructions</p>

✚ Samras Monthly Performance Ratings (Since 2018/2019):

Ratings Range: 5 =Exceptionally Good Services, to 1 -Exceptionally Poor Services

> KPI Description: Deliver financial system services within agreed time, cost and quality:

> KPI Rating: Monthly performance ratings since July 2018 = 1

✚ Current Measures:

- Senior Finance Management staff attend all Usergroup meetings.
- Bi-Weekly mSCOA meetings held, telecom with supplier during these meetings as far as possible.

✚ Above rating must be considered in view of the following -

Impact of National Treasury Directives and Technical Specifications - Due to the continuous changes in directives and amendments to the initial mSCOA implementation frameworks and technical system design specifications as issued by NT since July 2015, it is fair and reasonable to accept that the sum total and impact of scope changes introduced by NT to the initial scope of mSCOA implementation project plan, and in a fragmented fashion, impacted on service providers to some extent and still impose potential risks to successful implementation of mSCOA in totality.

A number of events occurred that directly impact on the existing contractual relationship and service delivery expectations the Overstrand municipality have with its current service provider, being Bytes Technology Group:

- i. The legislative and regulatory compliance requirements for mSCOA implementation have been amended three times previously by National Treasury from mSCOA V6.1 to mSCOA V 6.2, to V6.3 effective from 01 July 2019 and more recently, V6.4, introduced in December 2019, for full compliance by not later than 31 March 2020, to coincide with the Budget Planning Cycle for 2020/2021;
- ii. The National Treasury Transversal Contract: RT25...2016, effective from 01 June 2016, for the appointment of Service Providers for the implementation of a fully Integrated Financial Management System for Local Government, will be discontinued by National Treasury, effective from 31 May 2019, thus;

A municipality that considers the services of an alternative system vendor, will need to embark on its own procurement process consistent with Chapter 10 of the MFMA read together with the Municipal Supply Chain Management (SCM) Regulations and the written council approved Municipal Supply Chain Management policy."

The mSCOA Regulation initially provided for a three year preparation and readiness window for all municipalities and municipal entities till 01 July 2017 to be compliant to the mSCOA classification framework. Since then this date for compliance has been extended to 31 March 2019, but this Regulation:

"Shall remain in effect until the satisfactory implementation of mSCOA within the municipality and will only terminate by agreement of the Municipal Manager and the Municipal Council."

8. The Way Forward with mSCOA

To date, the functional and operational status of the Samras system still does not justify an unqualified report to Council and National Treasury that the Samras system is fully mSCOA compliant, primarily due to the following issues and constraints:

- i. The current hybrid Systems Architectures (SamrasClassic and the Web-portal) maintained by the vendor in an attempt to deliver a fully functional Samras system, poses a severe risk due to

the lack of proper validation rules between the two data architectures and data being ceded between the two Samras System Architectures.

- ii. Before-mentioned continues to impact on the day to day operations of the Finance Directorate mostly, and places severe pressure on the Financial Services Department (Budget/Reporting/Annual Financial Statements). This impacts on an on-going basis in maintaining performance in adherence/compliance to deadlines related to legislation (Sub- systems/modules might reconcile or function properly on one day and then will be dysfunctional again the very next day (refer NT budget schedules, formulae and reports, with particular incidents reported to the vendor remaining unresolved relating to any permanent solutions, progress, and/or implementation.)
- Overstrand Municipality has already complied to a large extent with these requirements and has focused on the submissions that reflect an error validation status.
 - To date the core financial system of the municipality is functional and operational, for day- to-day transacting, primarily due to the collective efforts and competence of the Overstrand municipal officials involved with the implementation of mSCOA.
 - Accurate data string extracts from the web-based financial system remained a challenge to date, also in view of the fact that some vital modules are not deployed in the web yet). These and other system operational challenges are continually being logged with the service provider for solutions.
 - The Overstrand Municipality currently has its own existing and mutually accepted Main Agreement with the Bytes Technology Group, effective till 30 June 2022.
 - The National Treasury has provided the latest status and guidance to municipalities in the MFMA Budget Circular No. 98, issued on 6 December 2019, as follows:

“By now, all municipalities should:

- Have acquired, upgraded and maintain the hardware, software and licences required to be and remain *mSCOA* compliant;
- Budget, transact and report on all six (6) legislated *mSCOA* segments and directly on the core financial system and submit the required data strings directly from this system to the Local Government Portal;
- Lock down the budget adopted by Council on the core municipal financial system before submitting the budget (ORGB) data string to the local government portal;
- Closed the core financial system at month-end as required in terms of the MFMA before submitting the monthly data string to the local government portal; and
- Generate regulated Schedules (A, B, C) directly from the core municipal financial systems.
- If your municipality has not achieved the above level of implementation as yet, then the implementation of *mSCOA* in your municipality should be accelerated. Towards this end:
 - A road map must be provided to the National and respective provincial treasury to indicate how the municipality will be become *mSCOA* compliant;
 - The municipality’s *mSCOA* Project Steering Committee (chaired by the Accounting Officer) must meet at least monthly (if not more often) to track the progress against the road map and take corrective action where required;
 - The National Treasury (in the case of non-delegated municipalities) and respective provincial treasury (in the case of delegated municipalities) should be invited to the *mSCOA* Project Steering Committee meeting; and
 - Progress against the road map should be presented at the Mid-Year Budget and Performance and Budget Benchmark engagements. “

It was furthermore indicated that:

“The National Treasury will conduct independent audits on all municipal core financial systems in 2020 to determine to what extent these systems comply with the functionality requirements and 15 business processes required in terms of *mSCOA*. These results will also inform the new transversal tender for the

procurement of municipal financial and internal control systems in 2021. Until these audits have been concluded and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary mSCOA functionality requirements.”

The municipality has yet to receive an updated project plan for the rollout of the complete suite of the Samras web based modules from Bytes Systems Integration.

The municipality will keep the Council and National Treasury informed of any changes to the current status.

Diagram 1- mSCOA Service Offering - 2015/2016

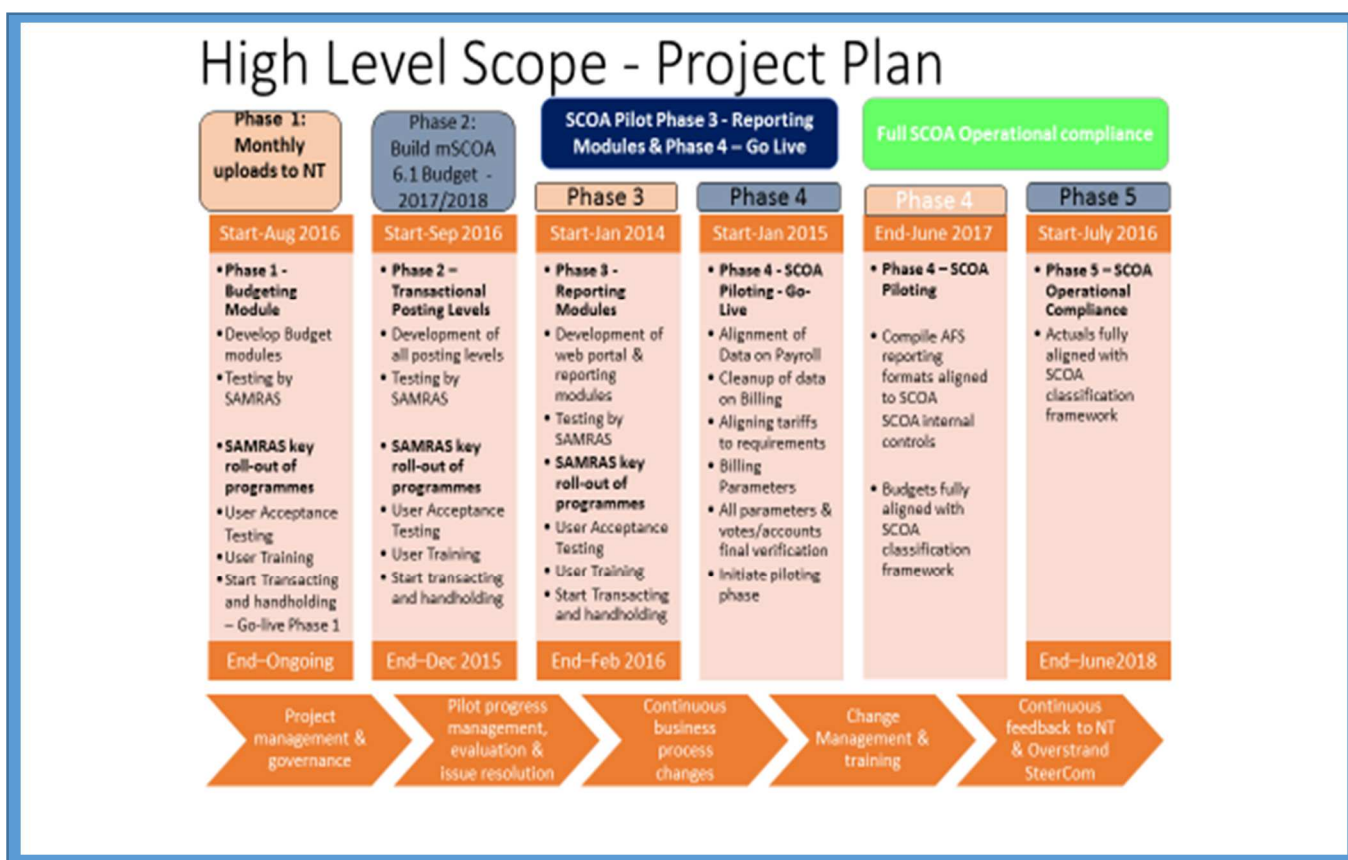


Diagram 2 - mSCOA Samras Modernisation 2015/2016

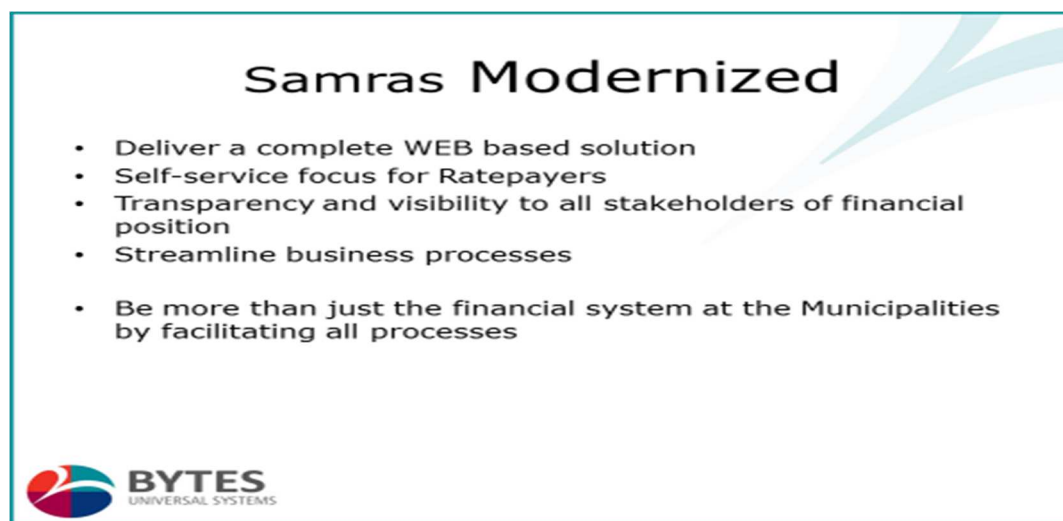
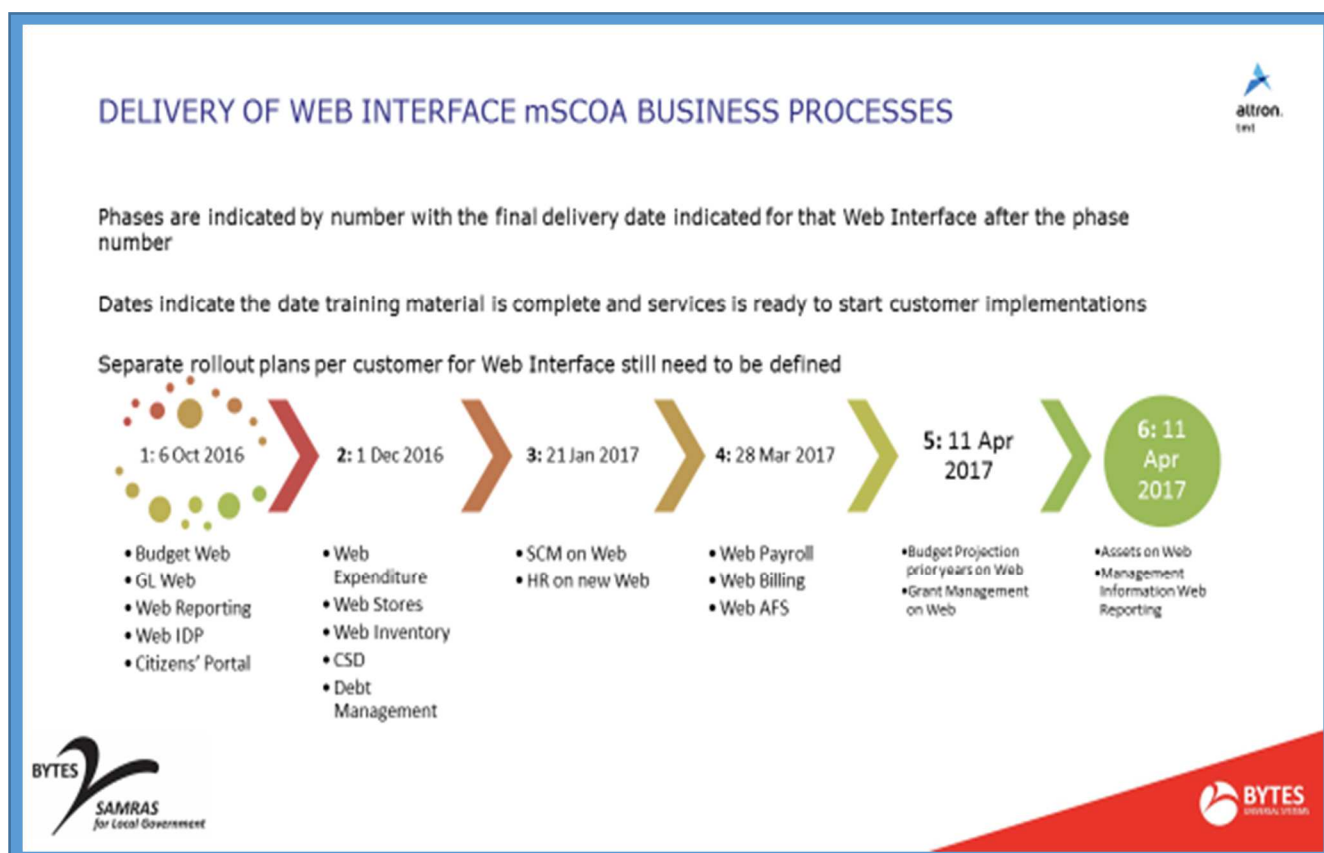


Diagram 3 - Web Interface mSCOA Business Process – 2016/2017



ANNEXURE J

DRAFT DMP

DEMAND MANAGEMENT PLAN - 2020/2021

DMF REF #	Discipline (R)	Existing Tender Number	Expiry Date of current contract	New Tender Number	Contract Director	Contract Owner	Project Name / Tender Description	Funding source	Ward	Area	Est. Expenditure as per budget 2020/2021	Est. Expenditure 2021/2022	Total Estimated Project Cost	Procurement Process	Pre-Qualification (Regulation 4)	Sub-Contracting (Regulation 9)	Social Responsibility / Community Investment	Planned Start Date of new contract	Contract period in months (New contract)	Planned Completion Date of new contract	Expected Submission date of Specifications	Actual Submission Date of Specs	Expected BSC	Actual BSC	Expected Date Advertised	Actual date advertised	Expected Tender Closing Date	Actual tender closing date	Validity Period in days	Expected BSC	Actual BSC date	Expected BSC	Actual BSC	Actual BSC date	Expiry of validity period	Expected Final Award Date	Actual Final award date				
SECTION A: RECURRING PROJECTS ON THE CONTRACT MANAGEMENT SYSTEM																																									
A01	Infrastructure and Planning	SC1862/2018	2021/06/30	N/A	S Muller	H Bignaud	Transport Of Contaminated Municipal Solid Waste And Chipping Of Garden Waste	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Tender	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/01/16		2021/01/02		2021/01/04		2021/02/21		90	2020/03/19		2020/03/07		2021/04/24		2020/03/07					
A02	Community Services	SC1850/2018	2021/06/30	N/A	R Williams	T Steenberg	Hiring Of Sewage Vacuum Tankers	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Tender	N/A	N/A	YES	2022/07/01	36	2025/06/30	2020/02/01		2021/03/05		2021/03/15		2021/04/15		90	2021/05/05		2021/05/15		2021/05/15		2021/05/15		2021/05/15			
A03	Community Services	SC1874/2018	2021/06/30	N/A	R Williams	T Steenberg	Provision Of Great Works And Maintenance As And When Needed	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Tender	YES / BBBEE LEVEL 4 > LEVEL 1	YES	YES	2022/07/01	36	2025/06/30	2020/02/01		2021/03/11		2021/04/15		2021/04/15		90	2021/05/05		2021/05/15		2021/05/15		2021/05/15		2021/05/15			
C11	Community Services	SC1871/2018	2021/06/30	N/A	R Williams	B Platenberg	Hygiene Services	Operating Cash	Overstrand	Overstrand	483 599.00	154 000.00	483 599.00	Tender	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/04/02		2021/04/08		2021/04/08		2021/04/29		90	2021/05/25		2021/05/05		2021/05/25		2021/05/25		2021/05/25			
A05	Community Services	SC1885/2018	2021/06/30	N/A	R Williams	F Myburgh	Management Of Garabaa Caravan Park	Operating Cash	Overstrand	Overstrand	250 000.00	150 000.00	450 000.00	Tender	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/03/11		2021/04/10		2021/03/17		2021/04/17		90	2021/03/21		2021/03/29		2021/07/16		2021/03/29		2021/03/29			
A06	Community Services	SC1885/2018	2021/06/30	N/A	R Williams	T Marx	Chemical Control Of Weeds On Sport Turf & Public Open Spaces In The Overstrand	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Tender	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/02/27		2021/03/03		2021/03/06		2021/03/27		90	2021/03/21		2021/03/21		2021/09/04		2021/03/21		2021/03/21			
A07	Community Services	SC1935/2018	2021/06/30	N/A	R Williams	A Wyngaard	Repair And Maintenance Of Diesel Boiler Systems At Onrus Caravan Park	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Tender	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/02/27		2021/03/03		2021/03/03		2021/03/27		60	2021/03/14		2021/03/21		2021/05/02		2021/03/21		2021/03/21			
A08	Economic & Social Development & Tourism	SC0399/2018	2021/06/30	N/A	S Madhane	G Smith	Management Of Overstrand Municipality's Junior Council Project	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Deviation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
A09	Management Services	SC1870/2018	2021/06/30	N/A	D Arison	J van Apereen	Provision Of Multi-Functional Office Machines	Operating Cash	Overstrand	Overstrand	1 100 000.00	1 155 000.00	2 255 000.00		Sec 116(3) Amendment of Contract	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/02/24		2021/02/25		2021/02/28		2021/03/15		90	2021/04/02		2021/04/14		2021/04/12		2021/06/13		2021/06/13		
A10	Management Services	SC0310/2018	2021/11/23	N/A	D Arison	C Johnson	Upgrade Of Hi Help Desk Software License And 3 Year Annual Maintenance And Support Renewal	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Deviation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
A11	Management Services	SC0209/2018	2021/02/09	N/A	D Arison	J van Apereen	Online Subscription For Access To Legal Information For A 12 Month Period	Operating Cash	Overstrand	Overstrand	115 000.00	120 000.00	235 000.00	Tender	N/A	N/A	N/A	2021/02/21	36	2024/02/20	2020/10/01		2020/10/08		2020/10/15		2020/10/30		90	2020/11/26		2020/12/11		2021/12/28		2021/12/11		2021/12/11			
A12	Management Services	SC0267/2020	2021/01/31	N/A	D Arison	N Zweni	Transferring And Editing Software For A 12 Month Period	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Formal Quotation	N/A	N/A	N/A	2021/02/01	12	2021/01/31	2020/11/04		2020/11/06		2020/11/16		2020/11/27		60	2020/12/11		2020/12/16		2021/01/26		2020/12/16		2020/12/16			
A13	Finance	SC1941/2018	2021/06/30	N/A	S Reyneke-Nauze	E Hoornberg	Provision Of Water And Electricity Meter Reading Services	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Tender	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/02/02		2021/02/06		2021/02/12		2021/03/20		90	2021/03/20		2021/03/27		2021/03/27		2021/03/27		2021/03/27			
A14	Finance	SC1878/2018	2021/06/30	N/A	S Reyneke-Nauze	E Hoornberg	Provision Of Transit Of Monies	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Tender	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/02/02		2021/02/06		2021/02/12		2021/03/02		90	2021/03/20		2021/03/27		2021/03/27		2021/03/27		2021/03/27			
A15	Finance	SC1899/2018	2021/06/30	N/A	S Reyneke-Nauze	C Rents	Supply And Delivery Of Tissue Paper Products And Cleaning Materials	Operating Cash	Overstrand	Overstrand	2 927 251.41	2 927 251.41	8 781 754.23	Tender	YES / BBBEE LEVEL 4 > LEVEL 1	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/01/30		2021/01/29		2021/02/13		2021/03/16		90	2021/03/15		2021/05/22		2021/06/14		2021/05/22		2021/05/22		
A16	Finance	SC1852/2018	2021/06/30	N/A	S Reyneke-Nauze	E Hoornberg	Provision Of On-Line Electronic Searches And Verification Of Information	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Tender	N/A	N/A	N/A	2021/07/01	36	2021/06/30	2021/02/02		2021/02/06		2021/02/12		2021/03/02		90	2021/03/20		2021/03/27		2021/03/27		2021/03/27		2021/03/27			
A17	Finance	SC1842/2018	2021/06/30	N/A	S Reyneke-Nauze	H Vorster	Management Of The Short-Term Insurance Portfolio Of The Overstrand Municipality	Operating Cash	Overstrand	Overstrand	3 628 550.00	4 107 160.00	7 935 710.00	Tender	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/01/06		2021/01/20		2021/02/03		2021/03/05		90	2021/04/15		2021/05/07		2021/05/03		2021/05/03		2021/05/03			
A18	Finance	SC1842/2018	2021/06/30	N/A	S Reyneke-Nauze	E Hoornberg	Provision Of Meter Reading Software For Mobile Devices	Operating Cash	Overstrand	Overstrand	Not provided	Not provided	Not provided	Tender	N/A	N/A	N/A	2021/07/01	36	2024/06/30	2021/02/02		2021/02/06		2021/02/12		2021/03/02		90	2021/03/20		2021/03/27		2021/03/27		2021/03/27		2021/03/27			
A19	Finance	SC1857/2018	2021/06/30	N/A	S Reyneke-Nauze	C Rents	Supply And Delivery Of Protective Clothing For The Overstrand Municipality	Operating Cash	Overstrand	Overstrand	2 545 415.42	2 545 415.42	7 636 246.26	Tender	YES / BBBEE LEVEL 4 > LEVEL 1	N/A	N/A	YES	2020/07/01	36	2023/07/31	2021/01/16		2021/01/29		2021/02/13		2021/03/16		90	2021/03/15		2021/05/22		2021/06/14		2021/05/22		2021/05/22		
A20	Protection Services	SC1801/2018	2021/06/30	N/A	N Michaels	L Smith	Provision Of Security Guards In The Overstrand Area	Operating Cash	Overstrand	Overstrand	0.00	3 482 332.00	3 482 332.00	Tender	Yes	N/A	Yes	2020/07/01	36	2023/07/31	2021/01/16		2021/01/29		2021/02/06		2021/02/20		60	2021/03/20		2021/04/03		2021/04/21		2021/04/17		2021/04/17			
A21	Protection Services	SC1908/2018	2021/06/30	N/A	N Michaels	L Smith	Cleaning Of Municipal And Private Even	Operating Cash	Overstrand	Overstrand	200 000.00	973 725.00	1 173 725.00	Tender	N/A	N/A	N/A	2020/07/01	36	2023/07/31	2021/01/16		2021/01/29		2021/02/06		2021/02/20		60	2021/03/20		2021/04/03		2021/04/21		2021/04/17		2021/04/17			
A22	Community Services	SC1808/2017	2020/06/30	N/A	R Williams	T Marx	Supply Delivery and/or Application of Fertilizer on Sports Fields in the Overstrand	Operating Cash	Overstrand	Overstrand	350 000.00	350 000.00	700 000.00	Tender	N/A	N/A	N/A	2020/09/01	36	2023/09/01	2020/04/01		2020/04/08		2020/04/15		2020/05/05		90	2020/05/25		2020/06/05		2020/06/05		2020/06/05		2020/06/05			
A23	Finance	SC1880/2018	2021/06/30	N/A	S Reyneke-Nauze	C Rents	SUPPLY AND DELIVERY OF WHEELIE BINS, HARDWARE PRODUCTS AND LUBRICANT PRODUCTS	Operating Cash	Overstrand	Overstrand	1 648 864.00	1 648 864.00	4 946 592.00	Tender	YES / BBBEE LEVEL 4 > LEVEL 1	N/A	N/A	2021/07/01	36	2024/06/30	2020/11/30		2021/01/29		2021/02/13		2021/03/16		90	2021/03/15		2021/05/22		2021/06/14		2021/05/22		2021/05/22			
SECTION B: PROJECTS ON THE CAPITAL BUDGET FOR 2020/2021 AND FIRST HALF OF 2019/2020																																									
B01	Management Services	N/A	N/A	N/A	D Arison	C Johnson	Emergency And Operational Digital Radio Systems	Surplus	Overstrand	Overstrand	600 000.00	0.00	600 000.00	Existing Contract	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
B02	Management Services	N/A	N/A	N/A	D Arison	C Johnson	Ups Replacement	Surplus	Overstrand	Overstrand	300 000.00	0.00	300 000.00	Other Organ of State	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
B03	Management Services	N/A	N/A	N/A	D Arison	C Johnson	Data Centre Virtual Server Host - Replacement Ed	Surplus	Overstrand	Overstrand	200 000.00	0.00	200 000.00	Other	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2020/02/08	2020/02/13		2020/02/15		2020/03/03		90	2020/03/24		2020/03/29		2020/03/29		2020/03/29		2020/03/29			
B04	Management Services	N/A	N/A	N/A	D Arison	C Johnson	Dr - Host Server With Attached Storage - Replacement Ed	Surplus	Overstrand	Overstrand	300 000.00	0.00	300 000.00	Other	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2020/02/08	2020/02/13		2020/02/15		2020/03/03		90	2020/03/24		2020/03/29		2020/03/29		2020/03/29		2020/03/29			
B05	Management Services	N/A	N/A	N/A	D Arison	C Johnson	New High Site - Hawston Mountain	Surplus	Overstrand	Overstrand	600 000.00	0.00	600 000.00	Tender	N/A	N/A	N/A	2021/02/21	36	2024/02/20	2020/10/01		2020/10/08		2020/10/15		2020/10/30		90	2020/11/26		2020/12/11		2021/02/28		2021/12/11		2021/12/11			
B06	Management Services	N/A	N/A	N/A	D Arison	C Johnson	Pdf Licenses	Surplus	Overstrand	Overstrand	100 000.00	0.00	100 000.00	Formal Quotation	N/A	N/A	N/A	2021/02/21	36	2024/02/20	2020/10/01		2020/10/08		2020/10/15		2020/10/30		90	2020/11/26		2020/12/11									

DEMAND MANAGEMENT PLAN - 2020/2021

DMF REF #	Discipline (R)	Existing Tender Number	Empty Date of current contract	New Tender Number	Contract Director	Contract Owner	Project Name / Tender Description	Funding source	Ward	Area	Est. Expenditure as per budget 2019/2021	Est. Expenditure 2020/2021	Total Estimated Project Cost	Procurement Process	Pre-Qualification (Regulation 4)	Sub-Contracting (Regulation 9)	Social Responsibility / Community Investment	Planned Start Date of new contract	Contract period in months (New contract)	Planned Completion Date of new contract	Expected submission date of Specifications	Actual Submission Date of Specs	Expected BSC	Actual BSC	Expected Date Advertised	Actual date advertised	Expected Tender Closing Date	Actual tender closing date	Validity Period in days	Expected BSC	Actual BSC date	Expected BSC	Actual BSC date	Actual BSC date	Expected End of validity period	Expected Final Award Date	Actual Final award date		
B157	Community Services	N/A	N/A	N/A	R Williams	D Lahey	Kitchen equipment: Overhills Community Hall	Operating Cash	Overhills	Ward 10	26 000.00	0.00	26 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/08/05		2020/09/15		2020/09/19		2020/09/05		60	2020/09/25	2020/09/25				2020/12/19	2020/11/05			
B158	Community Services	N/A	N/A	N/A	R Williams	D Van Rhodde	Maintenance Play Ground	Operating Cash	Mooklabag	Ward 10	26 000.00	0.00	26 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/10/10		2020/10/15		2020/10/20		2020/10/20		60	2020/11/05	2020/11/05				2020/12/19	2020/11/05			
B159	Community Services	N/A	N/A	N/A	R Williams	D van Rhodde	Disabled-friendly footpath in nature reserve - Roebels	Operating Cash	Roebels	Ward 10	26 000.00	0.00	26 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/11/11		2020/11/15		2020/11/20		2020/11/20		60	2020/12/05	2020/12/05				2020/12/19	2020/12/05			
B160	Community Services	N/A	N/A	N/A	R Williams	D Van Rhodde	Playpark equipment - Proteadorp	Operating Cash	Proteadorp	Ward 10	26 000.00	0.00	26 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/11/11		2020/11/15		2020/11/20		2020/11/20		60	2020/12/05	2020/12/05				2020/12/19	2020/12/05			
B161	Community Services	N/A	N/A	N/A	R Williams	D van Rhodde	Bus stops (including repainting/replacement of one at Sybokelo)	Operating Cash	Overhills & Mooklabag	Ward 10	26 000.00	0.00	26 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/11/11		2020/11/15		2020/11/20		2020/11/20		60	2020/12/05	2020/12/05				2020/12/19	2020/12/05			
B162	Community Services	N/A	N/A	N/A	R Williams	D van Rhodde	Painting of Anemone Road	Operating Cash	Roebels	Ward 10	150 000.00	0.00	150 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/11/11		2020/11/15		2020/11/20		2020/11/20		60	2020/12/05	2020/12/05				2020/12/19	2020/12/05			
B163	Community Services	N/A	N/A	Existing contract	R Williams	T Steenberg	Stormwater (ad hoc) (Photos Street)	Operating Cash	Beaekwensdorp	Ward 11	50 000.00	0.00	50 000.00	Formal Quotation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B164	Community Services	N/A	N/A	Existing contract	R Williams	T Steenberg	Traffic Calming	Operating Cash	Pearly Beach	Ward 11	30 000.00	0.00	30 000.00	Formal Quotation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B165	Community Services	N/A	N/A	Existing contract	R Williams	T Steenberg	Stormwater (ad hoc)	Operating Cash	Thembelike	Ward 11	50 000.00	0.00	50 000.00	Formal Quotation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B166	Community Services	N/A	N/A	Existing contract	R Williams	T Steenberg	New sidewalks	Operating Cash	Starford	Ward 11	50 000.00	0.00	50 000.00	Formal Quotation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B167	Community Services	N/A	N/A	Existing contract	R Williams	T Steenberg	New sidewalks	Operating Cash	Thembelike	Ward 11	50 000.00	0.00	50 000.00	Formal Quotation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B168	Community Services	N/A	N/A	N/A	R Williams	F Myburgh	Upgrade of Public Boat Launching Site (Abalone) Du Toit Street	Operating Cash	Starford	Ward 11	70 000.00	0.00	70 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/10/10		2020/10/15		2020/10/20		2020/10/20		60	2020/11/28	2020/12/05				2020/12/29	2020/12/05			
B169	Community Services	N/A	N/A	N/A	R Williams	B Platjies	Upgrading west 12 play parks	Operating Cash	Zweilike	Ward 12	210 000.00	-	210 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/09/01		2020/09/14		2020/09/17		2020/09/21		90	2020/09/25	2020/10/08				2020/11/29	2020/10/30			
B170	Community Services	N/A	N/A	N/A	R Williams	B Platjies	Upgrading Siphak Education Centre Play Park	Operating Cash	Zweilike	Ward 12	50 000.00	-	50 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/09/01		2020/09/14		2020/09/17		2020/09/21		60	2020/09/25	2020/10/08				2020/11/29	2020/10/30			
B171	Community Services	N/A	N/A	N/A	R Williams	L Smith	CCTV	Operating Cash	Zweilike	Ward 12	150 000.00	0.00	150 000.00	Formal Quotation	N/A	N/A	N/A	2020/09/01	36	2021/07/30	2020/04/08		2020/04/15		2020/04/23		2020/05/14		90	2020/06/12	2020/06/16				2020/12/10	2020/07/10			
B172	Community Services	N/A	N/A	N/A	R Williams	T Marx	Construction And Upgrading Of Atlantic Drive	Operating Cash	Orkus/Vernont	Ward 13	370 000.00	0.00	370 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2021/04/04		2021/04/08		2021/04/12		2021/05/11		60	2021/06/11	2021/06/20				2021/07/10	2021/06/20			
B173	Community Services	N/A	N/A	N/A	R Williams	T Marx	Construction And Upgrading Of Atlantic Drive	Operating Cash	Orkus/Vernont	Ward 13	100 000.00	0.00	100 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2021/04/04		2021/04/08		2021/04/12		2021/05/12		60	2021/06/12	2021/06/20				2021/07/10	2021/06/20			
B174	Community Services	N/A	N/A	N/A	R Williams	K du Plessis	Street Lighting	Operating Cash	Orkus/Vernont	Ward 13	30 000.00	0.00	30 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Not provided	Not provided	2020/10/25		2020/11/05		2020/11/10		2020/11/20		60	2020/12/05	2020/12/10				2021/01/29	2020/12/10			
C SECTION C: PROJECTS FUNDED FROM OPERATIONAL BUDGET																																							
C01	Community Services	N/A	N/A	N/A	R Williams	T Marx	Multi-media projector - Banquet Hall	Not provided	Not provided	Not provided	70 000.00	-	70 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	Not provided	2020/08/03		2020/08/05		2020/08/13		2020/08/28		60	2020/09/17	2020/09/25				2020/10/27	2020/09/25			
C02	Community Services	N/A	N/A	N/A	R Williams	A Wyngaard	Lifeguarding services at other beaches for a period ending June 2021	Not provided	Not provided	Not provided	1 500 000.00	1 589 000.00	1 641 174.00	Tender	N/A	N/A	N/A	Not provided	24 months	Not provided	2020/07/01		2020/07/06		2020/07/09		2020/07/31		90	2020/08/20	2020/08/28				2020/10/29	2020/08/28			
C03	Community Services	N/A	N/A	N/A	R Williams	A Wyngaard	Lease of Beach Stalls	Not provided	Not provided	Not provided	-	-	-	Formal Quotation	N/A	N/A	N/A	Not provided	12 months	Not provided	2020/07/16		2020/07/20		2020/07/23		2020/08/14		90	2020/09/03	2020/09/11				2020/11/12	2020/09/11			
C04	Community Services	N/A	N/A	N/A	R Williams	T Marx	Fencing of Old Men Building Roof	Not provided	Not provided	Not provided	500 000.00	-	500 000.00	Tender	N/A	N/A	N/A	Not provided	12 months	Not provided	2020/09/01		2020/10/05		2020/10/08		2020/11/13		90	2020/11/28	2021/02/04				2021/02/11	2021/02/04			
C05	Community Services	N/A	N/A	N/A	R Williams	T Marx	Orkus Caravan Park Abolition Facility	Not provided	Not provided	Not provided	750 000.00	-	750 000.00	Tender	N/A	N/A	N/A	Not provided	12 months	Not provided	2020/07/16		2020/07/20		2020/07/23		2020/08/28		90	2020/08/20	2020/08/28				2020/10/29	2020/08/28			
C06	Community Services	N/A	N/A	N/A	R Williams	T Marx	Grotto Beach East Abolition Facilities	Not provided	Not provided	Not provided	170 000.00	-	170 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	Not provided	2020/07/01		2020/07/06		2020/07/09		2020/07/17		60	2020/08/20	2020/08/28				2020/09/15	2020/08/28			
C07	Community Services	N/A	N/A	N/A	R Williams	T Marx	Daves Pool	Not provided	Not provided	Not provided	200 000.00	-	200 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	Not provided	2020/09/01		2020/09/08		2020/09/10		2020/09/25		90	2020/10/22	2020/10/30				2020/11/29	2020/10/30			
C08	Community Services	N/A	N/A	N/A	R Williams	T Marx	Replacement of Roof Zweilike Community Hall	Not provided	Not provided	Not provided	200 000.00	-	200 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	Not provided	2021/02/01		2020/09/08		2020/09/10		2020/09/25		90	2020/10/22	2020/10/30				2020/11/29	2020/10/30			
C09	Community Services	N/A	N/A	N/A	R Williams	T Marx	Sandbank Hall Roof and flooring	Not provided	Not provided	Not provided	130 000.00	-	130 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	Not provided	2021/02/01		2020/09/08		2020/09/10		2020/10/25		90	2020/11/22	2020/11/30				2020/12/29	2020/11/30			
C10	Community Services	N/A	N/A	N/A	R Williams	T Marx	Haerton Saffron stor	Not provided	Not provided	Not provided	200 000.00	-	200 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	Not provided	2020/11/01		2020/11/08		2020/11/10		2020/11/25		90	2021/01/14	2021/01/22				2020/12/29	2021/01/22			
C12	Community Services	N/A	N/A	N/A	R Williams	B Platjies	Upgrading of Zweilike Community Hall Toilets (Plumbing)	Not provided	Not provided	Not provided	40 000.00	-	40 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	N/A	2020/07/01		2020/08/14		2020/08/17		2020/08/31		90	2020/09/25	2020/10/08				2020/11/29	2020/10/30			
C13	Community Services	N/A	N/A	N/A	R Williams	B Platjies	Upgrading of Storage facility for office cleaning material	Not provided	Not provided	Not provided	50 000.00	-	50 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	N/A	2020/07/01		2020/08/14		2020/08/17		2020/08/31		90	2020/09/25	2020/10/08				2020/11/29	2020/10/30			
C14	Community Services	N/A	N/A	N/A	R Williams	B Platjies	Upgrading of Disabled Toilets (Hermannus Office buildings)	Not provided	Not provided	Not provided	80 000.00	-	80 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	N/A	2020/07/01		2020/08/14		2020/08/17		2020/08/31		90	2020/09/25	2020/10/08				2020/11/29	2020/10/30			
C15	Community Services	N/A	N/A	N/A	R Williams	B Platjies	New Shades Haerton Day camp	Not provided	Not provided	Not provided	100 000.00	-	100 000.00	Formal Quotation	N/A	N/A	N/A	Not provided	Once Off	N/A	2020/07/01		2020/08/14		2020/08/17		2020/08/31		90	2020/09/25	2020/10/08				2020/11/29	2020/10/30			
C16	Community Services	N/A	N/A	N/A	R Williams	B Platjies	Upgrading of Roof Abalone Hall	Not provided	Not provided																														

ANNEXURE K

BUDGET RELATED POLICIES

OVERSTRAND MUNICIPALITY



PROPERTY RATES POLICY

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OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

SECTION A: INTRODUCTION, DEFINITIONS AND PRINCIPLES

1. INTRODUCTION

Section 3 of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) and Section 62(l) (f) (ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003), requires municipalities to develop and adopt rates policies on the levying of rates on rateable property in the Municipality.

The Municipality requires a reliable source of revenue to provide basic services and perform its functions. Property Rates are the most important source of general revenue for the Municipality. Revenue from property rates is used to fund services that benefit the community as a whole.

Municipal property rates are set, collected and used locally. Revenue from property rates is spent within a Municipality, where the citizens and voters have a voice in decisions on how the revenue is spent as part of the Integrated Development Plans (IDPs) and budget processes in respect of which the Municipality invites communities for their inputs before adopting the budget.

This policy document guides the annual setting of property rates. It does not make specific property rates proposals. In imposing a rate in the Rand the Municipality may grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

2. DEFINITIONS

“Act”	means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);
“Bona fide farming”	means farming with the intention of making a living from the development, cultivation and utilisation of agricultural land and includes subsistence farming;
Building Clause	building clause refers to a provision incorporated into either a deed of sale, development agreement, or as a restrictive title deed condition, which prescribes that the Purchaser / Owner and / or the Successors in Title must within the period determined from date of first registration of transfer erect or cause to be erected, a building or structure on the Erf or Erven of which the building plans have been approved by the municipality, of which the value of the building / structure will be based on the determined cost of construction. In the event that Purchaser / Owner / Successors in Title not having commenced with the bona fide erection of a building or structure of which the building plans have been approved by the municipality, the building clause may require that the Erf / Erven be re - transferred to the Seller at the purchase consideration originally paid by the Purchaser / Owner.
“Business”	means the activity of buying, selling or trade in goods or services and includes any office or other accommodation on the same erf, the use of which is incidental to such business, with the exclusion of the business of mining, agriculture, farming, or <i>inter alia</i> , any other business consisting of cultivation of soils, the gathering of crops or the rearing of livestock;
“Exemption”	in relation to the determination of rates, an exemption granted in terms of section 15(1) (a) of the Act;
“Income”	Income is the gross sum of all monthly income from all sources, including wages, salaries, profits, dividends, pensions, rentals, board & lodging, interest received, grants or investment income and other forms of earnings received by every person residing on the property.
“Industrial”	means a branch of trade or manufacturing, production, assembling or processing of finished or partially finished products from raw materials or fabricated parts, on so large a scale that capital and labour are significantly involved;
“Lodge”	means accommodation in a non-urban area provided for paying visiting guests with a focus on aspects of nature and/or places of interest, and may include a restaurant and conference facilities;

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“Mining”	means any operation or activity for the purpose of extracting any mineral on, in or under the earth, water or any residue deposit, whether by underground or open working or otherwise and includes any operation or activity incidental thereto;
“Multiple use properties”	means properties that cannot be assigned to a single category due to different uses;
“Municipal properties”	means those properties of which the Municipality is the registered owner;
“Newly rateable property”	means any rateable property on which property rates were not levied by 30 June 2005, excluding a property that was incorrectly omitted from a valuation roll and for that reason was not rated before that date;
“Protected area”	means an area that is or has to be listed in the register referred to in section 10 of the National Environment Management: Protected Areas Act, 2003;
“Public Benefit Organisation”	means an organisation conducting specified public benefit activities as defined and registered in terms of the Income Tax Act for tax reductions because of those activities;
“Public place”	means any square, park, recreation ground, sports ground, sanitary lane or open space which has - (a) in connection with any subdivision or layout of land into erven, lots or plots, been provided, reserved or set apart for use by the public or the owners or occupiers of such erven, lots or plots, whether or not it is shown on a general plan, plan of subdivision or diagram; (b) at any time been dedicated to the public; (c) been used without interruption by the public for a period of at least thirty years expiring after the thirty-first day of December, 1959, or (d) at any time been declared or rendered such by the Council or other competent authority.
“Public Service Infrastructure”	means government or government agency controlled infrastructure of the following kinds- (a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary; (b) water or sewer pipes, ducts or other conduits, dams and water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public; (c) power stations, power substations or power lines forming part of an electricity scheme serving the public; (d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels; (e) communication towers, masts, exchanges or lines forming part of a communications system serving the public; (f) breakwater, sea walls, channels, basin, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising light houses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels; (g) rights of way, easement or servitudes in connection with infrastructure mentioned; (h) any other government or government agency controlled infrastructure as may be described from time to time.
“Public street”	means:- (a) any street which has at any time been- i. dedicated to the public; ii. used without interruption by the public for a period of at least thirty years; iii. declared or rendered such by a council or other competent authority, or iv. constructed by local authority, and (b) any land, with or without buildings or structures thereon, which is shown as a street on-

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	<ul style="list-style-type: none"> i. any plan of subdivision or diagram approved by a council or other competent authority and acted upon, or ii. any general plan as defined in section 49 of the Land Survey Act, 1927 (Act 9 of 1927), registered or filed in a deeds registry or the Surveyor-Generals' office, <p>unless such land is on such plan or diagram described as a private street.</p>
"Rateable property"	means property on which a rate or rates may be levied under section 7 of the Act.
"Rebate"	in relation to a rate payable on a property, a discount on the amount of the rate payable on the property;
"Reduction"	in relation to a rate payable on a property, the lowering of the amount for which the property was valued in terms of section 15(1)(b) of the Act and the rating of the property at that lower amount;
"Residential"	means improved property that is: <ul style="list-style-type: none"> (a) used predominantly (60% or more) for residential purposes, with not more than two dwelling units per property. (b) a unit registered in terms of the Sectional Title Act 95 of 1986, used predominantly (60% or more) for residential purposes, and includes any unit in the same Sectional Title Scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or store room. (Any such grouping shall be regarded as one residential property for rate rebate or valuation purposes.) or (c) owned by a share-block company and used predominantly (60% or more) for residential purposes, or (d) a residence used for residential purposes situated on property used for or related to educational purposes.
"State-owned properties"	means properties owned by the State, which are not included in the definition of public service infrastructure in the Act. These state-owned properties are classified as follows: <ul style="list-style-type: none"> (a) State properties that provide local services. (b) State properties that provide regional/municipal district-wide/metro-wide service. (c) State properties that provide provincial/national service. (d) Vacant land.
"Vacant erven"	means all undeveloped land irrespective of its current or future intended zoning. Agricultural properties will not be considered as being vacant erven.

All other terms are given the same meaning as that assigned to it in the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004), unless the context indicates otherwise.

3. POLICY PRINCIPLES

Rates are levied in accordance with the Act as an amount in the Rand based on the market value of rateable property contained in the Municipality's valuation roll and supplementary valuation rolls.

As allowed for in the Act, the Municipality may choose to differentiate between various categories of property and categories of owners of property. Some categories of property and categories of owners are granted relief from rates. The Municipality does not, however, grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties, on an individual basis, other than by way of an exemption, rebate or reduction provided for in this policy.

There will be no phasing in of rates based on the new valuation roll, effective from 01 July 2016, except as prescribed by legislation.

The rates policy for the Municipality is based on the following principles:-

a. Equity

The Municipality will treat all similar ratepayers with similar properties the same.

OVERSTRAND MUNICIPALITY – PROPERTY RATES POLICY

b. Affordability

The ability of a person to pay rates will be taken into account by the Municipality. In dealing with the poor/indigent ratepayers the Municipality will provide relief measures through exemptions and/or reductions and/or rebates.

c. Sustainability

Rating of property will be implemented in a way that-

- i. it supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the Municipality; and
- ii. supports local social and economic development.

d. Cost efficiency

Rates will be based on the value of all rateable property and the amount required by the Municipality to balance the operating budget after taking into account the amounts required to finance exemptions, rebates and reductions as approved by the Municipality from time to time. The implementation of the policy must be as cost-effective as possible.

4. SCOPE OF POLICY

The policy document guides the annual setting (or revision) of property rates. It does not make specific property rates proposals. Details pertaining to the various property rates are determined when the budget is considered and approved every year.

5. APPLICATION OF THE POLICY

In imposing the rate in the Rand for each annual operating budget component, the Municipality may grant exemptions, rebates and reductions allowed for in this policy document.

6. CLASSIFICATION OF SERVICES AND EXPENDITURE

The Chief Financial Officer shall, subject to the guidelines provided by the legislation and the Executive Mayor, provide for the classification of services as outlined in the Municipality's annual budget into trading and economic services.

7. APPLICATIONS

- a. All applications referred to in this policy must be received by the Municipality before the start of the financial year to which it refers. The Municipality may allow late receipts of such applications but not after 30 September of the financial year;
- b. It is the duty of all such applicants to bring to the attention of the Municipality any amendments to such applications within 7 days after such occurrence.

SECTION B: CATEGORIES OF PROPERTY

8. CRITERIA FOR CATEGORIES OF PROPERTY FOR THE PURPOSE OF LEVYING DIFFERENT RATES

The following are the determined categories of properties in terms of section 8(2) of the Act: -

- a. Residential properties.
- b. Business and commercial properties.
- c. Industrial properties.
- d. Mining properties.
- e. Public service infrastructure.
- f. Public benefit organisations.
- g. Agricultural properties used for bona fide farming;

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- h. State-owned properties that are used for public service purposes;
- i. Municipal properties.
- j. Protected areas.
- k. Properties used for multiple purposes.
- l. Vacant land.

Rates on properties, including properties used for multiple purposes, will be levied in accordance with the permitted or actual use of the property and not necessarily according to its zoning.

SECTION C: DIFFERENTIAL RATING

9. DIFFERENTIAL RATING

The following will be taken into consideration for the purposes of differential rating:

- a. the nature of the property including its sensitivity to rating e.g. agricultural properties used for bona fide farming;
- b. promotion of social and economic development by the Municipality;
- c. zoning and/or actual use of property;
- d. geographic rating areas i.e. when an improvement district has been established for that area or special rating areas; and
- e. whether the owner was obliged to erect a building within a set time period and the period has lapsed.

Differential rating among the various property categories will be done by way of setting different Cents in the Rand for each property category.

10. ADDITIONAL RATES

The Municipality may in terms of the bylaw for the establishment of improvement districts and the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004), as amended-

- a. determine an area within its boundaries as a special rating area;
- b. levy an additional rate on property in that area for the purpose of raising funds for improving or upgrading that area; and
- c. differentiate between categories of properties when levying an additional rate.

SECTION D: RELIEF MEASURES RELATED TO CATEGORIES OF PROPERTIES AND CATEGORIES OF OWNERS OF PROPERTIES

11. CRITERIA FOR EXEMPTIONS, REBATES AND REDUCTIONS

The following will be taken into consideration for the purpose of granting exemptions, rebates and reductions:

- a. indigent status of the owner of a property;
- b. income of the owner and/or household on a property;
- c. market value of residential property below a determined threshold;
- d. owners of property situated within an area affected by –
 - i) a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
 - ii) any other serious adverse social or economic conditions;
- e. zoning and/or actual use of the property; and
- f. availability of services funded by rates for a property.

12. GRANTING OF EXEMPTIONS

In terms of section 15(1) (a) of the Act the owners of the following categories of properties are exempted from paying rates:-

a. Residential properties – including residential properties in the urban edge as determined by the Municipality

The Municipality will not levy a rate on the market value of properties as follows: -

- i) on the first R15 000 on the basis set out in section 17 (1) (h) of the Act; and
- ii) on a further amount in respect of developed residential properties; as an important part of the Municipality's indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low-valued properties, in a cost-effective manner. To qualify for this reduction a property must be exclusively used for residential purposes.
- iii) The Municipality may grant a further residential rebate on rates levied on the balance of the market value of developed residential properties, if any, as determined by Council during the budget process.

b. Multiple use properties

Properties used for multiple purposes which do not fall within the definition of residential properties and, accordingly, do not qualify for the residential rates rebate, may be included in the category of multiple use properties, for which an appointment value for each distinct use of the property will be calculated and used for billing at the appropriate and applicable rate.

Examples of properties used for multiple purposes are the following:

- i) A block of flats with businesses on the ground floor.
- ii) A double storey-building with a shop on the ground floor and the residential quarters on the top floor.
- iii) A farm that consists of the residential portion, a farm portion and unused land, etc.

If the market value of the property cannot be apportioned to its various use purposes, then the entire property will be categorised in terms of the dominant (main or primary) use.

c. Public Benefit Organisations

Public Benefit Organisations may apply for the exemption of property rates subject to producing a tax exemption certificate issued by the South African Revenue Services (SARS) as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, 1962 (No 58 of 1962):

i) Health care institutions

Government properties used exclusively as a hospital, clinic and mental hospital, including workshops used by the patients, 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 for charitable purposes within the Municipality.

ii) Welfare institutions

Properties used exclusively as an orphanage, non-profit retirement villages; old age home or benevolent institution, including workshops used by the inhabitants, 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 for charitable purposes within the Municipality.

iii) Child headed households

Any child headed household where such oldest child is younger than 18 years. The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, also proof that he/she receives a social pension or, if he/she does not receive a social pension, proof of certification by a district medical officer. The rateable property in question must be categorised as residential, or as farm properties solely used for residential purposes.

iv) Charitable institutions

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Property belonging to not-for-gain institutions or organisations that perform charitable work.

v) Sporting bodies

Property used by an organisation whose sole purpose is to use the property for amateur sport or any activity connected with such sport.

vi) Cultural institutions

Properties declared in terms of the Cultural Institutions Act, Act 29 of 1969 or the Cultural Institutions Act, Act 66 of 1989.

vii) Museums, libraries and art galleries

Registered in the name of private persons or organisations, open to the public and not operated for gain.

viii) Youth development organisations

Property owned and/or used by organisations for the provision of youth leadership or development programmes.

ix) Educational institutions

Property owned by not-for-gain institutions (declared or registered by law) and used for educational purposes including a residence registered in the name of the educational institution and used by full-time employees of the educational institution.

x) Animal welfare

Property owned or used by institutions/organisations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.

d. In terms of section 17(1)(i) of the act, the municipality may not levy a rate on property registered in the name of and used primarily as a place of worship by a religious community, including an official residence registered in the name of that community which is occupied by an office bearer of that community who officiates at services at that place of worship.

e. Municipal properties that are not leased or rented out by the Municipality.

f. Public places and streets

All defined roads and/or streets and public places.

g. Exemptions are subject to the following conditions:

- i) all applications must be addressed in writing to the Municipality;
- ii) a SARS tax exemption certificate must be attached to all applications where applicable;
- iii) the municipal manager or his/her nominee must have considered and approved all applications;
- iv) the Municipality retains the right to refuse exemptions if the details supplied in the application form were incomplete, incorrect or false.
- v) false declarations will lead to the forfeit of any exemption and may lead to criminal prosecution.
- vi) a person who provides false information will be held liable for the immediate re-payment of any rebates already granted and legal, civil and criminal action may be instituted against the guilty party/ies.

13. GRANTING OF REBATES

13.1 Categories of properties:

a. State owned property

State owned property no longer qualifies for any rates rebate by virtue of ownership. However, the exemptions, rebates and reductions relating to the usage of the properties as specified in this Rates Policy would apply.

b. Public Service Infrastructure

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Public service infrastructure (as defined in the Act) may not be rated on the first 30 percent of its market value in terms of section 17 (1) (a) of the Act.

c. Agricultural

in terms of section 8 of the Act.

d. Conservation Land

Section 17 (1) (e) of the Act precludes Council from levying rates on those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003), or of a national botanical garden within the meaning of the National Environmental: Management: Biodiversity Act, 2004 (Act 10 of 2004) which are not developed or used for commercial, farming or residential purposes. The apportioned value of any portion of such properties utilized for any purpose other than that used for such conservation purposes will be rated accordingly.

e. Properties in rural areas

The Municipality may grant a rates rebate to properties in rural areas as a result of, and taking into account, the limited rate-funded services supplied to such properties.

f. Properties with a market value below a prescribed valuation level

Instead of a rate determined on the market value, properties with a valuation below an amount as determined by the Municipality may be rated at a fixed amount per property.

13.2. Categories of owners

a. Retired and Disabled Persons Rate Rebate

i) Retired and Disabled Persons qualify for special rebates according to monthly household income. To qualify for the rebate a property owner must:

- be a South African citizen;
- occupy the property as his/her primary residence, provided that where the owner is unable to occupy the property due to circumstances beyond his/her control, the spouse or minor children may satisfy the occupancy requirement. Absence of up to three months per year from the property will be disregarded for the purposes of this requirement;
- be at least 60 years of age or in receipt of a disability pension from the State;
- be in receipt of a total monthly income not exceeding the amount as decided by the Municipality; and
- not be the owner of more than one property.

ii) Property owners must apply on a prescribed application form for a rebate as determined by the Municipality.

iii) Applications must be accompanied by -

- a certified copy of the identity document or any other proof of the owners age which is acceptable to the Municipality;
- sufficient proof of total monthly income by submission of a minimum of the latest three months bank statements from all financial institutions or, if the person does not have a bank account, such proof as the Municipality may require to substantiate the person's level of gross monthly income.
- an affidavit from the owner, (on the application form);

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- if the owner is a disabled person proof of a disability pension payable by the state must be supplied; and
 - if the owner has retired at an earlier stage for medical reasons proof thereof must be submitted.
- iv) 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.
- v) The Municipality retains the right to refuse rebates if the details supplied in the application form were incomplete, incorrect or false.

13.3. Other cases

a. Municipal property and usage:-

- i) A *pro rata* rebate may be granted where the seller sells land after the financial year has started.
- ii) Where the Municipality register a road reserve or servitude on a privately owned property, a *pro rata* rebate equal to the value of the reserve or servitude will be given to the owner of the property.

SECTION E: RATES ADJUSTMENTS

14. RATE INCREASES/DECREASES

- 14.1 The Municipality will consider increasing/decreasing rates annually during the budget process.
- 14.2 Rate increases will be used to finance the increase in operating costs of rates funded services.
- 14.3 Rates adjustments may be made taking into account all or any of the following factors:
- a. all salary and wage increases as agreed at the South African Local Government Bargaining Council;
 - b. inflation;
 - c. the cost of capital;
 - d. statutory increases affecting the Municipality; and
 - e. increases or decreases on operating subsidies received.

15. RESOLUTIONS LEVYING RATES

The process as set out in the Act will be followed in notifying the public of any decisions by the Municipality regarding rates resolutions.

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SECTION F: LIABILITY FOR RATES

16. LIABILITY FOR RATES BY PROPERTY OWNERS

Ratepayers may choose between paying rates annually in one instalment on or before 30 September or monthly on or before the date on which it becomes payable. If the owner of property does not notify the Municipality before the start of the financial year that he/she prefers to pay rates in one payment on or before 30 September of the financial year, such owner must pay the amount due monthly. A notice from an owner regarding the manner of payment of rates will remain applicable for future financial years until withdrawn by the owner. Interest on arrear rates shall be payable.

If a property owner, who is responsible for the payment of property rates in terms of this policy, fails to pay such rates in the prescribed manner and on the date/s due, it will be recovered from him/her.

Arrear rates shall be recovered from tenants, occupiers and agents of the owner, in terms of the Act.

Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the Municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the valuation roll.

In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

17. CLEARANCE CERTIFICATE

- 17.1 On the sale of any property in the municipal jurisdiction, Council will withhold the transfer until all rates, service and sundry charges and any estimated amounts for the duration of the certificate in connection with the property are paid, by withholding a clearance certificate. The municipality will issue such clearance certificate on receipt of an application on the prescribed form from the conveyancer.
- 17.2 All payments will be allocated to the registered seller's municipal accounts and all refunds will be made to such seller.
- 17.3 No interest shall be paid in respect of these payments.
- 17.4 The Municipality will only issue a clearance certificate once a completed prescribed application form from the conveyancer has been received.
- 17.5 Where any residential or non-residential debtor has entered into an arrangement with the Municipality in respect of the arrears on a property, the prescribed certificate as referred to in Section 118 of the Systems Act, will not be issued until such time as the full outstanding amount has been paid.
- 17.6 The rates clearance certificate validation period is 60 days and the amount due for payment will include 3 (three) months advance collections plus all current outstanding debt on the property.
- 17.7 After receiving the rates clearance application form, the Municipality has 10 (ten) working days to forward the amount due for payment and another 10 (ten) working days to produce the rates clearance certificate, once proof of payment has been established.

18. REGULAR REVIEW PROCESSES

The rates policy will be reviewed on an annual basis.

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19. IDENTIFICATION AND QUANTIFICATION OF COSTS AND BENEFITS

The cost to the Municipality and benefit to the local community of exemptions, rebates, reductions and exclusions referred to in sections 17 (1) (a), (e), (g) (h) and (i) of the Act are reflected in the Municipality's budget.

20. ADJUSTMENT OF RATES PRIOR TO SUPPLEMENTARY VALUATION

- 20.1 In circumstances where a valuation has been carried out by the municipal valuer, in pursuance of a Supplementary Valuation (SV) in terms of section 78(1)(d) or 78(1)(f) of the MPRA as a result for example, of a demolition having taken place on a property or a fire having destroyed buildings on a property, but the Municipality has not yet included such valuation of the relevant property in the SV, such valuation shall be submitted to the CFO for approval to levy rates on the property in accordance with such valuation, with effect from the date of the occurrence of the event caused a SV to be required.
- 20.2 If the owner of a property which has been subdivided or consolidated after the last general valuation wishes to sell the consolidated erf, or one or more of the erven which have been subdivided off the parent erf, as the case may be, applies to the Municipality for a clearance certificate in terms of section 118 of the Systems Act and if the Municipality has not yet included such valuation of the relevant property/s in the SV, then:-
- a. The municipal valuer shall conduct a valuation of the relevant property/s for purposes of a SV; and
 - b. The valuation shall be submitted to the CFO for approval of the levying of rates on such property/s in accordance with such valuation, with effect from the date on which the relevant subdivision or consolidation (as may be the case), was registered in the Deeds Office.
- 20.3 Any valuations performed in terms of paragraph 20 shall be included in the next SV prepared by the Municipality without any amendments to the valuation and any objections to such valuation may only be lodged once such SV is made public in terms of section 49 of the Act.

21. IMPLEMENTATION PROCESS AND REVIEW PROCESS

This policy will come into effect on **1 July 2020** and will be reviewed at least annually or when required by way of a Council resolution.

22. SHORT TITLE

This policy will be referred to as the **Rates Policy of the Overstrand Municipality**.

POLICY SECTION:	SENIOR MANAGER: REVENUE
CURRENT UPDATE:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
PREVIOUS REVIEW	29 MAY 2013
PREVIOUS REVIEW	30 MAY 2012
PREVIOUS REVIEW:	04 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
PREVIOUS REVIEW:	27 MAY 2009
APPROVAL BY COUNCIL:	31 MAR 2008

OVERSTRAND MUNICIPALITY



TARIFF POLICY

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TARIFF POLICY

PREAMBLE

Whereas section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) requires a municipal council to adopt a tariff policy on the levying of fees for municipal services;

And whereas the tariff policy should at least include the principles contained in section 74(2) of the Act, thus giving effect to the By-Law required in terms of section 75 of the Act;

And whereas the tariff policy may differentiate between different categories of users, debtors, service providers, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination;

Now therefore the Municipal Council of the Overstrand Municipality adopts the following Tariff Policy:

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TARIFF POLICY**

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OVERSTRAND MUNICIPALITY
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1. DEFINITIONS

In this tariff policy, unless the context otherwise indicates –

“Availability Charge”	Availability charge means a charge levied on all properties with or without improvements, where a basic fee is not levied, to recover fixed costs which do not vary with consumption or volume produced.
“basic municipal service”	means the amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, could endanger public health or safety of the environment and for the purposes of this policy are restricted to electricity, refuse, sewage and water services;
“break even”	means the financial situation where the income derived by the Municipality from the supply of a service is equal to the aggregate of the fixed and the variable costs associated with the provision of the service concerned;
“capital contributions”	means the tariffs payable in respect of the water, electricity, sewage, storm water, roads and refuse removal infrastructure of the Municipality and which amounts exclude amounts payable towards the operational and maintenance costs of such infrastructure;
“Commercial Unit/Erff”	means a self-contained or lettable section within a building or a group of buildings on the same plot excluding short term residential accommodation establishments for e.g. hotels, bed & breakfast, guest houses etc. An owner of a commercial property may annually choose between being levied either per erf or per commercial unit for water and sewage basic charges. This choice must be applied on or before 30 September of each financial year.
“community services”	means the services referred to in paragraph 5(1)(c) and in respect of which the tariffs are set at a level that the costs of the services are not recovered fully from public service charges and are of a regulatory nature;
“consumer, customer, owner, occupier, account holder”	means individuals and other legal entities against whom a tariff, fee, charge or other levy specific to identifiable services are levied.
“Council” or “municipal council”	means a municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Overstrand Municipality;
“economic services”	means services that the Council has classified as such and the tariffs have been compiled with the intention that the total costs of the services are recovered from customers;
“Electricity Service charge”	means the monthly charge payable per point of supply to recover administration-related and service-related costs such as meter reading, billing and meter capital. It is based on the monthly utilized capacity of each point of supply linked to an account.
“fixed costs”	means costs which do not vary with consumption or volume produced;
“lifeline”	Available to pre-paid consumers whose connection is ≤30Amp with a maximum average consumption of 350 kWh measured over a period of 12 months. This tariff is only available to Informal dwellings in informal settlements;
“low voltage metering point”	means a metering point at the set of nominal voltage levels that are used for the distribution of electricity and whose upper limit is generally accepted to be an a.c. voltage of 1000V or less
“medium voltage metering point”	means a metering point at the set of nominal voltage levels that lie above low voltage and below high voltage in the range of 1kV < Un <- 44kV
“multi-purpose”	In relation to a property, means the use of a property for more than one purpose;
“Municipality”	the institution that is responsible for the collection of funds and the provision of services to the customers of Overstrand;

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“Municipal Manager”	means the accounting officer appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and being the head of administration and accounting officer in terms of section 55 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) and includes any person:- (a) acting in such position; and (b) to whom the Municipal Manager has delegated a power, function or duty in respect of such a delegated power, function or duty;
“NMD”	Notified Maximum Demand – the maximum capacity in kVA, as measured over a 30-minute integration period, per point of supply that the customer will contract for Overstrand to make available during all time periods.
“resident “	means a person who normally resides in the municipal area;
“residential unit”	means a single residential erf, flat, townhouse or group development unit, retirement village unit, guest house, bed and breakfast and any household related consumer that do not fall in one of the above household consumer categories;
“RUE”	means Residential Unit Equivalent;
“time of use”	means a tariff with energy charges based on the volume of electricity demand during high, mid and low demand periods and may differ per tariff.
“the Act”	means the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);
“total cost”	means the sum of all fixed and variable costs associated with a service;
“trading services”	means services that the Council has classified as such and the tariffs have been compiled with the intention that the Council makes a profit from the delivery of the services;
“utilized capacity”	Means the higher of the notified maximum demand (NMD) or maximum demand, per point of supply measured in kVA, and registered each month.
“vacant land”	means all undeveloped land irrespective of its current or future intended zoning. Agricultural properties will not be considered as being vacant erven.
“variable costs”	means costs that vary with consumption or volume produced;
“wet Industry”	Defined as an industry using water as essential and fundamental input in the production process.

2. PURPOSE OF POLICY

The Overstrand Municipality wishes to achieve the following objectives by adopting this tariff policy:-

- 2.1. To comply with the provisions of section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- 2.2. To prescribe procedures for calculating tariffs where the Municipality wishes to appoint service providers in terms of section 76(b) of the Act.
- 2.3. To give guidance to the Portfolio Committee for Finance regarding tariff proposals that must be submitted to Council annually during the budgetary process.

3. TARIFF PRINCIPLES

The Overstrand Municipality wishes to record that the following tariff principles will apply:-

- 3.1. Service tariffs imposed by the Municipality shall be viewed as user charges and shall not be viewed as taxes, and therefore the financial ability of the relevant user of the services to which such tariffs relate, shall not be considered as a criterion.
- 3.2. Tariffs for the basic municipal services rendered by the Municipality, namely:
 - (a) electricity;
 - (b) water;
 - (c) sewage (waste water); and

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- (d) refuse removal (solid waste), shall be calculated at a level which will recover all expenses associated with the rendering of these services.
- 3.3. To prevent existing consumers from subsidising the capital costs associated with new developments and subdivisions the Municipality will plan and manage the extension of services in such a manner that it will not impact negatively on the fixed costs and availability charges of existing tariffs.
- 3.4. Capital contributions to finance new developments and subdivisions will be required from all developers.
- 3.5. All users of municipal services, within a category of users, will be treated equitably.
- 3.6. The amount payable by consumers and/or owners will generally be in proportion to usage of the service.
- 3.7. The Municipality shall develop, approve and at least annually review an indigent support policy for the municipal area. This policy shall set out clearly the Municipality's cost recovery policy in respect of the tariffs which it levies on registered indigents, and the implications of such policy for the tariffs which it imposes on other users and consumers in the municipal region.
- 3.8. Subject to annual budgetary provisions and the availability of funds from National Treasury through the equitable share contribution, the Municipality may consider supplying free basic services to categories of consumers.
- 3.9. In the case of directly measurable services, namely electricity and water, the consumption of such services shall be properly metered by the Municipality, and meters shall be read, wherever circumstances reasonably permit, on a monthly basis. If a service is metered but it cannot be read due to financial and/or human resource constraints or circumstances beyond the control of the Municipality or its authorised agent, and the customer is charged for an estimated consumption, the account following the reading of the metered consumption must articulate the difference between the actual consumption and the average consumption, and the resulting credit or debit adjustments.
- Tariffs must be set at a level that facilitates the sustainability of services. Sustainability will be achieved by ensuring that:-
- (a) Cash inflows cover cash outflows. This means that sufficient provision for working capital and bad debts will be made.
- (b) Access to the capital market is maintained. This will be achieved by providing for the repayment of capital, maintaining sufficient liquidity levels and if possible, generating a surplus on trading services.
- (c) Service providers retain a fair rate of return on their investments.
- 3.10. Provision may be made in appropriate circumstances for surcharges on tariffs.
- 3.11. Efficient and effective use of resources may be encouraged by providing for penalties to prohibit or restrict exorbitant use.
- 3.12. The extent of subsidisation of tariffs will be disclosed and such disclosure will include the extent of subsidisation of the indigent or incentives for local development.
- 3.13. Provisions may be made for the subsidisation of the indigent and the promotion of local economic development by creating expenditure votes in the service budgets and including the costs in tariff calculations.
- 3.14. VAT is included in all tariffs where applicable.
- 3.15. This policy shall be binding on all tariffs other than those governed by legislation which supersedes the Act.
- 3.16. A property used for multiple purposes must, for purposes related to the services and categories of users concerned, be calculated at the appropriate and applicable rate for each distinct use of the property.

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- 3.17. In order to provide the Municipality with appropriate security for payment of amounts owing to it from time to time for services rendered, the Council shall impose a system of deposits payable by consumers. The deposits shall be set with due regard to the potential financial risk associated with the amounts owing from time to time as well as sufficient provision for working capital. The level of the deposits shall be revised annually and the Municipality may introduce transitional arrangements in respect of existing consumers.

4. CATEGORIES OF CONSUMERS

- 4.1. Separate tariff structures may be imposed for the following categories of consumers (which the council may change) :
- (a) domestic consumers;
 - (b) commercial consumers;
 - (c) industrial consumers;
 - (d) agricultural consumers;
 - (e) organs of state;
 - (f) municipalities;
 - (g) consumers with whom special agreements were made;
 - (h) consumers in certain geographical areas;
 - (i) sport and recreation facilities
 - (j) private schools & educational institutions;
 - (k) public benefit organisations and suchlike institutions, and
 - (l) vacant land
- 4.2. Section 74(3) of the Municipal Systems Act allows for the differentiation between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters for tariff purposes as long as the differentiation does not amount to unfair discrimination.
- 4.3. Where there are substantial differences between the infrastructures used to provide services to specific groups of users within a category and/or standard of services provided, the Council can, after considering a report by the Municipal Manager or the relevant Director, determine differentiated tariffs for the different consumers within the specific category.
- 4.4. Differentiated tariffs must be based on one or more of the following elements; infrastructure costs, volume usage, availability and service standards.
- 4.5. If, for purposes of determining the tariff applicable to a particular user or category of users, the user or category of users has not specifically by definition been included under a defined category of users in this policy, the Municipal Manager shall, by applying the closest match principle, determine the category under which the user or category of users fits in best, taking into account the nature of the service concerned and the user or category of users involved.

5. INCENTIVE POLICY

- 5.1. Tariffs will not reflect incentives for investment or to promote economic development.

6. INDIGENT RELIEF

- 6.1. Tariffs will not reflect relief granted to indigent households. Such relief will be developed as a separate policy and be subject to the discretion of Council as to its sustainability.
- 6.2. All such relief will be reflected, accounted for and disclosed separately in invoices, account statements, budgets, financial statements or reports.
- 6.3. During implementation of such policy, cognisance will be taken of the fact that the existing tariffs and procedures may require amendment to accommodate the above clauses and that such amendments will be phased in over time.

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- 6.4. Indigent households are expected to manage their consumption of services within the levels of relief granted.
- 6.5. Assistance and management of indigent households is contained in the Customer Care and Debt Collection Policy/By-Law. The Municipality, however, retains the right to limit consumption through prepaid meters or restriction if the accounts of assisted households fall into arrears.

7. SERVICE, EXPENDITURE CLASSIFICATION AND COST ELEMENTS

7.1. Service classification

7.1.1. To isolate the costs associated with a service, the Municipal Manager shall, subject to the guidelines provided by the National Treasury, Generally Recognised Accounting Practice (GRAP) and Executive Mayoral Committee of the Council, provide for the classification of services into the following categories:-

- (i) trading services;
- (ii) economic services;
- (iii) community services; and
- (iv) subsidised services.

7.1.2. Trading and economic services must be financially ring-fenced and financed from service charges while community and subsidised services will be financed from rates and related income.

7.2. Expenditure classification

Expenditure will be classified in accordance with GRAP.

7.3. Cost elements

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.

8. TARIFF TYPES

In determining the type of tariff applicable to the type of service, the Municipality shall make use of any of the following six options or a combination thereof:-

8.1. "Single tariff":-

This tariff shall consist of a cost per unit consumed. All costs will be recovered through unit charges at the level where income and expenditure breaks even. Subject to a recommendation by the Municipal Manager, the Council may decide to approve profits on trading services during the budget meeting. Such profits will be added to the fixed and variable cost of the service for the purpose of calculating the tariffs.

8.2. "Cost related to a two to four part tariff":-

This tariff shall consist of two to four parts. Management, capital, maintenance and operating costs may be recovered by grouping certain components together, e.g. management, capital and maintenance costs may be grouped together and may be

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recovered by a fixed charge, independent of consumption for all classes of consumers, or the total costs may be recovered by a unit charge per unit consumed. Three and four part tariffs may be used to calculate the tariff for electricity and to provide for maximum demand and usage during limited demand.

8.3. **“Inclining block tariff”:-**

This tariff is based on consumption levels being categorised into blocks, the tariff being determined and increased as consumption levels increase.

8.4. **“Declining block tariff”:-**

This tariff is the opposite of the inclining block tariff and decreases as consumption levels increase.

8.5. **“Regulating tariff”:-**

This tariff is only of a regulatory nature and the Municipality may recover the full or a portion of the cost associated with rendering the service.

8.6. **“Cost plus mark-up tariff”:-**

This tariff is for other services rendered.

9. CALCULATION OF TARIFFS FOR MAJOR SERVICES

9.1. **General**

In order to determine the tariffs which must be charged for the supply of the basic municipal services, (electricity, refuse, sewage and water), the Municipality shall use service and expenditure classifications and cost elements contained in clause 7 and identify all the costs associated with the service concerned, including the following:-

9.1.1. Cost of bulk purchases in the case of electricity and water.

9.1.2. Distribution costs, including distribution losses in the case of electricity and water.

9.1.3. Depreciation and finance charges.

9.1.4. Maintenance of infrastructure and other assets.

9.1.5. Administration and service costs, including:-

(a) service charges levied by other support services, such as finance, human resources and legal services;

(b) reasonable general overheads, such as the costs associated with the office of the Municipal Manager;

(c) adequate contributions to the provisions for bad debts, working capital and obsolescence of stock;

(d) all ordinary operating expenses associated with the service concerned, including the cost of providing street lighting in the municipal area in the case of the electricity service.

9.1.6. The intended surplus to be generated for the financial year shall be applied generally in relief of rates and general services.

9.1.7. Where a consumer has an option to choose between different tariffs on a service such option must be executed before 30 September to be implemented for the specific financial year.

9.2. **Electricity**

9.2.1. The guidelines and policy issued by the National Energy Regulator from time to time will form the basis of calculating tariffs.

9.2.2. The Municipality has standardized on the installation of Pre-Payment Meters for all Domestic Consumers. As such it is compulsory for all new domestic

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connections to be equipped with Pre Payment Meters. The Municipality has embarked on a program to effect the migration of all Credit Meters to Pre-Payment Meters. The change from Pre-Payment Meters to Credit Meter will therefore be disallowed unless special health circumstances exist, in which extreme case a credit meter will be installed by special concession from the Director of Infrastructure and Planning and by payment of the required change of meter fees as well as the required deposit.

- 9.2.3. When an adjustment is made to the electricity consumption registered on a meter in terms of Section 55(2) or 55(3) of the Electricity Supply By-Law, published on 21 October 2016, such adjustment shall either be based on the percentage error of the meter as determined by the test referred to in Section 55(5) or upon a calculation by the Municipality from consumption data in its possession. Where applicable, due allowance shall be made, where possible for seasonal or other variations which may affect the consumption of electricity.
- 9.2.4. To make electricity affordable to certain categories of consumers, cross subsidisation between and within categories of consumers will be allowed, based on the load factors of the categories and consumers within the category.
- The first 50 kWh in the tariff block 0 – 350 of electricity per month shall be free of charge to domestic electricity consumers who applied and were approved in terms of the relevant clause as per the Overstrand Indigent Policy.
- 9.2.5. The fixed costs, or portions thereof, will be recovered through an energy or time-of-use charge.
- 9.2.6. A basic charge per electricity meter or unit in the municipal area, as determined by the Council from time to time, may be charged against all electricity consumers.
- 9.2.7. To apply the abovementioned principles, the consumer types and cost allocations reflected in the following table will be used:-

Categories of Consumers	Tariff Components			
	Fixed Charge (Rand/consumer/month)	Active Energy Charge (cent/kWh/month)	Time-of-use Energy Charge Peak / Standard / Off-peak (sent/kWh/month)	Charge (Rand/KVA/month)
Single Phase: (Domestic Credit meters)	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh
Single Phase: (Domestic Pre-paid meters)	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh
Life Line One – (pre-paid meters only)		X		0 – 350 kWh
One Part – (pre-paid meters only) Local Economic Development Projects		X		0 – 350 kWh
Single Phase: (Commercial Credit meters)	X	X		Flat rate
Single Phase: (Commercial Pre-paid meters)	X	X		Flat rate
Three Phase: (Domestic Credit meter) ≤ 100A	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh
Three Phase: (Domestic Pre-paid meter) ≤ 100A	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh

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				2) 351 – 600 kWh 3) > 600kWh
Three Phase: (Commercial Credit meter) ≤ 100A	X	X		Flat Rate
Three Phase: (Commercial Pre-Paid meter) ≤ 100A	X	X		Flat Rate
Economic Pre-paid:- ≤ 100A		X		Flat Rate
Time of Use Tariff (.70kVA)	X	X	X	X
Service Charge (per month) for MV and LV consumers	X	X	X	X
Medium Voltage Metering Points (11000V) >500kVA	X	X	X	X
Low Voltage Metering Points (400V) >70kVA ≤ 500kVA	X	X	X	X

A basic level of service will be provided free to qualifying households with a total gross income level which is below a determined amount, and according to further specified criteria, as determined by Council from time to time.

- 9.2.8. An infrastructure basic charge for electricity will be levied on a monthly basis on all properties or meters.
- 9.2.9. An availability charge will be levied on all erven or units not connected to the electricity network, but can reasonably be connected to the service.
- 9.2.10. The use of tariffs E5A10 “Exceed NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month”.

Each Time-of-Use consumer must nominate the Maximum Demand that the consumer intends to draw from the Overstrand Municipal Electricity Network. This nominated figure is known as the Nominated Maximum Demand (NMD) and is measured in kVA.

Upon exceeding this NMD, the consumer will be warned that he/she has exceeded the NMD and upon exceeding such NMD again within the next 12 months, the consumer will be required to pay the charge per kVA as indicated under tariffs E5A10 as the case may be. Each subsequent exceeding of the NMD will be charged similarly. When the NMD has not been exceeded in any 12 consecutive months, the consumer will then only receive a warning upon the next time the NMD is exceeded, after which the required tariff will again be instituted as shown above.

The consumer may increase his/her NMD and would be required to pay the associated tariffs as indicated under E15, where appropriate. A consumer may increase his NMD as many times as is needed within one financial year, but may only decrease the NMD once within any Financial Year.

9.3. Water

- 9.3.1. The categories of water consumers as set out in clause 9.3.4 shall be charged at the applicable tariffs as approved by the Council in each annual budget.
- 9.3.2. The first 6kl of water consumption per month shall only be supplied pro rata free of charge to domestic water consumers who qualify for the indigent grant.
- 9.3.3. Because water is a scarce national resource, and this Municipality is committed to the prudent conservation of such resources, the tariff levied for consumption of water shall escalate according to the volume of water consumed.
- 9.3.4. The tariffs for consumption of purified water shall be based on the levels reflected in the following table:-

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Category of Consumer	Basic Fixed Charge (Rand/meter/month)	Unit Charge per kℓ	Level of Consumption (Rand/kℓ/month)
NORMAL TARIFF			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 0 - 6 kℓ 7 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
RESTRICTION TARIFF 1 (LEVELS 2 & 3 WATER RESTRICTIONS) PLUS 30% on Normal Tariff)			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 7 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
RESTRICTION TARIFF 2 (LEVELS 4 & 5 WATER RESTRICTIONS) PLUS 60% on Normal Tariff)			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 7 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
RESTRICTION TARIFF 3 (LEVEL 6 WATER RESTRICTION) PLUS 100% on Normal Tariff)			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 7 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ

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Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
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- 9.3.5. A basic charge per water meter or unit in the municipal area, as determined by the Council from time to time, may be charged against all water consumers.
- 9.3.6. An infrastructure basic charge for water will be levied on a monthly basis on all erven or units.
- 9.3.7. An availability charge will be levied on all erven or units not connected to the water network but can reasonably be connected to the service.
- 9.3.8. Allocation of RUE's to categories of Household consumers:

Clinics – Out patients	□ 1 RUE
Flats	□ 1 RUE per residential 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 Frail care beds
Single Residential erven	□ 1 RUE
Townhouse and group developments	□ 1 RUE per unit □ Townhouse/Group Developments must apply should they require more than 1 rue during development phase) □ RUE's are only applicable from date of application and approval

- 9.3.9. The number of water basic and infrastructure charges for non-household consumers shall be coupled to the number of commercial sewage basic and infrastructure charges. The owner has the option to select to be charged either one commercial unit, or for the respective individual number of lettable sections.
- 9.3.10. The tariffs for consumption of irrigation and raw water shall be based on the levels reflected in the following table:-

Category of Consumer	Basic Charge (Rand/meter/month)	Level of Consumption (Rand/kiloliter/month)
Use and pump water	X	80 – 90 minutes
Small Holdings	X	(i) 0 – 70 kℓ (ii) > 70 kℓ

9.3.11. Wet Industries –

9.3.11.1. Commercial and Sport (Customers must apply for this tariff)

Detail	Basic Charge (Rand/meter/month)	Unit Charge / kℓ	Level of Consumption (Rand/kiloliter/month)
Normal Tariff	X	X	(i) 0 – 500 kℓ (ii) 501 – 1 000 kℓ

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			(iii) > 1 000 kℓ
Restriction Tariff 1 (levels 2 & 3 water restrictions) PLUS 30% of Normal Tariff	X	X	(i) 0 – 300 kℓ (ii) 301 – 700 kℓ (iii) > 700 kℓ
Restriction Tariff 2 (levels 4 & 5 water restrictions) PLUS 60% of Normal Tariff	X	X	(i) 0 – 250 kℓ (ii) 251 – 500 kℓ (iii) > 500 kℓ
Restriction Tariff 3 (level 6 water restrictions) PLUS 100% of Normal Tariff	X	X	(i) 0 – 100 kℓ (ii) > 100 kℓ

9.3.11.2. Industry - Marine (Customers must apply for this tariff)

Detail	Basic Charge (Rand/meter/month)	Unit Charge / kℓ	Level of Consumption (Rand/kiloliter/month)
Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ
Restriction Tariff 1 (levels 2 & 3 water restrictions) PLUS 30% of Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ
Restriction Tariff 2 (levels 4 & 5 water restrictions) PLUS 60% of Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ
Restriction Tariff 3 (level 6 water restrictions) PLUS 100% of Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ

9.3.12. The tariffs for consumption of Treated Effluent water shall be based on the levels reflected in the following table:-

Detail	Basic Charge (Rand/meter/month)	Unit Charge / kℓ	Level of Consumption (Rand/kiloliter/month)
Hermanus Golf Club	X	X	As per agreement
Schools, municipal sport grounds & project sport grounds as per agreement		X	As per Agreement
Curro Holdings		X	250kℓ free per day
Other		X	

9.3.13. Restriction Tariff

- 9.3.13.1. When level 1 water restrictions are implemented by the Directorate Infrastructure & Planning, no restriction tariffs will be implemented;
- 9.3.13.2. When level 2 water restrictions are implemented by the Directorate Infrastructure & Planning, level 1 restriction tariffs will be implemented;
- 9.3.13.3. When level 3 water restrictions are implemented by the Directorate Infrastructure & Planning, level 1 restriction tariffs will remain applicable;
- 9.3.13.4. When level 4 water restrictions are implemented by the Directorate Infrastructure & Planning, level 2 restriction tariffs will be implemented;

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9.3.13.5. When level 5 water restrictions are implemented by the Directorate Infrastructure & Planning, level 2 restriction tariffs will remain applicable;

9.3.13.6. When level 6 water restrictions are implemented by the Directorate Infrastructure & Planning, level 3 restriction tariffs will be implemented;

9.4. Refuse Removal

9.4.1. A separate fixed monthly refuse removal charge shall apply to each category of users based on the costs of the service concerned and the applicable level of service, which can vary from once a week up to 7 times a week.

9.4.2. The fixed basic charge will be based on the number of removals per week.

9.4.3. An availability charge will be levied on all erven/units where no building plan has been approved. -

9.4.4. The tariff for refuse removal for residential units will be one removal per household per week.

9.4.5. Household refuse collection is the responsibility of the Municipality in the urban areas and only where a service cannot be rendered, a private contractor can do the collection per agreement with the municipality.

9.5. Sewage

9.5.1. The categories of users as set out below, shall be charged monthly at the applicable tariff as approved by Council in each annual budget:-

- (i) Domestic (including Semi Permanent Caravan Sites);
- (ii) Hotels, Hostels, Hospitals, Old Age Homes and Group Housing;
- (iii) Guest Houses and Bed & Breakfast Establishments;
- (iv) Shops and Offices;
- (v) Low Cost Housing Schemes;
- (vi) Schools;
- (vii) Caravan Parks with communal ablution facilities;
- (viii) Departmental Municipality;
- (ix) Consumers with a conservancy tank.

9.5.2. A monthly basic charge shall be levied on all properties or units within urban areas, irrespective of the type of service available.

9.5.3. A sewage **usage charge** will be levied on all properties or units that produce sewage or have a water meter. This charge will be levied as follows:

- (i) SEWAGE – SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling houses and Duplex apartments)

The sewage volume will be deemed to be 70% of water consumption, up to a maximum of 35kl of sewage per month (70% of 50kl water per month).

- (ii) SEWAGE – GENERAL RESIDENTIAL (Blocks of apartments and Residential Buildings)

Sewage volume will be deemed to be 90% of water consumption per individual unit up to a maximum of 45kl of sewage per month (90% of 50kl water per month).

- (iii) SEWAGE – GUEST HOUSES AND BED & BREAKFAST ESTABLISHMENTS

Sewage volume will be deemed to be 70% of water consumption per individual unit.

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- (iv) ALL OTHER USERS (Including Commercial, Industrial, School, Sport, etc.)

The sewage volume will be deemed to be 90% of water consumption.

The 90% may be adjusted by the Municipal Manager as appropriate to the consumer. The Municipal Manager may also institute a cap on the volume of sewage if appropriate to the consumer.

- (v) SEWAGE-CONSUMERS WITH NO WATER METER OR NO MUNICIPAL WATER USE

Sewage volume will be charged as one additional basic fee per RUE.

- 9.5.4. An effluent fee shall further be payable by factories and other industrial users where the wastewater emanating from such users requires special purification measures by the Municipality. Such fees shall be based on the toxic content of the wastewater concerned and the costs of purification.
- 9.5.5. A monthly infrastructure charge will be levied on all properties or units.
- 9.5.6. Consumers with conservancy or septic tanks that cannot connect to the network may only apply to have their tariff changed at the beginning of a financial year before 30 September, or with a change in occupancy status.
- 9.5.7. The sewage basic and infrastructure charge shall be levied on the owner's account, whilst the consumption portion of the charge shall be levied on the same account as where the water consumption is charged.
- 9.5.8. The number of sewage basic and infrastructure charges for non-household consumers shall be coupled to the number of commercial water basic and infrastructure charges. The owner has the option to select to be charged either one commercial unit or the total number of lettable sections.
- 9.5.9. A sewage availability charge shall apply to serviced vacant or -developed land.
- 9.5.10. Consumers who are connected to the municipal sewerage system, but who are not using the municipal water supply system, will be charged twice the sewage availability charge to compensate for the use of the sewer system in the absence of a water meter reading to calculate the sewerage volume.

9.6. Minor tariffs

- 9.6.1. All minor tariffs shall be standardised within the municipal region.
- 9.6.2. All minor tariffs shall be approved by the Council in each annual budget and shall, when deemed appropriate by the Council, be subsidised by property rates and general revenues, particularly when the tariffs will prove uneconomical when charged to cover the cost of the service concerned, or when the cost cannot be determined accurately, or when the tariff is designed purely to regulate rather than finance the use of the particular service or amenity.
- 9.6.3. Minor tariffs may include fees for the following:-

A	Administration	<ul style="list-style-type: none"> ▪ Access to information ▪ Administration Costs ▪ Advertisements / Advertising ▪ Bank cost on foreign accounts ▪ Deposit ▪ Duplicate Accounts ▪ Duplicate Pay Day Slip ▪ Facsimiles ▪ Interest on Accounts in Arrear ▪ Laminated documents 	<ul style="list-style-type: none"> ▪ Photocopies ▪ Placard / Poster Costs ▪ Section 62 Appeals ▪ Tender Objections ▪ Top Management Consultation ▪ Top Management Deposit ▪ Trace of Direct Deposits
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B	Building Control	<ul style="list-style-type: none"> ▪ Administration / Storage fee ▪ Alterations & Additions ▪ Building Plans ▪ Demolition Fees ▪ Deposits ▪ Heritage Investigations 	<ul style="list-style-type: none"> ▪ Inspection Fees ▪ Photocopies of Building Plans ▪ Plan Printing Fees ▪ Plan Scrutiny Fees ▪ Re-inspection fees ▪ Searching Fees
C	Cemeteries	<ul style="list-style-type: none"> ▪ Garden of Remembrance ▪ Grave-sites 	<ul style="list-style-type: none"> ▪ Indication of grave
D	Business License	<ul style="list-style-type: none"> ▪ Duplicates ▪ License 	<ul style="list-style-type: none"> ▪ Re-inspection Fee
E	Commercial Filming/Photographing	<ul style="list-style-type: none"> ▪ Cancellation Fee ▪ Permits 	
F	Credit Control & Debt Collecting	<ul style="list-style-type: none"> ▪ Administration fee ▪ Notices ▪ Sheriff fee 	<ul style="list-style-type: none"> ▪ SMS ▪ Tracing fee
G	Development Contributions	<ul style="list-style-type: none"> ▪ Water ▪ Electricity ▪ Sewerage ▪ Roads 	<ul style="list-style-type: none"> ▪ Storm water ▪ Solid Waste ▪ Off Grid Developments ▪ Evaluations/Investigations Levies
H	Dog Tax	<ul style="list-style-type: none"> ▪ Licenses 	
I	Electricity	<ul style="list-style-type: none"> ▪ Builders connection ▪ Call-out fee ▪ Cancellation Fee ▪ Capital Contributions ▪ Casual Supplies ▪ Change to SSEG or Time of Use ▪ Change of Circuit Breaker ▪ Commission of Bulk Meter ▪ Connection and Disconnection of Service ▪ Consumer Deposits ▪ Contractor inspections ▪ Conversion of meters ▪ Credit Control and Debt Collection ▪ Damaged cables ▪ Damaged meter ▪ Deposits cables etc ▪ Development Contribution ▪ Erection & Removal of Banners ▪ Fee recalculation – no access ▪ Hire of temporary distribution kiosk ▪ Hire of Sleeve Space for fiber optic cable 	<ul style="list-style-type: none"> ▪ Illegal Connection/Tampering Fee ▪ Illuminated Signs ▪ Small Scale Embedded Generation (SSEG) ▪ Meter Testing ▪ Meter Verification ▪ MV Switching ▪ Public Lighting & CCTV ▪ Removal of meter ▪ Replacement ▪ Repositioning of Meter ▪ Service Connections ▪ Special Meter Readings ▪ Sundry Services ▪ Tariff change ▪ Unsafe/illegal connections per visit ▪ Upgrading extension Fee ▪ Way leave
J	Fire Services & Disaster Management	<ul style="list-style-type: none"> ▪ Burn Permits ▪ Events ▪ Extinguishing of Fires ▪ Fire Prevention inspections ▪ Fire Safety 	<ul style="list-style-type: none"> ▪ Plot Clearing ▪ Re-inspection Fee under the Bylaw ▪ Special Services ▪ Standby at fire scene
K	Housing	<ul style="list-style-type: none"> ▪ Administration 	<ul style="list-style-type: none"> ▪ Rental
L	Law Enforcement	<ul style="list-style-type: none"> ▪ Bylaw on outdoor advertising ▪ Impoundment of Hawkers goods ▪ Impoundment of illegal Advertising/Agent boards ▪ Inspection Fees ▪ Pound Fee Cattle ▪ Pound fee Dogs and Cats ▪ Pound fee Horses 	<ul style="list-style-type: none"> ▪ Pound fee other animals ▪ Pound fee Pigs ▪ Pound Fee Poultry ▪ Pound fee Sheep and Goats ▪ Re-inspection Fee ▪ Removal of illegal structure ▪ Storage Fee

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M	Libraries	<ul style="list-style-type: none"> ▪ Damage or lost Library material ▪ Deposits ▪ Facsimiles ▪ Laminated documents ▪ Lost Cards ▪ Penalty for Late Return 	<ul style="list-style-type: none"> ▪ Photocopies ▪ Rental of Library Amenities ▪ Scanning ▪ Special Requests ▪ Subscription ▪ Visitors Fee (Handling)
N	Municipal Buildings	<ul style="list-style-type: none"> ▪ Deposits ▪ Rental of Amenities 	<ul style="list-style-type: none"> ▪ Rental of Equipment
O	Off-Grid Developments/Units	<ul style="list-style-type: none"> ▪ Development Contribution 	
P	Operational Cost	<ul style="list-style-type: none"> ▪ Street Signage 	
Q	Parking Fees		
R	Property Administration	<ul style="list-style-type: none"> ▪ Application lease/purchase ▪ Encroachment Fee ▪ Leases 	<ul style="list-style-type: none"> ▪ Memorial Benches ▪ Radio Mast
S	Public Works	<ul style="list-style-type: none"> ▪ Felling and Pruning of Trees ▪ Private Work ▪ Sale of Miscellaneous Items ▪ Storm Water Drainage 	<ul style="list-style-type: none"> ▪ Street Signage ▪ Tar and Patch Work ▪ Vehicle Entrances
T	Recreational Amenities	<ul style="list-style-type: none"> ▪ Beaches ▪ Boat Launching ▪ Boat License/Permits ▪ Caravan Parks ▪ Community Halls ▪ Day Camping Site ▪ Deposit ▪ Entrance Fee ▪ Frank Robb Hut ▪ Hawker Stalls 	<ul style="list-style-type: none"> ▪ Office Rental ▪ Open Spaces ▪ Plett House ▪ Public Open Space ▪ Recreational Fishing Vessels ▪ Rental Units Kleinmond ▪ Rental Wet core Stands ▪ Schuss Houses ▪ Spaces for Sport ▪ Sport Events
U	Roads	<ul style="list-style-type: none"> ▪ Capital Contributions 	<ul style="list-style-type: none"> ▪ Development Contribution
V	Refuse Removal	<ul style="list-style-type: none"> ▪ Asbestos Sheet ▪ Baboon Resistant Bins ▪ Deposits ▪ Rental of Bulk Containers 	<ul style="list-style-type: none"> ▪ Self-Dumping ▪ Replacement of lock on baboon resistant wheelie bin ▪ Weigh Bridge
W	Sewage	<ul style="list-style-type: none"> ▪ Capital Contributions ▪ Connection of tanks ▪ Development Contribution 	<ul style="list-style-type: none"> ▪ Disposal ▪ Tank Services ▪ Testing of tanks
X	Storm water	<ul style="list-style-type: none"> ▪ Development Contribution 	
Y	Stony Point	<ul style="list-style-type: none"> ▪ Annual Permit 	<ul style="list-style-type: none"> ▪ Visitors
Z	Swimming Pool	<ul style="list-style-type: none"> ▪ Entrance Fee ▪ Galas 	<ul style="list-style-type: none"> ▪ Training session
AA	Town Planning	<ul style="list-style-type: none"> ▪ Advertising Cost ▪ Application Fee ▪ CD Planning Documents ▪ Closure of Public Place ▪ Contravention ▪ Penalty ▪ Departure ▪ Deposit – Appeal ▪ Determination of Zoning ▪ Exemption ito Section 26 ▪ Extension of Time 	<ul style="list-style-type: none"> ▪ Land use planning Fee ▪ Permission ito Zoning Scheme ▪ Relaxation of Title Deed ▪ Registered Letter ▪ Removal of Title Deed Restrictions ▪ Search Fee ▪ Section 30(2) Certification/Clearance ▪ Spatial Development Framework ▪ Sub-division ▪ Zoning Certificate

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BB	Traffic	<ul style="list-style-type: none"> ▪ Disabled Parking Tokens ▪ Driver's Licenses ▪ Escorting and Other Services ▪ Hiring Traffic cones ▪ Learner's Licenses ▪ Parking Meters ▪ Professional Driver's Permits 	<ul style="list-style-type: none"> ▪ Removal of Vehicles ▪ Roadworthy Certificates ▪ Storage Fees ▪ Taxi Rank Tokens ▪ Towing Charge ▪ Vehicle Registration ▪ Wheel clamping fee
CC	Valuation (Property Information)	<ul style="list-style-type: none"> ▪ Access to Information ▪ Clearance Certificates ▪ Deeds Office Registrations ▪ Revaluation 	<ul style="list-style-type: none"> ▪ Valuation Certificates ▪ Valuation Roll ▪ Voters' Roll
DD	Water	<ul style="list-style-type: none"> ▪ Call-out Fee ▪ Capital Contributions ▪ Connection & Disconnection ▪ Consumer Deposits ▪ Convert to flow restrictor meter ▪ Credit Control and Debt Collection ▪ Damaged Water Meter; Water main & Service Connection ▪ Development Contribution ▪ Fee recalculation ▪ Final meter reading ▪ Irrigation Water ▪ Illegal Connection/Tampering Fee ▪ Meter Testing 	<ul style="list-style-type: none"> ▪ Meter verification ▪ Rebates ▪ Reconnection ▪ Registration of borehole ▪ Removal of meter ▪ Repair of meter ▪ Replacement of Damage meter ▪ Repositioning of meter ▪ Service Connections ▪ Special Meter Readings ▪ Still-off' inspections ▪ Sundry Services ▪ Temporary connections

9.6.4. The Municipal Manager shall maintain a list of all minor services indicating their unit of service for the purposes of determining tariffs, fees, charges and levies. Such list shall be reviewed annually together with the proposed tariffs, fees charges and levies.

10. NOTIFICATION OF TARIFFS, FEES AND SERVICE CHARGES

- 10.1. After a draft budget as required by the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) has been tabled, the Municipal Manager must invite the local community to submit representations for consideration by the Council. Such invitation includes the draft resolutions on taxes and tariffs proposed.
- 10.2. After approval of the budget, the Council will give notice of all tariffs approved at the annual budget meeting at least 30 days prior to the date that the tariffs become effective.
- 10.3. A notice stating the purport of the council resolution, date on which the new tariffs shall become operational and invitation for objections will be advertised by the Municipality.
- 10.4. All tariffs approved must have been considered at the annual budget meeting.

11. IMPLEMENTING AND PHASING-IN OF THE POLICY

- 11.1. The principle contained in this Policy will be reflected in the various budget proposals submitted to the Council on an annual basis, service by-laws as promulgated and adjusted by the Council from time to time and the Tariff By-laws referred to in section 75 of the Act.
- 11.2. The Council may determine conditions applicable to community service of a regulatory nature. These conditions will be reflected in the standing orders of the Council.

12. PROCEDURES AND ACCOUNTABILITY

- 12.1. The Municipal Manager shall ensure that procedures to manage all aspects of this Policy are prepared in the form of a manual, reviewed regularly and that these are formally adopted by him/her for implementation. These procedures will include aspects in this Policy and subscribe to sound principles of internal control.

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12.2. The Directors and Managers shall ensure compliance with the procedures as approved from time to time by the Municipal Manager to give effect to the provisions of this Policy.

13. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2020** and will be reviewed at least annually or when required by way of a Council resolution.

14. SHORT TITLE

This policy shall be called the **Tariff Policy of the Overstrand Municipality**.

POLICY SECTION:	MANAGER: INCOME
CURRENT UPDATE:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
PREVIOUS REVIEW:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
PREVIOUS REVIEW:	28 MAY 2014
PREVIOUS REVIEW:	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	31 AUG 2011
PREVIOUS REVIEW:	04 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
PREVIOUS REVIEW:	27 MAY 2009
APPROVAL BY COUNCIL:	31 MAY 2006

OVERSTRAND MUNICIPALITY



CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

OVERSTRAND MUNICIPALITY
CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

P R E A M B L E

Whereas section 96 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) requires a municipality to adopt, maintain and implement a credit control, debt collection and customer care policy;

And whereas section 97 of the Systems Act prescribes what such policy must provide for;

Now therefore the Municipal Council of the Municipality of Overstrand adopts the Customer Care, Credit Control and Debt Collection Policy as set out in this document:-

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OVERSTRAND MUNICIPALITY

CUSTOMER CARE, CREDIT CONTROL AND DEBT COLLECTION POLICY

1. DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

“Act”	The Local Government Act: Municipal Systems Act 2000 (Act No 32 of 2000) as amended from time to time.
“arrears”	means any amount which is due, owing and payable and which remains unpaid by the due date;
“authorised representative”	the person or instance legally appointed by the Council to act or to fulfil a duty on its behalf.
“basic service”	the amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety of the environment and for the purposes of this Policy are restricted to the delivery of electricity, refuse, sewerage and water services.
“Chief Financial Officer”	an officer of the Municipality appointed as the Head of the Finance Department and includes any person:- (a) acting in such position; and (b) to whom the Chief Financial Officer has delegated a power, function or duty in respect of such a delegated power, function or duty.
“child-headed household”	a household where all the occupants of a residential property are younger than 18 years old, i.e. a child-headed household is a household consisting only of children.
“Council” or “municipal council”	a municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Overstrand.
“Credit control” and debt collection”	the functions relating to the collection of any monies due and payable to the Municipality.
“Closely connected person”	any immediate relative of the person namely spouse, child, parent, parent-in-law, life partner.
“customer”	any occupier of any property to which the Municipality has agreed to supply services or already supplies services to, or if there is no occupier, then the owner of the property (including registered indigent household).
“defaulter”	a person who owes money to the Municipality in respect of a municipal account after the due date for payment has expired.
“Director”	the person in charge of the civil and/or electrical component(s) of the Municipality and includes any person:- (a) acting in such position; and (b) to whom the Director has delegated a power, function or duty in respect of such a delegated power, function or duty.
“equipment”	a, structure, pipe, pump, wiring, cable, meter, machine or any fittings.
“household”	all persons who are jointly living on a stand or site on a permanent basis and who receive electricity and/or water from one meter, regardless whether the person rents or owns the property.
“Income”	Income is the gross sum of all monthly income from all sources, including wages, salaries, profits, dividends, pensions, rentals, board & lodging, interest received, grants or investment income and other forms of earnings received by every person residing on the property.
“indigent”	a household which is not financially capable of paying for the delivery of basic services and meeting criteria determined by Council from time to time – this also includes poor households.
“interest”	a levy with the same legal priority as service fees and calculated on all amounts in arrears in respect of assessment rates and service levies at a standard rate as approved by Council.

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“Municipality”	the institution that is responsible for the collection of funds and the provision of services to the customers of Overstrand.
“municipal account” or “billing”	<p>the proper and formal notification by means of a statement of account, to persons liable for monies levied and indicating the net accumulated balance of the account, specifying charges levied by the Municipality, or any authorised and contracted service provider, in the format of, but not limited to:-</p> <p>(a) show the levies for assessment rates and/or building clause; and</p> <p>(b) “monthly account” rendered monthly and shows the levies for assessment rates and/or building clause, availability charge, sewerage, refuse removal, electricity, water, sundries, housing rentals and instalments, as well as the monthly instalment for annual services paid monthly.</p>
“Municipal Manager”	<p>the accounting officer appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and being the head of administration and accounting officer in terms of section 55 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) and includes any person:-</p> <p>(a) acting in such position; and</p> <p>(b) to whom the Municipal Manager has delegated a power, function or duty in respective of such a delegated power, function or duty.</p>
“municipal services”	those services provided by the Municipality such as, amongst others the supply of water and electricity, refuse removal, sewerage treatment, and for which payment is required by the Municipality or not.
“occupier”	any person who occupies any property or part thereof, without any regard to the title under which he/she so occupies the property – in process of phasing out from 01/07/2010.
“owner”	<p>(a) the person in whom the legal title to the property is vested;</p> <p>(b) a person mentioned below may for the purposes of this Policy be regarded by a municipality as the owner of a property in the following cases:</p> <p>(i) A trustee, in the case of a property in a trust excluding state trust land;</p> <p>(ii) an executor or administrator, in the case of a property in a deceased estate;</p> <p>(iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;</p> <p>(iv) a judicial manager, in the case of a property in the estate of a person under judicial management;</p> <p>(v) a curator, in the case of a property in the estate of a person under curator ship;</p> <p>(vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;</p> <p>(vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by the lessee;</p> <p>(viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer;</p> <p>(c) in the case where the Council is unable to determine the identity of such person, the person who is entitled to the benefit of such property or any building thereon;</p> <p>(d) in the case of a property for which a lease agreement of 30 years or more has been entered into, the lessee thereof;</p> <p>(e) regarding:-</p> <p>(i) a portion of land delineated on a sectional title plan registered in terms of the Sectional Titles Act, 1986 (Act No 95 of 1986), and without restricting the above mentioned stipulations, the developer or body corporate of the communal property; or</p> <p>(ii) a portion as defined in the Sectional Titles Act, the person in whose name that portion is registered under a sectional title deed, including the legally appointed representative of such person;</p> <p>(i) any legal entity, including but not limited to:-</p>

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	<ul style="list-style-type: none"> (i) a company registered in terms of the Companies Act, 2008 (Act No 71 of 2008), a trust <i>inter vivos</i>, trust <i>mortis causa</i>, a closed corporation registered in terms of the Closed Corporations Act, 1984 (Act No 69 of 1984), and any voluntary organisation; (ii) any local, provincial or national government; (iii) any council, board or entity established in terms of any legislation applicable to the Republic of South Africa; and (iv) any embassy or other foreign entity. <ul style="list-style-type: none"> (ii) in the case of property owned by the Council and which has been alienated, but which has not been transferred to the person to whom it has been alienated, such person from the date of the alienation concerned; and (iii) in the case of property owned by or under the control or management of the Council while held under a lease or any express or tacit extension thereof or under any other contract or under a servitude or right analogous thereto, the person so holding the right to the immovable property.
“premises” or “property”	<p>any portion of land, the external surface boundaries of which are delineated on:-</p> <ul style="list-style-type: none"> (a) a general plan or diagram registered in terms of the Land Survey Act, 1927 (Act No 9 of 1927) or in terms of the Deeds Registry Act, 1937 (Act No 47 of 1937); or (b) a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No 95 of 1986); <p>which is situated within the area of jurisdiction of the Municipality.</p>
“Residential”	<p>means improved property that is:</p> <ul style="list-style-type: none"> (a) used predominantly (60% or more) for residential purposes, with not more than two dwelling units per property. (b) a unit registered in terms of the Sectional Title Act 95 of 1986,, used predominantly (60% or more) for residential purposes, and includes any unit in the same Sectional Title Scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or store room. (Any such grouping shall be regarded as one residential property for rate rebate or valuation purposes.) or (c) owned by a share-block company and used predominantly (60% or more) for residential purposes, or (d) a residence used for residential purposes situated on property used for or related to educational purposes.

2. GENERAL OBJECTIVES:

The objectives of this Policy are to:-

- 2.1 provide a framework within which the Municipality can exercise its executive and legislative authority with regard to credit control and debt collection;
- 2.2 ensure that all monies due and payable to the Municipality are levied and collected in a financially sustainable manner;
- 2.3 provide a framework for customer care and indigent support;
- 2.4 describe credit control measures and sequence of events;
- 2.5 outline debt collection and credit control procedures and mechanisms; and
- 2.6 set realistic targets for credit control and debt collection.

3. PRINCIPLES

- 3.1 The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councillors are responsible for the approval of the policy, while it is the responsibility of the Municipal Manager to ensure the execution of this policy.
- 3.2 All customers must complete an official application form, formally requesting the Municipality to connect them to service supply lines. Existing customers may be required to complete new application forms from time to time, as determined by the Municipal Manager.

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- 3.3 Application forms, agreements and documents relating to this Policy must be available in Afrikaans and English. Officials designated to control and manage these documents must be able to explain the contents thereof in the three languages of the Western Cape.
- 3.4 A copy of the application form, conditions of services and extracts of the Council's Customer Care, Credit Control and Debt Collection Policy and By-Laws must be handed to every customer on request at such fees as may be prescribed by Council.
- 3.5 Billing is to be accurate, timeous and understandable as far as possible.
- 3.6 The customer is entitled to reasonable access to pay points and to a variety of reliable payment methods which will include cash, cheque, debit or credit card, electronic fund transfer, debit order and bank order payments.
- 3.7 The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.
- 3.8 Enforcement of payment must be prompt, consistent and effective.
- 3.9 Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections, charges, penalties, loss of rights and/or criminal prosecutions. A certificate reflecting the nature and extent of the unauthorized activity must be issued by a duly qualified person to substantiate the claim.
- 3.10 Incentives and disincentives may be used in collection procedures.
- 3.11 The collection process must be cost-effective.
- 3.12 Results will be regularly and efficiently reported and monitored.
- 3.13 Application forms may be used to, *amongst others*, categorise customers according to credit risk and to determine relevant levels of services and deposits required.
- 3.14 Targets for performance in both customer service and debt collection will be set and pursued and remedies implemented for non-performance.
- 3.15 Where practicably possible the Customer Care and Debt Collection Policies will be handled independently of each other and the organisational structure will reflect the separate functions.
- 3.16 The principle of providing services instead of payment for arrear accounts is supported.
- 3.17 Customers that meet council's indigent criteria must be identified and supported.

4. PERFORMANCE EVALUATION

This is addressed in the SDBIP and the Municipal Performance Management System.

5. REPORTING

- 5.1 The Chief Financial Officer (Director: Finance) shall report monthly to the Municipal Manager in a suitable format to enable the Municipal Manager to report to the Executive Mayor, as supervisory authority in terms of section 99 of the Act, read with section 100(c). This report shall contain particulars on:-
 - (a) Cash collection statistics, showing high-level debt recovery information (number of customers; enquires; arrangements; default arrangements; growth or reduction of arrear debt). Where possible, the statistics should ideally be divided into wards, business (commerce and industry), domestic, state, institutional and other such divisions.
 - (b) Performance on all areas against targets agreed to in paragraph 5 of this policy document.
- 5.2 If in the opinion of the Chief Financial Officer, the Municipality will not achieve cash receipt income equivalent of the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Municipal Manager who will, if he/she agrees with the Chief Financial Officer, immediately move for a revision of the budget according to realistically realisable income levels.
- 5.3 The Executive Mayor, as supervisory authority, shall report at intervals of 3 months to Council as contemplated in section 99(c) of the Act.

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6. CUSTOMER CARE

6.1 Objective

To focus on the customer's need in a responsible and pro-active way to enhance the payment for services and to create a positive and cooperative relationship between the persons responsible for the payment for services received and the Municipality and where applicable, the service provider.

6.2 Communication and feedback

6.2.1 The Municipality will, within its financial and administrative capacity, conduct an annual process of compiling and communicating its budget, which will include targets for credit control and debt collection. This process will include the effort to ensure that the residents and customers understand the costs involved in the service provision, the reasons for payment of service tariffs and the manner in which monies raised from the customers are utilised.

6.2.2 Council will endeavour to distribute a regular newsletter (also available on the website), which will give prominence to customer care and debt collection issues.

6.2.3 Ward councillors will give feedback at ward meetings, at which customer care and debt collection issues will be given prominence.

6.2.4 The press will be encouraged to give prominence to Council's customer care, credit control and debt collection issues, and may be invited to council or committee meetings where these are discussed.

6.2.5 The residents and users of services will be encouraged to give feedback through the established mechanisms to the Municipality regarding the quality of services and the performance of service providers.

6.3 Metering

6.3.1 The Municipality will endeavour, within practical and financial constraints, to provide meters to every paying customer for all measurable services.

6.3.2 All meters will be read monthly, as far as possible. If the meter is not read monthly, the consumption may be estimated in terms of Council's operational procedures.

6.3.3 If any meter is not accessible for meter reading, the customer must apply and pay to have the meter moved out to the borderline and convert the electricity meter to a pre-paid meter.

6.3.4 Customers must:-

- (a) safeguard and maintain service meters in a readable condition;
- (b) notify the Municipality when services are no longer required at a particular service delivery point;
- (c) maintain credit and pre-payment meters; and
- (d) supply the Municipality with accurate information with regard to the supply of services or applications for indigent cases.

6.3.5 Customers are entitled to request verification of meter readings at the prescribed tariff.

6.3.6 Customers are entitled to request testing of meters for accuracy within reason. If the test reveals the meter to register outside the norm as prescribed for the service in question (Electricity or Water), the meter will be replaced and the customer's account will be adjusted accordingly. The adjustment may not exceed a period of six (6) months, preceding the date on which the metering equipment was found to be inaccurate. If the outcome shows that the meter was not defective, the consumer is liable for payment for the cost of the test at the prescribed tariff as well as for other amounts outstanding.

[6.3.7 Customers will be informed of meter replacement]

6.3.7 Customers must give notice of at least 48 hours to the Municipality should a final reading or discontinuation of service be required. When a customer vacates a property and a final reading of the meter is not possible due to no access, an estimated consumption will be used by the Municipality and the final account rendered accordingly.

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- 6.3.8 If a service is metered but it cannot be read due to financial and/or human resource constraints or circumstances beyond the control of the Municipality or its authorised agent, and the customer is charged for an estimated consumption, the account following the reading of the metered consumption must articulate the difference between the actual consumption and the average consumption, and the resulting credit or debit adjustments.
- 6.3.9 The Municipality may apply debt collection as a percentage on the pre-payment electricity system, to ensure collection of all arrear debt on the account of the customer.

6.4 Accounts and billing

- 6.4.1 The Municipality will as far as possible render to its customers on the billing system an understandable and accurate statement, which will consolidate all service costs and subsidies granted in terms of this Policy for that property.
- 6.4.2 Accounts will be produced in accordance with the meter reading cycle and due dates will be linked to the statement date.
- 6.4.3 The customer's municipal account shall be credited for energy generated by the embedded generator and exported to the network in the amount/s reflected in the annual tariff relating to the import and export of electrical energy for embedded generation. Small scale embedded generator customers (SSEG) will be billed as follows:
- (a) The service charge and all energy and maximum demand charges, as applicable, will be billed on the monthly electricity account.
 - (b) A credit will be passed for export of energy monthly against the normal monthly electricity account.
 - (c) Customers will not be compensated if the monthly export reflects a credit balance. A credit balance for export will be carried forward to the following month.
 - (d) In the instance where an export credit exists on 30 June, this credit will be forfeited.
 - (e) At the time that the customer ceases to be on the small scale embedded generation tariff, any remaining credit balance for export, will not be refunded to the customer.
 - (f) The municipality shall not be obliged to grant credit to the customer for export not received onto the electrical grid due to unavailability of the grid or for any other reason.
- 6.4.4 If no official complaint in writing is received by the 15th of the month it will be considered that the account delivered is correct.
- 6.4.5 Accounts will be rendered monthly in cycles of approximately 30 days at the address last recorded with the Municipality or its authorised agent.
- 6.4.6 It is the customer's responsibility to ensure that his/her postal address and all other required details are correct.
- 6.4.7 Should an owner have an e-mail address stated on the clearance application form, during and subsequent to the transfer of the property into his or her name, said e-mail address shall take preference over a postal address provided on the said application. The email address shall be regarded as the default address for all correspondence inclusive of the monthly account send to that owner until otherwise advised in writing.
- 6.4.8 (a) Accounts are delivered monthly. It is the customer's responsibility to enquire from the Municipality should an account not be received in order to ensure timely payment and to obtain a duplicate account when the account is not delivered during the normal billing cycle.
- (b) Customers residing outside the borders of the Republic of South Africa will receive only electronic accounts, unless a local address is supplied.
- 6.4.9 Settlement or due dates will be as indicated on the statement and are normally as follows:-

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- (a) Monthly accounts are payable before or on the due date in accordance with the specific account billing (invoicing) cycle as indicated on the account, or the first working day thereafter should it fall on a weekend or public holiday, of the month following the month of the statement of the account.
 - (b) Large Power and Time of Use electricity customer accounts are payable on or before the 15th of each month, or the first working day thereafter should the 15th be on a week-end.
 - (c) Annual accounts are payable on or before the 30th of September of each year.
 - (d) Accounts of councillors and employees may be deducted from their salaries/allowances on a monthly basis; alternatively, they may sign a debit order for deduction of the monthly account off their bank account.
 - (e) Staff arrears will be dealt with in accordance with Schedule 2(10) of Local Government: Municipal Systems Act 32 of 2000 and in terms of any procedures, method or actions referred to in this Policy. Notwithstanding any other procedure, method or action that may be taken in terms of this Policy, the Municipality shall deduct any outstanding amount from such staff members' salary after this 3 (three) month period. Outstanding arrears will be settled out of any annual bonus due to the staff member.
 - (f) All staff joining the Municipality must, within 30 days, sign an agreement to pay arrears.
 - (g) Where the Municipality provides temporary employment to members of the community who are in arrears with payments for municipal rates and services, they will be required to enter into a written agreement to pay up to a maximum of 30% of their gross remuneration towards the arrear debt.
 - (h) In accordance with Schedule 1(12A) of the Local Government: Municipal Systems Act 32 of 2000, a Councillor of the Municipality may not be in arrears to the Municipality for rates and service charges for a period longer than 3 months. Notwithstanding any other procedure, method or action that may be taken in terms of this Policy, the Municipality shall deduct any outstanding amount from such Councillors' remuneration after this 3 (three) month period.
- 6.4.10 Where an account is not settled in full, any lesser amount tendered and accepted shall not be deemed to be in full and final settlement of such an account.
- 6.4.11 Where any payment made to the Municipality, or its authorised representative, by negotiable instrument is subsequently dishonoured by a bank, the Municipality or its authorised agent:-
- (a) may recover the average bank charges incurred relating to dishonoured negotiable instruments, together with an administration fee, against the account of the customer;
 - (b) shall regard such an event as a default on payment and services may be discontinued should a valid payment by cash, a bank-guaranteed cheque or electronic fund transfer not be made by the date provided by the authorized official;
 - (c) may insist on cash, debit order or electronic fund transfer payments for all future accounts;
 - (d) may only consider application for re-instatement of debit order/cheque after twelve months, except in instances where the **[Chief Financial Officer] Senior Manager: Revenue**, or delegated official, authorises otherwise.
- 6.4.12 The Municipality must issue a duplicate account or any acceptable alternative to a customer on request, at a cost determined by Council from time to time.
- 6.4.13 The registered owner of a property being leased is at his/her own cost entitled to obtain a copy of the account of a lessor and to be informed if a lessee is in arrears with his/her service charges within 60 days.
- 6.4.14 All contracts for service delivery with tenants will be phased out over a period of time and all new service contracts will only be with the owners of the property.

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- 6.4.15 Opening of tenant accounts will only be allowed when :
- (a) the lessee is an indigent household and the property is registered in the name of another person;
 - (b) the lessee is a contractor for municipal projects
- 6.4.16 When tenants are in default, the service contract with the tenant will be cancelled and services transferred to the owner.
- 6.4.17 The amount which the Municipality may recover from the tenant or occupier of a property where there exists only an owners account, is limited to the amount of rent or other money due and payable, but not yet paid, by the tenant or occupier to the owner of the property
- 6.4.18 The tenant or occupier of a property must, on request from the Municipality, furnish the Municipality with a written statement specifying all payments to be made by the tenant or occupier to the owner of the property for rent or other money payable on the property during a period determined by the Municipality.
- 6.4.19 When owners are in default, no building plans will be accepted.

6.5 Payment facilities and methods

- 6.5.1 The Municipality will operate and maintain suitable payment facilities, which facilities will be accessible to all customers.
- 6.5.2 The Municipality will, at its discretion, allocate a payment between service debts. A debtor does not have the right to indicate that the payment is for a specific portion of the account.
- 6.5.3 The Municipality may, in terms of section 103 of the Act and with the consent of a customer, approach an employer of the customer to secure a debit or stop order arrangement.
- 6.5.4 The Municipality will endeavour to appoint a variety of agents (super markets, SA Postal Service, etc.) for the receipt and transfer of payments to the Municipality. The customer will acknowledge in the customer agreement that the use of customer agents in the transmission of payments to the Municipality is at the risk of the customer – also the time lapse for transfer of the payment.
- 6.5.5 The Municipality will, in the event of notices sent to customers, as well as in the instance of services having been disconnected or restricted, only accept cash or electronic fund transfer / direct deposit into the Municipality's bank account, or payment at any one of the nominated cash receipting points or agents of the Municipality. Documented proof must be send via e-mail to the sender as stated on the Overstrand Municipality's notice document, during office hours, not later than 16:00.

6.6 Incentives for prompt payment (Annexure "A")

- 6.6.1 The Council may, to encourage prompt payment and/or to reward regular payers, from time to time consider incentives for the prompt payment of accounts or payment by debit or stop order.
- 6.6.2 If introduced, the cost associated with the incentive scheme will be reflected in the operational budget as additional expenditure.

6.7 Feedback, enquiries, appeals and service complaints

- 6.7.1 Within its administration and financial ability the Municipality will establish:-
- (a) Decentralised complaints/feedback offices;
 - (b) A centralised complaints database to enhance co-ordination of complaints, their speedy resolution and effective communication with customers;
 - (c) Appropriate training for officials dealing with the public to enhance communications and service delivery; and
 - (d) The introduction of a regular article in the newsletter to inform customers on the safe and economic use of services.
- 6.7.2 If a customer is convinced that his/her account is inaccurate, he/she can lodge a query, together with supporting documentation and proof, with the Municipality

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- before due date for investigation of this account, and where necessary the relevant alterations.
- 6.7.3 In the interim the debtor must pay an average based on previous consumption where such history of the account is available. Where no such history is available, the debtor is to pay an estimate provided by the Municipality before payment due date until the matter is resolved.
- 6.7.4 The relevant department will investigate and endeavour to inform the debtor within 14 days of the outcome of the investigation and the measures that have been or will be taken to correct the situation.
- 6.7.5 Failure to make such agreed interim payment or payments will result in the customer forming part of the normal credit control procedures.
- 6.7.6 A customer may appeal against the finding of the Municipality in terms of sub clause (6.7.4).
- 6.7.7 An appeal and request in terms of sub clause (6.7.6) must be made and lodged with the Municipality within 21 (twenty-one) days after the customer became aware of the finding referred to in sub clause (4) and must:-
- (a) set out the reasons for the appeal;
 - (b) be accompanied by any security determined for the testing of a measuring device, if applicable.

6.8 Customer assistance programs

- 6.8.1 Water leakages:
- (a) If the leakage is on the customer's side of the meter, the customer will be responsible for payment of the full account.
 - (b) Water leakage discount will not be considered in the instance of irrigation systems.
 - (c) A customer will qualify for a Water Leakage Discount upon application on the prescribed form within 60 days after the leak has been repaired, which application will only be regarded as a valid application if complete information and documentation as prescribed is received and:-
 - (i) Where the loss of water resulted from malicious damage to external pipes & fittings and where this act was reported to the South African Police Service (SAPS) and a case number was allocated;
 - (ii) the leak was repaired within 10 working days since its detection;
 - (iii) the customer applied only once in a cycle of 30 months for a discount; and
 - (iv) proof of repair and costs as well as the date of repair, or a sworn affidavit from any person who has repaired the leak, has been submitted, or where the leak was repaired through the client's insurance, all of the following must be submitted:
 - (1) a sworn affidavit from the client explaining the leak;
 - (2) proof of claim submitted to the insurance;
 - (3) confirmation letter from the plumber who was appointed by the insurance to repair the leak.
 - (v) Discount for consumption over the period that the leak was present will be calculated by comparing the average consumption over a corresponding period. Any consumption above the average will be charged at the rebate tariff applicable, subject to a maximum period of 3 months.
 - (d) A discount will be applicable on the excess sewer consumption charge as calculated.
 - (e) It is the responsibility of the customer to control and monitor his/her consumption.
- 6.8.2 Rate rebates:
- (a) The municipal council may grant rate rebates annually to certain categories of ratepayers in accordance to the Municipality's Property Rates Policy and By-Laws.

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- (b) Rate rebates will be subject to certain criteria as determined by Council from time to time.
- 6.8.3 Arrangements for **[settlements] payment of arrears (Annexure “B”)**:
 - (a) Customers whose municipal accounts become in arrears may enter into a written arrangement for settlement of the arrears with the Municipality. Such customers **[will] may** be requested to complete a new application and agreement for Municipal Services.
 - (b) If required, customers with arrears must agree to the conversion to a pre-payment electricity meter and a flow limiter water meter. If and when implemented, the cost of which, and the arrears total, will be paid off either by:-
 - (i) adding the debt to the arrears bill and repaying it over the agreed period; or
 - (ii) adding the debt as a surcharge to the pre-paid electricity cost, and repaying it with each purchase of electricity at a percentage rate, until the debt is liquidated.
 - (c) In the case of the customer who is not a natural person, an organ of state, a local authority, a public company or a public corporation, the major shareholder or member will be obligated to guarantee the debt of the customer.
 - (d) Council reserves the right to raise the deposit/security requirement of debtors who seek arrangements and/or other stipulations it may deem necessary.
- 6.9 **Subsidy for indigent households**
Please refer Overstrand Municipality, Indigent Policy
- 6.10 **Additional subsidy categories**
 - 6.10.1 Subject to an equitable share contribution received from National Treasury, Council may provide, free of charge to a customer, basic services as determined from time to time.
 - 6.10.2 Rebates on property rates may be granted to categories of properties or owners in accordance to Council’s Property Rates Policy.
- 6.11 **Customer categories**
 - 6.11.1 Customers will be categorised according to specific classifications based on amongst others the type of entity, applicable tariffs and risk levels of the provision of services. Processes for credit control, debt collection and customer care may differ from category to category, as deemed appropriate from time to time by the Municipal Manager.

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CREDIT CONTROL POLICY

7.1 Objective

- 7.1.1 To implement procedures which ensure the collection of debt, meeting of service targets and the prevention of escalation in arrear debt.
- 7.1.2 To facilitate financial assistance and basic services for the community's poor.
- 7.1.3 To provide incentives for prompt payment.
- 7.1.4 To limit risk levels by means of effective management tools.

7.2 Service applications and agreements

- 7.2.1 All customers of services will be required to sign an agreement governing the supply and cost of municipal services. On default by a tenant, the owner will be the debtor of last resort except where the Municipality is the owner of the property.
- 7.2.2 The right to raise a deposit on customers in the event of non-payment, is reserved, to be considered for implementation by the Director: Finance.
- 7.2.3 Prior to signing these agreements, customers will be entitled to access the policy documents. Also available on the official website at: www.overstrand.gov.za.
- 7.2.4 On the signing of the agreement when requested thereto, customers will receive a copy of the agreement for their records.
- 7.2.5 Customers will accept responsibility in the agreement for administration costs of collection, interest and penalties in the event of delayed and/or non-payment.
- 7.2.6 The Municipality may refuse to supply services to an applicant should such applicant owe monies to the Municipality regarding a previous period when he/she was rendered services by the Municipality, until such debt has been settled in full. Should the applicant prove to the Chief Financial Officer that he/she is unable to pay, the application will be dealt with in terms of Council's Indigent Subsidy Scheme.
- [7.2.7 The Municipality may reject the application for services of a person who is closely connected to a customer who has defaulted with account payments and who resides or is to reside on the same premises, until such debt is settled in full. The Municipality may also reject the application for services of any concern that is not a natural person should such concern be in arrears with any other municipal account for which it, or any member or director is responsible or partially responsible.]**
- 7.2.7 The Municipality will read the meters within the period stipulated in the agreement after notification of change in ownership or application for the supply of services and render an account within the normal cycle applicable to the property.
- 7.2.8 Existing customers may be required to sign new agreements in the following instances:
 - (a) Any change of service profile;
 - (b) With any instruction given or actual disconnection or restriction of services or any legal action taken;
 - (c) Any form of tampering with service networks or meters etc (as mentioned in Section 7.5.1 below;
 - (d) As determined by the Municipal Manager from time to time.
- 7.2.9 Should a customer fail to enter into such agreement with Council or to provide the security described in clause 7.6, Council may:-
 - (a) hold the customer liable for all outstanding debt on services for the property; and/or
 - (b) restrict or discontinue the supply of Municipal services.
- 7.2.10 The Municipality shall open only one account per property for the rates, fixed levies and service charges.
- 7.2.11 All arrangements may be subject to periodic review.
- [7.2.12 All debtors entering into arrangements may provide their banking details and those who have the facility to sign a debit order with their financial institutions, shall be required do so.]**
- 7.2.12 Debtors who default on three occasions in respect of arrangements, will be denied the privilege of making further arrangements, and the full amount will be payable.

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Interest will be calculated from the original due date of the debt, taking any payments into consideration.

- 7.2.13 An amount of at least the monetary value of the most recent 3 months accounts must be settled before a recommendation by the Manager: Revenue can be made for further arrangements in excess of the three occasions mentioned above, to be considered by the Senior Manager: Revenue, based on current circumstances.

7.3 Right of access to premises

- 7.3.1 The owner and/or occupier of a property is to allow an authorised representative of the Municipality access at all reasonable hours to the property in order to read, inspect, install or repair any meter or service connection for reticulation, or to disconnect, stop or restrict, or reconnect the provision of any service.
- 7.3.2 The owner is responsible to ensure that all meters installed on his/her property are easily accessible.
- 7.3.3 The owner is responsible for the cost of relocating a meter if satisfactory access is not possible.
- 7.3.4 If a person fails to comply to any requirements, the Municipality or its authorised representative may:-
- (a) by written notice require such person to restore access at his/her own expense within a specified period.
 - (b) without prior notice restore access and recover the cost from such person if it is the opinion that the situation is a matter of urgency.

7.4 Enforcement mechanisms

- 7.4.1 Interest may be raised as a charge on all accounts not paid by the due date in accordance with applicable legislation.
- 7.4.2 The Municipality shall restrict or discontinue the supply of services or implement any other debt collection actions necessary due to late or non-payment of accounts, relating to any customer, owner or property.
- 7.4.3 Council reserves the right to deny or restrict the sale of electricity or water to customers who are in arrears with their rates or other municipal charges.
- 7.4.4 Upon the liquidation of arrears, or the conclusion of acceptable arrangements for term payments, the service will be reconnected as soon as conveniently possible.
- 7.4.5 The administration cost of the restriction or disconnection, and the reconnection, will be determined by tariffs approved by Council, and will be payable by the customer.
- 7.4.6 If a person is indigent a pre-paid electricity meter must be installed and a flow limiter water meter **[must]** may be installed free of charge.
- 7.4.7 The deposit(s) of any defaulter will be adjusted in terms of paragraph 7.2.2 and brought into line with relevant policies of Council.
- 7.4.8 Defaulters' deposits will be reviewed annually **[in July]**, based on the debtor's Municipal payment record, indicating no default, over the preceding 12 (twelve) months, excluding customers with current arrangements. The deposit will be adjusted to the minimum deposit required in terms of the approved Tariff Schedule.
- 7.4.9 Defaulters deposits will be reviewed immediately, where the account was settled in full and a debit order is signed to prevent late payments.
- 7.4.10 In accordance with Section 102 of the Municipal Systems Act, the Municipality may
- (a) Consolidate any separate accounts of persons liable for payments to the municipality;
 - (b) Credit a payment of such a person against any account of that person; and
 - (c) Implement any of the debt collection and credit control measures provided for in Chapter 9 of the Act in relation to any arrears on any of the accounts of such a person.

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7.5 Theft and fraud

- 7.5.1 Any person (natural or juristic) found to be illegally connected or reconnected to municipal services, tampering with meters, the reticulation network or any other supply equipment or committing any unauthorised act associated with the supply of municipal services, as well as theft of and damage to Council property, will be prosecuted and/or liable for costs at the prescribed tariffs as determined from time to time.
- 7.5.2 The Municipality has the right to obtain authorisation from the Magistrate for the imposition of fines for the offences as mentioned in paragraph 7.5.1 above.
- 7.5.3 The Municipality may terminate and/or remove the electricity supply of services to a customer should such conduct as outlined above, be detected and certified.
- 7.5.4 The Municipality may install a water flow restrictor meter to a customer should such conduct as outlined above, be detected and certified.
- 7.5.5 The total bill owing, including administration cost, assessment of unauthorised consumption and discontinuation and reconnection fees, and increased deposits as determined by Council if applicable, will be due and payable before any reconnection can be sanctioned.
- 7.5.6 Council will maintain monitoring systems and teams in order to identify and monitor customers who are undertaking such illegal actions.
- 7.5.7 Council reserves the right to lay criminal charges and/or to take any other legal action against both vandals and thieves.
- 7.5.8 Any person failing to provide information or providing false information on his application for or other document pertaining to the supply of services to the Municipality may face immediate disconnection of services.

7.6 Customer screening and securities

- [7.6.1 **All applicants for municipal services will be checked for credit-worthiness, which may include checking information from banks, credit bureaus, other local authorities, trade creditors and employers.]**
- 7.6.1 Security deposits, may be required. The minimum deposit being the equivalent of amounts fixed from time to time by the Municipality.
- 7.6.2 Security deposit in respect of electricity will be adjusted annually, which will be equal to twice the average consumption during the preceding 12 months.
- 7.6.3 Applicants who are not natural persons, organs of state, local authorities, public companies or public corporations must supply details of their directors, members, partners or trustees and at least the main shareholder must in his/her personal capacity guarantee the payment of the applicant's municipal account and in the case of a trust, all the trustees in their personal capacity.
- 7.6.4 On the termination of the agreement the amount of the deposit, less any outstanding amount due to the Municipality, will be refunded to the customer.

7.7 Contractors who tender to the Municipality

- 7.7.3 The Supply Chain and Procurement Management Policy and Tender Conditions of the Municipality will include the following:-
 - (a) When inviting tenders for the provision of services or delivery of goods, potential contractors may submit tenders subject to a condition that consideration and evaluation thereof will necessitate that the tenderer obtain from the Municipality a certificate stating that all relevant municipal accounts owing by the tenderer and/or its directors, owners or partners have been paid or that suitable arrangements (which include the right to set off in the event of non-compliance) have been made for payment of any arrears.
 - (b) No tender will be allocated to a person/contractor until a suitable arrangement for the repayment of arrears has been made. No further debt may accrue during contract period.

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- (c) Tender Conditions will include a condition allowing the Municipality to deduct any moneys owing to the Municipality from contract payments.
- (d) A tenderer will be required to declare all the municipal account numbers for which it is responsible and/or partially responsible.

7.8 Pre-payment metering system

7.8.3 The Municipality will use its pre-payment metering system to:-

- (a) link the provision of electricity by the Municipality to a "pre-payment" system comprising, pre-payment of electricity units; and
- (b) a payment in respect of arrears comprising all accrued municipal taxes and other levies, tariffs and charges in respect of services such as water, refuse removal, sanitation and sewage.
- (c) To load an auxiliary on the "pre-payment" system in order to allocate a portion of the rendered amount to the customers arrear account for other services.
- (d) To enforce satisfactory arrangements with customers in arrears by blocking access to pre-payment electricity purchases.
- (e) Amounts tendered for the purchase of pre-payment electricity will not be refunded after the pre-payment meter voucher has been issued or in case of purchasing against an incorrect meter number.

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8. DEBT COLLECTION

8.1 Objective

8.1.1 To provide procedures and mechanisms to collect all the monies due and payable to the Municipality arising out of the supply of services and annual levies, in order to ensure financial sustainability and delivery of municipal services in the interest of the community.

8.2 Personal contact

8.2.1 Personal and Telephonic contact / Agents calling on customers:-

- (a) Council, or its agent, may make personal contact with arrear debtors to encourage their payment via electronic, SMS, telephonic or any other officially recognised communication method.
- (b) Such contact is not a right for debtors to enjoy and disconnection of services and other collection proceedings will continue in the absence of such contact for whatever reason.
- (c) Services as contemplated in 8.2.1(a) will be rendered at a charge as determined during the annual budget process.

8.3 Interruption of service

- 8.3.1 Customers who are in arrears with their municipal accounts and who have not made arrangements with the Municipality will have their supply of electricity, water and other municipal services, suspended, restricted or disconnected.
- 8.3.2 Customers who have submitted mobile phone numbers can be notified via SMS at the applicable tariff, if their accounts are not settled on or before the due date.
- 8.3.3 The disconnection or restriction of services, as mentioned in section 7.4.2, may be enforced should the account remain in arrears after the expiring of the 14 (fourteen) days' notice of restriction of services.
- 8.3.4 Council reserves the right to deny or restrict the sale of electricity or water to customers who are in arrears with their rates or other municipal charges, or who do not honour their arrangements.
- 8.3.5 Upon the liquidation of arrears, including the additional levies in terms of clauses 8.3.6 and 8.3.7, or the conclusion of acceptable arrangements for term payments, the services will be reconnected as soon as conveniently possible.
- 8.3.6 The cost of notice of restriction or disconnection and the reconnection, will be determined by tariffs approved by Council, and will be payable by the customer.
- 8.3.7 The deposit of any defaulter will be adjusted, and brought into line with relevant policies of Council (refer to Annexure "B").

8.4 Legal process (Annexure "A") - (Use of attorneys/Use of credit bureaus)

- 8.4.1 The Municipality may, when a debtor is in arrears, commence legal process against that debtor, which process could involve final demands, summonses, court trials, judgements, garnishee orders and, as last resort, sales in execution of property.
- 8.4.2 The Municipality will exercise strict control over this process to ensure accuracy and legality within it and will require regular reports on progress from staff responsible for the process or outside parties, be they attorneys or any other collection agents appointed by Council.
- 8.4.3 The Municipality will establish procedures and codes of conduct with such outside parties.
- 8.4.4 In the case of employed debtors, garnishee orders, are preferred to sales in execution, but both are part of the Municipality's system of debt collection procedures.
- 8.4.5 All steps in the credit control procedure will be recorded for the Municipality's records and for the information of the debtor.
- 8.4.6 All administration costs of this process will be for the account of the debtor.

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- 8.4.7 Individual debtor accounts are protected and are not the subject of public information. However, the Municipality may release debtor information to credit bureaus and the property owner in respect of his/her lessee(s). This release will be in writing or by electronic means and will be covered in the agreement with customers.
- 8.4.8 The Municipality may consider the cost effectiveness of the legal process, and will receive reports on relevant matters and report to the Executive Mayor.
- 8.4.9 Upon recommendation from the Municipal Manager, Council may consider the use of agents and innovative debt collection methods and products. Cost effectiveness, the willingness of agents to work under appropriate codes of conduct and the success of such agents and products will be part of the agreement Council might conclude with such agents or service providers.
- 8.4.10 Customers will be informed of the powers and duties of such agents and their responsibilities, including their responsibility to observe agreed codes of conduct.
- 8.4.11 Any agreement concluded with an agent or product vendor shall include a clause whereby breaches of the code of conduct by the agent or vendor will constitute termination of the contract.
- 8.4.12 If, after the due date an amount due for rates is unpaid by the owner of the property, the Municipality may recover the amount, in whole or in part, from the tenant or occupier of the property, after it has served written notice on the tenant or occupier. The Municipality may recover the outstanding amount despite any contractual obligation to the contrary on the tenant or occupier.
- 8.4.13 If, after the due date an amount due for rates is unpaid by the owner of the property, the Municipality may recover the amount, in whole or in part, from the agent of the owner, if this is more convenient for the Municipality, after it has served written notice on the agent. The agent must on request from the Municipality, provide a statement reflecting all payments made to the agent for the owner during a period determined by the Municipality.
- 8.4.14 At any stage while the debt is outstanding, all reasonable steps shall be taken to ensure that the ultimate sanction of a sale-in execution is avoided or taken as a last resort. Overstrand Municipality, however, has total commitment to a sale-in execution should the debtor fail to make use of the alternatives provided for by the Municipality from time to time. This is also applicable to all debt and includes all debt which is a charge against a property as referred to in this policy. As part of the recovery process the **[Municipal Manager] Chief Financial Officer** may determine a reserve price to be recovered in terms of arrears, equal to the municipal property value or outstanding debt, whichever is the lowest. In the instance that sales statistics / prices of properties sold in the past 12 months, in the immediate area of the particular property prove that there is no market demand for similar properties, that the reserve price, to be recovered in terms of arrears as mentioned, may be lowered with up to 50%. The remaining outstanding debt in excess of the net proceeds of the auction will be written off, in terms of the prescriptions of this policy.
- 8.4.15 Adjustments on the accounts will only be calculated for three years. (Prescription Act, 1969 (Act 68 of 1969)).

8.5 Cost of collection

All costs of legal processes including interest, penalties, service discontinuation costs and legal costs associated with customer care or credit control, where ever 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 percentage.

8.6 Clearance Certificate

- 8.6.1 On the sale of any property in the municipal jurisdiction, Council will cause the delay of the registration of transfer until all rates, service and sundry charges and any estimated amounts for the duration of a certificate in connection with the

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property are paid, by withholding a clearance certificate. The municipality will issue such clearance certificate on receipt of an application on the prescribed form from the conveyancer.

- 8.6.2 All payments will be allocated to the registered seller's municipal accounts and all refunds will be made to such seller.
- 8.6.3 No interest shall be paid in respect of these payments.
- 8.6.4 The Municipality will only issue a clearance certificate once a completed prescribed application form from the conveyancer has been received.
- 8.6.5 Where any residential or non-residential debtor has entered into an arrangement with the Municipality in respect of the arrears on a property, the prescribed certificate as referred to in Section 118 of the Systems Act, will not be issued until such time as the full outstanding amount has been paid.

8.7 Irrecoverable debt

- 8.7.1 Debt will only be considered as irrecoverable if it complies with the following criteria:-
 - (a) all reasonable notifications and cost effective legal avenues have been exhausted to recover a specific outstanding amount; or
 - (b) any amount equal to or less than R1 500.00, or as determined by Council from time to time, will be considered too small, after having followed basic checks, to warrant further endeavours to collect it; or
 - (c) the cost to recover the debt does not warrant the further action; or
 - (d) the amount outstanding is the residue after payment of a dividend in the rand from an insolvent estate; or
 - (i) there is a danger of a contribution; or
 - (ii) no dividend will accrue to creditors; or
 - (e) a deceased estate has no liquid assets to cover the outstanding amount following the final distribution of the estate; or
 - (iv) where the estate has not been reported to the Master and there are no assets of value to attach; or
 - (f) it has been proven that the debt has prescribed; or
 - (g) the debtor is untraceable or cannot be identified so as to proceed with further action; or
 - (i) the debtor has emigrated leaving no assets of value to cost effectively recover Councils' claim; or
 - (h) it is not possible to prove the debt outstanding; or
 - (i) a court has ruled that the claim is not recoverable; or
 - (j) the outstanding amount is due to an irreconcilable administrative error by the Municipality.
- 8.7.2 All debtors who qualify and are registered as indigent, will have their arrears written off once during ownership of the property.

8.8 Abandonment of claims

- 8.8.1 The Municipal Manager must ensure that all avenues are utilised to collect the Municipality's debt.
- 8.8.2 There are some circumstances, as contemplated in section 109(2) of the Act, that allow for the valid termination of debt collection procedures, such as:-
 - (a) The insolvency of the debtor, whose estate has insufficient funds.
 - (b) A balance being too small to recover, for economic reasons considering the cost of recovery.
 - (c) Where Council deems that a debtor or group of debtors are unable to pay for services rendered.
- 8.8.3 The Municipality will maintain audit trails in such an instance, and document the reasons for the abandonment of the action or claim in respect of the debt.

9. SHORT TITLE

This Policy shall be called the **Customer Care, Credit Control and Debt Collection Policy of the Overstrand Municipality**.

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CUSTOMER CARE AND DEBT COLLECTION – ANNEXURE "A"**10.1. INCENTIVE MEASURES**

- 10.1.1. Incentive measures may be implemented as per Council resolution.
- 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 Council]** the Municipal Manager will approve the write off of all interest charged with regard to aforementioned period;
- 10.1.3. An agreement to pay off the debt not older than (2) years, must be signed at the time of the implementation of the incentive referred to in 10.1.2;
- 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 the total period.

10.2. DEBT COLLECTION

- 10.2.1. Should annual accounts remain unsettled after 30 September of the applicable year, notice will be given to the owner/customer that the amount owed must be settled within fourteen (14) days, failure of which it will be handed over for collection, including legal proceedings.
- 10.2.2. Should monthly accounts remain unsettled after the due date, notice will be given to the owner/customer that the amount owed must be settled within fourteen (14) days, failure of which will lead to restriction/disconnection of services, including legal proceedings.
- 10.2.3. All debtors regarding houses in rental, selling and self-build schemes, without any capital debt, which are still registered in the name of the Municipality, should be notified in writing that if satisfactory arrangements for transfer of the property into his/her name are not made within one (1) month, the property concerned will be put up for sale by Council at a public auction.
- 10.2.4. Upon handing over of accounts for collection, details of employers and work addresses of the debtors should be made available to the attorneys as far as possible for the purposes of garnishee orders.
- 10.2.5. Attorneys should report to **[Council]** the Revenue Department on a monthly basis on the progress made and the cost aspect regarding each debtor.
- 10.2.6. Attorneys should pay monies collected over to the **[Council]** Municipality monthly.

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11. ARRANGEMENTS FOR PAYMENT – ANNEXURE "B"**11.1. DEBT FOR WHICH ARRANGEMENTS CAN BE MADE**

Arrangements for the payment of outstanding debt can be made according to the procedures described hereafter.

11.2. CONCLUSION OF AGREEMENT

11.2.1 If a customer cannot pay his/her account with the Municipality then the Municipality may enter into an extended term of payment not exceeding 12 months, stipulating that the debt will be paid together with the monthly and/or annual accounts, with the customer. Only the Chief Financial Officer may consider and approve any extension on this arrangement on receipt of a written recommendation by the Senior Manager: Revenue.

11.2.2 The customer must:-

- (a)
- (b) sign an acknowledgement of debt;
- (c) sign a consent to judgement;
- (d) in the case of a company, trust or closed corporation, supply the guarantee as prescribed in clause 6.8.3(c) of the Policy.
- (e) submit proof of income on the prescribed form;
- (f) pay the current portion of the account in cash;
- (g) customer deposits may be adjusted to the higher of the sum of twice the average consumption during the preceding 12 months or the minimum deposit required in terms of the approved Tariff Schedule
- (h) acknowledge liability of all costs incurred; and

11.3. ARRANGEMENTS THAT CAN BE ENTERED INTO:**11.3.1. Residential Customers:**

- (a) 1st default within a 12-month period:
 - (i) 10% of the outstanding amount plus cost of the credit control actions together with the current account is payable immediately.
 - (ii) The balance is payable over a maximum period of twelve months.
 - (iii) First offence in 2 years – no deposit increase will be applicable and if already charged, will be reversed on application.
 - (iv) Customer deposits may be adjusted to the higher of the sum of twice the average consumption during the preceding 12 months or the minimum deposit required in terms of the approved Tariff Schedule.
- (b) 2nd default within a 12-month period:
 - (i) Full arrears amount plus the cost of credit control actions, together with the current account.
 - (ii) No arrangements will be allowed.
 - (iii) Customer deposits may be adjusted to the higher of the sum of three times average consumption during the preceding 12 months or the minimum deposit required in terms of the approved Tariff Schedule.
- (c) 3rd default within a 12-month period:
 - (i) Metered services will be discontinued or restricted and the account will be handed over for legal proceedings.
- (d) An amount of at least the monetary value of the most recent 3 months accounts must be settled before a recommendation by the Manager: Revenue can be made for further arrangements in excess of the three occasions mentioned above, to be considered by the Senior Manager: Revenue, based on current circumstances.

11.3.2. Non-residential Customers:

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- (a) 1st default within a 12-month period:-
 - (i) 50% of the outstanding amount plus cost of the credit control actions.
 - (ii) The balance is payable over a maximum period of three months.
 - (iii) First offence in 2 years – no deposit increase will be applicable and if already charged, will be reversed on application.
 - (iv) Customer deposits will be adjusted to the higher of the sum of three times average consumption during the preceding 12 months or the minimum deposit required in terms of the approved Tariff Schedule.
- (b) 2nd default within a 12-month period:-
 - (i) Full outstanding amount plus cost of credit control actions.
 - (ii) No arrangements will be allowed.
 - (iii) Customer deposits will be adjusted to the higher of the sum of four times average consumption during the preceding 12 months or the minimum deposit required in terms of the approved Tariff Schedule.
- (c) 3rd default within a 12-month period:-
 - (i) Metered services will be discontinued or restricted and the account will be handed over for legal proceedings.

11.3.3. Government Departments – Customer Accounts:

- (a) 1st default within a 12-month period:-
 - (i) 3 weeks' notice – no arrangements
 - (ii) First offence in 2 years – no deposit increase will be applicable and if already charged, will be reversed on application.
 - (iii) Customer deposits will be adjusted to the sum of three time's average consumption during the preceding 12 months.
- (b) 2nd default within a 12-month period:-
 - (i) 2 weeks' notice – no arrangements.
 - (ii) Customer deposits will be adjusted to the sum of four time's average consumption during the preceding 12 months.
- (c) 3rd default within a 12-month period:-
 - (i) Metered services will be discontinued or restricted and as a last resort legal proceedings will be instituted;

11.3.4. Government Departments – Rates & Taxes:

- (a) 1st default within a 12-month period:-
 - (i) Final demand and legal action in terms of "The Institution of Legal Action against Certain Organs of State Act, 2002 (Act No 40 of 2002)".

11.3.5. Administration:

Where a person has been placed under administration the following procedures will be followed:-

- (a) The debt as at the date of the administration court order will be placed on hold, and collected in terms of the court order by the administrator's dividend.
- (b) The administrator is to open a new account on behalf of the debtor. No account is to be opened or operated in the debtor's name as the debtor is not entitled to accumulate debt.
- (c) Until such time as this new account is opened, the debtor is to be placed on limited services levels. The customer will be compelled to install a pre-paid electricity meter and flow limiter water meter, should one not already be in place. The Municipality will be entitled to recover the cost of the basic services by means of purchases made on the pre-paid meter.
- (d) Should there be any default on the current account, the supply of services is to be limited or terminated, and the administrator handed over for the collection of this debt.

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11.3.6. Indigent:

All customers (including any other occupants), qualifying as indigent and who accumulated any arrear debt after any relief has been granted, will repay that debt as follows:-

By instalments over 24 months, in addition to monthly service charges, with immediate payment of the cost of the credit control action taken.

There are no limitations on debtors at any time to pay amounts in excess of arrangements towards outstanding debt, than prescribed above.

12. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2020** and will be reviewed at least annually or when required by way of a Council resolution.

POLICY SECTION:	SENIOR MANAGER: REVENUE
CURRENT UPDATE:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
PREVIOUS REVIEW	25 SEPT 2013
PREVIOUS REVIEW	29 MAY 2013
PREVIOUS REVIEW	30 MAY 2012
PREVIOUS REVIEW	04 MAY 2011
PREVIOUS REVIEW	26 MAY 2010
PREVIOUS REVIEW	27 MAY 2009
PREVIOUS REVIEW:	30 MAY 2007
APPROVAL BY COUNCIL:	30 JUN 2006

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INDIGENT POLICY

P R E A M B L E

Whereas section 96 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) requires a municipality to adopt, maintain and implement a credit control, debt collection and customer care policy;

And whereas section 97 of the Systems Act prescribes that such policy must provide for “provision for indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents.”

Now therefore the Municipal Council of the Municipality of Overstrand adopts the Indigent Policy as set out in this document:-

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1. DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

“authorised representative”	The person or instance legally appointed by the Council to act or to fulfil a duty on its behalf.
“basic service”	the amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety of the environment and for the purposes of this Policy are restricted to the delivery of electricity, refuse, sewerage and water services.
“Chief Financial Officer”	An officer of the Municipality appointed as the Head of the Finance Department and includes any person:- a. acting in such position; and b. to whom the Chief Financial Officer has delegated a power, function or duty in respect of such a delegated power, function or duty.
“Council” or “municipal council”	A municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Overstrand.
“customer”	Any occupier of any property to which the Municipality has agreed to supply services or already supplies services to, or if there is no occupier, then the owner of the property (including registered indigent household).
“defaulter”	A person who owes money to in respect of a municipal account after the due date for payment has expired.
“Household”	Persons who are jointly living on a stand or site on a permanent basis and who receive water and/or electricity from one meter.
“Income”	Income is the gross sum of all monthly income from all sources, including wages, salaries, profits, dividends, pensions, rentals, board & lodging, interest received, grants or investment income and other forms of earnings received by every person residing on the property.
“Indigent”	A household which qualifies in terms of clause [4 and] 5A & 5B.
“Indigent-Poor”	A household which qualifies in terms of clause 5C & 5D
“interest”	A levy with the same legal priority as service fees and calculated on all amounts in arrears in respect of assessment rates and service levies at a standard rate as approved by Council.
“municipal account” or “billing”	the proper and formal notification by means of a statement of account, to persons liable for monies levied and indicating the net accumulated balance of the account, specifying charges levied by the Municipality, or any authorised and contracted service provider, in the format of, but not limited to:- (a) show the levies for assessment rates and/or building clause; and “monthly account” rendered monthly and shows the levies for assessment rates and/or building clause, availability charge, sewerage, refuse removal, electricity, water, sundries, housing rentals and instalments, as well as the monthly instalment for annual services paid monthly
“Municipality”	The institution that is responsible for the collection of funds and the provision of services to the customers of Overstrand.
“the Act”	The Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) as amended from time to time.

2. OBJECTIVES OF POLICY

The objectives of this Policy are to:-

1. provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent and indigent-poor households in respect of their municipal account;
2. determine the criteria for qualification of indigent and indigent-poor households;
3. ensure that the criteria is applied correctly and fairly to all applicants;
4. allow the Municipality to conduct in loco visits to the premises of applicants to verify the actual status of the household;
5. allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies.

3. SUBSIDY FOR INDIGENT AND INDIGENT-POOR HOUSEHOLDS

- a. A basic level of services will be provided to qualifying households with:
 - (i) a total gross income which is below a determined amount, and according to further specified criteria, as determined by the Municipality from time to time; and
 - (ii) Where a property value is equal or less than R220 000.00, and according to further specified criteria, as determined by the municipality from time to time.
- b. Indigence subsidies will be funded from the equitable share contribution made by National Treasury and as provided for in the municipal budget. The subsidy can only be credited to the qualifying customers' accounts until the amount received by the Municipality from National Treasury and provided for in the municipal budget for this purpose, has been exhausted, whereupon no further credits will be made until further national funds for this purpose are received or additional funds has been provided for in the municipal budget.
- c. Subsidised services are assessment rates, refuse removal, sewerage and consumption service charges.
- d. Customers who qualify for an indigent or indigent-poor subsidy must convert to pre-payment electricity meter, except for areas where electricity is not supplied by Overstrand Municipality, and a flow limiter water meter may be installed.
- e. If a customer's consumption or use of the municipal service is less than the subsidised amount of the service, the subsidy will be limited to the lesser amount. The unused portion, if any, may not be accrued by the customer and will not entitle the customer to cash or a rebate in respect of the unused portion.
- f. If a customer's consumption or use of a municipal service is in excess of the subsidised service, the customer will be obliged to pay for such excess consumption at the applicable rates.
- g. All customers who qualify for an indigent subsidy will be placed on restricted service levels in order to limit further escalation of debt.
- h. Where applicable, indigent customers may be exonerated from a portion of their arrear debt.
- i. An indigent customer must immediately request de-registration by the Municipality or its authorised agent if his/her circumstances have changed to the extent that he/she no longer meet the criteria.
- j. An indigent customer may, at any time, request de-registration.
- k. A list of indigent customers will be maintained and may be made available to the general public, subject to the Promotion of Access to Information Act ("PAIA") and/Protection of Personal Information Act ("POPI Act").
- l. The applicant may not be the registered owner of more than one property.

4. PRINCIPLES OF POLICY

- b. The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councillors are responsible for the approval of this policy, while it is the responsibility of the Municipal Manager to ensure the execution of this policy;

- c. Applicants must complete an official application form, which is to be submitted together with the supporting documents as specified in this policy, when applicable;
- d. Application forms, agreements and documents relating to this Policy must be available in Afrikaans, English and isiXhosa.
- e. The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.

5. CATEGORIES AND CRITERIA OF SUBSIDY

A category of needy households is recognised for purposes of receiving an indigent subsidy:-

A. Indigent household [with a property value greater than R220 000] with income less than four times the Government State Old Age Pension and electricity consumption less than 400 kWh

- (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 consumption of electricity over the previous 6 months may not exceed 400 kWh;
- (iii) Average monthly consumption of water over the previous 6 months may not exceed 18 kℓ;
Or: A flow limiter meter will be installed immediately and flow will be limited to a maximum of 18kl per month;
- (iv) Permanently resides in Overstrand;
- (v) Must be a South African citizen; and
- (vi) The applicant may not be the registered owner of more than one property.
- (vii) A 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 lose the status of “indigent” and the subsidy will be forfeited if the household did not adjust its consumption accordingly.

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) 6 kℓ of water;
- (viii) 4,2 kℓ of water consumption for sewerage; and
- (ix) R11.84 in regard of Infrastructure Levy.

B. Indigent households with a property value [less than] up to R220 000.00 and electricity consumption less than 400 kWh (no income restriction):-

- (i) All properties with a municipal valuation of R220 000.00 or less, used for residential purposes, are classified as Indigent;
- (ii) Average monthly consumption of electricity over the previous 6 months may not exceed 400 kWh;
- (iii) Indigent households with a property value up to R220,000.00 may apply for 50 kWh of free electricity units where the household income does not exceed four times the social pension amount, plus R1.00 per month where the average monthly consumption of electricity does not exceed 400 kWh.
- (iv) Average monthly consumption of water over the previous 6 months may not exceed 18 kℓ;
OR: A flow limiter meter will be installed immediately and flow will be limited to a maximum of 18kl per month;
- (v) The recipient of an indigent benefit in terms of this policy may not be the registered owner of more than one property.
- (vi) A property may only be used for residential purposes.

Subsidy

- (i) R291.60 of the basic levy for electricity for one service point per month;
- (ii) R129.14 of the basic levy for water for one service point per month;
- (iii) R115.09 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) R164.35 of the basic levy for refuse removal for one service point per month;
- (vi) 6 kℓ of water;
- (vii) Indigent households with a property value of R220 000.00 or less, may apply for 50kWh of free electricity units where the household income does not exceed four times the social pension amount plus R1 per month and where the average monthly consumption of electricity over the previous 6 months does not exceed 400 kWh;
- (viii) 4,2 kℓ of water consumption for sewerage; and
- (ix) R11.84 in regard of Infrastructure Levy.

C. Indigent households with a property value [less than] up to R220 000.00 and electricity less than 500 kWh (no income restriction) only applicable for existing category C recipients of a benefit in terms of this policy up to 30 June 2020:

- (i) The property value must be less than R220 000.00;
- (ii) The average monthly consumption of electricity by the household over the previous 6 months may not exceed 500kWh;
- (iii) The average monthly consumption of water by the household over the previous 6 months may not exceed 18kℓ;
OR: A flow limiter meter will be installed immediately and flow will be limited to a maximum of 18kl per month;
- (iv) Must be a resident of Overstrand;
- (v) Must be a South African citizen; and
- (vi) The applicant may not be the registered owner of more than one property.
- (vii) A property may only be used for residential purposes.

Subsidy

- (i) R115.09 of the basic levy for sewage per month for one service point;
- (ii) R164.35 of the basic levy for refuse removal per month for one service point.

D. Indigent households with a property value greater than R220 000.00 and electricity more than 400kWh but less than 500kWh (income not exceeding the sum of four times the amount of the state funded social pension) only applicable for existing category D recipients of a benefit in terms of this policy up to 30 June 2020:

- (i) The total household income may not exceed the sum of four times the amount of the state funded social pensions;
- (ii) The average monthly consumption of electricity by the household over the previous 6 months may not exceed 500kWh;
- (iii) The average monthly consumption of water by the household over the previous 6 months may not exceed 18kℓ;
OR: A flow limiter meter will be installed immediately and flow will be limited to a maximum of 18kl per month;
- (iv) Must be a resident of Overstrand;
- (v) Must be a South African citizen;
- (vi) the applicant may not be the registered owner of more than one property; and
- (vii) A property may only be used for residential purposes.

Subsidy

- (i) R115.09 of the basic levy for sewage per month for one service point;
- (ii) R164.35 of the basic levy for refuse removal per month for one service point.

6. APPLICATION FOR A SUBSIDY

A. Applications for indigent subsidy must be submitted on the prescribed application form and must be accompanied by the following documentation:-

- (i) the latest municipal account of the account holder;
- (ii) proof of the account holder's identity;
- (iii) proof of the total gross household income, e.g. a letter from his/her employer, salary slip/envelope, pension card, unemployment insurance fund (UIF) card.; and
- (iv) proof of medical condition when requiring additional water and electricity.

B. Incomplete forms or forms without the required documentation attached thereto will be rejected.

7. SWORN STATEMENT

The applicant must complete the sworn statement that forms part of the application form. Failure to do so will render the application invalid.

8. CONVERSION OF METERS

The applicant must agree to the conversion to pre-payment electricity meter and flow limiter water meter. Refer clause 3(d) of Policy.

9. PUBLICATION OF NAMES

The applicant must grant permission for the Municipality to publish his/her name and address on a list of account holders receiving subsidies in terms of this Policy. Refer clause 3(k) of Policy.

10. FALSE OR MISLEADING INFORMATION

A person who provides false information will be disqualified and be refused further participation in the subsidy scheme. In addition he/she may be held liable for the immediate repayment of any subsidies already granted and legal action may be instituted against the guilty party/parties.

11. CALCULATION OF SUBSIDY

- a. The subsidies below will be funded from the "equitable share" contribution received from National Treasury, plus an amount from the Municipality's own income as budgeted for in the financial year in question. The subsidies will only be granted to qualifying households to the extent that the above mentioned funds are available for allocation.
- b. The accounts of qualifying applicants are credited monthly by the subsidies calculated in 5A, B, C and D.

12. VERIFICATION

The Municipality reserves the right to send officials and/or representatives of the Municipality to the household or site of the applicant(s) at any reasonable time with the aim of carrying out an ongoing audit on the accuracy of the information provided by the applicant(s).

13. DURATION OF SUBSIDY

- a. If an application is approved, the subsidy will be applicable up until the equitable share contribution made from the National Governments' fiscus and as provided for in the municipal budget is depleted.

- b. If the Municipality obtains information that indicates that the circumstances of the applicant have changed to such an extent that he/she no longer qualifies for the subsidy, the Municipality reserves the right to shorten the subsidy period.
- c. If any of the criteria, as set out in 5A, B, C, and/or D, is not complied with any more, the onus is on the recipient of the subsidy to notify the Municipality within 7 days after such criteria is no longer complied with. If a recipient cannot write, a designated official must be informed in person.
- d. If any of the above criteria is not complied with, the household will immediately be given notice and will lose its Indigent status and the subsidy will be forfeited
- e. In the case of misrepresentation or false declaration, including subsidy recipients of qualifying properties, the Municipality reserves the right to refuse the approval of the subsidy and to recover any subsidy amount if already granted and may institute appropriate legal action civil or otherwise, against guilty party(ies).
- f. If a category B, C or D subsidy is cancelled due to high consumption, the consumer must apply in terms of category A to be considered for indigent status.

14. ACCOUNTS IN ARREAR

Applicants, whose municipal accounts show arrear amounts at the time of the application for a subsidy, will have to make arrangements with the Municipality for paying off the amounts in arrears.

15. REGISTER

- a. The Municipality will compile a register of households that qualify as “indigent”.
- b. The register will be updated continually and reconciled with the relevant subsidy account in the general ledger on a monthly basis.

16. ENCOURAGEMENT

Councillors should encourage tax payers/customers in their various wards to apply for participation in the indigent subsidy scheme.

17. REVIEW AND IMPLEMENTATION PROCESS

This policy will come into effect on **1 July 2020**;

This policy will be reviewed at least annually or when required by way of a Council resolution

POLICY SECTION:	SENIOR MANAGER: REVENUE
CURRENT UPDATE:	27 MAY 2020
PREVIOUS REVIEW	29 MAY 2019
PREVIOUS REVIEW	30 MAY 2018
PREVIOUS REVIEW	26 JUN 2017
PREVIOUS REVIEW	31 MAY 2017
PREVIOUS REVIEW	31 AUG 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
PREVIOUS REVIEW	29 MAY 2013

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PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	04 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
PREVIOUS REVIEW	27 MAY 2009
PREVIOUS REVIEW	31 MAY 2006
APPROVAL BY COUNCIL:	30 JUNE 2004

OVERSTRAND MUNICIPALITY



SPECIAL RATING AREA POLICY

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OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

1. DEFINITIONS

In this Policy words or expressions shall bear the meaning assigned to them and, unless the context otherwise indicates –

"additional rate"	means an additional rate contemplated in sections 19(1) (d) and 22(1) (b) of the Property Rates Act and in section 12(2) of the By-law;
"applicant"	means any owner who makes an application for the determination of a special rating area in accordance with Chapter 1 of the By-law, or if a management body is established in terms of section 10 thereof, any reference to "the Applicant" means the management body;
"business plan"	means a motivation report, implementation plan and term budget as contemplated in section 10 of the By-law;
"By-law"	means the Overstrand Municipality: Special Rating Area By-law;
"CFO"	means the Chief Financial Officer;
"Companies Act"	means the Companies Act, 2008 (Act No. 71 of 2008), as amended or replaced;
"Council"	means the Council of the Overstrand Municipality
"IDP"	<u>means Integrated Development Plan</u>
"majority"	means the majority of property owners as contemplated in paragraphs 6.5 and 6.6 of the Policy;
"management body"	means the management body of a special rating area to be established in accordance with the provisions of section 11 of the By-law; "owner" has the meaning assigned to it in section 1 of the Property Rates Act;
"non-profit company"	defined as a non-profit company with members as defined in section 1 of the Companies Act No 71 of 2008
"Policy"	means the Policy for the determination of special rating areas, or any other policy adopted by the Council in relation to special rating areas, as in force from time to time;
"Property Rates Act"	means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);
"rateable property"	has the meaning assigned to it in section 1 of the Property Rates Act;
"special rating area" or "SRA"	means a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act;
"steering committee"	means the steering committee of a special rating area to be established in accordance with the provisions of paragraph 9.1.1 of the Policy;
"term budget"	means the budget of the management body contemplated in section 6 of the By-law.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

2 INTRODUCTION

- 2.1 This Policy for the establishment of special rating areas must be read together with the Property Rates Act and the By-Law.
- 2.2 All words and phrases defined in the Property Rates Act and the By-law have the same meaning in this Policy.
- 2.3 In the event of any conflict between the provisions of the By-law and the provisions of this Policy, the By-law prevails.
- 2.4 The Policy should at all times be read together with the Rates Policy of Overstrand Municipality.

3 AIM OF THE POLICY

This Policy aims to –

- 3.1 set out Council's position on special rating areas and the factors that will influence Council's decision whether or not to determine a particular special rating area;
- 3.2 provide guidance to members of the local community and to decision- makers within the Overstrand Municipality in relation to the establishment of special rating areas;
- 3.3 strike an appropriate balance between facilitating self-funded community initiatives that aim to improve and/or upgrade neighborhoods by making use of a non-profit company ("**NPC**") structure as contemplated in the Companies Act, which is referred to in the By-law as "the management body"; and ensure commitment to good, fair and transparent governance by the management body as defined in the By-law, by implementing a transparent process when appointing service providers to improve and/or upgrade the special rating area in the public areas and ensuring that these improved and/or upgraded services are not provided for private properties.

4 EXCLUSION

This Policy does not apply to privately-owned property developments.

5 POLICY STATEMENT

- 5.1 The special rating area model is based on international best practice. It is aimed at preventing the degeneration of towns and the consequential urban decay, and facilitating their upliftment, economic growth and sustainable development.
- 5.2 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; and

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- 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").
- 5.3 The Overstrand Municipality recognises special rating areas as a potential tool for assisting it to fulfill its constitutional and statutory obligations to allow property owners within a geographical area to improve and upgrade their area by means of a property rate in addition to the standard property rate.
- 5.4 The Overstrand Municipality does not see its role as advocating or initiating the establishment of special rating areas, but rather facilitating the process with guidance and advice and assisting and helping to capacitate management bodies

6 FACTORS CONSIDERED WHEN DETERMINING A SPECIAL RATING AREA

The Council will consider determining a special rating area where the requirements of section 22 of the Property Rates Act are complied with, including that-

- 6.1 the purpose of the special rating area is to allow an additional rate to be levied on property in the defined area to raise funds for improving or upgrading the area;
- 6.2 the special rating area will not be used to reinforce existing inequities in the development of the Overstrand's area of jurisdiction;
- 6.3 the determination of the special rating area is consistent with the IDP;
- 6.4 residential special rating areas mean an area in which more than 40% (forty percent) of the rates base value consists of Residential Property as defined in the Municipalities Rates Policy;
- 6.5 any residential special rating area must comply fully with the provisions of the By-law, save that, with reference to the majority support, the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 50% (fifty percent) plus 1 in number of such properties, approve the formation of the special rating area;
- 6.6 any non-residential special rating area must comply fully with the provisions of the By-law, save that, with reference to the majority support, the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 50% (fifty percent) plus 1 in number of such properties, approve the formation of the special rating area;
- 6.7 the procedural requirements of section 22 of the Property Rates Act as well as the By-law and the Policy, are complied with, including the community consultation requirement, as determined by the CFO;
- 6.8 the proposed improvement or upgrade has been clearly and fully defined;
- 6.9 the proposed improvement or upgrade can be clearly and logically linked to a geographical area, the boundaries of which can be clearly determined;
- 6.10 there is evidence that it will be financially viable to use a special rating area to raise funds for the proposed improvement or upgrade;
- 6.11 Overstrand is satisfied with the institutional arrangements proposed in respect of the special rating area; and
- 6.12 ultimately, the decision whether or not to determine a special rating area rests with the Council in its sole discretion.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

7 **APPLICABILITY OF THE OVERSTRAND MUNICIPALITIES RATES POLICY AND OTHER POLICIES**

- 7.1 The Overstrand Municipality's rates policy applies with the necessary changes to this Policy. In particular, and without limiting the generality of the afore-going, the exemptions, rebates and reductions set out in the Rates Policy apply with the necessary changes in relation to the levying of an additional rate for special rating area purposes.
- 7.2 Notwithstanding the provisions of paragraph 7.1 above, when the Municipality grants a partial rebate as set out in the Rates Policy, the relevant property owner will be granted a full (100%) rebate in relation to the additional rate.
- 7.3 Other policies approved by the Council apply with the necessary changes to the collection of additional rates in terms of the Policy, the By-Law and section 22 of the Property Rates Act, including, but not limited to, the Overstrand Municipality Credit Control and Debt Collection Policy.

8 **PROCESS**

This Policy sets out –

- 8.1 the institutional arrangements for special rating areas (paragraph 9);
- 8.2 the establishment principles (paragraph 10);
- 8.3 the information to be included in the business plan which needs to be submitted to the Overstrand Municipality in order to motivate a request for determination of a special rating area (paragraph 11); and
- 8.4 the annual requirements for Special Rating Areas (paragraph 12);
- 8.5 the amendment and/or extension of term for special rating area (paragraph 13 and 14);
- 8.6 the dissolution requirements which must be followed (paragraph 15);
- 8.7 the financial arrangements (paragraph 16).

9 **INSTITUTIONAL ARRANGEMENTS**

Section 22 of the Property Rates Act is not prescriptive as to the structural arrangements which need to be put in place to administer a special rating area. The structural arrangements that will be supported by the Overstrand Municipality are the following:

9.1 **Administration by a NPC**

- 9.1.1 The ratepayers within the special rating area must establish and participate in an appropriate structure to carry out planning, contracting, financial control and administrative functions within the special rating area, in order to manage and implement the services and upgrades.
- 9.1.2 This structural arrangement does not entail ratepayers *setting* the additional rate, which under law can only be done by the Council.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- 9.1.3 Councilors who are actively involved in pursuing and promoting the establishment of a special rating area must recuse themselves when Council considers the application for establishment of a special rating area.
- 9.1.4 Amongst other reasons, because funds collected by government are placed in the hands of the private sector through this structural arrangement, the requirements set out in this Policy must be met.
- 9.1.5 The functions of the structure would include:
- (a) determining the funding required each year (paragraph 16.2);
 - (b) appointing contractors to effect the improvement/s or upgrade/s and
 - (c) receiving the additional rate collected by the Overstrand Municipality and expending the funds in accordance with the approved business plan.

9.2 **Structural requirements:**

- 9.2.1 Before Overstrand Municipality will consider allowing ratepayers in a special rating area to carry out administrative and other functions in relation to the area, the Steering Committee must establish a non-profit company ("**NPC**") in terms of the Companies Act for that purpose.
- 9.2.2 The inaugural memorandum of incorporation ("**MOI**") of the NPC must be aligned with the prescribed format determined by the CFO; and any amendments thereto must be approved by the CFO;
- 9.2.3 The NPC must be managed in terms of the Companies Act, and must also comply with any other legislation as a result of the financial connection to Council;
- 9.2.4 The NPC must have at least 3 (three) directors, each with specific portfolio(s) aligned with the business plan;
- 9.2.5 The Executive Mayor will appoint councilor(s) as director(s) and alternate director(s) to the board of the management body in accordance with sections 11(4) and 11(5) of the By-law. The director(s) appointed by the Executive Mayor will not have the powers and duties of directors as set out in the Companies Act and the management body's MOI;
- 9.2.6 The NPC must give a written notice to all the affected property owners within the special rating area of the intention to hold a members meeting within six months of the establishment of the NPC and thereafter an annual general meeting ("**AGM**") (paragraph 12.2) on the date stated in the notice by advertising in one English and one Afrikaans daily newspaper and must also give notice in a community (local) newspaper to accommodate other official languages where applicable; and
- 9.2.7 The purpose of the meetings referred to in paragraph 9.2.6 will be to, amongst other items on the agenda:
- (a) appoint directors, other than the director(s) appointed in terms of paragraph 9.2.5;
 - (b) amend the NPC's MOI if required and with prior written consent of the CFO; and
 - (c) approve the following year's budget and implementation plan (paragraph 16.2).

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

10 ESTABLISHMENT PRINCIPLES OF A SPECIAL RATING AREA

The process for establishing special rating areas as set out in Chapter 1 of the By-law, must be followed.

10.1 Initiation Phase

10.1.1 The applicant must form a steering committee that is representative of property owners within the proposed special rating area.

10.1.2 The Steering Committee must keep a comprehensive portfolio of evidence of the establishment process.

10.1.3 The Steering Committee must meet with the CFO before commencing with the establishment process to ensure that the special rating area is the appropriate vehicle.

10.1.4 All documents relating to the establishment process must be approved by the CFO before circulating them to the public.

10.1.5 After the Steering Committee confirms in writing that it will engage in the pursuit of establishing a special rating area it must supply the Overstrand Municipality with a map depicting the boundaries of the special rating area.

10.1.6 The Overstrand Municipality will extract a property database which the Steering Committee, with the assistance of the Municipality, must verify as correct. Any anomalies must be reported to the Municipality for remedial action.

10.1.7 All properties except municipal properties predominantly used for municipal purposes or properties exempted from paying property rates or receiving partial rates relief (paragraph 7.1) will form part of the property database of the proposed special rating area.

10.1.8 After the Overstrand Municipality has prepared a total arrears profile of the area and is satisfied with the outcome thereof the Steering Committee may proceed with the establishment process.

10.1.9 The Steering Committee will be required to conduct an urban management survey (only one survey per property owner) of not less than 20% of properties in the database (proportional split in terms of the usage code is required). In addition a random sample of people within the area, which is equal in number to not less than 5% of the properties in the database, is also required. Where a reduction in the number of survey forms is required it may be motivated for consideration by the CFO.

10.1.10 The Steering Committee must consult with the respective Overstrand Municipality Directorate(s) regarding the current service(s) provided and the levels thereof as well as the SRA anticipated service(s) and level thereof.

10.1.11 The Steering Committee must compile a business plan in accordance with the provisions of paragraph 11 of this Policy.

10.2 First Public Meeting

10.2.1 The public meeting must be conducted in accordance with section 5 of the By-law.

10.3 Obtaining Support

10.3.1 Support may only be obtained after the public meeting and on the consent form provided by the Overstrand Municipality.

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10.3.2 All support forms must be filed and cross-referenced to the property database in terms of paragraph 10.1.6 of the Policy to verify the accuracy thereof.

10.3.3 Any property owner that wants to object to the establishment of a special rating area or to the provisions of the business plan can do so by indicating it on the consent form. The objector will be required to submit an objection letter once an application for the establishment of a special rating area is submitted to Council.

10.4 Application

10.4.1 An application must be submitted in terms of paragraph 11 of this Policy.

10.4.2 The application must be advertised in terms of paragraph 9.2.6 and also set a date for a second public meeting to occur not more than twenty days or less than seven days before the objection period closes.

10.4.3 Prior to submitting an application the Steering Committee will be required to set up a website that displays the following:

- application letter;
- business plan;
- urban management perception report;
- public meeting presentations and minutes;
- By-law;
- Policy;
- SRA frequently asked questions;
- notices; and
- blank consent / objection form.

10.4.4 The special rating area application must be submitted by 30 September of the financial year preceding the establishment of the special rating area. The CFO may extend this date if a properly motivated request is received. This will depend on Council's ability to accommodate the late application within the budget process.

10.5 Objections

10.5.1 Consents and objections will be considered only if they are submitted to Council by the last day specified in the application notice.

10.5.2 Property owners objecting to the establishment of a special rating area in terms of paragraph 10.3.3 must do so in writing and include a motivation for their objection.

10.5.3 The Steering Committee must engage with all the objectors and provide them and Council with minutes of these meetings. The objector/s will be allowed to respond to the minutes.

10.5.4 Any property owner who wants to make oral representations for submission to Council in terms of section 7(4) of the By-law will be assisted by an official to document this for inclusion in the report to be considered by Council.

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10.6 Inaugural Phase

10.6.1 The process and appointment of all service providers must be communicated to the property owners on the NPC's website and in newsletters.

10.6.2 The application form to become a member of the NPC must also be available on the website.

10.6.3 Any special rating area that is approved more than nine months prior to the effective date may:

10.6.3.1 delay the implementation of the special rating area and commence with year two of the business plan. This will imply that the term is effectively reduced by one year; or

10.6.3.2 implement the original business plan.

11 BUSINESS PLAN CONTENT

The business plan comprises of the following:

- a motivation report;
- an implementation plan; and
- a term budget.

11.1 Motivation report

The motivation report must contain the following:

11.1.1 Introduction:

11.1.1.1 an executive summary of the improvement or upgrade proposed for the special rating area as set out in the business plan;

11.1.1.2 an explanation of how the proposed improvement or upgrade is linked to the geographical area of the proposed special rating area;

11.1.1.3 an explanation of why the proposed special rating area will not reinforce existing inequities in the development of the Overstrand Municipality;

11.1.1.4 an explanation of how the special rating area, if determined, will be consistent with the Overstrand Municipalities IDP as per the Service Departments' business plans;

11.1.1.5 an explanation of the institutional arrangements proposed in relation to the special rating area;

11.1.2 Vision;

11.1.3 Mission;

11.1.4 Goal;

11.1.5 A diagram clearly indicating the boundaries of the proposed special rating area;

11.1.6 Proposed management structure:

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- composition of special rating area board including allocation of portfolios; and
- operational arrangements;

11.1.7 Services:

11.1.7.1 Service providers to be appointed as contemplated in paragraphs 2.1.4 and 9.6.1.

11.1.8 Financial Impact:

- provide details regarding the calculation of the additional rate;
- provide details of criteria to qualify for exemption from paying the additional rate as per paragraph 10.1.7;

11.1.9 A list of all rateable properties within the proposed special rating area, contact details of all property owners and the value of each property as set out in the Council's general valuation roll. Differentiation between categories of properties, as provided for in section 8 of the Property Rates Act, must be considered;

11.1.10 Proof of the consent of the majority of the members of the local community in the proposed special rating area who will be liable for paying the additional rate;

11.1.11 Proof of the notice of the public meeting or meetings contemplated in the By-law;

11.1.12 Minutes of the public meeting or meetings; and

11.1.13 Compilation date.

11.2 **Implementation plan**

The implementation plan is a schedule of goals to implement improvements or upgrades as per the motivation report and must at least address the following:

11.2.1 Milestones;

11.2.2 Tasks per milestone;

11.2.3 Start and finish date per task;

11.2.4 Assign responsibility per goal, milestone & task; and

11.2.5 Performance indicators per milestone.

11.3 **Term budget**

11.3.1 The budget for the proposed improvements or upgrades must at least address the following:

11.3.1.1 an annual budget per line item commencing on 1 July of the first year and ending on 30 June of the last year of the term; and

11.3.1.2 a budget split for the provision of improvements or upgrades between the different categories of properties.

11.3.2 subject to the provisions of the Property Rates Act, the additional rate in any category of property must not exceed 25% of the municipal property rate. Any deviation must be fully motivated to Council for consideration.

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12. ANNUAL REQUIREMENTS

- 12.1 The NPC must confirm the property data base which the Steering Committee must verify as correct or report anomalies to the Overstrand Municipality for remedial action.
- 12.2 The NPC must hold its AGM before 31 December as per the MOI requirements.
- 12.3 Within two months of the end of each financial year the NPC must provide the CFO with its Audited Financial Statements for the immediately preceding year.
- 12.4 Within three months after the AGM the NPC must provide Council with its audited Financial Statements for the immediately preceding year and an Annual Report on its progress in carrying out the provisions of the Business Plan in the preceding year to improve and upgrade the Special Rating Area.
- 12.5 The NPC must submit an annual budget and implementation plan for comment by the CFO before approval at the AGM (paragraph 16.2), and ensure that -
 - 12.5.1 the quantum of financial reserves is not less than two months of revenue received from the Overstrand Municipality in terms of the approved budget per SRA except if these funds have been duly allocated to a project;
 - 12.5.2 the implementation plan is aligned with the proposed budget.
- 12.6 The submission of the annual budget and implementation plan as referred to in paragraph 12.5 will be subject to approval by Council during the municipalities annual budget process.
- 12.7 The NPC must by 31 January each year provide the CFO with a mid- year performance scorecard based on the activities set out in the implementation plan.
- 12.8 The NPC will within one month after the AGM provide the CFO with draft minutes of the AGM to ensure compliance with the legal requirements.

13. AMENDMENT TO THE BUSINESS PLAN

- 13.1 In the event that a NPC seeks to amend the boundaries of the SRA and/or the business plan content then the procedures set out in section 14 of the By-law must be followed and submitted by 30 September.
- 13.2 The following factors, although not limited to, must be addressed in the motivation:
 - explanation of impact on costs, budget and implementation plan expectations;
 - cross subsidisation by existing members;
 - fairness and equity;
 - affordability and sustainability of the existing SRA;
 - intention of the legislation prescribing that all property owners; must be allowed to participate in the formation of a SRA;
 - priorities of the new area may differ from the existing SRA priorities; and
 - arrears profile

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- 13.3 The boundary changes must not affect the vested rights of existing property owners as per the Business Plan.
- 13.4 Boundary changes are subject to the following criteria:
 - 13.4.1 Obtaining by special resolution the support from existing NPC members at a members meeting before expansion is pursued;
 - 13.4.2 Determining the profile of the new total SRA as it could change from non-residential to residential and vice versa;
 - 13.4.3 Obtaining the required majority support from the property owners in the new area only, based on the determination referred to in paragraph 13.4.2.
 - 13.4.4 Any geographical boundary changes must be continuous with the existing SRA geographical area.
- 13.5 Property owners in the new area must follow the establishment process as per Chapter 1 of the By-law.

14 EXTENSION OF THE SRA TERM

In the event that a NPC seeks to extend the term of the special rating area for a further period then the procedures set out in section 15 of the By-law must be followed.

15 DISSOLUTION

The special rating area may be dissolved by resolution of the Council in terms of section 16 of the By-law. Thereafter the management body may be wound up in terms of the provisions of section 16 of the By-law and the NPC's MOI.

16 FINANCIAL CONTROL

- 16.1 As stated in the By-law, the amount of any additional rate levied in a special rating area is determined by Council. The additional rate is imposed by the Council, is a debt owing to the Overstrand Municipality and is payable and collected in the same manner as other property rates imposed by the Council.
- 16.2 The NPC must submit an annual budget as approved at an AGM or Special General Meeting ("**SGM**") to the Overstrand Municipality by 31 January, with appropriate motivation including an implementation plan for the next financial year, and the Council will consider the recommendation during its budgeting process.
- 16.3 Before the Overstrand Municipality will pay over any additional rate collected to the NPC, the NPC and the Overstrand Municipality must have concluded a written finance agreement regulating, amongst other things:
 - 16.3.1 the mechanisms and manner of payment;
 - 16.3.2 how the additional rate is to be held by the NPC;
 - 16.3.3 any parameters relating to expenditure; and
 - 16.3.4 any obligations on the NPC to take out and maintain appropriate insurance.
- 16.4 The CFO may request a forensic audit should he deem it necessary.
- 16.5 The CFO may request a special board meeting.

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16.6 The CFO may amend the percentage retained as a provision for bad debt for SRA's with high arrears, as contemplated in the Finance Agreement concluded between the Overstrand Municipality and each SRA, should he/she deems it necessary.

17 COMMENCEMENT AND IMPLEMENTATION

17.1 **[Implementation of]** This Policy will come into effect **[commences]** on **1 July 2020**.

17.2 Where the Overstrand Municipality is legally empowered to do so, requirements set out in this Policy may be imposed as conditions attached to the determination of a special rating area.

17.3 This Policy and its implementation must be reviewed annually.

18 COSTS

Unless otherwise agreed by the Municipal Manager or his/her nominee, the Overstrand Municipality shall not be liable for any costs incurred by ratepayers within the relevant proposed special rating area in respect of the implementation of the steps set out in this Policy and in the By-law.

19 SHORT TITLE

This policy will be referred to as the **Special Rating Area Policy of the Overstrand Municipality**.

POLICY SECTION:	SENIOR MANAGER: REVENUE
CURRENT UPDATE:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
APPROVAL BY COUNCIL:	25 MAY 2016

OVERSTRAND MUNICIPALITY



ASSET MANAGEMENT POLICY

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1. OBJECTIVE

- 1.1. To ensure the effective and efficient control of the municipality's assets through:
 - 1.1.1 proper recording of assets from authorisation to acquisition and to subsequent disposal;
 - 1.1.2 providing for safeguarding procedures;
 - 1.1.3 setting proper guidelines as to authorised utilisation; and
 - 1.1.4 prescribing for proper maintenance.
- 1.2. To assist officials in understanding their legal and managerial responsibilities with regard to assets.

2. BACKGROUND

- 2.1. The proper utilization and management of its assets is one of the prime mechanisms by which a municipality can fulfill the constitutional objects for:
 - 2.1.1 Delivery of sustainable services;
 - 2.1.2 Promotion of Social and economic development;
 - 2.1.3 Promoting a safe and healthy environment and,
 - 2.1.4 Providing for the basic needs to the community.
- 2.2. The municipality has a legal and moral obligation to ensure it implements policies to provide for the effective and efficient usage of its assets over the useful life thereof.
- 2.3. The asset management policy deals with the municipal rules required to ensure the enforcement of appropriate stewardship of assets.
- 2.4. Stewardship has three components being the:
 - 2.4.1. Management, utilization and control by municipal officials;
 - 2.4.2. Financial administration by the Director: Finance, and
 - 2.4.3. Physical administration by the Manager: Expenditure & Asset Management.
- 2.5. Statutory provisions exist to protect public property against arbitrary and inappropriate management or disposal by a municipality.
- 2.6. Accounting standards are set to ensure the appropriate financial treatment for property, plant or equipment. The requirements of these accounting standards include:
 - 2.6.1. The compilation of asset registers recording all assets controlled by the municipality;
 - 2.6.2. Accounting treatment for the acquisition, disposal, recording and depreciation of property, plant or equipment, and
 - 2.6.3. The standards to which these financial records must be maintained.

3. DEFINITIONS

“Accounting Standards Board”	<i>was established by the Public Finance Management Act to set standards of Generally Recognized Accounting Practice (GRAP) as required by the Constitution of the Republic of South Africa.</i>
“Amortization”	<i>is the systematic allocation of the depreciable amount of an intangible asset over its useful life.</i>
“Assets”	<i>are resources controlled by the municipality as the result of past events and from which future economic benefits or future service potential are expected to flow to the municipality and for the purpose of this policy refers to property, plant and equipment but excludes Investment Properties.</i>
“Assets below capitalization threshold”	<i>are items of assets that are not significant enough for financial recognition but are valuable enough to warrant special safe-guarding, same as Control Items.</i>
“Asset categories”	<i>are the asset categories as per the Overstrand Asset Register.</i>
“Basic Municipal Services”	<i>means the amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety of the environment and for this Policy includes, but is not restricted to electricity, refuse collection, sanitation, local roads, storm water drainage, fire services and water services.</i>
“Capitalization”	<i>is the recognition of expenditure as an Asset in the Financial Asset Register.</i>
“Carrying amount”	<i>is the amount at which an asset is included in the Statement of Financial Position after deducting any accumulated depreciation and accumulated impairment thereon.</i>
“Control items”	<i>are items of assets that are not significant enough for financial recognition but are valuable enough to warrant special safe-guarding.</i>
“Cost”	<i>is the amount of cash or cash equivalents paid or the fair value of the other consideration given or received to acquire an asset at the time of its acquisition or construction.</i>
“Cost of acquisition”	<i>is all the costs incurred in bringing an asset item to the required condition and location for its intended use.</i>
“Depreciation”	<i>is the systematic allocation of the depreciable amount of an asset over its useful life.</i>
“Depreciable amount”	<i>is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.</i>
“Director”	<i>is the “head of each Directorate” that has the functional accountability for and control of the physical management of a particular set of assets in order to achieve the municipality’s strategic objectives relevant to that directorate. The execution of this responsibility will require the relevant asset manager to control the acquisition, utilization, management and disposal</i>

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	<i>of this set of assets to optimize the achievement of these objectives.</i>
“Disposal”	<i>in relation to a capital asset, includes: (a) the demolition, dismantling or destruction of the capital asset; or (b) any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership.</i>
“Fair value”	<i>is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm’s length transaction.</i>
“Finance Lease”	<i>is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.</i>
“Financial asset register”	<i>is the control register recording the financial and other key details for all municipal assets recognized in accordance with this policy.</i>
“Fixed Asset”	<i>(also referred to as a “non-current asset”) is an asset with an expected useful life greater than 12 months and includes moveable and immovable assets.</i>
“Grantor”	<i>is the entity that grants the right to use the service concession asset to the operator.</i>
“Heritage Assets”	<i>are assets defined as culturally, environmental, historical, natural, scientific, technological or artistic significant and are held indefinitely for the benefit of present and future generations. Examples are works of art, historical buildings and statues.</i>
“Immovable Assets”	<i>are fixed structures such as buildings and roads, <u> tied to the land, meaning it cannot physically be move somewhere else.</u> A plant that is built-in to the fixed structures and is an essential part of the functional performance of the primary asset is considered an immovable asset (though it may be temporarily removed for repair).</i>
“Impairment loss” of a cash-generating asset	<i>is the amount by which the carrying amount of an asset exceeds its recoverable amount.</i>
“Impairment loss” of a non-cash-generating asset	<i>is the amount by which the carrying amount of an asset exceeds its recoverable service amount.</i>
“Infrastructure assets”	<i>are defined as any assets that are part of a network of similar assets. Examples are roads, water reticulation schemes, sewerage purification and trunk mains.</i>
“Intangible assets”	<i>are defined as identifiable non-monetary assets without physical substance.</i>
“Investment properties”	<i>are defined as properties that are acquired for economic and capital gains.</i>
“Mandated Function”	<i>involves the delivery of a public service by an operator on</i>

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	<i>behalf of a grantor that falls within the grantor’s mandate.</i>
“Minor Assets”	<i>are moveable assets with the exception of items specifically excluded in Annexures 1, 2 & 3 of this Policy</i>
“Movable Assets”	<i>are the stock of equipment owned or leased by the municipality such as office equipment and furniture, motor vehicles and mobile plant.</i>
“Operator”	<i>is the entity that uses the service concession asset to provide a mandated function subject to the grantor’s control of the asset.</i>
“Organ of State”	<i>in terms of this policy, means –</i> <i>(a) a national department or national public entity;</i> <i>(b) a provincial department or provincial public entity;</i> <i>(c) a municipality or municipal entity; or</i> <i>(d) any other organ of state within the meaning assigned to "organ of state" in section 239 of the Constitution.</i>
“Other assets”	<i>are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles and furniture.</i>
“Prescribe”	<i>means as prescribed by the Minister of Finance by regulation.</i>
“Property, plant or equipment” (PPE)	<i>Means tangible assets that:</i> <i>(a) are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and</i> <i>(b) are expected to have a useful life extending for more than one financial year.</i>
“Recoverable amount”	<i>is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.</i>
“Residual value”	<i>is the net amount that the municipality expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal.</i>
“Service concession arrangement”	<i>is a contractual arrangement between a grantor and an operator in which:</i> <i>(a) the operator uses the service concession asset to provide a mandated function on behalf of the grantor for a specified period of time; and</i> <i>(b) the operator is compensated for its services over the period of the service concession arrangement.</i>
“Service concession asset”	<i>is an asset used to provide a mandated function in a service concession arrangement that:</i> <i>a) is provided by the operator which:</i> <i>i. the operator constructs, develops, or acquires from a third party; or</i> <i>ii. is an existing asset of the operator; or</i> <i>b) is provided by the grantor which:</i> <i>i. is an existing asset of the grantor; or</i> <i>ii. is an upgrade to an existing asset of the grantor.</i>

<p>“Useful life”</p>	<p><i>is either:</i></p> <p>(a) <i>the estimated period of time over which the future economic benefits or future service potential embodied in an asset are expected to be consumed by the municipality, or</i></p> <p>(b) <i>the estimated total service potential expressed in terms of production or similar units that is expected to be obtained from the asset by the municipality.</i></p>
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4. STATUTORY AND REGULATORY FRAMEWORK

- 4.1. This policy must comply with all relevant legislative requirements including:
- 4.1.1 The Constitution of the Republic of South Africa, 1996
 - 4.1.2 Municipal Structures Act No 117 of 1998
 - 4.1.3 Municipal Systems Act No 32 of 2000
 - 4.1.4 Division of Revenue Act (enacted annually)
 - 4.1.5 Municipal Finance Management Act No 56 of 2003
 - 4.1.6 Local Government: Municipal Asset Transfer Regulations, 2008
- 4.2. Also, this policy must comply with the standards specified by the Accounting Standards Board. The relevant currently recognized accounting standards include:
- 4.2.1 GRAP 5 Borrowing Costs
 - 4.2.2 GRAP 11 Construction Contracts
 - 4.2.3 GRAP 12 Inventories
 - 4.2.4 GRAP 13 Leases
 - 4.2.5 GRAP 16 Investment property
 - 4.2.6 GRAP 17 Property, Plant and Equipment
 - 4.2.3 GRAP 21 Impairment of Non Cash Generating Assets
 - 4.2.4 GRAP 26 Impairment of Cash Generating Assets
 - 4.2.5 GRAP 31 Intangible Assets (Previously GRAP 102)
 - 4.2.6 GRAP 32 Service Concession Arrangements: Grantor
 - 4.2.7 GRAP 100 Discontinued Operations
 - 4.2.8 GRAP 103 Heritage Assets
- 4.3. This policy does not overrule the requirement to comply with other policies such as Supply Chain Management policy, Budget policies or the Administration of Immovable Property **[Assets]** policy.

5. RESPONSIBILITIES AND ACCOUNTABILITIES

- 5.1. **The Municipal Manager** is responsible for the management of the assets of the municipality, including the safeguarding and the maintenance of those assets.

5.2. The Municipal Manager must take all reasonable steps to ensure that:

- 5.2.1 the municipality has and maintains a management, accounting and information system that accounts for the assets of the municipality;
- 5.2.2 the municipality's assets are valued in accordance with standards of GRAP;
- 5.2.3 the municipality has and maintains a system of internal control of assets, including an asset register, and
- 5.2.4 the Directors comply with this policy.

5.3. The Director: Finance is responsible to the Municipal Manager to ensure that the financial investment in the municipality's assets is properly recorded.

5.3.1. The Director: Finance must take all reasonable steps to ensure that:

- a) appropriate systems of financial management and internal controls are established and carried out diligently;
- b) the financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently;
- c) any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented;
- d) the systems, processes and registers required to substantiate the financial values of the municipality's assets are maintained to standards sufficient to satisfy the requirements of all statutes;
- e) financial processes are established and maintained to ensure the municipality's financial resources are optimally utilized through appropriate asset plans, budgeting, purchasing, maintenance and disposal decisions;
- f) the Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets, and
- g) the Directors are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets.

5.3.2. The Director: Finance may delegate or otherwise assign responsibility for performing these functions but will remain accountable for ensuring these activities are performed.

5.4. The Directors must take all reasonable steps to ensure that:

- 5.4.1 appropriate systems of physical management and controls are established and carried out for assets in their areas of responsibility;
- 5.4.2 the municipal resources assigned to them are utilized effectively, efficiently, economically and transparently;
- 5.4.3 the assets under their control are appropriately safeguarded and maintained to the extent necessary and that risk management systems are in place and applied;
- 5.4.4 any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented;
- 5.4.5 their asset management systems and controls can provide an accurate, reliable and up to date account of assets under their control;

- 5.4.6 they are able to justify that their asset plans, budgets, purchasing, maintenance and disposal decisions optimally achieve the municipality's strategic objectives;
- 5.4.7 the purchase of assets complies with all municipal policies and procedures, including the procurement of items from the correct budget allocation;
- 5.4.8 all moveable property, plant and equipment is duly processed and identified when it is received into his/her stewardship;
- 5.4.9 all moveable assets received into his/her stewardship are appropriately safeguarded against inappropriate use or loss. This will include control over the physical access to these assets and regular asset counts to ensure any losses have not occurred. Any known losses should be immediately reported to the Director: Finance, and
- 5.4.10 assets are appropriately utilized for the purpose for which the municipality acquired them.
- 5.4.11 The Director may delegate or otherwise assign responsibility for performing these functions but will remain accountable for ensuring these activities are performed.

5.5 Safe-guarding of assets.

Directors shall be directly responsible for the physical safe-guarding of any fixed asset controlled or used by the department in question.

In exercising this responsibility, Directors shall adhere to the stipulations of this policy as well as any other written directives issued by the municipal manager to the department in question, or generally to all departments, in regard to the control of or safe-guarding of the municipality's fixed assets.

6. FINANCIAL MANAGEMENT

6.1 Approval to acquire Property, Plant or Equipment

Money can only be spent on a capital project if:

- 6.1.1 the money has been appropriated in the capital budget, and the future annual operations and maintenance needs have been calculated and have been budgeted for in the operations budget;
- 6.1.2 the project, including the total cost and funding sources, has been approved by Council;
- 6.1.3 the Director: Finance confirms that funding is available for that specific project, and
- 6.1.4 the Supply Chain Management prescripts/procedures have been adhered to.

6.2 Funding period of capital projects

The acquisition of assets will not be funded over a period longer than the useful life of that asset.

6.3 Disposal of assets (excluding immovable property covered under the Administration of Immoveable Property Policy)

- 6.3.1 The municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of an asset needed to provide

the minimum level of basic municipal services, unless such asset is obsolete or surplus to requirements or beyond a state of good repair or being replaced and provided that the delivery of the minimum level of basic municipal services must not be compromised as a result of the disposal of the asset.

- 6.3.2 The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset had been sold, transferred or otherwise disposed of.
- 6.3.3 The disposal of an item of property, plant or equipment must be fair, equitable, transparent, competitive and cost effective and comply with a prescribed regulatory framework for municipal supply chain management and the Supply Chain Management Policy of the municipality.
- 6.3.4 The transfer of assets to another municipality, municipal entity, national department or provincial department is excluded from these provisions, provided such transfer is being done in accordance with a prescribed regulatory framework.
- 6.3.5 Directors shall report in writing to the Director: Finance on all fixed assets controlled or used by the department concerned, which such Director wishes to alienate by public auction or public tender. The Director: Finance shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the council or the municipal manager of the municipality, as the case may be, recommending the process of alienation to be adopted.
- 6.3.6 Fixed assets identified to be disposed of by means of auction / tender must have been considered for impairment.
- 6.3.7 Once the fixed assets are alienated, the Director: Finance shall de-recognize the asset from the accounting records and the fixed asset register.
- 6.3.8 All gains and losses realized on the alienation of fixed assets shall be accounted for according to section 11.13 below (Accounting treatment on disposal).
- 6.3.9 Disposal of immovable property is dealt with in terms of the Overstrand Administration of Immovable Property Policy.

6.4 Loss, Theft, Destruction or Impairment of assets

- 6.4.1 Directors shall ensure that any incident of loss, theft, destruction, or material impairment of any asset controlled or used by the department in question is promptly reported in writing to the Director: Finance, to the internal auditor, and – in cases of suspected theft or malicious damage – also to the South African Police Service.
- 6.4.2 Directors shall further ensure that all the required insurance claim documentation and information is promptly submitted to the Director: Finance in terms of the prescribed claims procedures.

7. INTERNAL CONTROLS

7.1 Financial Asset registers

7.1.1 Establishment and Management of the Financial Asset Register:

- a) The Director: Finance will establish and maintain the Asset Register containing key financial data on each item of Assets that satisfies the criterion for recognition.

7.1.2 Contents of the Financial Asset Register:

- a) The fixed asset register shall be maintained in the format determined by the Director: Finance, which format shall comply with the requirements of generally recognized accounting practice (GRAP) and any other accounting requirements which may be prescribed.
- b) Directors under whose control any fixed asset falls shall promptly provide the Director: Finance in writing with any information required to compile the fixed asset register, and shall promptly advise the Director: Finance in writing of any material change which may occur in respect of such information.

7.1.3 Internal Controls over the Financial Asset Registers:

- a) Controls around the asset registers should be sufficient to provide Directors with an accurate, reliable and up to date account of assets under their control to the standards specified by the Director: Finance and required by relevant legislation.
- b) These controls will include the physical management and recording of all acquisitions, assignments, transfers, losses and disposals of assigned assets as well as regular asset counts and systems audits to confirm the adequacy of controls.
- c) The Municipal Manager shall ensure that the municipality maintains a fixed asset identification system which shall be operated in conjunction with its computerized fixed asset register.

7.2 Responsibilities: Physical Receipting and Management

7.2.1 The Manager: Expenditure & Asset Management will undertake at least a bi-annual count of assets as part of the annual reporting process.

7.2.2 The date of acquisition of assets is deemed to be the time when legal title or **[and]** control passes to the municipality.

7.2.3 The date of acquisition of assets may vary for different categories of assets but will be the point of time when the asset is in the final condition and location as intended for use by the Director.

7.2.4 A Director must advise the Director: Finance, in writing, of capital work-in-progress at the end of the financial year.

7.2.5 A Director must advise the Director: Finance, promptly in writing whenever capital work-in-progress is completed, for inclusion in the Asset Register.

7.3 Transfers between Directorates

7.3.1 Permanent transfers to another Directorate

- a) A Director retains managerial accountability and control for a particular asset unless:

- i. another Director agrees in writing to accept responsibility for the assets, and
 - ii. the Director: Finance endorses the transfer.
- b) The Finance Directorate must appropriately amend the Financial Asset register by accounting for all approved transfers.
- c) The Director to whom the asset is transferred must assume accountability for the transferred asset.

7.3.2 Relocation or Re-assignment of Assets:

- a) A Director must ensure that assets are appropriately safeguarded for loss, damage or misuse wherever it is located. Safeguarding includes ensuring reasonable physical restrictions.
- b) A Director must advise the Director: Finance, in writing, whenever an asset is permanently relocated or reassigned from the location (or base) or cost centre recorded in the Financial Asset Register.
- c) A Director must advise the Director: Finance, in writing, whenever an asset is temporarily relocated or reassigned from the location (or base) or cost centre recorded in the Financial Asset Register. In this case, the Director must also advise the Director: Finance when the asset is returned. In the case of assets being utilized in the normal course of operations away from its base, such as vehicles, reporting is not necessary.

7.4 Verification of fixed assets

- 7.4.1 Directors shall at least twice during each year undertake a comprehensive verification of all fixed assets controlled or used by the department concerned.
- 7.4.2 Directors shall promptly and fully report in writing to the Director: Finance in the format determined by the Director: Finance, all relevant results of such fixed asset verification. The resultant reports shall be submitted by Directors, to the Director: Finance, by not later than 30 days after the last day of the period in question.

7.5 Insurance of fixed assets

- 7.5.1 The Municipal Manager shall ensure that movable fixed assets are insured at least against fire and theft, and that all municipal buildings are insured at least against fire and allied perils.
- 7.5.2 If the municipality operates a self-insurance reserve, the Director: Finance shall annually determine the contribution to be made to the self-insurance reserve.

7.6 Recovery of loss

- 7.6.1 A Claims and [An] Asset Loss Control Committee, appointed by the Accounting Officer, must be established to investigate all losses and to consider the settlement of third party [all] insurance claims falling within the relevant excess limits.
- 7.6.2 The Claims and Asset Loss Control Committee must comprise of a representative from Legal Services, Human Resources (Labour Relations), Finance (Asset Management) and the senior manager within whose vote

the transaction occurs or a senior official as representative for his/her department or division.

- 7.6.3 Where applicable, the matter must be referred to the relevant Department in order to institute disciplinary action in order to recover any possible loss in incidents where negligence or misconduct may be suspected.

8. MANAGEMENT OF CONTROL ITEMS (Items below Capitalization threshold)

8.1 The Director Finance has identified asset items which will not be capitalized. These assets are qualitative and quantitatively immaterial and the costs to maintain these assets were considered and found to exceed the economic benefit if considered over the life cycle of the assets. Three types of assets were defined as per the annexures hereto.

8.2 The requirements to manage control items include:

- Receipting and bar-coding of these items.
- Maintaining and updating a register.
- Regular asset counts by the assigned person to ensure these control items are being appropriately safeguarded.
- Recording and reporting of any disposal, transfer or loss of control items by the assigned official to the CFO and adjustment of the control items register.

8.3 Control items will **not** be:

- capitalized as an asset,
- depreciated,
- revalued,
- recorded in the financial asset register, or
- otherwise treated as an asset.

8.4 On an annual basis, the Director: Finance will review the listing of items not capitalized in order to ensure that the effect of the treatment is not material in any aspects.

9. MANAGEMENT AND OPERATION OF ASSETS

9.1 Accountability to manage assets

- Each Director is accountable to ensure that municipal resources assigned to him are utilized effectively, efficiently, economically and transparently.
- Directors need to manage assets under their control to provide the required level of service or economic benefit at the lowest possible long-term cost.

9.2 Reporting on Impeding Issues

- Each Director should report to the Municipal Manager on issues that will significantly impede the assets capability to provide the required level of service or economic benefit.

10. CLASSIFICATION & COMPONENTS

10.1 Classification of assets

10.1.1 Any asset recognized as an asset under this policy will be classified according to categories as per the Overstrand Asset Register.

10.1.2 All fixed assets should be classified under the following headings in the Asset Register:

a) Property, plant and equipment:

- land (not held as investment property)
- buildings (not held as investment property)
- community assets (resources contributing to the general well-being of the community)
- infrastructure assets (assets which are part of a network of similar assets)
- other assets (ordinary operational resources, consisting of Furniture, Equipment and Vehicles)

b) Heritage Assets

- heritage assets (culturally, environmental, historical, natural, scientific, technological or artistic significant assets)

c) Investment property

- investment assets (resources held for capital or operational gain)

d) Intangible Assets

- non-monetary assets without physical substance such as computer software, licenses etc.

e) Leased Assets

- asset financed through a lease arrangement such as cell phone contracts or finance leases

f) Service Concession asset

- is the asset used in a service concession agreement in order to provide services to the public within the juristic boundaries of the municipality
- Examples hereof include water treatment plants being operating by a third party or a toll road operated by a third party if the conditions of GRAP 32 are met

10.1.3 The Director: Finance may agree to subdivide these classifications further. This decision will be noted as an amendment to the Asset Register of the Overstrand Municipality.

10.2 Treatment of Major Components

- All parts of an asset that is significant to the cost of the item as a whole shall be treated as a separate major component and each major component shall be treated as described below.

- A Director may, with agreement of the Director: Finance, treat other non-significant parts as major components of an item of property plant or equipment as a separate asset for the purposes of this policy.
- These major components may be defined by its physical parameters (e.g. a reservoir roof) or its financial parameters (e.g. a road surface).
- In agreeing to these treatments the Director: Finance must be satisfied that these components:
 - *have a significantly different useful life or usage pattern to the main asset,*
 - *align with the asset management plans,*
 - *justify the costs of separate identification,*
 - *have probable future economic benefits or potential service delivery associated with the asset which will flow to the municipality,*
 - *is such that the cost of the asset to the municipality can be measured reliably,*
 - *is such that the municipality has control over the asset,*
 - *the item is not listed as an expense or control item in the appendixes hereto, and*
 - *is such that the asset is expected to be used during more than one financial year.*
- Once a major component is recognized as a separate asset, it may be acquired, depreciated and disposed of as if it was a separate asset.

11. ACCOUNTING FOR ASSETS

11.1 Recognition of assets

- An item of property, plant or equipment will be recognized as an asset when:
 - *it is probable that future economic benefits or potential service delivery associated with the asset will flow to the municipality,*
 - *the cost of the asset to the municipality can be measured reliably,*
 - *the municipality has control over the asset,*
 - *the item is not listed as an expense or control item in the appendixes hereto, and*
 - *the asset is expected to be used during more than one financial year.*

11.2 Initial measurement

- An item of property, plant or equipment that qualifies for recognition as an asset should be initially measured at its “cost of acquisition”.
- This “cost of acquisition” usually include the following:
 - *Purchase costs (less any discounts given)*
 - *Delivery costs*
 - *Installation costs*
 - *Professional fees for architects, engineers and attorneys*

- *Import duties*
- *Non-refundable taxes*
- *Site development costs*
- *Contractor fees*

11.3 Donations or exchanges

Where an item of property plant or equipment is acquired at no cost, or for a nominal cost, it will be initially measured at its fair value as at the date of acquisition and included in the asset register if the item is considered an asset other than control item or expense.

11.4 Recognition threshold

The municipality does not utilize a recognition threshold, but has rather identified items that are insignificant and thus would not be capitalized. The listing of items and methodology for identifying such items are listed in the appendixes hereto.

11.5 Carrying amount of assets

Subsequent to initial recognition as an asset, an item of property, plant or equipment should be carried at its cost of acquisition less any accumulated depreciation and accumulated impairments.

11.6 Depreciation

- All fixed assets, except land and heritage assets, shall be depreciated.
- The depreciable amount of an item of property, plant or equipment should be allocated on a systematic basis over its useful life.
- The depreciation method used should reflect the pattern in which economic benefits or potential service provisions are consumed by the municipality.
- The depreciation charge for each period will be recognized as an expense against the budget of the relevant Director unless it is included in the carrying amount of another asset.
- The depreciation method used shall reflect the pattern in which the assets future economic benefits or service potential are expected to be consumed by the municipality.
- A variety of depreciation methods can be used to allocate the depreciable amount of an asset on a systematic basis over its useful life. These methods include the straight-line method, the diminishing balance method and the units of production method. Straight-line depreciation results in a constant charge over the useful life if the asset's residual value does not change. The diminishing balance method results in a decreasing charge over the useful life. The units of production method results in a charge based on the expected use or output. The entity selects the method that most closely reflects the expected pattern of consumption of the future economic benefits or service potential embodied in the asset. That method is applied consistently from period to period unless there is a change in the expected pattern of consumption of those future economic benefits or service potential.
- The depreciation method will be the straight-line method unless otherwise agreed to in writing by the Director: Finance.

- Depreciation shall be calculated from the day the fixed asset is available for use (GRAP 17).
- Directors, acting in consultation with the Director: Finance, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable fixed assets controlled or used by the department in question or expected to be so controlled or used during the ensuing financial year.
- The procedures to be followed in accounting and budgeting for the amortization of intangible assets shall be identical to those applying to the depreciation of other fixed assets.

11.7 Initial determination of useful life

- Directors need to determine the useful life of a particular item or class of asset through the development of a strategic asset management plan. The determination of useful life should be developed as part of any pre-acquisition planning that would consider, inter alia, the following factors:
 - The program that will optimize the expected long term costs of owning that asset,
 - Economic obsolescence because it is too expensive to maintain,
 - Functional obsolescence because it no longer meets the municipality's needs,
 - Technological obsolescence,
 - Social obsolescence due to changing demographics, and
 - Legal obsolescence due to statutory constraints.
- The Table of Useful Lives is provided in the MFMA Local Government Capital Asset Management Guideline. These should be used as a guide to the minimum useful lives only because actual asset lives experienced greatly exceed those recommend lives.

11.8 Review of useful life

- Only the Director: Finance may amend the useful operating life assigned to any fixed asset, and when any material amendment occurs, the Director: Finance shall inform the council of the municipality of such amendment.
- The Director: Finance shall amend the useful operating life assigned to any fixed asset if it becomes known that such asset has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the asset's economic benefits or service potential will be consumed.
- The useful life of an item of property, plant or equipment should be reviewed only when there is an indicator that the current useful lives are not appropriate. Annually the Director: Finance will review a list of circumstances that could indicate the need to revise the useful lives of assets. If any indicators require useful lives to change and these revised expectations are significantly different from previous estimates, then the depreciation charge for the current and future periods should be adjusted and the additional depreciation expenses shall be debited to the department or vote controlling or using the fixed asset in question. The indicators are those listed under impairment indicators.

11.9 Review of depreciation method

- The depreciation method applicable to property, plant or equipment should be reviewed annually, and if there has been a significant change in the expected pattern of economic benefits or potential service delivery from those assets, the method should be changed to reflect the changed pattern.
- When such a change in depreciation method is necessary the change should be accounted for as a change in accounting and the depreciation charge for the current and future periods should be adjusted.

11.10 Subsequent expenditure on property plant or equipment

- Subsequent expenditure relating to an item of property, plant or equipment that meets the definition of an asset should be added to the carrying amount of the asset when such expenditure will increase the useful life of the asset or increase the efficiency of the asset or reduce the cost of operating the asset, resulting in financial or service delivery benefits.
- All other expenditure should be recognized as an expense in the period in which it occurred.
- Before allowing the capitalization of subsequent expenditure, the Director: Finance must be satisfied that this expenditure will significantly:
 - increase the life of that asset beyond that stated in the asset register, or
 - increase the quality of service provided by that asset beyond the existing level of service, or
 - increase the quantity of services that asset can provide, or
 - reduce the future assessed costs of maintaining that asset.

Expenditure that is proposed to be capitalized must also conform to recognition criteria for assets and should also be appropriately included in the approved capital budget.

11.11 Impairment of assets

The accounting treatment relating to impairment losses is outlined as follows in **GRAP 21 & 26**:

The carrying amount (Book value) of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.

Recoverable amount is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal. When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognized as an expense immediately.

The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to recoverable amount on an individual asset, or group of identical assets, basis. However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification work is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline

in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of recoverable amount.

The following may be indicators that an item of PPE has become impaired:

- The asset has been damaged.
- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

Example:

An example of where the municipality has suffered an impairment loss is the purchase of land for an amount of R 5 000 000. The land will be utilized for new subsidized housing developments. If at year end the expectation is that the Municipality will receive only R 1 000 000 by way of subsidies an impairment loss of R4 000 000 needs to be recognized. The recoverable amount (R 1 m) is calculated as being the larger of:

- **Net Selling price** of the land which is the amount obtainable from the sale of the market in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.
- **Value in use** of the land which is the present value of the estimated future net cash inflows expected from the continuing use of the asset and from its disposal at the end of its useful life.

The following steps will have to be performed regularly during the year to account for impairment losses:

- Directorates will identify and inform Finance Department - Asset Control of assets that:
 - Are in a state of damage at year end.
 - Are technologically obsolete at year end. This can be facilitated if Directorates require Finance Department - Asset Control, to supply them with a Fixed Asset Register pertaining to major assets showing the remaining useful lives of assets. The Directorates can then assess and indicate cases where the assessed remaining useful life is shorter than the remaining useful life on the printout.
 - Have remained idle for a considerable period either prior to them being put into use at year end or during their useful life.
 - Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts. An example of this is Land that is purchased at market value and is to be utilized for subsidized housing developments.
- The recoverable amounts of these assets need to be calculated by calculating the Net selling Price per asset as defined above.
- The impairment loss per asset needs to be calculated as the difference between the Net selling price and the book value of the asset.

- The impairment loss needs to be accounted for by identifying the relevant funding source.
- The carrying amount of an asset should be reviewed annually to assess whether or not the recoverable amount has declined below the carrying amount.
- When such a decline has occurred, the carrying amount should be reduced to the recoverable amount.
- The amount of the reduction should be recognized as an impairment expense immediately, unless it reverses a previous revaluation in which case it should be charged to the Revaluation Reserve.
- For assets providing economic benefits, the recoverable amount is the net present value of future ownership.
- For assets providing future service delivery, the recoverable amount is the remaining proportional to its useful life, service capacity or quality of service that is not intended to be restored by normal maintenance programs.

11.12 Subsequent increase in recoverable amount

- A subsequent increase in the recoverable amount of an asset, previously written down due to a decline in the carrying amount, should be written back when the circumstances and events that led to the write-down or write-off cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.
- The amount written back should be reduced by the amount that would have been recognized as depreciation had the write-down or write-off not occurred.

11.13 Accounting treatment on Disposal

- An item of property, plant or equipment should be eliminated from the Statement of Financial Position, on disposal or when the asset is permanently withdrawn from use and no future economic benefits or potential service delivery is expected from its disposal, in accordance with GRAP 100.
- Gains or losses arising from the retirement or disposal of an item of property, plant or equipment should be determined as the difference between the actual or estimated net disposal proceeds and the carrying amount of the asset, and should be recognized as revenue or expense in the Statement of Financial Performance.
- All gains realized on the alienation of fixed assets shall be appropriated annually to the municipality's Capital Replacement Reserve (except in the cases outlined below), and all losses on the alienation of fixed assets shall remain as expenses on the Statement of Financial Performance of the department or vote concerned. If, however, both gains and losses arise in any one financial year in respect of the alienation of the fixed assets of any department or vote, only the net gain (if any) on the alienation of such fixed assets shall be appropriated.

11.14 Reinstatement, maintenance and other expenses

Only expenses incurred in the enhancement of a fixed asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of a fixed asset shall be capitalized.

Expenses incurred in the maintenance or reinstatement of a fixed asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalized, irrespective of the quantum of the expenses concerned.

Expenses which are reasonably ancillary to the bringing into operation of a fixed asset may be capitalized as part of such fixed asset. Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, installation, assembly and communication costs.

The following matrix will assist in distinguishing capital expenditure from maintenance expenditure: -

Capital Expenditure	Maintenance
<ul style="list-style-type: none"> ▪ Acquiring a new asset ▪ Replacing an existing asset ▪ Enhancing an existing asset so that its use is expanded ▪ Further developing an existing asset so that its original useful life is extended 	<ul style="list-style-type: none"> ▪ Restoring an asset so that it can continue to be used for its intended purpose ▪ Maintaining an asset so that it can be used for the period for which it was initially intended.

11.15 Assets held under leases

Finance leases are leases, which in effect transfer all risks and rewards associated with the ownership of an asset from the lessor to the lessee. Assets held under finance leases are capitalized by the municipality and reflected as such in the FAR. It will be capitalized at its leased value at commencement of the lease, which will be the price stated in the lease agreement. The asset is then depreciated over its expected useful life.

Operating leases are those leases which do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due. Assets held under operating leases are not accounted for in the asset registers of the municipality.

11.16 Investment property

Investment assets shall be accounted for in terms of GRAP 16 and shall not be classified as property, plant and equipment for purposes of preparing the municipality’s statement of position.

Investment assets shall comprise land or buildings (or parts of buildings) or both held by the municipality, as owner or as lessee under a finance lease, to earn rental revenues or for capital appreciation or both.

Investment assets shall be recorded in the fixed assets register in the same manner as other fixed assets, but a separate section of the fixed assets register shall be maintained for this purpose.

Decide on which accounting model, cost or fair value, the municipality will apply to investment property.

Fair value

Investment assets shall not be depreciated, but shall be annually valued to determine their fair (market) value. Investment assets shall be recorded in the Statement of Financial Performance at such fair value. Adjustments to the previous year’s recorded fair value shall be accounted for as either gains

(revenues) or losses (expenses) in the accounting records of the department or service controlling the assets concerned.

If the council of the municipality resolves to construct or develop a property for future use as an investment property, such property shall in every respect be accounted for as an ordinary fixed asset until it is ready for its intended use – where-after it shall be re-classified as an investment asset.

11.17 Fixed assets treated as inventory

Any land or buildings owned or acquired by the municipality with the intention of selling such property in the ordinary course of business, or any land or buildings owned or acquired by the municipality with the intention of developing such property for the purpose of selling it in the ordinary course of business, shall be accounted for as inventory, and not included in either property, plant and equipment or investment property in the municipality's statement of position.

Such inventories shall, however, be recorded in the fixed assets register in the same manner as other fixed assets, but a separate section of the fixed assets register shall be maintained for this purpose.

11.18 Recognition of heritage assets in the fixed asset register

Heritage assets shall be carried at their cost values. If no original costs or fair values are available in the case of one or more or all heritage assets, the Director: Finance may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the fixed asset register without an indication of the costs or fair value concerned.

For Statement of Financial Performance purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

11.19 Other write-offs of fixed assets

The only reasons for writing off fixed assets, other than the alienation of such fixed assets, shall be the loss, theft, and destruction or material impairment of the fixed asset in question.

In every instance where a not fully depreciated fixed asset is written off, the Director: Finance shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the asset concerned.

11.20 General maintenance of fixed assets

Every Director shall be directly responsible for ensuring that all assets are properly maintained and in a manner which will ensure that such assets attain their useful operating lives.

11.21 Service Concession arrangements

A service concession arrangement is governed through a contractual arrangement between the municipality and an independent third party (operator). It involves the creation and/or use of an existing municipal asset in order to provide services to the general public. The asset can be provided by the municipality or the arrangement can specify that the operator must create a new asset for purposes of the providing the services on behalf of the municipality (grantor).

If the municipality provides the asset (i.e. it is an existing asset that the operator uses), no liability needs to be created in relation to the assets used by the operator. However, in the case that the operator has to create a new asset in order to fulfill

the obligations of the agreement, an asset and liability needs to be created in order to account for the asset.

Assets held under a concession agreement must be separately disclosed similarly to assets acquired through a lease agreement.

The assets held under the service concession agreement is under the control of the Director: Infrastructure and Planning and such director must report annually to the Director of finance of the status of the asset, such as any impairments, replacement parts, improvements etc. to the service concession assets. These assets would be disclosed in terms of the requirements of GRAP 32: *Service Concession Arrangements: Grantor*.

12. FINANCIAL DISCLOSURE

Assets must be disclosed, in respect of each class of property, plant and equipment, in accordance with Generally Recognized Accounting Practice.

13. IMPLEMENTATION AND REVIEW PROCESS

13.1 This policy will come into effect as from **1 July 2020**;

13.2 This policy will be reviewed at least annually or when required by way of a Council resolution.

14. SHORT TITLE

This policy will be known as the Asset Management Policy of the Overstrand Municipality.

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE AND ASSET MANAGEMENT
CURRENT UPDATE:	27 MAY 2020
PREVIOUS REVIEW	29 MAY 2019
PREVIOUS REVIEW	30 MAY 2018
PREVIOUS REVIEW	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
PREVIOUS REVIEW	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	04 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
APPROVAL BY COUNCIL:	24 JUNE 2009

APPENDIX 1: REVISION OF ASSET CAPITALISATION THRESHOLD

Introduction

The municipality reviewed the Asset Management Policy and has determined that that the capitalization threshold needed to be revised in order to ensure compliance with the GRAP requirements and to align the budgeting process with the requirements of GRAP. Based on the revision of the capitalization threshold it has decided that the most suitable approach would be to identify assets for which their value or use does not justify the cost to maintain the assets in the register.

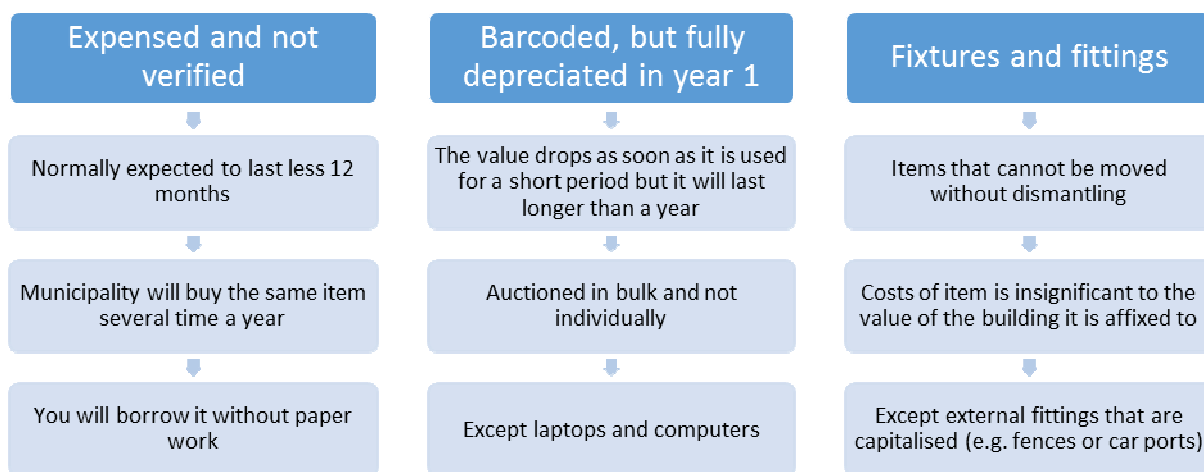
The GRAP discussion paper on materiality states the following: "Information in the financial statements is therefore relevant when it meets these information needs. The relevance of information is affected by its nature and materiality." This implies that certain information would not be relevant to the users of financial statement due to its value or nature. Furthermore, the discussion paper also states: "Materiality establishes a threshold, which may include a cut-off point, or criteria which are used in making certain decisions. Materiality in itself is not a characteristic that information must have to be useful to users. "The municipality followed a qualitative materiality approach rather than a purely quantitative approach in order to identify items that are considered not material.

Management of assets within an asset register is a costly exercise and certain assets economic benefits have been noted to be exceeded by the annual cost to maintain these assets within the register. For this reason the municipality has taken an approach to identify assets that fall within this category where the management cost of the assets exceed their economic benefits.

Materiality

The full cost price of all assets that would not be included in the AFS as at 1 April 2016 was extracted and compared to materiality. The accumulative cost of all these assets listed in annexures 1-3 amounted to less 30% of materiality and thus accepted as reasonable. Materiality was based on the 2015 balance for Property, plant and equipment as utilized by the auditors during the audit of 2014/15. Annually the assets with that fall within this category will be extracted and compared to the prior year's materiality to ensure that the threshold application does not result in any material deviation from the standards of GRAP.

Decision Tree



All items not falling in the above categories would be considered assets and would be included in the asset register.

Three different types of assets were identified that require amendment in the approach due to the revised capitalization approach. These are:

- 1) Items with expected useful lives of less than 12 months expensed immediately
- 2) Items that are considered assets, but will not be included in the asset register due to the fact that the costs to maintain these assets in the final asset register would exceed the value/economic benefits of the assets (Control Items)
- 3) Items that are capital in nature, but would not be included in the asset verification process as the items are affixed to buildings and thus would no longer be considered movable assets.

1) Items that are expected to be consumed within 12 months (Items not barcoded)

Characteristics of asset type

Many purchased goods are expected to be consumed within 1 year, but due to the usage of the asset, the lifespan might be prolonged. In example, a stapler is not really expected to last more than a year as wear and tear on the items are quite excessive. However, certain staff members have indicated that their staplers could last several years. The fact that a single item lasts longer than a year does not negate from the expectation that the item would be consumed within 1 year.

OR

Another consideration in this category is the replacement or purchase rate. If the item is expected to be purchased multiple times in a single year, the item is not considered to be an item that would last for longer than 1 year. In example, despite the fact that spanners could be durable, they are often purchased throughout the year with new spanners being purchased at a regular interval. Due to the regular repurchase rate, the item is not considered to last for longer than a year despite its durable nature.

OR

The final consideration for items that fall within this category is the control over the ability to transfer assets. Some assets are of such a minute significance to a department, that when assets are transferred between users, formal asset transfer documentation would not be maintained. Example, if employee 1 is willing to borrow his wrench to employee 2 without asking for written confirmation of the transfer of the wrench since the inherent value of the item does not justify any audit trail of the transfer.

OR

The item is a plastic or wood stackable table / chair used at a community hall.

For control purposes, these items are not barcoded and will be purchased through an expense account (operational budget).

[The approved listing of items that forms part of this category is listed in annexure 1.]

For ease of reference, examples of items that fall within this category:

- All stationery items excluding heavy duty versions thereof (any item titled machine, would not fall within this category e.g. Binding Machine, Laminating Machine) including calculators and other small items
- Any boxes, and containers designed to retain stationary (such as buddi-drawers, pen holders, paper racks)
- All bins and disposal containers
- Any camp site bedroom furniture such as beds and bedding
- Small appliances such as kettles, toasters, fans with a warrantee of 1 year
- Any computer accessories such and keyboards, mouse, laptop bags, dongles (UPS's and external hard drives are excluded from this)
- Fire extinguishers as their service interval requires exchanging of these items several times a year
- Hand tools that are normally transported in bulk (i.e. small tools that would be transported with other tools in toolboxes)
- Cleaning items such as buckets, mops, brooms etc. (excluding machines used to clean items such as dish washers and vacuum cleaners)
- Safety equipment that is frequently replaced, similar to helmets, goggles, gloves etc.
- Crockery, cutlery and other kitchen utensils

The approved listing of items that serve as examples of this category is listed in Annexure 1.

2) Items below capitalization threshold [Control items] that will be barcoded but not included in the asset register (previous control items)

These items will be barcoded and counted during the verification, but due to the insignificant value of these items, will not be included in the final asset register for annual maintenance such as depreciation, impairments and other value based adjustments. The items would be recorded as assets, but fully depreciated in the first year of purchase. The items are generally used both in the office and the home and thus control needs to be established to reduce the probability of items being taken home for personal use.

In the accounting records of the municipality, the assets would be purchased directly against operational expenditure based on the requirements of mSCOA. This is more practical as the full impact of the purchase must be accounted for against the expenditure rather than to retain the costs of the items within the capital maintenance system. This process is followed to ensure depreciation is not accelerated and to ensure that the asset register agrees to capital acquisitions on an annual basis.

Characteristics of asset type

These are items that are used on a daily basis. In fact, the items are used so frequently, that the frequent use is the determining factor in establishing the useful lives of the assets. These items might be designed to be durable, but the usage thereof results in rapid wear and tear. Items such as chairs, printers, microwaves, drills, angle grinders etc. are used so frequently, that their values are diminished after the first 6 months of use.

AND

The items are normally sold in bulk at auctions as bidders will not be interested in buying single items as the unit price too low to justify single sales. Often the items prices are based on the value of the components (e.g. copper or scrap metal price) rather than the resale value of the items.

BUT

Some items that fall within this category are exceptions to the rule as their value lies in an extended use, despite the diminished return on purchase price after the first use. The items specifically excluded from the listing are:

- Items purchased through means of a finance lease contract (example multi-function printers)
- Computer towers or laptops as their lifespans can easily be extended through refurbishing the assets at a fraction of their original cost
- Industrial or heavy duty tools or equipment that are designed to last for longer

These items are purchased from the Operational Budget allocation (U-key) for Assets less than threshold. [The approved listing of items that fall in this category is listed in annexure 2.]

For ease of reference, examples of items that fall within this category:

- All chairs except stackable plastic chairs
- Tables that are being used by multiple users (public and internal) (e.g. training tables, library tables, visitors' tables, community halls etc.)
- Medium sized kitchen equipment such as microwaves, urn's, hydro boil systems

Explanatory comments on the characteristics:

- Desks are used every day, but the usage of a desk does not automatically reduce the value of the desk. Thus a desk does not fall within this category.
- Various power tools would also fall within this category. Industrial sized power tools will be excluded.
- Despite judgement that needs to be applied, the general consensus by an informed member of public should also come to the same conclusion as to the treatment of the item. Classification of items as control items or fully capitalised assets should not be based on budgetary requirements, but rather on the nature of the item and the municipality's intended use or the manner in which the municipality aims to control the item.

The approved listing of items that serve as examples of this category is listed in Annexure 2.

3) *Items of capital nature affixed to buildings*

When these items are purchased, the purpose is to enable or increase the productivity of the users, rather than to increase the value of the buildings that the items would be affixed to. Despite its purpose, the items are often deemed to increase the value of the buildings that it is affixed to as it is considered an investment in the building.

When a sales agreement are entered into, the fixtures must be retained to the building, unless otherwise stated. Fixtures are however, often a hindrance to many potential buyers and considered a burden rather than an additional value added to the building. More often than not, items such as air-conditioners need to be completely replaced, and built-in cupboards, shelving are not in the correct location as per the intention of any potential owners. The municipality has opted to classify and fittings as repairs and maintenance to the buildings, as new fixtures could only allow the buildings value to be reinstated (example carpets being replaced) rather than increase the value of the buildings. Fixtures are capitalized as part of the initial cost of a new building; all cost thereafter is treated as maintenance

When the fixtures added to the building is considered against the value of the building, the fixtures are often inconsequential (has no significant impact) to the value of the building as a whole and accordingly, the capitalization of fixtures are not considered of additional value.

External fixtures, such as fences, car ports, etc. are items that are not part of the building itself and thus improve the value of the land, these items are for practical reasons capitalized against the buildings (premises) as land is not depreciated and any external structures will incur wear and tear.

These items are purchased from the Operational Budget allocation (U-key) for Assets less than threshold. [The approved listing of items that fall in this category is listed in annexure 3.]

For ease of reference, examples of items that fall within this category:

- Whiteboards permanently affixed to walls
- Air-conditioners
- Shelving and cupboards affixed to walls or ceiling
- Office partitioning (i.e. dividers used to split rooms) when these are bolted down.
- And stands or holders that are affixed to the property (e.g. projector fittings)

The approved listing of items that serve as examples of this category is listed in Annexure 3.

OVERSTRAND MUNICIPALITY – ASSET MANAGEMENT POLICY

Annexure 1: Items consumed within 12 months

The following list of items is approved to only be purchased via the operational vote for expenditure and these items will not be barcoded:

Description	Description
Bait pump	Hand drill
Banners	Headphones
Bar and foot stools	Heaters
Batteries	Jump starters
Beds and mattresses	Kettles
Bedside furniture	Label printing equipment
Bins (All)	Laser distance Meter
Boxes - money, tender, CV's etc	Laser Presentation Remote
Buddy drawers	Letter Opener
Calculators	Lifting Bag
CD Racks	Link Stick
Chairs (Plastic stackable)	Measuring wheels, tapes
Chargers except industrial	Modems
Clipboards	Paper trays
Drip torch	Pool brooms, brushers
Extension leads	Pots and pans
External hard drives	Protective Clothing
Fans	Soldering bolt
Fire extinguishers	Stand pipe
First aid and medic kits	Toolbox incl. tools
Flashlight, torch	Wind meter
Foam branch	Wrench

OVERSTRAND MUNICIPALITY – ASSET MANAGEMENT POLICY

Annexure 2: Items barcoded, but bought through assets below threshold budget vote

The following list of items is approved to only be purchased via the assets below threshold vote. The items must be barcoded and verified annually:

Description	Description
Air gun	Hot plate/tray
Alcohol Tester	Jack trolley
Angle grinder	Jigsaw
Audio and video recorders	Ladders (All)
Benches (All)	Lamps
Binoculars	Lighting System
Blood Pressure Monitor	Litter tester
Cameras	Lockers
Case: Mayors chains	Mega phone
Cash Drawer, register	Microphone
Cell Phone	Microscope
Chairs and Couches (All, except plastic stackable)	Microwave
Charger - industrial	Mitre Saw
Circular Saw	Mobile Dash Light
Coffin Hoist	Monitors
Colorimeter	Nail Gun
Cordless microphones	Nozzle
Cut-off Saw	Ottoman
Decoder	Packaging Roller
Docking Station	PH Meter
Drawing board	Piano Chair
Drill set	Pipe Binder
DVD, Tape Players	Polisher
Electric Spray Gun	Punch Heavy Duty
Electrical saw	Radio - for communication
Electrical Screw Driver	Refracto Meter
Examination table	Rotary saw
Flip charts	Sander Machine
FM/AM Radio	Scale
Gas Burners (1 or 2 plate)	Scanner
Gateways, incl. routers, fire walls, proxies	Siren
Gavel	Speaker
Gazebo	Spectro Photometer
Glue Gun	Spine board
Grease gun	Spot Light
Grease pump	Spray trolley
Griller	Stands (All)
Guillotine	Stapler Heavy Duty
Hand Control Divider	Stretcher
Heat gun	Turbidi meter
Hose Washer	Typewriter

OVERSTRAND MUNICIPALITY – ASSET MANAGEMENT POLICY

Description	Description
Table (Foldable - steel)	Urn
Table (Learner/Training)	Vacuum cleaner
Table (Wooden / plastic in community halls)	Vice grip – steel (heavy duty)
Telephone	Water cooler/dispenser
Tester battery car	Winch and winch bracket
Timing Light	Wood Chipper
Tripods (All)	Wood Stage
Trolleys (All)	

OVERSTRAND MUNICIPALITY – ASSET MANAGEMENT POLICY

Annexure 3: Items considered furniture and fitting and treated as maintenance of existing buildings

The following list of items is approved to only be purchased via the maintenance votes as the items are mounted to a building:

Description	Description
Air conditioner	Key cabinet
Boards (All)	Pigeonhole With Credenza
Bookcase bolted to floor or wall	Projector Screen
Clocking devices	Safe
Cupboard - built in	Screen
Divider Stand	Shelving, wood and steel
Extractor fan	Strobe Lights
Flagpole	Work station divider
Jet master	

OVERSTRAND MUNICIPALITY



TRAVEL & SUBSISTENCE POLICY

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1 PURPOSE

The purpose of this policy is to set out general rules for the payment of subsistence and travelling allowances or costs for the attendance of approved events **outside the municipal area of Overstrand**.

2 OBJECTIVES OF THE POLICY

The objectives of this policy are to:

- 2.1 Ensure that municipal employees and Councillors adhere to procedures when arranging for travel, lodging, meals and other expenses;
- 2.2 Ensure that municipal employees and Councillors are reimbursed for reasonable expenses incurred for travel, conferences, meetings and meals as a result of conducting authorized municipal business;
- 2.3 Ensure that payments made by the municipality are for the actual and necessary expenses incurred for municipal business in **adherence with National Treasury's prescribed Cost Containment Measures**; and
- 2.4 Ensure that municipal employees and Councillors will receive reimbursements in a timely manner.

3 LEGISLATIVE FRAMEWORK

This policy is developed and guided by the following:

- 3.1 South African Revenue Services (SARS) Interpretation Notices & other Notices;
- 3.2 Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA);
- 3.3 South African Local Government Association (SALGA);
- 3.4 Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998);
- 3.5 Income Tax Act, 1962 (Act No. 58 of 1962);
- 3.6 Overstrand Municipality Cost Containment Policy;
- 3.7 RSA Department of National Treasury: National Travel Policy; and
- 3.8 RSA Department of National Treasury: Cost Containment Measures related to Travel and Subsistence.

This Policy must be read in conjunction with any of the Municipality's approved related policies, practices and standard operating procedures addressing specific issues essential for a full understanding of this Policy and which are not dealt with adequately herein.

4 SCOPE OF APPLICATION

This Policy is applicable to –

- 4.1 all Councillors of the Overstrand Municipality, and
- 4.2 all officials of the Overstrand Municipality,

travelling on official business and as such are formal travellers of the Overstrand Municipality.

IMPORTANT - No payments will be made to applicants for employment interviews in terms of the scope of this policy.

5 DEFINITIONS

For the purpose of this policy, except where clearly indicated otherwise, the words and expressions set out below have the following meaning:-

<i>“Accommodation”</i>	The rental of lodging facilities while away from the traveller’s place of residence while on authorized official duty.
<i>“Accounting Officer”</i>	The person appointed by the Council as Municipal Manager in terms of section 82 of the Municipal Structures Act, 1998 (Act 117 of 1998) and as defined in the Municipal Finance Management Act, 2003 (Act 56 of 2003), including any person acting in that position or to whom authority is delegated.
<i>“Air Travel”</i>	Travel by airline on official duty.
<i>“Car Rental”</i>	The rental of a vehicle for a short period of time by a traveller for official purposes.
<i>“Chief Financial Officer”</i>	The person appointed in terms of section 80(2)(a) of the MFMA and includes any person acting in that position or to whom authority is delegated.
<i>“Council”</i>	The Overstrand municipal council, as referred to in section 157 of the Constitution of the Republic of South Africa, 1996; and section 18 (3) of the Municipal Structures Act, 1998 (Act 117 of 1998).
<i>“Councillor”</i>	A member of the Overstrand Municipal Council.
<i>“Day”</i>	A completed period of twenty-four hours away from normal place of domicile and employment of official business of the Municipality.
<i>“Director”</i>	An official appointed by the Council in terms of section 56 of the Municipal Systems Act, 2000 (Act 32 of 2000) to head a Directorate of the municipality and shall include any person acting in that position.
<i>“Domestic Travel”</i>	Travel within the boundaries of the Republic of South Africa.
<i>“Essential User Transportation Allowance”</i>	Transportation allowance paid in accordance with the Essential User Transport Allowance Scheme to employees participating in the scheme.
<i>“Executive Management Team”</i>	Officials appointed in terms of Section 82 of the Local Government Structures Act, 1998 (Act 117 of 1998) (Structures Act) and section 56 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000).
<i>“Executive Mayor”</i>	The Executive Mayor of the Overstrand Municipality elected in terms of section 55 of Municipal Structures Act, 1998 (Act 117 of 1998) and shall include any person acting in that position.
<i>“Fixed Transportation Allowance”</i>	Transportation allowance linked directly to the managerial post level of the incumbent, also referred to as the “Old Perk Scheme”.
<i>“Host”</i>	The person or institution who has extended an invitation to the

OVERSTRAND MUNICIPALITY – TRAVEL AND SUBSISTENCE POLICY

	Municipality to delegate a Councillor and / or an Official to attend an event which is regarded as official business.
<i>“Incidentals”</i>	Any minor expenses normally associated with business travel.
<i>“International Travel”</i>	Travel to a location beyond the territorial boundaries of the Republic of South Africa.
<i>“Municipality”</i>	Overstrand Municipality, established in terms of sections 12 and 14 of the Structures Act.
<i>“Official”</i>	A person employed by the Municipality.
<i>“Official Business”</i>	For the purposes of this policy refers to the attendance by Councillors and / or Officials of congresses, conferences, seminars, training, meetings, workshops, roadshows, etc. related to the duties and functions of the Municipality, subject thereto that such attendance has been duly authorised in terms of the delegated authority.
<i>“Place of Work”</i>	The place where the principal duties of the Councillor or Official are performed.
<i>“Traveller”</i>	Any councillor or official travelling away from his or her normal place of domicile and employment on the official business of the Overstrand Municipality.
<i>“Sponsored Trip”</i>	A trip where the total cost, or a portion thereof is sponsored by another organisation or third party other than the Municipality. (For the purposes of this policy such proportion of the total cost of the trip must be included in the application forms).
<i>“Subsistence allowance”</i>	An amount of money paid by the Municipality to a traveller for expenditure incurred in respect of personal subsistence and incidental costs (for example refreshments, snacks, drinks and newspapers but excludes any personal recreation such as visits to a cinema, theatre, nightclubs or sight-seeing).
<i>“Travel Allowance”</i>	An amount paid to a traveller for the use of his or her own private motor vehicle in respect of travelling expenses for business purpose.
<i>“Traveller”</i>	Any Councillor or Official travelling away from his or her normal place of domicile and employment on official business of the Municipality.

6 AUTHORISATION

- 6.1 For purposes of implementing this policy:
- 6.1.1 **Only the Municipal Manager** may authorize any travel to be undertaken by political office bearers and Directors, provided the expenses to be incurred are on the approved budget of the municipality [relevant department].
 - 6.1.2 **Only the Executive Mayor** may authorize any travel to be undertaken by Holders of Public Office and the Municipal Manager, provided the expenses to be incurred are on the approved budget of the municipality.
 - 6.1.3 **Only Directors** may authorize any travel to be undertaken by employees in the respective Directorate, provided the expenses to be incurred are on the approved budget of the municipality.
- 6.2 Authorization as per paragraph 6.1 must be obtained prior to an occasion by any traveller who travels on the business of the municipality.
- 6.3 An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. The required authorization must still be obtained from the Municipal Manager or Executive Mayor or Director as the case may be.
- 6.4 No Councillor and / or Official of the Overstrand Municipality may go on any official business travel without the prior authorization as provided for in paragraph 6.1 above.

7 GENERAL

- 7.1 Municipal delegates or travellers to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any traveller fails to do so, the Executive Mayor, the Municipal Manager or Director, as the case may be, may recover all allowances and disbursements paid to enable such delegate or traveller to attend such event, provided that such delegate or traveller is afforded the opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.
- 7.2 The contents of this policy will not be regarded as conditions of employment but as a reimbursement for travelling and subsistence expenditure incurred or deemed to be incurred for the attendance of events for official purposes.
- 7.3 Travellers should plan official travel in advance. They should obtain approval and make a booking / reservation at least seven (7) working days prior to departure for domestic travel and fourteen (14) working days prior to international travel.
- 7.4 Accommodation, flights and vehicle rental arrangements will be based on the most cost effective option in relation to the proximity of the venue, traffic, availability and other cost factors.
- 7.5 All efforts should be made to minimize the costs for the municipality i.e. by travelling together in one vehicle, minimizing overnight stay where possible, etc:

- 7.5.1 Delegations to the same event, conference, consultation or meeting may only exceed three (3) employees or persons appointed on grounds of policy considerations if approved in advance by the **Accounting Officer**.
- 7.5.2 Where multiple travellers attend approved events, inclusive of meetings, they must make arrangements for up to four (4) people to travel together in one vehicle.
- 7.5.3 Any deviation from paragraph 7.5.2 must be approved in writing by the Director / Municipal Manager / Executive Mayor as the case may be, prior to the date of departure, based on valid reasons as motivated in a submission.
- 7.5.4 The most cost-effective mode of transport should be used at all times, domestically and internationally.
- 7.6 In the event that the traveller must attend an early morning meeting, in a distant location within South Africa, consideration could be given to allow the travelling to take place a day before the event, subject to the approval of such travel by the Accounting Officer in terms of the delegated authority to do so.
- 7.7 In the event of payments made by officials for traveling and accommodation, refunds will only be made on condition that the expense was pre-approved in accordance with the stipulations of this policy and that all aspects of this policy have been complied with.
- 7.8 A claim for subsistence and travelling cannot be made at the municipality as well as another institution for attending the same event. Such action shall lead to disciplinary action.
- 7.9 Any claim must be submitted on the official claim form with the necessary vouchers where specific expenses are claimed.
- 7.10 Sufficient documentation must be attached to the application for the trip e.g., official invitation, agenda or programme, itinerary, details of sponsor and amount, etc.
- 7.11 Any claim containing false information will lead to disciplinary steps being instituted and payments thus made may be recovered from any money payable by the municipality to the person who submitted the claim.
- 7.12 In the event of a traveller combining personal travelling either prior to or after a business trip, it must not lead to additional expenditure for the Municipality or impair on the work performance of the traveller. NO costs incurred during the personal trip will be for the account of the Municipality.
- 7.13 The Municipality distances itself from any private reservations made by the traveller. The arrangement is solely between the traveller and the relevant service provider. Thus, the processing of related payments through the Municipality's official payment system will not be allowed.
- 7.14 The traveller must safeguard Municipal information and assets while travelling and must avoid compromising that security.
- 7.15 The traveller should maintain personal travel documents such as a passport. The cost for obtaining such travel documents is for the traveller's own account.

8 EXCLUSIONS

The following expenses shall explicitly not be covered by the Municipality:

- 8.1 Any expenses covered by a host extending an invitation;
- 8.2 Alcoholic beverages;
- 8.3 Expenses of a personal nature, such as private telephone calls and personal recreation such as visits to a cinema, theatre, nightclub or sight-seeing;

- 8.4 In instances where costs are incurred in entertaining external business associates, contacts, clients or potential investors:
- 8.4.1 Where the Official receives an entertainment allowance, the costs must be claimed against such entertainment allowance; and
 - 8.4.2 All expenses shall fall outside the scope of this policy and specific written approval must be obtained from the Municipal Manager for any such expenditure prior to submission as to the nature and estimated cost of the expenditure to be incurred together with a reason(s) why such costs needs to be incurred.

9 AIR TRAVEL – Domestic and International

- 9.1 The Municipality must, as far as possible, make use of the improved upfront discounted flights which the National Treasury has negotiated on behalf of all three spheres of government, unless lower air travel rates can be negotiated.
- 9.2 For domestic trips both major and low-cost airlines may be utilized. All travellers should use discounted economy class (best fare on the day) where possible. In the event where discounted economy class tickets are not available, special authorization as provided for in paragraph 6.1 must be obtained to book full economy tickets.
- 9.3 Business class tickets may be considered for domestic and international trips under the following scenarios, including amongst others:
- 9.3.1 Travellers with special needs based on medical grounds (e.g. deep vein thrombosis, varicose veins, recent surgery and pregnancy). In these instances, a medical certificate noting the medical need and the applicable period of time must be provided. If it is a long-term condition, an updated doctor's certificate should be presented on an annual basis to confirm that the condition still exists;
 - 9.3.2 Where economy class tickets are not available, travellers are not allowed to book business class tickets unless otherwise approved in terms of paragraph 6.1, where it has been confirmed that the permitted airline class was full and no other applicable flights are available;
 - 9.3.3 Disabled persons can be accommodated in business class upon receipt of approval provided for in paragraph 6.1.
- 9.4 For domestic trips preference will be given to airlines which operate direct flights between Cape Town and the end destination.
- 9.5 For international trips all major airlines may be utilized where the most economical airline is chosen on quotation basis.
- 9.6 For international trips the comparison of more expensive direct flights from Cape Town versus cheaper indirect flights should always be performed. When choosing a flight, consideration should also be given to the traveller's ability to function optimally when arriving at their destination, especially when travelling across time zones.
- 9.7 For special trips requiring the use of helicopters or chartered aircrafts, special authorization by the Executive Mayor or Municipal Manager or their delegated nominees is required
- 9.8 Amendments to Air tickets:

- 9.8.1 Travellers should limit the number of amendments to air tickets as far as possible;
 - 9.8.2 The costs associated with amendments is subject to the rules of the particular ticket and can include penalty fees;
 - 9.8.3 The costs incurred as a result of amendments requested by the traveller for his / her convenience or lack of planning will be for the traveller's personal account;
 - 9.8.4 The costs of amendments as a result of revised business requirements or any other circumstances outside the traveller's control will be incurred by the relevant line department.
- 9.9 Baggage Allowance:
- 9.9.1 The traveller must acquaint him- or herself with the baggage policy of the airline that he / she will be travelling on. The baggage policy provide information on the prescribed baggage allowance and the cost for baggage in instances where the airline charges separately for baggage;
 - 9.9.2 Based on the class of travel, the airline will prescribe the specific number of pieces of luggage that will be allowed as well as the weight and size per piece;
 - 9.9.3 The reimbursement for any excess baggage is subject to the traveller obtaining approval for exceeding the baggage allowance due to valid business reasons, prior to the trip.

10 ACCOMMODATION AND MEALS – Domestic and International

When travelling to a destination outside the boundaries of the Overstrand Municipality in circumstances requiring absence from the office for longer than 24 hours, the following may be utilised and claimed (the time of departure from residence or office up until the time of arrival back at residence or office shall be used for purposes of calculating the length of absence):

- 10.1 Accommodation
- 10.1.1 The National Treasury, on behalf of all three spheres of government, has negotiated improved upfront discounted accommodation rates. Therefore municipalities have been requested to utilize these agreements to assist in their respective cost containment measures, unless other service providers that offer lower rates can be utilized.
 - 10.1.2 Travellers who travel on the business of the municipality, where the business unavoidably entails one or more nights to be spent away from home, may stay in a hotel, motel, guesthouse or bed and breakfast establishment:
 - a) Where the distance to and from the venue in total, exceeds 500 kilometers;
 - b) Any deviation from paragraph (a) must be motivated in writing by the employee, **recommended by the relevant Director**, and must be approved in writing by the Municipal Manager, prior to any reservations being made, and prior to the date of departure, based on valid reasons.
 - 10.1.3 The actual cost of accommodation will be borne by the municipality, subject to a maximum of 4-star rating for the accommodation itself in respect of domestic travel. Where such accommodation is available, the rate for a single room will be payable.
 - 10.1.4 If no such accommodation is available, higher rating accommodation can be used subject to the prior written approval of the **Municipal Manager or the Executive Mayor, as applicable**.
 - 10.1.5 If a traveller stays with a relative or friend, no accommodation expense may be

claimed, but the traveller may claim a subsistence allowance per day as per par. 12.1.2(a) of this policy.

10.1.6 The location of the accommodation should not be more than 20 km from the venue of the event, unless prior written approval is obtained from the Municipal Manager or Executive Mayor.

10.1.7 Where advance payments have to be made to the establishment based on “pro-forma” invoices in order to secure the reservation, it is the responsibility of the traveling official(s) / councillor(s) to obtain the valid Tax Invoice from the establishment on or before departure and to submit it to the Creditor Section within 7 working days of returning from the event.

10.2 Meal Expenses – Domestic Trips

10.2.1 Travellers will not be entitled to be reimbursed for (a) meals(s) and / or incidental expenses within the area of jurisdiction of the Overstrand Municipality.

10.2.2 Where the cost of meals have not been included in the cost of overnight accommodation, receipts for the meals for domestic trips paid for by the traveller must be kept and attached to the claim form. The maximum amount allowable per meal is:

- a) Breakfast = R80-00;
- b) Lunch = R120-00 (if not provided / included at the event);
- c) Dinner = R150-00.

10.3 Meal Expenses – International Trips

10.3.1 These meals will be covered in terms of the SARS rates applicable to the country being visited.

10.4 No-Shows and Cancellations

10.4.1 It is the responsibility of the traveller to notify the accommodation establishment of any cancellations of reserved accommodation as soon as he / she becomes aware of the fact.

10.4.2 Each accommodation establishment has different conditions / rules in terms of cancellations. Last-minute cancellations may result in the payment of a cancellation fee. The traveller must familiarize him- / herself with the cancellation policy of the specific establishment.

10.4.3 The traveller should inform the accommodation establishment if he / she expects to be arriving later than the expected arrival time to ensure that the reservation is not cancelled or a cancellation fee is charged.

10.4.4 If the traveller does not check in at the accommodation establishment without any prior notification any no-show cost charged is regarded as fruitless and wasteful expenditure.

10.4.5 The traveller could be responsible for any fruitless expenditure incurred due to a now-show or late cancellation where it was in his / her ability to cancel the booking on time.

11 USE OF VEHICLES

11.1 Hired Vehicles

11.1.1 Shall be applied for, quantified and paid for by the Municipality.

11.1.2 May only be obtained when the employee and / or Councillor is on official

municipal business where air travel was involved and other modes of transport are not available, too costly or impractical.

- 11.1.3 Requires prior approval from the Responsible Official for employees and the Executive Mayor / Speaker for Councillors.
- 11.1.4 May not be used for private purposes or for travel from the municipal offices.
- 11.1.5 Any fines, penalties and administration fees payable as a result of the contravention of any traffic rules and regulations while driving a hired vehicle will be for the traveller's personal account and must be settled within thirty (30) days of receipt of the fine or penalty.
- 11.1.6 Only travellers with a valid South African driver's licence may hire vehicles; where the traveller who hires a vehicle, is not in possession of such licence, he or she may be held personally liable for all damages and may be subject to disciplinary action by Council; the responsibility and related costs of obtaining an international driving permit, where required, rests with the traveller.
- 11.1.7 Only "A" or "B" category vehicles may be rented, unless it is more cost-effective to hire a more expensive vehicle, for example, when the number of representatives involved could justify the hire of a micro-bus, for groups of 5 (five) or more travellers. The latter to be approved in advance by the Executive Mayor or Municipal Manager, according to the provisions as provided for in paragraph 6.1.
- 11.1.8 For physically handicapped travellers who are only able to drive a particular type of vehicle and those in possession of a driver's license restricted to automatic vehicles, the most suitable vehicle may be obtained.
- 11.1.9 Chauffeur driven vehicles may not be used. Employees and / or Councillors who are unable to drive must utilize either a shuttle service or another mode of public transport.
- 11.1.10 The traveller should book a rental vehicle for the period that is actually required for officials business only as the car rental companies charge a full daily rate for a 24-hour cycle or part thereof.
- 11.1.11 For car rental inspections the traveller should verify and complete the quality check card prior to leaving the car rental premises, both on collection and return of the rental vehicle. The traveller must ensure that all scratches, chips, dents, windscreen and cracks are marked on the card and signed off by the car rental attendant. Failure to complete the quality check card could result in the traveller being held personally responsible for any damages.
- 11.1.12 The traveller must take every reasonable precaution to safeguard a rental or fleet vehicle against damage, theft or irregular use while driving it and when it is parked.
- 11.1.13 The traveller must ensure that the rental vehicle is returned within the specified rental period as it can be regarded as stolen if the vehicle is not returned in time without any notification to the car rental company. The traveller will be held responsible for the additional charges for the late return of the vehicle, unless approved in terms of the provisions provided for in paragraph 6.1 upon submitting sound reason(s) by the traveller.
- 11.1.14 If the traveller needs to extend the rental period for official business purposes, the traveller must obtain the required approval in terms of the provisions provided for in paragraph 6.1 and inform the car rental company accordingly.
- 11.1.15 If the traveller extends his / her stay for personal reasons, the charges will be for the traveller's personal account. The car rental company must be informed of the arrangement and the car must be returned. The traveller must enter into a

separate rental agreement for the period of private travel for personal usage.

11.2 Private Vehicles

- 11.2.1 The boundaries of the Overstrand Municipality shall be used to determine payment for travel outside such boundaries by means of private transport for officials who are in receipt of a fixed transportation allowance, or where such an allowance has been factored into the total cost of employment package of the official concerned. In such cases, only the applicable cost per kilometer will be paid as updated from time to time. Should the destination of the trip be outside the boundaries of the Municipality, the distance for the cost per kilometer will be measured from place of residence or place of work, whichever is the nearest to the place of the approved event.
- 11.2.2 Employees in receipt of a fixed transportation allowance, travelling on official municipal business within the boundaries of the Overstrand Municipality but outside a radius of 15 km from their normal place of work, will be reimbursed for such travelling at the prevailing AA-Running Cost km tariff, calculated from their normal place of work or residence, which-ever is the nearest to the place of the approved destination.
- 11.2.3 Those employees who are not in receipt of a travel allowance shall be reimbursed according to the latest prescribed SARS km tariff (currently R3.61/km), calculated from their place of work or residence, which-ever is the nearest to the place of the approved destination.
- 11.2.4 Those employees who are in receipt of an Essential User Transportation Allowance shall be reimbursed in accordance with the applicable Scheme. The travelling distance shall be calculated from their place of work or residence, which-ever is the nearest to the place of the approved destination.
- 11.2.5 Councillors using private transport outside the boundaries of the Overstrand Municipality will be reimbursed according to the guidelines issued by the relevant National Department as updated from time to time.
- 11.2.6 A traveller who uses private transport rather than air travel shall be paid the lower of the following two options:
- a) Cash equivalent of the avoided air ticket cost, which would have been paid in the event of air travel being the most economical and practical means of transport plus the cost of a hired vehicle to get to the traveller's destination; or
 - b) Actual cost per kilometer as determined according to the rate applicable to the traveller, on condition that such person may not claim subsistence costs for a longer period than would have been applicable in the case of air travel.
- 11.2.7 A claim submitted by a councillor or a municipal official, when travelling outside the municipal area of the Overstrand with private transport on official municipal affairs, will be considered for re-imbursement, subject to the following conditions:
- a) that the trip is for an approved official event;
 - b) that no other municipal transport was available to officials not in receipt of a transportation allowance at the time of the travel, as confirmed with the Executive Mayor, relevant Director or Municipal Manager;
 - c) that the use of private transport is pre-approved by the Mayor, relevant Director or Municipal Manager.

12 SUBSISTENCE ALLOWANCE – Domestic and International

12.1 Domestic Travel

12.1.1 A traveller may claim a daily subsistence allowance as provided for in this policy with the understanding that all authorized personal expenses are covered by the subsistence allowance. No further expenses, with the exception of certain business expenses (see paragraph 13 below), may be claimed.

12.1.2 A daily subsistence allowance will only be applicable where-

- a) official business unavoidably entails **one or more nights to be spent away from home**, a subsistence allowance as amended by SARS from time to time (currently **[R435] R452** per day) will apply in respect of domestic travel; or
- b) where the traveller will be on official business for a **period exceeding 8 hours, without being away from home for one or more nights**, an allowance as amended by SARS from time to time (currently **[R134] R139** per day) will apply in respect of domestic travel;
- c) No daily subsistence allowance will be payable to representatives that will be attending courses, training or meetings where lunch will be provided, but without being away from home for one or more nights.

12.1.3 A traveller of the municipality must obtain approval for his or her subsistence allowance, as provided for in this policy, before embarking on any official trip.

12.1.4 No subsistence allowance will be paid, and no traveller will be entitled to a subsistence allowance, if the trip or travel is not related to the official business of the municipality. All travel on business of the municipality must be approved as such before a traveller is entitled to a subsistence allowance.

12.2 International Travel

12.2.1 When traveling in countries other than in South Africa on specially authorised Municipal business, the expenses actually incurred for accommodation and official transport will be payable.

12.2.2 The daily subsistence allowance is to cover all meals, transport for private use and other incidental costs, this subsistence allowance for international travel will be in accordance with SARS Foreign Travel 1.1 List of Daily Maximum amount per Country, as amended by SARS from time to time, available on the SARS website under Legal Counsel / Secondary Legislation / Income Tax Notices as per the relevant year.

12.2.3 No additional claim in respect of such costs will therefore be paid, except for entertainment by full-time Councillors or the Executive Management Team, of official guests, clients, potential clients, investors or potential investors which is to be dealt with as “entertainment allowance” claims.

13 MISCELLANEOUS EXPENSES – Domestic and International

13.1 Items that may be considered for approval, subject to proof of payment being provided, where expenditure is incurred within the boundaries of the Republic of South Africa during a period of absence is as follows:-

13.1.1 Parking fees while travelling;

13.1.2 Toll fees;

13.1.3 Bus / Taxi fares.

13.2 Items that may be considered for approval, where expenditure is incurred outside the boundaries of the Republic of South Africa during a period of absence are as follows:-

13.2.1 Reasonable Laundry costs;

13.2.2 Parking / Bus fares;

13.2.3 Transport costs to and from official meetings;

13.2.4 Visas (for the shortest available period);

13.2.5 Inoculations;

13.2.6 Specialized tours / entries to events related to the travelling;

13.2.7 Copying and printing of relevant documentation.

14 SPONSORED TRIPS – Domestic and International

14.1 A trip shall be regarded as sponsored when the full / partial cost of the trip is borne by an institution other than the Overstrand Municipality. Such sponsored proportion of the total cost of the trip must be declared in the application for the trip.

14.2 Travelling and Subsistence payable by the Overstrand Municipality will be calculated as the difference between the amounts claimable per this policy less the monetary value of the sponsored amounts.

15 TRAVEL INSURANCE

15.1 Travellers, where the necessary travel and special leave forms have been duly authorised by the delegated official, will be insured by the municipality in terms of its current approved policies, practices and standard operating procedures. The insurance shall cover, inter alia, the following:

15.1.1 medical expenses and assistance services;

15.1.2 personal accident, including death and disability, as well as repatriation and evacuation;

15.1.3 luggage;

15.1.4 travel documents; and

15.1.5 personal liability.

15.2 Insurance cover is only for the period that the traveller is away from home or place of work on a trip relating to municipal business.

15.3 Private vehicles and contents thereof will not be covered under this Policy.

15.4 Hired vehicles are automatically covered for both Super Waiver Damage and Theft by the vehicle rental company.

16 GIFTS AND PROMOTIONAL GOODS

16.1 Where appropriate, the traveller may offer gifts to their hosts.

16.2 The gifts in question shall be provided by the municipality, through the appropriate department, in conjunction with the Department of Communication.

16.3 Suitable promotional and marketing products shall be supplied, on request, by the appropriate department of the Municipality in conjunction with the Department of Communication.

- 16.4 Gifts received by officials are subject to the guidelines as set out on the Gift Policy for Officials.
- 16.5 Gifts received by Councillors should be declared to the Speaker.

17 DEVIATION

Any deviation from this policy for whatsoever reason must be authorized by the Municipal Manager.

18 TRAVEL AND SUBSISTENCE ALLOWANCE CLAIM FORM

- 18.1 The official Travel and Subsistence Allowance claim form, as prescribed by the Chief Financial Officer must be used with regard to Travel and Subsistence Allowance applications (NOTE: The relevant Director must authorize the trip in the provided space **PRIOR** to undertaking the trip and approve the payment of the expenses incurred in the provided space **AFTER** the trip).
- 18.2 All travel and subsistence claims will only be reimbursed after the trip has been undertaken, unless prior approval is obtained from the Municipal Manager to, in highly exceptional circumstances, make a provisional payment in advance.

19 IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2020**;

This policy will be reviewed at least annually or when required by way of a Council resolution.

20 SHORT TITLE

This policy shall be called the Travel and Subsistence Policy of the Overstrand Municipality.

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE AND ASSET MANAGEMENT
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OVERSTRAND MUNICIPALITY



PETTY CASH POLICY

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1. INTRODUCTION

The accounting officer of a municipality is responsible for the management of the expenditure of the municipality in an effective and controlled manner. This includes Petty Cash, which is a small amount of funds that are minor in the form of cash, used for expenditure where it is impractical to obtain prior quotations due to the nature of the goods, monetary value and / or services required.

Therefore the Overstrand Municipality adopts the following Petty Cash Policy.

2. OBJECTIVES OF THE POLICY

Compliance with the regulatory framework in terms of the relevant legislation is required. The objectives of the policy are to ensure that:

- a) Goods and / or services are procured by the municipality in accordance with an authorised process only;
- b) The municipality has and maintains an effective Petty Cash system of expenditure control;
- c) Sufficient Petty Cash is available when required; and
- d) The items to be procured are approved Petty Cash items.

3. LEGISLATIVE FRAMEWORK

- a) Local Government: Municipal Finance Management Act, No 56 of 2003 (MFMA)
- b) Overstrand Municipality Supply Chain Management Policy

4. DEFINITIONS

Accounting Officer: The person appointed by council in terms of section 54A2 of the Local Government: Municipal Systems Act, No 32 of 2000, also known as the Municipal Manager, and defined in terms of section 60 of the MFMA.

Chief Financial Officer: The person designated in terms of section 80(2)(a) of the MFMA and includes any person acting in that position or to whom authority is delegated.

Petty Cash: A relatively small amount of cash kept at hand for making immediate payments for miscellaneous small expenses.

Petty Cash Float: The total sum of Petty Cash which has been granted to a Petty Cash Officer.

Petty Cash Officer: An employee, made responsible for the day-to-day operating of the Petty Cash Float.

Reconciliation: Is the process of comparing information, for example cash spent, compared with the relevant documentation and receipts.

Sub-advances: A relatively small amount of cash made available by the Petty Cash Officer on request to buy miscellaneous small items.

5. RESPONSIBILITY AND ACCOUNTABILITY

The key responsibilities in terms of Section 65 of the MFMA are:

Accounting Officer (Municipal Manager)-

5.1 The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.

5.2 The accounting officer must for the purpose of paragraph 5.1 take all reasonable steps to ensure:

- (a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;
- (b) that the municipality has and maintains a management, accounting and information system which:
 - (i) recognises expenditure when it is incurred;
 - (ii) accounts for creditors of the municipality; and
 - (iii) accounts for payments made by the municipality;
- (c) that the municipality has and maintains a system of internal control in respect of creditors and payments;
- (d) that payments by the municipality are made:
 - (i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and
 - (ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit;

The Municipal Manager may delegate authority to the Chief Financial Officer.

6. PETTY CASH POLICY

6.1 General Policy

- (a) The use of a petty cash float (**a float may not exceed R5 000-00**) is strictly confined to **individual cash purchases of up to a maximum of R200-00**. The Chief Financial Officer may approve petty cash purchases up to R2000;

- (b) The petty cash float is only to be used for non-recurring expenditure of an ad-hoc nature with a maximum of 10 sub-advances per Department per month; except in instances with the explicit pre-approval of the Chief Financial Officer.
- (c) The expenditure with regard to petty cash purchases **shall not be deliberately split into more than one transaction to avoid the said limit;**
- (d) The petty cash float is **not to be used** for any of the following:
 - (i) the cashing of cheques;
 - (ii) loans to any person whatsoever;
 - (iii) payment of personal remuneration to any person whatsoever, whether for fees, salaries, wages, travel allowance as part of remuneration, honorarium or other reason, unless authorized by the Chief Financial Officer;
 - (iv) for instalment invoices such as rental of equipment or open orders, even if the amount falls within the specified limit;
 - (v) fuel.[: or]
 - [(vi) Any purchase violating the true meaning of petty cash transactions will be regarded as a deviation from the accepted accounting practices in the use of Petty Cash and shall constitute a serious offence under the Disciplinary Code, unless authorized by the Chief Financial Officer;]**
- (e) Other cash floats may also be established for the purpose of providing change for a cash register, or any other purpose approved by the Chief Financial Officer. Use of such floats is restricted to the purpose for which they were established and does not form part of the scope of this policy; and
- (f) The Accounting Officer, or delegated official, may conduct internal audits to evaluate compliance with this policy.
- (g) Any purchase violating the true meaning of petty cash transactions will be regarded as a deviation from the accepted accounting practices in the use of Petty Cash and shall constitute a serious offence under the Disciplinary Code, unless authorized by the Chief Financial Officer;

6.2 Establishing and Operating a Petty Cash Float

- (a) To establish a new petty cash float or increase an existing advance, a written application must be made to the Chief Financial Officer by the relevant Manager of a department.
- (b) A request for the establishment of an advance will indicate the position of a senior administrative employee to be held responsible for the control over the petty cash float within the relevant department.
- (c) The senior administrative employee mentioned under paragraph 6.2(b) will be responsible for the security and leave arrangement in place to ensure safe custody of funds in the office.

- (d) The minimal security arrangement that will be acceptable is that the float must be kept in a locked box which will be kept in a locked filing cabinet or safe.
- (e) When an advance is approved, the Accountant: Creditors will advise the relevant Department accordingly and request that the senior administrative employee mentioned under paragraph 6.2(b) collect the advance. This establishing/initial advance will be charged to a "Petty Cash Advances – Position/Dept" in the General Ledger and not against any expenditure votes. A register of advances is thus maintained per Ledger Account for the purpose of accounting for all petty cash floats.

6.3 Security of Petty Cash Floats and Documentation

- (a) The cash on hand and used petty cash vouchers are to be kept in a locked box for which there must be two keys. One key is to be retained by the petty cash officer (on his / her person) normally responsible for the petty cash and the other to be kept by a senior administrative employee mentioned under paragraph 6.2(b) in a sealed envelope in the office safe or other secure place, to be used only in an emergency.
- (b) The locked petty cash box must be kept in a secure place when not in use and must be removed and returned by the responsible staff member only. At no stage must staff other than the responsible administrative / clerical staff member have access to the storage place of the petty cash box.
- (c) Under no circumstance are keys to be left in the lock to the petty cash box, cabinet or safe.
- (d) If the responsible Petty Cash Officer is either going on leave or is leaving the Municipality's employment, the Petty Cash Officer must perform a reconciliation and compile a Summary Claim Cover Page, before possession of Petty Cash, can be handed over.

The Summary Claim Cover Page must be signed by both the Petty Cash Officer and the recipient in order to verify that the amount in cash correspond with the balance on the Summary Claim Cover Page.

When the Petty Cash is returned to the Petty Cash official, the same processes must be undertaken.

6.4 Completing a Cash Purchase Claim Form

- (a) Petty cash stationery is available from the Expenditure Section (Financial Services). The form consists of two parts:
 - (i) Cash Purchase Claim page
 - (ii) Cash Purchase Record page

- (iii) Receipt for cash advance (Only when appropriate, refer paragraph on Advances).
- (b) All details entered on the Cash Purchase Claim must appear on the Cash Purchase record page.
- (c) The Cash Purchase Claim must be completed as follows:
 - (i) description and cost of the goods/services purchased
 - (ii) purchaser's name in print and signature
 - (iii) correct vote- or unique / short number with an adequate budget to be charged
 - (iv) signature of the Officer in Charge of Petty Cash.
- (d) Original receipts and other valid documentation as required must be attached as proof of payment with the signature of an appropriate financial delegate on this documentation. The receipt and invoice must be in a formal business format. When a vendor's printed invoice is used as a receipt, the invoice must clearly indicate that it has been paid.
- (e) A financial delegate cannot authorise a cash purchase claim where he or she is the purchaser.

6.5 Sub-Advances to Staff Members

- (a) If it is necessary to make an initial sub-advance to a staff member, a receipt for cash advance must be completed. The receipt for cash advance form must be completed as follows:
 - (i) description and *estimated* cost of the goods/services purchased;
 - (ii) purchaser's name in print and signature;
 - (iii) correct vote- or unique / short number with an adequate budget to be charged;
 - (iv) signature of the Petty Cash Officer.
- (b) In order to receive an initial sub-advance, the relevant staff member must submit an approval notice (authorized by a delegated official) to the Petty Cash Officer.
- (c) On completion of the purchase, the recording-, documentation- and authorization requirements will be as stated in paragraph 6.4.
- (d) **All such sub-advances must be accounted for within 24 hours**, by submitting original receipts and other applicable documentation required, attached as proof of payment (with the approval signature on the documentation). Where this cannot be achieved, the buyer will be liable to pay back the advance without any delay or if not possible, such advance to be deducted from the individual's salary and of which the individual agrees in writing to the deduction when completing the receipt for cash advance form.

- (e) No more than one advance will be made to any one individual at a time.

6.6 Out-of-Pocket Payments

- (a) Where a staff member has made a purchase from own funds and seeks reimbursement from the petty cash, supporting documentation must be provided to substantiate the claim which must be submitted within 10 working days from date of incurring the expense.
- (b) The responsibility to ensure that the purchase will be in accordance with all the prescriptions of this policy will be the sole responsibility of the purchaser of such item(s).
- (c) The recording-, documentation- and authorization requirements will be as stated in paragraph 6.4 above.

6.7 Reimbursement of Petty Cash Floats

- (a) A petty cash float is operated on the basis that expenditure from the float is periodically reimbursed. Such reimbursement requires-
 - (i) returning the cash level of the petty cash float to its original level, and;
 - (ii) charging the expenditure which has been made to the correct expenditure vote.
- (b) Accordingly, **at any point of time**, the sum of the cash on hand, i.e. remaining unspent, plus the cash advances for un-finalised purchases, plus the completed cash purchase claim forms, updated on the Summary Cash Purchase Claim form, shall equal the level of the petty cash advanced to a Department.
- (c) Completed Cash Purchase Claim forms, with attached cash register slips, etc., must be submitted to the Expenditure Section for reimbursement after the Summary Claim Cover Page and attached documentation have been authorised by a financial delegate.
- (d) Reimbursement of claims where supporting documentation as prescribed in this policy is absent / missing, must be declined.
- (e) The prescribed Summary Cash Purchase Claim Form as well as other relevant forms attached to it must be completed in full.
- (f) The most recently completed Cash Purchase Claim Form must record the reconciliation of the petty cash float. The Accountant: Creditors will decline reimbursement of claims where this is not supplied.

- (g) A petty cash float must never be reimbursed with funds derived from any other source whatsoever.

6.8 Shortages and losses

- (a) The holder of the Petty Cash float will be held accountable for any shortages and / or losses unless there is physical evidence of breaking in and no act or omission on the part of the relevant official contributed to the loss.
- (b) Any shortages in respect of a petty cash float must be reimbursed immediately by the responsible petty cash officer.
- (c) Where a petty cash float is stolen the incident must be promptly reported to the Chief Financial Officer in the required format and a case be logged at the South African Police Services.

6.9 Internal Controls

- (a) Random surprise Petty Cash counts / audits must be conducted by the relevant Manager / Senior Manager throughout the financial year.
- (b) Petty Cash reconciliations to the General Ledger must be reconciled and replenished before 30 June of every year (financial year-end).

6.10 Procedure where a Petty Cash Float is Repaid / Cancelled

When an advance is no longer required, a departmental memorandum must be submitted, signed by the Manager of the relevant Department, to the Accountant: Creditors, with the balance of cash on hand and completed and authorized Cash Purchase Claim forms. The most recently completed Cash Purchase Claim form will record the reconciliation of the petty cash float.

The Cashier must issue a receipt to the person delivering the cash.

7. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2020**;

This policy will be reviewed at least annually or when required by way of a Council resolution.

8. SHORT TITLE

This policy shall be called the Petty Cash Policy of the Overstrand Municipality.

OVERSTRAND MUNICIPALITY – PETTY CASH POLICY

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE AND ASSET MANAGEMENT
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OVERSTRAND MUNICIPALITY



PAYDAY POLICY

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1. PURPOSE

The purpose of the policy is to regulate the date on which Councillors and Employees of the Overstrand Municipality will receive their remuneration and / or allowances.

2. OBJECTIVES OF THE POLICY

The objectives of this Policy are to:-

- a) Establish a consistent payment routine for the payment of remuneration and / or allowances; and
- b) Provide information as to when remuneration and / or allowances will be paid.

3. LEGISLATIVE FRAMEWORK

This Policy must be read in conjunction with the:-

- a) Remuneration of Public Office Bearers Act (Act 20 of 1998, as amended);
- b) Basic Conditions of Employment Act (Act 75 of 1997, as amended); and
- c) Organisational Rights Collective Agreement (as amended)

4. SCOPE OF THE POLICY

This Policy applies to all:-

- a) Councillors;
- b) Permanent employees;
- c) Contractual employees;
- d) Temporary employees; and
- e) Seasonal workers.

5. POLICY PRINCIPLES

5.1 Councillors and Permanent employees

- a) For newly elected Councillors and newly appointed permanent employees, payday for the first month will be on the last working day of the month;
- b) Thereafter, payday will be on the 25th day of each month, or the last working day before the 25th should the 25th day of the month fall on a:-
 - Saturday;
 - Sunday
 - Monday;
 - Public Holiday; or
 - Day after a public holiday.
- c) For the month of December in every year, payday will be three (3) working days before the 25th, with the exception of circumstances as set out in paragraphs 5.1(a), 5.1(b) and 5.1(d).
- d) For outgoing Councillors and resigning / dismissed / retiring permanent employees, payday for the last month will be on the last working day of the month, but no later than 7 working days after the

last day on which work was performed if not exiting on the last working day.

5.2 Contractual employees

Payday for Contractual employees will be on the last working day of every month, but no later than 7 working days after the last day on which work was performed.

5.3 Temporary employees and Seasonal workers

Temporary employees and Seasonal Workers will, as far as possible, be paid on a weekly, fortnightly or monthly basis, as specified in their appointment letters, within 7 working days after the last day on which work was performed as per their timesheets.

6. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2020**;

This policy will be reviewed at least annually or when required by way of a Council resolution.

7. SHORT TITLE

This policy shall be called the Payday Policy of the Overstrand Municipality.

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE AND ASSET MANAGEMENT
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OVERSTRAND MUNICIPALITY



TARIFF POLICY

OVERSTRAND MUNICIPALITY
TARIFF POLICY

PREAMBLE

Whereas section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) requires a municipal council to adopt a tariff policy on the levying of fees for municipal services;

And whereas the tariff policy should at least include the principles contained in section 74(2) of the Act, thus giving effect to the By-Law required in terms of section 75 of the Act;

And whereas the tariff policy may differentiate between different categories of users, debtors, service providers, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination;

Now therefore the Municipal Council of the Overstrand Municipality adopts the following Tariff Policy:

**OVERSTRAND MUNICIPALITY
TARIFF POLICY**

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1. DEFINITIONS

In this tariff policy, unless the context otherwise indicates –

“Availability Charge”	Availability charge means a charge levied on all properties with or without improvements, where a basic fee is not levied, to recover fixed costs which do not vary with consumption or volume produced.
“basic municipal service”	means the amount or level of any municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, could endanger public health or safety of the environment and for the purposes of this policy are restricted to electricity, refuse, sewage and water services;
“break even”	means the financial situation where the income derived by the Municipality from the supply of a service is equal to the aggregate of the fixed and the variable costs associated with the provision of the service concerned;
"capital contributions"	means the tariffs payable in respect of the water, electricity, sewage, storm water, roads and refuse removal infrastructure of the Municipality and which amounts exclude amounts payable towards the operational and maintenance costs of such infrastructure;
“Commercial Unit/Erff”	means a self-contained or lettable section within a building or a group of buildings on the same plot excluding short term residential accommodation establishments for e.g. hotels, bed & breakfast, guest houses etc. An owner of a commercial property may annually choose between being levied either per erf or per commercial unit for water and sewage basic charges. This choice must be applied on or before 30 September of each financial year.
“community services”	means the services referred to in paragraph 5(1)(c) and in respect of which the tariffs are set at a level that the costs of the services are not recovered fully from public service charges and are of a regulatory nature;
“consumer, customer, owner, occupier, account holder”	means individuals and other legal entities against whom a tariff, fee, charge or other levy specific to identifiable services are levied.
“Council” or “municipal council”	means a municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Overstrand Municipality;
“economic services”	means services that the Council has classified as such and the tariffs have been compiled with the intention that the total costs of the services are recovered from customers;
“Electricity Service charge”	means the monthly charge payable per point of supply to recover administration-related and service-related costs such as meter reading, billing and meter capital. It is based on the monthly utilized capacity of each point of supply linked to an account.
“fixed costs”	means costs which do not vary with consumption or volume produced;
“lifeline”	Available to pre-paid consumers whose connection is ≤30Amp with a maximum average consumption of 350 kWh measured over a period of 12 months. This tariff is only available to Informal dwellings in informal settlements;
“low voltage metering point”	means a metering point at the set of nominal voltage levels that are used for the distribution of electricity and who’s upper limit is generally accepted to be an a.c. voltage of 1000V or less
“medium voltage metering point”	means a metering point at the set of nominal voltage levels that lie above low voltage and below high voltage in the range of 1kV < Un <- 44kV
“multi-purpose”	In relation to a property, means the use of a property for more than one purpose;
“Municipality”	the institution that is responsible for the collection of funds and the provision of services to the customers of Overstrand;

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“Municipal Manager”	means the accounting officer appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and being the head of administration and accounting officer in terms of section 55 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) and includes any person:- (a) acting in such position; and (b) to whom the Municipal Manager has delegated a power, function or duty in respect of such a delegated power, function or duty;
“NMD”	Notified Maximum Demand – the maximum capacity in kVA, as measured over a 30-minute integration period, per point of supply that the customer will contract for Overstrand to make available during all time periods.
“resident “	means a person who normally resides in the municipal area;
“residential unit”	means a single residential erf, flat, townhouse or group development unit, retirement village unit, guest house, bed and breakfast and any household related consumer that do not fall in one of the above household consumer categories;
“RUE”	means Residential Unit Equivalent;
“time of use”	means a tariff with energy charges based on the volume of electricity demand during high, mid and low demand periods and may differ per tariff.
“the Act”	means the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);
“total cost”	means the sum of all fixed and variable costs associated with a service;
“trading services”	means services that the Council has classified as such and the tariffs have been compiled with the intention that the Council makes a profit from the delivery of the services;
“utilized capacity”	Means the higher of the notified maximum demand (NMD) or maximum demand, per point of supply measured in kVA, and registered each month.
“vacant land”	means all undeveloped land irrespective of its current or future intended zoning. Agricultural properties will not be considered as being vacant erven.
“variable costs”	means costs that vary with consumption or volume produced;
“wet Industry”	Defined as an industry using water as essential and fundamental input in the production process.

2. PURPOSE OF POLICY

The Overstrand Municipality wishes to achieve the following objectives by adopting this tariff policy:-

- 2.1. To comply with the provisions of section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- 2.2. To prescribe procedures for calculating tariffs where the Municipality wishes to appoint service providers in terms of section 76(b) of the Act.
- 2.3. To give guidance to the Portfolio Committee for Finance regarding tariff proposals that must be submitted to Council annually during the budgetary process.

3. TARIFF PRINCIPLES

The Overstrand Municipality wishes to record that the following tariff principles will apply:-

- 3.1. Service tariffs imposed by the Municipality shall be viewed as user charges and shall not be viewed as taxes, and therefore the financial ability of the relevant user of the services to which such tariffs relate, shall not be considered as a criterion.
- 3.2. Tariffs for the basic municipal services rendered by the Municipality, namely:
 - (a) electricity;
 - (b) water;
 - (c) sewage (waste water); and

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- (d) refuse removal (solid waste), shall be calculated at a level which will recover all expenses associated with the rendering of these services.
- 3.3. To prevent existing consumers from subsidising the capital costs associated with new developments and subdivisions the Municipality will plan and manage the extension of services in such a manner that it will not impact negatively on the fixed costs and availability charges of existing tariffs.
- 3.4. Capital contributions to finance new developments and subdivisions will be required from all developers.
- 3.5. All users of municipal services, within a category of users, will be treated equitably.
- 3.6. The amount payable by consumers and/or owners will generally be in proportion to usage of the service.
- 3.7. The Municipality shall develop, approve and at least annually review an indigent support policy for the municipal area. This policy shall set out clearly the Municipality's cost recovery policy in respect of the tariffs which it levies on registered indigents, and the implications of such policy for the tariffs which it imposes on other users and consumers in the municipal region.
- 3.8. Subject to annual budgetary provisions and the availability of funds from National Treasury through the equitable share contribution, the Municipality may consider supplying free basic services to categories of consumers.
- 3.9. In the case of directly measurable services, namely electricity and water, the consumption of such services shall be properly metered by the Municipality, and meters shall be read, wherever circumstances reasonably permit, on a monthly basis. If a service is metered but it cannot be read due to financial and/or human resource constraints or circumstances beyond the control of the Municipality or its authorised agent, and the customer is charged for an estimated consumption, the account following the reading of the metered consumption must articulate the difference between the actual consumption and the average consumption, and the resulting credit or debit adjustments.
- Tariffs must be set at a level that facilitates the sustainability of services. Sustainability will be achieved by ensuring that:-
- (a) Cash inflows cover cash outflows. This means that sufficient provision for working capital and bad debts will be made.
- (b) Access to the capital market is maintained. This will be achieved by providing for the repayment of capital, maintaining sufficient liquidity levels and if possible, generating a surplus on trading services.
- (c) Service providers retain a fair rate of return on their investments.
- 3.10. Provision may be made in appropriate circumstances for surcharges on tariffs.
- 3.11. Efficient and effective use of resources may be encouraged by providing for penalties to prohibit or restrict exorbitant use.
- 3.12. The extent of subsidisation of tariffs will be disclosed and such disclosure will include the extent of subsidisation of the indigent or incentives for local development.
- 3.13. Provisions may be made for the subsidisation of the indigent and the promotion of local economic development by creating expenditure votes in the service budgets and including the costs in tariff calculations.
- 3.14. VAT is included in all tariffs where applicable.
- 3.15. This policy shall be binding on all tariffs other than those governed by legislation which supersedes the Act.
- 3.16. A property used for multiple purposes must, for purposes related to the services and categories of users concerned, be calculated at the appropriate and applicable rate for each distinct use of the property.

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- 3.17. In order to provide the Municipality with appropriate security for payment of amounts owing to it from time to time for services rendered, the Council shall impose a system of deposits payable by consumers. The deposits shall be set with due regard to the potential financial risk associated with the amounts owing from time to time as well as sufficient provision for working capital. The level of the deposits shall be revised annually and the Municipality may introduce transitional arrangements in respect of existing consumers.

4. CATEGORIES OF CONSUMERS

- 4.1. Separate tariff structures may be imposed for the following categories of consumers (which the council may change) :
- (a) domestic consumers;
 - (b) commercial consumers;
 - (c) industrial consumers;
 - (d) agricultural consumers;
 - (e) organs of state;
 - (f) municipalities;
 - (g) consumers with whom special agreements were made;
 - (h) consumers in certain geographical areas;
 - (i) sport and recreation facilities
 - (j) private schools & educational institutions;
 - (k) public benefit organisations and suchlike institutions, and
 - (l) vacant land
- 4.2. Section 74(3) of the Municipal Systems Act allows for the differentiation between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters for tariff purposes as long as the differentiation does not amount to unfair discrimination.
- 4.3. Where there are substantial differences between the infrastructures used to provide services to specific groups of users within a category and/or standard of services provided, the Council can, after considering a report by the Municipal Manager or the relevant Director, determine differentiated tariffs for the different consumers within the specific category.
- 4.4. Differentiated tariffs must be based on one or more of the following elements; infrastructure costs, volume usage, availability and service standards.
- 4.5. If, for purposes of determining the tariff applicable to a particular user or category of users, the user or category of users has not specifically by definition been included under a defined category of users in this policy, the Municipal Manager shall, by applying the closest match principle, determine the category under which the user or category of users fits in best, taking into account the nature of the service concerned and the user or category of users involved.

5. INCENTIVE POLICY

- 5.1. Tariffs will not reflect incentives for investment or to promote economic development.

6. INDIGENT RELIEF

- 6.1. Tariffs will not reflect relief granted to indigent households. Such relief will be developed as a separate policy and be subject to the discretion of Council as to its sustainability.
- 6.2. All such relief will be reflected, accounted for and disclosed separately in invoices, account statements, budgets, financial statements or reports.
- 6.3. During implementation of such policy, cognisance will be taken of the fact that the existing tariffs and procedures may require amendment to accommodate the above clauses and that such amendments will be phased in over time.

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- 6.4. Indigent households are expected to manage their consumption of services within the levels of relief granted.
- 6.5. Assistance and management of indigent households is contained in the Customer Care and Debt Collection Policy/By-Law. The Municipality, however, retains the right to limit consumption through prepaid meters or restriction if the accounts of assisted households fall into arrears.

7. SERVICE, EXPENDITURE CLASSIFICATION AND COST ELEMENTS

7.1. Service classification

7.1.1. To isolate the costs associated with a service, the Municipal Manager shall, subject to the guidelines provided by the National Treasury, Generally Recognised Accounting Practice (GRAP) and Executive Mayoral Committee of the Council, provide for the classification of services into the following categories:-

- (i) trading services;
- (ii) economic services;
- (iii) community services; and
- (iv) subsidised services.

7.1.2. Trading and economic services must be financially ring-fenced and financed from service charges while community and subsidised services will be financed from rates and related income.

7.2. Expenditure classification

Expenditure will be classified in accordance with GRAP.

7.3. Cost elements

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.

8. TARIFF TYPES

In determining the type of tariff applicable to the type of service, the Municipality shall make use of any of the following six options or a combination thereof:-

8.1. "Single tariff":-

This tariff shall consist of a cost per unit consumed. All costs will be recovered through unit charges at the level where income and expenditure breaks even. Subject to a recommendation by the Municipal Manager, the Council may decide to approve profits on trading services during the budget meeting. Such profits will be added to the fixed and variable cost of the service for the purpose of calculating the tariffs.

8.2. "Cost related to a two to four part tariff":-

This tariff shall consist of two to four parts. Management, capital, maintenance and operating costs may be recovered by grouping certain components together, e.g. management, capital and maintenance costs may be grouped together and may be

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recovered by a fixed charge, independent of consumption for all classes of consumers, or the total costs may be recovered by a unit charge per unit consumed. Three and four part tariffs may be used to calculate the tariff for electricity and to provide for maximum demand and usage during limited demand.

8.3. **“Inclining block tariff”:-**

This tariff is based on consumption levels being categorised into blocks, the tariff being determined and increased as consumption levels increase.

8.4. **“Declining block tariff”:-**

This tariff is the opposite of the inclining block tariff and decreases as consumption levels increase.

8.5. **“Regulating tariff”:-**

This tariff is only of a regulatory nature and the Municipality may recover the full or a portion of the cost associated with rendering the service.

8.6. **“Cost plus mark-up tariff”:-**

This tariff is for other services rendered.

9. CALCULATION OF TARIFFS FOR MAJOR SERVICES

9.1. **General**

In order to determine the tariffs which must be charged for the supply of the basic municipal services, (electricity, refuse, sewage and water), the Municipality shall use service and expenditure classifications and cost elements contained in clause 7 and identify all the costs associated with the service concerned, including the following:-

9.1.1. Cost of bulk purchases in the case of electricity and water.

9.1.2. Distribution costs, including distribution losses in the case of electricity and water.

9.1.3. Depreciation and finance charges.

9.1.4. Maintenance of infrastructure and other assets.

9.1.5. Administration and service costs, including:-

(a) service charges levied by other support services, such as finance, human resources and legal services;

(b) reasonable general overheads, such as the costs associated with the office of the Municipal Manager;

(c) adequate contributions to the provisions for bad debts, working capital and obsolescence of stock;

(d) all ordinary operating expenses associated with the service concerned, including the cost of providing street lighting in the municipal area in the case of the electricity service.

9.1.6. The intended surplus to be generated for the financial year shall be applied generally in relief of rates and general services.

9.1.7. Where a consumer has an option to choose between different tariffs on a service such option must be executed before 30 September to be implemented for the specific financial year.

9.2. **Electricity**

9.2.1. The guidelines and policy issued by the National Energy Regulator from time to time will form the basis of calculating tariffs.

9.2.2. The Municipality has standardized on the installation of Pre-Payment Meters for all Domestic Consumers. As such it is compulsory for all new domestic

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connections to be equipped with Pre Payment Meters. The Municipality has embarked on a program to effect the migration of all Credit Meters to Pre-Payment Meters. The change from Pre-Payment Meters to Credit Meter will therefore be disallowed unless special health circumstances exist, in which extreme case a credit meter will be installed by special concession from the Director of Infrastructure and Planning and by payment of the required change of meter fees as well as the required deposit.

- 9.2.3. When an adjustment is made to the electricity consumption registered on a meter in terms of Section 55(2) or 55(3) of the Electricity Supply By-Law, published on 21 October 2016, such adjustment shall either be based on the percentage error of the meter as determined by the test referred to in Section 55(5) or upon a calculation by the Municipality from consumption data in its possession. Where applicable, due allowance shall be made, where possible for seasonal or other variations which may affect the consumption of electricity.
- 9.2.4. To make electricity affordable to certain categories of consumers, cross subsidisation between and within categories of consumers will be allowed, based on the load factors of the categories and consumers within the category.
- The first 50 kWh in the tariff block 0 – 350 of electricity per month shall be free of charge to domestic electricity consumers who applied and were approved in terms of the relevant clause as per the Overstrand Indigent Policy.
- 9.2.5. The fixed costs, or portions thereof, will be recovered through an energy or time-of-use charge.
- 9.2.6. A basic charge per electricity meter or unit in the municipal area, as determined by the Council from time to time, may be charged against all electricity consumers.
- 9.2.7. To apply the abovementioned principles, the consumer types and cost allocations reflected in the following table will be used:-

Categories of Consumers	Tariff Components			
	Fixed Charge (Rand/consumer/month)	Active Energy Charge (cent/kWh/month)	Time-of-use Energy Charge Peak / Standard / Off-peak (sent/kWh/month)	Charge (Rand/KVA/month)
Single Phase: (Domestic Credit meters)	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh
Single Phase: (Domestic Pre-paid meters)	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh
Life Line One – (pre-paid meters only)		X		0 – 350 kWh
One Part – (pre-paid meters only) Local Economic Development Projects		X		0 – 350 kWh
Single Phase: (Commercial Credit meters)	X	X		Flat rate
Single Phase: (Commercial Pre-paid meters)	X	X		Flat rate
Three Phase: (Domestic Credit meter) ≤ 100A	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh 2) 351 – 600 kWh 3) > 600kWh
Three Phase: (Domestic Pre-paid meter) ≤ 100A	X	X		*Note: IBT BLOCK 1) 0 - 350 kWh

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				2) 351 – 600 kWh 3) > 600kWh
Three Phase: (Commercial Credit meter) ≤ 100A	X	X		Flat Rate
Three Phase: (Commercial Pre-Paid meter) ≤ 100A	X	X		Flat Rate
Economic Pre-paid:- ≤ 100A		X		Flat Rate
Time of Use Tariff (.70kVA)	X	X	X	X
Service Charge (per month) for MV and LV consumers	X	X	X	X
Medium Voltage Metering Points (11000V) >500kVA	X	X	X	X
Low Voltage Metering Points (400V) >70kVA ≤ 500kVA	X	X	X	X

A basic level of service will be provided free to qualifying households with a total gross income level which is below a determined amount, and according to further specified criteria, as determined by Council from time to time.

- 9.2.8. An infrastructure basic charge for electricity will be levied on a monthly basis on all properties or meters.
- 9.2.9. An availability charge will be levied on all erven or units not connected to the electricity network, but can reasonably be connected to the service.
- 9.2.10. The use of tariffs E5A10 “Exceed NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month”.

Each Time-of-Use consumer must nominate the Maximum Demand that the consumer intends to draw from the Overstrand Municipal Electricity Network. This nominated figure is known as the Nominated Maximum Demand (NMD) and is measured in kVA.

Upon exceeding this NMD, the consumer will be warned that he/she has exceeded the NMD and upon exceeding such NMD again within the next 12 months, the consumer will be required to pay the charge per kVA as indicated under tariffs E5A10 as the case may be. Each subsequent exceeding of the NMD will be charged similarly. When the NMD has not been exceeded in any 12 consecutive months, the consumer will then only receive a warning upon the next time the NMD is exceeded, after which the required tariff will again be instituted as shown above.

The consumer may increase his/her NMD and would be required to pay the associated tariffs as indicated under E15, where appropriate. A consumer may increase his NMD as many times as is needed within one financial year, but may only decrease the NMD once within any Financial Year.

9.3. Water

- 9.3.1. The categories of water consumers as set out in clause 9.3.4 shall be charged at the applicable tariffs as approved by the Council in each annual budget.
- 9.3.2. The first 6kl of water consumption per month shall only be supplied pro rata free of charge to domestic water consumers who qualify for the indigent grant.
- 9.3.3. Because water is a scarce national resource, and this Municipality is committed to the prudent conservation of such resources, the tariff levied for consumption of water shall escalate according to the volume of water consumed.
- 9.3.4. The tariffs for consumption of purified water shall be based on the levels reflected in the following table:-

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Category of Consumer	Basic Fixed Charge (Rand/meter/month)	Unit Charge per kℓ	Level of Consumption (Rand/kℓ/month)
NORMAL TARIFF			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 0 - 6 kℓ 7 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
RESTRICTION TARIFF 1 (LEVELS 2 & 3 WATER RESTRICTIONS) PLUS 30% on Normal Tariff)			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 7 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
RESTRICTION TARIFF 2 (LEVELS 4 & 5 WATER RESTRICTIONS) PLUS 60% on Normal Tariff)			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 7 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
RESTRICTION TARIFF 3 (LEVEL 6 WATER RESTRICTION) PLUS 100% on Normal Tariff)			
Single Residential Flats Group Housing (including Townhouse Developments) Retirement Villages Guest Houses	X	X	HOUSEHOLD 7 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ

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Churches Caravan Parks Boutique Hotels and Hotels Other Consumers	X	X	NON-HOUSEHOLD 0 - 18 kℓ 19 - 30 kℓ 31 - 45 kℓ 46 - 60 kℓ >60 kℓ
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- 9.3.5. A basic charge per water meter or unit in the municipal area, as determined by the Council from time to time, may be charged against all water consumers.
- 9.3.6. An infrastructure basic charge for water will be levied on a monthly basis on all erven or units.
- 9.3.7. An availability charge will be levied on all erven or units not connected to the water network but can reasonably be connected to the service.
- 9.3.8. Allocation of RUE's to categories of Household consumers:

Clinics – Out patients	<input type="checkbox"/> 1 RUE
Flats	<input type="checkbox"/> 1 RUE per residential unit
Guest houses and B & B's	<input type="checkbox"/> 1 RUE
Household related consumers that do not fall in one of the above household consumer categories	<input type="checkbox"/> Upon application the Engineering & Financial Departments will assess the validity within the tariff's structural framework.
Old Age Homes, Hostels & Boarding School	<input type="checkbox"/> 1 RUE per 7 Beds
Retirement Villages, Hospital & Hospice	<input type="checkbox"/> 1 RUE per 1 residential unit <input type="checkbox"/> 1 RUE per 7 Frail care beds
Single Residential erven	<input type="checkbox"/> 1 RUE
Townhouse and group developments	<input type="checkbox"/> 1 RUE per unit <input type="checkbox"/> Townhouse/Group Developments must apply should they require more than 1 rue during development phase) <input type="checkbox"/> RUE's are only applicable from date of application and approval

- 9.3.9. The number of water basic and infrastructure charges for non-household consumers shall be coupled to the number of commercial sewage basic and infrastructure charges. The owner has the option to select to be charged either one commercial unit, or for the respective individual number of lettable sections.
- 9.3.10. The tariffs for consumption of irrigation and raw water shall be based on the levels reflected in the following table:-

Category of Consumer	Basic Charge (Rand/meter/month)	Level of Consumption (Rand/kiloliter/month)
Use and pump water	X	80 – 90 minutes
Small Holdings	X	(i) 0 – 70 kℓ (ii) > 70 kℓ

9.3.11. Wet Industries –

9.3.11.1. Commercial and Sport (Customers must apply for this tariff)

Detail	Basic Charge (Rand/meter/month)	Unit Charge / kℓ	Level of Consumption (Rand/kiloliter/month)
Normal Tariff	X	X	(i) 0 – 500 kℓ (ii) 501 – 1 000 kℓ

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			(iii) > 1 000 kℓ
Restriction Tariff 1 (levels 2 & 3 water restrictions) PLUS 30% of Normal Tariff	X	X	(i) 0 – 300 kℓ (ii) 301 – 700 kℓ (iii) > 700 kℓ
Restriction Tariff 2 (levels 4 & 5 water restrictions) PLUS 60% of Normal Tariff	X	X	(i) 0 – 250 kℓ (ii) 251 – 500 kℓ (iii) > 500 kℓ
Restriction Tariff 3 (level 6 water restrictions) PLUS 100% of Normal Tariff	X	X	(i) 0 – 100 kℓ (ii) > 100 kℓ

9.3.11.2. Industry - Marine (Customers must apply for this tariff)

Detail	Basic Charge (Rand/meter/month)	Unit Charge / kℓ	Level of Consumption (Rand/kiloliter/month)
Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ
Restriction Tariff 1 (levels 2 & 3 water restrictions) PLUS 30% of Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ
Restriction Tariff 2 (levels 4 & 5 water restrictions) PLUS 60% of Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ
Restriction Tariff 3 (level 6 water restrictions) PLUS 100% of Normal Tariff	X	X	(i) 0 – 5 800 kℓ (ii) >5 800 kℓ

9.3.12. The tariffs for consumption of Treated Effluent water shall be based on the levels reflected in the following table:-

Detail	Basic Charge (Rand/meter/month)	Unit Charge / kℓ	Level of Consumption (Rand/kiloliter/month)
Hermanus Golf Club	X	X	As per agreement
Schools, municipal sport grounds & project sport grounds as per agreement		X	As per Agreement
Curro Holdings		X	250kℓ free per day
Other		X	

9.3.13. Restriction Tariff

- 9.3.13.1. When level 1 water restrictions are implemented by the Directorate Infrastructure & Planning, no restriction tariffs will be implemented;
- 9.3.13.2. When level 2 water restrictions are implemented by the Directorate Infrastructure & Planning, level 1 restriction tariffs will be implemented;
- 9.3.13.3. When level 3 water restrictions are implemented by the Directorate Infrastructure & Planning, level 1 restriction tariffs will remain applicable;
- 9.3.13.4. When level 4 water restrictions are implemented by the Directorate Infrastructure & Planning, level 2 restriction tariffs will be implemented;

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9.3.13.5. When level 5 water restrictions are implemented by the Directorate Infrastructure & Planning, level 2 restriction tariffs will remain applicable;

9.3.13.6. When level 6 water restrictions are implemented by the Directorate Infrastructure & Planning, level 3 restriction tariffs will be implemented;

9.4. Refuse Removal

9.4.1. A separate fixed monthly refuse removal charge shall apply to each category of users based on the costs of the service concerned and the applicable level of service, which can vary from once a week up to 7 times a week.

9.4.2. The fixed basic charge will be based on the number of removals per week.

9.4.3. An availability charge will be levied on all erven/units where no building plan has been approved. -

9.4.4. The tariff for refuse removal for residential units will be one removal per household per week.

9.4.5. Household refuse collection is the responsibility of the Municipality in the urban areas and only where a service cannot be rendered, a private contractor can do the collection per agreement with the municipality.

9.5. Sewage

9.5.1. The categories of users as set out below, shall be charged monthly at the applicable tariff as approved by Council in each annual budget:-

- (i) Domestic (including Semi Permanent Caravan Sites);
- (ii) Hotels, Hostels, Hospitals, Old Age Homes and Group Housing;
- (iii) Guest Houses and Bed & Breakfast Establishments;
- (iv) Shops and Offices;
- (v) Low Cost Housing Schemes;
- (vi) Schools;
- (vii) Caravan Parks with communal ablution facilities;
- (viii) Departmental Municipality;
- (ix) Consumers with a conservancy tank.

9.5.2. A monthly basic charge shall be levied on all properties or units within urban areas, irrespective of the type of service available.

9.5.3. A sewage **usage charge** will be levied on all properties or units that produce sewage or have a water meter. This charge will be levied as follows:

- (i) SEWAGE – SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling houses and Duplex apartments)

The sewage volume will be deemed to be 70% of water consumption, up to a maximum of 35kl of sewage per month (70% of 50kl water per month).

- (ii) SEWAGE – GENERAL RESIDENTIAL (Blocks of apartments and Residential Buildings)

Sewage volume will be deemed to be 90% of water consumption per individual unit up to a maximum of 45kl of sewage per month (90% of 50kl water per month).

- (iii) SEWAGE – GUEST HOUSES AND BED & BREAKFAST ESTABLISHMENTS

Sewage volume will be deemed to be 70% of water consumption per individual unit.

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- (iv) ALL OTHER USERS (Including Commercial, Industrial, School, Sport, etc.)

The sewage volume will be deemed to be 90% of water consumption.

The 90% may be adjusted by the Municipal Manager as appropriate to the consumer. The Municipal Manager may also institute a cap on the volume of sewage if appropriate to the consumer.

- (v) SEWAGE-CONSUMERS WITH NO WATER METER OR NO MUNICIPAL WATER USE

Sewage volume will be charged as one additional basic fee per RUE.

- 9.5.4. An effluent fee shall further be payable by factories and other industrial users where the wastewater emanating from such users requires special purification measures by the Municipality. Such fees shall be based on the toxic content of the wastewater concerned and the costs of purification.
- 9.5.5. A monthly infrastructure charge will be levied on all properties or units.
- 9.5.6. Consumers with conservancy or septic tanks that cannot connect to the network may only apply to have their tariff changed at the beginning of a financial year before 30 September, or with a change in occupancy status.
- 9.5.7. The sewage basic and infrastructure charge shall be levied on the owner's account, whilst the consumption portion of the charge shall be levied on the same account as where the water consumption is charged.
- 9.5.8. The number of sewage basic and infrastructure charges for non-household consumers shall be coupled to the number of commercial water basic and infrastructure charges. The owner has the option to select to be charged either one commercial unit or the total number of lettable sections.
- 9.5.9. A sewage availability charge shall apply to serviced vacant or -developed land.
- 9.5.10. Consumers who are connected to the municipal sewerage system, but who are not using the municipal water supply system, will be charged twice the sewage availability charge to compensate for the use of the sewer system in the absence of a water meter reading to calculate the sewerage volume.

9.6. Minor tariffs

- 9.6.1. All minor tariffs shall be standardised within the municipal region.
- 9.6.2. All minor tariffs shall be approved by the Council in each annual budget and shall, when deemed appropriate by the Council, be subsidised by property rates and general revenues, particularly when the tariffs will prove uneconomical when charged to cover the cost of the service concerned, or when the cost cannot be determined accurately, or when the tariff is designed purely to regulate rather than finance the use of the particular service or amenity.
- 9.6.3. Minor tariffs may include fees for the following:-

A	Administration	<ul style="list-style-type: none"> ▪ Access to information ▪ Administration Costs ▪ Advertisements / Advertising ▪ Bank cost on foreign accounts ▪ Deposit ▪ Duplicate Accounts ▪ Duplicate Pay Day Slip ▪ Facsimiles ▪ Interest on Accounts in Arrear ▪ Laminated documents 	<ul style="list-style-type: none"> ▪ Photocopies ▪ Placard / Poster Costs ▪ Section 62 Appeals ▪ Tender Objections ▪ Top Management Consultation ▪ Top Management Deposit ▪ Trace of Direct Deposits
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B	Building Control	<ul style="list-style-type: none"> ▪ Administration / Storage fee ▪ Alterations & Additions ▪ Building Plans ▪ Demolition Fees ▪ Deposits ▪ Heritage Investigations 	<ul style="list-style-type: none"> ▪ Inspection Fees ▪ Photocopies of Building Plans ▪ Plan Printing Fees ▪ Plan Scrutiny Fees ▪ Re-inspection fees ▪ Searching Fees
C	Cemeteries	<ul style="list-style-type: none"> ▪ Garden of Remembrance ▪ Grave-sites 	<ul style="list-style-type: none"> ▪ Indication of grave
D	Business License	<ul style="list-style-type: none"> ▪ Duplicates ▪ License 	<ul style="list-style-type: none"> ▪ Re-inspection Fee
E	Commercial Filming/Photographing	<ul style="list-style-type: none"> ▪ Cancellation Fee ▪ Permits 	
F	Credit Control & Debt Collecting	<ul style="list-style-type: none"> ▪ Administration fee ▪ Notices ▪ Sheriff fee 	<ul style="list-style-type: none"> ▪ SMS ▪ Tracing fee
G	Development Contributions	<ul style="list-style-type: none"> ▪ Water ▪ Electricity ▪ Sewerage ▪ Roads 	<ul style="list-style-type: none"> ▪ Storm water ▪ Solid Waste ▪ Off Grid Developments ▪ Evaluations/Investigations Levies
H	Dog Tax	<ul style="list-style-type: none"> ▪ Licenses 	
I	Electricity	<ul style="list-style-type: none"> ▪ Builders connection ▪ Call-out fee ▪ Cancellation Fee ▪ Capital Contributions ▪ Casual Supplies ▪ Change to SSEG or Time of Use ▪ Change of Circuit Breaker ▪ Commission of Bulk Meter ▪ Connection and Disconnection of Service ▪ Consumer Deposits ▪ Contractor inspections ▪ Conversion of meters ▪ Credit Control and Debt Collection ▪ Damaged cables ▪ Damaged meter ▪ Deposits cables etc ▪ Development Contribution ▪ Erection & Removal of Banners ▪ Fee recalculation – no access ▪ Hire of temporary distribution kiosk ▪ Hire of Sleeve Space for fiber optic cable 	<ul style="list-style-type: none"> ▪ Illegal Connection/Tampering Fee ▪ Illuminated Signs ▪ Small Scale Embedded Generation (SSEG) ▪ Meter Testing ▪ Meter Verification ▪ MV Switching ▪ Public Lighting & CCTV ▪ Removal of meter ▪ Replacement ▪ Repositioning of Meter ▪ Service Connections ▪ Special Meter Readings ▪ Sundry Services ▪ Tariff change ▪ Unsafe/illegal connections per visit ▪ Upgrading extension Fee ▪ Way leave
J	Fire Services & Disaster Management	<ul style="list-style-type: none"> ▪ Burn Permits ▪ Events ▪ Extinguishing of Fires ▪ Fire Prevention inspections ▪ Fire Safety 	<ul style="list-style-type: none"> ▪ Plot Clearing ▪ Re-inspection Fee under the Bylaw ▪ Special Services ▪ Standby at fire scene
K	Housing	<ul style="list-style-type: none"> ▪ Administration 	<ul style="list-style-type: none"> ▪ Rental
L	Law Enforcement	<ul style="list-style-type: none"> ▪ Bylaw on outdoor advertising ▪ Impoundment of Hawkers goods ▪ Impoundment of illegal Advertising/Agent boards ▪ Inspection Fees ▪ Pound Fee Cattle ▪ Pound fee Dogs and Cats ▪ Pound fee Horses 	<ul style="list-style-type: none"> ▪ Pound fee other animals ▪ Pound fee Pigs ▪ Pound Fee Poultry ▪ Pound fee Sheep and Goats ▪ Re-inspection Fee ▪ Removal of illegal structure ▪ Storage Fee

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M	Libraries	<ul style="list-style-type: none"> ▪ Damage or lost Library material ▪ Deposits ▪ Facsimiles ▪ Laminated documents ▪ Lost Cards ▪ Penalty for Late Return 	<ul style="list-style-type: none"> ▪ Photocopies ▪ Rental of Library Amenities ▪ Scanning ▪ Special Requests ▪ Subscription ▪ Visitors Fee (Handling)
N	Municipal Buildings	<ul style="list-style-type: none"> ▪ Deposits ▪ Rental of Amenities 	<ul style="list-style-type: none"> ▪ Rental of Equipment
O	Off-Grid Developments/Units	<ul style="list-style-type: none"> ▪ Development Contribution 	
P	Operational Cost	<ul style="list-style-type: none"> ▪ Street Signage 	
Q	Parking Fees		
R	Property Administration	<ul style="list-style-type: none"> ▪ Application lease/purchase ▪ Encroachment Fee ▪ Leases 	<ul style="list-style-type: none"> ▪ Memorial Benches ▪ Radio Mast
S	Public Works	<ul style="list-style-type: none"> ▪ Felling and Pruning of Trees ▪ Private Work ▪ Sale of Miscellaneous Items ▪ Storm Water Drainage 	<ul style="list-style-type: none"> ▪ Street Signage ▪ Tar and Patch Work ▪ Vehicle Entrances
T	Recreational Amenities	<ul style="list-style-type: none"> ▪ Beaches ▪ Boat Launching ▪ Boat License/Permits ▪ Caravan Parks ▪ Community Halls ▪ Day Camping Site ▪ Deposit ▪ Entrance Fee ▪ Frank Robb Hut ▪ Hawker Stalls 	<ul style="list-style-type: none"> ▪ Office Rental ▪ Open Spaces ▪ Plett House ▪ Public Open Space ▪ Recreational Fishing Vessels ▪ Rental Units Kleinmond ▪ Rental Wet core Stands ▪ Schuss Houses ▪ Spaces for Sport ▪ Sport Events
U	Roads	<ul style="list-style-type: none"> ▪ Capital Contributions 	<ul style="list-style-type: none"> ▪ Development Contribution
V	Refuse Removal	<ul style="list-style-type: none"> ▪ Asbestos Sheet ▪ Baboon Resistant Bins ▪ Deposits ▪ Rental of Bulk Containers 	<ul style="list-style-type: none"> ▪ Self-Dumping ▪ Replacement of lock on baboon resistant wheelie bin ▪ Weigh Bridge
W	Sewage	<ul style="list-style-type: none"> ▪ Capital Contributions ▪ Connection of tanks ▪ Development Contribution 	<ul style="list-style-type: none"> ▪ Disposal ▪ Tank Services ▪ Testing of tanks
X	Storm water	<ul style="list-style-type: none"> ▪ Development Contribution 	
Y	Stony Point	<ul style="list-style-type: none"> ▪ Annual Permit 	<ul style="list-style-type: none"> ▪ Visitors
Z	Swimming Pool	<ul style="list-style-type: none"> ▪ Entrance Fee ▪ Galas 	<ul style="list-style-type: none"> ▪ Training session
AA	Town Planning	<ul style="list-style-type: none"> ▪ Advertising Cost ▪ Application Fee ▪ CD Planning Documents ▪ Closure of Public Place ▪ Contravention ▪ Penalty ▪ Departure ▪ Deposit – Appeal ▪ Determination of Zoning ▪ Exemption ito Section 26 ▪ Extension of Time 	<ul style="list-style-type: none"> ▪ Land use planning Fee ▪ Permission ito Zoning Scheme ▪ Relaxation of Title Deed ▪ Registered Letter ▪ Removal of Title Deed Restrictions ▪ Search Fee ▪ Section 30(2) Certification/Clearance ▪ Spatial Development Framework ▪ Sub-division ▪ Zoning Certificate

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BB	Traffic	<ul style="list-style-type: none"> ▪ Disabled Parking Tokens ▪ Driver's Licenses ▪ Escorting and Other Services ▪ Hiring Traffic cones ▪ Learner's Licenses ▪ Parking Meters ▪ Professional Driver's Permits 	<ul style="list-style-type: none"> ▪ Removal of Vehicles ▪ Roadworthy Certificates ▪ Storage Fees ▪ Taxi Rank Tokens ▪ Towing Charge ▪ Vehicle Registration ▪ Wheel clamping fee
CC	Valuation (Property Information)	<ul style="list-style-type: none"> ▪ Access to Information ▪ Clearance Certificates ▪ Deeds Office Registrations ▪ Revaluation 	<ul style="list-style-type: none"> ▪ Valuation Certificates ▪ Valuation Roll ▪ Voters' Roll
DD	Water	<ul style="list-style-type: none"> ▪ Call-out Fee ▪ Capital Contributions ▪ Connection & Disconnection ▪ Consumer Deposits ▪ Convert to flow restrictor meter ▪ Credit Control and Debt Collection ▪ Damaged Water Meter; Water main & Service Connection ▪ Development Contribution ▪ Fee recalculation ▪ Final meter reading ▪ Irrigation Water ▪ Illegal Connection/Tampering Fee ▪ Meter Testing 	<ul style="list-style-type: none"> ▪ Meter verification ▪ Rebates ▪ Reconnection ▪ Registration of borehole ▪ Removal of meter ▪ Repair of meter ▪ Replacement of Damage meter ▪ Repositioning of meter ▪ Service Connections ▪ Special Meter Readings ▪ Still-off' inspections ▪ Sundry Services ▪ Temporary connections

9.6.4. The Municipal Manager shall maintain a list of all minor services indicating their unit of service for the purposes of determining tariffs, fees, charges and levies. Such list shall be reviewed annually together with the proposed tariffs, fees charges and levies.

10. NOTIFICATION OF TARIFFS, FEES AND SERVICE CHARGES

- 10.1. After a draft budget as required by the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) has been tabled, the Municipal Manager must invite the local community to submit representations for consideration by the Council. Such invitation includes the draft resolutions on taxes and tariffs proposed.
- 10.2. After approval of the budget, the Council will give notice of all tariffs approved at the annual budget meeting at least 30 days prior to the date that the tariffs become effective.
- 10.3. A notice stating the purport of the council resolution, date on which the new tariffs shall become operational and invitation for objections will be advertised by the Municipality.
- 10.4. All tariffs approved must have been considered at the annual budget meeting.

11. IMPLEMENTING AND PHASING-IN OF THE POLICY

- 11.1. The principle contained in this Policy will be reflected in the various budget proposals submitted to the Council on an annual basis, service by-laws as promulgated and adjusted by the Council from time to time and the Tariff By-laws referred to in section 75 of the Act.
- 11.2. The Council may determine conditions applicable to community service of a regulatory nature. These conditions will be reflected in the standing orders of the Council.

12. PROCEDURES AND ACCOUNTABILITY

- 12.1. The Municipal Manager shall ensure that procedures to manage all aspects of this Policy are prepared in the form of a manual, reviewed regularly and that these are formally adopted by him/her for implementation. These procedures will include aspects in this Policy and subscribe to sound principles of internal control.

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12.2. The Directors and Managers shall ensure compliance with the procedures as approved from time to time by the Municipal Manager to give effect to the provisions of this Policy.

13. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2020** and will be reviewed at least annually or when required by way of a Council resolution.

14. SHORT TITLE

This policy shall be called the **Tariff Policy of the Overstrand Municipality**.

POLICY SECTION:	MANAGER: INCOME
CURRENT UPDATE:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
PREVIOUS REVIEW:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
PREVIOUS REVIEW:	28 MAY 2014
PREVIOUS REVIEW	29 MAY 2013
PREVIOUS REVIEW	30 MAY 2012
PREVIOUS REVIEW:	31 AUG 2011
PREVIOUS REVIEW:	04 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
PREVIOUS REVIEW:	27 MAY 2009
APPROVAL BY COUNCIL:	31 MAY 2006

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CONTRACT MANAGEMENT POLICY

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1. PRE-AMBLE

All transactions undertaken by the Overstrand Municipality involves a contract whether explicitly agreed in writing, or implicitly implied through actions.

Properly managed contracts by all stakeholders involved, can ensure that services are delivered within specifications as set and agreed by all during the specifications phase and at the agreed cost , (Inclusive of escalation clauses in contracts) time period and qualities of the goods and services procured.

All contracts must be managed throughout the contract Life Cycle, based on the level of management control appropriate for the classification of that contract.

Improperly managed contracts may impact negatively on service delivery. Adverse effects of ineffective contract management include but are not limited to:

- 1.1 goods and services outside of specification;
- 1.2 cost overruns;
- 1.3 poor suppliers-, buyer- or other stakeholder relations;
- 1.4 negative public perception, and
- 1.5 potentially complete service delivery failures.
- 1.6 irregular expenditure or un-authorized expenditure

Hence, good contract management by all stakeholders involved is essential for good financial management and will contribute greatly to the effectiveness and efficiency of service delivery. In effect it would give strategic direction to all directorates following a centralised strategy of contract management. This policy must be read in coincidence with the SCM Policy of the Overstrand Municipality.

2. DEFINITIONS:

In this Policy, unless the context indicates otherwise-

Accounting Officer <i>(in relation to a municipality)</i>	means the municipal official referred to in section 60 of the MFMA (2003); and include a person acting as the accounting officer.
Act or MFMA	Means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
Circular 62	means communication from National Treasury by means of a Circular to enhance compliance and accountability to SCM Regulations and the MFMA of 2003.
Construction Industry Development Board (CIDB):	means the Construction Industry Development Board (CIDB), a national body established by an Act of Parliament (Act 38 of 2000) to oversee the sustainability and growth of construction enterprises across the country.
Contract	means the agreement that results from the acceptance of a bid by the Municipality (mutual agreement)
Contract Alteration	means changing technical writing or input errors to the agreement of the contract without changing the scope of contract.
Contract Amendment	means changing the scope, nature, duration, purpose or objective of the agreement or contract (In context of Circular 62 and section 116 (3) of the MFMA).
Contract Champion	means the official/s within a specific department, responsible for all day to day administrative and management activities (including performance management and dispute resolution) during the life cycle of the contract (with delegated powers to perform this function).
Contract Management	means the holistic term of all role players involved in an agreement (SLA/SDA) or contract and include the; SCM contract manager, contract director, contract owner, contract champion and supplier.
SCM Contract Manager	means the SCM official responsible for monitoring, regulating and reporting on all contract related activities as set out in Section 116 of the MFMA.
Contract Owner	means the deputy director, senior manager or manager, as the case may be, that is ultimately accountable for all activities during the life cycle of the contract. The Contract Owner can also be seen as the Budget holder.
Contract Director	Appointment according to sect 56 of the Systems Act
Delegation <i>(in relation to a duty)</i>	Includes an instruction or request to perform or to assist in performing the duty.
Force Majeure	Is the expression used to denote irresistible superior force which might cause damage or prevent the execution of an obligation, therefore suppliers is not liable for damages caused by force majeure or for failure to carry out a contract if prevented (Term and conditions in this regard will be determined by every individual contract/s).
Official <i>(In relation to a municipality)</i>	means: <ul style="list-style-type: none"> • an employee of a municipality; • a person seconded to a municipality to work as a member of the staff of the municipality; or • a person contracted by a municipality to work as a member of the staff of the municipality otherwise than as an employee.
Users	Means all officials as set out in the organogram of the Overstrand Municipality involved with contracts.
User Department	Refers to the official/s within the relevant department of a directorate, as set out in the organogram of the Overstrand Municipality responsible for contract management.

3. ABBREVIATIONS:

BEE	Black economic empowerment
B-BBEE	Broad-Based Black Economic Empowerment
GCC	means General Conditions of contract.
MSA	means Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).
NT	means National Treasury established by section 5 of the Public Finance Management Act.
SCC	means Special Conditions of Contract.
SCM	means Supply Chain Management
SDA	means Service Delivery Agreement.
SLA	means Service Level Agreement.

4. OBJECTIVES:

- 4.1 To give effect to Section 217 of the Constitution of South Africa (1996) that stipulate:
 - 4.1.1 When an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is:
 - 4.1.1.1 equitable
 - 4.1.1.2 transparent
 - 4.1.1.3 competitive
 - 4.1.1.4 cost-effective and
 - 4.1.1.5 fair
- 4.2 The effective and efficient control of contracts procured through the SCM system ensuring:
 - 4.2.1 proper recording and enforcement of contracts throughout the contract life cycle (specifications to contract reviews);
 - 4.2.2 support to the demand management framework as set out in Circular 62 of National treasury (August 2012), optimizing proper planning, resulting in effective service delivery;
 - 4.2.3 management of Contract Performance;
 - 4.2.4 compliance with the regulatory framework;
 - 4.2.5 to assist officials in understanding their legal and managerial responsibilities with regards to contract management;
 - 4.2.6 the optimization of efficient and sustainable financial wellbeing of the municipality, resulting in lower cost drivers, and
 - 4.2.7 the continuous development of effective Management Information systems, resulting in strategic support and risk preventions.
- 4.3 To ensure that no contract procurement of goods and services (excluding land sales or rentals of Overstrand Municipal Assets, which are managed by Property Management Services), takes place outside of the SCM System.

5. STATUTORY AND REGULATORY FRAMEWORK FOR MANAGING CONTRACTS

- 5.1 Application and Framework of the Contract Management Policy
 - 5.1.1 All officials and other role players in the Supply Chain Management system of the Overstrand Municipality must implement this Policy in a way that gives effect to:
 - 5.1.1.1 Section 217 of the Constitution;
 - 5.1.1.2 Section 116 of the MFMA;
 - 5.1.1.3 Section 33 of the MFMA;
 - 5.1.1.4 SCM Policy;
 - 5.1.1.5 SCM Regulations
 - 5.1.1.6 any other legislation pertaining to SCM.
 - 5.1.2 This Policy applies when the Municipality:
 - 5.1.2.1 procures goods or services;
 - 5.1.2.2 disposes of goods no longer needed; and
 - 5.1.2.3 selects service providers and suppliers to provide assistance in the provision of municipal services including circumstances where Chapter 8 of the Municipal Systems Act applies.
- 5.2 Adoption, Amendment and Implementation of the Contract Management Policy
 - 5.2.1 The accounting officer must:
 - 5.2.1.1 at least annually review the implementation of this Policy; and
 - 5.2.1.2 when the accounting officer considers it necessary, submit proposals for the amendment of this Policy to Council;
 - 5.2.1.3 in terms of section 62(1) (f) (IV) of the Act, take all reasonable steps to ensure that the Contract Management Policy is implemented.
- 5.3 Conditions of Contract
 - 5.3.1 A contract or agreement procured through the Supply Chain Management System of the Municipality must:
 - 5.3.1.1 be in writing;
 - 5.3.1.2 stipulate the terms and conditions of the contract or agreement, which must provide for:
 - 5.3.1.2.1 the termination of the contract or agreement in the case of non- or underperformance;
 - 5.3.1.2.2 dispute resolution mechanisms to settle disputes between the parties;
 - 5.3.1.2.3 a periodic review of the contract or agreement once every three years in the case of a contract or agreement for longer than three years; and
 - 5.3.1.2.4 any other matters that may be prescribed.

- 5.4 Administrative Capacity
 - 5.4.1 The relevant Director, with delegated powers from the Municipal Manager, must establish capacity in his/her directorate to assist the accounting officer in carrying out the duties set out in section 116(2) of the MFMA.
- 5.5 Management of Contracts
 - 5.5.1 The accounting officer and delegated officials must take all reasonable steps to:
 - 5.5.1.1 ensure that a contract or agreement procured through the supply chain management policy of the municipality is properly enforced;
 - 5.5.1.2 monitor on a monthly basis the performance of the contractor under the contract or agreement.
 - 5.5.1.3 administrate the contract with the necessary competencies and delegations, ensuring effective management of contracts.
 - 5.5.2 The Contract Owner must ensure that contract champions submit suppliers' performance reports to the SCM contract manager within 5 business days after the end of each month.
 - 5.5.3 The SCM Contract Manager submits a consolidated report to the relevant Director and Contract Owner within 15 business days after the end of each month for purposes of Section 116 (2)(b) of the Act.
 - 5.5.4 The SCM Contract Manager submits a consolidated report on the performance of contracts or agreements for purposes of Section 116 (2)(d), to the Accounting Officer within 15 business days of the end of each quarter.
- 5.6 Amendment of Contracts
 - 5.6.1 A contract or agreement procured through the supply chain management policy of the municipality may be amended by the parties, in exceptional circumstances in order to mitigate abuse, in perception after the fact to prevent financial inefficiencies and influencing financial sustainability.
 - 5.6.2 In terms of Section 116(3) of the MFMA, (56 of 2003), amendments (in compliance with SCM procedures), may only be made after:
 - 5.6.2.1 the reasons for the proposed amendment have been tabled in the council; and
 - 5.6.2.2 the local community has been given reasonable notice of the intention to amend the contract or agreement; and
 - 5.6.2.3 has been invited to submit representations to the municipality.
 - 5.6.3 Amendments of contracts where the expansion or variation is not more than (NT Circular 62):
 - 5.6.3.1 20% (construction related goods, services and/or infrastructure projects), and
 - 5.6.3.2 15% (all other goods and/or services) of the original value of the contract, must be submitted directly to the Contract Management Office for approval and further reference to the SCM committee system for approval.
 - 5.6.4 Amendments of contracts where the expansion or variation is more than the threshold prescribed by National Treasury (Circular 62), must be dealt with in terms of the provisions of section 116(3) of the MFMA, and are exempt from this process.

- 5.6.5 Amendments to the contract, without influencing the value or term of the contract, within the scope of the original terms and conditions, may be altered, provided that both parties have consensus on the amendment and the contract amendment is in writing and signed by both parties.
- 5.6.6 No agreement to amend or vary a contract shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties.
- 5.6.7 Section 33 of the MFMA will apply when an amendment has budgetary implications for a term longer than the 3 (three) financial years of the current year's budget, (Section 116 (3) of the MFMA will be followed with section 33, when amending an existing contract for longer than 3 years). It remains the responsibility of the user department to give effect to section 33, following due process, as stipulated in Section 33 of the MFMA. The SCM Contract Management office will support the relevant user department in order to ensure that compliance to all SCM legislation is adhered to.

6. MAINTENANCE AND CONTRACT ADMINISTRATION

- 6.1 Contract administration includes all administrative duties associated with a contract once it is adjudicated and implemented.
- 6.2 No rights in terms of an awarded contract will accrue before the SCM appeal period and/or appeal has been finalised.
- 6.3 The contract should be signed by all parties concerned (The relevant official should also ensure that the suppliers have the delegated powers to sign and amend the contractual agreement).
- 6.4 The contract will only be enforceable after all the signatures of the relevant parties are documented.
- 6.5 A signed service level agreement (if applicable) must be compiled and signed which will incorporate all the relevant sections of the tender documentation.
- 6.6 All once-off purchases shall have a specified end delivery date.

7. ROLES AND RESPONSIBILITIES OF OFFICIALS:

- 7.1 SCM Contract Manager:
 - 7.1.1 The SCM Contract Manager is the SCM official responsible for system administration, status and SCM performance reporting on all contracts related activities.
 - 7.1.2 For the purposes of **contract management** activities performed by the relevant role players, the SCM contract manager will monitor and report on the following activities:
 - 7.1.2.1 identification and classification of contracts for management purposes in terms of the SCM processes;
 - 7.1.2.2 recognition, measurement and disclosure;
 - 7.1.2.3 oversight of contract management as is provided for in this policy;
 - 7.1.2.4 document and information management;
 - 7.1.2.5 relationship management;
 - 7.1.2.6 performance management;
 - 7.1.2.7 contract risk management.

7.2 Contract Champion

7.2.1 The contract champion is responsible for the following activities:

- 7.2.2.1 ensuring that all the necessary legal formalities in entering into the contract are adhered to;
- 7.2.2.2 ensuring that all applicable contract information is maintained in the applicable electronic contract system
- 7.2.2.3 ensuring that purchase orders are processed on the financial system in accordance with the pricing schedule;
- 7.2.2.4 maintaining adequate records (paper and/or electronic) in sufficient detail on an appropriate contract file to provide an audit trail;
- 7.2.2.5 inform the Asset Management section of the Expenditure Department of the location of newly procured assets for asset register and insurance purposes; and
- 7.2.2.6 where appropriate, in terms of Council's Delegations, authorise invoices due for payment.
- 7.2.2.7 to take appropriate action in consultation with the contract owner and the SCM contract manager, where a contractor is underperforming or is in default or breach of the contract.
- 7.2.2.8 ensure performance of suppliers is managed appropriately to the terms and conditions of the contract.

7.3 Contract Owner

7.3.1 The contract owner is responsible for ensuring that contract champions are assigned to all contracts.

7.3.2 The contract owner is ultimately responsible for management of the activities.

7.4 Contract Director

7.4.1 The contract director is responsible for signing of contracts with the relevant service provider, in line with the Delegation of Powers and Duties Policy.

7.4.2 The contract director is ultimately accountable for the contract.

8. RECORD KEEPING

8.1 Proper records regarding all aspects of the contract must be maintained and kept in accordance with relevant legislation.

8.2 All communication related to contracts must be linked to the master document on the electronic system, by the relevant official.

8.3 Safe custody of all contract documents must be enforced by all relevant users.

8.4 Contract Champions and Contract Owners are responsible for the electronic capturing of the contract information and maintenance thereof on the Contract Management system.

8.5 The original signed contract must be sent to the records department (by the contract management office) for safekeeping and storage.

- 8.6 The records department is responsible for the administration of archived contract documentation.

9. CONTRACTS HAVING BUDGETARY IMPLICATIONS BEYOND THREE FINANCIAL YEARS

Overstrand Municipality may not enter into any contract that will impose financial obligations beyond the three years covered in the annual budget for that financial year, unless the requirements of Section 33 of the Municipal Finance Management Act have been fully complied with.

10. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES:

The accounting officer is responsible to establish a dispute resolution mechanism as per paragraph 5.3.1.2.2 and also as required by section 116(1) of the MFMA and paragraph 50 of the SCM Policy.

11. CONTRACT PRICE ESCALATIONS:

- 11.1 An appropriate contract price adjustment formula or specified terms of escalation must be specified in the bid documents
- 11.2 Escalation notification must be in writing and presented before the implementation date thereof.
- 11.3 User departments are responsible to manage, verify and implement price escalations as per originally agreed terms and conditions set out in the specifications of the contract and keep proof of evidence to the newly agreed escalations on the system for all other relevant stakeholders to access.

12. PERFORMANCE ON CONTRACTS:

- 12.1 In terms of the SCM Policy and the Municipal Systems Act, the accounting officer must implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved in terms of the Performance Management System Implementation Policy (Paragraph 9).
- 12.1.1 Municipality's Performance:
- 12.1.1.1 The municipality is required to pay creditors within 30 days of receiving all relevant invoice statements.
- 12.1.1.2 The municipality is also required to create a favourable environment to receive services and goods without preventing the supplier to perform their duties.
- 12.1.1.3 All parties involved must perform according to the terms and conditions of the relevant contract, while the contract is alive.
- 12.2.1 Supplier Performance:
- 12.2.1.1 The supplier of goods and services is required to perform as per terms and conditioned agreed upon and should inform the municipality if circumstances prevents them to perform, with reasons provided, within 5 working days (to be included in all contracts).
- 12.2.1.2 For all relevant deviations from the agreed terms and conditions of any contract, the key performance indicators (KPI's)

should be reviewed as well as the alignment with the strategic objectives established in the IDP.

12.2.1.3 Suppliers performance will be reviewed by Overstrand Officials on a monthly basis (every 25th of the month) giving effect to section 116 of the MFMA, 2003 and the Performance Management System Implementation Policy

12.2.1.4. Prescribed procedures to evaluate service providers must be complied with.
(Refer to the Performance Management Framework Policy)

THE FOLLOWING PROCEDURES NEED TO BE FOLLOWED:

1. The requirements of this policy must be included in the contract of the service provider.
2. The performance of the service provider under the contract or service level agreement must be assessed monthly by the Reporting Officer.
3. The assessment must be completed in the contract management system.
4. The Reporting Officer must complete the Service Provider Assessment on the contract management at the end of each month.
5. The quarterly assessment and reporting must be completed within 15 working days after the end of each quarter. (Refer to the Performance Management Framework Policy, paragraph 9.2.1).
6. The Reporting Officer must provide a copy of the assessment to the Service Provider at the end of each quarterly assessment period and on completion or termination of the contract.
7. Supply Chain Management Unit (Contract Management Office) will review the quarterly Service Provider assessments within 20 days after the end of each quarter and submit a summary report to the Accounting Officer.
8. The Accounting Officer need to develop the necessary forms and report structures to be utilised to manage the above processes. The forms and reporting requirements need to be reviewed on a regular basis.
9. In the instance of under-performance:
 - a. The Municipality will facilitate support interventions to service providers in the identified areas of underperformance
 - b. Service providers who have been identified as under-performing in identified areas must be informed of these support interventions.
 - c. The impact of support interventions must be monitored by the Reporting Officer.
 - d. Corrective action should be documented in writing within the contract management system
 - e. The records of the support interventions must be documented, signed by both parties and appropriately filed in the contract management system.

13. REVIEW OF CONTRACTS

- 13.1 In terms of section 116 (1) of the MFMA, a contract or agreement procured through the Supply Chain Management system must have a periodic review once every three years in the case of a contract or agreement that are longer than three years.
- 13.2 The contract owner or champion must conduct, as appropriate, within 3 months after the expiry of contracts, post contract reviews.

14 IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2020**;

This policy will be reviewed at least annually or when required by way of a Council resolution.

POLICY SECTION:	MANAGER: CONTRACTS & LOGISTICS
CURRENT UPDATE	27 MAY 2020
PREVIOUS REVIEW	29 MAY 2019
PREVIOUS REVIEW	30 MAY 2018
PREVIOUS REVIEW	31 MAY 2017
PREVIOUS REVIEW	25 MAY 2016
PREVIOUS REVIEW	28 MAY 2015
PREVIOUS REVIEW	28 MAY 2014
APPROVAL BY COUNCIL	8 MAY 2013

**OVERSTRAND
MUNICIPALITY**



**INVESTMENT, LIQUIDITY & CASH
MANAGEMENT POLICY**

PREAMBLE

Whereas section 13 of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) determines that a municipality must introduce appropriate and effective investment arrangements;

And whereas a municipality must disclose its investment details;

And whereas councillors and officials as trustees of public funds, have an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible;

Now therefore the Overstrand Municipality adopts the following Investment, Liquidity & Cash Management Policy:

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OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

1. DEFINITIONS

For the purpose of this policy, unless the context indicates otherwise, any word or expression to which a meaning has been attached in the Act shall bear the same meaning and means:-

“Accounting Officer”	a person appointed by the Municipality in terms of Section 82 of the Local Government: Municipal Structure Act, 1998 (Act No. 117 of 1998) and who is the head of administration and also the Municipal Manager for the Municipality.
“Chief Financial Officer”	an officer of the municipality appointed as the Head of the Finance Department and includes any person:- a) acting in such position; and b) to whom the Chief Financial Officer has delegated a power, function or duty in respect of such a delegated power, function or duty.
“Council” or “municipal council”	a municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and for purposes of this policy, the municipal council of the Municipality of Overstrand.
“Councillor”	a member of the Municipal Council
“Investments”	funds not immediately required for the defraying of expenses and invested at approved financial institutions.
“Municipal Manager”	the accounting officer appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and being the head of administration and accounting officer in terms of section 55 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) and includes any person:- a) acting in such position; and b) to whom the Municipal Manager has delegated a power, function or duty in respect of such a delegated power, function or duty.
“municipality”	the institution that is responsible for the collection of funds and the provision of services to the customers of Overstrand.
“public funds”	all monies received by the municipality to perform the functions allocated to them.

2. OBJECTIVE OF POLICY

The objectives of the Policy are:-

- 2.1 to manage the liquidity and investments of the municipality in such a manner that it will not tie up the municipality’s scarce resources required to improve the quality of life of the citizens;
- 2.2 to manage the liquidity and investments of the municipality in such a manner that sufficient cash resources are available to finance the capital and operating budgets

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

of the municipality; and

- 2.3 to gain the highest possible return on investments during periods when excess funds are not being used, without unnecessary risk.

3. SCOPE OF POLICY

- 3.1 The Policy deals with:-
- 3.2 Responsibility / accountability;
- 3.3 Investment instruments;
- 3.4 Liquidity and Cash flow estimates;
- 3.5 Investment ethics and principles;
- 3.6 Investment procedures;
- 3.7 Other external deposits; and
- 3.8 Control over investments.

4. RESPONSIBILITY / ACCOUNTABILITY

- 4.1 The Municipal Manager as the Accounting Officer of the municipality is accountable for investment management.
- 4.2 The municipal council must approve a policy directing procedures, processes and systems required to ensure efficient and effective management of investments.
- 4.3 Efficient and effective investment management include:-
- a. Accurately forecasting the institution's cash flow requirements.
 - b. Timing of the in- and outflow of cash.
 - c. Recognising the time value of money.
 - d. Taking any other action that avoids locking up money unnecessarily and inefficiently.
 - e. Avoiding bank overdrafts.

5. INVESTMENT INSTRUMENTS

- 5.1 The Minister of Provincial and Local Government may with the concurrence of the Minister of Finance by notice in the Gazette determine instruments or investments other than those referred to below in which Municipality may invest:-
- a. Deposits with banks registered in terms of the Banks Act, 1990 (Act No 94 of 1990);

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- b. Securities issued by the National Government;
- c. Investments with the Public Investment Commissioners as contemplated by the Public Deposits Act, 1984 (Act No 46 of 1984);
- d. A municipality's own stock or similar type of debt; internal funds of a municipality which have been established in terms of a law to pool money available to the municipality and to employ such money for the granting of loans or advances to departments within a municipality, to finance capital expenditure;
- e. Bankers' acceptance certificates, negotiable certificates or deposits of banks;
- f. Long-term securities offered by insurance companies in order to meet the redemption fund requirements of municipalities; and
- g. Any other instruments or investments in which a municipality was under a law permitted to invest before the commencement of the Local Government Transition Act, 1996: provided that such instruments shall not extend beyond the date of maturity or redemption thereof.

6. LIQUIDITY AND CASH FLOW ESTIMATES

- 6.1 Before money can be invested, the Municipal Manager must determine whether there will be surplus funds available for the term of the investment.
- 6.2 In order to be able to make investments for any fixed term, it is essential that cash flow estimates be drawn up.
- 6.3 Provision must be made in the cash flow estimates for the operating and capital requirements of the municipality:-
 - a. The operating requirements must include provisions for:-
 - i. Payment of monthly salaries.
 - ii. Payment for bulk purchases of electricity and water.
 - iii. Interest on long-term loans.
 - iv. Maintenance of assets.
 - v. General expenditure.
 - vi. Expected daily and monthly income.
 - b. Capital requirement must provide for:-
 - i. The anticipated cash flow requirements for each capital project.
- 6.4 The minimum risk management measures that has to implemented and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner, must include the following key elements to take into consideration when determining the liquidity requirement of Overstrand Municipality, :

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- 6.4.1 To comply with statutory requirements, the following funds, reserves and provisions must be fully covered by unencumbered cash and investments;
- 6.4.2 *All earmarked or conditional grant transfers from spheres of Government or from Public Contributions made to Overstrand Municipality that have not yet been utilized;*
- 6.4.3 *All commitments resulting from the legally entrenched rights and benefits employees have, with specific reference to the Council's short term commitment to staff retirement benefits and medical fund claims payable;*
- 6.4.4 *All funds not yet been utilized in relation to agency services provided on behalf of Provincial or National Government should also be treated as earmarked funds;*
- 6.4.5 *All reserves stated by Overstrand Municipality on its Statement of Financial Position that have been established for the purposes of making provisions for a defined purpose.*

Cognisance also needs to be taken of the external loan commitments and the servicing of capital and interest on these loans. Therefore provision should be made that Overstrand Municipality can meet its external loan/financial commitments together with the normal operational expenditure, as well as its liabilities to staff.

All investments ceded as security against long term loans need to be excluded from total cash and investment balances for calculation of the minimum liquidity level required.

In addition, a level of cash available for normal operational expenditure needs to be held in cash to ensure that, notwithstanding fluctuations in the monthly income levels of Overstrand Municipality, Overstrand Municipality will be in a position to meet its financial requirements. In this respect, the average monthly operational expenditure needs to be used as a guide of the minimum buffer required. At least two month's operational expenditure should be available for liquidity cover.

The MFMA circular 71 stipulates the following two prescribed ratios to manage liquidity:

Cash/Cost Coverage Ratio (The norm range between 1 month to 3 months)

Interpretation of Results

This ratio should ideally not be less than 2 months. 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.

Current Ratio: Current Assets / Current Liabilities (The norm range between 1.5 to 2 :1)

Interpretation of Results

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

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.

7 INVESTMENT ETHICS AND PRINCIPLES

- 7.1 The Municipal Manager will be responsible for the investment of funds, and he/she has to steer clear of outside interference, regardless of whether such interference comes from individual councillors, agents or any other institution.
- 7.2 Under no circumstances may he/she be forced or bribed into making an investment.
- 7.3 No member of staff may accept any gift unless that gift can be deemed so small that it would not have an influence on his/her work or was not intended to do so, and can merely be seen as goodwill.
- 7.4 A certificate in respect of any gifts received should be furnished to the Municipality.
- 7.5 Interest rates offered should never be divulged to another institution.
- 7.6 Long-term investments should be made with an institution with at least a minimum BB+ rating (where the BB+ refers to non-investment grade in terms of the current Fitch Grading).
- 7.4 Short-term investments should be made with an institution with at least a minimum **[B] F1** rating. The first and foremost objective for investments is the preservation and safety of the principal amount invested. It is a requirement that investments may only be made with institutions with a credit-worthy rating of F1 (Fitch) and better. Any investments made must be liquidated if an institution's credit-worthy rating falls below the level of F1.
- 7.8 Not more than 50% of the funds that have become available for investing, on any given day, should be placed with a single institution if the available funds exceed R100m.
- 7.9 The maximum amount invested with a financial institution should not exceed 10% of the relevant institution's shareholder's funds (capital and reserves).
- 7.10 The municipality may not borrow money specifically for reinvestment, as this would mean interest rates would have to be estimated in advance, which can be seen as speculation with public funds.
- 7.11 If the Municipal Manager invests with financial institutions, he/she must ensure that such institutions are registered in terms of the Banks Act, 1990 (Act No 94 of 1990) and that they are approved financial institutions, as approved by the Reserve Bank of South Africa from time to time.
- 7.12 When making growth related investments, the Municipal Manager must obtain

OVERSTRAND MUNICIPALITY – INVESTMENT, LIQUIDITY & CASH MANAGEMENT POLICY

a guarantee that at least the capital amount invested is safe, and must exercise due diligence in this regard.

8 INVESTMENT PROCEDURES

After determining whether there is cash available for investment and fixing the maximum term of investment, the Municipal Manager must consider the way in which the investment is to be made.

8.1 Short-term investments:

- a. Quotations should be obtained from a minimum of three financial institutions (local banks), for the term of which the funds will be invested.
- b. Should one of the institutions offer a better rate for a term, other than what the municipality had in mind, the other institutions which were approached, should also be asked to quote a rate for the other term.
- c. Quotations should be obtained in writing or electronic medium.
- d. Quotations from institutions must include the following:-
 - i Name of institution;
 - ii Name of person quoting rates;
 - iii Period of the investment;
 - iv Relevant conditions; and
 - v Other facts, such as interest payable monthly or on maturation date.
- e. Once the required number of quotes has been obtained, a decision must be taken regarding the best terms offered and the institution with which funds are going to be invested.
- f. The best offer must under normal circumstances be accepted, with thorough consideration of investment principles.
- g. No attempt must be made to make institutions compete with each other as far as their rates and terms are concerned.
- h. The investment capital must only be paid over to the institution with which it is to be invested and not to an agent or third party.
- i. The financial institution where the investment is made must issue a confirmation stating the details of the investments.
- j. The Municipal Manager must make sure that the investment document, if issued, is a genuine document and issued by the approved institution.
- k. The financial institution, where the investment is made, must issue a certificate for each investment made stating that no commission has, nor will, be paid to any agent or third party, or to any person nominated by the agent or third party.

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- l. The municipality must be given a monthly report on all investments.
- m. The Municipal Manager must obtain information from which the creditworthiness of financial institutions can be determined. This must be obtained and analysed annually.

8.2 Long-term investments:

- a Written quotations must be obtained for all investments made for periods longer than twelve months.
- b The municipal council must approve all investments made for periods longer than twelve months after considering the cash requirement for the next three years.
- c The municipality must within 30 days after an investment with a term of 12 months or longer has been made, publish in a local newspaper in circulation within its area of jurisdiction, full details of any investments so made.

8.3. Withdrawals

All investment amounts withdrawn and not to be reinvested at the same institution at the time of withdrawal, shall be paid into the primary bank account.

All interest shall be paid into the primary bank account at the time of withdrawal of an investment, irrespective of the capital being reinvested.

9 OTHER EXTERNAL DEPOSITS

The principles and procedures set out above must apply to other investment possibilities subject to the applicable legislation, which is available to the municipality, including debentures and other securities of the state as well as other municipalities or statutory bodies in the Republic of South Africa, instituted under and in terms of any law.

10 CONTROL OVER INVESTMENTS

10.1 An investment register should be kept of all investments made. The following information must be recorded:-

- a. name of institution;
- b. capital invested;
- c. date invested;
- d. interest rate;
- e. maturation date;
- f. interest received;
- g. capital repaid; and

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- h. balance invested.
- 10.2 The investment register and accounting records must be reconciled on a monthly basis.
- 10.3 The investment register must be examined on a weekly basis to identify investments falling due within the next week.
- 10.4 Interest, correctly calculated, must be received timeously, together with any distributable capital.
- 10.5 Investment certificates, if issued, must be kept in a safe place with dual custody.
- 10.6 The following documents must be safeguarded:-
 - a Fixed deposit letter or investment certificate;
 - b. Receipt confirmation for capital invested;
 - c. Copy of electronic transfer or cheque requisition;
 - d. Schedule of comparative investment figures;
 - e. Commission certificate indicating no commission was paid on the investment; and
 - f. Interest rate quoted.

11 IMPLEMENTATION AND REVIEW OF POLICY

This policy shall be implemented on **1 July 2020** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

12 SHORT TITLE

This Policy shall be called the Investment, Liquidity & Cash Management Policy of the Overstrand Municipality.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
CURRENT UPDATE:	27 May 2020
PREVIOUS REVIEW:	29 May 2019
PREVIOUS REVIEW:	30 May 2018
PREVIOUS REVIEW:	31 May 2017
PREVIOUS REVIEW:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
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PREVIOUS REVIEW:	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	4 MAY 2011
PREVIOUS REVIEW:	26 MAY 2010
APPROVAL BY COUNCIL:	27 MAY 2009

**OVERSTRAND
MUNICIPALITY**



BUDGET POLICY

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OVERSTRAND MUNICIPALITY – BUDGET POLICY

PREAMBLE

In the spirit of the Municipal Finance Management Act, (No.56 of 2003), to modernise budget and financial management practices by placing local government finances on a sustainable footing in order to maximize the capacity of municipalities to deliver services to all residents customers, users and investors, and,

Whereas chapter 4 of the Municipal Finance Management Act, (No 56 of 2003) determines that a municipality may, except where otherwise provided in the Act, incur expenditure only in terms of an approved budget; and within the limits of the amounts appropriated for the different votes in an approved budget,

Therefore the Overstrand Municipality adopts the budget policy set out in this document.

OVERSTRAND MUNICIPALITY – BUDGET POLICY

1. OBJECTIVES OF POLICY

- A. The policy sets out the budgeting principles which Overstrand Municipality will follow in preparing each annual budget. The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act in terms of the planning, preparation and approval of the annual budgets.
- B. The policy shall apply to all the relevant parties within the Overstrand Municipality that are involved throughout the budget process.
- C. A Budget Steering Committee will be established to guide the budget process.
- D. Cost containment measures are to be applied in accordance with relevant legislation, when considering expenditure:

1) Use of consultants

This Policy is in line with section 35 of the **Municipal Cost Containment Regulations** and the **Overstrand Supply Chain Management Policy** to ensure that resources of the municipality with regard to the use of consultants, are used effectively, efficiently and economically by implementing cost containment measures.

2) Vehicles used for political office –bearers

This Policy is in line with the stipulations of the **Overstrand Travel and Subsistence Policy** to ensure that resources of the municipality with regard to vehicles used for political office-bearers, are used effectively, efficiently and economically by implementing cost containment measures.

3) Travel and subsistence

This Policy is in line with the stipulations of the **Overstrand Travel and Subsistence Policy**, to ensure that resources of the municipality with regard to **Travel and subsistence**, are used effectively, efficiently and economically by implementing cost containment measures.

4) Domestic accommodation

This Policy is in line with the stipulations of the **Overstrand Travel and Subsistence Policy**, to ensure that resources of the municipality with regard to **Domestic accommodation**, are used effectively, efficiently and economically by implementing cost containment measures.

5) Credit cards

The accounting officer must ensure that no credit card or debit card linked to a bank

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account of the municipality is issued to any official or public office bearer.

6) **Sponsorships, events and catering**

This Policy is in line with the stipulations of the **Municipal Cost Containment Regulations**, to ensure that resources of the municipality with regard to Sponsorships, events and catering, are used effectively, efficiently and economically by implementing cost containment measures.

7) **Communication**

This Policy is in line with the stipulations of the **Municipal Cost Containment Regulations**, to ensure that resources of the municipality with regard to Communication, are used effectively, efficiently and economically by implementing cost containment measures.

8) **Conferences, meetings and study tours**

This Policy is in line with the stipulations of the **Municipal Cost Containment Regulations** and the Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Conferences, meetings and study tours, are used effectively, efficiently and economically by implementing cost containment measures.

9) **Other related expenditure items**

This Policy is in line with the stipulations of the **Municipal Cost Containment Regulations**, to ensure that resources of the municipality with regard to the following, are used effectively, efficiently and economically by implementing cost containment measures:

- i. All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.
- ii. Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.
- iii. Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.
- iv. The municipality must avoid expenditure on elaborate and expensive office

OVERSTRAND MUNICIPALITY – BUDGET POLICY

furniture.

- v. The municipality may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.
- vi. The municipality may consider providing additional time -off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager.

2. BUDGET PRINCIPLES

2.1. Capital Budget

The capital budget refers to the allocations made to specific infrastructural projects and the purchase of equipment and other forms of assets, as classified per the Overstrand Asset Management Policy.

2.1.1 Basis of Calculation

- a. The current three year MTREF budget, including two future planning years in terms of the 5 year IDP, is the departure point in preparing the subsequent annual capital budget.
- b. The annual capital budget shall be based on realistically anticipated revenue, which should be equal to the anticipated capital expenditure in order to result in a balanced budget.
- c. The impact of the capital budget on the current and future operating budgets in terms of finance charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets and any other operating expenditure to be incurred resulting directly from the capital expenditure, should be carefully analyzed when the annual capital budget is being compiled.
- d. In addition, the council shall consider the likely impact of such operational expenses, net of any revenues expected to be generated by such items on future property rates and service tariffs.

2.1.2 Financing

Own Financing Sources

Own financing consists of the following sources:

- a. Unappropriated cash-backed surpluses from previous financial years, to the extent that such surpluses are not required for operational purposes and cash resources are adequate for cost coverage and liquidity ratio.
- b. Borrowing (External Loans)

OVERSTRAND MUNICIPALITY – BUDGET POLICY

- c. Proceeds on the sale of fixed assets, less cost to sell, in terms of the Asset Management-, Administration of Immovable Property- and Accounting policies.

Other Financing Sources (External)

The external funded capital budget shall be financed from external sources such as the following:

- a. Grants and subsidies as allocated in the annual Division of Revenue of Act.
- b. Grants and subsidies as allocated by Provincial government.
- c. Public contributions and donations.
- d. Any other external financing source secured by the local authority.

2.1.3 Process and responsible parties

The process to be followed in the compilation of the capital budget is as follows:

- a. The current 3 year MTREF budget is the departure point in preparing the subsequent annual capital budget.
- b. The CFO, in conjunction with the Senior Manager: Financial Services and the Manager: Budget Office and after consultation with the Budget Steering Committee sets the reasonable growth level of the capital budget to be financed out of own and external sources and determines affordability.
- c. The draft capital budget is compiled based on the projects that emanated out of the engagements with the different stakeholders.
- d. The CFO, together with the Senior Manager: Financial Services and the Manager: Budget Office, engage with the Directors and the Senior Manager: Strategic Services in order to determine the priorities for a particular financial year and to determine the ranking of projects based on these priorities.
- e. The draft capital budget is submitted to the Budget Steering Committee for perusal and suggestions.
- f. The draft capital budget is tabled in Council at least 90 days (31 March) before the start of the new financial year.
- g. After the draft budget is tabled in Council, it is advertised for public comment for a period of 30 days.
- h. Once the comments from the public have been received, noted and considered, any amendments and the final budget are tabled in Council for final approval, at least 30 days (31 May) before the start of the financial year.

OVERSTRAND MUNICIPALITY – BUDGET POLICY

2.1.4 Implementation

- a. After the budget has been approved, the service delivery and budget implementation plan (SDBIP) is finalised.
- b. The SDBIP must be submitted to the Mayor within 14 days after aforementioned approval, for approval within a further 14 days.
- c. Each director indicates the intended spending for both capital and operating budgets.
- d. Cash flows are included in the Service Delivery and Budget Implementation Plan of the organisation.
- e. The SDBIP is monitored on a monthly basis.
- f. Each project manager uses the respective cost allocation and unique key numbers as indicated on the capital budget.

2.2. Operational Budget

The operational budget refers to the funds that would be generated for the delivery of basic services, grants & subsidies and any other municipal services rendered. These funds are in turn used to cover the expenses incurred in the day to day running of the organization.

2.2.1. Basis of Calculation

- a. The zero based and incremental approach is used by budget holders in preparing the annual operating budget, depending on the type of revenue or expenditure.
- b. The annual operating budget shall be based on realistically anticipated revenue, which should at least be equal to the anticipated cash operating expenditure in order to result in a balanced budget.
- c. An income based approach shall be used where the realistically anticipated revenue would firstly be projected. The level of operating expenditure will then be based on the projected revenue, thus resulting in a balanced budget.

2.2.2. Financing

The operating expenditure shall be financed from the following sources:

Agency Services	Compensation received by the municipality for cost to provide the agency service should be recognised as receipts and not set-off against the expenditure. This compensation maybe in the form of commission, agency fees, contract fees, etc.
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OVERSTRAND MUNICIPALITY – BUDGET POLICY

Interest, Dividend and Rent on Land	Consist of the income associated with ownership of interest-bearing financial instruments, such as bank deposits, loans extended to others, and bills and bonds issued by others. Dividends come in the form of receipts from shares and distribution of profits to the owner. Rent on land is the receipts due to ownership of land.
Operational Revenue	Operational revenue refers to all other income not elsewhere classified such as administrative fees, bad debts recovered, breakages, commission, discounts and early settlements, etc.
Rental from Fixed Assets	Operating lease income received by the municipality from external use. Distinction is made between rental income based on market related versus non-market related rates.
Sales of Goods and Rendering of Services	This category consist of sales and services rendered provided that the municipality produced or partially produced the good or service.
Service Charges	This group of accounts provides for the basic services delivered by municipalities.
Intercompany/Parent-subsiary Transactions	Revenue generated due to exchange transactions between municipalities and their subsidiary municipal entities.
Licences or Permits	Granting of licences or permits associated with a regulatory function by government. Fees recognised under this category must result from a principle agreement. If the municipality act as an agent on behalf of provincial or national government the transaction need to be treated accordingly. Judgment need to be applied in deciding whether the "licence or permits" need to be classified as exchange or non-exchange revenue.
Fines, Penalties and Forfeits	This item consists of all compulsory receipts imposed by a court or quasi-judicial body. Out-of-court settlements are also included in this category. As with taxes, this item consists of unrequited, compulsory transactions. Thus, the recipient municipality does not provide anything in return for these receipts.
Licences or Permits	Granting of licences or permits associated with a regulatory function by government. Fees recognised under this category must result from a principle agreement. If the municipality act as an agent on behalf of provincial or national government the transaction need to be treated accordingly. Judgment need to be applied in deciding whether the "licence or permits" need to be classified as exchange or non-exchange revenue.
Property Rates	Property Rates means a municipal rate on property envisaged in section 229 (1)(a) of the Constitution read with the Municipal Property Rate Act 6 of 2004 as amended by the Municipal Property Rates Amendment Act, 2014. Rateable property means property on which a municipality may in terms of section 8 levy a rate and excludes impermissible rates as per section 17 of the Act.

OVERSTRAND MUNICIPALITY – BUDGET POLICY

Transfers and Subsidies	This category provides for of all unrequited, voluntary receipts from other parties. Thus an entry should be made under this item when the municipality does not provide anything of similar value directly in return for the transfer from the other party and the transfer is voluntary. {GRAP 23: Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.} This group of accounts provide for "operational and capital transfers and subsidies" received "in-kind or in monetary value".
Interest, Dividend and Rent on Land	Consist of the income associated with ownership non-exchange transactions.

2.2.3 Budget Categories

The following expenditure categories shall be accommodated in the operating budget:

Bad Debts Written Off	The irrecoverable debts that are written off during the financial year as approved by the Council allocated according to the type of service provided to the customer. This account would also include the write-off of accounts in terms of the debt prescription rules.
Bulk Purchases	Bulk purchases of electricity and water from Eskom (including alternative service providers) and Water Sources such as Water Boards and other providers.
Contracted Services	This group of accounts distinguishes between "Outsourced Services, Contractors and Professional and Special Services".
Depreciation and Amortisation	Depreciation is the systematic allocation of the cost of an asset from the Statement of Financial Position to Depreciation Expense on the Statement of Financial Performance over the useful life of the asset. Amortisation is the systematic allocation of the discount, premium or issue cost of a financial instrument over the life of the instrument, or an intangible asset over a certain period. Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life.
Employee Related Cost	This item includes all payments to employees defined below. Employee Related Cost distinguish between Senior Managers and Other Staff as Section 124(1)(c) of the MFMA required disclosures of the details of remuneration for all senior managers and the Standard of GRAP on Related Party Disclosure requires disclosure of key management personnel (GRAP 20 Related Party Disclosure - no effective date determined by the Minister thus IPSAS 20 Related Parties need to be applied. Key management personnel in the context of municipalities referring to the senior management group, including the chief executive (municipal manager).

OVERSTRAND MUNICIPALITY – BUDGET POLICY

Interest, Dividends and Rent on Land	This item includes the total value of interest payments, dividends and payment for the use of land owned by another party.
Inventory Consumed	The amount of inventories recognised as an expense during the period. GRAP 12.45(d) The amount of inventories recognised as an expense during the period, which is often referred to as cost of sales, consists of those costs previously included in the measurement of inventory that has now been sold, exchanged or distributed, and unallocated production overheads and abnormal amounts of production cost of inventories. GRAP 12.47
Remuneration of Councillors	Remuneration as determined by the Remuneration of Public Office Bearers Act, 1998 (Act No 20 of 1998). Salary of full/part time councillors including the Executive Mayor or Mayor, Speakers, Deputy Executive Mayor or Deputy Mayor, Members of the Executive Committee or Mayoral Committee, Whip and Chairperson of a sub-council, etc.
Operating Leases	An operating lease is a lease other than a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Land use portion of a building finance lease must be recorded under Rental of Land.
Operational Cost	An operating expense is a day-to-day expense such as sales and administration, or research & development, accounting expenses, license fees, advertising, office expenses, utilities such as telephone, insurance, property management, travel and vehicle expenses.
Transfers and Subsidies	This category provides for of all unrequited payments made by the municipality. A payment is unrequited provided that the municipality does not receive anything of similar value directly in return for the transfer to another party. Both current and capital transfers are included in this item. Municipalities distinguish between transfers to provinces, district municipalities, departmental agencies and accounts, universities and Technicons, public corporations, private enterprises, foreign government and international institutions, non-profit organisations and households. This group of accounts provide for "operational and capital transfers and subsidies" made "in-kind or in monetary value".

2.2.4. Process

- a. The CFO, in conjunction with the Senior Manager: Financial Services and the Manager: Budget Office, and after consultation with the Budget Steering Committee, sets the reasonable growth level of the operational budget based on the current financial performance and the prevailing industry growth levels. (i.e. CPI).
- b. After the income has been determined, an acceptable growth level for the

OVERSTRAND MUNICIPALITY – BUDGET POLICY

operating expenditure is determined and the draft operating budget is discussed with the relevant Directors for their perusal and amendments.

- c. The draft operating budget is compiled based on the submissions from the engagements with the different stakeholders.
- d. The draft operating budget serves before the Budget Steering Committee for perusal and suggestions.
- e. The draft operating budget is tabled in Council at least 90 days (31 March) before the start of the new financial year.
- f. The draft SDBIP is tabled in Council at least 90 days (31 March) before the start of the new financial year.
- g. After the draft budget is tabled in Council, it is advertised for public comment for a period of 30 days.
- h. Once the comments from the public have been received, noted and considered, the final budget (inclusive of any amendments) is tabled in Council for adoption, at least 30 days (31 May) before the start of the financial year.
- i. Sect 25(1) of the Municipal Finance Management Act (56 of 2003) states that “if a municipal council fails to approve an annual budget, including revenue raising measures necessary to give effect to the budget, the Council must reconsider the budget and again vote on the budget, or on an amended version thereof, within 7 days of the Council meeting that failed to approve the budget.”

2.2.5. Implementation

- a. After the budget has been approved, the service delivery and budget implementation plan (SDBIP) is finalised.
- b. The SDBIP must be submitted to the Mayor within 14 days after aforementioned approval, for Mayoral approval with a further 14 days.
- c. Each director indicates the intended spending for both capital and operating budgets.
- d. Cash flows are included in the Service Delivery and Budget Implementation Plan of the organisation.
- e. The SDBIP is monitored on a monthly basis.
- f. Each directorate uses their respective vote numbers as indicated on the operational budget.

OVERSTRAND MUNICIPALITY – BUDGET POLICY

2.3. Adjustments Budget

- 2.3.1 A general adjustments budget may be tabled once a year by 28 February.
- 2.3.2 The adjustments budget process shall be aligned to the annual budget in terms of consideration by the Budget Steering Committee.
- 2.3.3 The adjustments budget must be approved by Council before implementation.
- 2.3.4 Any consequential amendment of the SDBIP necessitated by the adjustments budget must be published together with the adjustments budget within 5 days after the Municipal Council has approved an adjustments budget.

3. IMPLEMENTATION AND REVIEW OF POLICY

This policy shall be implemented on **1 July 2020** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
CURRENT UPDATE:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
PREVIOUS REVIEW:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
PREVIOUS REVIEW:	28 MAY 2014
PREVIOUS REVIEW:	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
APPROVAL BY COUNCIL:	04 MAY 2011

OVERSTRAND MUNICIPALITY



VIREMENT POLICY

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OVERSTRAND MUNICIPALITY – VIREMENT POLICY

1 DEFINITIONS

“Accounting officer”	The municipal manager of a municipality is the accounting officer of the municipality in terms of section 60 of the MFMA
“Approved budget”	means an annual budget or adjustments budget approved by a municipal council.
“Basic Services”	means the following four services: Energy Sources, Water Management, Waste Water Management (Sewerage & Waste Water Treatment) and Waste Management, as contained in the mSCOA function segment
“Budget-related policy”	means a policy of a municipality affecting or affected by the annual budget of the municipality
“Chief financial officer”	means a person designated in terms of the MFMA who performs such budgeting, and other duties as may in terms of section 79 of the MFMA be delegated by the accounting officer to the chief financial officer.
“Capital Budget”	This is the estimated amount for capital items in a given fiscal period. Capital items are fixed assets such as infrastructure, facilities and equipment, the cost of which is normally written off (depreciated) over a number of fiscal periods
“Council”	means the council of a municipality referred to in section 18 of the Municipal Structures Act.
“Financial year”	means a 12-month year ending on 30 June.
Function Sub-Function	mSCOA Segment: This segment provides for the classification of budgets according to the function or service delivery objective and provides for the standardisation of functions and sub-functions across local government with due regard to specific service delivery activities and responsibilities of each individual municipality.
“Line Item”	an appropriation that is itemized on a separate line in the internal budget document for the purpose of greater control over expenditure, as contained in the mSCOA segment for Item Expenditure and Revenue, as revised from time to time.
“Operating Budget”	the Municipality’s financial plan, which outlines proposed expenditures for the coming financial year and estimates the revenues used to finance them.
“Ring Fenced Allocations”	an exclusive combination of line items grouped for specific purposes, such as Debt Impairment, Depreciation and Amortisation, Finance Charges and Provisions.
“Service delivery and budget implementation plan”	means a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c) (ii) for implementing the municipality’s delivery of municipal services and its annual budget.
“Virement”	is the process of transferring an approved budget allocation from one operating line item or capital project to another, with the approval of the relevant Manager. To enable budget managers to amend budgets in the light of experience or to reflect anticipated
“Vote”	means one of the main segments into which a budget of a municipality is divided for the appropriation of funds for the different Directorates of the municipality; and which specifies the total amount that is appropriated for the purposes of the respective Directorates concerned.

2 ABBREVIATIONS

“CFO”	Chief Financial Officer
“GFS”	Government Financial Statistics
“IDP”	Integrated Development Plan
“MFMA”	Municipal Finance Management Act No. 56 of 2003
mSCOA	Municipal Standard Chart of Accounts
“SDBIP”	Service delivery and budget implementation plan

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

3 OBJECTIVE

To allow limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate service delivery in a financially responsible manner.

4 VIREMENT CLARIFICATION

Virement is the process of transferring budgeted funds from one line item number to another, with approval of the relevant Director and CFO, in certain instances, to enable budget managers to amend budgets in the light of experience or to reflect anticipated changes. (Section 28 (2) (c) MFMA)

5 FINANCIAL RESPONSIBILITIES

Strict budgetary control must be maintained throughout the financial year in order that potential overspends and / or income under-recovery within individual vote departments are identified at the earliest possible opportunity. (Chapter 4 of the MFMA) The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of financial control. The budget virement process is one of these controls. (Section 27(4) MFMA)

It is the responsibility of each manager or head of a directorate or activity to which funds are appropriated, to plan and conduct assigned operations so as not to expend more funds than budgeted. In addition, they have the responsibility to identify and report any irregular or fruitless and wasteful expenditure in terms of the MFMA sections 78 and 32.

6 VIREMENT RESTRICTIONS

- (a) A virement of funds between votes (Directorates) will not be allowed without approval in an adjustments budget.
- (b) Cumulative virements may not exceed a maximum of 10% of the total approved operating budget per Directorate.
- (c) A virement may not create new policy, significantly vary from current policy or alter the approved outcomes / outputs as approved in the IDP for the current or subsequent years. (section 19 and 21 MFMA)
- (d) Virements resulting in adjustments to the approved SDBIP need to be submitted to the Municipal Manager after an adjustments budget, with altered outputs and measurements for approval. (MFMA Circular 13 page 3 paragraph 3)
- (e) No virement request may be effected in the current year which will increase the approved budget in future financial years without the prior approval of the Municipal Manager and the Mayor. This refers to expenditure such as entering into lease- or rental agreements for vehicles, photo copier's or fax machines, operational contracts.
- (f) No virement may be made where it would result in unauthorised expenditure. (section 32 MFMA)
- (g) No virement shall add to the staff establishment of the Municipality without the approval of the Municipal Manager.
- (h) Budget may only be transferred from Employee Related Cost if approved by the Municipal Manager and the Director: Finance.
- (i) If the virement relates to an increase in the work force establishment, then the Council's

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

existing recruitment policies and procedures will apply.

- (j) Virements may not be made in respect of ring-fenced allocations.
- (k) Virements are not permitted from or to budgets allocated to the respective Basic Services, unless approved in an adjustments budget.
- (l) Virements in capital budget allocations are only permitted within specified action plans and not across funding sources and must in addition have comparable asset lifespan classifications.
- (m) No virements are permitted in the first three months or the final month of the financial year without the express approval of the CFO.
- (n) No virement proposal shall affect amounts to be paid by another Department without the agreement of the Manager of that Department, as recorded on the signed virement form. (Section 15 MFMA)
- (o) Virement amounts may not be rolled over to subsequent years, or create expectations on following budgets. (Section 30 MFMA)
- (p) An approved virement does not give expenditure authority and all expenditure resulting from approved virements must still be subject to the procurement / supply chain management policy of Council as periodically reviewed.
- (q) Virements may not be made between Expenditure and Income.
- (r) Virements may not be made between capital and operational budgets, except as indicated in paragraph 7.

7 VIREMENT PROCEDURE

- (a) All virement proposals must be completed on the appropriate documentation and forwarded to the Budget Office for checking and implementation. All virements must be subjected to scrutiny across all seven segments of the mSCOA classification framework.
- (b) All virements must be approved by the relevant Budget Holder/Manager (Section 79 MFMA) in the case of a departmental budget transfer, and also by the relevant Director in the case of a transfer within a Directorate relating to the operational budget.
- (c) Capital Budget Virement within a GFS Classification must be approved by the relevant manager and Director, the Municipal Manager and Director: Finance and, in cases where the amount exceeds R100 000, by the Executive Mayor. Virements across GFS classification will only be considered if it qualifies as an Adjustment Budget request and will then be done as part of the official Adjustment Budget.
- (d) A virement form must be completed for all Operational Budget Transfers and in the case of a Capital Budget transfer an official memo approved by the relevant director, MM & CFO must be submitted. The prescribed documentation must be completed.
- (e) Virements in excess of R 50,000 with a maximum as determined under section 6b. requires the approval of the relevant Director for Inter-departmental transfers, as well as the express approval of the Chief Financial Officer. (Section 79 MFMA).
- (f) Virement transfers must be taken into consideration by the respective managers with regards to the SDBIP.
- (g) Virements in respect of Ward specific projects must be approved by the Chief Financial Officer, Muncipal Manager and the Mayor.
- (h) Virements between Capital and Operational in respect of Ward Specific Projects and grant allocations, will only be allowed if it qualifies as an Adjustment Budget request and will then be done as part of an Adjustments Budget
- (i) All virement documentation must be in order and approved before any expenditure may be committed or incurred. (Section 79 MFMA).

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

- (j) After all virement documentation has been duly completed, including all authorizations, the budget transfer will normally be effected within three working days, subject to the operating system functionality.
- (k) The Director: Finance must report to the Municipal Manager and the Mayor on a monthly basis in respect of virements in excess of R50 000 per item.

8. IMPLEMENTATION AND REVIEW OF THIS POLICY

This policy shall be implemented on **1 July 2020** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
CURRENT UPDATE:	27 MAY 2020
PREVIOUS UPDATE:	29 MAY 2019
PREVIOUS UPDATE:	30 MAY 2018
PREVIOUS UPDATE:	31 MAY 2017
PREVIOUS UPDATE:	25 MAY 2016
PREVIOUS REVIEW:	28 MAY 2015
PREVIOUS REVIEW:	28 MAY 2014
PREVIOUS REVIEW:	29 MAY 2013
PREVIOUS REVIEW:	30 MAY 2012
PREVIOUS REVIEW:	4 MAY 2011
APPROVAL BY COUNCIL:	26 MAY 2010

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

mSCOA FUNCTION/SUB- FUNCTION

ANNEXURE A1

FUNCTION/SUB-FUNCTION	FUNCTION/SUB-FUNCTION
<p>Community and Social Services</p> <p>Aged Care, Home Assistance and Transport Facilities Animal Care and Diseases Cemeteries, Funeral Parlours and Crematoriums Child Care Facilities Community Halls and Facilities Libraries and Archives Literacy Programmes Museums and Art Galleries Theatres Zoo's</p>	<p>Finance and Administration</p> <p>Administrative and Corporate Support Asset Management Finance Fleet Management Human Resources Information Technology Legal Services Marketing, Customer Relations, Publicity and Media Co-ordination Property Services Risk Management Security Services Supply Chain Management Valuation Service</p>
<p>Electricity and Gas</p> <p>Electricity Street Lighting and Signal Systems</p>	<p>Health</p> <p>Health Services Laboratory Services</p>
<p>Environmental Protection</p> <p>Biodiversity and Landscape Coastal Protection Indigenous Forests Nature Conservation Pollution Control Soil Conservation</p>	<p>Housing</p> <p>Housing Informal Settlements</p>
<p>Executive and Council</p> <p>Mayor and Council Municipal Manager, Town Secretary and Chief Executive</p>	<p>Internal Audit</p> <p>Governance Function</p>
<p>Other</p> <p>Abattoirs Air Transport Forestry Licensing and Regulation Markets Tourism</p>	<p>Road Transport</p> <p>Public Transport Roads & Traffic Regulation Roads Taxi Ranks</p>

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

ANNEXURE A1

FUNCTION/SUB-FUNCTION	FUNCTION/SUB-FUNCTION
Planning and Development	Sport and Recreation
Billboards	Beaches and Jetties
Corporate Wide Strategic Planning (IDPs, LEDs)	Community Parks (including Nurseries)
Central Improvement District	Recreational Facilities
Development Facilitation	Sports Grounds and Stadiums
Economic Development/Planning	
Town Planning, Building Regulations and Enforcement, and City Engineer	Waste Management
Project Management Unit	Recycling
Support to Local Municipalities	Solid Waste Disposal (Landfill Sites)
	Solid Waste Removal
Public Safety	Street Cleansing
Civil Defence (Municipal Commando's)	
Cleansing	Waste Water Management
Control of Public Nuisances	Public Toilets
Fencing and Fences	Sewerage
Fire Fighting and Protection	Storm Water Management
Licensing and Control of Animals	Treatment
Police Forces, Traffic and Street Parking Control	
Pounds	Water
	Water Treatment
	Water Distribution
	Water Storage

Note: The function/sub- function segment consist of core and non-core functions

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

ANNEXURE A2

OPERATIONAL BUDGET - DIRECTORATES & DEPARTMENTS (OWN SEGMENT)

DEPT	DIRECTORATE	CODE	DEPT	DIRECTORATE	CODE
	Council & Mayor's Office	1	1460	STREETLIGHTS: KLEINMOND	
0010	COUNCIL'S GENERAL		1470	STREETLIGHTS: HERMANUS	
0050	MAYORS OFFICE		1480	STREETLIGHTS: STANFORD	
0060	PENSIONERS & CONTINUED MEMBERS		1490	STREETLIGHTS: GANSBAAI	
	MM & Internal Audit	2	4200	ELECTRICITY(ADMIN) HM/KM	
0100	MUNICIPAL MANAGER		4210	ELECTRICITY(ADMIN) GB&ST	
0140	INTERNAL AUDIT		4250	ELECTRICITY (DISTR): KLEINMOND	
0070	RISK MANAGEMENT		4260	ELECTRICITY (DISTR): HERMANUS	
	Management Services	3	4270	ELECTRICITY (DISTR): STANFORD	
0080	MUNICIPAL COURT		4280	ELECTRICITY (DISTR): GANSBAAI	
0090	COMMUNICATION		4350	ELECT (PURCH/SALES): KLEINMOND	
0110	DIRECTOR: MANAGEMENT SERVICES		4360	ELECT (PURCH/SALES): HERMANUS	
0120	LEGAL SERVICES		4370	ELECT (PURCH/SALES): STANFORD	
0130	STRATEGIC SERVICES		4380	ELECT (PURCH/SALES): GANSBAAI	
0650	HUMAN RESOURCES		4400	ELECTRICITY INCOME	
0660	INFO & COMMUNICATION TECHNOLOGY		4430	ELECT (SERV & CON): KLEINMOND	
0670	COUNCIL SUPPORT SERVICES		4440	ELECT (SERV & CON): HERMANUS	
	Finance	4	4450	ELECT (SERV & CON): STANFORD	
0150	FINANCE: DIRECTOR		4460	ELECT (SERV & CON): GANSBAAI	
0160	FINANCE: DEPUTY DIRECTOR		3640	OVERSTRAND: SOLID WASTE DISP.	
0180	FINANCE: ACCOUNTING SERVICES				
0190	FINANCE: EXPENDITURE & ASSETS				
0200	FINANCE: REVENUE				
0210	FINANCE: SUPPLY CHAIN MANAGEMENT				
0220	DATA CONTROL				
0250	ASSESSMENT RATES				
	Infrastructure & Planning	5			
2180	DIRECTOR:INFRASTRUCTURE & PLAN				
2190	ENGINEERING SERVICES				
2200	TOWN PLANNING				
2210	DEP.DIRECTOR:ENGINEERING PLANN				
2220	GEOGRAPHICAL INFO SYSTEM (GIS)				
2240	SOLID WASTE PLANNING				
2250	BUILDING CONTROL SERVICES				
2260	PROPERTY ADMINISTRATION				
2990	OVERSTRAND HOUSING DEVELOPMENT				
2300	ENVIRONMENTAL MANAGEMENT SERV				
				Protection Services	6
			0700	TRAFFIC	
			0710	LAW ENFORCEMENT	
			0720	VEHICLE TESTING	
			0740	FIRE BRIGADE	
			0750	VEHICLE LICENSING	
			0760	SPECIAL TASK TEAM UNIT	
			0770	DISASTER MANAGEMENT	
			0800	DIRECTOR:PROTECTION & SECURITY	
			0780	SECURITY SERVICES	
				LED	7
			1110	DIRECTOR:ECON.& SOCIAL DEVELOPMENT &TOURISM	
			1120	TOURISM	
			1130	SOCIAL DEVELOPMENT	
			1140	EPWP	
			1150	THUSONG CENTRE HAWSTON	
			1160	PARKING SERVICES	

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

ANNEXURE A2

DEPT	DIRECTORATE	CODE	DEPT	DIRECTORATE	CODE
	Community Services	8			
0500	DIRECTOR:COMMUNITY SERVICES		1920	OFFICE BUILDINGS ST	
0510	DEPUTY DIR:OPERATIONAL SERVICE		1930	OFFICE BUILDINGS GB	
0530	AREA MANAGER: KLEINMOND		1940	CORPORATE BUILDING (HM)	
0540	AREA MANAGER: HERMANUS		1990	SWIMMING POOL: HAWSTON	
0550	AREA MANAGER: STANFORD		2100	SPORTSGROUNDS: KLEINMOND	
0560	AREA MANAGER: GANSBAAI		2110	SPORTGROUNDS: HERMANUS	
0610	CONTROL ROOM		2120	SPORTGROUNDS: STANFORD	
0620	FLEET MANAGEMENT		2130	SPORTGROUNDS: GANSBAAI	
0630	SPORTS & RECREATION		2140	SWIMMING POOL: HERMANUS	
0640	MANAGER: CORPORATE PROJECTS		2150	SLIPWAY (KLEINBAAI)	
0950	LIBRARY: BETTY'S BAY		2160	STONY POINT (BETTY'S BAY)	
			2170	SLIPWAY KLEINMOND	
0960	LIBRARY: KLEINMOND		2500	CEMETERIES: KLEINMOND	
0970	LIBRARY: HAWSTON		2510	CEMETERIES: HERMANUS	
0980	LIBRARY: MOUNT PLEASANT		2520	CEMETERIES: STANFORD	
0990	LIBRARY: ZWELIHLE		2530	CEMETERIES: GANSBAAI	
1000	LIBRARY: HERMANUS		2600	CARAVAN PARK: PALMIETCAMP	
1010	LIBRARY: STANFORD		2610	CARAVANPARK: KLEINMOND	
1020	LIBRARY: GANSBAAI		2620	CAMPING SITE: HAWSTON	
1100	POST OFFICE AGENCY: STANFORD		2630	CARAVAN PARK: ONRUS	
1300	OPERATIONAL MANAGER: KLEINMOND		2660	CARAVAN PARK: GANSBAAI	
1310	OPERATIONAL MANAGER: HERMANUS		2900	HOUSING & SOCIAL UPLIFTMENT	
1320	OPERATIONAL MANAGER: STANFORD		2910	HOUSING ALL SCHEMES	
1330	OPERATIONAL MANAGER: GANSBAAI		4560	WATER (TREAT): KLEINMOND	
1600	BEACHES: KLEINMOND		4590	WATER (TREAT): DE BOS/PREEKSTO	
1610	BEACHES: HERMANUS		4600	WATER (TREATMENT) STANFORD	
1620	BEACHES: GANSBAAI		4620	WATER (TREAT): GANSBAAI/FRANSK	
1360	STREETS: PROVINCIAL MAIN ROAD		4800	WATER (DISTRIBUTION): KLEINMON	
1400	STREETS: KLEINMOND		4810	WATER (DISTRIBUTION): HERMANUS	
1410	STREETS: HERMANUS		4820	WATER (DISTRIBUTION): STANFORD	
1430	STREETS: STANFORD		4830	WATER (DISTRIBUTION): GANSBAAI	
1440	STREETS: GANSBAAI		4850	OVERSTRAND: WATER	
1450	OVERSTRAND: ROADS		4890	WATER INCOME	
1640	PARKS & TOWNLANDS (KLEINMOND)		4900	WATER (SERV & CON): KLEINMOND	
1650	PARKS & TOWNLANDS (HERMANUS)		4910	WATER (SERV & CON): HERMANUS	
1660	PARKS & TOWNLANDS (STANFORD)		4920	WATER (SERV & CON): STANFORD	
1670	PARKS & TOWNLANDS (GANSBAAI)		4930	WATER (SERV & CON): GANSBAAI	
[1750]	[MULTI-PURPOSE CENTRE (HAWSTON)]		4970	WATER (RAW WAT DAMS): GANSBAAI	
1800	COMMUNITY BUILDINGS KM		1500	STORMWATER: KLEINMOND	
1810	COMMUNITY BUILDINGS HM		1510	STORMWATER: HERMANUS	
1820	COMMUNITY BUILDINGS ST		1530	STORMWATER: STANFORD	
1830	COMMUNITY BUILDINGS GB		1540	STORMWATER: GANSBAAI	
1840	AUDITORIUM & BANQUETING HALL		3200	PUBLIC TOILETS (HERMANUS)	
1900	OFFICE BUILDINGS KM		3750	SEWERAGE (DISTRIBU): KLEINMOND	
1910	OFFICE BUILDINGS HM		3760	SEWERAGE (DISTRIBU): HERMANUS	

OVERSTRAND MUNICIPALITY – VIREMENT POLICY

ANNEXURE A2

DEPT	DIRECTORATE	CODE
3770	SEWERAGE (DISTRIBU): STANFORD	
3780	SEWERAGE (DISTRIBU): GANSBAAI	
3860	SEWERAGE (SERV/CON): HERMANUS	
3950	SEWERAGE (TANKERS): KLEINMOND	
3960	SEWERAGE (TANKERS): HERMANUS	
3970	SEWERAGE (TANKERS): STANFORD	
3980	SEWERAGE (TANKERS): GANSBAAI	
4050	SEWERAGE (TREATMENT) KLEINMOND	
4060	SEWERAGE (TREATMENT): HAWSTON	
4070	SEWERAGE (TREATMENT) HERMANUS	
4080	SEWERAGE (TREATMENT) STANFORD	
4090	SEWERAGE (TREATMENT) GANSBAAI	
4100	SEWERAGE INCOME	
3300	REFUSE REMOVAL: KLEINMOND	
3310	REFUSE REMOVAL: HERMANUS	
3320	REFUSE REMOVAL: STANFORD	
3330	REFUSE REMOVAL: GANSBAAI	
3400	SOLID WASTE DISPOSAL:B/BAY	
3410	SOLID WASTE DISPOSAL: HAWSTON	
3420	SOLID WASTE DISPOSAL: VOELKLIP	
3430	SOLID WASTE DISPOSAL: STANFORD	
3440	REFUSE DISPOSAL:P/BEACH(TRFST)	
3500	SOLID WASTE DISPOSAL: KLEINMON	
3510	SOLID WASTE DISPOSAL: HERMANUS	
3620	WASTE DISPOSAL SITE: GANSBAAI	
3650	REFUSE INCOME	
Costing Services		9
9996	INTERNAL BILLING	
9997	ACTIVITY BASED COSTING	
9998	DEPT CHARGES AND RECOVERIES	
Main Ledger		10
9995	MAIN LEDGER	

OVERSTRAND MUNICIPALITY



BORROWING POLICY

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OVERSTRAND MUNICIPALITY – BORROWING POLICY

1 PURPOSE

To establish a borrowing framework policy for the Municipality and set out the objectives, policies, statutory requirements and guidelines for the borrowing of funds.

2 OBJECTIVES OF POLICY

The objectives of this Policy are to:-

- a manage interest rate and credit risk exposure;
- b maintain debt within specified limits and ensure adequate provision for the repayment of debt;
- c to ensure compliance with all Legislation and Council policy governing borrowing of funds.

3 SCOPE OF THE POLICY

The primary goal in the borrowing of funds is to ensure that the funds are obtained at the lowest possible interest rates at minimum risk, within the parameters of authorized borrowings.

3.1 Risk Management

The need to manage interest rate risk, credit risk exposure and to maintain debt within specified limits is the foremost objective of the borrowing policy. To attain this objective, diversification is required to ensure that the Chief Financial Officer prudently manages interest rate and credit risk exposure.

3.2 Cost of Borrowings

The borrowings should be structured to obtain the lowest possible interest rate, on the most advantageous terms and conditions, taking cognisance of borrowing risk constraints, infrastructure needs and the borrowing limits determined by Legislation.

3.3 Prudence

Borrowings shall be made with care, skill, prudence and diligence.

4 LEGISLATIVE FRAMEWORK AND DELEGATION OF AUTHORITY

The relevant Legislation in terms of which borrowing decisions are governed is the Local Government Municipal Finance Management Act, No 56 of 2003.

The Municipal Regulations on Debt Disclosure has been promulgated (Government Gazette no. 29966, 15 June 2007) and has been effective from 01 July 2007 for a municipality or municipal entity.

OVERSTRAND MUNICIPALITY – BORROWING POLICY

5 TYPES OF LOANS AND FINANCING

5.1 Annuity loans

Annuity loans are straight forward and uncomplicated. The loan amount, interest rate and repayment period offered by the Financial Institution are fixed. Normally with an annuity loan, the instalment of the loan will be repaid in equal six monthly instalments over the term of the loan. The capital portion of the instalment will increase over the duration of the loan, and conversely, the interest amount charged will decrease over the loan period. Where the interest rate offered by the Financial Institution is on a variable basis, an interest rate swap (IRS) option should be included in the agreement. An IRS agreement will need to be signed with the party agreeing to accept the variable rate and in turn, offer the fixed rate to the Municipality. An Interest Rate Swap Agreement must comply with the terms set out by the International Swap Dealers Association (ISDA). The fixing of debt repayments is an important consideration in meeting the financial requirements of the Municipality, that of annually producing a balanced budget. There are from time to time various options offered by Financial Institutions which need to be treated on their merits and which could invariably result in slightly lower interest rates being offered.

5.2 Bullet payment redemption

In this instance, the total capital is usually repaid at the end of the term and interest on the total amount borrowed is paid annually or semi-annually. The interest rate can be fixed and the interest payable is known for the duration of the loan. Cash has to be set aside to repay the capital at the end of the term.

The lender could require security in the form of an investment (sinking fund).

5.3 Bonds

A Bond is an instrument used by Government and Parastatals such as Telkom, Eskom, Transnet, Corporates and Municipalities to raise loan capital on the open market. Bond holders have the right to interest, usually paid on a semi-annual basis, and the repayment of the capital amount reflected on the stock certificate held on maturity date. The coupon, maturity, principal value and market value are intrinsic features of a Bond. The most critical variable factor in determining Bond rates is the expected long term trend in inflation, in order to provide a return that equals inflation plus a risk premium. The higher the risk attached to a borrower, the higher will be the risk premium investors will demand. During its tenure the Bond will trade on the Bond market at prevailing interest levels. The price of a Bond trading at any given time on the market is a function of prevailing interest rates. Bond prices move inversely to movements in interest rates.

OVERSTRAND MUNICIPALITY – BORROWING POLICY

5.4 Use of Internal Funds

The Municipality from time to time, will use certain of its surplus funds to fund its Capital programme. The utilisation of surplus funds enables the Municipality to reduce its reliance on external debt financing, thereby allowing it to borrow only funds from external sources when favourable market conditions prevail. The use of internal funds impacts negatively on surplus cash for return of interest and should be within limits to reduce the impact on the Current Ratio, ideally to be at a minimum ratio of 1,5 : 1, and the Cost Coverage, ideally not be less than 2 months.

6 OTHER CONSIDERATIONS

The Municipality has by the judicious use of surplus funds and external long term debt implemented its Integrated Development Plan, which has facilitated the much needed service delivery program.

Factors to be considered when borrowing:

- (a) the type and extent of benefits to be obtained from the borrowing;
- (b) the length of time the benefits will be received;
- (c) the beneficiaries of the acquisition or development;
- (d) the impact of interest and redemption payments on both current and forecasted property tax and services revenue;
- (e) the current and future capacity of the property tax base and rendering of services to pay for borrowings and the rate of growth of the property tax base and services;
- (f) likely movements in interest rates for variable rate borrowings;
- (g) other current and projected sources of funds;
- (h) competing demands for funds;
- (i) timing of money market interest rate movements and the long term rates on the interest rate curve.

The Municipality will, in general, seek to limit its dependence on borrowings in order to minimise future revenue committed to debt servicing and redemption charges. The Municipality may only borrow funds, in terms of the Municipal Finance Management Act, for the purpose of acquiring assets, improving facilities or infrastructure to provide service delivery.

Overstrand Municipality may incur long term debt only for the purpose of Capital expenditure on infrastructure, property, plant or equipment to be used for the purpose of achieving the objects of Local Government as set out in section 152 of the Constitution.

The use of external loans should be limited to financing infrastructure where a return can be realised from tariffs to service the debt, or major infrastructure exceeding R10 million for a single project, with long term benefits to the community as a whole, where indirect revenue streams are evident.

OVERSTRAND MUNICIPALITY – BORROWING POLICY

The gearing for external loans (total outstanding debt to operating revenue, including recurrent operational grants) was fixed at a ceiling of 60% as at 30 June 2012. To reduce the reliance on external long term borrowing this percentage must reduce till a level of 45% or less is attained by 30 June 2022.

7 REFINANCING DEBT

Section 46 of the Municipal Finance Management Act provides that the Overstrand Municipality may refinance existing long term debt, if such refinancing is in accordance with the framework as prescribed by the Municipal Finance Management Act, as follows:

- The Municipality may borrow money for the purpose of refinancing existing long term debt, provided the existing long term debt was lawfully incurred and the refinancing will not extend the term of the debt beyond the useful life of the infrastructure, property, plant or equipment for which the money was originally borrowed.

Cognisance must be taken of any early repayment penalty clauses in the initial loan agreement, as part of the financial feasibility assessment. No loans will be prematurely redeemed unless there is a financial benefit to the Municipality.

8 DEBT REPAYMENT PERIOD

Whilst the period for which loan debt may be received will vary from time to time according to the needs of the various Lenders, presently the typical debt repayment period for loans is fifteen years, though not closely matching the underlying asset lives serviced by the loans.

Cognisance is taken of the useful lives of the underlying assets to be financed by the debt, and, moreover, careful consideration is taken of the interest rates on the interest yield curve. Should it be established that it is cost effective to borrow the funds on a shorter duration (as opposed to the life of the asset) as indicated by the interest yield curve, the loan will be negotiated to optimise the most favourable and cost effective benefit to the Municipality.

9 SECURITY

In terms of the Municipal Finance Management Act the Municipality may provide security for any of its debt obligations, including the giving of a lien, pledging, mortgaging or ceding an asset, or giving any other form of collateral. It may cede as security any category of revenue or rights of future revenue. Some Lenders may require the Municipality to agree to restrictions on debt that the Municipality may incur in future until the secured debt is settled.

10 SHORT TERM DEBT

OVERSTRAND MUNICIPALITY – BORROWING POLICY

The Municipal Finance Management Act provides that the Municipality may incur short term debt only when necessary to bridge shortfalls within a financial year during which the debt is incurred, in expectation of specific and realistic anticipated income to be received within that financial year; or capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long term debt commitments.

The municipal council may approve an individual transaction or a credit facility for a line of credit or overdraft facility.

The Municipality must pay off short term debt within the same financial year and may not renew or refinance its short term debt if it will have the effect of extending the short term debt into a new financial year.

11 DISCLOSURE

The Municipality must, when interacting with a prospective Lender or when preparing documentation for consideration by a prospective Investor, disclose all relevant information that may be requested or that may be material to the decision of the prospective Lender or Investor. Reasonable care must be taken to ensure the accuracy of any information disclosed. Whilst this is a standard and acceptable business practice, it is also in compliance with section 49 of the Municipal Finance Management Act.

12 GUARANTEES

The Municipal Finance Management Act provides that the Municipality may not guarantee any debt of any entity unless the entity is a Municipal entity under its sole ownership control. The debt must be reflected in the approved business plan of the entity. The guarantee must be authorised by the Municipality. This must be done in the same manner and subject to the same conditions applicable to any other borrowings. Neither the National nor Provincial Government may guarantee the debt of any Municipality.

13 APPROVAL OF LOANS BY THE MUNICIPALITY

Section 46 of the Municipal Finance Management Act stipulates that the Municipality may incur long-term debt only if a resolution of the Council, signed by the mayor, has approved the debt agreement and the Accounting Officer has signed the agreement or other document which acknowledges the debt. At least 21 days prior to the meeting of the Council at which approval for the debt is to be considered, the Municipality must make public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided. The Public, the National Treasury and Provincial Treasury must be invited to submit written

OVERSTRAND MUNICIPALITY – BORROWING POLICY

comments or representations to the council in respect of the proposed debt.

A copy of the information statement submitted to Council at least 21 days prior to the meeting to approve the loan agreement must contain particulars of -

- (a) the essential repayment terms, including the anticipated debt repayment schedule; and
- (b) the anticipated total cost in connection with such debt over the repayment period.

14 PROVISION FOR REDEMPTION OF LOANS

Overstrand Municipality may borrow from Institutions and set up sinking funds to facilitate loan repayments, when the repayment is to be met by a bullet payment on the maturity date of the loan. These sinking funds may also be invested directly with the Lender's Bank. The maturity date and accumulated value of such investment must coincide with the maturity date and amount of the intended loan that is to be repaid.

15 NON-REPAYMENT OR NON-SERVICING OF LOAN

Overstrand Municipality must honour all its loan obligations timeously. Failure to effect prompt payment will adversely affect the raising of future loans at favourable costs of borrowing.

Failure to pay any loan instalment, even by one day, and even if only through administrative oversight, will have severe repercussions, and may jeopardise the Municipality's credit rating.

In addition to the timeous payment of the loans, the Municipality must adhere to the covenants stipulated in the loan agreements.

16 PROHIBITED BORROWING PRACTICES

Overstrand Municipality shall not borrow for investment purposes, with the sole purpose of investing to earn a return. The cost of debt is almost always more expensive than the return that the Municipality can derive by investing in permitted investments.

17 FOREIGN BORROWINGS

Foreign Borrowing is permitted in terms of section 47 of the Municipal Finance Management Act, whereby the debt must be denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency.

18 NATIONAL TREASURY AND OTHER REPORTING AND MONITORING REQUIREMENTS

The Municipality submits returns to National Treasury quarterly and annually, as well as submissions to Council. It is mainly coordinated by the Financial Services Department.

OVERSTRAND MUNICIPALITY – BORROWING POLICY

19 IMPLEMENTATION AND REVIEW PROCESS

This policy shall be implemented on **1 July 2020** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
CURRENT UPDATE	27 May 2020
PREVIOUS REVIEW:	29 May 2019
PREVIOUS REVIEW:	30 May 2018
PREVIOUS REVIEW:	31 May 2017
PREVIOUS REVIEW:	25 May 2016
PREVIOUS REVIEW:	28 May 2015
PREVIOUS REVIEW:	28 May 2014
PREVIOUS REVIEW:	29 May 2013
APPROVAL BY COUNCIL:	27 June 2012

OVERSTRAND MUNICIPALITY



FUNDING, RESERVES AND PROVISIONS POLICY

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OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

1. INTRODUCTION AND OBJECTIVE

The Council sets as objective a long term financially sustainable municipality with acceptable levels of service delivery to the community.

This policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

2. SECTION A: FUNDING POLICY

2.1 LEGISLATIVE REQUIREMENTS

In terms of Sections 18 and 19 of the Municipal Finance Management Act (Act No 56 of 2003) (MFMA), an annual budget may only be funded from:

- 2.1.1 Realistically anticipated revenues to be collected, including grants;
- 2.1.2 Cash backed accumulated funds from previous years' surpluses not committed for other purposes, and
- 2.1.3 Borrowed funds, but only for capital projects.

Furthermore, spending on a capital project may only be commenced once the funding sources have been considered, are available and have not been committed for other purposes.

The requirements of the MFMA are clear in that the budget must be cash – funded, i.e. cash receipts inclusive of prior period cash surpluses committed to this specific budget, must equal or be more than cash paid.

In determining whether the budget is actually cash funded and in addition ensuring long term financial sustainability, the municipality will use analytical processes, including those specified by National Treasury from time to time.

2.2 STANDARD OF CARE

Each functionary in the budgeting and accounting process must do so with judgment and care with the primary objective of ensuring that the objectives of this policy are achieved.

2.3 STATEMENT OF INTENT

The municipality will not pass a budget which is not cash – funded or where any of the indicators as listed in this document are negative, unless acceptable reasons can be provided for non-compliance and provided that the requirements of the MFMA must at all times be adhered to.

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

2.4 CASH MANAGEMENT

Cash must be managed in terms of the municipality's Investment and Cash Management Policy.

2.5 LIABILITY MANAGEMENT

Debt must be managed in terms of the municipality's Borrowing Policy, together with any requirements in this policy.

2.6 FUNDING THE OPERATING BUDGET

2.6.1 INTRODUCTION

The municipality's objective is that the user of municipal resources must pay for such usage in the period in which it will occur.

The municipality recognises the plight of the poor, and in line with national and provincial objectives, commits itself to subsidising services to the poor. This may necessitate cross- subsidisation in some tariffs to be calculated in the budget process.

2.6.2 GENERAL PRINCIPLE WHEN COMPILING THE OPERATING BUDGET

The following specific principles apply when compiling the budget:

- a) The budget must be cash – funded, i.e. revenue and expenditure projections must be realistic and the provision for impairment of receivables must be calculated on proven recovery rates;
- b) Growth parameters must be realistic and be based on historic patterns adjusted for current reliable information;
- c) Tariff adjustments must be fair, taking into consideration general inflation indicators as well as the geographic region's ability to pay;
- d) Revenue from Government Grants and Subsidies must be in accordance with the amounts promulgated in the Division of Revenue Act, proven provincial transfers and any transfers from other municipalities.
- e) Projected revenue from services charges must be reflected as net (i.e. all billing less revenue foregone, including free basic services).
- f) Projected revenue from property rates must include all rates to be levied.
- g) For the purpose of the Cash flow Budget all rebates and discounts must be deducted from the projected revenue.
- h) Only changes in fair values related to cash may be included in the cash flow budget. Changes to unamortized discount must be included in the Operating Budget. Employee related costs include contributions to non-current and current employee benefits. It is acknowledged that the non-current benefits' requirements are well above the initial cash capabilities of the municipality. It is therefore determined that the short term expenditure portion of employee benefits be funded from the current year operating cash surplus.

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

- i) Depreciation must be fully budgeted for in the operating budget.
- j) Contributions to provisions (non-current and current) do not form part of the cash flow for provisions with a non-current portion, except for the current portion of post retirement benefits relating to continued members for medical aid and long service awards. It is necessary to provide for an increase in cash resources in order to comply with the conditions of the provision at the time when it is needed.

2.7 FUNDING THE CAPITAL BUDGET

2.7.1 INTRODUCTION

The municipality's objective is to maintain, through proper maintenance and replacement measures, existing levels of service and to improve and implement services which are neglected or non-existent.

In order to achieve this objective the municipality must annually, within financial means, budget for the replacement of redundant assets as well as new assets.

2.7.2 FUNDING SOURCES FOR CAPITAL EXPENDITURE

The capital budget can be funded by way of own cash, grants, public contributions as well as external loans.

Cash

The capital budget or portions thereof may also be funded from surplus cash generated in previous financial years. The cash must already be available and not be committed for other purposes or expected to be generated in the current or future years. The allocations of the funding sources from own contributions will be determined during the budget process.

Grants (Including Public Contributions and Bulk Infrastructure Contributions)

Only cash portions of these grants will be made available for funding of capital projects as might be applicable. Grants for capital expenditure have become a common practice, especially in order to extend service delivery to previously disadvantaged areas. While such grants are welcomed, care should also be taken that grant funding does not place an unreasonable burden on the residents for future maintenance costs which may be higher than their ability to pay.

The accounting officer will annually evaluate the long term effect of unusual capital grants on future tariffs, and if deemed necessary, report on such to Council.

Depreciation charges on assets financed from grants and donations must not have a negative effect on tariffs charged to the users of such assets. The Accounting Officer will put such accounting measures in place as to comply with this requirement as far as possible.

MFMA Circular 48, read with MFMA Circular 58 and 75, states that

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

municipalities may treat the 'reclaimed VAT' in terms of the expenditure from conditional grant funds as 'own revenue'. The municipality opts to utilise the full grant funding for the grant related projects.

External Loans

The municipality may only raise loans in accordance with its Borrowing Policy.

The Accounting Officer must also put such accounting measures in place to ensure that no unspent portions of loans raised, be included in the cash surplus for the year.

2.8 FUNDING COMPLIANCE MEASUREMENT

2.8.1 INTRODUCTION

The municipality must ensure that the annual budget or any subsequent adjustments budget complies with the requirements of the MFMA and this policy. For this purpose a set of indicators must be used as part of the budget process and be submitted with the budget. These indicators include all the indicators as recommended by National Treasury as well as any additional indicators detailed in this policy.

If any of the indicators are negative during the compilation or approval process of the budget, the budget may not be approved until all the indicators provide a positive return, unless those negative indicators can be reasonable explained and any future budget projections address the turn-around of these indicators to within acceptable levels.

2.8.2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

A positive Cash and Cash Equivalents position should be maintained throughout the year.

2.8.3 CASH PLUS INVESTMENTS LESS APPLICATION OF FUNDS

The overall cash position of the municipality must be sufficient to cover the following:

- a) unspent conditional grants;
- b) unspent conditional public contributions;
- c) unspent borrowings;
- d) VAT due to SARS;
- e) ceded investments;
- f) the cash portion of statutory funds such as the Housing Development Fund;
- g) other working capital requirements; and
- h) the cash position must be sufficient to back reserves as approved by the municipality and those portions of provisions as indicated elsewhere in this policy.

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

INDICATORS

2.8.4 MONTHLY AVERAGE PAYMENT COVERED BY CASH AND CASH EQUIVALENTS (“CASH/COST COVERAGE”)

This indicator shows the level of risk should the municipality experience financial stress.

The norm indicated by National Treasury indicates 1 – 3 months Working Capital, but should ideally not be less than 2 months.

2.8.5 SURPLUS/DEFICIT EXCLUDING DEPRECIATION AND OTHER NON CASH ITEMS

It is probable that the operating budget including depreciation charges on assets funded by grants and public contributions, as well as on revalued assets, will result in a deficit.

As determined elsewhere in this policy it is not the intention that residents be burdened with tariff increases to provide for such depreciation charges. In order to ensure a “balanced” budget, the cash position must be determined.

Should a budget result in a deficit cash position, the budget will be deemed unfunded and must be revised.

2.8.6 PROPERTY RATES/SERVICE CHARGE REVENUE PERCENTAGE INCREASE LESS MACRO INFLATION TARGET

The intention of this indicator is to ensure that tariff increases are in line with macro economic targets, but also to ensure that revenue increases for the expected growth in the geographic area are realistically calculated.

2.8.7 CASH COLLECTION RATE AS A PERCENTAGE

The object of the indicator is to establish whether the projected cash to be collected is realistic and complies with section 18 of the MFMA.

The collection rate for calculating the provision for impairment of receivables must be based on past and present experience. Past experience refers to the collection rates of the prior years and present experience refers to the collection rate of the current financial year as from 1 July.

It is not permissible to project a collection rate higher than the current rate. Any improvement in collection rates during the budget year may be appropriated in an Adjustments Budget.

2.8.8 DEBT IMPAIRMENT EXPENSE AS A PERCENTAGE OF BILLABLE REVENUE

This indicator provides information as to whether the contribution to the provision for impairment of receivables is adequate. In theory it should be equal to the difference between 100% and the cash collection rate, but other factors such as past performance can have an influence on it. Any aberration must be motivated in the budget report.

OVERSTRAND MUNICIPALITY – FUNDING, RESERVES AND PROVISIONS POLICY

2.8.9 BORROWING AS A PERCENTAGE OF CAPITAL EXPENDITURE (EXCLUDING GRANTS AND CONTRIBUTIONS)

This indicator provides information as to compliance with the MFMA in determining borrowing needs. The Accounting Officer must ensure compliance with the Municipality's Borrowing Policy.

2.8.10 GRANT REVENUE AS A PERCENTAGE OF GRANTS AVAILABLE

The percentage attained should never be less than 100% and the recognition of expected unspent grants at the current year-end as revenue in the next financial year must be substantiated in a report.

2.8.11 CONSUMER DEBTORS CHANGE (CURRENT AND NON-CURRENT)

The object of the indicator is to determine whether budgeted reductions in outstanding debtors are realistic.

Any unacceptably high increase in either current or non-current debtors' balances should be investigated and reported.

2.8.12 REPAIRS AND MAINTENANCE EXPENDITURE LEVEL

Property Plant and Equipment should be maintained properly at all times in order to ensure sustainable service delivery. The budget should allocate sufficient resources to maintain assets and care should be exercised not to allow a declining maintenance program in order to fund other less important expenditure requirements.

Similarly, if the maintenance requirements become excessive, it could indicate that a capital renewal strategy should be implemented or reviewed.

2.8.13 ASSET RENEWAL/REHABILITATION EXPENDITURE LEVEL

This indicator supports further the indicator for repairs and maintenance.

The Accounting Officer must, as part of the capital budget, indicate whether each project is a new asset or a replacement/renewal asset in order to determine whether the renewal program is sufficient or needs revision.

3 SECTION B: RESERVES AND PROVISIONS POLICY

3.1 INTRODUCTION

Fund accounting historically formed the major component of municipal finance in the IMFO standards.

After the change to General Recognised Accounting Practices (GRAP), fund accounting is no longer allowed.

The municipality, however, recognizes the importance of providing to the municipality itself, as well as its creditors, financiers, staff, and general

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public a measure of protection for future losses, as well as providing the necessary cash resources for future capital replacements and other current and non-current liabilities.

This policy therefore aims to provide for a measure of protection by creating certain reserves and provisions.

3.2 LEGAL REQUIREMENTS

There are specific legal requirements for the creation of reserves, such as the Housing Development Fund. The GRAP Standards themselves do not provide for reserves, although certain provisions are required in terms of GRAP.

3.3 TYPES OF RESERVES / PROVISIONS

Reserves/Provisions can be classified into two main categories being “cash funded” and “non–cash funded”.

3.3.1 CASH FUNDED RESERVES

In order to provide for sufficient cash resources for future expenditure, the municipality hereby approves the establishment of the following reserves:

a) Statutory reserves

It may be necessary to create reserves prescribed by law, such as the Housing Development Fund. The Accounting Officer must create such reserves according to the directives in the relevant laws.

b) Self-Insurance reserves

The Municipality has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. This Reserve is ring-fenced within the accumulated surplus. Contributions to the Fund are considered annually during the Budget process.

3.3.2 NON – CASH FUNDED RESERVES / PROVISIONS

On occasion it is necessary to create non – cash funded reserves. The Accounting Officer must create any reserves prescribed by the accounting standards, such as the Revaluation Reserve, if required and provisions such as post-retirement benefits and rehabilitation of land fill sites.

3.4 ACCOUNTING FOR RESERVES / PROVISIONS

3.4.1 REVALUATION RESERVE

The accounting for the Revaluation Reserve must be done in accordance with the requirements of GRAP 17.

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3.4.2 OTHER RESERVES

The accounting for all other reserves must be processed through the Statement of Financial Performance. The required transfer to or from the reserves must be processed in the Statement of Net Assets to or from the accumulated surplus.

In terms of GRAP1 transactions may be directly appropriated against these reserves.

3.4.3 PROVISIONS

Provisions are established from contributions appropriated in the annual budget. Currently, the long term portions of provisions are non-cash funded and are covered by non-current assets.

4. SECTION C: REVIEW OF THE POLICY

This policy shall be implemented on **1 July 2020** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: FINANCIAL
CURRENT UPDATE:	27 May 2020
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LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

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LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

1. INTRODUCTION

- 1.1 In essence a financial plan encompasses the development, implementation and evaluation of a plan for the provision of basic municipal services and capital assets. Such a plan aims to help Municipal Councillors and other decision makers make informed choices about the provision of basic services and capital assets and to promote stakeholder participation in the process.
- 1.2 The financial plan should set out the Municipality's estimated expenditure over the medium- term, based on its goals and objectives, as well as the resources necessary to achieve this. In addition, the financial plan must set out where funding for the planned expenditure will come from.
- 1.3 The compilation of a financial plan is a core component of an Integrated Development Plan (IDP). The envisaged timeframe allocations for a long term financial plan are:-
 - 1.3.1 Immediate (12 months).
 - 1.3.2 Medium term (3 years).
 - 1.3.3 Long term (4 years onwards).

2. PURPOSE

- 2.1 The Policy on Long Term Financial Planning is aimed at ensuring that the Municipality has sufficient and cost-effective funding in order to achieve its long term objectives through the implementation of the medium term operating and capital budgets. The purpose of the Policy on Long Term Financial Planning is therefore to:-
 - 2.1.1 Ensure that all long term financial planning is based on a structured and consistent methodology in order to ensure the long term financial sustainability of Overstrand Municipality.
 - 2.1.2 Identify capital investment requirements and associated funding sources to ensure the future sustainability of the Municipality;
 - 2.1.3 Identify revenue enhancement and cost saving strategies in order to improve service delivery at affordable rates; and
 - 2.1.4 Identify new revenue sources as funding for future years.

3. GUIDING PRINCIPLES

- 3.1 The policy on Long Term Financial Planning is based on the following principles:-
 - 3.1.1 Future financial sustainability;
 - 3.1.2 Annual growth in population and consumer base;

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- 3.1.3 Optimal collection of revenue, taking into consideration the socio economic environment;
- 3.1.4 Optimal utilisation of grant funding and public donations; and
- 3.1.5 Continuous improvement and expansion in service delivery framework.

4. DEVELOPMENT OF A FINANCIAL PLAN

4.1 The phases for development of the Financial Plan are set out below.

Phase One	→	Compile a Status Quo assessment of the municipality's current financial status and key challenges
Phase Two	→	Conduct financial modelling to determine financial viability
Phase Three	→	Analyse outcomes and ratios
Phase Four	→	Prepare a long term financial plan

4.2 Phase One: Status Quo Assessment

4.2.1 Perform a Status Quo assessment under the following criteria:-

- (a) The Municipality's current financial status;
- (b) Current revenue sources, internal and external;
- (c) Main cost drivers impacting on the sustainability of the municipality
- (d) Status of municipal infrastructure;
- (e) Ability to finance capital expenditure; and
- (f) Municipal service delivery backlogs.

4.2.2 The financial viability and creditworthiness of the Municipality is measured against a number of nationally recognised key ratios. These key ratios should include for example the following:-

- a) Gross debtors to annual revenue;
- b) Gross Debtors Collection Period (Days);

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- c) Net debtors to annual revenue;
- d) Net Debtors Collection Period (Days);
- e) Annual Collection Rate;
- f) Service Charges and Property Rates Revenue Budget Implementation Indicator;
- g) Cash Coverage Ratio;
- h) Personnel Costs to Total Operating Expenditure;
- i) Repairs and Maintenance to PPE;
- j) Liquidity Ratio (Current Ratio); and
- k) Net Asset Position.

4.2.3 The objective of the status quo report is to assess the current financial position and to identify the key challenges faced by the Municipality. The status quo report will aim to identify issues which impact on the overall financial stability of the Municipality and will include a historical analysis and assessment of financial results (based on financial statements).

4.3 Phase Two: Planned Finance and Financial Modelling

4.3.1 Upon completion of the status quo assessment, resulting in an understanding of the Municipality's financial position, the next phase is to determine the Municipality's financing need over the medium-term.

4.3.2 This entails determining what expenditure the Municipality plans to undertake over the medium-term and what its financing requirements are likely to be and how these can be funded either internally or externally.

4.3.3 As the Municipality evolves and expands its service delivery framework, so do those of the National Government. Long term community development and economic development projects will therefore also be included under this phase.

4.4 Phase Three: Analyse Outcomes and Ratios

4.4.1 Evaluate the short-term financial viability (6 months to 12 months):-

- (a) Develop a financial forecast model to identify immediate opportunities and risks;
- (b) Perform scenario planning to identify the optimum balance between revenue

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collection and municipal spending; taking into account the following:-

- (c) Potential revenue enhancement strategies which may have an immediate impact on the revenue base of the Municipality;
- (d) Evaluate cost saving mechanisms to minimise the cost of effective service delivery;
- (e) Current infrastructure investments and maintenance programs which may influence revenue streams or the cost of service delivery;

4.4.2 Evaluate the medium and long term financial viability (1 year to 10 years):-

- (a) Develop a financial forecast model to identify future opportunities and risks;
- (b) Perform scenario planning to identify the optimum balance between revenue collection and municipal spending, taking into account the following:-
 - i. The impact each scenario has on the financial viability ratios of the Municipality;
 - ii. Potential revenue enhancement strategies which may have a long term impact on the revenue base of the Municipality;
 - iii. Cost saving mechanisms to minimise the cost of effective service delivery; taking into account potential infrastructure developments and renewals;
 - iv. The impact of current infrastructure investments and maintenance programs on future revenue streams or cost of service delivery;
 - v. The impact of envisaged future infrastructure investments on the revenue stream and cost of service delivery; and
 - vi. The impact of national and municipal priorities over the medium and long term.

4.5 Phase Four: Develop a Long Term Financial Plan

4.5.1 Once the Municipality has finalised the prioritisation of initiatives and projects; a comprehensive long term financial plan is developed to indicate the envisaged impact it will have on the financial status of the Municipality. An overall financial forecast will then have to be done in order to illustrate the projected result of the implementations throughout the five year period.

4.5.2 Although a long term financial plan provides a forecast of potential outcomes, it has to be emphasised that the success of the financial plan remains in continuous revision. As is the case with any forecast model, the financial plan should be seen as a moving target and should be subject to honest and realistic

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assessments of successes and failures on a regular basis.

- 4.5.3 The fourth phase involves finalising a medium-term income and expenditure plan based on the various alternative service delivery options.
- 4.5.4 A key component in determining future options, potential problems and opportunities is the forecast of revenues and expenditures. The revenue and expenditure plan essentially involves combining the forecasting of revenues and the forecasting of expenditures into a single financial forecast.
- 4.5.5 Finalisation of the Financial Plan includes collating all short, medium and long term financial data and develop a long term financial plan that:-
- (a) Identifies future revenue projections based on current and projected revenue streams, as well as those projects required to achieve these projections;
 - (b) Identifies future expenditure frameworks and cost of service delivery based on current and projected expenditure patterns;
 - (c) Identifies the level of infrastructure development required to achieve the municipal priorities, within the funding restrictions; and
 - (d) Identifies external funding requirements required for capital investment.

5. ANNUAL REVIEW

- 5.1 The financial plan must be reviewed on an annual basis as part of the annual review of the IDP and updated with at least the following information:-
- 5.1.1 any direct change in financial status or internal factors, other than previously predicted, which may influence the financial status and viability of the Municipality;
 - 5.1.2 any changes in the economic and socio economic environment, other than previously predicted, which may influence the financial status of the Municipality;
 - 5.1.3 any changes in the revenue base or composition which may have an impact on the financial viability of the Municipality;
 - 5.1.4 any changes in the national or municipal priorities as previously identified; and
 - 5.1.5 any factors which may have an impact on the ability to implement previously identified projects.

6. IMPLEMENTATION AND REVIEW OF THIS POLICY

This policy shall be implemented on **1 July 2020** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

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POLICY SECTION:	SENIOR MANAGER: FINANCIAL SERVICES
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UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE POLICY

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UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE POLICY

1 ABBREVIATIONS/ACRONYMS

1.1 Except if otherwise stated in this policy, the following abbreviations or acronyms will represent the following words:

1.1.1.	CFO	-	Chief Financial Officer
1.1.2.	MBRR	-	Municipality Budget and Reporting Regulations
1.1.3.	MFMA	-	Local Government: Municipal Finance Management Act, No. of 2003
1.1.4.	MIG	-	Municipal Infrastructure Grant
1.1.5.	MM or AO	-	Municipal Manager or Accounting Officer appointed in terms of section 54A of the MSA
1.1.6.	MSA	-	Local Government: Municipal Systems Act, No. Act 32 of 2000
1.1.7.	MSCMR	-	Municipal Supply Chain Management Regulations
1.1.8.	OM	-	Overstrand Local Municipality
1.1.9.	POLICY	-	Policy on unauthorised, irregular or fruitless and wasteful expenditure
1.1.10.	RPOBA	-	Remuneration of Public Office Bearers Act, No. Act 20 of 1998
1.1.11.	SAPS	-	South African Police Services
1.1.12.	SCM	-	Supply Chain Management
1.1.13.	SM	-	Directors appointed in terms of section 56 of the MSA
1.1.14.	Structures Act	-	Local Government: Municipal Structures Act, Annually Gazetted

2 DEFINITIONS

Except if otherwise indicated:

“Councillor” means	member of the municipal council of OM.
“Financial Misconduct” means	any misappropriation, mismanagement, waste or theft of the finances of the OM, and also includes any form of financial misconduct specifically set out in sections 171 and 172 of the MFMA.
“Fruitless and wasteful expenditure” means	expenditure that was made in vain and would have been avoided had reasonable care been exercised.
“Irregular expenditure”, in relation to a municipality or municipal entity, means:	<ul style="list-style-type: none"> a) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the MFMA, and which has not been condoned in terms of section 170; b) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the MSA, and which has not been condoned in terms of this Act; c) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act; d) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the SCM policy of OM or any of the municipality’s by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law; or e) excludes expenditure by the OM which falls within the definition of “unauthorised expenditure”.
”Official”, in relation to OM, means:	<ul style="list-style-type: none"> a) an employee of OM; b) a person seconded to OM to work as a member of the staff of the OM; or c) a person contracted by OM to work as a member of the staff of the OM.
“Overspending” means:	a) in relation to the budget of the OM, means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year’s budget for its

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	<p>operational or capital expenditure, as the case may be;</p> <p>b) In relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or</p> <p>c) In relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of that section.</p>
“Political Office Bearer” in relation to a municipality, means-	<p>a) the Speaker, Executive Mayor, Deputy Executive Mayor, a member of the mayoral committee of the OM elected, designated or appointed in terms of a specific provision of the Structures Act; or</p> <p>b) a councillor referred to in section 57(1) of the MFMA;</p>
“Prohibited expenditure” in relation to this policy means	unauthorised, irregular, or fruitless and wasteful expenditure;
“Senior Manager”	has the meaning assigned to it in section 1 of the MFMA and in relation to SM.
“Unauthorised expenditure”, means:	<p>any expenditure incurred by the OM otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes-</p> <p>a) overspending of the total amount appropriated in the municipality's approved budget;</p> <p>b) overspending of the total amount appropriated for a vote in the approved budget;</p> <p>c) expenditure from a vote unrelated to the department or functional area covered by the vote;</p> <p>d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;</p> <p>e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of allocation in section 1 of the MFMA otherwise than in accordance with any conditions of the allocation; or</p> <p>f) a grant by OM otherwise than in accordance with the MFMA.</p>
“Vote” means:	<p>a) One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different directorates or functional areas of the municipality; and</p> <p>b) which specifies the total amount that is appropriated for the purposes of the directorate or functional area concerned.</p>

3 INTRODUCTION

3.1 In terms of section 62 of the MFMA, the accounting officer is responsible for managing the financial affairs of the OM and he/she must, for this purpose, inter alia:

3.1.1 Take all reasonable steps to ensure that unauthorised, irregular or fruitless and wasteful expenditure and other losses are prevented; and

3.1.2 Ensure that disciplinary or, when appropriate, criminal proceedings are instituted against any official or councillor of OM who has allegedly committed an act of financial misconduct or an offence in terms of Chapter 15 of the MFMA.

3.2 This is to ensure the effective, efficient and transparent systems of financial, risk management and internal control.

4 OBJECTIVE

4.1 This document sets out OM's policy and procedures with regards to unauthorised, irregular or fruitless and wasteful expenditure.

4.2 This policy aims to ensure that, amongst other things:

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- 4.2.1 Unauthorised, irregular or fruitless and wasteful expenditure is detected, processed, recorded, and reported in a timely manner;
- 4.2.2 Officials and councillors have a clear and comprehensive understanding of the procedures they must follow when addressing unauthorised, irregular or fruitless and wasteful expenditure;
- 4.2.3 OM's resources are managed in compliance with the MFMA, its regulations and other relevant legislation; and
- 4.2.4 All officials and councillors are aware of their responsibilities in respect of unauthorised, irregular or fruitless and wasteful expenditure.

5 ENABLING LEGISLATION

- 5.1 The following enabling legislation sets the precedent for the development of OM's Unauthorised, Irregular or Fruitless and Wasteful Expenditure Policy:
 - 5.1.1 The Constitution of the Republic of South Africa, 1996;
 - 5.1.2 The Local Government: Municipal Finance Management Act, No 56 of 2003;
 - 5.1.3 The Remuneration of Public Office Bearers Act, No 20 of 1998;
 - 5.1.4 The Local Government: Municipal Systems Act, No 32 of 2000;
 - 5.1.5 Municipal Budget and Reporting Regulations;
 - 5.1.6 Municipal Supply Chain Management Regulations;
 - 5.1.7 Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings;
 - 5.1.8 The Local Government: Municipal Structures Act No. 117 of 1998;
 - 5.1.9 Any other legislation or regulation that may impact this policy.

6 APPLICATION OF THIS POLICY

- 6.1 This policy applies to all officials and councillors of OM.
- 6.2 This policy should be read in conjunction with the following:
 - 6.2.1 Delegations of Authority of the OM;
 - 6.2.2 Codes of Conduct for Municipal Staff Members and Councillors, as provided for in Schedules 1 and 2 of the MSA.
- 6.3 Officials and Councillors must ensure that all instances of unauthorised, irregular or fruitless and wasteful expenditure is prevented, detected and reported in a timely manner.

7 UNAUTHORISED EXPENDITURE

- 7.1 Overstrand Municipality may incur expenditure only in terms of an approved budget and within the limits of the amounts appropriated for the different votes in an approved budget.
- 7.2 Expenditure incurred within the ambit of OM's virement policy is not regarded as unauthorised expenditure.
- 7.3 Any expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, economic entity or organ of state and expenditure in the form of a grant that is not permitted in terms of the MFMA is regarded as unauthorised expenditure and furthermore includes the following:
 - 7.3.1 Overspending of the total amount appropriated in the municipality's approved budget;
 - 7.3.2 Overspending of the total amount appropriated for a vote in the approved budget;

- 7.3.3 Expenditure from a vote unrelated to the department or functional area covered by the vote;
 - 7.3.4 Expenditure of money that have been appropriated for a specific purpose, otherwise than for that specific purpose;
 - 7.3.5 Spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation", in the MFMA, otherwise than in accordance with the conditions of the allocation; or
 - 7.3.6 A grant by the Municipality otherwise in accordance with the MFMA, the indigent policy, bursary scheme, or the grants-in-aid policy;
 - 7.3.7 Unforeseen and unavoidable expenditure not authorised within an adjustments budget within 60 days after the expenditure was incurred; and
 - 7.3.8 Any overspending on non-cash items, for example depreciation, impairments, provisions.
- 7.4 Expenditure that is **NOT** classified as unauthorised expenditure
- 7.4.1 Given the definition of unauthorised expenditure, the following are examples of expenditure that are NOT unauthorised expenditure:
 - 7.4.1.1 Any over-collection on the revenue side of the budget as this is not an expenditure; and
 - 7.4.1.2 Any expenditure incurred in respect of:
 - 7.4.1.2.1 re-allocation of funds and the use of such funds in accordance with a council approved virement policy;
 - 7.4.1.2.2 overspending of an amount allocated by standard classification on the main budget Table A2 (Budgeted Financial Performance: revenue and expenditure by standard classification), as long as it does not result in overspending of a vote on the main budget Table A3 (Budgeted Financial Performance: revenue and expenditure by municipal vote) and Table A4 (Budgeted Financial Performance: revenue and expenditure, read in conjunction with supporting Table SA1) of the MBRR; and
 - 7.4.1.2.3 overspending of a municipal vote on the main budget Table A5 (Budgeted Capital Expenditure by vote, standard classification and funding) so long as it does not result in overspending of an amount allocated by standard classification on the main budget Table A5.
 - 7.4.2 Money withdrawn from a bank account under the following circumstances, without appropriation, in terms of an approved budget, is not regarded as unauthorised expenditure:
 - 7.4.2.1 To defray expenditure authorised in terms of section 26 (4) of the MFMA, [Section 26: Consequences of failure to approve a budget before the start of the budget year];
 - 7.4.2.2 To defray unforeseen / unavoidable expenditure circumstances strictly in accordance with Section 29 (1) of the MFMA [Section 29: Unforeseen and unavoidable expenditure] failing which the unforeseen / unavoidable expenditure is unauthorised;
 - 7.4.2.3 Re-allocation of funds and the use of such funds in accordance with a council approved virement policy;
 - 7.4.2.4 Expenditure incurred from a special fund for relief, charitable or trust purposes provided of course that it is done strictly in accordance with Section 12 of the MFMA [Section 12: Relief, charitable, trust or other funds];

- 7.4.2.5 To pay over to a person or organ of state money received by the OM on behalf of that person or organ of state, including—
- 7.4.2.6 money collected by the OM on behalf of that person or organ of state by agreement; or
- 7.4.2.7 any insurance or other payments received by the OM for that person or organ of state;
- 7.4.2.8 To refund money incorrectly paid into a bank account;
- 7.4.2.9 To refund guarantees, sureties and security deposits;
- 7.4.2.10 For cash management and investment purposes in accordance with section 13 [Section 13: Cash Management and Investments]; and
- 7.4.2.11 To defray increased expenditure in terms of section 31[Section 31: Shifting of funds between multi-year appropriations].

8 IRREGULAR EXPENDITURE

8.1 Irregular expenditure, in relation to a municipality means-

- 8.1.1 Expenditure incurred by a municipality in contravention of, or that is not in accordance with a requirement of the MFMA and that has not been condoned in terms of section 170;
- 8.1.2 Expenditure incurred by a municipality in contravention of, or that is not in accordance with a requirement of the MSA and that has not been condoned in terms of that Act;
- 8.1.3 Expenditure incurred by a municipality in contravention of, or that is not in accordance with a requirement of the RPOBA; or
- 8.1.4 Expenditure incurred by a municipality in contravention of, or that is not in accordance with a requirement of the supply chain management policy of the municipality or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law.

but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure"

8.2 Examples of irregular expenditure include, but are not limited to:

- 8.2.1 Procuring goods and/or services without obtaining an official order prior to the receipt of the goods and/or services;
- 8.2.2 Procuring goods and/or services without following the official procurement processes;
- 8.2.3 Procuring goods and/or services without advertising for the requisite number of numbers;
- 8.2.4 Procuring goods and/or services without obtaining a valid tax clearance certificate;
- 8.2.5 Procuring goods and/or services in an emergency without the timely application of a deviation in terms of clause 36 of the SCM policy.

8.3 In terms of section 32(2)(b) of the MFMA, irregular expenditure may only be written-off by Council if, after an investigation by a council committee, the irregular expenditure is certified as irrecoverable. In other words writing-off is not a primary response, it is subordinate to the recovery processes, and may only take place if the irregular expenditure is certified by Council as irrecoverable, based on the findings of an investigation.

8.4 With reference to Irregular Expenditure as defined in paragraph 2 above:

- 8.4.1 In terms of section 170 of the MFMA, only the National Treasury may condone non-compliance with a regulation issued in terms of the MFMA or a condition imposed by the Act itself. The Council therefore has no power in terms of the MFMA to condone any act of non-compliance in terms of the MFMA or any of its regulations. The treatment of expenditure associated with the non-compliance is therefore the responsibility of the Council and is elaborated on in paragraph 15.
- 8.4.2 There is no provision in the MSA that allows for a contravention of the Act to be condoned. Nevertheless, should the OM wish to request that an act of non-compliance with any provision of the MSA be condoned, then the AO must address the request to the Minister of Co-operative Governance, who is responsible for administering the MSA. The resultant expenditure must however be dealt with in terms of section 32(2) of the MFMA.
- 8.4.3 There is no provision to allow irregular expenditure resulting from a contravention of the Public Office-Bearers Act to be condoned. This is consistent with section 167(2) of the MFMA, which provides that such irregular expenditure cannot be written-off and must be recovered from the political office-bearer concerned.
- 8.4.4 The OM may condone a contravention of the council approved SCM policy, provided that the contravention is not also a contravention of the MFMA or the SCM regulations, in which case paragraph 8.4.1 applies and then only National Treasury can condone a contravention of the SCM regulations.

9 FRUITLESS AND WASTEFUL EXPENDITURE

- 9.1 The concept of fruitless and wasteful expenditure is founded on public administration and accountability principles, to promote “efficient, economic and effective use of resources and the attainment of value for money”. The idea is also founded on the fact that the council, the mayor and the accounting officer have a fiduciary responsibility to ensure that municipal resources are used in the best interests of the municipality and the local community.
- 9.2 In this context ‘expenditure’ refers broadly to processes that must be followed, transactions with service providers or suppliers and the use of other resources belonging to the municipality. The phrase ‘made in vain’ indicates that the municipality derived no value for money from the expenditure or the use of other resources. Fruitless and wasteful expenditure must fulfil both the conditions in the definition, namely, that it was made in vain and it would have been avoided had reasonable care been exercised.
- 9.3 In determining whether expenditure is fruitless and wasteful, officials and councillors must apply the requirement of reasonable care as an objective measurement to determine whether or not a particular expenditure was fruitless and wasteful, that is-
- 9.3.1 Would the average man (in this case the average experienced official or councillor) have incurred the particular expenditure under exactly the same conditions or circumstances? and
- 9.3.2 Is the expenditure being incurred at the right price, right quality, right time and right quantity?
- 9.4 An expense is only fruitless and wasteful in terms of this policy if:
- 9.4.1 If was made in vain (meaning that the municipality did not receive value for money) and;
- 9.4.2 And would have been avoided had reasonable care been exercised (meaning that the official or councillor concerned deliberately or negligently caused the expenditure to be incurred by the municipality, furthermore, another official or councillor under the same circumstances would have been able to avoid incurring the expenditure.
- 9.5 Fruitless and wasteful expenditure includes, but is not limited to; interest on late payment, fines and penalties.

10 REPORTING ON UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 10.1 Reporting of unauthorised, irregular or fruitless and wasteful expenditure must be done at the appropriate level, as follows:
- 10.1.1 a Councillor of the OM, must be reported to the Speaker of the Council;
 - 10.1.2 the MM and Speaker, must be reported to the Executive Mayor;
 - 10.1.3 all other municipal officials, must be reported to the MM;
- 10.2 All reports made by officials and councillors must be treated with the utmost confidentiality.
- 10.3 The MM must promptly inform the Executive Mayor, the Provincial Minister for Local Government and the Auditor-General, in writing:
- 10.3.1 of any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality;
 - 10.3.2 whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and
 - 10.3.3 the steps that have been taken to:
 - 10.3.3.1 recover or rectify such expenditure; and
 - 10.3.3.2 prevent a recurrence of such expenditure.
- 10.4 All expenditure classified as unauthorised, irregular or fruitless and wasteful expenditure must be reported to:
- 10.4.1 The MM as AO on a quarterly basis;
 - 10.4.2 The Council on a quarterly basis; and
- 10.5 In accounting for unauthorised, irregular or fruitless and wasteful expenditure, the MM or delegated officials (as may be relevant) must ensure that all such expenditure is disclosed in the annual financial statements as required by the MFMA.

11 MAINTAINING OF REGISTERS FOR UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 11.1 The OM must maintain registers of all incidents of unauthorised, irregular or fruitless and wasteful expenditure of which:
- 11.1.1 The unauthorised and irregular expenditure register will be maintained by the CFO; and
 - 11.1.2 The fruitless and wasteful expenditure register will be maintained by the Department: Council Support Services.

12 INVESTIGATION OF UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 12.1 On receiving a report in terms of regulation 3(1) of the Municipal regulations on financial misconduct procedures and criminal proceedings, if the municipal council, or accounting officer of the municipality is satisfied that there is reasonable cause to believe that an act of financial misconduct has been committed, it must within seven days refer to the matter to the disciplinary board to conduct a preliminary investigation into the allegation as envisaged in section 171(4)(a) of the MFMA.
- 12.2 A disciplinary board must conduct a preliminary investigation to determine whether or not the allegation is founded and make a recommendation to the council as to whether sufficient grounds exists to warrant a full investigation into the allegation.

- 12.3 If during the preliminary investigation, the disciplinary board determines that the allegation is frivolous, vexatious, speculative or obviously unfounded, the investigation must be terminated.
- 12.4 If the disciplinary board determines that the allegation is founded, a full investigation must be conducted by-
 - 12.4.1 the disciplinary board
 - 12.4.2 the Provincial Treasury or the National Treasury, but only if the conditions in regulation 19 apply.
- 12.5 After completion of a full investigation, the investigator must-
 - 12.5.1 compile a report on the investigation
 - 12.5.2 submit its report to the mayor and the accounting officer together with its findings and recommendations, if applicable, regarding disciplinary steps that should be taken against alleged transgressor; and
 - 12.5.3 immediately inform the speaker of the council of the submission of the report referred to in sub-clause (b), and also submit a copy of the report to the Provincial Treasury and the National Treasury.

13 DISCIPLINARY AND CRIMINAL CHARGES FOR UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 13.1 After having followed a proper investigation, as per paragraph 12 above:
 - 13.1.1 In relation to an official, the MM or delegated official must table the report referred to in 12.5.2 above;
 - 13.1.2 In relation to a councillor, the Speaker or Mayor must table the report referred to in 12.5.2 above.
- 13.2 If a *prima facie* case has been established then the Executive Mayor, Speaker, MM or delegated official (as may be relevant) must institute disciplinary action as follows:
 - 13.2.1 For financial misconduct in terms of section 171 of the MFMA: in the case of an official that deliberately or negligently:
 - 13.2.1.1 contravened a provision of the MFMA which resulted in prohibited expenditure; or
 - 13.2.1.2 made, permitted or instructed another official to make an unauthorised, irregular or fruitless and wasteful expenditure.
 - 13.2.2 For a breach of the Code of Conduct for Municipal Staff Members in the case of an official whose actions in making, permitting or authorising a prohibited expenditure constitute a breach of the Code; and
 - 13.2.3 For a breach of the Code of Conduct for Councillors in the case of a Councillor, whose actions in making, permitting or authorising a prohibited expenditure constitute a breach of the Code. This would also include instances where a councillor knowingly voted in favour of or agreed with a resolution passed by Council, that contravened legislation resulting in prohibited expenditure when implemented, or where the Councillor improperly interfered in the management or administration of the municipality.
- 13.3 The Executive Mayor, Speaker, MM or delegated official (as may be relevant) must promptly report, to the SAPS all cases of alleged:
 - 13.3.1 Prohibited expenditure that constitutes a criminal offense; and
 - 13.3.2 Theft and fraud that occurred in the OM.

14 RECOVERY OF UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 14.1 The MM or delegated official must recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure:
- 14.1.1 in the case of unauthorised expenditure, is
 - 14.1.1.1 authorised in an adjustment budget; OR
 - 14.1.1.2 certified by the Council, after investigation by the Municipal Public Accounts Committee, as irrecoverable and is written off by Council; and
 - 14.1.2 in the case of irregular or fruitless and wasteful expenditure, after investigation by Municipal Public Accounts Committee, is certified by Council as irrecoverable and written off by Council.
- 14.2 Irregular expenditures resulting from breaches of the RPOBA must be recovered from the Councillor to whom it was paid.
- 14.3 Once it has been established who is liable for the unauthorised, irregular or fruitless and wasteful expenditure through a disciplinary process, the MM must in writing request that the liable Councillor or official pay the amount within 30 days or as per an agreed written arrangement.
- 14.4 If the official or councillor fails to make satisfactory payment arrangements or fails to honour payment arrangements made, the amount owed for prohibited expenditure must be recovered through the normal debt collection process of the municipality.

15 PROTECTION OF OFFICIALS OR COUNCILLORS WHO HAVE REPORTED UNAUTHORIZED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE

- 15.1 If any official or councillor who has complied with this policy and as a result thereof has been subjected to intimidation, victimisation or threats, such official or councillor should immediately report such threats, victimisation or intimidation immediately to the MM, Speaker or Executive Mayor as the case may be.
- 15.2 The MM, Executive Mayor or Speaker must immediately take appropriate action to ensure the protection of the official or councillor after receiving the above report.
- 15.3 Where the nature of the threats warrants such action, the threats should be reported to the SAPS by the official with the assistance of the MM, Executive Mayor or Speaker, as the case may be.

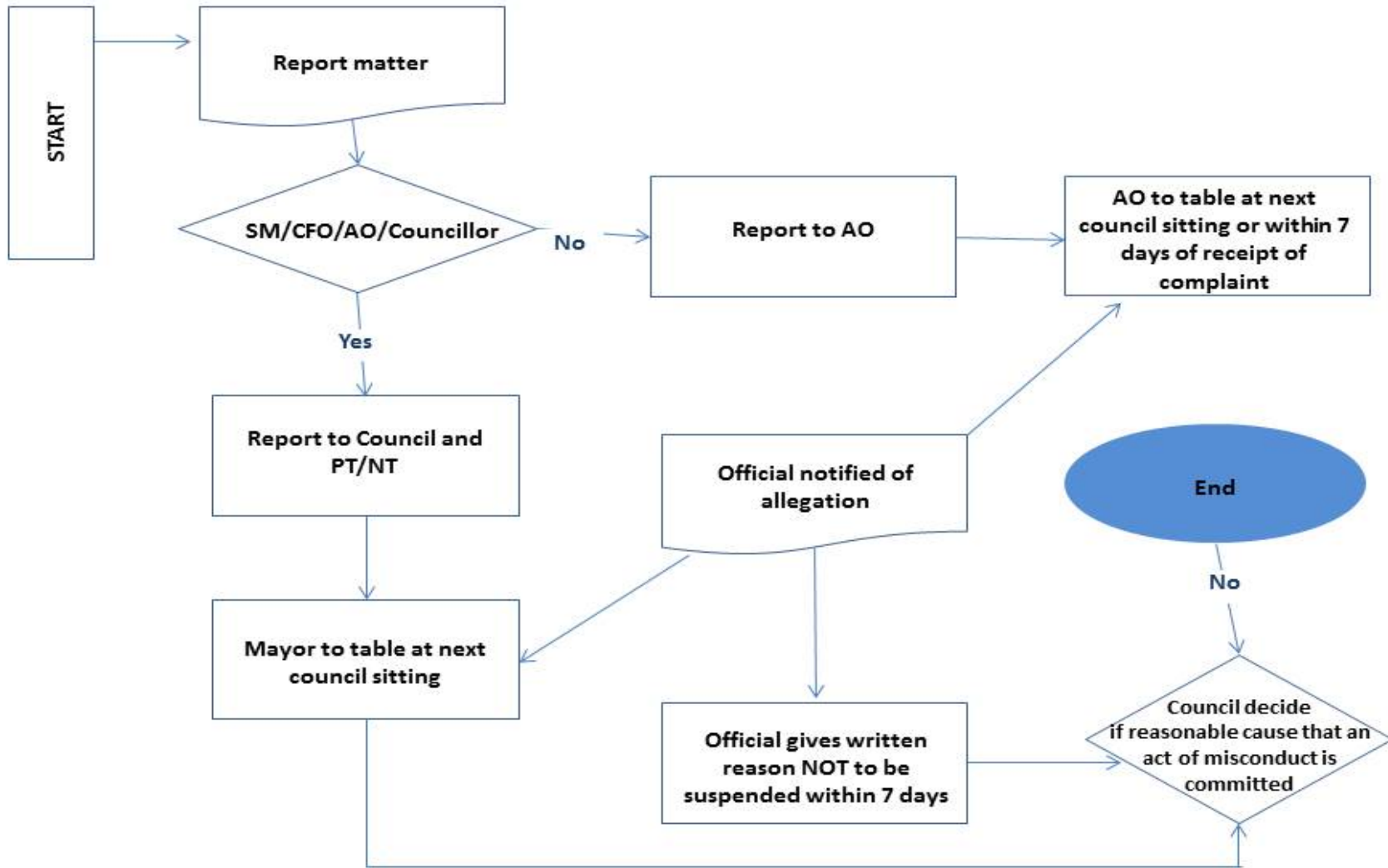
16 SHORT TITLE AND COMMENCEMENT

This policy is called the Overstrand Municipality's Unauthorised, Irregular or Fruitless and Wasteful Expenditure Policy.

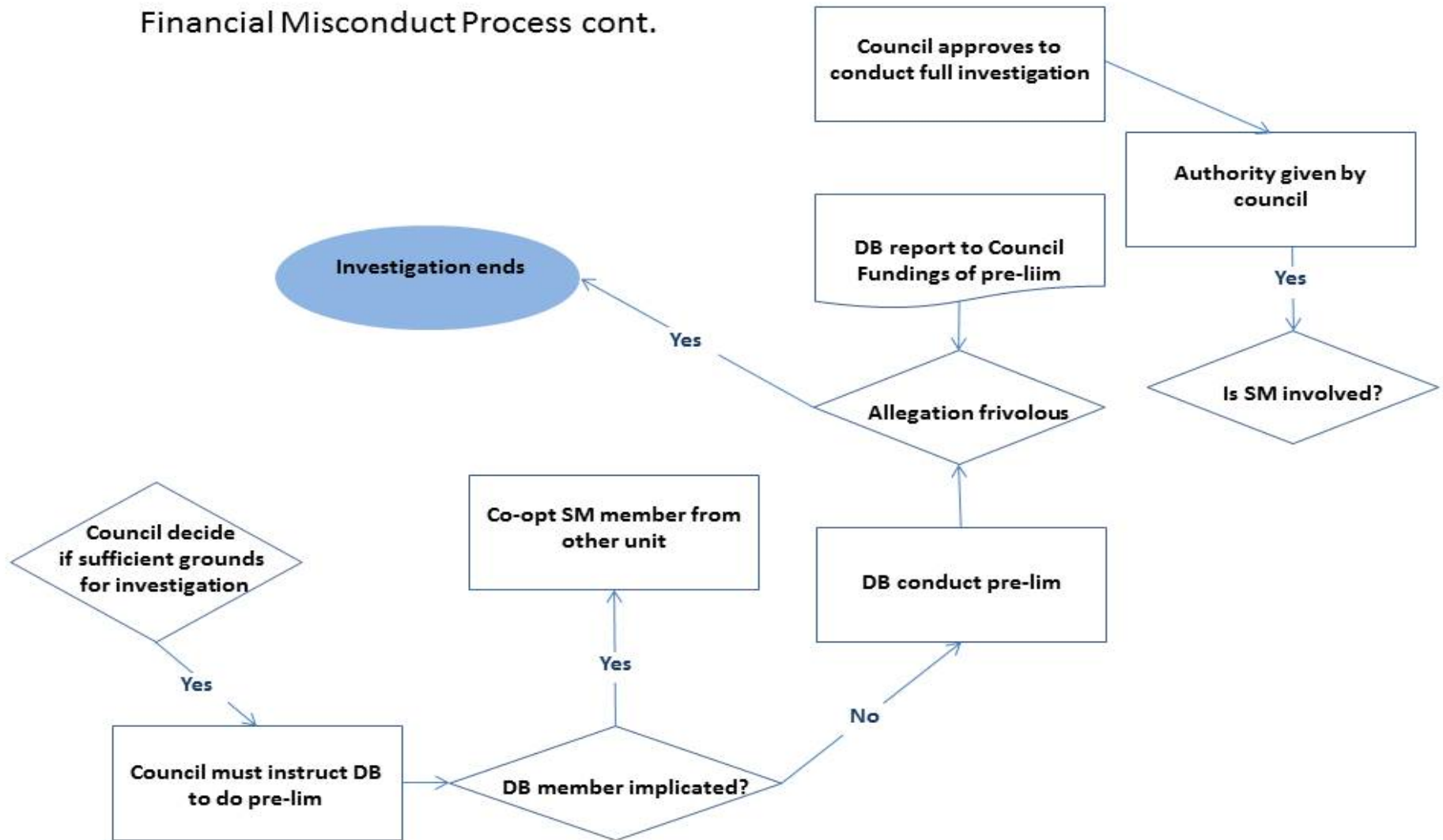
This policy will come into effect on **1 July 2020** and will be reviewed at least annually by way of a Council resolution.

POLICY SECTION:	HEAD: SUPPLY CHAIN MANAGEMENT
CURRENT UPDATE	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
APPROVAL BY COUNCIL	30 MAY 2018

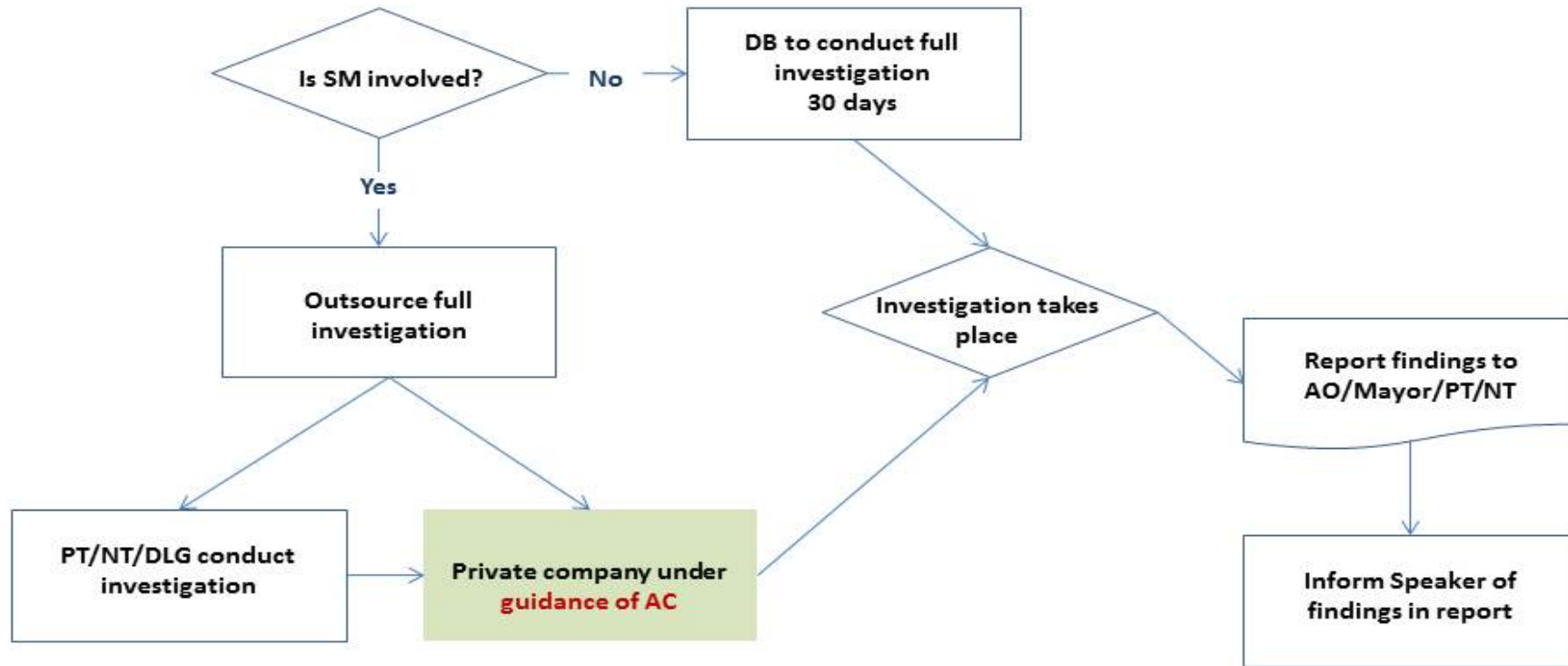
Financial Misconduct Process



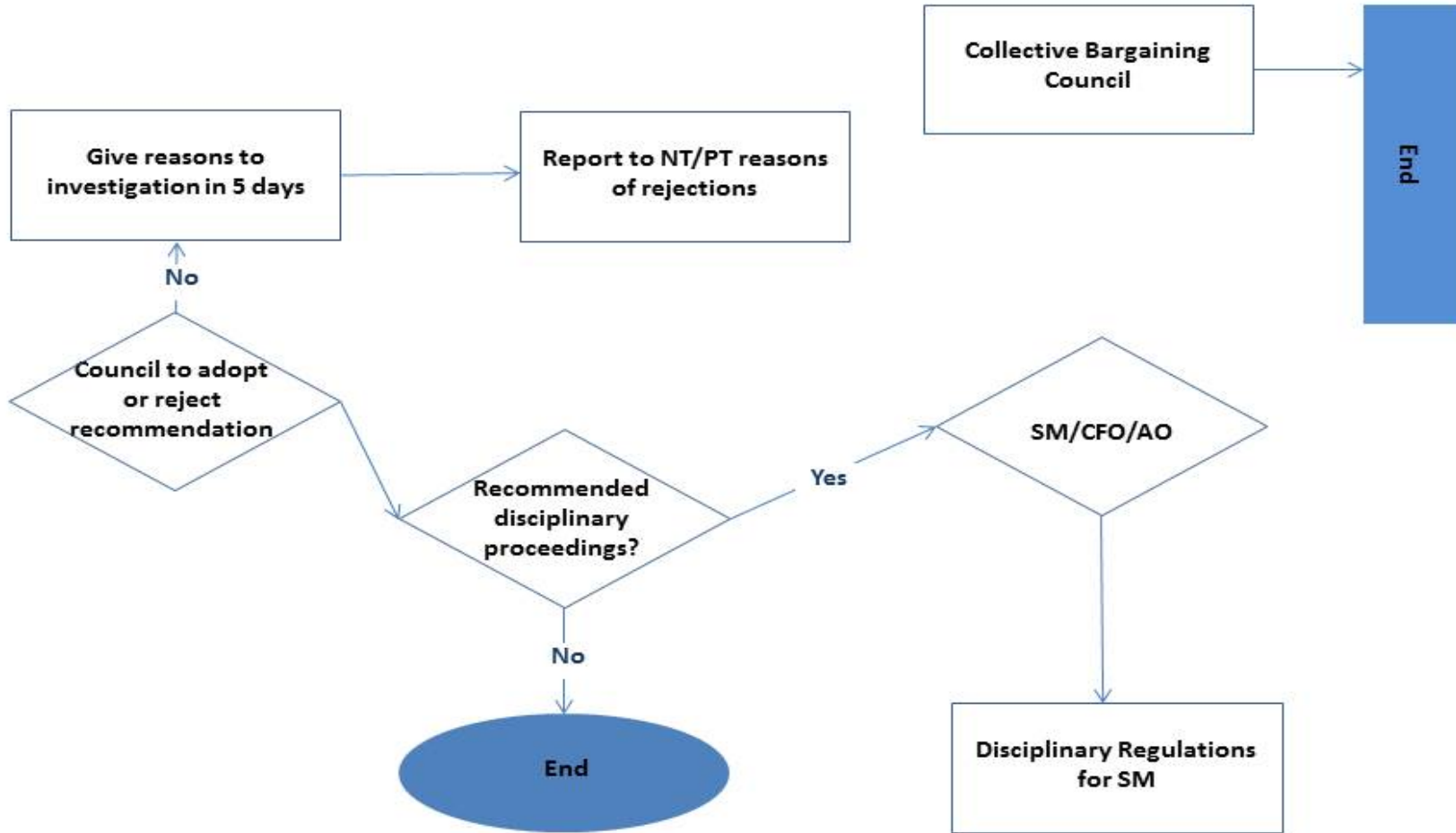
Financial Misconduct Process cont.



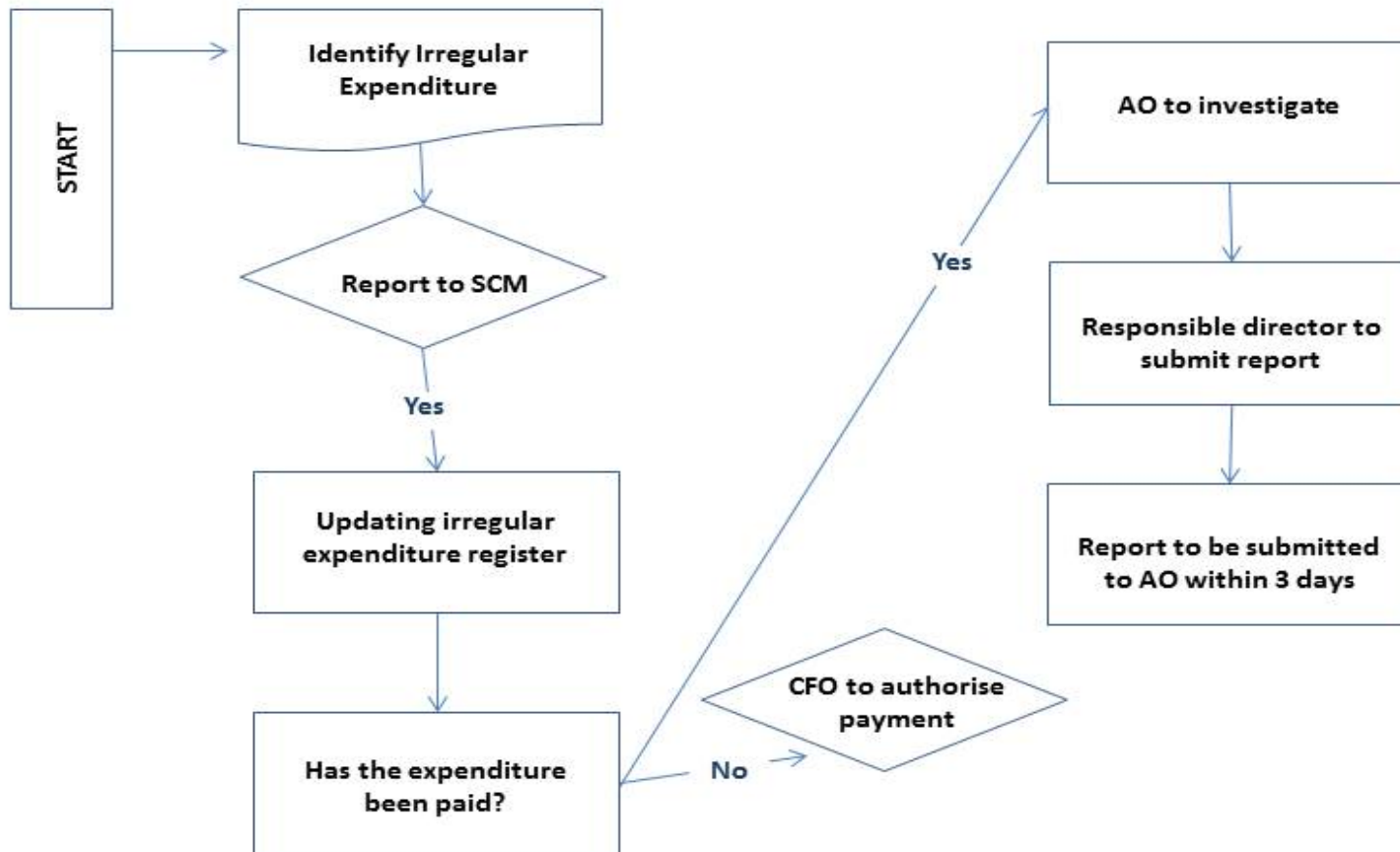
Financial Misconduct Process cont.



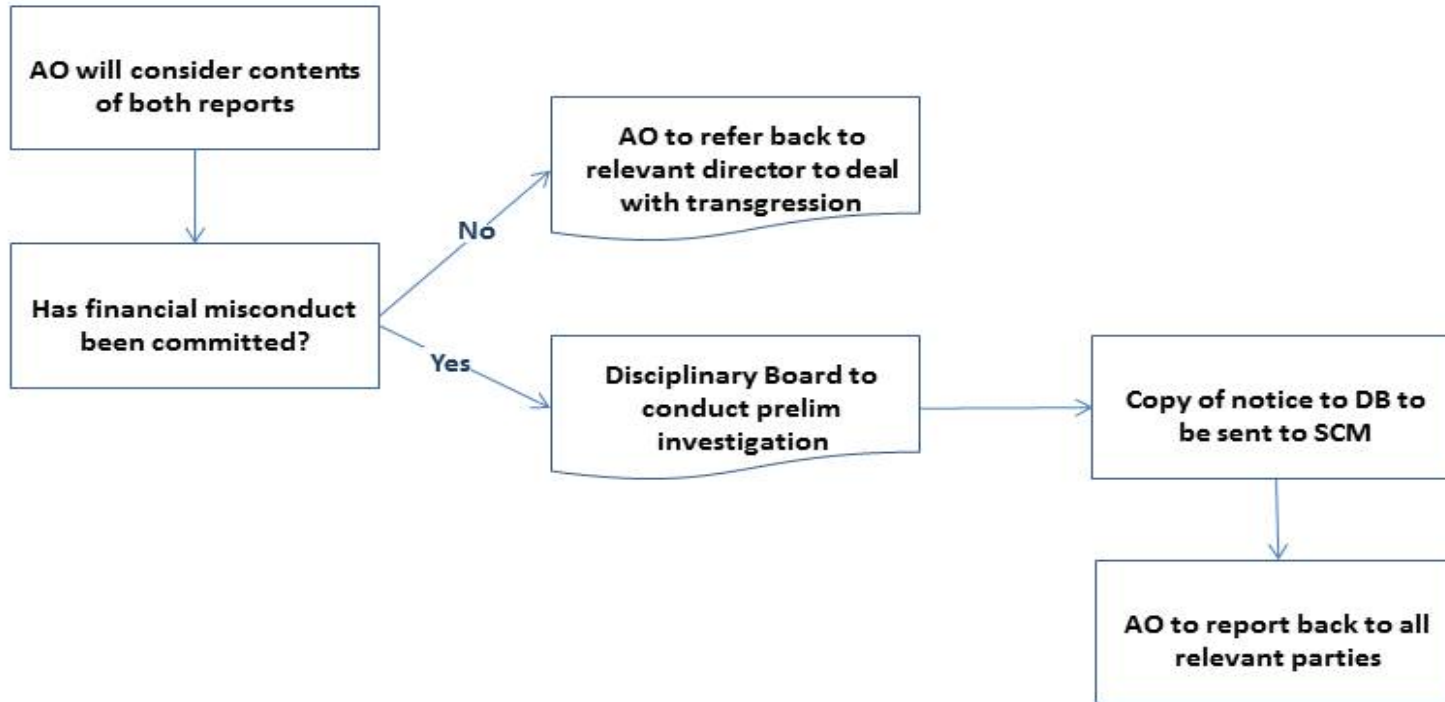
Financial Misconduct Process cont.



Irregular Expenditure Process



Irregular Expenditure Process cont.



OVERSTRAND MUNICIPALITY



COST CONTAINMENT POLICY

OVERSTRAND MUNICIPALITY – COST CONTAINMENT POLICY

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OVERSTRAND MUNICIPALITY – COST CONTAINMENT POLICY

1 Definitions

In this Policy, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and-

"Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"consultant" means a professional person, individual partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist the municipality to achieve its objectives of local government in terms of section 152 of the Constitution.

"cost containment" means the measures implemented to curtail spending in terms of this policy.

"credit card" means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder.

"municipality" means Overstrand Municipality ("OSM")

"regulations" means the Municipal Cost Containment Regulations, 2019

2. Object of the Policy

The object of the Policy is in line with sections 62(1)(a), 78(1)(b), 95(a) and 105(1)(b) of the Act, and the regulations, to ensure that resources of a municipality and municipal entity are used effectively, efficiently and economically by implementing cost containment measures.

3. Application of Policy

This Policy applies all officials and political office bearers in Overstrand Municipality.

4. Use of consultants

This Policy is in line with section 35 of the Overstrand Supply Chain Management Policy to ensure that resources of the municipality with regard to the use of consultants, are used effectively, efficiently and economically by implementing cost containment measures.

5. Vehicles used for political office –bearers

This Policy is in line with the stipulations of the Overstrand Travel and Subsistence Policy and the Overstrand Fleet Management Policy, to ensure that resources of the municipality with regard to vehicles used for political office-bearers, are used effectively, efficiently and economically by implementing cost containment measures.

6. Travel and subsistence

This Policy is in line with the stipulations of the Overstrand Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Travel and subsistence, are used effectively, efficiently and economically by implementing cost containment measures.

7. Domestic accommodation

OVERSTRAND MUNICIPALITY – COST CONTAINMENT POLICY

This Policy is in line with the stipulations of the Overstrand Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Domestic accommodation, are used effectively, efficiently and economically by implementing cost containment measures.

8. Credit cards

The accounting officer must ensure that no credit card or debit card linked to a bank account of the municipality is issued to any official or public office bearer.

9. Sponsorships, events and catering

This Policy is in line with the stipulations of the Overstrand Budget Policy, to ensure that resources of the municipality with regard to Sponsorships, events and catering, are used effectively, efficiently and economically by implementing cost containment measures.

10. Communication

This Policy is in line with the stipulations of the Overstrand Budget Policy, to ensure that resources of the municipality with regard to Communication, are used effectively, efficiently and economically by implementing cost containment measures.

11. Conferences, meetings and study tours

This Policy is in line with the stipulations of the Overstrand Budget Policy and the Travel and Subsistence Policy, to ensure that resources of the municipality with regard to Conferences, meetings and study tours, are used effectively, efficiently and economically by implementing cost containment measures.

12. Other related expenditure items

This Policy is in line with the stipulations of the Overstrand Budget Policy, Overstrand Supply Chain Management Policy, Basic Conditions of Employment Act, 1997 and the Conditions of Service Collective Agreement of the Western Cape Division, to ensure that resources of the municipality with regard to the following, are used effectively, efficiently and economically by implementing cost containment measures:

- 1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.
- 2) Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.
- 3) Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.
- 4) The municipality must avoid expenditure on elaborate and expensive office furniture.
- 5) The municipality may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.

OVERSTRAND MUNICIPALITY – COST CONTAINMENT POLICY

- 6) The municipality may consider providing additional time -off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager.

13. Enforcement procedures

Failure to implement or comply with this policy may result in any official of the municipality or political office bearer, who has authorized or incurred any expenditure contrary to determinations in this policy, being charged and held liable for:

- 1) financial misconduct or a financial offence in the case of political office bearers as defined in section 32 of the Act, or in the case of officials, also in terms of Chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014;
- 2) a financial offence in terms of Council's Unauthorised, Irregular or Fruitless and Wasteful Expenditure Policy.

14. Disclosures of cost containment measures

- 1) The disclosure of cost containment measures applied by the municipality and municipal entity must be included in the municipal in -year budget reports and annual costs savings disclosed in the annual report.
- 2) The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings and on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution.
- 3) The municipal council can refer such reports to an appropriate Council Committee for further recommendations and actions.
- 4) The reports referred to in sub -regulation (2) must be copied to the National Treasury and the relevant provincial treasury within seven calendar days after the report is submitted to municipal council.

15. Short title and commencement

This policy shall be called the Cost Containment Policy of the Overstrand Municipality and will come into effect on **1 July 2020**.

This policy shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

POLICY SECTION:	SENIOR MANAGER: EXPENDITURE & ASSET MANAGEMENT
CURRENT UPDATE:	
APPROVAL BY COUNCIL:	27 MAY 2020



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**NATIONAL TREASURY
NOTICE 317 OF 2019**

**LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003
MUNICIPAL COST CONTAINMENT REGULATIONS, 2019**

The Minister of Finance has, acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs, in terms of section 168(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), made the Regulations as set out in the Schedule.

SCHEDULE
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14. Enforcement procedures
15. Disclosures of cost containment measures
16. Short title and commencement

Definitions

1. In these Regulations, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and—

“**Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“**consultant**” means a professional person, individual, partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist a municipality or municipal entity to perform its functions to achieve the objects of local government in terms of section 152 of the Constitution;

“**cost containment**” means measures implemented to curtail spending in terms of these regulations; and

“**credit card**” means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder.

Object of Regulations

2. The object of these Regulations, in line with sections 62(1)(a), 78(1)(b), 95(a) and 105(1)(b) of the Act, is to ensure that resources of a municipality and municipal entity are used effectively, efficiently and economically by implementing cost containment measures.

Application of Regulations

3. These Regulations apply to all officials and political office bearers in municipalities and municipal entities.

Cost containment policies

4. (1) Each municipality or municipal entity must develop or revise and implement a cost containment policy which must—
- (a) in the case of a municipality, be adopted by the municipal council, and in the case of a municipal entity, by the board of directors as part of its budget related policies;
 - (b) define a municipality or municipal entity's objectives for the use of consultants; and
 - (c) be consistent with the Act and these Regulations.
- (2) The cost containment policy of a municipality or a municipal entity contemplated in sub-regulation (1) must—
- (a) be in writing;
 - (b) give effect to these Regulations;
 - (c) be reviewed annually, as may be appropriate;
 - (d) be communicated on the municipality's or municipal entity's website; and
 - (e) set out—
 - (i) monitoring measures for ensuring implementation of the policy;
 - (ii) procedures for the annual review of the policy; and
 - (iii) consequences for non-adherence to the measures contained therein.

Use of consultants

5. (1) A municipality or municipal entity may only appoint consultants if an assessment of the needs and requirements confirms that the affected municipality or municipal entity does not have the requisite skills or resources in its full-time employ to perform the function.
- (2) An accounting officer must adopt a fair and reasonable remuneration framework for consultants taking into account the rates—
- (a) determined in the "Guideline on fees for audits undertaken on behalf of the Auditor-General of South Africa", issued by the South African Institute of Chartered Accountants;
 - (b) set out in the "Guide on Hourly Fee Rates for Consultants", issued by the Department of Public Service and Administration; or
 - (c) as prescribed by the body regulating the profession of the consultant.
- (3) The tender documentation for the appointment of consultants must include a clause that the remuneration rates will be subject to negotiation, not exceeding the applicable rates mentioned in sub-regulation (2).
- (4) When negotiating cost-effective consultancy rates for international consultants, the accounting officer may take into account the relevant international and market-determined rates.
- (5) When consultants are appointed, an accounting officer must—
- (a) appoint consultants on a time and cost basis with specific start and end dates;
 - (b) where practical, appoint consultants on an output-specified basis, subject to specific measurable objectives and associated remuneration;
 - (c) ensure that contracts with consultants include overall cost ceilings by specifying whether the contract price is inclusive or exclusive of travel and subsistence disbursements;
 - (d) ensure the transfer of skills by consultants to the relevant officials of a municipality or municipal entity;
 - (e) undertake all engagements of consultants in accordance with the Municipal Supply Chain Management Regulations, 2005 and the municipality or municipal entity's supply chain management policy; and
 - (f) develop consultancy reduction plans to reduce the reliance on consultants.
- (6) All contracts with consultants must include a fee retention or penalty clause for poor performance.
- (7) A municipality or municipal entity must ensure that the specifications and performance are used as a monitoring tool for the work to be undertaken and are appropriately recorded and monitored.
- (8) The travel and subsistence costs of consultants must be in accordance with the national travel policy issued by the National Department of Transport, as updated from time to time.

- (9) The contract price must specify all travel and subsistence costs and if the travel and subsistence costs for appointed consultants are excluded from the contract price, such costs must be reimbursed in accordance with the national travel policy of the National Department of Transport.

Vehicles used for political office-bearers

6. (1) The threshold limit for vehicle purchases relating to official use by political office-bearers must not exceed R700 000 or 70% (VAT inclusive) of the total annual remuneration package for the different grades of municipalities, as defined in the Public Office Bearers Act and the notices issued in terms thereof by the Minister of Cooperative Governance and Traditional Affairs, whichever is lower.
- (2) The procurement of vehicles in sub-regulation (1) must be undertaken using the national government transversal contract mechanism, unless it may be procured at a lower cost through other procurement mechanisms.
- (3) Before deciding to procure a vehicle as contemplated in sub-regulation (2), the accounting officer or delegated official must provide the council with information relating to the following criteria which must be considered:
- (a) status of current vehicles;
 - (b) affordability of options including whether to procure a vehicle as compared to rental or hire thereof, provided that the most cost effective option is followed and the cost is equivalent to or lower than that contemplated in sub-regulation (1);
 - (c) extent of service delivery backlogs;
 - (d) terrain for effective usage of the vehicle; and
 - (e) any other policy of council.
- (4) If the rental referred to in sub-regulation (3) is preferred, the accounting officer must review the costs incurred regularly to ensure that value for money is obtained.
- (5) Regardless of their usage, vehicles for official use by political office bearers may only be replaced after completion of 120 000 kilometres.
- (6) Notwithstanding sub-regulation (5), a municipality or municipal entity may replace a vehicle for official use by political office bearers before the completion of 120 000km only in instances where the vehicle has a serious mechanical problem and is in a poor condition and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.
- (7) An accounting officer must ensure that there is a policy that addresses the use of municipal vehicles for official purposes.

Travel and subsistence

7. (1) An accounting officer—
- (a) may approve the purchase of economy class tickets for all officials or political office bearers where the flying time for the flights is five hours or less; and
 - (b) may only approve the purchase of business class tickets for officials, political office bearers and persons reporting directly to the accounting officer for flights exceeding five hours.
- (2) In the case of the accounting officer, the mayor may approve the purchase of economy class tickets where the flying time is five hours or less and business class tickets for flights exceeding five hours.
- (3) Notwithstanding sub-regulation (1) or (2), an accounting officer, or the mayor in the case of an accounting officer, may approve the purchase of business class tickets for an official or a political office bearer with a disability or a medically certified condition.
- (4) The cost containment policy must limit international travel to meetings or events that are considered critical. The number of officials or political office bearers attending such meetings or events must be limited to those officials or political office bearers directly involved in the subject matter related to such meetings or events.
- (5) An accounting officer, or the mayor in the case of the accounting officer, may approve accommodation costs that exceed an amount as determined from time to time by the National Treasury through a notice only—
- (a) during peak holiday periods; or

- (b) when major local or international events are hosted in a particular geographical area that results in an abnormal increase in the number of local and/or international guests in that particular geographical area.
- (6) An official or a political office bearer of a municipality or municipal entity must—
 - (a) utilise the municipal fleet, where viable, before incurring costs to hire vehicles;
 - (b) make use of available public transport or a shuttle service if the cost of such a service is lower than—
 - (i) the cost of hiring a vehicle;
 - (ii) the cost of kilometres claimable by the official or political office bearer; and
 - (iii) the cost of parking.
 - (c) not hire vehicles from a category higher than Group B or an equivalent class; and
 - (d) where a different class of vehicle is required for a particular terrain or to cater for the special needs of an official, seek the written approval of the accounting officer before hiring the vehicle.
- (7) A municipality or a municipal entity must utilise the negotiated rates for flights and accommodation as communicated from time to time by the National Treasury through a notice or any other available cheaper flight and accommodation.

Domestic accommodation

- 8. (1) An accounting officer must ensure that costs incurred for domestic accommodation and meals are in accordance with the maximum allowable rates for domestic accommodation and meals as communicated from time to time by the National Treasury through a notice.
- (2) Overnight accommodation may only be booked where the return trip exceeds 500 kilometres.

Credit cards

- 9. (1) An accounting officer must ensure that no credit card or debit card linked to a bank account of a municipality or a municipal entity is issued to any official or political office bearer, including members of the board of directors of municipal entities.
- (2) Where officials or political office bearers incur expenditure in relation to official municipal activities, such officials or political office bearers must use their personal credit cards or cash or arrangements made by the municipality or municipal entity, and request reimbursement in accordance with the written approved policy and processes.

Sponsorships, events and catering

- 10. (1) A municipality or municipal entity may not incur catering expenses for meetings which are only attended by persons in the employ of the municipality or municipal entity, unless the prior written approval of the accounting officer is obtained.
- (2) An accounting officer may incur catering expenses for the hosting of meetings, conferences, workshops, courses, forums, recruitment interviews, and proceedings of council that exceed five hours.
- (3) Entertainment allowances of qualifying officials may not exceed two thousand rand per person per financial year, unless approved otherwise by the accounting officer.
- (4) A municipality or municipal entity may not incur expenses on alcoholic beverages unless the municipality or the municipal entity recovers the cost from the sale of such beverages.
- (5) An accounting officer must ensure that social events, team building exercises, year-end functions, sporting events and budget vote dinners are not financed from the municipality or the municipal entity's budgets or by any suppliers or sponsors.
- (6) A municipality or municipal entity may not incur expenditure on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade unless costs related thereto are recovered from affected officials or is an integral part of the business model.

- (7) An accounting officer may incur expenditure not exceeding the limits for petty cash usage to host farewell functions in recognition of officials who retire after serving the municipality or municipal entity for ten or more years or retire on grounds of ill health.

Communication

11. (1) A municipality or municipal entity may, as far as possible, advertise municipal related events on its website instead of advertising in magazines or newspapers.
- (2) An accounting officer must ensure that allowances to officials for private calls and data costs are limited to an amount as determined by the accounting officer in the cost containment policy of the municipality or municipal entity.
- (3) Newspapers and other related publications for the use of officials must be discontinued on expiry of existing contracts or supply orders, unless required for professional purposes and where unavailable in electronic format.
- (4) A municipality or municipal entity may participate in the transversal term contract arranged by the National Treasury for the acquisition of mobile communication services.

Conferences, meetings and study tours

12. (1) An accounting officer must establish policies and procedures to manage applications to attend conferences or events hosted by professional bodies or non-governmental institutions held within and outside the borders of South Africa taking into account their merits and benefits, costs and available alternatives.
- (2) When considering applications from officials or political office bearers to attend conferences or events within and outside the borders of South Africa, an accounting officer or mayor as the case may be, must take the following into account—
- (a) the official's or political office bearer's role and responsibilities and the anticipated benefits of the conference or event;
 - (b) whether the conference or event addresses relevant concerns of the institution;
 - (c) the appropriate number of officials or political office bearers, not exceeding three, attending the conference or event; and
 - (d) the availability of funds to meet expenses related to the conference or event.
- (3) An accounting officer may consider appropriate benchmark costs with other professional bodies or regulatory bodies prior to granting approval for an official to attend a conference or event within and outside the borders of South Africa.
- (4) The benchmark costs referred to in sub-regulation (3) may not exceed an amount as determined from time to time by the National Treasury through a notice.
- (5) The amount referred to in sub-regulation (4) excludes costs related to travel, accommodation and related expenses, but includes—
- (a) conference or event registration expenses; and
 - (b) any other expense incurred in relation to the conference or event.
- (6) When considering costs for conferences or events these may not include items such as laptops, tablets and other similar tokens that are built into the price of such conferences or events.
- (7) The accounting officer of a municipality or municipal entity must ensure that meetings and planning sessions that entail the use of municipal funds are, as far as may be practically possible, held in-house.
- (8) Municipal or provincial office facilities must be utilised for conference, meetings, strategic planning sessions, *inter alia*, where an appropriate venue exists within the municipal jurisdiction.
- (9) An accounting officer must grant the approval for officials and in the case of political office bearers and the accounting officer, the mayor, as contemplated in sub-regulation (2).
- (10) A municipality or municipal entity must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

Other related expenditure items

13. (1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.
- (2) Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.
- (3) Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.
- (4) A municipality or municipal entity must avoid expenditure on elaborate and expensive office furniture.
- (5) A municipality or municipal entity may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.
- (6) A municipality or municipal entity may consider providing additional time-off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager.
- (7) A municipality or municipal entity must ensure that due process is followed when suspending or dismissing officials to avoid unnecessary litigation costs.

Enforcement Procedures

14. Failure to implement or comply with these Regulations may result in any official of the municipality or municipal entity, political office bearer or director of the board that authorised or incurred any expenditure contrary to these regulations being held liable for financial misconduct or a financial offence in the case of political office bearers as defined in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014.

Disclosures of cost containment measures

15. (1) The disclosure of cost containment measures applied by the municipality and municipal entity must be included in the municipal in-year budget reports and annual costs savings disclosed in the annual report.
- (2) The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings and on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution. The municipal council can refer such reports to an appropriate Council Committee for further recommendations and actions.
- (3) The reports referred to in sub-regulation (2) must be copied to the National Treasury and the relevant provincial treasury within seven calendar days after the report is submitted to municipal council.

Short title and commencement

16. These Regulations are called the Municipal Cost Containment Regulations, 2019 and take effect on 1 July 2019.