*OVERSTRAND MUNICIPALITY*




# DRAFT BUDGET REPORT 2021/2022

2021/22 TO 2023/24
MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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## Abbreviations and Acronyms

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

# FOREWORD

**OMAF - 10 MARCH 2021**
**SPEECH OF THE EXECUTIVE MAYOR: ALD DUDLEY COETZEE**

Good evening ladies and gentlemen,

Once again welcome.

This evening I will give a broad overview of the preliminary budget proposals for the 2021/22 financial year.

As stated in the past, the IDP informs the Municipal Budget, therefor the preparation of the 2021/22 draft budget was informed by the 4th and final review of our current 5-year Integrated Development Plan (IDP). The Municipality has to date achieved **84%** of the top layer key performance indicators (KPI's) set for the strategic objectives in the IDP.

This brings me to the broader economic factors that also informed the compilation of the draft Budget for 2021/22.

**As the community of the Overstrand, our reality, as well as that of our country and other countries across the world changed, in the first weeks of 2020 when the COVID-19 pandemic hit the world. In South Africa, a state of National Disaster in terms of COVID-19 was declared by the President on 15 March 2020.**

**This status has since been extended on a regular basis, and is still in place, although currently at an eased level.**

**The national lockdown introduced in March 2020 had a severe and immediate impact on the economy and all operations in the private and public sector, including the finances of municipalities.**

**The Governor of the South African Reserve Bank confirmed on 21 January 2021, in the statement of the Monetary Policy Committee** *that economic and financial conditions are expected to remain volatile for the foreseeable future.*

*The latest headline consumer price inflation forecast for 2021 is slightly higher at 4.0% (up from 3.9%) and is 4.5% (up from 4.4%) for 2022. The forecast for 2023 is 4.6%.*

The Municipal Finance Management Act (MFMA) Budget Circular issued in December 2020 states that: "*the main risks to the economic outlook are weaker-than-expected growth, and continued deterioration in public finances.*

The MFMA Budget Circular also stated that *"Electricity remains a binding constraint on economic recovery, with power interruptions expected to continue into 2021. Private generation will only be able to plug the electricity gap to a limited extent over the next year."*

The National Treasury also encouraged 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.

On a local level, the tourism and hospitality industry had a difficult holiday season due to a spike in Covid-19 infections towards the end of 2020, resulting in stricter lockdown regulations, and the closure of our beaches.

It thus remains relevant that for this budget cycle we are faced with an extremely 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.

Against this background the directive from the politicians to the administration was to limit increases in tariffs of those services that we can control to 4% in the 2021/2022 Draft Budget.

It is proposed to increase Property Rates across the board by 4%. The rebate on property rates offered to persons over the age of 60 remains unchanged.

Parking tariffs in the Hermanus CBD remain unchanged.

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 will continue to monitor movement towards ensuring that our basic charges cover the cost of providing the service and that the tariff covers the usage.

The tariff for sewerage and water increase by 4%. The tariff increase for 0 – 6kℓ of water will also only increase by 4%.

This is still in line with the approach of the 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 R25.19 per kℓ excluding VAT.

The tariff for refuse removal increases by 4%, to cover the costs of the services.

Sundry tariffs also increased by 4%, except in specific instances where either a zero percent increase is proposed, or an increase related to actual cost recovery.

The cost of A4 photo copies for library content only, remains unchanged to make it affordable for learners to make copies of these documents.

The tariff for the Lease of Municipal Property for Social Care Institutions, NPO's, PBO's and Community organisations also remains unchanged.

The proposed increase in the salary budget is 4.5%, and notch increases, which average 1.9% have also been budgeted for. We are mindful of the fact that the Minister of Finance announced that Public Servants should only receive notch adjustments for the following three years.

However, it should be noted that annual salary adjustments are still to be negotiated at National Bargaining Council level between the employer organization (SALGA) and the respective unions. Staff vacancies are still frozen and may only be filled following a motivation to Senior Management.

At this point allow me to explain that this draft Budget projects an accounting loss of R113m. Should we succeed in containing salary increases to notch adjustments only we will reduce our projected accounting deficit by R19,4m.

On 16 February 2021 the National Energy Regulator (NERSA) announced that an agreement had been reached with Eskom to add R10bn to the utility's revenue. This was based on the High Court order that R10 billion be added to Eskom's allowable revenue.

NERSA indicated that this will result in an average tariff increase of 15.63% in the 2021/22 financial year.

For the purposes of compiling the draft budget, an increase of 15.6% in the tariff for electricity charged by ESKOM to municipalities is assumed. This will be adjusted according to the final position regarding tariff increases published by NERSA.

The K9 Unit, as part of the Municipal Law Enforcement Department, has now been established and is operational. This includes the staff compliment and facilities of the Municipal Law Enforcement division, including offices in Gansbaai, Hermanus and Kleinmond.

The draft IDP review, as well as the draft Budget for 2021/22 will be open for public comment during April 2021, after it has served before Council on 31 March 2021. The public is once again invited to submit their written comments on the 2 draft documents.

The form of the IDP and Budget Roadshows will also be a combination of face to face and virtual meetings during the 2nd and 4th weeks of April 2021. The venues will be at the Kleinmond Civic Centre, Hermanus Auditorium, Gansbaai Council Chambers and at a venue to be confirmed in Zwelihle. Dates for these meetings will be published and made available at the March Ward Committee meetings.

I wish to conclude by thanking the community of the Overstrand and all the role-players of OMAF for their participation in the IDP review and Budget processes.

# 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 fourth 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 2021/2022:

**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 2021/22 to 2023/24 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 2021/22;

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 2021/22;

4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the 1rd draw down of the proposed three year borrowing programme for external loans amounting to R50 million per year.

5. that the following schedules be noted:

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

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

7. that **cognisance be taken** of the 2021/2022 Budget Report.

## 1.3 Executive Summary

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

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

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

The process with the compilation of the previous draft budget (2020/21, for the current financial period ending 30 June 2021), was marked by the challenge of an immediate and extensive impact of the worldwide COVID pandemic on the business in terms of strategies and our approach with the budget process followed at that stage.

The municipality had to analise and align with immediate focus on actions required and responsibilities towards our communities, and in order to adhere to the national state of disaster declared on 15 March 2020. The announcement of stringent measures on a national level, to contain the spread of Covid-19 at the time, such as travel restrictions on foreigners, a ban on mass gatherings of people, and the closure of schools. The unforseen and almost disasterous impact of before-mentionef on the local economy, lasted for several months.

There are still many unknowns, and no indication of the availability of vaccines to the wider population yet, which still calls for a concerted effort to contain and prevent the spreading of the virus. All countries have put in place strong measures to detect the 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 and has actually compounded since the country has been hit with a new variant of the virus discovered by scientists in South Africa. The new variant is far more contagious than the first strain that entered the country originally and has spread quickly, driving the second wave towards the end of 2020, with an almost certain instance of a third wave projected to impact on society shortly after the upcomming easter weekend.

Adjusted alert level 3 was in place from 29 December 2020 until 28 February 2021. The country is currently on adjusted alert level 1 from 1 March 2021.

On provincial level, there are signs of economic recovery and we could expect economic growth to increase by 4.6 per cent in 2021, 3.1 per cent in 2022 and 2.8 per cent in 2023 in the Western Cape. Again also warning that there are significant downside risks, including, most importantly, the possible third wave, a shortage of electricity and a rise in inflation, all of which could compromise economic recovery as envisaged. The only real difference to economic recovery depends on vaccinating as many people as fast as possible.

The negative impact on cashflows will still be directly related to instances of temporary/permanent closure of businesses and the inability of consumers to maintain monthly payments of municipal accounts. It is also anticipated that individuals will reduce consumption (water & electricity) due to reduced household income available.

The Budget Steering Committee considered increased expenditure directly related to the effect of the COVID-19 lockdown and implementation of regulated requirements to provide costly Personal Protective Equipment (PPE) and related materials to essential services staff (Hazmat Suits), routine decontamination of municipal offices, public areas, sanitizer in all municipal offices, reception areas, et cetera). Before-mentioned will remain a priority in the unforseeable future.

In view of these major financial risks and constraints facing the municipality at this point in time, and with the uncertainty of availability of vaccines, the scenario currently remains unpredictable to an extent. The decision was taken by the Budget Steering Committee to recommend revenue projections based on an increase of 4% for municipal services and sundry tariffs accross the board, as per the list of draft Rates, Tariffs, Tariff Structures and Charges, excluding electricity (to be discussed later on in this report), order to table the budget for 2021/22 in council before the end of March 2021.

The increase on Electricity tariffs are currently stated at 15.6% in the 2021/22 draft budget, based on indicative information prior to the release of the National Energy Regulator of South Africa (NERSA) Tariff Guideline a few days ago. This document will only be published with the final outcome subsequent to the tabling of our draft budget for 2021/22 before the end of March 2021.

To be noted thus that the final tariffs applicable on Overstrand residents will be aligned to the final approval of proposed tariffs, in accordance with the final approval of NERSA.

In order to present a balanced budget to Council, the respective municipal directorates were requested to cut back on initial expenditure budget requests.

The Municipality remains alert with regard to the impact of COVID-19 on the municipality referring to the response and compliance required from the municipality in terms of the Disaster Management Regulations, inclusive of the severe impact on our human and fiscal resources, to ensure that expenditure incurred does not exceed the trend in revenue generated to fund the budget.

Against this backdrop, it is emphasized again that a provisio remain relevant, implying that emphasis be placed on responsible spending in view of the uncertainty as mentioned and the possible impact on the municipality's operations and finances.

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 6.5, 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, National Treasury issued MFMA Budget Circulars No. 107 & 108 for guidance for the compilation of the 2021/22 MTREF, with a revised A Schedule – mSCOA Version 6.5 (Municipal annual budgets and MTREF & supporting tables) also issued, effective from 2021/22 and to be used to compile the 2021/22 MTREF.

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.

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.

The Western Cape Provincial Treasury has issued Circular No. 05 of 2020 regarding budget related matters and the proposed SIME: LG MTEC Budget & IDP engagements.

The main challenges experienced during the compilation of the 2021/22 MTREF can be summarised as follows:

- The impact of COVID-19 on the financial sustainability of the municipality, and the major financial risks, uncertainty and constraints facing the municipality;

- The on-going difficulties in the national and local economy;
- 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 2021/22 MTREF process;
- Maintaining a positive cash flow; and
- Ensuring financial sustainability.

The following budget principles and guidelines directly informed the compilation of the 2021/22 MTREF:

- The 2020/2021 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 2021/22 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.
    - The examining of expenses to see if they are essential to the municipality's operations.
    - Municipal Cost Containment Regulations, 2019.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2021/22 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2021/22 MTREF**

**(a) Total Revenue (including capital grants)**

| R thousand | Budget Year 2020/21 | Budget Year 2021/22 | Budget Year +2 2022/23 | Budget Year +3 2023/24 | | | |
|---|---|---|---|---|---|---|---|
| Revenue | 1,297,992 | 1,456,634 | 1,492,069 | 1,529,399 | 12.2% | 2.4% | 2.5% |
| Expenditure | 1,344,123 | 1,450,536 | 1,493,455 | 1,547,908 | 7.9% | 3.0% | 3.6% |
| Surplus / (Deficit) | (46,131) | 6,098 | (1,386) | (18,508) | | | |
| Capital | 280,086 | 233,444 | 142,286 | 95,835 | -16.7% | -39.0% | -32.6% |

**(b) Total Revenue (excluding capital grants)**

| R thousand | Budget Year 2020/21 | Budget Year 2021/22 | Budget Year +2 2022/23 | Budget Year +3 2023/24 | | | |
|---|---|---|---|---|---|---|---|
| Revenue | 1,251,076 | 1,397,079 | 1,449,929 | 1,495,508 | 11.7% | 3.8% | 3.1% |
| Expenditure | 1,344,123 | 1,450,536 | 1,493,455 | 1,547,908 | 7.9% | 3.0% | 3.6% |
| Surplus / (Deficit) | (93,046) | (53,457) | (43,526) | (52,400) | | | |
| Capital | 280,086 | 233,444 | 142,286 | 95,835 | -16.7% | -39.0% | -32.6% |

Total revenue (including capital grants) to expenditure (Table 1a) indicates declining deficits over the 2021/22 MTREF.

Total operating revenue (Table 1a) indicates a increase in revenue of 12.2 per cent for the 2021/22 financial year when compared to the 2020/2021 Adjustments Budget. For the two outer years, operational revenue will increase by 2,4 and 2,5 per cent respectively. Revenues in Table 1(a) are as informed by fluctuations in the allocation of the Housing grant between operating (top structures) and capital (infrastructure) in the respective financial years.

Total operating expenditure for the 2021/22 financial year has been appropriated at R1,450bn and translates into a budgeted deficit of R53.4m (excluding capital grants) and a minor surplus of R6m (including capital grants). When compared to the 2020/2021 Adjustments Budget, operating expenditure has increased by 7,9 per cent in the 2021/22 budget and increases by 3 and 3.6 per cent for each of the respective outer years of the MTREF.

It should be noted that although the 2021/2022 operational budget and indicative years indicate budgeted deficits (Table 1b), this does not reflect the actual cash position. This phenomenon will continue for the foreseeable future. These circumstances arose as the result of the implementation of GRAP, with special reference to GRAP 17 (Property, Plant and Equipment-PPE). The asset value before depreciation is in excess of R6 billion, which relates to substantially high depreciation charges. Although accurately reflecting asset value, the cost of a substantial portion of these assets had been fully redeemed previously, but the useful life of assets was extended as well as ever increasing assets funded by grants. The replacement thereof can thus not be recouped via current tariffs as this would lead to taxation in advance of need and no reserves may be established for these purposes. The principle of recovering actual cash costs during each financial period is adhered to.
The capital budget of R233,4m for 2021/22 is 16.7 per cent less when compared to the 2020/2021 Budget. The decreased own funding from surplus is due to cash available for capital investment for the 2021/22 capital budget. The dedicated infrastructure upgrading/replacement project for water and sewerage networks had a 3 year lifespan, ending 30 June 2021. The impact of roll-over projects for the current financial period also results in a decreased capital budget for 2021/22.

The capital programme decreases to R142.3m and to R95.8m in the outer years, which is still aligned on average to the estimated minimum of R100m required annually to sustain capital infrastructure. Own funding (new borrowings) is anticipated at R50m. New borrowings contribute to 31,8 % of the funding over the 2021/22 MTREF. Internally generated funds contribute 17,1% and capital grants 47.4%. The various sources of funded roll-over projects are included in these figures.

The Municipality had reached its planned outer borrowing limit of 60% of operational revenue in 2012. This was a result of much needed investment in infrastructure during the period from 2009 to 2012, after which the municipality embarked on a strategy to manage this rate down by at least 10% over a ten-year period. In January 2014 National Treasury published the first norms and standards circular in which it recommended an upper limit of 45% to revenue. It is estimated that this rate would be at around 39% and at the end of the 2021/22. 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 (7$^{th}$ 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 75% of the total operating revenue mix for 2021/22. For the 2021/2022 financial year, revenue from rates and services charges totals R1,049bn and increases to R1,129bn, R1,217bn in the respective financial years of the MTREF.

The following table is a summary of the 2021/22 MTREF (classified by main revenue source):

**Table 2 Summary of revenue classified by main revenue source**

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Revenue By Source | | | | | | | | | |
| Property rates | 215 763 | 233 093 | 240 914 | 262 551 | 259 241 | 259 241 | 275 637 | 286 662 | 298 129 |
| Service charges - electricity revenue | 349 298 | 378 693 | 415 947 | 386 294 | 386 294 | 386 294 | 479 057 | 536 403 | 600 624 |
| Service charges - water revenue | 110 932 | 129 858 | 133 628 | 128 520 | 128 520 | 128 520 | 132 168 | 137 455 | 142 953 |
| Service charges - sanitation revenue | 72 106 | 77 719 | 80 871 | 78 913 | 78 913 | 78 913 | 87 631 | 91 137 | 94 782 |
| Service charges - refuse revenue | 57 775 | 61 763 | 69 102 | 69 482 | 69 482 | 69 482 | 74 741 | 77 731 | 80 840 |
| Rental of facilities and equipment | 5 616 | 6 278 | 5 738 | 3 627 | 3 627 | 3 627 | 3 440 | 3 148 | 3 273 |
| Interest earned - external investments | 30 320 | 41 767 | 48 146 | 31 400 | 26 400 | 26 400 | 27 456 | 28 554 | 29 697 |
| Interest earned - outstanding debtors | 3 854 | 4 193 | 5 040 | 4 673 | 4 650 | 4 650 | 4 681 | 4 868 | 5 062 |
| Fines, penalties and forfeits | 31 638 | 25 672 | 18 211 | 29 564 | 29 564 | 29 564 | 28 223 | 29 348 | 30 519 |
| Licences and permits | 2 527 | 2 526 | 1 975 | 2 385 | 2 385 | 2 385 | 2 039 | 2 097 | 2 164 |
| Agency services | 4 149 | 4 885 | 4 376 | 4 938 | 6 438 | 6 438 | 6 680 | 6 930 | 7 189 |
| Transfers and subsidies | 116 458 | 106 306 | 123 140 | 131 840 | 148 458 | 148 458 | 139 692 | 144 977 | 148 209 |
| Other revenue | 48 492 | 83 673 | 143 186 | 113 998 | 96 604 | 96 604 | 127 409 | 92 259 | 43 563 |
| Gains | 28 096 | – | – | 7 000 | 10 500 | 10 500 | 8 225 | 8 361 | 8 504 |
| **Total Revenue (excluding capital transfers and contributions)** | **1 077 023** | **1 156 425** | **1 290 276** | **1 255 185** | **1 251 076** | **1 251 076** | **1 397 079** | **1 449 929** | **1 495 508** |

**Table 3 Percentage growth in revenue by main revenue source**

| Description | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | | | | |
|---|---|---|---|---|---|---|---|
| R thousand | | Budget Year 2021/22 | | Budget Year +1 2022/23 | | Budget Year +2 2023/24 | |
| Revenue By Source | | | | | | | |
| Property rates | 259 241 | 275 637 | 6,32% | 286 662 | 4,00% | 298 129 | 4,00% |
| Service charges - electricity revenue | 386 294 | 479 057 | 24,01% | 536 403 | 11,97% | 600 624 | 11,97% |
| Service charges - water revenue | 128 520 | 132 168 | 2,84% | 137 455 | 4,00% | 142 953 | 4,00% |
| Service charges - sanitation revenue | 78 913 | 87 631 | 11,05% | 91 137 | 4,00% | 94 782 | 4,00% |
| Service charges - refuse revenue | 69 482 | 74 741 | 7,57% | 77 731 | 4,00% | 80 840 | 4,00% |
| Rental of facilities and equipment | 3 627 | 3 440 | -5,15% | 3 148 | -8,50% | 3 273 | 3,98% |
| Interest earned - external investments | 26 400 | 27 456 | 4,00% | 28 554 | 4,00% | 29 697 | 4,00% |
| Interest earned - outstanding debtors | 4 650 | 4 681 | 0,67% | 4 868 | 4,00% | 5 062 | 4,00% |
| Fines | 29 564 | 28 223 | -4,54% | 29 348 | 3,99% | 30 519 | 3,99% |
| Licences and permits | 2 385 | 2 039 | -14,53% | 2 097 | 2,86% | 2 164 | 3,23% |
| Agency services | 6 438 | 6 680 | 3,76% | 6 930 | 3,74% | 7 189 | 3,75% |
| Transfers recognised - operational | 148 458 | 139 692 | -5,90% | 144 977 | 3,78% | 148 209 | 2,23% |
| Other revenue | 96 604 | 127 409 | 31,89% | 92 259 | -27,59% | 43 563 | -52,78% |
| Gains on disposal of PPE | 10 500 | 8 225 | -21,67% | 8 361 | 1,66% | 8 504 | 1,71% |
| **Total Revenue (excluding capital transfers and contributions)** | **1 251 076** | **1 397 079** | 11,67% | **1 449 929** | 3,78% | **1 495 508** | 3,14% |

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 2020/21 and the subsequent adjustments budget and further reclassifications of revenue categories relating to mSCOA. The determination of proposed revenue for 2021/22 has been based on the current statistics available, limited growth and pending slump in economic activity due to the coronavirus.

After collective service charges, property rates are the second largest revenue source. The third largest source is operational grants from national and provincial government, which is showing growth over the MTREF. This is followed by other revenue which consists of various items such as revenue received from permits and licenses, building plan fees, connection fees, advertisement fees and construction contracts relating to low cost housing etc, interest on investments and fines.

Departments delivering these services have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective.

Operating grants and transfers total R139,7m in the 2021/22 financial year. This increases in the outer years to R144,9 in 2022/23 and R148,2 in 2023/24 respectively, of the MTREF. The housing allocation for the building of top structures for housing development are included under other revenue in accordance with GRAP construction contracts, and amounts to R202,8m over the MTREF. Equitable share increases over the 3 year MTREF period, from the current 2020/21 adjustments budget by 5,6% (excluding the special COVID-19 equitable share allocation in 2020/21) 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **RECEIPTS:** | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | |
| **National Government:** | **88 073** | **99 544** | **110 994** | **121 368** | **138 372** | **138 372** | **127 977** | **135 644** | **138 612** |
| Local Government Equitable Share | 84 223 | 96 068 | 106 697 | 117 318 | 134 322 | 134 322 | 123 897 | 134 094 | 137 062 |
| Finance Management | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 |
| EPWP Incentive | 2 300 | 1 926 | 2 635 | 2 500 | 2 500 | 2 500 | 2 530 | – | – |
| Municipal Disaster Grant [Schedule 5B] | | | 112 | | | | | | |
| **Provincial Government:** | **38 766** | **23 028** | **10 691** | **10 472** | **8 055** | **8 055** | **10 715** | **9 333** | **9 597** |
| Capacity Building | | | 148 | 75 | 75 | 75 | 76 | 76 | 76 |
| Capacity Building and Other | 38 627 | 22 891 | 380 | 401 | 300 | 300 | – | – | – |
| Disaster and Emergency Services | – | | | | | | – | – | – |
| Health | – | | | | | | – | – | – |
| Housing | – | | | | | | – | – | – |
| Infrastructure | | | | | | | | | |
| Libraries, Archives and Museums | | | 7 287 | 7 651 | 5 335 | 5 335 | 6 580 | 6 692 | 6 806 |
| Other | | | 2 750 | 2 200 | 2 200 | 2 200 | 3 914 | 2 420 | 2 570 |
| Public Transport | – | – | – | – | – | – | – | – | – |
| Road Infrastructure - Maintenance | 139 | 137 | 126 | 145 | 145 | 145 | 145 | 145 | 145 |
| **Other Grant Providers:** | **–** | **–** | **–** | **–** | **–** | **–** | **55 241** | **35 842** | **19 733** |
| Households | – | – | – | – | – | – | 55 241 | 35 842 | 19 733 |
| **Total Operating Transfers and Grants** | **126 839** | **122 572** | **121 685** | **131 840** | **146 427** | **146 427** | **193 933** | **180 819** | **167 942** |

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 2021/22 MTREF. Municipalities should justify increases in excess of the 3,9 per cent projected inflation target as indicated in Municipal Budget Circular 108. 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 4%. Furthermore, average increases in water, refuse and sewage service charges are also set at 4%, with the exception of electricity tariffs.

The indicative percentage increase of Eskom bulk tariffs charged to municipalities has been set at 15.6% in this report. The indicative overall tariff increases for municipal electricity tariffs for municipal

consumers for the electricity basket are also indicated currently at 15.6%, as the NERSA guideline consultation paper was released days ago.
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 | Original Budget 2021/2022 |
|---|---|---|---|
| **Service : ELECTRICITY** | | | |
| TOTAL EXPENDITURE | 418 081 345 | 411 253 812 | 468 571 433 |
| TOTAL INCOME | -430 475 577 | -423 221 589 | -519 084 131 |
| (SURPLUS)/DEFICIT | -12 394 232 | -11 967 777 | -50 512 698 |
| | 2.88% | 2.83% | 9.73% |
| **Service : WATER** | | | |
| TOTAL EXPENDITURE | 132 938 505 | 138 392 326 | 143 977 928 |
| TOTAL INCOME | -140 595 211 | -142 535 380 | -147 445 938 |
| (SURPLUS)/DEFICIT | -7 656 706 | -4 143 055 | -3 468 011 |
| | 5.45% | 2.91% | 2.35% |
| **Service : WASTE WATER MANAGEMENT** | | | |
| TOTAL EXPENDITURE | 87 992 343 | 91 938 432 | 99 443 420 |
| TOTAL INCOME | -97 202 168 | -96 879 670 | -106 656 118 |
| (SURPLUS)/DEFICIT | -9 209 825 | -4 941 238 | -7 212 698 |
| | 9.47% | 5.10% | 6.76% |
| **Service : WASTE MANAGEMENT** | | | |
| TOTAL EXPENDITURE | 82 066 253 | 84 410 720 | 93 099 156 |
| TOTAL INCOME | -86 219 480 | -87 758 890 | -94 144 886 |
| (SURPLUS)/DEFICIT | -4 153 227 | -3 348 170 | -1 045 730 |
| | 4.82% | 3.82% | 1.11% |

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<br>Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the difference between Bus and Res rate:<br>1 - 2 X lettable room : 100%<br>3 X lettable room : 75%<br>4 X lettable room : 50%<br>5 X lettable room : 25% |
| BUSO | General Tax: Tourism and Recreational Resorts outside the municipal service areas | Hotels, Guest Houses, Cottages, Caravan Parks and Holiday Resorts, Chalets | 50% rebate on the tax applicable on commercial property in urban areas |
| RES | General Tax: Residential properties within the municipal service areas | Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes, Small holdings not used for bona fide farming purposes | The first R15 000.00 of the rateable value of all residential properties is exempted from property tax as per the Municipal Propery Rates Act, Section 17 (1) h<br>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<br>An Additional rebate of 20% of the levy calculated on such properties is granted<br>Rebate to qualifying property owners as indicated under "Other Retabe" |
| RESO | General Tax: Residential properties outside the municipal service area | Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes | 50% of the tax applicable on residential property in urban areas<br>Rebate to qualifying property owners as indicated under "Other Retabe" |
| FARMS | General Tax: Farming properties | Small holdings used for bona fide farming purposes outside municipal service area | Agricultural purpose in relation to the use of a property, excludes the use of the property for the purpose of ecotourism or for the trading In or hunting game |
| FARMS | Conservation land | Privately owned properties whether designated or used for conservation purposes | Not rateable in terms of section 17(1)(e) of the Municipal Property Rates Act |
| | Other Rebates | Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes | - Property zoned single residential must be occupied permantly by the applicant;<br>- The applicant must be the registered owner;<br>- Applicant may not be the registered owner of more than one property |
| PR100 | | | * A rebate of 100% to approved applicant in terms of the Property Rates Policy, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month |
| PR050 | | | * A rebate of 50% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month |
| PR040 | | | * A rebate of 40% to approved applicants, in terms of the Property Rates Policy who are older than 60 with a gross monthly household income more than four times (4X) but less than eight times (8X) of state funded social pensions per month |

The following table sets out the categories of rateable properties for purposes of levying rates and the proposed rates for the 2021/22 financial year, to increase from 1 July 2021:

## Table 6 Comparison of proposed rates to be levied for the 2021/22 financial year

**RATES TARIFFS**

| Tariff Code | Detail | 2021/2022 | | 2020/2021 | | 1,0400 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT | Exclude VAT | Include VAT | |
| | | | | | | |
| RATES | YEAR OF GENERAL VALUATION: 02 JULY 2015 | | | | | |
| | | | | | | |
| RATE1* | Commercial Land with Improvements | 0,00939 | 0,00939 | 0,00903 | 0,00903 | 4,0000% |
| | | | | | | |
| RATE2* | Residential Land with Improvements | 0,00620 | 0,00620 | 0,00596 | 0,00596 | 4,0000% |
| | ** See attached schedule of Exemptions and Rebates applicable* | | | | | |
| | | | | | | |
| RATE3 | Municipal Properties: Investment Properties | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | |
| RATE4 | Municipal Properties: Property, Plant and Equipment | 0,00000 | 0,00000 | 0,00000 | 0,00000 | |
| | | | | | | |
| RATE6 | Building Clause | Equals to tariff for rates on property | Equals to tariff for rates on property | Equals to tariff for rates on property | Equals to tariff for rates on property | |
| | | | | | | |
| RATE7 | Farm/Agriculture (Bona-fide) | 0,00155 | 0,00155 | 0,00149 | 0,00149 | 4,0000% |
| | | | | | | |
| RATE8 | Undeveloped erven | 0,00849 | 0,00849 | 0,00816 | 0,00816 | 4,0000% |
| | | | | | | |
| RATE9 | Government Properties: Commercial | 0,00939 | 0,00939 | 0,00903 | 0,00903 | 4,0000% |
| | | | | | | |
| RAT10 | Government Properties: Residential | 0,00620 | 0,00620 | 0,00596 | 0,00596 | 4,0000% |
| | | | | | | |
| | **Special Rating Areas** | | | | | |
| RAT11 | HSRA (Hermanus) | 0,00063 | 0,00063 | 0,00061 | 0,00061 | 3,5000% |
| RAT12 | KSRA (Kleinmond) | 0,00050 | 0,00050 | 0,00050 | 0,00050 | 0,0000% |
| RAT13 | OVSRA (Onrus-Vermont) | 0,00035 | 0,00035 | 0,00035 | 0,00035 | 0,0000% |
| **PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES** | | | | | | |

### 1.4.2 Sale of Water and Impact of Tariff Increases

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

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

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

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

Tariff increases as from 1 July 2021 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. The increases in the 0 – 6 kℓ category for this budget will be the same as the general 4% increase for water consumption 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 | 2021/2022 | | 2020/2021 | | |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT | Exclude VAT | Include VAT | |
| **W1** | **BASIC CHARGE** | | | | | |
| W1A1 | Basic Monthly Charge per erf/unit per month | 148,35 | 170,60 | 142,64 | 164,04 | 4,00% |
| W1A2A | Basic Monthly Subsidy : Residential Indigent as per paragraph A of the Indigent Policyper erf/unit per month | 148,35 | 170,60 | 142,64 | 164,04 | 4,00% |
| W1A2B | Basic Monthly Subsidy: Residential Indigent as per paragraph B, C & D of the Indigent Policy per erf/unit per month | 129,14 | 148,51 | 129,14 | 148,51 | 0,00% |
| **W1A3** | **Infrastructure** | | | | | |
| W1A3A | Fixed Infrastructure Basic Charge per erf/unit per month | 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 & Level 1 water restrictions** | | | | | |
| W1B1 | 0 - 6 kl per kl | 6,08 | 7,00 | 5,85 | 6,73 | 4,00% |
| W1B2 | 7 - 18 kl per kl | 12,47 | 14,34 | 11,99 | 13,79 | 4,00% |
| W1B3 | 19 - 30 kl per kl | 20,23 | 23,26 | 19,45 | 22,37 | 4,00% |
| W1B4 | 31 - 45 kl per kl | 31,15 | 35,82 | 29,95 | 34,44 | 4,00% |
| W1B5 | 46 - 60 kl per kl | 40,45 | 46,51 | 38,89 | 44,72 | 4,00% |
| W1B6 | >60kl per kl | 53,94 | 62,04 | 51,87 | 59,65 | 4,00% |

### 1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has published in the past few days the electricity pricing structure consultation paper (National Energy Regulator of South Africa (NERSA) Tariff Guideline).

The indicative tariffs currently presented in this report reflect 15.6% increase for municipal consumers. The finalisation of electricity tariffs will however be adjusted in terms of the anticipated final NERSA determination, expected to be released post tabling of the draft budget for 2021/22 (31 March 2021).

The recommendation to Council will be aligned to the NERSA outcome, for approval by Council on 26 May 2021, in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) of tariffs and charges for the budget year 2021/22.

The municipality will subsequently submit the revised electricity tariffs application, to ensure that NERSA considers and approves the application on time for implementation on 1 July 2021.

The increase in basic charges as well as the respective brackets of the Inclining Block Tariffs (0-350 kWh, 351-600kWh, and >600kWh), are thus currently stated at 15.6%.

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 | | 2021/2022 | | 2020/2021 | | |
|---|---|---|---|---|---|---|---|
| | | | 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** | 411,77 | 473,53 | 356,20 | 409,63 | 15,60% |
| | **kWH Unit cost** | | | | | | |
| E1A2 | IBT BLOCK 1 0 - 350 kWh | **c** | 157,99 | 181,69 | 136,67 | 157,17 | 15,60% |
| E1A3 | IBT BLOCK 2 351 - 600 kWh | **c** | 232,03 | 266,84 | 200,72 | 230,83 | 15,60% |
| E1A4 | IBT BLOCK 3 > 600 kWh | **c** | 285,09 | 327,86 | 246,62 | 283,61 | 15,60% |
| | | | | | | | |
| **E1B** | **Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)** | | | | | | |
| E1B1 | Basic Monthly charge per meter | **R** | 411,77 | 473,53 | 356,20 | 409,63 | 15,60% |
| | **kWH Unit cost** | | | | | | |
| E1B2 | IBT BLOCK 1 0 - 350 kWh | **c** | 145,93 | 167,82 | 126,24 | 145,18 | 15,60% |
| E1B3 | IBT BLOCK 2 351 - 600 kWh | **c** | 218,66 | 251,46 | 189,15 | 217,52 | 15,60% |
| E1B4 | IBT BLOCK 3 > 600 kWh | **c** | 274,04 | 315,15 | 237,06 | 272,62 | 15,60% |

The IBT for electricity, as previously proposed by NERSA has continued. As mentioned above, with the latest estimate, the tariff increases in the inclining block tariff for the electricity consumption tariffs has been stated at 15.6% 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 4 per cent for sanitation (basic & consumption) is proposed from 1 July 2021.

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 | 2021/2022 | | 2020/2021 | | |
|---|---|---|---|---|---|---|
| | | 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. | 14,89 | 17,13 | 14,32 | 16,47 | 4,00% |
| 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. | 131,57 | 151,31 | 128,83 | 148,15 | 2,13% |
| **SE8** | **BASIC CHARGE** | | | | | |
| SE8A | Basic Monthly Charge Developed sites per erf/unit per month | 132,20 | 152,04 | 127,12 | 146,19 | 4,00% |

The full proposed tariffs are included in Annexure C.

### 1.4.5 Waste Removal and Impact of Tariff Increases

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

A tariff increase of 4% is proposed for 2021/22, the relocating of the Hermanus Waste Management Facility will also be completed and ready to become operational in the 2021/22 financial year.

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 2021:

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

| Tariff Code | Detail | 2021/2022 | | 2020/2021 | | |
|---|---|---|---|---|---|---|
| | | 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) | 201,59 | 231,83 | 193,84 | 222,91 | 4,00% |

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** | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| Valuation | R3 500 000 | | | | | |
| Rates | | | 1 370,80 | 1 425,63 | 54,83 | 4,00 |
| Sewer | **SE7A1+SE8A** | | 628,32 | 653,45 | 25,13 | 4,00 |
| Infrastructure | Basic Charge Water, Electricity & Sewer | | 53,54 | 53,54 | 0,00 | 0,00 |
| Refuse | **1X Per Week** | | 193,84 | 201,59 | 7,75 | 4,00 |
| Water | 50 kl | | 1 198,72 | 1 246,67 | 47,95 | 4,00 |
| VAT | | 15% | 311,16 | 323,29 | 12,13 | 3,90 |
| **SUB TOTAL** | | | **3 756,38** | **3 904,17** | **147,79** | **3,93** |
| Electricity Crec | 1500 kWh | | 3 555,93 | 4 110,65 | 554,72 | 15,60 |
| VAT | | 15% | 533,39 | 616,60 | 83,21 | 15,60 |
| **TOTAL** | | | **7 845,69** | **8 631,42** | **785,73** | **10,01** |
| ***SRA Rate as might be applicable to be added*** | | | | | | |

| **Medium Consumption with prepaid elect meter** | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| Valuation | R2 500 000 | | | | | |
| Rates | | | 973,47 | 1 012,41 | 38,94 | 4,00 |
| Sewer | **SE7A1+SE8A** | | 377,72 | 392,83 | 15,11 | 4,00 |
| Infrastructure | Basic Charge Water, Electricity & Sewer | | 53,54 | 53,54 | 0,00 | 0,00 |
| Refuse | **1X Per Week** | | 193,84 | 201,59 | 7,75 | 4,00 |
| Water | 25 kl | | 457,77 | 476,08 | 18,31 | 4,00 |
| VAT | | 15% | 162,43 | 168,61 | 6,18 | 3,80 |
| **SUB TOTAL** | | | **2 218,76** | **2 305,05** | **86,29** | **3,89** |
| Electricity Crec | 800 kWh | | 1 829,59 | 2 115,00 | 285,42 | 15,60 |
| VAT | | 15% | 274,44 | 317,25 | 42,81 | 15,60 |
| **TOTAL** | | | **4 322,78** | **4 737,30** | **414,52** | **9,59** |
| ***SRA Rate as might be applicable to be added*** | | | | | | |

| **Low Consumption with prepaid elect meter** | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| Valuation | R1 000 000 | | | | | |
| Rates | | | 377,47 | 392,57 | 15,10 | 4,00 |
| Sewer | **SE7A1+SE8A** | | 277,48 | 288,58 | 11,10 | 4,00 |
| Infrastructure | Basic Charge Water, Electricity & Sewer | | 53,54 | 53,54 | 0,00 | 0,00 |
| Refuse | **1X Per Week** | | 193,84 | 201,59 | 7,75 | 4,00 |
| Water | 15 kl | | 285,65 | 297,08 | 11,43 | 4,00 |
| VAT | | 15% | 121,58 | 126,12 | 4,54 | 3,74 |
| **SUB TOTAL** | | | **1 309,55** | **1 359,47** | **49,92** | **3,81** |
| Electricity Crec | 600 kWh | | 1 336,35 | 1 544,81 | 208,47 | 15,60 |
| VAT | | 15% | 200,45 | 231,72 | 31,27 | 15,60 |
| **SUB TOTAL** | | | **2 846,34** | **3 136,00** | **289,66** | **10,18** |

| **Life-Line Consumption (ONE PART) (Indigent)** | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| Valuation | R50 000 | | | | | |
| Rates | | | 0,00 | 0,00 | 0,00 | 0,00 |
| Sewer | **SE7A1** | | 20,05 | 20,85 | 0,80 | 4,00 |
| Infrastructure | Basic Charge Water, Electricity & Sewer | | 41,70 | 41,70 | 0,00 | 0,00 |
| Refuse | **1X Per Week** | | 0,00 | 0,00 | 0,00 | 0,00 |
| Water | 8 kl | | 23,98 | 24,94 | 0,96 | 4,00 |
| VAT | | 15% | 12,86 | 13,12 | 0,26 | 2,05 |
| **SUB TOTAL** | | | **98,59** | **100,61** | **2,03** | **2,05** |
| Electricity Pre-p | 300 kWh | | 382,86 | 442,59 | 59,73 | 15,60 |
| VAT | | 15% | 57,43 | 66,39 | 8,96 | 15,60 |
| **TOTAL** | | | **538,88** | **609,59** | **70,71** | **13,12** |

SRA Rate as might be applicable to be added

## Table 11 MBRR Table SA14 – Household bills

**WC032 Overstrand - Supporting Table SA14 Household bills**

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Rand/cent | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 % incr. | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Monthly Account for Household - 'Middle Income Range'** | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | |
| Property rates | 220,57 | 233,78 | 247,14 | 258,27 | 258,27 | 258,27 | 4,00% | 268,67 | 284,79 | 301,88 |
| Electricity: Basic levy | 267,52 | 291,60 | 335,34 | 356,20 | 356,20 | 356,20 | 15,60% | 411,77 | 436,48 | 462,66 |
| Electricity: Consumption | 1 464,97 | 1 558,89 | 1 753,87 | 1 862,96 | 1 862,96 | 1 862,96 | 15,60% | 2 153,57 | 2 282,78 | 2 419,75 |
| Water: Basic levy | 121,83 | 129,14 | 136,50 | 142,64 | 142,64 | 142,64 | 4,00% | 148,35 | 157,25 | 166,69 |
| Water: Consumption | 354,92 | 377,69 | 400,93 | 419,04 | 419,04 | 419,04 | 4,00% | 435,81 | 461,96 | 489,68 |
| Sanitation | 365,16 | 387,25 | 409,35 | 427,84 | 427,84 | 427,84 | 4,00% | 444,89 | 471,58 | 499,88 |
| Refuse removal | 155,04 | 164,35 | 185,49 | 193,84 | 193,84 | 193,84 | 4,00% | 201,59 | 213,69 | 226,51 |
| Other | 53,54 | 53,54 | 56,97 | 56,97 | 56,97 | 56,97 | 0,00% | 56,97 | 56,97 | 56,97 |
| **sub-total** | **3 003,55** | **3 196,24** | **3 525,59** | **3 717,76** | **3 717,76** | **3 717,76** | **10,90%** | **4 121,62** | **4 365,50** | **4 624,01** |
| VAT on Services | 389,62 | 422,15 | 491,77 | 518,92 | 518,92 | 518,92 | | 577,94 | 612,11 | 648,32 |
| **Total large household bill:** | **3 393,17** | **3 618,39** | **4 017,36** | **4 236,68** | **4 236,68** | **4 236,68** | **10,90%** | **4 699,56** | **4 977,61** | **5 272,33** |
| **% increase/-decrease** | | **6,6%** | **11,0%** | **5,5%** | **–** | **–** | | **10,9%** | **5,9%** | **5,9%** |
| **Monthly Account for Household - 'Affordable Range'** | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | |
| Property rates | 152,70 | 161,85 | 171,10 | 178,80 | 178,80 | 178,80 | 4,00% | 186,00 | 197,16 | 208,99 |
| Electricity: Basic levy | 267,52 | 291,60 | 335,34 | 356,20 | 356,20 | 356,20 | 15,60% | 411,77 | 436,48 | 462,66 |
| Electricity: Consumption | 574,61 | 608,63 | 683,08 | 725,57 | 725,57 | 725,57 | 15,60% | 838,75 | 889,08 | 942,42 |
| Water: Basic levy | 121,83 | 129,14 | 136,50 | 142,64 | 142,64 | 142,64 | 4,00% | 148,35 | 157,25 | 166,69 |
| Water: Consumption | 268,19 | 285,74 | 303,75 | 317,47 | 317,47 | 317,47 | 4,00% | 330,17 | 349,98 | 370,98 |
| Sanitation | 322,39 | 341,89 | 361,40 | 377,72 | 377,72 | 377,72 | 4,00% | 392,78 | 416,35 | 441,33 |
| Refuse removal | 155,04 | 164,35 | 185,49 | 193,84 | 193,84 | 193,84 | 4,00% | 201,59 | 213,69 | 226,51 |
| Other | 53,54 | 53,54 | 56,97 | 56,97 | 56,97 | 56,97 | 0,00% | 56,97 | 56,97 | 56,97 |
| **sub-total** | **1 915,82** | **2 036,74** | **2 233,63** | **2 349,21** | **2 349,21** | **2 349,21** | **9,20%** | **2 566,38** | **2 716,94** | **2 876,54** |
| VAT on Services | 246,84 | 267,17 | 309,38 | 325,56 | 325,56 | 325,56 | | 357,06 | 377,97 | 400,13 |
| **Total small household bill:** | **2 162,66** | **2 303,91** | **2 543,01** | **2 674,77** | **2 674,77** | **2 674,77** | **9,30%** | **2 923,44** | **3 094,91** | **3 276,67** |
| **% increase/-decrease** | | **6,5%** | **10,4%** | **5,2%** | **–** | **–** | | **9,3%** | **5,9%** | **5,9%** |
| **Monthly Account for Household - 'Indigent' Household receiving free basic services** | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | |
| Property rates | 84,83 | 89,92 | 95,06 | 99,33 | 99,33 | 99,33 | -99,96% | 0,04 | 103,33 | 109,53 |
| Electricity: Basic levy | 267,52 | 291,60 | 335,34 | 356,20 | 356,20 | 356,20 | -99,96% | 0,16 | 411,77 | 436,48 |
| Electricity: Consumption | 351,05 | 371,42 | 415,98 | 441,84 | 441,84 | 441,84 | -99,96% | 0,16 | 510,76 | 541,41 |
| Water: Basic levy | 121,83 | 129,14 | 136,50 | 142,64 | 142,64 | 142,64 | -99,97% | 0,04 | 148,35 | 157,25 |
| Water: Consumption | 185,14 | 197,69 | 210,70 | 220,22 | 220,22 | 220,22 | -99,98% | 0,04 | 229,02 | 242,76 |
| Sanitation | 279,62 | 296,53 | 313,45 | 327,60 | 327,60 | 327,60 | -99,99% | 0,04 | 340,66 | 361,10 |
| Refuse removal | 155,04 | 164,35 | 185,49 | 193,84 | 193,84 | 193,84 | -99,98% | 0,04 | 201,59 | 213,69 |
| Other | (727,86) | (796,06) | (884,44) | (935,13) | (935,13) | (935,13) | -100,00% | – | (1 020,80) | (1 089,90) |
| **sub-total** | **717,17** | **744,59** | **808,08** | **846,54** | **846,54** | **846,54** | **-99,90%** | **0,51** | **924,68** | **972,31** |
| VAT on Services | 88,53 | 93,29 | 106,95 | 112,08 | 267,25 | 112,08 | -100,00% | – | 123,20 | 129,42 |
| **Total small household bill:** | **805,70** | **837,88** | **915,03** | **958,62** | **1 113,79** | **958,62** | **-99,90%** | **0,51** | **1 047,88** | **1 101,73** |
| **% increase/-decrease** | | **4,0%** | **9,2%** | **4,8%** | **16,2%** | **(13,9%)** | | **(99,9%)** | **204 564,1%** | **5,1%** |

*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 2021/22 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 2021/22 budget and MTREF (classified per main type of operating expenditure):

**Table 12 Summary of operating expenditure by functional classification item**

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Expenditure By Type | | | | | | | | | |
| Employee related costs | 296 682 | 368 000 | 382 527 | 435 325 | 440 972 | 440 972 | 461 745 | 480 765 | 502 037 |
| Remuneration of councillors | 10 138 | 10 573 | 11 282 | 11 896 | 11 896 | 11 896 | 12 509 | 13 020 | 13 553 |
| Debt impairment | 18 013 | 17 500 | 23 453 | 26 263 | 26 263 | 26 263 | 21 500 | 21 500 | 21 500 |
| Depreciation & asset impairment | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | 145 663 | 144 047 | 143 381 |
| Finance charges | 46 129 | 44 921 | 46 570 | 51 482 | 51 482 | 51 482 | 51 804 | 51 923 | 52 180 |
| Bulk purchases | 225 844 | 242 614 | 278 485 | 270 260 | 270 260 | 270 260 | 318 669 | 347 031 | 377 917 |
| Other materials | 40 900 | 35 049 | 42 302 | 47 567 | 50 806 | 50 806 | 44 846 | 47 275 | 48 918 |
| Contracted services | 167 079 | 186 336 | 177 914 | 222 414 | 229 349 | 229 349 | 239 915 | 250 494 | 263 768 |
| Transfers and subsidies | 1 800 | 486 | 560 | 11 610 | 8 300 | 8 300 | 12 324 | 12 557 | 13 060 |
| Other expenditure | 55 726 | 71 333 | 90 183 | 123 315 | 112 917 | 112 917 | 141 561 | 124 844 | 111 594 |
| Loss on disposal of PPE | | 610 | 1 384 | | | | – | – | – |
| **Total Expenditure** | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |

The budgeted allocation for employee related costs and remuneration of councillors for the 2021/22 financial year totals R474,2m which equals 32,7 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 R14,9m of which the majority of the amount is a long term liability (post-retirement benefits) and therefore not cash remuneration.

The South African Local Government Bargaining Council (SALGBC) Salary and Wage Collective Agreement for municipalities for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government.

The proposed increase in the salary budget is 4.5%, and notch increases, which average 1.9% have also been budgeted for in view of the fact that annual salary adjustments are still to be negotiated at SALGBC level between the employer organization (SALGA) and the respective unions. Staff vacancies are still frozen and may only be filled following a motivation to Senior Management. No new posts were considered for inclusion in the Draft Budget for 2021/22.

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 2021/2022. 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 2019/20 increases was published in Government Notice 475, dated 24 April 2020. Neither was an indication for 2020/21 received to date. Remuneration of councillors has been factored into the 2021/22 budget at the same rate as the 2020/2021 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 99 per cent and the Debt Write-off Policy of the Municipality. The provision for impairment has however been revisited.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R145,7m for the 2021/22 financial year and equates to 10,0 per cent of the total operating expenditure. Note that the implementation of the GRAP 17 accounting standard meant bringing a range of assets previously fully depreciated and not included in the assets register, back onto the assets register. This resulted in a significant increase in depreciation at implementation, relative to previous years. This aspect is further highlighted in para. 1.3 of this report.

Finance charges consist of the repayment of interest on long-term borrowing (cost of capital). Finance charges comprise 3,57 per cent of operating expenditure. The gearing ratio of borrowing to revenue is expected to below 40% for 2021/22, 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 was released days ago as stated. The current increase in this budget report reflect an indicative 15.6% bulk price increase to municipalities from 1 July 2021, which percentage will be adjusted in accordance with the final guidline still to be published, and will be factored into the final budget for 2021/22, for Council approval on 26 May 2021.

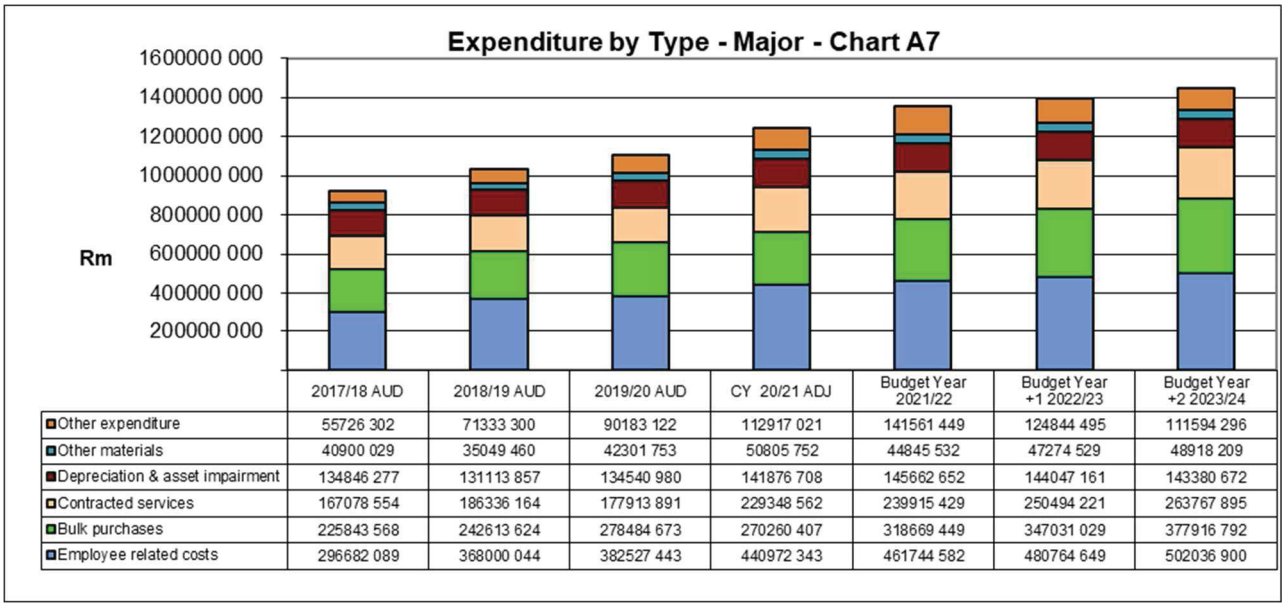
Other materials, now classified as Inventory in mSCOA, comprise amongst others the purchase of materials for maintenance, cleaning materials, fuel, printing and stationery, top structures for housing projects etc. The expenditure on top structures relating to Housing Projects funded through the Human 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 2021/22 MTREF this group of expenditure was critically evaluated and operational efficiencies are being enforced. In the 2021/22 financial year, this group of expenditure totals R249,6m. 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 2021/22 financial year.




| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Other expenditure | 55726 302 | 71333 300 | 90183 122 | 112917 021 | 141561 449 | 124844 495 | 111594 296 |
| Other materials | 40900 029 | 35049 460 | 42301 753 | 50805 752 | 44845 532 | 47274 529 | 48918 209 |
| Depreciation & asset impairment | 134846 277 | 131113 857 | 134540 980 | 141876 708 | 145662 652 | 144047 161 | 143380 672 |
| Contracted services | 167078 554 | 186336 164 | 177913 891 | 229348 562 | 239915 429 | 250494 221 | 263767 895 |
| Bulk purchases | 225843 568 | 242613 624 | 278484 673 | 270260 407 | 318669 449 | 347031 029 | 377916 792 |
| Employee related costs | 296682 089 | 368000 044 | 382527 443 | 440972 343 | 461744 582 | 480764 649 | 502036 900 |

**Figure 1 Main operational expenditure categories for the 2021/22 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 2021/22 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 Supportinging detail to 'Budgeted Financial Performance'**

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Repairs and Maintenance by Expenditure Item** | | | | | | | | | |
| Employee related costs | 53 689 | 89 415 | 96 484 | 100 057 | 100 057 | 100 057 | 126 198 | 132 440 | 135 115 |
| Other materials | 30 000 | 17 594 | 18 615 | 20 206 | 24 131 | 24 131 | 20 700 | 22 613 | 23 360 |
| Contracted Services | 67 791 | 85 762 | 58 168 | 79 701 | 79 701 | 79 701 | 91 724 | 96 878 | 94 442 |
| Other Expenditure | 8 555 | 22 253 | 15 250 | 10 941 | 12 217 | 12 217 | 10 945 | 11 389 | 11 856 |
| **Total Repairs and Maintenance Expenditure** | 160 036 | 215 024 | 188 517 | 210 905 | 216 106 | 216 106 | 249 567 | 263 320 | 264 772 |

During the compilation of the 2021/22 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. As part of the 2021/22 MTREF this strategic imperative remains a priority. In relation to the total operating expenditure, repairs and maintenance comprises on average 17.2 per cent of the budget over the respective financial years of the MTREF.

The municipality has expanded on the implementation of Repairs and Maintenance allocated as projects in terms of the mSCOA version 6.5, 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Repairs and maintenance expenditure by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **117 901** | **145 959** | **134 766** | **141 901** | **143 636** | **143 636** | **147 905** | **156 594** | **162 331** |
| Roads Infrastructure | 53 229 | 61 860 | 65 691 | 67 578 | 67 622 | 67 622 | 67 345 | 72 456 | 76 751 |
| Storm water Infrastructure | 6 017 | 5 765 | 4 749 | 6 159 | 6 189 | 6 189 | 7 695 | 8 049 | 8 421 |
| Electrical Infrastructure | 17 645 | 23 082 | 36 812 | 31 243 | 32 317 | 32 317 | 33 314 | 34 658 | 34 905 |
| Water Supply Infrastructure | 15 014 | 17 367 | 16 161 | 19 710 | 19 710 | 19 710 | 21 475 | 22 493 | 22 858 |
| Sanitation Infrastructure | 13 051 | 14 967 | 10 072 | 13 262 | 13 920 | 13 920 | 12 133 | 12 706 | 12 960 |
| Solid Waste Infrastructure | 12 946 | 22 918 | 1 168 | 3 691 | 3 651 | 3 651 | 5 944 | 6 232 | 6 436 |
| *Promenades* | | | 113 | 216 | 186 | 186 | – | – | – |
| Information and Communication Infrastructure | – | – | – | 42 | 42 | 42 | – | – | – |
| **Community Assets** | **12 289** | **39 801** | **33 597** | **44 758** | **48 340** | **48 340** | **58 357** | **61 260** | **62 119** |
| Community Facilities | 12 289 | 27 117 | 29 422 | 37 242 | 40 524 | 40 524 | 43 317 | 45 311 | 45 753 |
| Sport and Recreation Facilities | – | 12 685 | 4 176 | 7 516 | 7 817 | 7 817 | 15 039 | 15 949 | 16 366 |
| **Other assets** | **–** | **8 009** | **1 582** | **3 410** | **3 302** | **3 302** | **11 914** | **12 304** | **5 587** |
| **Intangible Assets** | – | – | 6 009 | 5 925 | 5 925 | 5 925 | 6 528 | 6 862 | 7 213 |
| **Computer Equipment** | 5 207 | 4 890 | 766 | 2 186 | 2 186 | 2 186 | 2 280 | 2 394 | 2 514 |
| **Furniture and Office Equipment** | 17 919 | 16 364 | 242 | 2 811 | 2 803 | 2 803 | 6 095 | 6 312 | 6 527 |
| **Machinery and Equipment** | – | – | – | – | – | – | 5 548 | 6 194 | 6 598 |
| Machinery and Equipment | – | – | – | – | – | – | 5 548 | 6 194 | 6 598 |
| **Transport Assets** | 6 719 | – | 11 555 | 9 914 | 9 914 | 9 914 | 10 940 | 11 401 | 11 882 |
| Transport Assets | 6 719 | | 11 555 | 9 914 | 9 914 | 9 914 | 10 940 | 11 401 | 11 882 |
| **Total Repairs and Maintenance Expenditure** | **160 036** | **215 024** | **188 517** | **210 905** | **216 106** | **216 106** | **249 567** | **263 320** | **264 772** |

For the 2021/22 financial year, 17.2 per cent or R249.6m of the total budget will be spent on repairs and maintenance, of which R147.9m is for infrastructure. Roads infrastructure has received a

significant proportion of the infrastructure allocation totalling 26.98 per cent (R67.34m), followed by community assets at 23.38 per cent (R58.35m) and electricity at 13.35 per cent (R33.31m).

### 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 2021/22 is estimated at 8 000 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 already.

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.

Grants-in-aid to organisations has not been budgeted for 2021/22, after due consideration by the Budget Steering Committee, with budget constraints identified as a major challenge in this regard.

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

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Cash Transfers to Organisations | | | | | | | | | |
| Operational | | 486 | 560 | - | - | - | - | - | - |
| Total Cash Transfers To Organisations | - | 486 | 560 | - | - | - | - | - | - |
| Cash Transfers to Groups of Individuals | | | | | | | | | |
| Operational | | | | 11 610 | 8 300 | 8 300 | 12 324 | 12 557 | 13 060 |
| Total Cash Transfers To Groups Of Individuals: | - | - | - | 11 610 | 8 300 | 8 300 | 12 324 | 12 557 | 13 060 |
| Non-Cash Transfers to other municipalities | | | | | | | | | |
| Operational | 1 800 | - | - | - | - | - | - | - | - |
| TOTAL TRANSFERS AND GRANTS | 1 800 | 486 | 560 | 11 610 | 8 300 | 8 300 | 12 324 | 12 557 | 13 060 |

## 1.6 Capital expenditure

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

**Table 16 2021/22 Medium-term capital budget per vote**

| Vote Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Capital Expenditure - Functional | | | | | | | | | |
| ***Governance and administration*** | **6 342** | **8 659** | **4 049** | **3 075** | **3 536** | **3 536** | **3 775** | **6 125** | **3 575** |
| Executive and council | | 295 | 2 | 5 | 466 | 466 | 5 | 5 | 5 |
| Finance and administration | 6 342 | 8 364 | 4 048 | 3 070 | 3 070 | 3 070 | 3 770 | 6 120 | 3 570 |
| Internal audit | – | – | | – | | | – | – | – |
| ***Community and public safety*** | **44 222** | **68 172** | **112 758** | **93 694** | **82 780** | **82 780** | **74 407** | **38 068** | **9 377** |
| Community and social services | 2 126 | 5 164 | 1 330 | 18 638 | 18 084 | 18 084 | 8 830 | 760 | 760 |
| Sport and recreation | 5 427 | 23 923 | 9 981 | 12 731 | 8 588 | 8 588 | 7 410 | 500 | 5 000 |
| Public safety | 2 490 | 4 809 | 15 694 | 14 181 | 13 168 | 13 168 | 3 808 | 350 | 350 |
| Housing | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 54 359 | 36 458 | 3 267 |
| Health | – | – | | | | | – | – | – |
| ***Economic and environmental services*** | **12 071** | **13 407** | **6 865** | **33 589** | **32 958** | **32 958** | **16 816** | **17 090** | **4 865** |
| Planning and development | 45 | 1 346 | 1 220 | 13 594 | 10 372 | 10 372 | 6 587 | 415 | 415 |
| Road transport | 12 026 | 12 061 | 5 645 | 19 995 | 22 586 | 22 586 | 10 229 | 16 675 | 4 450 |
| Environmental protection | – | – | | | | | – | – | – |
| ***Trading services*** | **42 619** | **84 872** | **87 384** | **173 381** | **160 813** | **160 813** | **138 446** | **81 003** | **78 018** |
| Energy sources | 16 268 | 28 893 | 21 428 | 21 119 | 19 119 | 19 119 | 59 924 | 19 775 | 24 450 |
| Water management | 3 257 | 12 270 | 31 752 | 52 606 | 50 036 | 50 036 | 35 715 | 25 900 | 22 000 |
| Waste water management | 21 523 | 42 210 | 26 893 | 77 217 | 69 635 | 69 635 | 40 696 | 35 328 | 31 568 |
| Waste management | 1 572 | 1 499 | 7 311 | 22 439 | 22 024 | 22 024 | 2 110 | – | – |
| ***Other*** | **–** | **–** | | | | | **–** | **–** | **–** |
| **Total Capital Expenditure - Functional** | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |

For 2021/22 an amount of R138,4m has been appropriated for the development of basic services infrastructure which represents 59,3 per cent of the total capital budget of R233,4. In the outer years this amount totals R81m, 56,9 per cent and R78m, 81.4 per cent respectively for each of these financial years. Waste water infrastructure has the second highest allocation at R40,7m in 2021/22 which equates to 29,4 per cent of the basic services infrastructure allocation, followed by water management at 25,8 per cent, R35,7 million, waste management 1,52 per cent, R2,1m and electricity as the highest allocation at 43,2 per cent, R59,9m. Over the MTREF the capital housing grant expenditure relating to housing infrastructure provision amounts to R94,1 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 2021/2022 includes, amongst others:

**Top 10 Capital Projects**

| Project Description | Ward | Amount |
|---|---|---|
| LCH SERVICES CONSTRUCTION CONTRACTS | Overstrand | 52 259 085 |
| FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION | Multi-ward Gb Area | 50 400 000 |
| REPLACEMENT OF OVERSTRAND WATER PIPES | Overstrand | 18 000 000 |
| UPGRADING OF PUMPSTATIONS RISING MAINS | Overstrand | 14 182 000 |
| GANSBAAI CBD SEWER NETWORK EXTENSION | Ward 02 | 6 250 000 |
| UPGRADE BULK WATER | Ward 01 | 5 615 000 |
| BLOMPARK HOUSING PROJECT BUS ROUTE | Ward 14 | 5 583 000 |
| UPGRADE BULK SEWER SUPPLY AREA A&B | Ward 02 | 4 834 000 |
| ZWELIHLE LIBRARY | Ward 12 | 4 373 611 |
| FERNKLOOF NATURE RESERVE FACILITIES | Ward 03 | 4 100 000 |

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.

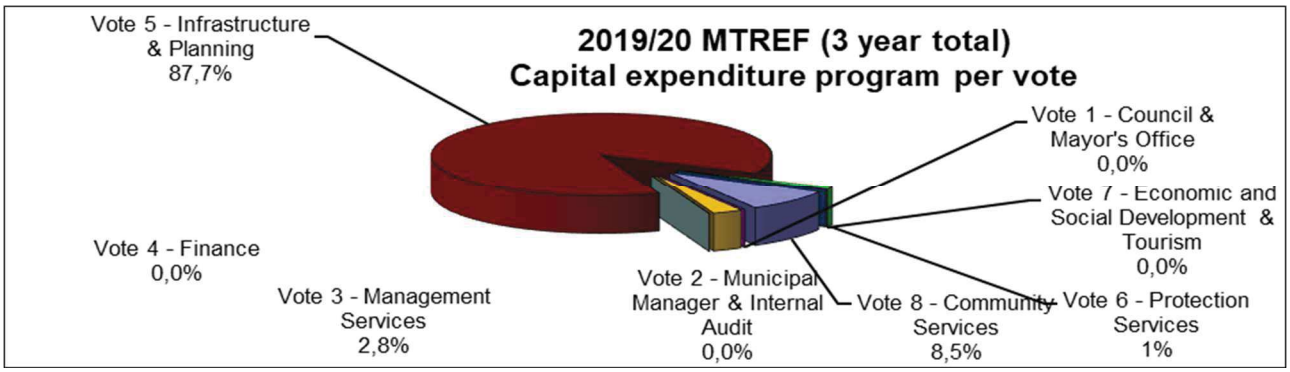



**Figure 2 Capital Infrastructure Programme**

Further capital projects have been considered and prioritised for the 2021/2022 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 2021/22 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 2021/22 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Financial Performance** | | | | | | | | | |
| Property rates | 215 763 | 233 093 | 240 914 | 262 551 | 259 241 | 259 241 | 275 637 | 286 662 | 298 129 |
| Service charges | 590 112 | 648 033 | 699 549 | 663 209 | 663 209 | 663 209 | 773 598 | 842 725 | 919 199 |
| Investment revenue | 30 320 | 41 767 | 48 146 | 31 400 | 26 400 | 26 400 | 27 456 | 28 554 | 29 697 |
| Transfers recognised - operational | 116 458 | 106 306 | 123 140 | 131 840 | 148 458 | 148 458 | 139 692 | 144 977 | 148 209 |
| Other own revenue | 124 371 | 127 227 | 178 526 | 166 185 | 153 768 | 153 768 | 180 696 | 147 010 | 100 274 |
| **Total Revenue (excluding capital transfers and contributions)** | 1 077 023 | 1 156 425 | 1 290 276 | 1 255 185 | 1 251 076 | 1 251 076 | 1 397 079 | 1 449 929 | 1 495 508 |
| Employee costs | 296 682 | 368 000 | 382 527 | 435 325 | 440 972 | 440 972 | 461 745 | 480 765 | 502 037 |
| Remuneration of councillors | 10 138 | 10 573 | 11 282 | 11 896 | 11 896 | 11 896 | 12 509 | 13 020 | 13 553 |
| Depreciation & asset impairment | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | 145 663 | 144 047 | 143 381 |
| Finance charges | 46 129 | 44 921 | 46 570 | 51 482 | 51 482 | 51 482 | 51 804 | 51 923 | 52 180 |
| Materials and bulk purchases | 266 744 | 277 663 | 320 786 | 317 828 | 321 066 | 321 066 | 363 515 | 394 306 | 426 835 |
| Transfers and grants | 1 800 | 486 | 560 | 11 610 | 8 300 | 8 300 | 12 324 | 12 557 | 13 060 |
| Other expenditure | 240 817 | 275 779 | 292 933 | 371 993 | 368 529 | 368 529 | 402 977 | 396 839 | 396 862 |
| **Total Expenditure** | 997 156 | 1 108 536 | 1 189 200 | 1 342 010 | 1 344 123 | 1 344 123 | 1 450 536 | 1 493 455 | 1 547 908 |
| **Surplus/(Deficit)** | 79 868 | 47 890 | 101 076 | (86 825) | (93 046) | (93 046) | (53 457) | (43 526) | (52 400) |
| Transfers and subsidies - capital (monetary allocations) | 64 263 | 31 952 | 37 392 | 32 307 | 46 916 | 46 916 | 46 354 | 40 828 | 32 568 |
| Contributions recognised - capital & contributed assets | – | 26 685 | 3 730 | – | – | – | 13 201 | 1 312 | 1 324 |
| **Surplus/(Deficit) after capital transfers & contributions** | 144 131 | 106 526 | 142 197 | (54 518) | (46 131) | (46 131) | 6 098 | (1 386) | (18 508) |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | 144 131 | 106 526 | 142 197 | (54 518) | (46 131) | (46 131) | 6 098 | (1 386) | (18 508) |
| **Capital expenditure & funds sources** | | | | | | | | | |
| **Capital expenditure** | 105 255 | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | 233 444 | 142 286 | 95 835 |
| Transfers recognised - capital | 68 677 | 93 002 | 117 493 | 86 516 | 84 523 | 84 523 | 110 513 | 77 286 | 35 835 |
| | – | – | 3 730 | – | – | – | – | – | – |
| Borrowing | 19 199 | 36 495 | 50 476 | 92 949 | 75 228 | 75 228 | 67 250 | 50 000 | 50 000 |
| Internally generated funds | 17 379 | 45 613 | 39 358 | 124 274 | 120 335 | 120 335 | 55 681 | 15 000 | 10 000 |
| **Total sources of capital funds** | 105 255 | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | 233 444 | 142 286 | 95 835 |
| **Financial position** | | | | | | | | | |
| Total current assets | 625 093 | 684 399 | 810 947 | 614 227 | 646 267 | 646 267 | 584 933 | 612 767 | 712 132 |
| Total non current assets | 3 635 642 | 3 712 914 | 3 798 429 | 3 982 468 | 3 947 815 | 3 947 815 | 4 055 547 | 4 067 127 | 4 033 065 |
| Total current liabilities | 221 509 | 220 717 | 294 941 | 254 715 | 249 067 | 249 067 | 261 558 | 274 649 | 305 303 |
| Total non current liabilities | 613 708 | 645 090 | 640 732 | 687 245 | 687 245 | 687 245 | 621 606 | 631 403 | 653 456 |
| Community wealth/Equity | 3 425 517 | 3 531 506 | 3 673 703 | 3 654 735 | 3 657 771 | 3 657 771 | 3 757 316 | 3 773 841 | 3 786 438 |
| **Cash flows** | | | | | | | | | |
| Net cash from (used) operating | 243 897 | 215 983 | 319 091 | 198 066 | 201 847 | 201 847 | 164 775 | 153 626 | 180 280 |
| Net cash from (used) investing | (28 775) | (178 314) | (212 740) | (304 307) | (276 651) | (276 651) | (238 424) | (147 266) | (100 815) |
| Net cash from (used) financing | 31 | 20 552 | 14 275 | 6 626 | 6 626 | 6 626 | 2 699 | 9 552 | 5 479 |
| **Cash/cash equivalents at the year end** | 474 967 | 533 188 | 653 813 | 485 812 | 517 249 | 517 249 | 446 299 | 462 210 | 547 155 |
| **Cash backing/surplus reconciliation** | | | | | | | | | |
| Cash and investments available | 519 562 | 583 711 | 700 328 | 551 272 | 571 709 | 571 709 | 508 464 | 532 216 | 625 144 |
| Application of cash and investments | (176 397) | (150 485) | (261 102) | (121 144) | (129 012) | (129 012) | (160 516) | (168 067) | (212 347) |
| **Balance - surplus (shortfall)** | 695 959 | 734 196 | 961 430 | 672 416 | 700 720 | 700 720 | 668 980 | 700 283 | 837 491 |
| **Asset management** | | | | | | | | | |
| Asset register summary (WDV) | 3 591 027 | 3 662 386 | 3 751 914 | 3 917 008 | 3 893 355 | 3 893 355 | 3 993 382 | 3 997 122 | 3 955 076 |
| Depreciation | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | 145 663 | 144 047 | 143 381 |
| Renewal and Upgrading of Existing Assets | 29 644 | – | 3 606 | 25 621 | 25 050 | 25 050 | 23 050 | 19 200 | 17 700 |
| Repairs and Maintenance | 160 036 | 215 024 | 188 517 | 210 905 | 216 106 | 216 106 | 249 567 | 263 320 | 264 772 |
| **Free services** | | | | | | | | | |
| Cost of Free Basic Services provided | – | – | – | – | – | – | – | – | – |
| Revenue cost of free services provided | 51 711 | 52 080 | – | – | – | – | – | – | – |
| **Households below minimum service level** | | | | | | | | | |
| Water: | – | – | – | – | – | – | – | – | – |
| Sanitation/sewerage: | – | – | – | – | – | – | – | – | – |
| 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 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Revenue - Functional | | | | | | | | | |
| *Governance and administration* | **334 461** | **327 040** | **347 612** | **336 136** | **337 425** | **337 425** | **357 072** | **370 592** | **382 268** |
| Executive and council | 21 599 | 27 347 | 30 254 | 17 821 | 18 105 | 18 105 | 31 359 | 32 826 | 31 414 |
| Finance and administration | 262 045 | 299 607 | 317 322 | 318 315 | 319 320 | 319 320 | 325 712 | 337 766 | 350 854 |
| Internal audit | 50 817 | 86 | 36 | – | – | – | – | – | – |
| *Community and public safety* | **109 158** | **118 499** | **164 043** | **148 846** | **144 898** | **144 898** | **164 655** | **128 556** | **85 859** |
| Community and social services | 4 149 | 8 471 | 8 071 | 8 185 | 8 217 | 8 217 | 7 145 | 7 017 | 7 286 |
| Sport and recreation | 8 218 | 30 199 | 18 801 | 10 262 | 13 424 | 13 424 | 10 133 | 8 242 | 13 051 |
| Public safety | 40 605 | 32 372 | 32 801 | 39 830 | 49 300 | 49 300 | 39 531 | 40 997 | 42 522 |
| Housing | 56 186 | 47 457 | 104 370 | 90 568 | 73 957 | 73 957 | 107 845 | 72 300 | 23 000 |
| Health | – | – | – | – | – | – | – | – | – |
| *Economic and environmental services* | **23 251** | **16 861** | **15 503** | **10 065** | **14 578** | **14 578** | **16 227** | **20 388** | **9 674** |
| Planning and development | 14 259 | 10 337 | 8 315 | 9 788 | 11 030 | 11 030 | 9 362 | 7 105 | 7 389 |
| Road transport | 8 970 | 6 229 | 7 166 | 245 | 3 516 | 3 516 | 6 828 | 13 245 | 2 245 |
| Environmental protection | 22 | 295 | 21 | 32 | 32 | 32 | 37 | 38 | 40 |
| *Trading services* | **674 417** | **752 662** | **804 239** | **792 445** | **801 091** | **801 091** | **918 681** | **972 533** | **1 051 599** |
| Energy sources | 381 333 | 419 560 | 459 980 | 436 955 | 435 401 | 435 401 | 550 503 | 587 031 | 655 146 |
| Water management | 125 375 | 145 980 | 153 663 | 150 392 | 152 915 | 152 915 | 157 061 | 157 973 | 164 018 |
| Waste water management | 95 070 | 110 345 | 103 934 | 114 335 | 113 789 | 113 789 | 116 972 | 128 616 | 128 491 |
| Waste management | 72 639 | 76 777 | 86 662 | 90 764 | 98 986 | 98 986 | 94 145 | 98 912 | 103 943 |
| *Other* | – | – | – | – | – | – | – | – | – |
| Total Revenue - Functional | **1 141 287** | **1 215 062** | **1 331 397** | **1 287 492** | **1 297 992** | **1 297 992** | **1 456 634** | **1 492 069** | **1 529 399** |
| Expenditure - Functional | | | | | | | | | |
| *Governance and administration* | **186 762** | **222 134** | **216 164** | **270 009** | **272 905** | **272 905** | **284 355** | **295 732** | **315 195** |
| Executive and council | 24 780 | 56 567 | 39 624 | 62 707 | 62 415 | 62 415 | 66 575 | 68 305 | 70 655 |
| Finance and administration | 71 864 | 162 899 | 174 217 | 203 733 | 206 921 | 206 921 | 213 705 | 223 293 | 240 243 |
| Internal audit | 90 118 | 2 668 | 2 322 | 3 569 | 3 569 | 3 569 | 4 075 | 4 135 | 4 297 |
| *Community and public safety* | **138 037** | **159 878** | **171 527** | **251 675** | **247 028** | **247 028** | **254 202** | **243 652** | **236 332** |
| Community and social services | 33 856 | 16 972 | 15 216 | 23 502 | 23 534 | 23 534 | 19 086 | 19 863 | 22 222 |
| Sport and recreation | 18 307 | 43 905 | 44 289 | 56 586 | 58 412 | 58 412 | 56 315 | 59 175 | 60 151 |
| Public safety | 73 286 | 80 702 | 82 675 | 119 176 | 122 500 | 122 500 | 115 101 | 120 007 | 125 179 |
| Housing | 12 589 | 18 299 | 29 347 | 52 410 | 42 583 | 42 583 | 63 700 | 44 606 | 28 780 |
| Health | – | – | – | – | – | – | – | – | – |
| *Economic and environmental services* | **182 017** | **146 841** | **156 576** | **176 095** | **176 952** | **176 952** | **184 895** | **190 394** | **190 968** |
| Planning and development | 85 115 | 36 688 | 39 397 | 51 179 | 51 862 | 51 862 | 51 199 | 50 258 | 52 145 |
| Road transport | 91 197 | 103 331 | 107 277 | 108 617 | 108 691 | 108 691 | 116 106 | 121 656 | 126 719 |
| Environmental protection | 5 705 | 6 821 | 9 902 | 16 298 | 16 398 | 16 398 | 17 589 | 18 480 | 12 103 |
| *Trading services* | **490 339** | **576 651** | **641 935** | **640 514** | **643 219** | **643 219** | **723 499** | **760 299** | **801 936** |
| Energy sources | 295 386 | 313 606 | 366 823 | 354 355 | 355 355 | 355 355 | 407 010 | 437 921 | 469 523 |
| Water management | 66 052 | 107 916 | 112 899 | 124 167 | 125 367 | 125 367 | 129 752 | 127 206 | 130 416 |
| Waste water management | 64 937 | 84 120 | 90 406 | 88 633 | 89 138 | 89 138 | 102 566 | 106 785 | 109 968 |
| Waste management | 63 964 | 71 009 | 71 808 | 73 358 | 73 358 | 73 358 | 84 171 | 88 388 | 92 030 |
| *Other* | **–** | **3 031** | **2 998** | **3 719** | **4 019** | **4 019** | **3 585** | **3 379** | **3 476** |
| Total Expenditure - Functional | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |
| Surplus/(Deficit) for the year | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |

**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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue by Vote** | | | | | | | | | |
| Vote 1 - Council | 21 399 | 27 246 | 30 091 | 17 732 | 18 016 | 18 016 | 31 285 | 32 772 | 31 375 |
| Vote 2 - Municipal Manager | 64 | 86 | 36 | – | – | – | – | – | – |
| Vote 3 - Management Services | 821 | 1 070 | 1 189 | 1 416 | 2 272 | 2 272 | 869 | 348 | 358 |
| Vote 4 - Finance | 262 709 | 292 876 | 300 506 | 309 162 | 305 004 | 305 004 | 318 650 | 331 200 | 344 253 |
| Vote 5 - Community Services | 489 799 | 496 225 | 585 515 | 539 510 | 521 472 | 521 472 | 672 085 | 672 093 | 691 198 |
| Vote 6 - Economic and Social Development & Tourism | 40 605 | 32 267 | 32 797 | 39 830 | 51 300 | 51 300 | 39 531 | 40 997 | 42 522 |
| Vote 7 - Infrastructure & Planning | 2 788 | 2 030 | 2 914 | 4 663 | 5 778 | 5 778 | 2 838 | 66 | 219 |
| Vote 8 - Protection Services | 323 102 | 363 260 | 378 350 | 375 179 | 394 151 | 394 151 | 391 376 | 414 592 | 419 474 |
| **Total Revenue by Vote** | **1 141 287** | **1 215 062** | **1 331 397** | **1 287 492** | **1 297 992** | **1 297 992** | **1 456 634** | **1 492 069** | **1 529 399** |
| **Expenditure by Vote to be appropriated** | | | | | | | | | |
| Vote 1 - Council | 4 303 | 38 174 | 19 927 | 35 802 | 36 086 | 36 086 | 37 152 | 37 805 | 38 715 |
| Vote 2 - Municipal Manager | 4 542 | 5 050 | 5 361 | 7 587 | 7 587 | 7 587 | 8 017 | 8 216 | 8 526 |
| Vote 3 - Management Services | 43 809 | 46 736 | 50 129 | 57 115 | 57 864 | 57 864 | 60 528 | 62 948 | 65 346 |
| Vote 4 - Finance | 71 890 | 74 680 | 69 425 | 91 935 | 88 609 | 88 609 | 95 473 | 100 257 | 113 753 |
| Vote 5 - Community Services | 414 432 | 449 522 | 527 810 | 551 359 | 542 786 | 542 786 | 632 592 | 652 891 | 669 749 |
| Vote 6 - Local Economic Development | 73 272 | 81 089 | 83 725 | 118 272 | 124 866 | 124 866 | 115 201 | 120 094 | 125 051 |
| Vote 7 - Infrastructure & Planning | 10 558 | 10 303 | 12 042 | 19 065 | 20 180 | 20 180 | 17 266 | 14 512 | 15 058 |
| Vote 8 - Protection Services | 374 350 | 402 983 | 420 782 | 460 876 | 466 145 | 466 145 | 484 308 | 496 734 | 511 711 |
| **Total Expenditure by Vote** | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit) for the year** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |

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

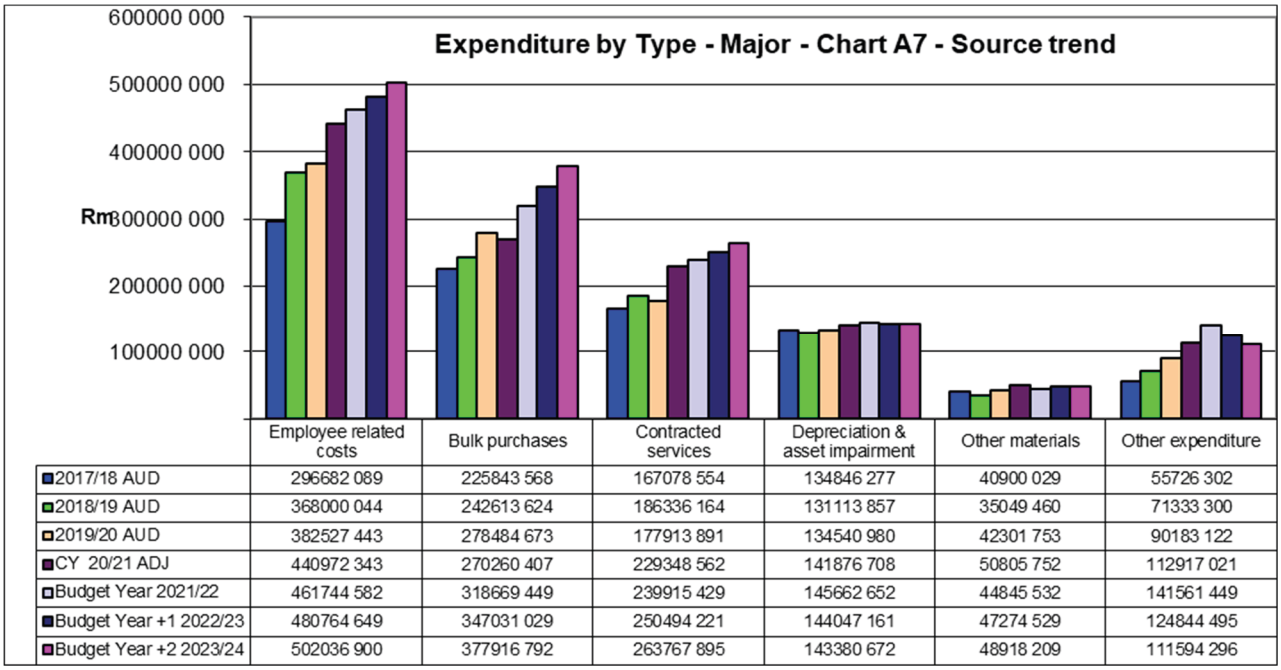
1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per own segment: municipal vote (directorate). This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue By Source** | | | | | | | | | |
| Property rates | 215 763 | 233 093 | 240 914 | 262 551 | 259 241 | 259 241 | 275 637 | 286 662 | 298 129 |
| Service charges - electricity revenue | 349 298 | 378 693 | 415 947 | 386 294 | 386 294 | 386 294 | 479 057 | 536 403 | 600 624 |
| Service charges - water revenue | 110 932 | 129 858 | 133 628 | 128 520 | 128 520 | 128 520 | 132 168 | 137 455 | 142 953 |
| Service charges - sanitation revenue | 72 106 | 77 719 | 80 871 | 78 913 | 78 913 | 78 913 | 87 631 | 91 137 | 94 782 |
| Service charges - refuse revenue | 57 775 | 61 763 | 69 102 | 69 482 | 69 482 | 69 482 | 74 741 | 77 731 | 80 840 |
| Rental of facilities and equipment | 5 616 | 6 278 | 5 738 | 3 627 | 3 627 | 3 627 | 3 440 | 3 148 | 3 273 |
| Interest earned - external investments | 30 320 | 41 767 | 48 146 | 31 400 | 26 400 | 26 400 | 27 456 | 28 554 | 29 697 |
| Interest earned - outstanding debtors | 3 854 | 4 193 | 5 040 | 4 673 | 4 650 | 4 650 | 4 681 | 4 868 | 5 062 |
| Dividends received | | | | | | | | | |
| Fines, penalties and forfeits | 31 638 | 25 672 | 18 211 | 29 564 | 29 564 | 29 564 | 28 223 | 29 348 | 30 519 |
| Licences and permits | 2 527 | 2 526 | 1 975 | 2 385 | 2 385 | 2 385 | 2 039 | 2 097 | 2 164 |
| Agency services | 4 149 | 4 885 | 4 376 | 4 938 | 6 438 | 6 438 | 6 680 | 6 930 | 7 189 |
| Transfers and subsidies | 116 458 | 106 306 | 123 140 | 131 840 | 148 458 | 148 458 | 139 692 | 144 977 | 148 209 |
| Other revenue | 48 492 | 83 673 | 143 186 | 113 998 | 96 604 | 96 604 | 127 409 | 92 259 | 43 563 |
| Gains on disposal of PPE | 28 096 | – | – | 7 000 | 10 500 | 10 500 | 8 225 | 8 361 | 8 504 |
| **Total Revenue (excluding capital transfers and contributions)** | **1 077 023** | **1 156 425** | **1 290 276** | **1 255 185** | **1 251 076** | **1 251 076** | **1 397 079** | **1 449 929** | **1 495 508** |
| **Expenditure By Type** | | | | | | | | | |
| Employee related costs | 296 682 | 368 000 | 382 527 | 435 325 | 440 972 | 440 972 | 461 745 | 480 765 | 502 037 |
| Remuneration of councillors | 10 138 | 10 573 | 11 282 | 11 896 | 11 896 | 11 896 | 12 509 | 13 020 | 13 553 |
| Debt impairment | 18 013 | 17 500 | 23 453 | 26 263 | 26 263 | 26 263 | 21 500 | 21 500 | 21 500 |
| Depreciation & asset impairment | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | 145 663 | 144 047 | 143 381 |
| Finance charges | 46 129 | 44 921 | 46 570 | 51 482 | 51 482 | 51 482 | 51 804 | 51 923 | 52 180 |
| Bulk purchases | 225 844 | 242 614 | 278 485 | 270 260 | 270 260 | 270 260 | 318 669 | 347 031 | 377 917 |
| Other materials | 40 900 | 35 049 | 42 302 | 47 567 | 50 806 | 50 806 | 44 846 | 47 275 | 48 918 |
| Contracted services | 167 079 | 186 336 | 177 914 | 222 414 | 229 349 | 229 349 | 239 915 | 250 494 | 263 768 |
| Transfers and subsidies | 1 800 | 486 | 560 | 11 610 | 8 300 | 8 300 | 12 324 | 12 557 | 13 060 |
| Other expenditure | 55 726 | 71 333 | 90 183 | 123 315 | 112 917 | 112 917 | 141 561 | 124 844 | 111 594 |
| Loss on disposal of PPE | | 610 | 1 384 | | | | – | – | – |
| **Total Expenditure** | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit)** | **79 868** | **47 890** | **101 076** | **(86 825)** | **(93 046)** | **(93 046)** | **(53 457)** | **(43 526)** | **(52 400)** |
| Transfers and subsidies - capital (monetary allocation | 64 263 | 31 952 | 37 392 | 32 307 | 46 916 | 46 916 | 46 354 | 40 828 | 32 568 |
| Transfers and subsidies - capital (monetary allocation | – | – | – | – | – | – | 13 201 | 1 312 | 1 324 |
| Transfers and subsidies - capital (in-kind - all) | | 26 685 | 3 730 | | | | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |
| Taxation | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after taxation** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |
| Attributable to minorities | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) attributable to municipality** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |

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

1. Total operating revenue is R1,251 billion in 2020/2021 and indicates an increase to R1,397 billion in 2021/22.
2. Revenue to be generated from property rates is R259,2 million in the 2020/2021 financial year and increases to R275,6 million by 2021/22 which represents 19,7 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 R663,2 million for the 2020/2021 financial year and indicates an increase to R773,6 million by 2021/22. For the 2021/22 financial year services charges amount to 55,3 per cent of the operating revenue base.
4. Transfers recognised – operating grants includes the local government equitable share (inclusive of the COVID-19 equitable share allocation) and other operating grants from national and provincial government.
5. The following graph illustrates the major expenditure items per type.




| | Employee related costs | Bulk purchases | Contracted services | Depreciation & asset impairment | Other materials | Other expenditure |
|---|---|---|---|---|---|---|
| 2017/18 AUD | 296682 089 | 225843 568 | 167078 554 | 134846 277 | 40900 029 | 55726 302 |
| 2018/19 AUD | 368000 044 | 242613 624 | 186336 164 | 131113 857 | 35049 460 | 71333 300 |
| 2019/20 AUD | 382527 443 | 278484 673 | 177913 891 | 134540 980 | 42301 753 | 90183 122 |
| CY 20/21 ADJ | 440972 343 | 270260 407 | 229348 562 | 141876 708 | 50805 752 | 112917 021 |
| Budget Year 2021/22 | 461744 582 | 318669 449 | 239915 429 | 145662 652 | 44845 532 | 141561 449 |
| Budget Year +1 2022/23 | 480764 649 | 347031 029 | 250494 221 | 144047 161 | 47274 529 | 124844 495 |
| Budget Year +2 2023/24 | 502036 900 | 377916 792 | 263767 895 | 143380 672 | 48918 209 | 111594 296 |

**Figure 3 Expenditure by major type**

6. Bulk purchases have significantly increased over the 2017/18 to 2023/24 period escalating from R225,8 million to R377,9 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital expenditure - Vote** | | | | | | | | | |
| **Multi-year expenditure to be appropriated** | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | – | – | – | – | – | – | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | – | – | – | – | – | – | 3 715 | 6 065 | 3 515 |
| Vote 4 - Finance | – | – | – | – | – | – | 60 | 60 | 60 |
| Vote 5 - Infrastructure & Planning | – | 63 169 | 15 575 | 108 693 | 82 050 | 82 050 | 166 263 | 100 328 | 67 675 |
| Vote 6 - Protection Services | – | 4 809 | – | – | – | – | 350 | 350 | 350 |
| Vote 7 - Economic and Social Development & Tourism | – | – | – | – | – | – | 45 | 45 | 45 |
| Vote 8 - Community Services | – | 66 541 | 58 300 | – | – | – | 4 297 | 8 110 | 5 660 |
| **Capital multi-year expenditure sub-total** | **–** | **134 520** | **73 875** | **108 693** | **82 050** | **82 050** | **174 730** | **114 958** | **77 305** |
| **Single-year expenditure to be appropriated** | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | – | – | – | – | 461 | 461 | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | 6 346 | 295 | 3 966 | 3 015 | 3 015 | 3 015 | – | – | – |
| Vote 4 - Finance | – | – | 22 | 60 | 60 | 60 | – | – | – |
| Vote 5 - Infrastructure & Planning | 16 315 | 28 195 | 93 905 | 117 721 | 117 560 | 117 560 | 33 281 | 27 328 | 18 530 |
| Vote 6 - Protection Services | 2 517 | – | 12 064 | 13 981 | 13 018 | 13 018 | 3 458 | – | – |
| Vote 7 - Economic and Social Development & Tourism | – | – | 375 | 842 | 842 | 842 | – | – | – |
| Vote 8 - Community Services | 80 077 | 12 100 | 26 849 | 59 426 | 63 081 | 63 081 | 21 976 | – | – |
| **Capital single-year expenditure sub-total** | **105 255** | **40 590** | **137 181** | **195 045** | **198 037** | **198 037** | **58 714** | **27 328** | **18 530** |
| **Total Capital Expenditure - Vote** | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |
| **Capital Expenditure - Functional** | | | | | | | | | |
| ***Governance and administration*** | **6 342** | **8 659** | **4 049** | **3 075** | **3 536** | **3 536** | **3 775** | **6 125** | **3 575** |
| Executive and council | | 295 | 2 | 5 | 466 | 466 | 5 | 5 | 5 |
| Finance and administration | 6 342 | 8 364 | 4 048 | 3 070 | 3 070 | 3 070 | 3 770 | 6 120 | 3 570 |
| Internal audit | – | – | | – | | | – | – | – |
| ***Community and public safety*** | **44 222** | **68 172** | **112 758** | **93 694** | **82 780** | **82 780** | **74 407** | **38 068** | **9 377** |
| Community and social services | 2 126 | 5 164 | 1 330 | 18 638 | 18 084 | 18 084 | 8 830 | 760 | 760 |
| Sport and recreation | 5 427 | 23 923 | 9 981 | 12 731 | 8 588 | 8 588 | 7 410 | 500 | 5 000 |
| Public safety | 2 490 | 4 809 | 15 694 | 14 181 | 13 168 | 13 168 | 3 808 | 350 | 350 |
| Housing | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 54 359 | 36 458 | 3 267 |
| Health | – | – | | | | | – | – | – |
| ***Economic and environmental services*** | **12 071** | **13 407** | **6 865** | **33 589** | **32 958** | **32 958** | **16 816** | **17 090** | **4 865** |
| Planning and development | 45 | 1 346 | 1 220 | 13 594 | 10 372 | 10 372 | 6 587 | 415 | 415 |
| Road transport | 12 026 | 12 061 | 5 645 | 19 995 | 22 586 | 22 586 | 10 229 | 16 675 | 4 450 |
| Environmental protection | – | – | | | | | – | – | – |
| ***Trading services*** | **42 619** | **84 872** | **87 384** | **173 381** | **160 813** | **160 813** | **138 446** | **81 003** | **78 018** |
| Energy sources | 16 268 | 28 893 | 21 428 | 21 119 | 19 119 | 19 119 | 59 924 | 19 775 | 24 450 |
| Water management | 3 257 | 12 270 | 31 752 | 52 606 | 50 036 | 50 036 | 35 715 | 25 900 | 22 000 |
| Waste water management | 21 523 | 42 210 | 26 893 | 77 217 | 69 635 | 69 635 | 40 696 | 35 328 | 31 568 |
| Waste management | 1 572 | 1 499 | 7 311 | 22 439 | 22 024 | 22 024 | 2 110 | – | – |
| ***Other*** | **–** | **–** | | | | | **–** | **–** | **–** |
| **Total Capital Expenditure - Functional** | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |
| **Funded by:** | | | | | | | | | |
| National Government | 21 786 | 30 445 | 31 528 | 37 369 | 35 100 | 35 100 | 45 754 | 40 828 | 32 568 |
| Provincial Government | 42 477 | 35 615 | 85 965 | 2 840 | 2 127 | 2 127 | 600 | – | – |
| District Municipality | | | | – | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocation | 4 414 | 26 942 | | 46 306 | 47 296 | 47 296 | 64 159 | 36 458 | 3 267 |
| **Transfers recognised - capital** | **68 677** | **93 002** | **117 493** | **86 516** | **84 523** | **84 523** | **110 513** | **77 286** | **35 835** |
| **Public contributions & donations** | | | 3 730 | – | – | – | – | – | – |
| **Borrowing** | 19 199 | 36 495 | 50 476 | 92 949 | 75 228 | 75 228 | 67 250 | 50 000 | 50 000 |
| **Internally generated funds** | 17 379 | 45 613 | 39 358 | 124 274 | 120 335 | 120 335 | 55 681 | 15 000 | 10 000 |
| **Total Capital Funding** | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |

**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 R233,4 million in 2021/22.
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 2021/22, capital transfers total R110,5 million. Borrowing has been provided at R67,2 million (inclusive of roll-over borrowing), finance leases (nil) and internally generated funding totaling R55,7 million. These funding sources are further discussed in detail in paragraph 2.6 (Overview of Budget Funding).
5. Rolled over borrowing amounts to R17,3m.

## Table 22 MBRR Table A6 - Budgeted Financial Position

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **ASSETS** | | | | | | | | | |
| **Current assets** | | | | | | | | | |
| Cash | 94 453 | 123 988 | 143 570 | 85 812 | 117 249 | 117 249 | 46 299 | 62 210 | 147 155 |
| Call investment deposits | 380 514 | 409 200 | 510 243 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 |
| Consumer debtors | 64 957 | 74 000 | 88 479 | 83 889 | 84 491 | 84 491 | 93 706 | 105 253 | 119 357 |
| Other debtors | 52 806 | 61 176 | 58 432 | 34 983 | 34 987 | 34 987 | 34 987 | 34 987 | 34 987 |
| Current portion of long-term receivables | 10 | 7 | 4 | 3 | – | – | – | – | – |
| Inventory | 32 352 | 16 029 | 10 219 | 9 540 | 9 540 | 9 540 | 9 941 | 10 317 | 10 634 |
| **Total current assets** | **625 093** | **684 399** | **810 947** | **614 227** | **646 267** | **646 267** | **584 933** | **612 767** | **712 132** |
| **Non current assets** | | | | | | | | | |
| Long-term receivables | 20 | 4 | – | 1 | – | – | – | – | – |
| Investments | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| Investment property | 113 951 | 117 433 | 123 121 | 121 846 | 121 846 | 121 846 | 127 346 | 132 846 | 138 346 |
| Investment in Associate | – | – | | | | | – | – | – |
| Property, plant and equipment | 3 346 195 | 3 405 429 | 3 488 698 | 3 666 226 | 3 642 574 | 3 642 574 | 3 730 746 | 3 729 193 | 3 682 067 |
| | | | | | | | – | – | – |
| Biological | | | | | | | – | – | – |
| Intangible | 6 699 | 8 597 | 9 168 | 4 753 | 4 753 | 4 753 | 4 363 | 4 154 | 3 735 |
| Other non-current assets | 124 182 | 130 928 | 130 928 | 124 182 | 124 182 | 124 182 | 130 928 | 130 928 | 130 928 |
| **Total non current assets** | **3 635 642** | **3 712 914** | **3 798 429** | **3 982 468** | **3 947 815** | **3 947 815** | **4 055 547** | **4 067 127** | **4 033 065** |
| **TOTAL ASSETS** | **4 260 735** | **4 397 313** | **4 609 376** | **4 596 695** | **4 594 082** | **4 594 082** | **4 640 480** | **4 679 894** | **4 745 197** |
| **LIABILITIES** | | | | | | | | | |
| **Current liabilities** | | | | | | | | | |
| Bank overdraft | – | – | – | – | – | – | – | – | – |
| Borrowing | 33 448 | 39 725 | 45 458 | 52 751 | 52 751 | 52 751 | 42 448 | 46 521 | 34 910 |
| Consumer deposits | 38 462 | 40 020 | 40 992 | 62 074 | 62 074 | 62 074 | 64 074 | 66 074 | 68 074 |
| Trade and other payables | 119 809 | 107 963 | 166 030 | 104 604 | 98 955 | 98 955 | 109 696 | 115 238 | 153 971 |
| Provisions | 29 790 | 33 010 | 42 460 | 35 286 | 35 286 | 35 286 | 45 339 | 46 816 | 48 348 |
| **Total current liabilities** | **221 509** | **220 717** | **294 941** | **254 715** | **249 067** | **249 067** | **261 558** | **274 649** | **305 303** |
| **Non current liabilities** | | | | | | | | | |
| Borrowing | 408 658 | 422 933 | 431 475 | 430 260 | 430 260 | 430 260 | 389 725 | 393 204 | 408 295 |
| Provisions | 205 051 | 222 157 | 209 257 | 256 985 | 256 985 | 256 985 | 231 880 | 238 198 | 245 161 |
| **Total non current liabilities** | **613 708** | **645 090** | **640 732** | **687 245** | **687 245** | **687 245** | **621 606** | **631 403** | **653 456** |
| **TOTAL LIABILITIES** | **835 218** | **865 807** | **935 673** | **941 960** | **936 312** | **936 312** | **883 164** | **906 052** | **958 759** |
| **NET ASSETS** | **3 425 517** | **3 531 506** | **3 673 703** | **3 654 735** | **3 657 771** | **3 657 771** | **3 757 316** | **3 773 841** | **3 786 438** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | | | | |
| Accumulated Surplus/(Deficit) | 3 422 258 | 3 528 279 | 3 670 476 | 3 651 390 | 3 654 426 | 3 654 426 | 3 753 971 | 3 770 496 | 3 783 093 |
| Reserves | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 |
| **TOTAL COMMUNITY WEALTH/EQUITY** | **3 425 517** | **3 531 506** | **3 673 703** | **3 654 735** | **3 657 771** | **3 657 771** | **3 757 316** | **3 773 841** | **3 786 438** |

**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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Property rates | 213 851 | 230 566 | 238 449 | 259 513 | 255 713 | 255 713 | 273 224 | 283 739 | 294 684 |
| Service charges | 590 742 | 643 620 | 689 210 | 655 534 | 655 430 | 655 430 | 766 826 | 834 134 | 908 578 |
| Other revenue | 75 406 | 128 882 | 175 357 | 131 331 | 133 925 | 133 925 | 161 108 | 115 252 | 68 232 |
| Transfers and Subsidies - Operational | 131 819 | 110 341 | 120 949 | 131 840 | 148 458 | 148 458 | 139 692 | 144 977 | 148 209 |
| Transfers and Subsidies - Capital | 64 248 | 32 017 | 60 675 | 30 619 | 37 228 | 37 228 | 46 354 | 40 828 | 32 568 |
| Interest | 34 175 | 45 960 | 53 186 | 36 073 | 31 050 | 31 050 | 32 137 | 33 422 | 34 759 |
| Dividends | | | | | | | – | – | – |
| **Payments** | | | | | | | | | |
| Suppliers and employees | (818 415) | (929 996) | (971 606) | (983 752) | (1 000 174) | (1 000 174) | (1 190 437) | (1 234 247) | (1 241 510) |
| Finance charges | (46 129) | (44 921) | (46 570) | (51 482) | (51 482) | (51 482) | (51 804) | (51 923) | (52 180) |
| Transfers and Grants | (1 800) | (486) | (560) | (11 610) | (8 300) | (8 300) | (12 324) | (12 557) | (13 060) |
| **NET CASH FROM/(USED) OPERATING ACTIVITIES** | **243 897** | **215 983** | **319 091** | **198 066** | **201 847** | **201 847** | **164 775** | **153 626** | **180 280** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Proceeds on disposal of PPE | 81 451 | (566) | 3 289 | 7 000 | – | – | – | – | – |
| Decrease (increase) in non-current receivables | 8 | 8 | 7 | 7 | 10 | 10 | – | – | – |
| Decrease (increase) in non-current investments | (4 980) | (4 980) | (4 980) | (7 575) | 3 425 | 3 425 | (4 980) | (4 980) | (4 980) |
| **Payments** | | | | | | | | | |
| Capital assets | (105 255) | (172 777) | (211 056) | (303 738) | (280 086) | (280 086) | (233 444) | (142 286) | (95 835) |
| **NET CASH FROM/(USED) INVESTING ACTIVITIES** | **(28 775)** | **(178 314)** | **(212 740)** | **(304 307)** | **(276 651)** | **(276 651)** | **(238 424)** | **(147 266)** | **(100 815)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Short term loans | | | | – | – | – | – | – | – |
| Borrowing long term/refinancing | 30 000 | 54 000 | 54 000 | 54 000 | 54 000 | 54 000 | 50 000 | 50 000 | 50 000 |
| Increase (decrease) in consumer deposits | | | | (1 000) | (1 000) | (1 000) | 2 000 | 2 000 | 2 000 |
| **Payments** | | | | | | | | | |
| Repayment of borrowing | (29 969) | (33 448) | (39 725) | (46 374) | (46 374) | (46 374) | (49 301) | (42 448) | (46 521) |
| **NET CASH FROM/(USED) FINANCING ACTIVITIES** | 31 | 20 552 | 14 275 | 6 626 | 6 626 | 6 626 | 2 699 | 9 552 | 5 479 |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | 215 153 | 58 220 | 120 626 | (99 615) | (68 178) | (68 178) | (70 950) | 15 911 | 84 944 |
| Cash/cash equivalents at the year begin: | **259 815** | **474 967** | **533 188** | **585 426** | **585 426** | **585 426** | **517 249** | **446 299** | **462 210** |
| Cash/cash equivalents at the year end: | **474 967** | **533 188** | **653 813** | **485 812** | **517 249** | **517 249** | **446 299** | **462 210** | **547 155** |

**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 decrease over the 2021/22 to 2022/23 period, with an increase in 2023/24.
4. The 2021/22 MTREF has been informed by the planning principle of ensuring adequate cash over the medium-term.
5. Cash and cash equivalents totals R446,3 million as at the end of the 2021/22 financial year and is estimated to increase to R547,2 million by 2023/24.

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

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Cash and investments available** | | | | | | | | | |
| Cash/cash equivalents at the year end | 474 967 | 533 188 | 653 813 | 485 812 | 517 249 | 517 249 | 446 299 | 462 210 | 547 155 |
| Other current investments > 90 days | (0) | 0 | – | (0) | – | – | – | – | – |
| Non current assets - Investments | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| **Cash and investments available:** | **519 562** | **583 711** | **700 328** | **551 272** | **571 709** | **571 709** | **508 464** | **532 216** | **625 144** |
| **Application of cash and investments** | | | | | | | | | |
| Unspent conditional transfers | – | – | – | – | – | – | – | – | – |
| Unspent borrowing | 10 450 | 38 199 | – | 25 193 | 25 193 | 25 193 | – | – | – |
| Statutory requirements | – | – | – | – | – | – | – | – | – |
| Other working capital requirements | (234 701) | (242 434) | (310 844) | (219 251) | (216 118) | (216 118) | (236 225) | (251 617) | (303 881) |
| Other provisions | | | | 4 109 | 4 109 | 4 109 | 10 200 | 10 200 | 10 200 |
| Long term investments committed | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| Reserves to be backed by cash/investments | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 |
| **Total Application of cash and investments:** | **(176 397)** | **(150 485)** | **(261 102)** | **(121 144)** | **(129 012)** | **(129 012)** | **(160 516)** | **(168 067)** | **(212 347)** |
| **Surplus(shortfall)** | **695 959** | **734 196** | **961 430** | **672 416** | **700 720** | **700 720** | **668 980** | **700 283** | **837 491** |

**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 2021/22 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

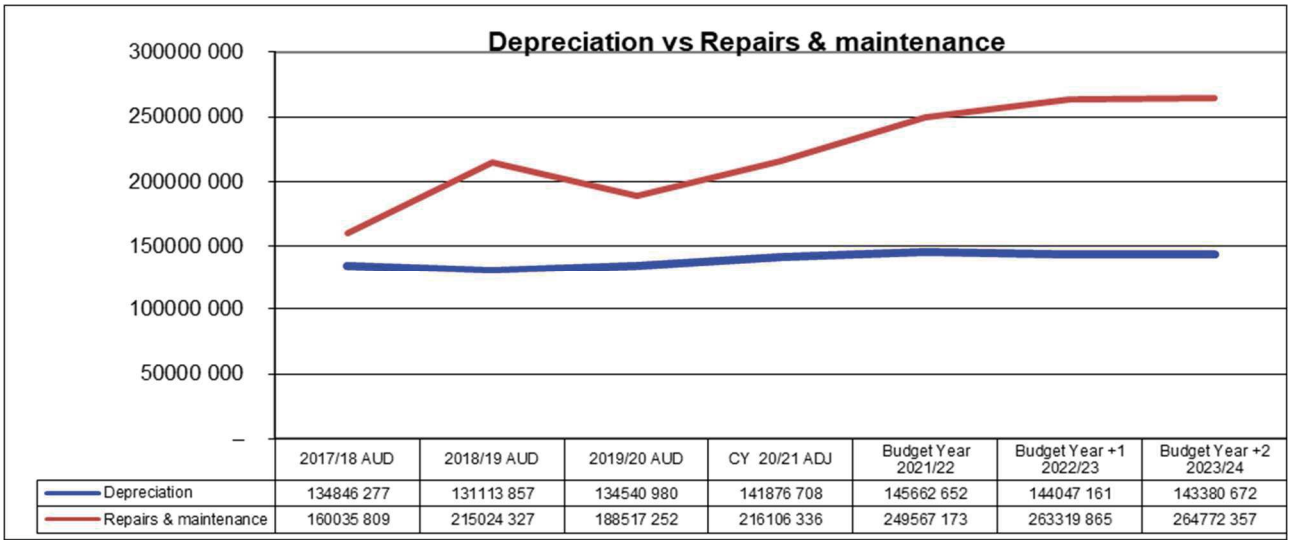
| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| CAPITAL EXPENDITURE | | | | | | | | | |
| **Total New Assets** | **75 610** | **175 110** | **188 804** | **215 433** | **201 924** | **201 924** | **172 402** | **84 958** | **35 567** |
| *Roads Infrastructure* | 10 003 | 12 061 | 5 638 | 19 795 | 22 386 | 22 386 | 8 923 | 13 000 | 2 000 |
| *Storm water Infrastructure* | 255 | 7 247 | 7 918 | 16 384 | 16 322 | 16 322 | 6 330 | – | – |
| *Electrical Infrastructure* | 15 449 | 28 893 | 13 557 | 12 768 | 10 768 | 10 768 | 56 694 | 9 100 | 12 000 |
| *Water Supply Infrastructure* | 627 | 12 270 | 29 001 | 29 547 | 27 547 | 27 547 | 6 000 | 6 900 | – |
| *Sanitation Infrastructure* | – | 34 963 | 13 339 | 20 576 | 18 536 | 18 536 | 6 250 | 4 000 | 3 300 |
| *Solid Waste Infrastructure* | 105 | 1 499 | 7 311 | 18 479 | 18 064 | 18 064 | 2 020 | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***26 438*** | ***96 933*** | ***76 763*** | ***117 549*** | ***113 622*** | ***113 622*** | ***86 217*** | ***33 000*** | ***17 300*** |
| Community Facilities | 3 229 | 30 804 | 2 084 | 12 743 | 9 787 | 9 787 | 13 442 | – | – |
| Sport and Recreation Facilities | 5 427 | – | 2 447 | 50 | 50 | 50 | 7 089 | 500 | 5 000 |
| **Community Assets** | ***8 656*** | ***30 804*** | ***4 531*** | ***12 793*** | ***9 837*** | ***9 837*** | ***20 530*** | ***500*** | ***5 000*** |
| **Heritage Assets** | – | – | – | – | – | – | – | – | – |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| Operational Buildings | 4 372 | 3 092 | 1 749 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| Housing | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| **Other Assets** | ***38 552*** | ***37 368*** | ***87 502*** | ***52 970*** | ***47 951*** | ***47 951*** | ***55 079*** | ***36 458*** | ***3 267*** |
| **Biological or Cultivated Assets** | – | – | – | – | – | – | – | – | – |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | – | – | – | – | – | – | – | – | – |
| **Computer Equipment** | **1 593** | **1 346** | **3 345** | **7 896** | **7 896** | **7 896** | **3 700** | **6 050** | **3 500** |
| **Furniture and Office Equipment** | **205** | **295** | **246** | **1 025** | **1 025** | **1 025** | **875** | **840** | **840** |
| **Machinery and Equipment** | **166** | **1 428** | **533** | **760** | **860** | **860** | **1 000** | **760** | **760** |
| **Transport Assets** | – | **6 936** | **15 884** | **22 440** | **20 732** | **20 732** | **5 000** | **7 350** | **4 900** |
| **Land** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **Total Renewal of Existing Assets** | **29 644** | – | **3 606** | **25 621** | **25 050** | **25 050** | **23 050** | **19 200** | **17 700** |
| *Roads Infrastructure* | 2 020 | – | 8 | – | – | – | – | – | – |
| *Storm water Infrastructure* | 10 677 | – | – | – | – | – | – | – | – |
| *Electrical Infrastructure* | 819 | – | – | 1 000 | 1 000 | 1 000 | 1 000 | – | – |
| *Water Supply Infrastructure* | 2 629 | – | 887 | 20 560 | 19 989 | 19 989 | 21 400 | 18 500 | 17 000 |
| *Sanitation Infrastructure* | 10 591 | – | 2 711 | 4 061 | 4 061 | 4 061 | 650 | 700 | 700 |
| *Solid Waste Infrastructure* | 1 634 | – | – | – | – | – | – | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***28 370*** | – | ***3 606*** | ***25 621*** | ***25 050*** | ***25 050*** | ***23 050*** | ***19 200*** | ***17 700*** |
| Community Facilities | 1 217 | – | – | – | – | – | – | – | – |
| Sport and Recreation Facilities | – | – | – | – | – | – | – | – | – |
| **Community Assets** | ***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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Total Upgrading of Existing Assets** | – | – | 18 646 | 62 684 | 53 112 | 53 112 | 37 992 | 38 128 | 42 568 |
| *Roads Infrastructure* | – | – | – | 200 | 200 | 200 | – | – | – |
| *Storm water Infrastructure* | – | – | 1 285 | 13 057 | 13 057 | 13 057 | – | – | – |
| *Electrical Infrastructure* | – | – | 7 871 | 7 350 | 7 350 | 7 350 | – | 7 000 | 10 000 |
| *Water Supply Infrastructure* | – | – | 1 863 | 2 500 | 2 500 | 2 500 | 8 315 | 500 | 5 000 |
| *Sanitation Infrastructure* | – | – | 32 | 23 138 | 17 659 | 17 659 | 27 466 | 30 628 | 27 568 |
| *Solid Waste Infrastructure* | – | – | – | 3 960 | 3 960 | 3 960 | 90 | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | – | – | *11 051* | *50 206* | *44 727* | *44 727* | *35 871* | *38 128* | *42 568* |
| Community Facilities | – | – | – | 976 | 906 | 906 | 100 | – | – |
| Sport and Recreation Facilities | – | – | 7 534 | 11 503 | 7 480 | 7 480 | 2 021 | – | – |
| **Community Assets** | – | – | *7 534* | *12 479* | *8 386* | *8 386* | *2 121* | – | – |
| **Heritage Assets** | – | – | – | – | – | – | – | – | – |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| Operational Buildings | – | – | 61 | – | – | – | – | – | – |
| Housing | – | – | – | – | – | – | – | – | – |
| **Other Assets** | – | – | *61* | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | – | – | – | – | – | – | – | – | – |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | – | – | – | – | – | – | – | – | – |
| **Computer Equipment** | – | – | – | – | – | – | – | – | – |
| **Furniture and Office Equipment** | – | – | – | – | – | – | – | – | – |
| **Machinery and Equipment** | – | – | – | – | – | – | – | – | – |
| **Transport Assets** | – | – | – | – | – | – | – | – | – |
| **Land** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **Total Capital Expenditure** | 105 255 | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | 233 444 | 142 286 | 95 835 |
| *Roads Infrastructure* | 12 023 | 12 061 | 5 645 | 19 995 | 22 586 | 22 586 | 8 923 | 13 000 | 2 000 |
| *Storm water Infrastructure* | 10 932 | 7 247 | 9 202 | 29 441 | 29 378 | 29 378 | 6 330 | – | – |
| *Electrical Infrastructure* | 16 268 | 28 893 | 21 428 | 21 119 | 19 119 | 19 119 | 57 694 | 16 100 | 22 000 |
| *Water Supply Infrastructure* | 3 257 | 12 270 | 31 752 | 52 606 | 50 036 | 50 036 | 35 715 | 25 900 | 22 000 |
| *Sanitation Infrastructure* | 10 591 | 34 963 | 16 081 | 47 776 | 40 257 | 40 257 | 34 366 | 35 328 | 31 568 |
| *Solid Waste Infrastructure* | 1 739 | 1 499 | 7 311 | 22 439 | 22 024 | 22 024 | 2 110 | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | *54 809* | *96 933* | *91 420* | *193 376* | *183 399* | *183 399* | *145 138* | *90 328* | *77 568* |
| Community Facilities | 4 446 | 30 804 | 2 084 | 13 719 | 10 693 | 10 693 | 13 542 | – | – |
| Sport and Recreation Facilities | 5 427 | – | 9 981 | 11 553 | 7 530 | 7 530 | 9 110 | 500 | 5 000 |
| **Community Assets** | *9 873* | *30 804* | *12 065* | *25 272* | *18 223* | *18 223* | *22 651* | *500* | *5 000* |
| **Heritage Assets** | – | – | – | – | – | – | – | – | – |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| Operational Buildings | 4 372 | 3 092 | 1 810 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| Housing | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| **Other Assets** | *38 552* | *37 368* | *87 563* | *52 970* | *47 951* | *47 951* | *55 079* | *36 458* | *3 267* |
| **Biological or Cultivated Assets** | – | – | – | – | – | – | – | – | – |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | – | – | – | – | – | – | – | – | – |
| **Computer Equipment** | 1 593 | 1 346 | 3 345 | 7 896 | 7 896 | 7 896 | 3 700 | 6 050 | 3 500 |
| **Furniture and Office Equipment** | 205 | 295 | 246 | 1 025 | 1 025 | 1 025 | 875 | 840 | 840 |
| **Machinery and Equipment** | 223 | 1 428 | 533 | 760 | 860 | 860 | 1 000 | 760 | 760 |
| **Transport Assets** | – | 6 936 | 15 884 | 22 440 | 20 732 | 20 732 | 5 000 | 7 350 | 4 900 |
| **Land** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **TOTAL CAPITAL EXPENDITURE - Asset class** | 105 255 | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | 233 444 | 142 286 | 95 835 |

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **ASSET REGISTER SUMMARY - PPE (WDV)** | 3 591 027 | 3 662 386 | 3 751 914 | 3 917 008 | 3 893 355 | 3 893 355 | 3 993 382 | 3 997 122 | 3 955 076 |
| *Roads Infrastructure* | 1 054 313 | 1 068 859 | 1 059 300 | 1 002 295 | 1 004 886 | 1 004 886 | 976 263 | 951 540 | 915 229 |
| *Storm water Infrastructure* | | | | | | | – | – | – |
| *Electrical Infrastructure* | 522 972 | 525 175 | 520 037 | 514 928 | 512 928 | 512 928 | 543 719 | 531 787 | 526 131 |
| *Water Supply Infrastructure* | 481 367 | 464 323 | 474 519 | 512 347 | 509 776 | 509 776 | 516 094 | 518 429 | 517 349 |
| *Sanitation Infrastructure* | 569 303 | 582 010 | 612 374 | 661 610 | 654 028 | 654 028 | 676 267 | 692 921 | 705 647 |
| *Solid Waste Infrastructure* | 30 303 | 26 500 | 24 634 | 48 639 | 48 224 | 48 224 | 47 104 | 43 844 | 40 581 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***2 658 258*** | ***2 666 867*** | ***2 690 864*** | ***2 739 819*** | ***2 729 842*** | ***2 729 842*** | ***2 759 447*** | ***2 738 521*** | ***2 704 938*** |
| Community Facilities | | | | | | | | | |
| Sport and Recreation Facilities | | | | | | | | | |
| **Community Assets** | ***183 622*** | ***204 522*** | ***206 866*** | | | | – | – | – |
| **Heritage Assets** | **124 182** | **130 928** | **130 928** | **124 182** | **124 182** | **124 182** | **130 928** | **130 928** | **130 928** |
| Revenue Generating | | | | | | | | – | – |
| Non-revenue Generating | | | | | | | | – | – |
| **Investment properties** | ***113 951*** | ***117 433*** | ***123 121*** | ***121 846*** | ***121 846*** | ***121 846*** | ***127 346*** | ***132 846*** | ***138 346*** |
| Operational Buildings | – | – | | | | | | – | – |
| Housing | – | – | | | | | | – | – |
| **Other Assets** | ***504 315*** | ***534 039*** | ***590 968*** | ***926 408*** | ***912 732*** | ***912 732*** | ***971 299*** | ***990 672*** | ***977 129*** |
| **Biological or Cultivated Assets** | – | – | | | | | – | – | – |
| Servitudes | – | – | | | | | | – | – |
| Licences and Rights | – | – | | | | | | – | – |
| **Intangible Assets** | ***6 699*** | ***8 597*** | ***9 168*** | ***4 753*** | ***4 753*** | ***4 753*** | ***4 363*** | ***4 154*** | ***3 735*** |
| **Computer Equipment** | | | | | | | – | – | – |
| **Furniture and Office Equipment** | | | | | | | – | – | – |
| **Machinery and Equipment** | | | | | | | – | – | – |
| **Transport Assets** | | | | | | | – | – | – |
| **Land** | | | | | | | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | | | | | – | – | – |
| **TOTAL ASSET REGISTER SUMMARY - PPE (WDV)** | **3 591 027** | **3 662 386** | **3 751 914** | **3 917 008** | **3 893 355** | **3 893 355** | **3 993 382** | **3 997 122** | **3 955 076** |
| **EXPENDITURE OTHER ITEMS** | | | | | | | | | |
| **Depreciation** | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | 145 663 | 144 047 | 143 381 |
| **Repairs and Maintenance by Asset Class** | **160 036** | **215 024** | **188 517** | **210 905** | **216 106** | **216 106** | **123 369** | **130 880** | **129 658** |
| *Roads Infrastructure* | 53 229 | 61 860 | 65 691 | 67 578 | 67 622 | 67 622 | 38 252 | 41 470 | 43 652 |
| *Storm water Infrastructure* | 6 017 | 5 765 | 4 749 | 6 159 | 6 189 | 6 189 | 3 963 | 4 155 | 4 352 |
| *Electrical Infrastructure* | 17 645 | 23 082 | 36 812 | 31 243 | 32 317 | 32 317 | 10 034 | 10 356 | 10 717 |
| *Water Supply Infrastructure* | 15 014 | 17 367 | 16 161 | 19 710 | 19 710 | 19 710 | 7 471 | 7 857 | 8 157 |
| *Sanitation Infrastructure* | 13 051 | 14 967 | 10 072 | 13 262 | 13 920 | 13 920 | 5 216 | 5 482 | 5 723 |
| *Solid Waste Infrastructure* | 12 946 | 22 918 | 1 168 | 3 691 | 3 651 | 3 651 | 2 244 | 2 348 | 2 458 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | 113 | 216 | 186 | 186 | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | 42 | 42 | 42 | – | – | – |
| **Infrastructure** | ***117 901*** | ***145 959*** | ***134 766*** | ***141 901*** | ***143 636*** | ***143 636*** | ***67 181*** | ***71 669*** | ***75 059*** |
| Community Facilities | 12 289 | 27 117 | 29 422 | 37 242 | 40 524 | 40 524 | 7 517 | 7 902 | 8 211 |
| Sport and Recreation Facilities | – | 12 685 | 4 176 | 7 516 | 7 817 | 7 817 | 5 366 | 5 843 | 6 065 |
| **Community Assets** | ***12 289*** | ***39 801*** | ***33 597*** | ***44 758*** | ***48 340*** | ***48 340*** | ***12 883*** | ***13 745*** | ***14 276*** |
| **Heritage Assets** | – | – | – | – | – | – | – | – | – |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| Operational Buildings | – | 8 009 | 1 582 | 3 373 | 3 065 | 3 065 | 11 914 | 12 304 | 5 587 |
| Housing | – | – | – | 37 | 237 | 237 | – | – | – |
| **Other Assets** | – | ***8 009*** | ***1 582*** | ***3 410*** | ***3 302*** | ***3 302*** | ***11 914*** | ***12 304*** | ***5 587*** |
| **Biological or Cultivated Assets** | – | – | – | – | – | – | – | – | – |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | 6 009 | 5 925 | 5 925 | 5 925 | 6 528 | 6 862 | 7 213 |
| **Intangible Assets** | – | – | ***6 009*** | ***5 925*** | ***5 925*** | ***5 925*** | ***6 528*** | ***6 862*** | ***7 213*** |
| **Computer Equipment** | **5 207** | **4 890** | **766** | **2 186** | **2 186** | **2 186** | **2 280** | **2 394** | **2 514** |
| **Furniture and Office Equipment** | **17 919** | **16 364** | **242** | **2 811** | **2 803** | **2 803** | **6 095** | **6 312** | **6 527** |
| **Machinery and Equipment** | – | – | – | – | – | – | **5 548** | **6 194** | **6 598** |
| **Transport Assets** | **6 719** | – | **11 555** | **9 914** | **9 914** | **9 914** | **10 940** | **11 401** | **11 882** |
| **Libraries** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **TOTAL EXPENDITURE OTHER ITEMS** | **294 882** | **346 138** | **323 058** | **352 782** | **357 983** | **357 983** | **269 032** | **274 927** | **273 038** |
| ***Renewal and upgrading of Existing Assets as % of to*** | *28,2%* | *0,0%* | *10,5%* | *29,1%* | *27,9%* | *27,9%* | *26,1%* | *40,3%* | *62,9%* |
| ***Renewal and upgrading of Existing Assets as % of de*** | *22,0%* | *0,0%* | *16,5%* | *62,2%* | *55,1%* | *55,1%* | *41,9%* | *39,8%* | *42,0%* |
| ***R&M as a % of PPE*** | *4,8%* | *6,3%* | *5,4%* | *5,8%* | *5,9%* | *5,9%* | *3,3%* | *3,5%* | *3,5%* |
| ***Renewal and upgrading and R&M as a % of PPE*** | *5,0%* | *6,0%* | *6,0%* | *8,0%* | *8,0%* | *8,0%* | *5,0%* | *5,0%* | *5,0%* |

**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.




| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Depreciation | 134846 277 | 131113 857 | 134540 980 | 141876 708 | 145662 652 | 144047 161 | 143380 672 |
| Repairs & maintenance | 160035 809 | 215024 327 | 188517 252 | 216106 336 | 249567 173 | 263319 865 | 264772 357 |

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

## Table 26 MBRR Table A10 - Basic Service Delivery Measurement

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Household service targets** | | | | | | | | | |
| ***Water:*** | | | | | | | | | |
| Piped water inside dwelling | 29 174 | 29 800 | 29 946 | 29 946 | 29 946 | 29 946 | 30 844 | 31 769 | 32 722 |
| Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| Using public tap (at least min.service level) | 3 052 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| *Minimum Service Level and Above sub-total* | 32 226 | 33 420 | 33 621 | 33 621 | 33 621 | 33 621 | 34 402 | 37 106 | 36 991 |
| Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| No water supply | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **32 226** | **33 420** | **33 621** | **33 621** | **33 621** | **33 621** | **34 402** | **37 106** | **36 991** |
| ***Sanitation/sewerage:*** | | | | | | | | | |
| Flush toilet (connected to sewerage) | 29 165 | 29 631 | 30 060 | 30 060 | 30 060 | 30 060 | 30 962 | 31 891 | 32 848 |
| Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| Chemical toilet | – | – | – | – | – | – | – | – | – |
| Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (> min.service level) | 3 620 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| *Minimum Service Level and Above sub-total* | 32 785 | 33 251 | 33 735 | 33 735 | 33 735 | 33 735 | 34 520 | 37 228 | 37 117 |
| Bucket toilet | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| No toilet provisions | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **32 785** | **33 251** | **33 735** | **33 735** | **33 735** | **33 735** | **34 520** | **37 228** | **37 117** |
| ***Energy:*** | | | | | | | | | |
| Electricity (at least min.service level) | 6 112 | 5 831 | – | 5 665 | 5 665 | 5 665 | 5 384 | 5 103 | 4 822 |
| Electricity - prepaid (min.service level) | 18 814 | 19 464 | 21 546 | 20 114 | 20 114 | 20 114 | 20 497 | 20 880 | 20 880 |
| *Minimum Service Level and Above sub-total* | 24 926 | 25 295 | 21 546 | 25 779 | 25 779 | 25 779 | 25 881 | 25 983 | 25 702 |
| Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| Other energy sources | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **24 926** | **25 295** | **21 546** | **25 779** | **25 779** | **25 779** | **25 881** | **25 983** | **25 702** |
| ***Refuse:*** | | | | | | | | | |
| Removed at least once a week | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |
| *Minimum Service Level and Above sub-total* | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |
| Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| Using own refuse dump | – | – | – | – | – | – | – | – | – |
| Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| No rubbish disposal | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **32 695** | **33 105** | **33 366** | **33 366** | **33 366** | **33 366** | **34 367** | **35 398** | **36 460** |
| **Households receiving Free Basic Service** | | | | | | | | | |
| Water (6 kilolitres per household per month) | – | – | – | – | – | – | – | – | – |
| Sanitation (free minimum level service) | – | – | – | – | – | – | – | – | – |
| Electricity/other energy (50kwh per household per month) | – | – | – | – | – | – | – | – | – |
| Refuse (removed at least once a week) | – | – | – | – | – | – | – | – | – |
| **Cost of Free Basic Services provided - Formal Settlements (R'000)** | | | | | | | | | |
| Water (6 kilolitres per indigent household per month) | – | – | – | – | – | – | – | – | – |
| Sanitation (free sanitation service to indigent households) | – | – | – | – | – | – | – | – | – |
| Electricity/other energy (50kwh per indigent household per month) | – | – | – | – | – | – | – | – | – |
| Refuse (removed once a week for indigent households) | – | – | – | – | – | – | – | – | – |
| **Cost of Free Basic Services provided - Informal Formal Settlements (R'000)** | – | – | – | – | – | – | – | – | – |
| **Total cost of FBS provided** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **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) | 73 | 78 | 82 | 86 | 86 | 86 | 89 | 94 | 100 |
| Electricity (kwh per household per month) | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Refuse (average litres per week) | 210 | 210 | 210 | 210 | 210 | 210 | 210 | 210 | 210 |
| **Revenue cost of subsidised services provided (R'000)** | | | | | | | | | |
| Property rates (tariff adjustment) ( impermissable values per section 17 of MPRA) | – | – | – | – | – | – | – | – | – |
| Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA) | 51 711 | 50 983 | – | – | – | – | – | – | – |
| Water (in excess of 6 kilolitres per indigent household per month) | – | 779 | – | – | – | – | – | – | – |
| 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** | **51 711** | **52 080** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |

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 8 000 households to be registered as indigent in 2021/22, 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 R92,9 in 2021/22. 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 2020) 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 26 August 2020. Key dates applicable to the process are as follows:

- **July 2020** – Budget Office submits current 3 year Capital Budget to the Strategic Office. Review status of Samras Budget Portal functionality and MTREF budget information;
- **September 2020** – Ward Committee meetings to review current needs on the wish list;
- **September/October 2020** – Mayoral strategic session with Councillors and Senior Management to determine Strategic direction for the 2021/22 IDP review;
- **September 2020** – Ward Committees met to review their ward priorities for 2021/2022;
- **October 2020** – Top management meeting to discuss budget proposals and affordability;
- **October 2020** – Mayoral directional IDP/Budget speech;
- **October/December 2020** – Various Budget Steering Committee and Management meetings relating to draft Capex and Opex budgets;
- **November 2020**– Submission of tariff proposals and tariff workshops;
- **November 2020**– Workshop on tariffs and tariff related policies;
- **November 2020/February 2021**– Review of all budget related policies;
- **December 2020 –** Mid-year review by the BSC of the 2020/2021 progress and review of 2021/2024 draft operational expenditure including financial forecasting and scenario considerations;
- **January 2021** – Tariff finalisation, consider budget related policies changes and overview of draft 2021/22 Capex & Opex;
- **January 2021**- Council considered the 2020/2021 Mid-year Review;
- **February 2021** – Final tariffs and adjustments budget review;
- **February 2021** – BSC review/finalises draft Capex/Opex;
- **January 2021** – Finalisation of adjustments budget;

- **10 March 2021** – OMAF Consultation & Budget Proposals;
- **26 March 2021** – Budget office finalises budget report;
- **31 March 2021** - Tabling in Council of the draft 2021/22 IDP, SDBIP and 2021/22 MTREF for public consultation;
- **1 April 2021 – 30 April 2021** – Draft Budget available to the public and any other stakeholders for perusal and the submission of comments and representations;
- **30 April 2021** - Closing date for written comments;
- **5 May 2021** – BSC considered all comments received and amendments to the Draft Budget;
- **8-15 May 2021** – Finalisation of the 2021/2022 IDP and 2021/22 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 2021** – Budget Office compiles final report and schedules and final review of budget report and schedules ;
- **21 May 2021** – Final budget distribution; and
- **26 May 2021** - Tabling of the 2021/22 MTREF in Council for consideration and approval.

#### 2.1.2 IDP and Service Delivery and Budget Implementation Plan

This is the fourth review of the latest new generation IDP (2018/2022) to be considered and adopted by Council in May 2021. The draft IDP process started in September 2020 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2021/22 MTREF in August 2020.

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 2021/22 MTREF, based on the approved 2020/2021 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 2021/22 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 2020/2021 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 2021/22 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 2021/22 MTREF:

- Municipality growth
- Policy priorities and strategic objectives

- Asset maintenance
- Economic climate (trends, inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2020/2021 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 107 & 108 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 6.5. These allocations are guided by the respective owner departments.

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

#### 2.1.4 Community Consultation on the Draft Budget

The draft 2021/22 MTREF, will be tabled in Council on 31 March 2021 and be made available to the community as follows:

Copies of the document can 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 will be advertised in all local newspapers and a copy of the advertisement will be placed on the notice boards at municipal offices and libraries. All documents in the appropriate format (electronic) will be provided to National Treasury and Provincial Treasury in accordance with section 23 of the MFMA, to provide an opportunity for comment.

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, will engage the community at the Draft IDP Review And Draft Budget 2021/2022 Public Consultation process during April 2021, to present the draft budget for engagement with the public. These engagements will be arranged at venues in the different administrative areas and will also take place via the virtual platform (electronic access to the meetings).

The public will also have the opportunity to comment, in writing, on Overstrand Municipality's Draft Integrated Development Plan (IDP) Review and Amendment for 2021/22 and the Draft Budget for 2021/22 until 30 April 2021.

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 by 06 May 2021 for the finalisation of the 2021/2022 Budget.

Comments from the community and the municipality's responses thereto will be included as an Annexure to the final report.

## 2.2 Overview of alignment of annual budget with IDP

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

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 2021/22 MTREF and further planning refinements that have directly informed the compilation of the budget:

**Table 27 IDP Strategic Objectives**

| 2021/22 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 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 2021/22 MTREF has therefore been directly informed by the 4th 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| The provision of democratic, accountable and ethical governance | Good Governance | 1 | 334 461 | 328 011 | 347 612 | 336 136 | 337 425 | 337 425 | 332 825 | 370 592 | 382 268 |
| The provision and maintenance of municipal services | Basic Service Delivery | 2 | 674 417 | 752 662 | 804 239 | 792 445 | 801 091 | 801 091 | 942 928 | 972 533 | 1 051 599 |
| 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 | 52 972 | 70 070 | 59 673 | 58 278 | 70 941 | 70 941 | 56 809 | 56 256 | 62 858 |
| The promotion of tourism, economic and social development | Economic Development and Social upliftmnent | 5 | 79 437 | 64 318 | 119 873 | 100 633 | 88 536 | 88 536 | 124 072 | 92 689 | 32 674 |
| **Total Revenue (excluding capital transfers and contributions)** | | | **1 141 287** | **1 215 062** | **1 331 397** | **1 287 492** | **1 297 992** | **1 297 992** | **1 456 634** | **1 492 069** | **1 529 399** |

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

| Strategic Objective | Goal | Goal Code | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| The provision of democratic, accountable and ethical governance | Good Governance | 1 | 185 276 | 222 134 | 215 438 | 268 814 | 271 709 | 271 709 | 284 355 | 295 732 | 315 195 |
| The provision and maintenance of municipal services | Basic Service Delivery | 2 | 490 339 | 576 651 | 641 935 | 640 514 | 643 219 | 643 219 | 727 084 | 763 678 | 805 413 |
| The encouragement of structured community participation in the matters of the municipality | Good Governance | 3 | 1 486 | 1 250 | 725 | 1 195 | 1 195 | 1 195 | 1 125 | | |
| The creation and maintenance of a safe and healthy environment | Safe and Healthy Environment | 4 | 125 449 | 141 579 | 171 527 | 251 675 | 247 169 | 247 169 | 190 501 | 199 046 | 207 552 |
| The promotion of tourism, economic and social development | Economic Development and Social upliftmnent | 5 | 194 606 | 166 921 | 159 574 | 179 813 | 180 831 | 180 831 | 247 470 | 235 000 | 219 747 |
| **Total Expenditure** | | | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |

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

| Strategic Objective | Goal | Goal Code | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| The provision of democratic, accountable and ethical governance | Good Governance | 1 | 6 346 | 8 659 | 4 049 | 3 075 | 3 536 | 3 536 | 3 775 | 6 125 | 3 575 |
| The provision and maintenance of municipal services | Basic Service Delivery | 2 | 42 786 | 84 872 | 87 384 | 173 381 | 160 813 | 160 813 | 138 446 | 81 003 | 78 018 |
| The encouragement of structured community participation in the matters of the municipality | Good Governance | 3 | 41 536 | 5 250 | 3 531 | 6 412 | 5 305 | 5 305 | 5 875 | | |
| The creation and maintenance of a safe and healthy environment | Safe and Healthy Environment | 4 | 2 517 | 28 646 | 27 005 | 39 137 | 39 840 | 39 840 | 20 048 | 1 610 | 6 110 |
| The promotion of tourism, economic and social development | Economic Development and Social upliftmnent | 5 | 12 070 | 47 683 | 89 088 | 81 733 | 70 593 | 70 593 | 65 300 | 53 548 | 8 132 |
| **Total Capital Expenditure** | | | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |

## 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:

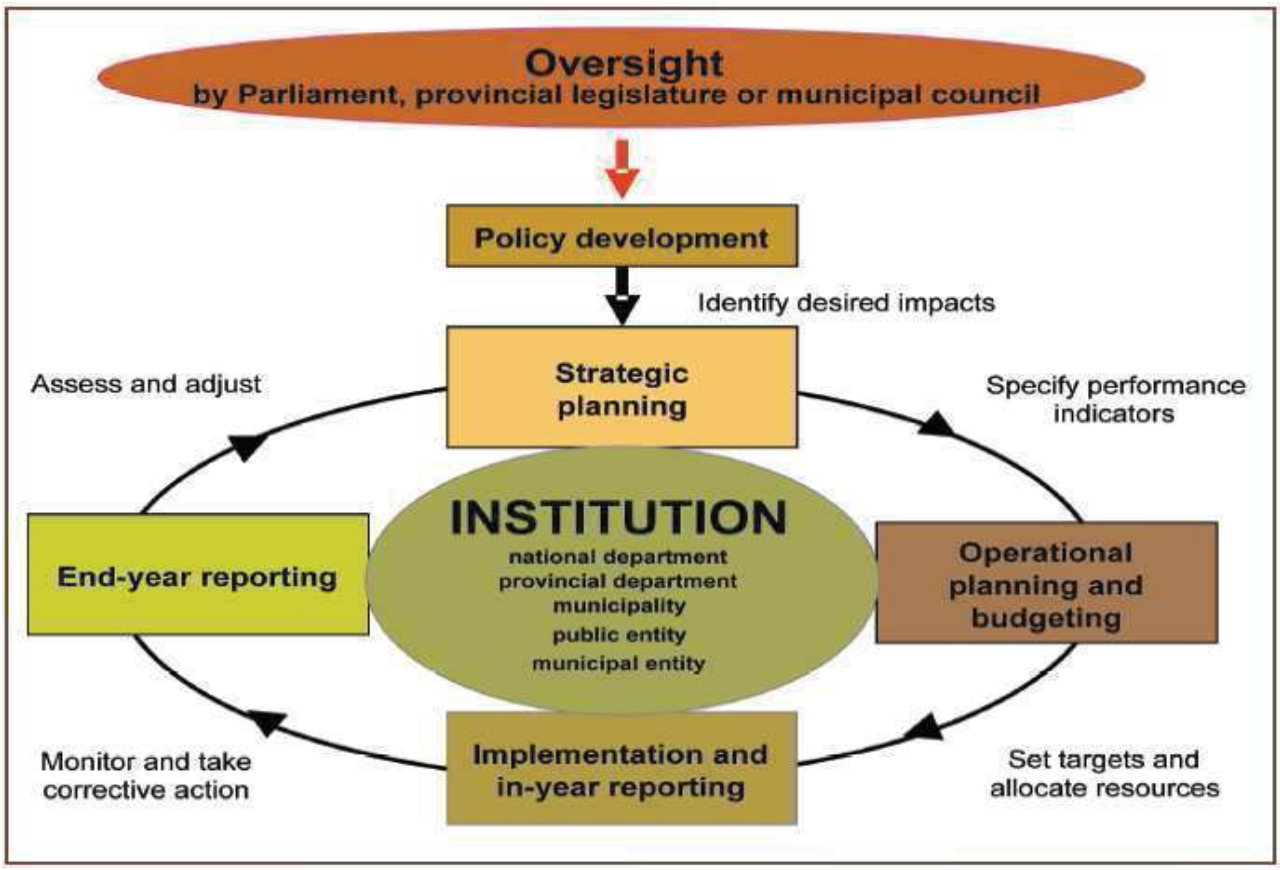



**Figure 5 Planning, budgeting and reporting cycle**

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:

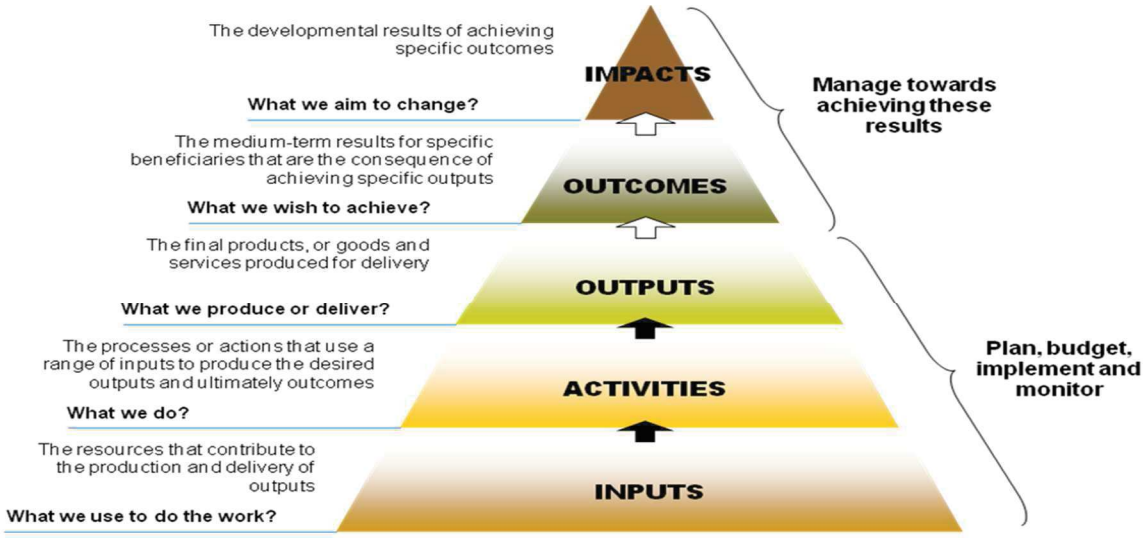



**Figure 6 Definition of performance information concepts**

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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Council and Municipal Manager** | | | | | | | | | | |
| Municipal Manager | | | | | | | | | | |
| 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 | 400,0% | 300,0% | 400,0% | 100,0% | 0,0% | 400,0% | 400,0% | 400,0% | 400,0% |
| Percentage of a municipality's capital budget actually spent on capital projects identified for 2021/22 in terms of the municipality's IDP {(Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects) x 100 (MPPMR Reg 10 (c)) | % of the capital budget spent | 90,1% | 99.39% | 76,5% | 95,0% | 0,0% | 95,0% | 95,0% | 95,0% | 95,0% |
| Sign section 56 performance agreements with all directors by the end of July 2021 | Number of agreements signed | 6 | 6 | 6 | 6 | 0 | 6 | 6 | 6 | 6 |
| Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit quarterly progress reports to Executive Mayor | Number of progress reports monitored and submitted to Executive Mayor | 5 | 6 | 5 | 1 | 0 | 4 | 4 | 4 | 4 |
| Bi- annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2021 to be completed by Sept 2021 and the current period October to December 2021 to be completed by February 2022. | Number of appraisals | 12 | 12 | 12 | 6 | 0 | 12 | 12 | 12 | 12 |
| Draft the annual report and submit to the Auditor-General by end of August 2021 | Draft Annual report submitted | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| Submit the final Annual report and oversight report to Council before end March 2022 | Final Annual report and oversight report submitted | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| Prepare the final IDP for submission to Council by the end of May 2022 | Final IDP submitted | 1 | 1 | 1 | 0 | 0 | 1 | 1 | 1 | 1 |
| Submit the Final MTREF Budget by the end of May 2022 | Final Budget submitted | 1 | 1 | 1 | 0 | 0 | 1 | 1 | 1 | 1 |

| Description | Unit of measurement | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Management Services** | | | | | | | | | | |
| **Director: Management Services** | | | | | | | | | | |
| **Human Resources** | | | | | | | | | | |
| 92% of the approved and funded organogram filled {(actual number of posts filled dived by the funded posts budgeted) x100} | % filled | 93,4% | 92.30% | 90,64% | 92,0% | 0,0% | 92% | 92,0% | 92,0% | 92,0% |
| The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan | The number of people from EE target groups employed | 70 | 68 | 71 | 70 | 0 | 70 | 74 | 75 | 75 |
| The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan | % of the training budget spent on implementation of the WSP | 99,87% | 100,0% | 84,5% | 100,0% | 0,0% | 100% | 100,0% | 100,0% | 100,0% |
| Review the Municipal Organisational Staff Structure by the end of June 2022 | Structure reviewed | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| **Corporate Support Services** | | | | | | | | | | |
| Revise the Section 14 Access to Information Manual by the end of June 2022 to ensure compliant and up to date policies | Manual revised | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| | | | | | | | | | | |
| **Finance** | | | | | | | | | | |
| **Director: Finance** | | | | | | | | | | |
| **Director Finance** | | | | | | | | | | |
| Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) (MPPMR Reg 10 (g)) | Ratio achieved | 6.56 | 6.55 | 7,63% | 3 | 0 | 3 | 3 | 3 | 3 |
| Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (MPPR Reg 10 (g)) | Ratio achieved | 19.96% | 22.91% | 25,06 | 15 | 0 | 15 | 15 | 15 | 15 |
| Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPR Reg 10 (g)) | % achieved | 10.52% | 10.02% | 12,33% | 14,0% | 0,0% | 14% | 16% | 16% | 16% |
| Submit a reviewed long term financial plan to the CFO by the end of October 2021 | Reviewed long term financial plan submitted | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| Financial statements submitted to the Auditor General by end August 2021 | Financial statements submitted | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements | Number of indgent households | 7385 | 7630 | 7595 | 7750 | 0 | 7 750 | 8 000 | 8 240 | 8 487 |
| Achieve a debt recovery rate not less than 80% (Receipts/total billed for 12 months period x 100) | % Recovered | 99.35% | 98.6% | 97,10% | 80% | 0% | 80% | 80% | 80% | 80% |
| | | | | | | | | | | |
| **Community Services** | | | | | | | | | | |
| **Director: Community Services** | | | | | | | | | | |
| **Director: Community Services** | | | | | | | | | | |
| 98% of the operational conditional grant (Libraries, CDW) spent (Actual expenditure divided by the total grant received) | % of total conditional operational grants spent (Libraries, CDW) | 93,0% | 100,0% | 98,49% | 98,0% | 0,0% | 98% | 98,0% | 98,0% | 98,0% |
| m² of roads patched and resealed according to approved Pavement Management System within available budget | m² of roads patched and resealed | 112932 | 112982 | | 106 000 | 0 | 106 000 | 110 000 | 110 000 | 110 000 |
| 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 | 18.82% | 24.25% | | 19% | 0% | 19% | 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<br><br>(UOM revised in 2018/19 - Number of ward committees per annum) | 8 | 114 | | 78 | 0 | 78 | 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) | 253 | 285 | | 300 | 0 | 300 | 320 | 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 | 29174 | 29800 | | 30396 | 0 | 29 946 | 30 694 | 30 694 | 30 694 |
| Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week<br>(A household is a residenntial 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 | 32695 | 33105 | | 34098 | 0 | 33 366 | 34 098 | 34 098 | 34 098 |
| 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 | 0 | 52 | 52 | 52 | 52 |

| Description | Unit of measurement | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| 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 | 881 | | 930 | 0 | 930 | 980 | 980 | 980 |
| Provision of sanitation services to formal residential households (A household is a residenntial 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 | 29165 | 29631 | | 30520 | 0 | 30 060 | 30 520 | 30 520 | 30 520 |
| Provision of water to informal households on invaded land with available funding<br><br>("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households). | The number of taps installed for informal households on invaded land with available funding | no kpi set | 88 | | 80 | 0 | 80 | 70 | 70 | 70 |
| The provision of sanitation services to informal households on invaded land with available funding<br><br>("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households). | The number of toilets provided for informal households on invaded land with available funding | no kpi set | 120 | | 105 | 0 | 105 | 95 | 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 | 93.5% | 95.77% | | 90% | 90% | 90% | 90% | 90% | 90% |
| Quality of potable water comply 95% with SANS 241 | % compliance with SANS 241 | 98,0% | 98.90% | | 95% | 95% | 95% | 95% | 95% | 95% |
| Report on the implementation of the Water Service Development plan annually by the end of October | Report submitted | 1 | 1 | | 1 | 1 | 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 | 5.12% | 6.45% | | 7,50% | 7,50% | 7,50% | 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 | 21048 | 21332 | | 21 332 | 21 332 | 21 332 | 21 332 | 21 332 | 21 332 |
| **MIG** | | | | | | | | | | |
| 100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2022 (Actual MIG expenditure/Allocation received) | % Expenditure of allocated funds | 79.70% | 100,0% | | 100% | 100% | 100% | 100,0% | 100,0% | 100,0% |
| **Protection Services** | | | | | | | | | | |
| **Director Protection Services** | | | | | | | | | | |
| **Protection Services** | | | | | | | | | | |
| Arrange public awareness sessions on Protection Services | Number of sessions held | 84 | 90 | | 100 | 100 | 100 | 100 | 100 | 100 |
| Collect R16 500 000 Public Safety Income by 30 June 2022 (Actual revenue, excluding the fine impairment amount) | R-value of public safety collected income (excluding fines impairment amount) | R20 167 767 | R15 493 008 | | 16 500 000 | 16 500 000 | 16 500 000 | 16 500 000 | 16 500 000 | 16 500 000 |
| Review Community Safety Plan in three year cycle by end of June 2021 in conjuction with the Department of Community Safety | Plan reviewed | no kpi set | no kpi set | | 1 | 1 | 1 | 0 | 0 | 0 |
| **Disaster and Fire Manangement** | | | | | | | | | | |
| 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 |
| **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 2022 (Refers to the 4th quarter report of previous financial year and three progress reports for the 2021/22 financial year) | Number of progress reports on LED, Social Development & Tourism initiatives | 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 2021 | Number of schedules submitted | 1 | 1 | | 1 | 1 | 1 | 1 | 1 | 1 |
| Support 160 SMME's in terms of the SMME Development Programme by 30 June 2022 | Number of SMME's supported | 80 | 120 | | 120 | 120 | 120 | 160 | 160 | 160 |
| Support 60 Emerging Contractors in terms of the Emerging Contractor Development Programme by 30 June 2022 | Number of emerging contractors supported | 43 | 52 | | 50 | 50 | 50 | 60 | 60 | 60 |
| Report on projects/ initiatives in collaboration with other stakeholders for local economic development, social development and tourism | Number of projects / initiatives collaborated on | 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 1018 work opportunities) | Number of temporary jobs created | 994 | 1048 | | 1018 | 1018 | 1018 | 1018 | 1018 | 1018 |

The following table sets out the municipalities main performance objectives and benchmarks for the 2021/22 MTREF.

## Table 32 MBRR Table SA8 - Performance indicators and benchmarks

| Description of financial indicator | Basis of calculation | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Borrowing Management** | | | | | | | | | | |
| Credit Rating | | | | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating Expenditure | 7,6% | 7,1% | 7,3% | 7,3% | 7,3% | 7,3% | 7,0% | 6,3% | 6,4% |
| Capital Charges to Own Revenue | Finance charges & Repayment of borrowing /Own Revenue | 7,9% | 7,5% | 7,4% | 8,7% | 8,9% | 8,9% | 8,0% | 7,2% | 7,3% |
| Borrowed funding of 'own' capital expenditure | Borrowing/Capital expenditure excl. transfers and grants and contributions | 82,0% | 65,8% | 60,1% | 24,9% | 27,6% | 27,6% | 40,7% | 76,9% | 83,3% |
| **Safety of Capital** | | | | | | | | | | |
| Gearing | Long Term Borrowing/ Funds & Reserves | 12540,1% | 13106,3% | 13370,1% | 12862,8% | 12862,8% | 12862,8% | 11651,0% | 11755,0% | 12206,1% |
| **Liquidity** | | | | | | | | | | |
| Current Ratio | Current assets/current liabilities | 2,8 | 3,1 | 2,7 | 2,4 | 2,6 | 2,6 | 2,2 | 2,2 | 2,3 |
| Current Ratio adjusted for aged debtors | Current assets less debtors > 90 days/current liabilities | 2,8 | 3,1 | 2,7 | 2,4 | 2,6 | 2,6 | 2,2 | 2,2 | 2,3 |
| Liquidity Ratio | Monetary Assets/Current Liabilities | 2,1 | 2,4 | 2,2 | 1,9 | 2,1 | 2,1 | 1,7 | 1,7 | 1,8 |
| **Revenue Management** | | | | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/Last 12 Mths Billing | | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) | | 99,8% | 99,2% | 98,6% | 98,8% | 98,8% | 98,8% | 99,1% | 99,0% | 98,8% |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | 10,9% | 11,7% | 11,4% | 9,5% | 9,6% | 9,6% | 9,2% | 9,7% | 10,3% |
| 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% | 99,6% | 99,0% | 99,0% | 99,0% | 99,8% | 99,8% | 99,8% |
| Creditors to Cash and Investments | | -20,6% | -18,4% | -20,6% | -21,5% | -19,1% | -19,1% | -24,6% | -24,9% | -28,1% |
| **Other Indicators** | | | | | | | | | | |
| Electricity Distribution Losses (2) | Total Volume Losses (kW) | 12 858 011 | 16 537 242 | 14 613 426 | 17 426 149 | 17 426 149 | 17 426 149 | 15 054 751 | 15 205 299 | 15 357 352 |
| | Total Cost of Losses (Rand '000) | 8 882 | 12 219 | 13 111 | 22 522 | 22 522 | 22 522 | 13 507 | 13 642 | 13 779 |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | 5,1% | 6,5% | 6,0% | 6,7% | 6,7% | 6,7% | 6,0% | 6,0% | 6,0% |
| Water Distribution Losses (2) | Total Volume Losses (kℓ) | 1 112 | 1 701 | 1 836 | 1 518 | 1 518 | 1 518 | 1 892 | 1 910 | 1 930 |
| | Total Cost of Losses (Rand '000) | 2 132 297 | 2 308 814 | 2 428 709 | 2 248 958 | 2 248 958 | 2 248 958 | 2 502 056 | 2 527 077 | 2 552 347 |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | 18,8% | 24,3% | 25,9% | 20,7% | 20,7% | 20,7% | 24,5% | 24,5% | 24,5% |
| Employee costs | Employee costs/(Total Revenue - capital revenue) | 27,5% | 31,8% | 29,6% | 34,7% | 35,2% | 35,2% | 33,1% | 33,2% | 33,6% |
| Remuneration | Total remuneration/(Total Revenue - capital revenue) | 28,5% | 32,7% | 30,5% | 35,6% | 36,2% | 36,2% | 33,9% | 34,1% | 34,5% |
| Repairs & Maintenance | R&M/(Total Revenue excluding capital revenue) | 14,9% | 18,6% | 14,6% | 16,8% | 17,3% | 17,3% | 17,9% | 18,2% | 17,7% |
| Finance charges & Depreciation | FC&D/(Total Revenue - capital revenue) | 16,8% | 15,2% | 14,0% | 15,4% | 15,5% | 15,5% | 14,1% | 13,5% | 13,1% |
| **IDP regulation financial viability indicators** | | | | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | 12,1 | 11,3 | 14,2 | 14,5 | 14,5 | 14,5 | 16,6 | 16,1 | 16,6 |
| ii.O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | 14,5% | 15,2% | 15,5% | 12,8% | 12,9% | 12,9% | 12,2% | 12,4% | 12,6% |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational expenditure | 6,9 | 6,8 | 7,7 | 5,1 | 5,4 | 5,4 | 4,3 | 4,2 | 4,8 |

### 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, 2018/19 and 2019/20 audit outcomes. This, and information relating to the current financial year (2020/2021) and all three years of the 2021/22 MTREF has been compiled and is included in Annexure H of this report. The six year horizon has thus been compiled and analised.

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

#### *2.3.1.1 Borrowing Management*

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Overstrand's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2021/22 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 54,7 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 2021/22 budget year is estimated to end below 40%.

#### *2.3.1.2 Safety of Capital*

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

#### *2.3.1.3 Liquidity*

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a bottom limit of 1.5, therefore at no point in time should this ratio be less than 1.5. Over the 2021/22 MTREF the current ratio is 2,24 decreasing to 2,33 by

2023/2024. 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 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 substantially below 10 per cent over the Overstrand area. When taking this into consideration it is evident that distribution losses are well managed.

- The water distribution losses have been significantly reduced from 27,4 per cent in 2009/10 to 24.5 per cent over the 2021/22 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 2021/22 financial year 8 000 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 (2014/15 most recent) respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

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

The following is briefly the challenges facing the municipality:

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

## 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 2021/22 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 98 per cent on current billings year to date. In addition the collection of debt in excess of 90 days has been prioritised, as well as debt older than two years, where interest could be waived, subject to a signed agreement for the remainder of the debt.

### 2.4.2 Asset Management Policy

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

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

### 2.4.3 Budget Policy

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

### 2.4.4 Supply Chain Management Policy

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

### 2.4.5 Virement Policy

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

### 2.4.6 Investment, Liquidity & Cash Management Policy

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

### 2.4.7 Tariff Policy

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

### 2.4.8 Long term Financial Planning & Implementation Policy

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

### 2.4.9 Contract Management Policy

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

### 2.4.10 Pay Day Policy

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

**The following policies have also been subject to review:**

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

## 2.5 Overview of budget assumptions

### 2.5.1 External factors

On provincial level, there are signs of economic recovery and we could expect economic growth to increase by 4.6 per cent in 2021, 3.1 per cent in 2022 and 2.8 per cent in 2023 in the Western Cape. Again also warning that there are significant downside risks, including, most importantly, the possible third wave, a shortage of electricity and a rise in inflation, all of which could compromise economic recovery as envisaged. The only real difference to economic recovery depends on vaccinating as many people as fast as possible.

### 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 2021/22MTREF:

- 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 32,7 per cent of total operating expenditure in the 2021/22 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 (98%) of annual billings up to February 2021. Cash flow is expected to be less than this historic performance up to date, due to the impact of the COVID-19 virus and subsequent lockdown from end of March 2020. Adjusted alert level 3 was in place from 29 December 2020 until 28 February 2021.

### 2.5.5 Growth or decline in tax base of the municipality

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

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

### 2.5.6 Salary increases

The South African Local Government Bargaining Council (SALGBC) Salary and Wage Collective Agreement for municipalities for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government.
The proposed increase in the salary budget is 4.5%, and notch increases, which average 1.9% have also been budgeted for in view of the fact that annual salary adjustments are still to be negotiated at SALGBC level between the employer organization (SALGA) and the respective unions.

### 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 2021/22 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<br>R thousand | 2021/22 Medium Term Revenue & Expenditure Framework<br>Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|
| **Revenue By Source** | | | |
| Property rates | 275 637 | 286 662 | 298 129 |
| Service charges | 773 598 | 842 725 | 919 199 |
| Rental of facilities and equipment | 3 440 | 3 148 | 3 273 |
| Interest earned | 32 137 | 33 422 | 34 759 |
| Transfers recognised - operational | 139 692 | 144 977 | 148 209 |
| Other revenue | 172 575 | 138 995 | 91 939 |
| **Total Revenue (excluding capital transfers and contributions)** | **1 397 079** | **1 449 929** | **1 495 508** |

The following graph is a breakdown of the operational revenue per main category for the 2021/22 financial year.

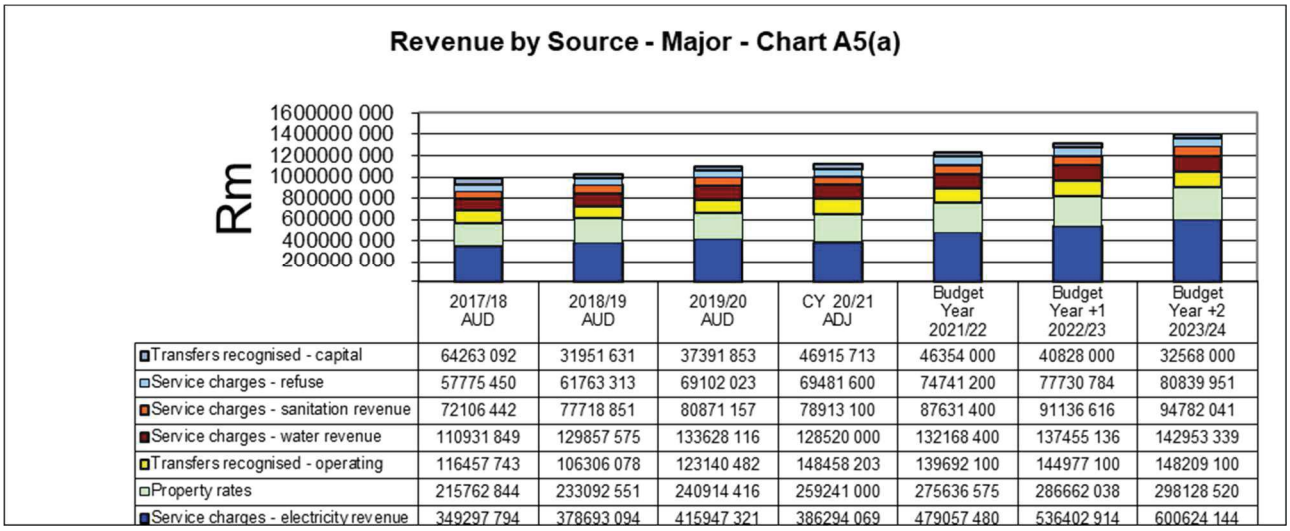



**Figure 7 Breakdown of operating revenue over the 2021/22 MTREF**

## The following grants have been published in the DORA:

| 2021/2022 - 2023/2024 DORA & PROVINCIAL ALLOCATIONS | | | |
|---|---|---|---|
| **NATIONAL** | **2021/2022** | **2022/2023** | **2023/2024** |
| EQUITABLE SHARE | 123 897 000 | 134 094 000 | 137 062 000 |
| FMG | 1 550 000 | 1 550 000 | 1 550 000 |
| EPWP | 2 530 000 | | |
| MIG | 23 053 000 | 24 628 000 | 25 568 000 |
| INEP | 18 519 000 | 7 000 000 | 7 000 000 |
| WATER INFRASTRUCTURE GRANT | 5 182 000 | 9 200 000 | |
| | **174 731 000** | **176 472 000** | **171 180 000** |
| **PROVINCIAL** | | | |
| Provincial Library Service Grant | 6 580 000 | 6 692 000 | 6 806 000 |
| Maintenance & construction of transport infrastructure | 145 000 | 145 000 | 145 000 |
| Human Settlements Development Grant | 107 500 000 | 72 300 000 | 23 000 000 |
| Community Development Workers | 76 000 | 76 000 | 76 000 |
| Financial Management Capacity Building Grant | 250 000 | | |
| Municipal Service Delivery &capacity grant | 244 000 | | |
| Thusong Services Centres Grant | | | 150 000 |
| Resource funding for estasblish & support of K9 Unit | 2 420 000 | 2 420 000 | 2 420 000 |
| Development of Sport &Recreation Facilities | 600 000 | | |
| Municipal Electrical Master Plan Grant | 1 000 000 | | |
| | **118 815 000** | **81 633 000** | **32 597 000** |
| **TOTAL GRANTS** | **293 546 000** | **258 105 000** | **203 777 000** |

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 close to 98 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 2021/2022**

| Description<br>Rand/cent | Current Year 2020/21 | Budget Year 2021/22<br>% incr. | Budget Year 2021/22 |
|---|---|---|---|
| **Monthly Account for Household - 'Affordable Range'** | | | |
| **Rates and services charges:** | | | |
| Property rates | 178,80 | 4,0% | 186,00 |
| Electricity: Basic levy | 356,20 | 15,6% | 411,77 |
| Electricity: Consumption | 725,57 | 15,6% | 838,75 |
| Water: Basic levy | 142,64 | 4,0% | 148,35 |
| Water: Consumption | 317,47 | 4,0% | 330,17 |
| Sanitation | 377,72 | 4,0% | 392,78 |
| Refuse removal | 193,84 | 4,0% | 201,59 |
| Other | 56,97 | – | 56,97 |
| **sub-total** | **2 349,21** | **9,2%** | **2 566,38** |
| VAT on Services | 325,56 | | 357,06 |
| **Total small household bill:** | **2 674,77** | **9,3%** | **2 923,44** |
| **% increase/-decrease** | **–** | | **9,3%** |

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 (excluding the 2020/21 Covid-19 Equitable Share allocation)

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

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

## Table 35 MBRR SA15 – Detail Investment Information

| Investment type<br>R thousand | 2017/18<br>Audited Outcome | 2018/19<br>Audited Outcome | 2019/20<br>Audited Outcome | Current Year 2020/21<br>Original Budget | <br>Adjusted Budget | <br>Full Year Forecast | 2021/22 Medium Term Revenue & Expenditure Framework<br>Budget Year 2021/22 | <br>Budget Year +1 2022/23 | <br>Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|---|---|
| **Parent municipality** | | | | | | | | | |
| Securities - National Government | | | | | | | | | |
| Listed Corporate Bonds | | | | | | | | | |
| Deposits - Bank | 380 514 | 409 200 | 510 243 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 |
| Deposits - Public Investment Commissioners | | | | | | | | | |
| Guaranteed Endowment Policies (sinking) | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| Municipal Bonds | | | | | | | | | |
| **Consolidated total:** | **425 109** | **459 723** | **556 758** | **465 460** | **454 460** | **454 460** | **462 165** | **470 005** | **477 989** |

## Table 36 MBRR SA16 – Investment particulars by maturity

| Investments by Maturity<br>Name of institution & investment ID | Period of Investment<br>Yrs/Months | Type of Investment | Capital Guarantee (Yes/ No) | Variable or Fixed interest rate | Interest Rate 3. | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal | Investment Top Up | Closing Balance |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Parent municipality** | | | | | | | | | | | | | |
| LIBERTY 15934476 | 15 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/09/2025 | 20 356 | (2 721) | | 1 500 | **19 135** |
| LIBERTY 21196964 | 14 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/09/2025 | 34 002 | (5 474) | | 3 120 | **31 647** |
| MOMENTUM 3853776 | 15 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/07/2026 | 3 528 | (210) | | 360 | **3 678** |
| Deposits - Bank | 2 to 6 Months | Call accounts | No | Fixed | | | | 30/06/2021 | 510 243 | 1 250 | (111 493) | | **400 000** |
| **TOTAL INVESTMENTS AND INTEREST** | | | | | | | | | **568 128** | | **(111 493)** | **4 980** | **454 460** |

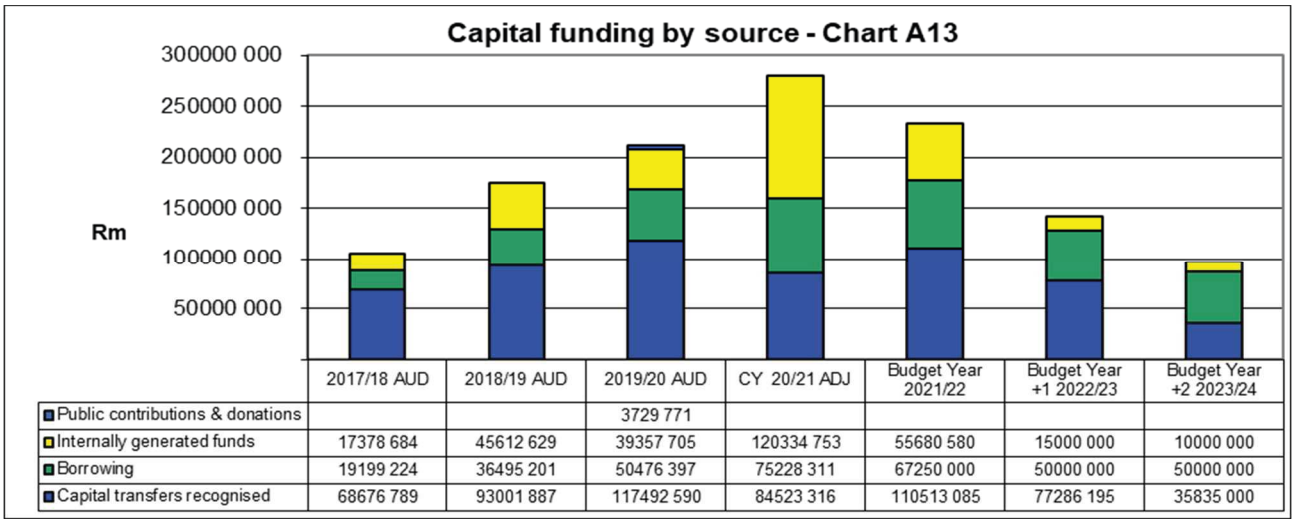
For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

### 2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2021/22 medium-term capital programme:

## Table 37 Sources of capital revenue over the MTREF

| Vote Description<br>R thousand | 2021/22 Medium Term Revenue & Expenditure Framework<br>Budget Year 2021/22 | <br>Budget Year +1 2022/23 | <br>Budget Year +2 2023/24 |
|---|---|---|---|
| **Funded by:** | | | |
| National Government | 45 754 | 40 828 | 32 568 |
| Provincial Government | 600 | – | – |
| District Municipality | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | 64 159 | 36 458 | 3 267 |
| **Transfers recognised - capital** | **110 513** | **77 286** | **35 835** |
| **Borrowing** | 67 250 | 50 000 | 50 000 |
| **Internally generated funds** | 55 681 | 15 000 | 10 000 |
| **Total Capital Funding** | **233 444** | **142 286** | **95 835** |




| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Public contributions & donations | | | 3729 771 | | | | |
| Internally generated funds | 17378 684 | 45612 629 | 39357 705 | 120334 753 | 55680 580 | 15000 000 | 10000 000 |
| Borrowing | 19199 224 | 36495 201 | 50476 397 | 75228 311 | 67250 000 | 50000 000 | 50000 000 |
| Capital transfers recognised | 68676 789 | 93001 887 | 117492 590 | 84523 316 | 110513 085 | 77286 195 | 35835 000 |

## Figure 8 Sources of capital revenue for the 2021/22 financial year

Capital grants and receipts equates to 47,3 per cent of the total funding source which represents R110,5 million for the 2021/22 financial year.

## Table 38 MBRR Table SA18 - Capital transfers and grant receipts

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **RECEIPTS:** | | | | | | | | | |
| **Capital Transfers and Grants** | | | | | | | | | |
| **National Government:** | **26 330** | **25 901** | **39 077** | **29 887** | **27 618** | **27 618** | **46 754** | **40 828** | **32 568** |
| Municipal Infrastructure Grant (MIG) | 4 000 | 4 262 | 7 000 | 8 000 | 6 000 | 6 000 | 18 519 | 7 000 | 7 000 |
| INEP | 22 330 | 21 639 | 32 010 | 21 887 | 21 618 | 21 618 | 23 053 | 24 628 | 25 568 |
| **Provincial Government:** | **42 992** | **25 463** | **1 500** | **732** | **732** | **732** | **600** | **–** | **–** |
| Capacity Building | | | | | | | – | – | – |
| Capacity Building and Other | 800 | – | | 732 | 732 | 732 | – | – | – |
| Disaster and Emergency Services | | | | | | | – | – | – |
| Health | | | | | | | – | – | – |
| Housing | 36 661 | 25 463 | | | | | – | – | – |
| Infrastructure | | | | | | | – | – | – |
| Libraries, Archives and Museums | | | | | | | – | – | – |
| Other | 360 | – | | | | | – | – | – |
| Public Transport | 4 000 | – | | | | | – | – | – |
| Road Infrastructure | | | 1 500 | | | | – | – | – |
| **Other grant providers:** | | – | – | – | – | – | – | – | – |
| *Households* | | | | | | | 52 259 | 36 458 | 3 267 |
| **Total Capital Transfers and Grants** | **69 322** | **51 364** | **40 577** | **30 619** | **28 350** | **28 350** | **99 613** | **77 286** | **35 835** |

Borrowing still remains a significant funding source (one-third) for the own capital programme over the medium-term with an estimated R150 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Annuity and Bullet Loans | 308 658 | 322 933 | 331 475 | 330 260 | 330 260 | 330 260 | 289 725 | 293 204 | 308 295 |
| 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** | **408 658** | **422 933** | **431 475** | **430 260** | **430 260** | **430 260** | **389 725** | **393 204** | **408 295** |
| **Unspent Borrowing - Categorised by type** | | | | | | | | | |
| **Parent municipality** | | | | | | | | | |
| Long-Term Loans (annuity/reducing balance) | 10 450 | 38 199 | – | 25 193 | 25 193 | 25 193 | – | – | – |
| **Municipality sub-total** | **10 450** | **38 199** | **–** | **25 193** | **25 193** | **25 193** | **–** | **–** | **–** |
| **Total Unspent Borrowing** | **10 450** | **38 199** | **–** | **25 193** | **25 193** | **25 193** | **–** | **–** | **–** |

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 R55,7 million in 2021/22.
It should be noted that the level of borrowings decreases over the MTREF, from R67m in 2021/2022 to R50m in 2023/2024.

The following graph illustrates the growth in outstanding borrowing for the 2017/18 to 2023/24 period.

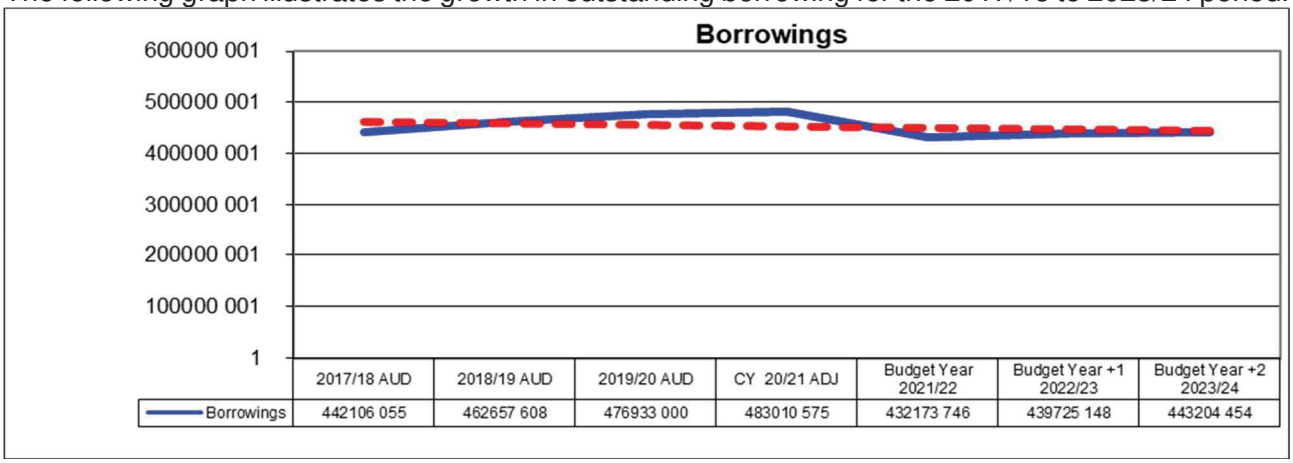



**Figure 9 Growth in outstanding borrowing (long-term liabilities)**

**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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Property rates | 213 851 | 230 566 | 238 449 | 259 513 | 255 713 | 255 713 | 273 224 | 283 739 | 294 684 |
| Service charges | 590 742 | 643 620 | 689 210 | 655 534 | 655 430 | 655 430 | 766 826 | 834 134 | 908 578 |
| Other revenue | 75 406 | 128 882 | 175 357 | 131 331 | 133 925 | 133 925 | 161 108 | 115 252 | 68 232 |
| Transfers and Subsidies - Operational | 131 819 | 110 341 | 120 949 | 131 840 | 148 458 | 148 458 | 139 692 | 144 977 | 148 209 |
| Transfers and Subsidies - Capital | 64 248 | 32 017 | 60 675 | 30 619 | 37 228 | 37 228 | 46 354 | 40 828 | 32 568 |
| Interest | 34 175 | 45 960 | 53 186 | 36 073 | 31 050 | 31 050 | 32 137 | 33 422 | 34 759 |
| Dividends | | | | | | | – | – | – |
| **Payments** | | | | | | | | | |
| Suppliers and employees | (818 415) | (929 996) | (971 606) | (983 752) | (1 000 174) | (1 000 174) | (1 190 437) | (1 234 247) | (1 241 510) |
| Finance charges | (46 129) | (44 921) | (46 570) | (51 482) | (51 482) | (51 482) | (51 804) | (51 923) | (52 180) |
| Transfers and Grants | (1 800) | (486) | (560) | (11 610) | (8 300) | (8 300) | (12 324) | (12 557) | (13 060) |
| **NET CASH FROM/(USED) OPERATING ACTIVITIES** | **243 897** | **215 983** | **319 091** | **198 066** | **201 847** | **201 847** | **164 775** | **153 626** | **180 280** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Proceeds on disposal of PPE | 81 451 | (566) | 3 289 | 7 000 | – | – | – | – | – |
| Decrease (increase) in non-current receivables | 8 | 8 | 7 | 7 | 10 | 10 | – | – | – |
| Decrease (increase) in non-current investments | (4 980) | (4 980) | (4 980) | (7 575) | 3 425 | 3 425 | (4 980) | (4 980) | (4 980) |
| **Payments** | | | | | | | | | |
| **Capital assets** | (105 255) | (172 777) | (211 056) | (303 738) | (280 086) | (280 086) | (233 444) | (142 286) | (95 835) |
| **NET CASH FROM/(USED) INVESTING ACTIVITIES** | **(28 775)** | **(178 314)** | **(212 740)** | **(304 307)** | **(276 651)** | **(276 651)** | **(238 424)** | **(147 266)** | **(100 815)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| **Short term loans** | | | | – | – | – | – | – | – |
| Borrowing long term/refinancing | 30 000 | 54 000 | 54 000 | 54 000 | 54 000 | 54 000 | 50 000 | 50 000 | 50 000 |
| Increase (decrease) in consumer deposits | | | | (1 000) | (1 000) | (1 000) | 2 000 | 2 000 | 2 000 |
| Payments | | | | | | | | | |
| **Repayment of borrowing** | (29 969) | (33 448) | (39 725) | (46 374) | (46 374) | (46 374) | (49 301) | (42 448) | (46 521) |
| **NET CASH FROM/(USED) FINANCING ACTIVITIES** | **31** | **20 552** | **14 275** | **6 626** | **6 626** | **6 626** | **2 699** | **9 552** | **5 479** |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | **215 153** | **58 220** | **120 626** | **(99 615)** | **(68 178)** | **(68 178)** | **(70 950)** | **15 911** | **84 944** |
| **Cash/cash equivalents at the year begin:** | **259 815** | **474 967** | **533 188** | **585 426** | **585 426** | **585 426** | **517 249** | **446 299** | **462 210** |
| **Cash/cash equivalents at the year end:** | **474 967** | **533 188** | **653 813** | **485 812** | **517 249** | **517 249** | **446 299** | **462 210** | **547 155** |

The above table shows that cash and cash equivalents of the Municipality reflects steady growth from the 2017/2018 to 2023/2024 financial years. For the 2021/22 MTREF the budget has been prepared to ensure acceptable 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**

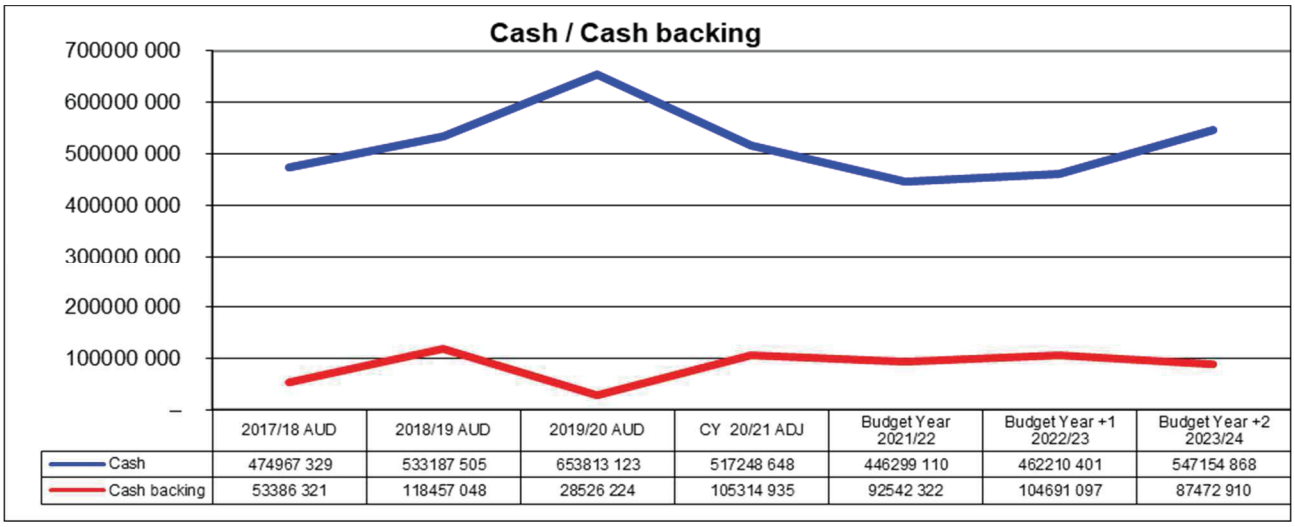
| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Cash and investments available** | | | | | | | | | |
| Cash/cash equivalents at the year end | 474 967 | 533 188 | 653 813 | 485 812 | 517 249 | 517 249 | 446 299 | 462 210 | 547 155 |
| Other current investments > 90 days | (0) | 0 | – | (0) | – | – | – | – | – |
| Non current assets - Investments | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| **Cash and investments available:** | **519 562** | **583 711** | **700 328** | **551 272** | **571 709** | **571 709** | **508 464** | **532 216** | **625 144** |
| **Application of cash and investments** | | | | | | | | | |
| Unspent conditional transfers | – | – | – | – | – | – | – | – | – |
| Unspent borrowing | 10 450 | 38 199 | – | 25 193 | 25 193 | 25 193 | – | – | – |
| Statutory requirements | – | – | – | – | – | – | – | – | – |
| Other working capital requirements | (232 105) | (238 386) | (306 164) | (216 861) | (214 159) | (214 159) | (236 225) | (251 617) | (303 881) |
| Other provisions | | | | 4 109 | 4 109 | 4 109 | 10 200 | 10 200 | 10 200 |
| Long term investments committed | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| Reserves to be backed by cash/investments | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 |
| **Total Application of cash and investments:** | **(173 801)** | **(146 437)** | **(256 422)** | **(118 754)** | **(127 053)** | **(127 053)** | **(160 516)** | **(168 067)** | **(212 347)** |
| **Surplus(shortfall)** | **693 363** | **730 148** | **956 750** | **670 026** | **698 761** | **698 761** | **668 980** | **700 283** | **837 491** |

From the above table it can be seen that the cash and investments total R551,3 million in the 2020/2021 financial year and decrease to R508,5 million in 2021/22, 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 R25,7m 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 2021/22 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.




| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Cash | 474967 329 | 533187 505 | 653813 123 | 517248 648 | 446299 110 | 462210 401 | 547154 868 |
| Cash backing | 53386 321 | 118457 048 | 28526 224 | 105314 935 | 92542 322 | 104691 097 | 87472 910 |

**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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Funding measures** | | | | | | | | | | |
| Cash/cash equivalents at the year end - R'000 | 18(1)b | 474 967 | 533 188 | 653 813 | 485 812 | 517 249 | 517 249 | 446 299 | 462 210 | 547 155 |
| Cash + investments at the yr end less applications - R'000 | 18(1)b | 693 363 | 730 148 | 956 750 | 670 026 | 698 761 | 698 761 | 668 980 | 700 283 | 837 491 |
| Cash year end/monthly employee/supplier payments | 18(1)b | 7,4 | 7,3 | 8,4 | 5,5 | 5,9 | 5,9 | 4,7 | 4,6 | 5,2 |
| Surplus/(Deficit) excluding depreciation offsets: R'000 | 18(1) | 144 131 | 106 526 | 142 197 | (54 518) | (46 131) | (46 131) | 6 098 | (1 386) | (18 508) |
| Service charge rev % change - macro CPIX target exclusive | 18(1)a,(2) | N.A. | 3,3% | 0,7% | (7,6%) | (6,4%) | (6,0%) | 7,7% | 1,6% | 1,8% |
| Cash receipts % of Ratepayer & Other revenue | 18(1)a,(2) | 95,3% | 96,5% | 95,4% | 94,4% | 96,4% | 96,4% | 98,3% | 97,2% | 97,1% |
| Debt impairment expense as a % of total billable revenue | 18(1)a,(2) | 2,2% | 2,0% | 2,5% | 2,8% | 2,8% | 2,8% | 2,0% | 1,9% | 1,8% |
| Capital payments % of capital expenditure | 18(1)c;19 | 100,0% | 98,7% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c | 82,0% | 65,8% | 57,7% | 24,9% | 27,6% | 27,6% | 40,7% | 76,9% | 83,3% |
| 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. | 14,8% | 8,7% | (19,1%) | 0,5% | 0,0% | 7,7% | 9,0% | 10,1% |
| Long term receivables % change - incr(decr) | 18(1)a | N.A. | (80,6%) | (100,0%) | 0,0% | (100,0%) | 0,0% | 0,0% | 0,0% | 0,0% |
| R&M % of Property Plant & Equipment | 20(1)(vi) | 4,8% | 6,3% | 5,4% | 5,8% | 5,9% | 5,9% | 3,3% | 3,5% | 3,5% |
| Asset renewal % of capital budget | 20(1)(vi) | 28,2% | 0,0% | 1,7% | 8,4% | 8,9% | 8,9% | 9,9% | 13,5% | 18,5% |
| **Total Operating Revenue** | | 1 077 023 | 1 156 425 | 1 290 276 | 1 255 185 | 1 251 076 | 1 251 076 | 1 397 079 | 1 449 929 | 1 495 508 |
| **Total Operating Expenditure** | | 997 156 | 1 108 536 | 1 189 200 | 1 342 010 | 1 344 123 | 1 344 123 | 1 450 536 | 1 493 455 | 1 547 908 |
| **Operating Performance Surplus/(Deficit)** | | 79 868 | 47 890 | 101 076 | (86 825) | (93 046) | (93 046) | (53 457) | (43 526) | (52 400) |
| **Revenue** | | | | | | | | | | |
| % Increase in Total Operating Revenue | | | 7,4% | 11,6% | (2,7%) | (0,3%) | 0,0% | 11,7% | 3,8% | 3,1% |
| % Increase in Property Rates Revenue | | | 8,0% | 3,4% | 9,0% | (1,3%) | 0,0% | 6,3% | 4,0% | 4,0% |
| % Increase in Electricity Revenue | | | 8,4% | 9,8% | (7,1%) | 0,0% | 0,0% | 24,0% | 12,0% | 12,0% |
| % Increase in Property Rates & Services Charges | | | 9,3% | 6,7% | (1,6%) | (0,4%) | 0,0% | 13,7% | 7,6% | 7,8% |
| **Expenditure** | | | | | | | | | | |
| % Increase in Total Operating Expenditure | | | 11,2% | 7,3% | 12,8% | 0,2% | 0,0% | 7,9% | 3,0% | 3,6% |
| % Increase in Employee Costs | | | 24,0% | 3,9% | 13,8% | 1,3% | 0,0% | 4,7% | 4,1% | 4,4% |
| % Increase in Electricity Bulk Purchases | | | 7,4% | 14,8% | (3,0%) | 0,0% | 0,0% | 17,9% | 8,9% | 8,9% |
| R&M % of PPE | | 4,8% | 6,3% | 5,4% | 5,8% | 5,9% | 5,9% | 3,3% | 3,5% | 3,5% |
| Asset Renewal and R&M as a % of PPE | | 5,0% | 6,0% | 6,0% | 8,0% | 8,0% | 8,0% | 5,0% | 5,0% | 5,0% |
| Debt Impairment % of Total Billable Revenue | | 2,2% | 2,0% | 2,5% | 2,8% | 2,8% | 2,8% | 2,0% | 1,9% | 1,8% |
| **Capital Revenue** | | | | | | | | | | |
| Internally Funded & Other (R'000) | | 17 379 | 45 613 | 43 087 | 124 274 | 120 335 | 120 335 | 55 681 | 15 000 | 10 000 |
| Borrowing (R'000) | | 19 199 | 36 495 | 50 476 | 92 949 | 75 228 | 75 228 | 67 250 | 50 000 | 50 000 |
| Grant Funding and Other (R'000) | | 68 677 | 93 002 | 117 493 | 86 516 | 84 523 | 84 523 | 110 513 | 77 286 | 35 835 |
| Internally Generated funds % of Non Grant Funding | | 47,5% | 55,6% | 46,1% | 57,2% | 61,5% | 61,5% | 45,3% | 23,1% | 16,7% |
| Borrowing % of Non Grant Funding | | 52,5% | 44,4% | 53,9% | 42,8% | 38,5% | 38,5% | 54,7% | 76,9% | 83,3% |
| Grant Funding % of Total Funding | | 65,2% | 53,1% | 55,7% | 28,5% | 30,2% | 30,2% | 47,3% | 54,3% | 37,4% |
| **Capital Expenditure** | | | | | | | | | | |
| Total Capital Programme (R'000) | | 105 255 | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | 233 444 | 142 286 | 95 835 |
| Asset Renewal | | 29 644 | – | 3 606 | 25 621 | 25 050 | 25 050 | 23 050 | 19 200 | 17 700 |
| Asset Renewal % of Total Capital Expenditure | | 28,2% | 0,0% | 1,7% | 8,4% | 8,9% | 8,9% | 9,9% | 13,5% | 18,5% |
| **Cash** | | | | | | | | | | |
| Cash Receipts % of Rate Payer & Other | | 95,3% | 96,5% | 95,4% | 94,4% | 96,4% | 96,4% | 98,3% | 97,2% | 97,1% |
| **Borrowing** | | | | | | | | | | |
| Capital Charges to Operating | | 7,6% | 7,1% | 7,3% | 7,3% | 7,3% | 7,3% | 7,0% | 6,3% | 6,4% |
| Borrowing Receipts % of Capital Expenditure | | 82,0% | 65,8% | 57,7% | 24,9% | 27,6% | 27,6% | 40,7% | 76,9% | 83,3% |
| **Reserves** | | | | | | | | | | |
| Surplus/(Deficit) | | 693 363 | 730 148 | 956 750 | 670 026 | 698 761 | 698 761 | 668 980 | 700 283 | 837 491 |
| **Free Services** | | | | | | | | | | |
| Free Basic Services as a % of Equitable Share | | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% |
| Free Services as a % of Operating Revenue (excl operational transfers) | | 5,4% | 5,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% |
| **High Level Outcome of Funding Compliance** | | | | | | | | | | |
| Total Operating Revenue | | 1 077 023 | 1 156 425 | 1 290 276 | 1 255 185 | 1 251 076 | 1 251 076 | 1 397 079 | 1 449 929 | 1 495 508 |
| Total Operating Expenditure | | 997 156 | 1 108 536 | 1 189 200 | 1 342 010 | 1 344 123 | 1 344 123 | 1 450 536 | 1 493 455 | 1 547 908 |
| Surplus/(Deficit) Budgeted Operating Statement | | 79 868 | 47 890 | 101 076 | (86 825) | (93 046) | (93 046) | (53 457) | (43 526) | (52 400) |
| Surplus/(Deficit) Considering Reserves and Cash Backing | | 693 363 | 730 148 | 956 750 | 670 026 | 698 761 | 698 761 | 668 980 | 700 283 | 837 491 |
| **MTREF Funded (1) / Unfunded (0)** | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **MTREF Funded ü / Unfunded û** | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

### *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 2021/22 MTREF indicates R446,3million, R462,1 million and R547,2 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 2021/22 MTREF.

*2.6.4.4 Surplus/deficit excluding depreciation offsets*

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

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

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

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is projected at 3.9 per cent). Refer to Annexure B for Rates, Tariffs and Service Charges.

*2.6.4.6 Cash receipts as a percentage of ratepayer and other revenue*

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. Given that the collection rate was based on a lower performance target, the cash flow statement has been accurately determined. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

*2.6.4.7 Debt impairment expense as a percentage of billable revenue*

Overstrand Municipality has provided for adequate Debt impairment.

*2.6.4.8 Capital payments percentage of capital expenditure*

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

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

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 55, 77 and 83 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **EXPENDITURE:** | | | | | | | | | |
| **Operating expenditure of Transfers and Grants** | | | | | | | | | |
| **National Government:** | **88 073** | **99 544** | **110 994** | **121 368** | **138 372** | **138 372** | **127 977** | **135 644** | **138 612** |
| Local Government Equitable Share | 84 223 | 96 068 | 106 697 | 117 318 | 134 322 | 134 322 | 123 897 | 134 094 | 137 062 |
| Finance Management | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 |
| EPWP Incentive | 2 300 | 1 926 | 2 635 | 2 500 | 2 500 | 2 500 | 2 530 | – | – |
| Municipal Disaster Grant [Schedule 5B] | – | – | 112 | – | – | – | – | – | – |
| **Provincial Government:** | **28 348** | **19 580** | **12 147** | **10 472** | **8 055** | **8 055** | **10 715** | **9 333** | **9 597** |
| Capacity Building | – | 148 | 18 | – | | | 76 | 76 | 76 |
| Capacity Building and Other | 258 | 448 | 4 716 | 2 676 | 2 575 | 2 575 | – | – | – |
| Disaster and Emergency Services | | | | – | – | – | – | – | – |
| Health | | | | – | – | – | – | – | – |
| Housing | 21 645 | 12 688 | | – | – | – | – | – | – |
| Infrastructure | 139 | 137 | 126 | 145 | 145 | 145 | | | |
| Libraries, Archives and Museums | 6 306 | 6 160 | 7 287 | 7 651 | 5 335 | 5 335 | 6 580 | 6 692 | 6 806 |
| Other | – | – | – | – | – | – | 3 914 | 2 420 | 2 570 |
| Public Transport | – | – | – | – | – | – | – | – | – |
| Road Infrastructure - Maintenance | – | – | – | – | – | – | 145 | 145 | 145 |
| **District Municipality:** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Other grant providers:** | **–** | **–** | **–** | **44 267** | **33 534** | **33 534** | **55 241** | **35 842** | **19 733** |
| *Households* | | | | 44 267 | 33 534 | 33 534 | 55 241 | 35 842 | 19 733 |
| **Total operating expenditure of Transfers and Grants:** | **116 421** | **119 124** | **123 140** | **176 107** | **179 961** | **179 961** | **193 933** | **180 819** | **167 942** |
| **Capital expenditure of Transfers and Grants** | | | | | | | | | |
| **National Government:** | **21 786** | **30 445** | **31 595** | **29 887** | **27 618** | **27 618** | **46 754** | **40 828** | **32 568** |
| Municipal Infrastructure Grant (MIG) | 17 786 | 26 183 | 24 528 | 21 887 | 21 618 | 21 618 | 23 053 | 24 628 | 25 568 |
| INEP | 4 000 | 4 262 | 7 000 | 8 000 | 6 000 | 6 000 | 18 519 | 7 000 | 7 000 |
| Water Services Infrastructure Grant [Schedule 5B] | – | – | – | – | – | – | 5 182 | 9 200 | |
| **Provincial Government:** | **42 462** | **35 615** | **5 797** | **732** | **732** | **732** | **600** | **–** | **–** |
| Capacity Building | 2 000 | – | | | | | – | – | – |
| Capacity Building and Other | 5 141 | 390 | 1 843 | 732 | 732 | 732 | – | – | – |
| Disaster and Emergency Services | – | – | | | | | – | – | – |
| Health | – | – | | | | | – | – | – |
| Housing | 34 180 | 34 108 | | | | | – | – | – |
| Infrastructure | – | – | | | | | – | – | – |
| Libraries, Archives and Museums | 1 141 | 1 117 | | | | | – | – | – |
| Other | | | 3 204 | | | | – | – | – |
| Public Transport | | | | | | | – | – | – |
| Road Infrastructure | – | – | 750 | – | – | – | – | – | – |
| Sports and Recreation | **–** | **–** | – | **–** | **–** | **–** | **600** | **–** | **–** |
| **Other grant providers:** | **–** | **–** | **–** | **45 956** | **47 296** | **47 296** | **52 259** | **36 458** | **3 267** |
| *Households* | | | | 45 956 | 39 296 | 39 296 | 52 259 | 36 458 | 3 267 |
| *Public Corporations* | | | | – | 8 000 | 8 000 | – | – | – |
| **Total capital expenditure of Transfers and Grants** | **64 248** | **66 060** | **37 392** | **76 575** | **75 646** | **75 646** | **99 613** | **77 286** | **35 835** |
| **TOTAL EXPENDITURE OF TRANSFERS AND GRANTS** | **180 669** | **185 184** | **160 532** | **252 682** | **255 607** | **255 607** | **293 546** | **258 105** | **203 777** |

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

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Operating transfers and grants:** | | | | | | | | | |
| **National Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | | | | | | | – | – | – |
| Current year receipts | 88 073 | 99 544 | 110 994 | 121 368 | 138 372 | 138 372 | 127 977 | 135 644 | 138 612 |
| **Conditions met - transferred to revenue** | **88 073** | **99 544** | **110 994** | **121 368** | **138 372** | **138 372** | **127 977** | **135 644** | **138 612** |
| Conditions still to be met - transferred to liabilities | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | (10 418) | (3 596) | | | | | – | – | – |
| Current year receipts | 38 803 | 23 028 | 10 691 | 10 472 | 8 055 | 8 055 | 10 715 | 9 333 | 9 597 |
| **Conditions still to be met - transferred to liabilities** | | | | | | | – | – | – |
| 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** | – | | | 0 | 2 031 | 2 031 | 1 000 | 0 | 0 |
| Conditions met - transferred to revenue | – | (12 670) | 1 456 | 0 | 2 031 | 2 031 | 1 000 | 0 | 0 |
| **Conditions still to be met - transferred to liabilities** | – | **12 670** | – | – | – | – | – | – | – |
| Total operating transfers and grants revenue | 116 458 | 106 306 | 123 140 | 131 840 | 148 458 | 148 458 | 139 692 | 144 977 | 148 209 |
| **Total operating transfers and grants - CTBM** | – | **12 670** | – | – | – | – | – | – | – |
| | | | | | | | | | |
| Capital transfers and grants: | | | | | | | | | |
| **National Government:** | | | | | | | | | |
| **Balance unspent at beginning of the year** | | | | | | | – | – | – |
| Current year receipts | 26 330 | 25 901 | 39 077 | 29 887 | 27 618 | 27 618 | 46 754 | 40 828 | 32 568 |
| Conditions met - transferred to revenue | 26 330 | 25 901 | 39 077 | 29 887 | 27 618 | 27 618 | 46 754 | 40 828 | 32 568 |
| **Provincial Government:** | | | | | | | | | |
| Balance unspent at beginning of the year | (682) | 14 695 | | | | | – | – | – |
| **Current year receipts** | **43 028** | **25 463** | **1 500** | **732** | **732** | **732** | **600** | – | – |
| Conditions met - transferred to revenue | 42 346 | 40 159 | 1 500 | 732 | 732 | 732 | 600 | – | – |
| 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** | – | – | – | – | – | – | **10 900** | – | – |
| Current year receipts | 0 | 26 942 | 76 915 | 55 897 | 56 173 | 56 173 | 52 259 | 36 458 | 3 267 |
| **Conditions met - transferred to revenue** | 0 | 26 942 | 76 915 | 55 897 | 56 173 | 56 173 | 63 159 | 36 458 | 3 267 |
| Conditions still to be met - transferred to liabilities | – | – | | | | | | – | – |
| Total capital transfers and grants revenue | 68 677 | 93 002 | 117 493 | 86 516 | 84 523 | 84 523 | 110 513 | 77 286 | 35 835 |
| **Total capital transfers and grants - CTBM** | – | – | – | – | – | – | – | – | – |
| | | | | | | | | | |
| **TOTAL TRANSFERS AND GRANTS REVENUE** | **185 135** | **199 308** | **240 633** | **218 356** | **232 982** | **232 982** | **250 205** | **222 263** | **184 044** |
| **TOTAL TRANSFERS AND GRANTS - CTBM** | – | **12 670** | – | – | – | – | – | – | – |

## 2.8 Councillor and employee benefits

### Table 45 MBRR SA22 - Summary of councillor and staff benefits

| Summary of Employee and Councillor remuneration | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | |
| Basic Salaries and Wages | 9 056 | 9 467 | 10 174 | 10 786 | 10 786 | 10 786 | 11 354 | 11 865 | 12 399 |
| Pension and UIF Contributions | | | – | | | | – | – | – |
| Medical Aid Contributions | | | – | | | | – | – | – |
| Motor Vehicle Allowance | | | – | | | | – | – | – |
| Cellphone Allowance | 1 081 | 1 106 | 1 108 | 1 110 | 1 110 | 1 110 | 1 154 | 1 154 | 1 154 |
| Housing Allowances | | | – | | | | – | – | – |
| Other benefits and allowances | | | – | | | | – | – | – |
| **Sub Total - Councillors** | **10 138** | **10 573** | **11 282** | **11 896** | **11 896** | **11 896** | **12 509** | **13 020** | **13 553** |
| Senior Managers of the Municipality | | | | | | | | | |
| Basic Salaries and Wages | 10 489 | 11 036 | 11 569 | 12 506 | 12 486 | 12 486 | 12 600 | 13 167 | 13 760 |
| Pension and UIF Contributions | | – | – | – | – | – | – | – | – |
| Medical Aid Contributions | | – | – | – | – | – | – | – | – |
| Overtime | | – | – | – | – | – | – | – | – |
| Performance Bonus | 103 | 187 | 136 | 260 | 260 | 260 | 143 | 149 | 156 |
| Motor Vehicle Allowance | | – | – | – | – | – | – | – | – |
| Cellphone Allowance | 187 | 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** | **10 779** | **11 416** | **11 891** | **12 952** | **12 932** | **12 932** | **12 930** | **13 503** | **14 102** |
| Other Municipal Staff | | | | | | | | | |
| Basic Salaries and Wages | 206 677 | 214 176 | 235 581 | 259 838 | 257 583 | 257 583 | 276 668 | 289 308 | 306 134 |
| Pension and UIF Contributions | 33 240 | 36 580 | 39 697 | 48 588 | 50 375 | 50 375 | 48 870 | 51 014 | 51 385 |
| Medical Aid Contributions | 11 195 | 12 035 | 13 141 | 18 241 | 18 320 | 18 320 | 17 876 | 18 741 | 19 437 |
| Overtime | 18 388 | 34 501 | 39 287 | 32 190 | 36 390 | 36 390 | 40 311 | 42 047 | 43 736 |
| Performance Bonus | | – | 1 752 | 462 | 462 | 462 | 500 | 500 | 500 |
| Motor Vehicle Allowance | 7 850 | 7 897 | 7 923 | 8 032 | 8 256 | 8 256 | 8 255 | 8 258 | 8 266 |
| Cellphone Allowance | 2 013 | 1 887 | 1 942 | 2 378 | 2 456 | 2 456 | 2 279 | 2 279 | 2 263 |
| Housing Allowances | 5 482 | 2 350 | 2 507 | 2 870 | 2 994 | 2 994 | 2 674 | 2 724 | 2 700 |
| Other benefits and allowances | 14 215 | 27 073 | 28 529 | 34 737 | 36 169 | 36 169 | 36 944 | 37 952 | 39 075 |
| Payments in lieu of leave | 772 | 2 532 | – | – | – | – | – | – | – |
| Long service awards | 6 054 | 2 598 | – | – | – | – | – | – | – |
| Post-retirement benefit obligations | (19 984) | 14 955 | 277 | 15 035 | 15 035 | 15 035 | 14 438 | 14 438 | 14 438 |
| **Sub Total - Other Municipal Staff** | **285 903** | **356 584** | **370 636** | **422 373** | **428 040** | **428 040** | **448 815** | **467 261** | **487 935** |
| **Total Parent Municipality** | **306 820** | **378 573** | **393 810** | **447 221** | **452 869** | **452 869** | **474 253** | **493 784** | **515 590** |
| **TOTAL SALARY, ALLOWANCES & BENEFITS** | **306 820** | **378 573** | **393 810** | **447 221** | **452 869** | **452 869** | **474 253** | **493 784** | **515 590** |
| **TOTAL MANAGERS AND STAFF** | **296 682** | **368 000** | **382 527** | **435 325** | **440 972** | **440 972** | **461 745** | **480 765** | **502 037** |

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

| Disclosure of Salaries, Allowances & Benefits 1.<br>Rand per annum | No. | Salary | Contributions | Allowances | Performance Bonuses | In-kind benefits | Total Package |
|---|---|---|---|---|---|---|---|
| **Councillors** | | | | | | | |
| Speaker | 1 | 748 464 | – | 44 400 | – | – | 792 864 |
| Chief Whip | – | – | – | – | – | – | – |
| Executive Mayor | 1 | 935 580 | – | 44 400 | – | – | 979 980 |
| Deputy Executive Mayor | 1 | 748 464 | – | 44 400 | – | – | 792 864 |
| Executive Committee | 5 | 3 508 440 | – | 222 000 | – | – | 3 730 440 |
| Total for all other councillors | 17 | 5 413 260 | – | 799 200 | – | – | 6 212 460 |
| **Total Councillors** | **25** | **11 354 208** | **–** | **1 154 400** | | | **12 508 608** |
| **Senior Managers of the Municipality** | | | | | | | |
| Municipal Manager (MM) | 1 | 1 770 842 | – | 27 540 | 142 878 | – | 1 941 260 |
| Chief Finance Officer | 1 | 1 890 379 | – | 24 480 | – | – | 1 914 859 |
| Director: Management Services | 1 | 1 771 223 | – | 27 540 | – | – | 1 798 763 |
| Director: Infrastructure & Planning | 1 | 1 900 012 | – | 27 540 | – | – | 1 927 552 |
| Director: Protection Services | 1 | 1 716 692 | – | 27 540 | – | – | 1 744 232 |
| Director: Local Economic & Social Development & Tourism | 1 | 1 765 135 | – | 24 480 | – | – | 1 789 615 |
| Director: Community Services | 1 | 1 785 897 | – | 27 540 | – | – | 1 813 437 |
| **Total Senior Managers of the Municipality** | **7** | **12 600 180** | **–** | **186 660** | **142 878** | | **12 929 718** |
| **TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION** | **32** | **23 954 388** | **–** | **1 341 060** | **142 878** | | **25 438 326** |

## Table 47 MBRR SA24 – Summary of personnel numbers

| Summary of Personnel Numbers | 2019/20 | | | Current Year 2020/21 | | | Budget Year 2021/22 | | |
|---|---|---|---|---|---|---|---|---|---|
| Number | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees |
| **Municipal Council and Boards of Municipal Entities** | | | | | | | | | |
| Councillors (Political Office Bearers plus Other Councillors) | 25 | 7 | | 25 | 7 | | 25 | 7 | |
| Board Members of municipal entities | | | | | | | | | |
| **Municipal employees** | | | | | | | | | |
| Municipal Manager and Senior Managers | 7 | 7 | | 7 | 7 | | 7 | 7 | |
| Other Managers | 54 | 50 | | 53 | 48 | | 51 | 51 | |
| Professionals | *26* | *25* | – | *26* | *24* | – | *29* | *23* | – |
| *Finance* | 21 | 20 | | 21 | 19 | | 24 | 18 | |
| *Spatial/town planning* | 2 | 2 | | 2 | 2 | | 2 | 2 | |
| *Information Technology* | 1 | 1 | | 1 | 1 | | 1 | 1 | |
| *Roads* | | | | | | | | | |
| *Electricity* | | | | | | | | | |
| *Water* | | | | | | | | | |
| *Sanitation* | | | | | | | | | |
| *Refuse* | | | | | | | | | |
| *Other* | 2 | 2 | | 2 | 2 | | 2 | 2 | |
| Technicians | *195* | *174* | – | *199* | *172* | – | *200* | *170* | – |
| *Finance* | | | | | | | | | |
| *Spatial/town planning* | 11 | 10 | | 12 | 12 | | 11 | 10 | |
| *Information Technology* | 5 | 4 | | 5 | 4 | | 5 | 4 | |
| *Roads* | 9 | 9 | | 9 | 8 | | 10 | 7 | |
| *Electricity* | 31 | 27 | | 31 | 27 | | 31 | 27 | |
| *Water* | 21 | 18 | | 21 | 18 | | 21 | 19 | |
| *Sanitation* | 2 | 2 | | 2 | 2 | | 2 | 2 | |
| *Refuse* | 5 | 5 | | 5 | 5 | | 6 | 5 | |
| *Other* | 111 | 99 | | 114 | 96 | | 114 | 96 | |
| Clerks (Clerical and administrative) | 277 | 241 | | 277 | 246 | | 273 | 244 | |
| Service and sales workers | 115 | 92 | | 124 | 108 | | 140 | 108 | |
| Skilled agricultural and fishery workers | | | | | | | | | |
| Craft and related trades | | | | | | | | | |
| Plant and Machine Operators | 61 | 57 | | 60 | 57 | | 60 | 56 | |
| Elementary Occupations | 430 | 410 | | 426 | 412 | | 426 | 416 | |
| **TOTAL PERSONNEL NUMBERS** | **1 190** | **1 063** | **–** | **1 197** | **1 081** | **–** | **1 211** | **1 082** | **–** |
| **% increase** | | | | 0,6% | 1,7% | – | 1,2% | 0,1% | – |
| **Total municipal employees headcount** | **1 165** | **1 056** | | **1 172** | **1 074** | | **1 186** | **1 082** | |
| Finance personnel headcount | **113** | **104** | | **113** | **106** | | **114** | **104** | |
| Human Resources personnel headcount | **18** | **18** | | **18** | **17** | | **18** | **17** | |

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

## Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure

| Description | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue By Source** | | | | | | | | | | | | | | | |
| Property rates | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 275 637 | 286 662 | 298 129 |
| Service charges - electricity revenue | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 479 057 | 536 403 | 600 624 |
| Service charges - water revenue | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 132 168 | 137 455 | 142 953 |
| Service charges - sanitation revenue | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 87 631 | 91 137 | 94 782 |
| Service charges - refuse revenue | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 74 741 | 77 731 | 80 840 |
| Service charges - other | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Rental of facilities and equipment | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 286 | 3 440 | 3 148 | 3 273 |
| Interest earned - external investments | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 27 456 | 28 554 | 29 697 |
| Interest earned - outstanding debtors | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 4 681 | 4 868 | 5 062 |
| Dividends received | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 28 223 | 29 348 | 30 519 |
| Licences and permits | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 2 039 | 2 097 | 2 164 |
| Agency services | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 6 680 | 6 930 | 7 189 |
| Transfers and subsidies | 13 768 | 11 218 | 11 850 | 11 218 | 11 218 | 11 850 | 11 218 | 11 218 | 11 850 | 11 218 | 11 218 | 11 850 | 139 692 | 144 977 | 148 209 |
| Other revenue | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 3 078 | 127 409 | 92 259 | 43 563 |
| Gains | – | – | – | – | – | – | – | – | – | – | – | 8 225 | 8 225 | 8 361 | 8 504 |
| **Total Revenue (excluding capital transfers and cont** | **118 550** | **116 000** | **116 633** | **116 000** | **116 000** | **116 633** | **116 000** | **116 000** | **116 633** | **116 000** | **116 000** | **116 631** | **1 397 079** | **1 449 929** | **1 495 508** |
| **Expenditure By Type** | | | | | | | | | | | | | | | |
| Employee related costs | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 461 745 | 480 765 | 502 037 |
| Remuneration of councillors | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 12 509 | 13 020 | 13 553 |
| Debt impairment | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 21 500 | 21 500 | 21 500 |
| Depreciation & asset impairment | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 138 | 145 663 | 144 047 | 143 381 |
| Finance charges | – | – | – | – | – | 25 329 | – | – | – | – | – | 26 475 | 51 804 | 51 923 | 52 180 |
| Bulk purchases | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 318 669 | 347 031 | 377 917 |
| Other materials | 2 280 | 2 167 | 6 764 | 2 280 | 2 167 | 6 764 | 2 167 | 2 280 | 6 764 | 2 167 | 2 167 | 6 877 | 44 846 | 47 275 | 48 918 |
| Contracted services | 13 253 | 11 934 | 34 792 | 13 253 | 11 934 | 34 792 | 11 934 | 13 253 | 34 792 | 11 934 | 11 934 | 36 111 | 239 915 | 250 494 | 263 768 |
| Transfers and subsidies | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 12 324 | 12 557 | 13 060 |
| Other expenditure | 13 309 | 7 870 | 14 212 | 13 309 | 7 870 | 14 212 | 7 870 | 13 309 | 14 212 | 7 870 | 7 870 | 19 652 | 141 561 | 124 845 | 111 594 |
| Losses | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Expenditure** | **109 875** | **103 005** | **136 802** | **109 875** | **103 005** | **162 131** | **103 005** | **109 875** | **136 802** | **103 005** | **103 005** | **170 148** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit)** | **8 675** | **12 995** | **(20 170)** | **6 125** | **12 995** | **(45 498)** | **12 995** | **6 125** | **(20 170)** | **12 995** | **12 995** | **(53 517)** | **(53 457)** | **(43 526)** | **(52 400)** |
| Transfers and subsidies - capital (monetary allocations) | 22 103 | 23 751 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 46 354 | 40 828 | 32 568 |
| Transfers and subsidies - capital (monetary allocations) | 108 | 108 | 3 083 | 108 | 108 | 3 083 | 108 | 108 | 3 083 | 108 | 108 | 3 083 | 13 201 | 1 312 | 1 324 |
| Transfers and subsidies - capital (in-kind - all) | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **30 886** | **36 854** | **(17 036)** | **6 283** | **13 153** | **(42 365)** | **13 153** | **6 283** | **(17 036)** | **13 153** | **13 153** | **(50 383)** | **6 098** | **(1 386)** | **(18 508)** |
| **Surplus/(Deficit)** | **30 886** | **36 854** | **(17 036)** | **6 283** | **13 153** | **(42 365)** | **13 153** | **6 283** | **(17 036)** | **13 153** | **13 153** | **(50 383)** | **6 098** | **(1 386)** | **(18 508)** |

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

| Description | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue by Vote** | | | | | | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 31 285 | 32 772 | 31 375 |
| Vote 2 - Municipal Manager & Internal Audit | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 869 | 348 | 358 |
| Vote 4 - Finance | 27 975 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 318 650 | 331 200 | 344 253 |
| Vote 5 - Infrastructure & Planning | 54 389 | 71 908 | 56 364 | 53 389 | 53 389 | 56 364 | 53 389 | 53 389 | 56 364 | 53 389 | 53 389 | 56 364 | 672 085 | 672 093 | 691 198 |
| Vote 6 - Protection Services | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 39 531 | 40 997 | 42 522 |
| Vote 7 - Economic and Social Development & To | 26 | 26 | 658 | 26 | 26 | 658 | 26 | 26 | 658 | 26 | 26 | 658 | 2 838 | 66 | 219 |
| Vote 8 - Community Services | 52 398 | 35 527 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 344 | 391 376 | 414 592 | 419 474 |
| **Total Revenue by Vote** | **140 761** | **139 859** | **119 766** | **116 158** | **116 158** | **119 766** | **116 158** | **116 158** | **119 766** | **116 158** | **116 158** | **119 765** | **1 456 634** | **1 492 069** | **1 529 399** |
| **Expenditure by Vote to be appropriated** | | | | | | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | 2 989 | 2 989 | 3 311 | 2 989 | 2 989 | 3 311 | 2 989 | 2 989 | 3 311 | 2 989 | 2 989 | 3 311 | 37 152 | 37 805 | 38 715 |
| Vote 2 - Municipal Manager & Internal Audit | 590 | 590 | 823 | 590 | 590 | 823 | 590 | 590 | 823 | 590 | 590 | 823 | 8 017 | 8 216 | 8 526 |
| Vote 3 - Management Services | 2 702 | 2 702 | 9 729 | 2 702 | 2 702 | 9 729 | 2 702 | 2 702 | 9 729 | 2 702 | 2 702 | 9 729 | 60 528 | 62 948 | 65 346 |
| Vote 4 - Finance | 12 527 | 5 657 | 5 657 | 12 527 | 5 657 | 5 686 | 5 657 | 12 527 | 5 657 | 5 657 | 5 657 | 12 609 | 95 473 | 100 257 | 113 753 |
| Vote 5 - Infrastructure & Planning | 51 309 | 51 309 | 51 309 | 51 309 | 51 309 | 59 484 | 51 309 | 51 309 | 51 310 | 51 310 | 51 310 | 60 012 | 632 592 | 652 891 | 669 749 |
| Vote 6 - Protection Services | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 601 | 115 201 | 120 094 | 125 051 |
| Vote 7 - Economic and Social Development & To | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 17 266 | 14 512 | 15 058 |
| Vote 8 - Community Services | 28 715 | 28 715 | 54 930 | 28 715 | 28 715 | 72 054 | 28 715 | 28 715 | 54 930 | 28 715 | 28 715 | 72 676 | 484 308 | 496 734 | 511 711 |
| **Total Expenditure by Vote** | **109 871** | **103 001** | **136 797** | **109 871** | **103 001** | **162 126** | **103 001** | **109 871** | **136 798** | **103 001** | **103 001** | **170 200** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit) before assoc.** | **30 891** | **36 859** | **(17 032)** | **6 288** | **13 158** | **(42 360)** | **13 158** | **6 288** | **(17 032)** | **13 158** | **13 158** | **(50 435)** | **6 098** | **(1 386)** | **(18 508)** |
| **Surplus/(Deficit)** | **30 891** | **36 859** | **(17 032)** | **6 288** | **13 158** | **(42 360)** | **13 158** | **6 288** | **(17 032)** | **13 158** | **13 158** | **(50 435)** | **6 098** | **(1 386)** | **(18 508)** |

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

| Description | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue - Functional** | | | | | | | | | | | | | | | |
| ***Governance and administration*** | **31 177** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **357 072** | **370 592** | **382 268** |
| Executive and council | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 31 359 | 32 826 | 31 414 |
| Finance and administration | 28 564 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 013 | 325 712 | 337 766 | 350 854 |
| Internal audit | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **15 574** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 552** | **164 655** | **128 556** | **85 859** |
| Community and social services | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 7 145 | 7 017 | 7 286 |
| Sport and recreation | 2 697 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 10 133 | 8 242 | 13 051 |
| Public safety | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 39 531 | 40 997 | 42 522 |
| Housing | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 107 845 | 72 300 | 23 000 |
| Health | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **7 176** | **593** | **1 225** | **593** | **593** | **1 225** | **593** | **593** | **1 225** | **593** | **593** | **1 225** | **16 227** | **20 388** | **9 674** |
| Planning and development | 569 | 569 | 1 202 | 569 | 569 | 1 202 | 569 | 569 | 1 202 | 569 | 569 | 1 202 | 9 362 | 7 105 | 7 389 |
| Road transport | 6 603 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 6 828 | 13 245 | 2 245 |
| Environmental protection | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 37 | 38 | 40 |
| ***Trading services*** | **86 835** | **96 087** | **75 361** | **72 386** | **72 386** | **75 361** | **72 386** | **72 386** | **75 361** | **72 386** | **72 386** | **75 361** | **918 681** | **972 533** | **1 051 599** |
| Energy sources | 43 340 | 61 859 | 46 315 | 43 340 | 43 340 | 46 315 | 43 340 | 43 340 | 46 315 | 43 340 | 43 340 | 46 315 | 550 503 | 587 031 | 655 146 |
| Water management | 21 902 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 157 061 | 157 973 | 164 018 |
| Waste water management | 13 747 | 14 095 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 116 972 | 128 616 | 128 491 |
| Waste management | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 94 145 | 98 912 | 103 943 |
| ***Other*** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Revenue - Functional** | **140 761** | **139 859** | **119 766** | **116 158** | **116 158** | **119 766** | **116 158** | **116 158** | **119 766** | **116 158** | **116 158** | **119 765** | **1 456 634** | **1 492 069** | **1 529 399** |
| **Expenditure - Functional** | | | | | | | | | | | | | | | |
| ***Governance and administration*** | **24 311** | **17 441** | **29 323** | **24 311** | **17 441** | **29 353** | **17 441** | **24 311** | **29 323** | **17 441** | **17 441** | **36 219** | **284 355** | **295 732** | **315 195** |
| Executive and council | 4 568 | 4 568 | 7 509 | 4 568 | 4 568 | 7 509 | 4 568 | 4 568 | 7 509 | 4 568 | 4 568 | 7 509 | 66 575 | 68 305 | 70 655 |
| Finance and administration | 19 427 | 12 557 | 21 429 | 19 427 | 12 557 | 21 459 | 12 557 | 19 427 | 21 429 | 12 557 | 12 557 | 28 325 | 213 705 | 223 293 | 240 243 |
| Internal audit | 317 | 317 | 385 | 317 | 317 | 385 | 317 | 317 | 385 | 317 | 317 | 385 | 4 075 | 4 135 | 4 297 |
| ***Community and public safety*** | **19 333** | **19 333** | **24 817** | **19 333** | **19 333** | **24 961** | **19 333** | **19 333** | **24 817** | **19 333** | **19 333** | **24 943** | **254 202** | **243 652** | **236 332** |
| Community and social services | 1 367 | 1 367 | 2 036 | 1 367 | 1 367 | 2 037 | 1 367 | 1 367 | 2 036 | 1 367 | 1 367 | 2 037 | 19 086 | 19 863 | 22 222 |
| Sport and recreation | 3 390 | 3 390 | 7 231 | 3 390 | 3 390 | 7 374 | 3 390 | 3 390 | 7 231 | 3 390 | 3 390 | 7 356 | 56 315 | 59 175 | 60 151 |
| Public safety | 9 566 | 9 566 | 9 643 | 9 566 | 9 566 | 9 643 | 9 566 | 9 566 | 9 643 | 9 566 | 9 566 | 9 643 | 115 101 | 120 007 | 125 179 |
| Housing | 5 009 | 5 009 | 5 908 | 5 009 | 5 009 | 5 908 | 5 009 | 5 009 | 5 908 | 5 009 | 5 009 | 5 908 | 63 700 | 44 606 | 28 780 |
| Health | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **11 730** | **11 730** | **22 526** | **11 730** | **11 730** | **23 034** | **11 730** | **11 730** | **22 526** | **11 730** | **11 730** | **22 969** | **184 895** | **190 394** | **190 968** |
| Planning and development | 4 235 | 4 235 | 4 330 | 4 235 | 4 235 | 4 330 | 4 235 | 4 235 | 4 330 | 4 235 | 4 235 | 4 330 | 51 199 | 50 258 | 52 145 |
| Road transport | 6 029 | 6 029 | 16 730 | 6 029 | 6 029 | 17 238 | 6 029 | 6 029 | 16 730 | 6 029 | 6 029 | 17 173 | 116 106 | 121 656 | 126 719 |
| Environmental protection | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 17 589 | 18 480 | 12 103 |
| ***Trading services*** | **54 203** | **54 203** | **59 837** | **54 203** | **54 203** | **84 484** | **54 203** | **54 203** | **59 837** | **54 203** | **54 203** | **85 718** | **723 499** | **760 299** | **801 936** |
| Energy sources | 32 517 | 32 517 | 32 517 | 32 517 | 32 517 | 40 647 | 32 517 | 32 517 | 32 517 | 32 517 | 32 517 | 41 197 | 407 010 | 437 921 | 469 523 |
| Water management | 8 475 | 8 475 | 10 408 | 8 475 | 8 475 | 20 690 | 8 475 | 8 475 | 10 408 | 8 475 | 8 475 | 20 445 | 129 752 | 127 206 | 130 416 |
| Waste water management | 6 469 | 6 469 | 9 409 | 6 469 | 6 469 | 15 518 | 6 469 | 6 469 | 9 409 | 6 469 | 6 469 | 16 478 | 102 566 | 106 785 | 109 968 |
| Waste management | 6 742 | 6 742 | 7 504 | 6 742 | 6 742 | 7 630 | 6 742 | 6 742 | 7 504 | 6 742 | 6 742 | 7 598 | 84 171 | 88 388 | 92 030 |
| ***Other*** | **299** | **299** | **299** | **299** | **299** | **299** | **299** | **299** | **299** | **299** | **299** | **299** | **3 585** | **3 379** | **3 476** |
| **Total Expenditure - Functional** | **109 875** | **103 005** | **136 802** | **109 875** | **103 005** | **162 131** | **103 005** | **109 875** | **136 802** | **103 005** | **103 005** | **170 148** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit)** | **30 886** | **36 854** | **(17 036)** | **6 283** | **13 153** | **(42 365)** | **13 153** | **6 283** | **(17 036)** | **13 153** | **13 153** | **(50 383)** | **6 098** | **(1 386)** | **(18 508)** |

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

| Description | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Multi-year expenditure to be appropriated** | | | | | | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | 75 | 75 | 714 | 75 | 75 | 719 | 325 | 75 | 714 | 75 | 75 | 719 | 3 715 | 6 065 | 3 515 |
| Vote 4 - Finance | – | – | – | – | – | 30 | – | – | – | – | – | 30 | 60 | 60 | 60 |
| Vote 5 - Infrastructure & Planning | 465 | 465 | 11 067 | 16 734 | 11 499 | 9 048 | 15 449 | 17 509 | 19 392 | 19 279 | 23 193 | 22 163 | 166 263 | 100 328 | 67 675 |
| Vote 6 - Protection Services | – | – | 88 | – | – | 88 | – | – | 88 | – | – | 88 | 350 | 350 | 350 |
| Vote 7 - Economic and Social Development & Tourism | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 45 | 45 | 45 |
| Vote 8 - Community Services | – | – | – | 190 | 950 | 440 | – | 990 | 837 | 190 | 700 | – | 4 297 | 8 110 | 5 660 |
| **Capital multi-year expenditure sub-total** | **544** | **544** | **11 872** | **17 003** | **12 528** | **10 328** | **15 778** | **18 577** | **21 033** | **19 547** | **23 972** | **23 003** | **174 730** | **114 958** | **77 305** |
| **Single-year expenditure to be appropriated** | | | | | | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 4 - Finance | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 5 - Infrastructure & Planning | – | 200 | 1 244 | 1 449 | 1 597 | 2 284 | 4 650 | 2 750 | 3 825 | 5 100 | 5 600 | 4 582 | 33 281 | 27 328 | 18 530 |
| Vote 6 - Protection Services | – | – | 291 | 550 | 200 | 541 | 250 | 300 | 688 | 345 | – | 291 | 3 458 | – | – |
| Vote 7 - Economic and Social Development & Tourism | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 8 - Community Services | – | 100 | 650 | 1 171 | 1 428 | 1 561 | 2 401 | 3 618 | 3 777 | 2 256 | 2 797 | 2 216 | 21 976 | – | – |
| **Capital single-year expenditure sub-total** | **–** | **300** | **2 185** | **3 170** | **3 225** | **4 386** | **7 301** | **6 668** | **8 290** | **7 701** | **8 397** | **7 090** | **58 714** | **27 328** | **18 530** |
| **Total Capital Expenditure** | **544** | **844** | **14 057** | **20 173** | **15 754** | **14 714** | **23 079** | **25 245** | **29 323** | **27 249** | **32 369** | **30 093** | **233 444** | **142 286** | **95 835** |

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

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

| Description | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Capital Expenditure - Functional | | | | | | | | | | | | | | | |
| ***Governance and administration*** | **75** | **75** | **714** | **75** | **75** | **749** | **325** | **75** | **714** | **75** | **75** | **749** | **3 775** | **6 125** | **3 575** |
| Executive and council | – | – | 1 | – | – | 1 | – | – | 1 | – | – | 1 | 5 | 5 | 5 |
| Finance and administration | 75 | 75 | 713 | 75 | 75 | 748 | 325 | 75 | 713 | 75 | 75 | 748 | 3 770 | 6 120 | 3 570 |
| Internal audit | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | **–** | **200** | **2 750** | **1 288** | **5 212** | **2 730** | **6 017** | **9 928** | **10 010** | **8 997** | **13 620** | **13 653** | **74 407** | **38 068** | **9 377** |
| Community and social services | – | – | 403 | 738 | 628 | 976 | 1 008 | 1 835 | 1 069 | 609 | 1 192 | 371 | 8 830 | 760 | 760 |
| Sport and recreation | – | 200 | – | – | 200 | 775 | 575 | 650 | 1 021 | 900 | 1 800 | 1 289 | 7 410 | 500 | 5 000 |
| Public safety | – | – | 379 | 550 | 200 | 629 | 250 | 300 | 776 | 345 | – | 379 | 3 808 | 350 | 350 |
| Housing | – | – | 1 968 | – | 4 184 | 350 | 4 184 | 7 143 | 7 143 | 7 143 | 10 628 | 11 614 | 54 359 | 36 458 | 3 267 |
| Health | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **469** | **469** | **860** | **992** | **1 486** | **1 643** | **1 134** | **1 389** | **1 914** | **3 239** | **1 519** | **1 703** | **16 816** | **17 090** | **4 865** |
| Planning and development | 4 | 4 | 248 | 4 | 251 | 748 | 404 | 4 | 698 | 2 574 | 804 | 848 | 6 587 | 415 | 415 |
| Road transport | 465 | 465 | 613 | 988 | 1 235 | 895 | 730 | 1 385 | 1 216 | 665 | 715 | 855 | 10 229 | 16 675 | 4 450 |
| Environmental protection | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Trading services*** | **–** | **100** | **9 733** | **17 818** | **8 980** | **9 593** | **15 603** | **13 853** | **16 686** | **14 938** | **17 155** | **13 988** | **138 446** | **81 003** | **78 018** |
| Energy sources | – | – | 3 750 | 11 019 | 1 200 | 1 250 | 6 900 | 7 400 | 5 335 | 8 120 | 11 700 | 3 250 | 59 924 | 19 775 | 24 450 |
| Water management | – | – | 1 500 | 3 865 | 4 000 | 3 450 | 4 750 | 3 750 | 4 000 | 3 450 | 2 500 | 4 450 | 35 715 | 25 900 | 22 000 |
| Waste water management | – | 100 | 4 483 | 2 934 | 3 780 | 4 803 | 3 953 | 2 703 | 6 846 | 2 863 | 2 450 | 5 783 | 40 696 | 35 328 | 31 568 |
| Waste management | – | – | – | – | – | 90 | – | – | 505 | 505 | 505 | 505 | 2 110 | – | – |
| ***Other*** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Capital Expenditure - Functional** | **544** | **844** | **14 057** | **20 173** | **15 754** | **14 714** | **23 079** | **25 245** | **29 323** | **27 249** | **32 369** | **30 093** | **233 444** | **142 286** | **95 835** |

## Table 53 MBRR SA30 - Budgeted monthly cash flow

| MONTHLY CASH FLOWS | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Cash Receipts By Source** | | | | | | | | | | | | | | | |
| Property rates | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 273 224 | 283 739 | 294 684 |
| Service charges - electricity revenue | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 474 864 | 530 934 | 593 684 |
| Service charges - water revenue | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 131 011 | 136 054 | 141 302 |
| Service charges - sanitation revenue | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 86 864 | 90 207 | 93 687 |
| Service charges - refuse revenue | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 74 087 | 76 938 | 79 906 |
| Rental of facilities and equipment | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 3 410 | 3 116 | 3 235 |
| Interest earned - external investments | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 27 456 | 28 554 | 29 697 |
| Interest earned - outstanding debtors | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 4 681 | 4 868 | 5 062 |
| Fines, penalties and forfeits | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 7 619 | 8 789 | 10 006 |
| Licences and permits | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 2 039 | 2 097 | 2 164 |
| Agency services | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 6 680 | 6 930 | 7 189 |
| Transfers and Subsidies - Operational | 3 443 | 42 192 | 1 525 | 893 | 893 | 42 824 | 893 | 893 | 42 824 | 893 | 893 | 1 525 | 139 692 | 144 977 | 148 209 |
| Other revenue | 11 474 | 11 474 | 14 449 | 11 474 | 11 474 | 14 449 | 11 474 | 11 474 | 14 449 | 11 474 | 11 474 | 6 224 | 141 360 | 94 321 | 45 636 |
| **Cash Receipts by Source** | **105 911** | **144 660** | **106 969** | **103 361** | **103 361** | **148 268** | **103 361** | **103 361** | **148 268** | **103 361** | **103 361** | **98 743** | **1 372 986** | **1 411 525** | **1 454 461** |
| **Other Cash Flows by Source** | | | | | | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) | 22 103 | 23 751 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 46 354 | 40 828 | 32 568 |
| Transfers and subsidies - capital (monetary allocations) | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Proceeds on Disposal of Fixed and Intangible Assets | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Borrowing long term/refinancing | – | – | – | – | – | 50 000 | – | – | – | – | – | – | 50 000 | 50 000 | 50 000 |
| Increase (decrease) in consumer deposits | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 2 000 | 2 000 | 2 000 |
| Decrease (increase) in non-current receivables | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Decrease (increase) in non-current investments | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (4 980) | (4 980) | (4 980) |
| **Employee related costs** | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 450 185 | 487 354 | 475 181 | 496 174 |
| Remuneration of councillors | – | – | – | – | – | – | – | – | – | – | – | 12 509 | 12 509 | 13 020 | 13 553 |
| Finance charges | – | – | – | – | – | 25 329 | – | – | – | – | – | 26 475 | 51 804 | 51 923 | 52 180 |
| Bulk purchases - Electricity | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 318 669 | 347 031 | 377 917 |
| Bulk purchases - Water & Sewer | | | | | | | | | | | | – | – | | |
| Other materials | 2 280 | 2 167 | 6 764 | 2 280 | 2 167 | 6 764 | 2 167 | 2 280 | 6 764 | 2 167 | 2 167 | 6 877 | 44 846 | 47 275 | 48 918 |
| Contracted services | 13 253 | 11 934 | 34 792 | 13 253 | 11 934 | 34 792 | 11 934 | 13 253 | 34 792 | 11 934 | 11 934 | 36 111 | 239 915 | 250 494 | 263 768 |
| Transfers and grants - other municipalities | | | | | | | | | | | | – | – | | |
| Transfers and grants - other | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 12 324 | 12 557 | 13 060 |
| Other expenditure | 8 517 | 3 078 | 9 420 | 8 517 | 3 078 | 9 420 | 3 078 | 8 517 | 9 420 | 3 078 | 3 078 | 17 947 | 87 144 | 101 246 | 41 179 |
| Cash Payments by Type | 55 011 | 48 141 | 81 938 | 55 011 | 48 141 | 107 267 | 48 141 | 55 011 | 81 938 | 48 141 | 48 141 | 577 687 | 1 254 565 | 1 298 727 | 1 306 749 |
| **Capital assets** | 544 | 844 | 14 057 | 20 173 | 15 754 | 14 714 | 23 079 | 25 245 | 29 323 | 27 249 | 32 369 | 30 093 | 233 444 | 142 286 | 95 835 |
| Repayment of borrowing | 1 972 | 1 410 | 1 164 | 8 993 | 1 043 | 9 418 | 2 064 | 1 493 | 1 236 | 9 470 | 1 105 | 9 933 | 49 301 | 42 448 | 46 521 |
| Other Cash Flows/Payments | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Total Cash Payments by Type | 57 526 | 50 395 | 97 158 | 84 177 | 64 938 | 131 399 | 73 284 | 81 749 | 112 497 | 84 859 | 81 615 | 617 713 | 1 537 310 | 1 483 461 | 1 449 105 |
| **Cash/cash equivalents at the month/year begin:** | **517 249** | **587 488** | **705 256** | **714 868** | **733 855** | **772 080** | **838 750** | **868 630** | **890 044** | **925 616** | **943 920** | **965 468** | **517 249** | **446 299** | **462 210** |
| **Cash/cash equivalents at the month/year end:** | **587 488** | **705 256** | **714 868** | **733 855** | **772 080** | **838 750** | **868 630** | **890 044** | **925 616** | **943 920** | **965 468** | **446 299** | **446 299** | **462 210** | **547 155** |

## 2.10 Annual budgets and SDBIP

The draft SDBIP for 2021/22 will be tabled as a separate item at the Council meeting to be held on 31 March 2021.

## 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital expenditure on new assets by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **26 438** | **96 933** | **76 763** | **117 549** | **113 622** | **113 622** | **86 217** | **33 000** | **17 300** |
| Roads Infrastructure | 10 003 | 12 061 | 5 638 | 19 795 | 22 386 | 22 386 | 8 923 | 13 000 | 2 000 |
| *Roads* | 10 003 | 12 061 | 5 638 | 19 795 | 22 386 | 22 386 | 8 923 | 13 000 | 2 000 |
| Storm water Infrastructure | 255 | 7 247 | 7 918 | 16 384 | 16 322 | 16 322 | 6 330 | – | – |
| *Drainage Collection* | | | | 600 | 600 | 600 | 850 | – | – |
| Electrical Infrastructure | 15 449 | 28 893 | 13 557 | 12 768 | 10 768 | 10 768 | 56 694 | 9 100 | 12 000 |
| *HV Transmission Conductors* | | | | – | | | – | – | – |
| *MV Substations* | | | 4 869 | 696 | 696 | 696 | 50 430 | 2 100 | 5 000 |
| *MV Networks* | 15 449 | 28 893 | 8 688 | 12 072 | 10 072 | 10 072 | 6 264 | 7 000 | 7 000 |
| *LV Networks* | | | | – | | | – | – | – |
| Water Supply Infrastructure | 627 | 12 270 | 29 001 | 29 547 | 27 547 | 27 547 | 6 000 | 6 900 | – |
| *Dams and Weirs* | | | – | – | | | – | – | – |
| *Boreholes* | | | 4 356 | 10 500 | 8 500 | 8 500 | 2 000 | – | – |
| *Reservoirs* | | 12 270 | 14 717 | 18 017 | 18 017 | 18 017 | – | – | – |
| *Water Treatment Works* | 627 | | | – | – | – | – | – | – |
| *Bulk Mains* | | | – | – | – | – | – | – | – |
| *Distribution* | | | 9 928 | 1 030 | 1 030 | 1 030 | – | – | – |
| Sanitation Infrastructure | – | 34 963 | 13 339 | 20 576 | 18 536 | 18 536 | 6 250 | 4 000 | 3 300 |
| *Pump Station* | | | 169 | – | | | – | – | – |
| *Reticulation* | | 34 963 | 9 864 | 20 576 | 18 536 | 18 536 | 6 250 | 4 000 | 3 300 |
| *Waste Water Treatment Works* | | | 3 306 | – | | | – | – | – |
| Solid Waste Infrastructure | 105 | 1 499 | 7 311 | 18 479 | 18 064 | 18 064 | 2 020 | – | – |
| *Waste Drop-off Points* | 105 | 1 499 | | 515 | – | | – | – | – |
| **Community Assets** | **8 656** | **30 804** | **4 531** | **12 793** | **9 837** | **9 837** | **20 530** | **500** | **5 000** |
| Community Facilities | 3 229 | 30 804 | 2 084 | 12 743 | 9 787 | 9 787 | 13 442 | – | – |
| *Halls* | 437 | | – | 26 | 26 | 26 | 110 | – | – |
| *Crèches* | 100 | 559 | 578 | 475 | – | – | 475 | – | – |
| *Fire/Ambulance Stations* | 2 440 | | – | – | – | – | – | – | – |
| *Testing Stations* | | 4 809 | 44 | – | – | – | 1 052 | – | – |
| *Libraries* | | 1 132 | – | 772 | 772 | 772 | 4 374 | – | – |
| *Cemeteries/Crematoria* | 251 | 381 | 207 | 1 292 | 1 292 | 1 292 | – | – | – |
| *Parks* | | | 139 | 202 | 152 | 152 | – | – | – |
| *Public Open Space* | | 23 923 | 1 073 | 5 735 | 6 649 | 6 649 | 1 707 | – | – |
| *Nature Reserves* | | | – | 2 100 | – | – | 4 100 | – | – |
| *Public Ablution Facilities* | | | 44 | 1 383 | 140 | 140 | 1 244 | – | – |
| *Capital Spares* | – | | | – | | | – | – | – |
| Sport and Recreation Facilities | 5 427 | – | 2 447 | 50 | 50 | 50 | 7 089 | 500 | 5 000 |
| *Indoor Facilities* | | | | – | | | – | – | – |
| *Outdoor Facilities* | 5 427 | | 2 447 | 50 | 50 | 50 | 7 089 | 500 | 5 000 |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| **Other assets** | **38 552** | **37 368** | **87 502** | **52 970** | **47 951** | **47 951** | **55 079** | **36 458** | **3 267** |
| Operational Buildings | 4 372 | 3 092 | 1 749 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| *Municipal Offices* | 4 372 | 3 092 | 1 749 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| Housing | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| *Social Housing* | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| **Computer Equipment** | 1 593 | 1 346 | 3 345 | 7 896 | 7 896 | 7 896 | 3 700 | 6 050 | 3 500 |
| Computer Equipment | 1 593 | 1 346 | 3 345 | 7 896 | 7 896 | 7 896 | 3 700 | 6 050 | 3 500 |
| **Furniture and Office Equipment** | 205 | 295 | 246 | 1 025 | 1 025 | 1 025 | 875 | 840 | 840 |
| Furniture and Office Equipment | 205 | 295 | 246 | 1 025 | 1 025 | 1 025 | 875 | 840 | 840 |
| Machinery and Equipment | 166 | 1 428 | 533 | 760 | 860 | 860 | 1 000 | 760 | 760 |
| **Transport Assets** | – | 6 936 | 15 884 | 22 440 | 20 732 | 20 732 | 5 000 | 7 350 | 4 900 |
| Transport Assets | | 6 936 | 15 884 | 22 440 | 20 732 | 20 732 | 5 000 | 7 350 | 4 900 |
| **Total Capital Expenditure on new assets** | **75 610** | **175 110** | **188 804** | **215 433** | **201 924** | **201 924** | **172 402** | **84 958** | **35 567** |

## 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Capital expenditure on renewal of existing assets by Asset Class/Sub-class | | | | | | | | | |
| **Infrastructure** | **28 370** | **–** | **3 606** | **25 621** | **25 050** | **25 050** | **23 050** | **19 200** | **17 700** |
| Roads Infrastructure | 2 020 | – | 8 | – | – | – | – | – | – |
| *Roads* | 2 020 | | 8 | – | – | – | – | – | – |
| Storm water Infrastructure | 10 677 | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | | – | – | – | – | – | – | – |
| Electrical Infrastructure | 819 | – | – | 1 000 | 1 000 | 1 000 | 1 000 | – | – |
| *MV Networks* | 819 | | | | | | – | – | – |
| Water Supply Infrastructure | 2 629 | – | 887 | 20 560 | 19 989 | 19 989 | 21 400 | 18 500 | 17 000 |
| *Dams and Weirs* | | | | – | – | – | – | – | – |
| *Water Treatment Works* | | | | – | – | – | – | – | – |
| *Distribution* | 2 629 | | 887 | 18 760 | 18 189 | 18 189 | 21 000 | 18 000 | 14 500 |
| Sanitation Infrastructure | 10 591 | – | 2 711 | 4 061 | 4 061 | 4 061 | 650 | 700 | 700 |
| *Waste Water Treatment Works* | 10 591 | | | – | – | – | – | – | – |
| Solid Waste Infrastructure | 1 634 | – | – | – | – | – | – | – | – |
| *Waste Transfer Stations* | 1 634 | | – | – | – | – | – | – | – |
| **Community Assets** | **1 217** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Community Facilities | 1 217 | – | – | – | – | – | – | – | – |
| *Halls* | | | – | – | – | – | – | – | – |
| Sport and Recreation Facilities | – | – | – | – | – | – | – | – | – |
| *Outdoor Facilities* | – | – | – | – | – | – | – | – | – |
| **Other assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | – | – | – | – | – | – | – | – | – |
| *Municipal Offices* | – | – | – | – | – | – | – | – | – |
| Housing | – | – | – | – | – | – | – | – | – |
| *Social Housing* | – | – | – | – | – | – | – | – | – |
| **Computer Equipment** | – | – | – | – | – | – | – | – | – |
| Computer Equipment | – | – | – | – | – | – | – | – | – |
| **Total Capital Expenditure on renewal of existing asse** | **29 644** | **–** | **3 606** | **25 621** | **25 050** | **25 050** | **23 050** | **19 200** | **17 700** |
| ***Renewal of Existing Assets as % of total capex*** | *0,0%* | *0,0%* | *1,7%* | *8,4%* | *8,9%* | *8,9%* | *9,9%* | *13,5%* | *18,5%* |
| ***Renewal of Existing Assets as % of deprecn"*** | *22,0%* | *0,0%* | *2,7%* | *18,1%* | *17,7%* | *17,7%* | *15,8%* | *13,3%* | *12,3%* |

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

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Repairs and maintenance expenditure by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **117 901** | **145 959** | **134 766** | **141 901** | **143 636** | **143 636** | **147 905** | **156 594** | **162 331** |
| Roads Infrastructure | 53 229 | 61 860 | 65 691 | 67 578 | 67 622 | 67 622 | 67 345 | 72 456 | 76 751 |
| *Roads* | 53 229 | 61 860 | 61 812 | 63 837 | 63 881 | 63 881 | 67 345 | 72 456 | 76 751 |
| *Road Structures* | | | 3 879 | 3 741 | 3 741 | 3 741 | – | – | – |
| Storm water Infrastructure | 6 017 | 5 765 | 4 749 | 6 159 | 6 189 | 6 189 | 7 695 | 8 049 | 8 421 |
| *Drainage Collection* | | 5 765 | 2 558 | 2 811 | 2 811 | 2 811 | – | – | – |
| *Storm water Conveyance* | 6 017 | | 2 192 | 3 348 | 3 378 | 3 378 | 7 695 | 8 049 | 8 421 |
| Electrical Infrastructure | 17 645 | 23 082 | 36 812 | 31 243 | 32 317 | 32 317 | 33 314 | 34 658 | 34 905 |
| *Power Plants* | | | 383 | – | – | – | – | – | – |
| *HV Transmission Conductors* | 17 645 | | – | 42 | 142 | 142 | – | – | – |
| *MV Networks* | | 23 082 | 33 018 | 28 758 | 29 582 | 29 582 | – | – | – |
| *LV Networks* | | | 3 411 | 2 443 | 2 593 | 2 593 | 33 314 | 34 658 | 34 905 |
| Water Supply Infrastructure | 15 014 | 17 367 | 16 161 | 19 710 | 19 710 | 19 710 | 21 475 | 22 493 | 22 858 |
| *Water Treatment Works* | 15 014 | | – | – | | | 575 | 595 | 621 |
| Sanitation Infrastructure | 13 051 | 14 967 | 10 072 | 13 262 | 13 920 | 13 920 | 12 133 | 12 706 | 12 960 |
| *Reticulation* | | | 800 | – | | | 6 917 | 7 224 | 7 237 |
| *Waste Water Treatment Works* | 13 051 | 14 967 | 9 134 | 13 262 | 13 920 | 13 920 | 5 216 | 5 482 | 5 723 |
| *Outfall Sewers* | | | 138 | – | | | – | – | – |
| *Toilet Facilities* | – | – | – | – | | | – | – | – |
| *Capital Spares* | – | – | – | – | | | – | – | – |
| Solid Waste Infrastructure | 12 946 | 22 918 | 1 168 | 3 691 | 3 651 | 3 651 | 5 944 | 6 232 | 6 436 |
| *Waste Transfer Stations* | 12 946 | 22 918 | 11 | 1 450 | 1 450 | 1 450 | – | – | – |
| *Waste Processing Facilities* | | | 152 | 836 | 816 | 816 | 1 360 | 1 422 | 1 487 |
| *Waste Drop-off Points* | | | 929 | 1 065 | 1 065 | 1 065 | 4 584 | 4 810 | 4 949 |
| *Waste Separation Facilities* | | | 39 | 258 | 258 | 258 | – | – | – |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| Coastal Infrastructure | – | – | 113 | 216 | 186 | 186 | – | – | – |
| Information and Communication Infrastructure | – | – | – | 42 | 42 | 42 | – | – | – |
| **Community Assets** | **12 289** | **39 801** | **33 597** | **44 758** | **48 340** | **48 340** | **58 357** | **61 260** | **62 119** |
| Community Facilities | 12 289 | 27 117 | 29 422 | 37 242 | 40 524 | 40 524 | 43 317 | 45 311 | 45 753 |
| *Halls* | | 4 287 | 3 502 | 4 885 | 4 885 | 4 885 | 5 052 | 5 307 | 5 232 |
| *Fire/Ambulance Stations* | | | 344 | 385 | 531 | 531 | – | – | – |
| *Testing Stations* | | | – | 124 | 124 | 124 | – | – | – |
| *Libraries* | | 28 | 93 | 191 | 191 | 191 | – | – | – |
| *Cemeteries/Crematoria* | | 1 059 | 693 | 1 047 | 947 | 947 | 1 071 | 1 096 | 1 091 |
| *Police* | | | 209 | 518 | 958 | 958 | – | – | – |
| *Parks* | | | 20 368 | 27 196 | 27 946 | 27 946 | 28 420 | 29 676 | 29 968 |
| *Public Open Space* | 12 289 | 21 743 | 4 213 | 2 647 | 4 694 | 4 694 | 8 183 | 8 608 | 8 812 |
| Sport and Recreation Facilities | – | 12 685 | 4 176 | 7 516 | 7 817 | 7 817 | 15 039 | 15 949 | 16 366 |
| *Outdoor Facilities* | | 12 685 | 4 176 | 7 516 | 7 817 | 7 817 | 15 039 | 15 949 | 16 366 |
| **Other assets** | **–** | **8 009** | **1 582** | **3 410** | **3 302** | **3 302** | **11 914** | **12 304** | **5 587** |
| Operational Buildings | – | 8 009 | 1 582 | 3 373 | 3 065 | 3 065 | 11 914 | 12 304 | 5 587 |
| **Intangible Assets** | – | – | 6 009 | 5 925 | 5 925 | 5 925 | 6 528 | 6 862 | 7 213 |
| **Computer Equipment** | 5 207 | 4 890 | 766 | 2 186 | 2 186 | 2 186 | 2 280 | 2 394 | 2 514 |
| Computer Equipment | 5 207 | 4 890 | 766 | 2 186 | 2 186 | 2 186 | 2 280 | 2 394 | 2 514 |
| **Furniture and Office Equipment** | 17 919 | 16 364 | 242 | 2 811 | 2 803 | 2 803 | 6 095 | 6 312 | 6 527 |
| Furniture and Office Equipment | 17 919 | 16 364 | 242 | 2 811 | 2 803 | 2 803 | 6 095 | 6 312 | 6 527 |
| **Machinery and Equipment** | – | – | – | – | – | – | 5 548 | 6 194 | 6 598 |
| Machinery and Equipment | – | – | – | – | – | – | 5 548 | 6 194 | 6 598 |
| **Transport Assets** | 6 719 | – | 11 555 | 9 914 | 9 914 | 9 914 | 10 940 | 11 401 | 11 882 |
| Transport Assets | 6 719 | | 11 555 | 9 914 | 9 914 | 9 914 | 10 940 | 11 401 | 11 882 |
| **Total Repairs and Maintenance Expenditure** | **160 036** | **215 024** | **188 517** | **210 905** | **216 106** | **216 106** | **249 567** | **263 320** | **264 772** |

## Table 57 MBRR SA34d – Depreciation by asset class

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Depreciation by Asset Class/Sub-class** | | | | | | | | | |
| **Infrastructure** | **111 962** | **112 502** | **106 960** | **117 641** | **117 641** | **117 641** | **115 534** | **111 254** | **111 151** |
| Roads Infrastructure | 32 761 | 33 523 | 33 574 | 33 352 | 33 352 | 33 352 | 37 546 | 37 723 | 38 311 |
| *Roads* | 32 761 | 32 825 | 33 574 | 33 352 | 33 352 | 33 352 | 37 546 | 37 723 | 38 311 |
| Storm water Infrastructure | 5 822 | 5 827 | 6 342 | 6 899 | 6 899 | 6 899 | 7 720 | 7 993 | 8 008 |
| *Storm water Conveyance* | 5 822 | 5 827 | | | | | – | – | – |
| Electrical Infrastructure | 24 862 | 24 965 | 26 300 | 26 537 | 26 537 | 26 537 | 26 902 | 28 032 | 27 656 |
| *HV Transmission Conductors* | 24 862 | 24 965 | | | | | – | – | – |
| Water Supply Infrastructure | 27 417 | 27 676 | 27 776 | 28 591 | 28 591 | 28 591 | 29 397 | 23 565 | 23 080 |
| *Water Treatment Works* | 27 417 | – | | | | | – | – | – |
| *Distribution* | | 27 444 | 27 717 | 28 591 | 28 591 | 28 591 | 29 397 | 23 565 | 23 080 |
| Sanitation Infrastructure | 16 353 | 16 668 | 9 784 | 19 694 | 19 694 | 19 694 | 10 737 | 10 681 | 10 835 |
| *Reticulation* | | 16 390 | | | | | – | – | – |
| *Waste Water Treatment Works* | 16 353 | – | 9 784 | 19 694 | 19 694 | 19 694 | 10 737 | 10 681 | 10 835 |
| Solid Waste Infrastructure | 4 747 | 3 843 | 3 184 | 2 569 | 2 569 | 2 569 | 3 231 | 3 260 | 3 262 |
| *Landfill Sites* | | 481 | 3 184 | 2 569 | 2 569 | 2 569 | 3 231 | 3 260 | 3 262 |
| *Waste Transfer Stations* | 4 747 | – | | | | | – | – | – |
| **Community Assets** | **–** | **–** | **–** | **15 899** | **15 899** | **15 899** | **–** | **–** | **–** |
| Sport and Recreation Facilities | – | – | – | – | – | – | – | – | – |
| *Indoor Facilities* | – | – | – | – | – | – | – | – | – |
| **Other assets** | **16 673** | **11 971** | **13 452** | **–** | **–** | **–** | **14 720** | **14 913** | **14 928** |
| Operational Buildings | 16 673 | 11 971 | 13 452 | – | – | – | 14 720 | 14 913 | 14 928 |
| *Municipal Offices* | 16 673 | 11 971 | 13 452 | | – | – | 14 720 | 14 913 | 14 928 |
| **Intangible Assets** | 659 | 525 | 447 | 570 | 570 | 570 | 390 | 209 | 420 |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | 659 | 525 | 447 | 570 | 570 | 570 | 390 | 209 | 420 |
| *Computer Software and Applications* | 659 | 525 | 447 | 570 | 570 | 570 | 390 | 209 | 420 |
| *Unspecified* | | | | | | | – | – | – |
| **Computer Equipment** | – | – | – | – | – | – | – | – | – |
| Computer Equipment | – | – | – | – | – | – | – | – | – |
| **Furniture and Office Equipment** | 2 006 | 1 826 | 8 921 | 1 771 | 1 771 | 1 771 | 10 233 | 11 123 | 10 922 |
| Furniture and Office Equipment | 2 006 | 1 826 | 8 921 | 1 771 | 1 771 | 1 771 | 10 233 | 11 123 | 10 922 |
| **Machinery and Equipment** | 724 | 764 | 843 | 663 | 663 | 663 | 1 077 | 1 473 | 1 341 |
| Machinery and Equipment | 724 | 764 | 843 | 663 | 663 | 663 | 1 077 | 1 473 | 1 341 |
| **Transport Assets** | 2 823 | 3 527 | 3 918 | 5 333 | 5 333 | 5 333 | 3 709 | 5 076 | 4 619 |
| Transport Assets | 2 823 | 3 527 | 3 918 | 5 333 | 5 333 | 5 333 | 3 709 | 5 076 | 4 619 |
| **Total Depreciation** | **134 846** | **131 114** | **134 541** | **141 877** | **141 877** | **141 877** | **145 663** | **144 047** | **143 381** |

## 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital expenditure on upgrading of existing assets by Asset Class/Sub-class** | | | | | | | | | |
| | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | **–** | **–** | **11 051** | **50 206** | **44 727** | **44 727** | **35 871** | **38 128** | **42 568** |
| Roads Infrastructure | – | – | – | 200 | 200 | 200 | – | – | – |
| Storm water Infrastructure | – | – | 1 285 | 13 057 | 13 057 | 13 057 | – | – | – |
| *Drainage Collection* | – | – | – | – | | – | – | – | – |
| *Storm water Conveyance* | – | – | 1 285 | 13 057 | 13 057 | 13 057 | – | – | – |
| *Attenuation* | – | – | – | – | – | – | – | – | – |
| Electrical Infrastructure | – | – | 7 871 | 7 350 | 7 350 | 7 350 | – | 7 000 | 10 000 |
| *MV Networks* | – | – | 7 871 | 7 350 | 7 350 | 7 350 | – | 7 000 | 10 000 |
| Water Supply Infrastructure | – | – | 1 863 | 2 500 | 2 500 | 2 500 | 8 315 | 500 | 5 000 |
| *Distribution* | – | – | 1 863 | 2 500 | 2 500 | 2 500 | 8 315 | 500 | 5 000 |
| Sanitation Infrastructure | – | – | 32 | 23 138 | 17 659 | 17 659 | 27 466 | 30 628 | 27 568 |
| *Pump Station* | – | – | – | 8 520 | 6 951 | 6 951 | 14 182 | 14 200 | 4 000 |
| *Reticulation* | – | – | 32 | 9 218 | 9 218 | 9 218 | 6 834 | 6 428 | 14 030 |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| Solid Waste Infrastructure | – | – | – | 3 960 | 3 960 | 3 960 | 90 | – | – |
| *Landfill Sites* | – | – | – | 2 500 | 2 500 | 2 500 | – | – | – |
| *Waste Transfer Stations* | – | – | – | 1 460 | 1 460 | 1 460 | – | – | – |
| *Waste Processing Facilities* | – | – | – | – | | | – | – | – |
| Coastal Infrastructure | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | – | – | – | – | – | – | – | – | – |
| **Community Assets** | **–** | **–** | **7 534** | **12 479** | **8 386** | **8 386** | **2 121** | **–** | **–** |
| Community Facilities | – | – | – | 976 | 906 | 906 | 100 | – | – |
| *Halls* | – | – | – | – | – | – | – | – | – |
| *Fire/Ambulance Stations* | – | – | – | – | – | – | – | – | – |
| *Libraries* | – | – | – | – | – | – | – | – | – |
| Sport and Recreation Facilities | – | – | 7 534 | 11 503 | 7 480 | 7 480 | 2 021 | – | – |
| *Outdoor Facilities* | – | – | 7 534 | 11 503 | 7 480 | 7 480 | 2 021 | – | – |
| *Unimproved Property* | – | – | – | – | – | – | – | – | – |
| **Other assets** | **–** | **–** | **61** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | – | – | 61 | – | – | – | – | – | – |
| *Municipal Offices* | – | – | – | – | – | – | – | – | – |
| **Total Capital Expenditure on upgrading of existing assets** | **–** | **–** | **18 646** | **62 684** | **53 112** | **53 112** | **37 992** | **38 128** | **42 568** |

## 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 | 2021/22 Medium Term Revenue & Expenditure Framework | | | Forecasts | | | |
|---|---|---|---|---|---|---|---|
| R thousand | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Forecast 2024/25 | Forecast 2025/26 | Forecast 2026/27 | Present value |
| **Capital expenditure** | | | | | | | |
| Vote 1 - Council & Mayor's Office | – | – | – | | | | |
| Vote 2 - Municipal Manager & Internal Audit | – | – | – | | | | |
| Vote 3 - Management Services | 3 715 | 6 065 | 3 515 | | | | |
| Vote 4 - Finance | 60 | 60 | 60 | | | | |
| Vote 5 - Infrastructure & Planning | 199 544 | 127 656 | 86 205 | 25 000 | 17 000 | 30 000 | |
| Vote 6 - Protection Services | 3 808 | 350 | 350 | | | | |
| Vote 7 - Economic and Social Development & Tourism | 45 | 45 | 45 | | | | |
| Vote 8 - Community Services | 26 272 | 8 110 | 5 660 | 37 500 | 40 000 | 35 000 | |
| **Total Capital Expenditure** | **233 444** | **142 286** | **95 835** | **62 500** | **57 000** | **65 000** | **–** |
| **Future operational costs by vote** | | | | | | | |
| Vote 1 - Council & Mayor's Office | 37 152 | 37 805 | 38 715 | | | | |
| Vote 2 - Municipal Manager & Internal Audit | 8 017 | 8 216 | 8 526 | | | | |
| Vote 3 - Management Services | 56 813 | 56 883 | 61 831 | | | | |
| Vote 4 - Finance | 95 413 | 100 197 | 113 693 | | | | |
| Vote 5 - Infrastructure & Planning | 433 048 | 525 235 | 583 544 | 18 032 | 18 870 | 19 709 | 245 316 |
| Vote 6 - Protection Services | 111 394 | 119 744 | 124 701 | | | | |
| Vote 7 - Economic and Social Development & Tourism | 17 221 | 14 467 | 15 013 | | | | |
| Vote 8 - Community Services | 458 036 | 488 624 | 506 051 | 12 065 | 12 627 | 13 188 | 164 147 |
| **Total future operational costs** | 1 217 092 | 1 351 169 | 1 452 073 | 30 097 | 31 497 | 32 897 | 409 463 |
| **Future revenue by source** | | | | | | | |
| Property rates | 275 637 | 286 662 | 298 129 | | | | |
| Service charges - electricity revenue | 479 057 | 536 403 | 600 624 | | | | |
| Service charges - water revenue | 132 168 | 137 455 | 142 953 | | | | |
| Service charges - sanitation revenue | 87 631 | 91 137 | 94 782 | | | | |
| Service charges - refuse revenue | 74 741 | 77 731 | 80 840 | | | | |
| Rental of facilities and equipment | 3 440 | 3 148 | 3 273 | | | | |
| Interest earned - external investments | 27 456 | 28 554 | 29 697 | | | | |
| **List entity summary if applicable** | | | | | | | |

# Table 60 MBRR SA36 - Detailed capital budget per municipal vote

| R thousand | | | | | | | | | | | | 2021/22 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 Lattitude | Audited Outcome 2019/20 | Current Year 2020/21 Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Parent municipality:** | | | | | | | | | | | | | | | |
| *List all capital projects grouped by Function* | | | | | | | | | | | | | | | |
| | | | | | | | | | | | 2 | 466 | | | |
| EXECUTIVE & COUNCIL | MINOR ASSETS-COUNCIL | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Furniture and Office Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 5 | 5 | 5 |
| | | | | | | | | | | | 4 048 | 3 070 | | | |
| FINANCE AND ADMINISTRATION | EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 600 | 600 | 600 |
| FINANCE AND ADMINISTRATION | VIDEO CONFERENCE EQUIPMENT | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 250 | 250 | 250 |
| FINANCE AND ADMINISTRATION | MINOR ASSETS ICT ORGANIZATION WIDE | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 1 400 | 3 750 | 1 200 |
| FINANCE AND ADMINISTRATION | UPS REPLACEMENT | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 300 | 300 | 300 |
| FINANCE AND ADMINISTRATION | DR HOST SERVER WITH ATTACHED STORAGE-REPLACEMENT EOL | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 250 | 250 | 250 |
| FINANCE AND ADMINISTRATION | DATA CENTRE VIRTUAL SERVER HOST REPLACEMENT EOL | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Data Centres* | Overstrand | Overstrand | *Overstrand* | | | 300 | 300 | 300 |
| FINANCE AND ADMINISTRATION | NEW HIGH SITE HAWSTON MOUNTAIN | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 600 | 600 | 600 |
| FINANCE AND ADMINISTRATION | MINOR ASSETS FINANCE | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 60 | 60 | 60 |
| FINANCE AND ADMINISTRATION | MINOR ASSETS MANAGEMENT SERVICES | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 10 | 10 | 10 |
| | | | | | | | | | | | 15 694 | 13 168 | | | |
| PUBLIC SAFETY | RAISING GANSBAAI FIRE STATION ROOF | Upgrading | *Social cohesion and safe communities* | *Governance* | 4 | *Operational Buildings* | *Municipal Offices* | Ward 02 | 34°35'54.3"S Degrees | *19°20'45.7"E Degrees* | | | 300 | | |
| PUBLIC SAFETY | GREATER HERMANUS TRAFFIC DEPT REMOVAL OF OBSOLETE OLD ROOFING AND C | New | *Social cohesion and safe communities* | *Governance* | 4 | *Operational Buildings* | *Municipal Offices* | Ward 03 | 34°23'52.81"S Degrees | *19°15'56.13"E Degrees* | | | 1 000 | | |
| PUBLIC SAFETY | ESTABLISHING OF A K53 TEST STATION GANSBAAI | New | *Social cohesion and safe communities* | *Governance* | 4 | *Operational Buildings* | *Municipal Offices* | Ward 14 | 34.4204° S Degrees | *19.2259° E Degrees* | | | 1 052 | | |
| PUBLIC SAFETY | MINOR ASSETS PROTECTION SERVICES | New | *Social cohesion and safe communities* | *Governance* | 4 | *Furniture and Office Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 350 | 350 | 350 |
| PUBLIC SAFETY | VEHICLES PUBLIC SAFETY | New | *Social cohesion and safe communities* | *Governance* | 4 | *Transport Assets* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 866 | | |
| PUBLIC SAFETY | CCTV CAMERAS | New | *Social cohesion and safe communities* | *Governance* | 4 | *Machinery and Equipment* | *Other* | Ward 03 | 34°23'52.81"S Degrees | *19°15'56.13"E Degrees* | | | 50 | | |
| PUBLIC SAFETY | CCTV CAMERAS MOUNT PLEASANT | New | *Social cohesion and safe communities* | *Governance* | 4 | *Machinery and Equipment* | *Other* | Ward 04 | 19.212 Degrees | *34.400 Degrees* | | | 100 | | |
| PUBLIC SAFETY | CCTV FISHERHAVEN | New | *Social cohesion and safe communities* | *Governance* | 4 | *Machinery and Equipment* | *Other* | Ward 08 | 19°12'70"E Degrees | *34°39'70"S Degrees* | | | 40 | | |
| PUBLIC SAFETY | BETTYS BAY CAMERAS | New | *Social cohesion and safe communities* | *Governance* | 4 | *Machinery and Equipment* | *Other* | Ward 10 | 34°20'07.1"S Degrees | *18°59'47.1"E Degrees* | | | 50 | | |
| | | | | | | | | | | | 1 220 | 10 372 | | | |
| PLANNING & DEVELOPMENT | FERNKLOOF NATURE RESERVE FACILITIES | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Nature Reserves* | Ward 03 | 19,265 Degrees | *34,399 Degrees* | | | 2 000 | | |
| PLANNING & DEVELOPMENT | FERNKLOOF NATURE RESERVE FACILITIES | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Nature Reserves* | Ward 03 | 19,265 Degrees | *34,399 Degrees* | | | 2 100 | | |
| PLANNING & DEVELOPMENT | BUILDING CONTROL OFFICE EXTENSION | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Operational Buildings* | *Municipal Offices* | Overstrand | 19,24 Degrees | *34,418 Degrees* | | | 500 | | |
| PLANNING & DEVELOPMENT | ECD CENTRE ESTABLISMENT | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Crèches* | Overstrand | Overstrand | *Overstrand* | | | 475 | | |
| PLANNING & DEVELOPMENT | HAWSTON LANG ERWE TRANSFERS | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Public Open Space* | Ward 08 | 19,129 Degrees | *34,382 Degrees* | | | 147 | | |
| PLANNING & DEVELOPMENT | KLEINMOND COMMUNITY PROJECT OLD KCIH | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Public Open Space* | Ward 09 | 34°20'37,0"S Degrees | *19°00'46,8"E Degrees* | | | 700 | | |
| PLANNING & DEVELOPMENT | MINOR ASSETS LED | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Furniture and Office Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 45 | 45 | 45 |
| PLANNING & DEVELOPMENT | MINOR ASSETS INFRASTRUCTURE &PLANNING | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Furniture and Office Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 370 | 370 | 370 |
| PLANNING & DEVELOPMENT | VEHICLES PLANNING DEVELOPMENT | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Transport Assets* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 250 | | |
| | | | | | | | | | | | 1 330 | 17 312 | | | |
| COMMUNITY AND SOCIAL SERVICI | UPGRADE OF MUNICIPAL YARD ABLUTIONS | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Public Ablution Facilities* | Ward 09 | 34°20'29"S Degrees | *19°00'54,0"E Degrees* | | | 500 | | |
| COMMUNITY AND SOCIAL SERVICI | OFFICE CONTAINER FOR KLEINMOND SLIPWAY | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Operational Buildings* | *Municipal Offices* | Ward 09 | 34°20'42,0"S Degrees | *19°00'50,4"E Degrees* | | | 145 | | |
| COMMUNITY AND SOCIAL SERVICI | MINOR ASSETS COMMUNITY SERVICES | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Furniture and Office Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 760 | 760 | 760 |
| COMMUNITY AND SOCIAL SERVICI | VEHICLES COMMUNITY SERVICES | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Transport Assets* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 348 | | |
| COMMUNITY AND SOCIAL SERVICI | 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 | 19.178 Degrees | *34.418 Degrees* | | | 610 | | |
| COMMUNITY AND SOCIAL SERVICI | ABLUTION FACILITIES ONRUS SWIMMING BEACH | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Public Ablution Facilities* | Ward 13 | 19.178 Degrees | *34.418 Degrees* | | | 633 | | |
| COMMUNITY AND SOCIAL SERVICI | BUS SHELTERS MAIN ROAD | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Public Open Space* | Ward 09 | 34°20'24,7"S Degrees | *34°19'01'55,2"E Degrees* | | | 60 | | |
| COMMUNITY AND SOCIAL SERVICI | UPGRADING OF TOWN HALL | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Halls* | Ward 09 | 19°01'55,2"E Degrees | *19°01'55,2"E Degrees* | | | 110 | | |
| COMMUNITY AND SOCIAL SERVICI | MINOR ASSETS EQUIPMENT FOR TOWN HALL | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Furniture and Office Equipment* | *Other* | Ward 09 | 34°20'24,7"S Degrees | *19°01'55,2"E Degrees* | | | 35 | | |
| COMMUNITY AND SOCIAL SERVICI | NEW ROOF TRADING SWARTDAM ROAD | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Operational Buildings* | *Municipal Offices* | Ward 12 | 19.219 Degrees | *34.426 Degrees* | | | 875 | | |
| COMMUNITY AND SOCIAL SERVICI | NEW ROOF MASAKHANE TRADING AT TAXI RANK | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Taxi Ranks/Bus Terminals* | Ward 02 | 19.357 Degrees | *34.592 Degrees* | | | 80 | | |
| COMMUNITY AND SOCIAL SERVICI | FENCING ZWEHILE TAXI RANK | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Taxi Ranks/Bus Terminals* | Ward 06 | 19.212 Degrees | *34.427 Degrees* | | | 300 | | |
| | | | | | | | | | | | | 772 | | | |
| LIBRARIES | ZWELIHLE LIBRARY | New | *A capable, ethical and developmental state* | *Inclusion and access* | 4 | *Community Facilities* | *Libraries* | Ward 12 | 19.215 Degrees | *34.423 Degrees* | | | 4 374 | | |
| | | | | | | | | | | | 9 981 | 8 588 | | | |
| SPORT & RECREATION | DEVELOPMENT OF BMX TRACK SKATE PARK | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 03 | 19.241 Degrees | *34.408 Degrees* | | | 100 | | |
| SPORT & RECREATION | UPGRADE HAWSTON SPORT COMPLEX | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 08 | 19.126 Degrees | *34.384 Degrees* | | | 600 | | |
| SPORT & RECREATION | UPGRADE HAWSTON SPORT COMPLEX | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 08 | 19.126 Degrees | *34.384 Degrees* | | | 1 139 | | |
| SPORT & RECREATION | UPGRADE HAWSTON SPORT COMPLEX | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 08 | 19.126 Degrees | *34.384 Degrees* | | | 2 021 | | |
| SPORT & RECREATION | UPGRADE HAWSTON SPORT COMPLEX STADIUM | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 08 | 19.126 Degrees | *34.384 Degrees* | | | | 500 | 5 000 |
| SPORT & RECREATION | OVERSTRAND WIDE SPORT FACILITIES | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Overstrand | Overstrand | *Overstrand* | | | 600 | | |
| SPORT & RECREATION | HERMANUS SPORT FACILITY IMPROVEMENT | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 03 | 34°24' Degrees | *31.973 Degrees* | | | 1 900 | | |
| SPORT & RECREATION | STANFORD FENCE SOCCER RUGBY CLUBHOUSES | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 01 | 19.455 Degrees | *34.447 Degrees* | | | 400 | | |
| SPORT & RECREATION | UPGRADE OF PUBLIC BOAT LAUNCHING SITE ABLUTIONS DU TOIT STREET | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Other* | Ward 01 | 19.454 Degrees | *34.437 Degrees* | | | 100 | | |
| SPORT & RECREATION | RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACILITIES | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Other* | Ward 07 | 19.190 Degrees | *34.424 Degrees* | | | 300 | | |
| SPORT & RECREATION | MOUNT PLEASANT UPGRADING OF SPORTSGROUNDS | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 04 | 19.219 Degrees | *34.419 Degrees* | | | 50 | | |
| SPORT & RECREATION | UPGRADING SCHULPHOEK OUTDOOR GYM FENCING | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 12 | 19.207 Degrees | *34.423 Degrees* | | | 200 | | |

# Detailed capital budget per municipal vote (continued)

| R thousand | | | | | | | | | | | | 2021/22 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 Lattitude | Audited Outcome 2019/20 | Current Year 2020/21 Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| | | | | | | | | | | | 85 753 | 42 940 | | | |
| HOUSING | LCH SERVICES CONSTRUCTION CONTRACTS | New | patial integration, human settlements and local governmer | Spatial integration | 4 | Housing | Social Housing | Overstrand | Overstrand | Overstrand | | | 52 259 | 36 458 | 3 267 |
| HOUSING | HAWSTON NEW HOUSING DEVELOPMENT R43 WALL | New | patial integration, human settlements and local governmer | Spatial integration | 4 | Housing | Social Housing | Overstrand | Overstrand | Overstrand | | | 2 100 | | |
| | | | | | | | | | | | 5 645 | 22 586 | | | |
| ROADS | VEHICLES ROADS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Overstrand | Overstrand | Overstrand | | | 1 306 | 3 675 | 2 450 |
| ROADS | SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 02 | 19.360 Degrees | 34.594 Degrees | | | 200 | | |
| ROADS | GANSBAAI SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 02 | 19.352 Degrees | 34.589 Degrees | | | 100 | | |
| ROADS | SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 11 | 19.394 Degrees | 34.607 Degrees | | | 100 | | |
| ROADS | SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 14 | 19.350 Degrees | 34,595 Degrees | | | 100 | | |
| ROADS | SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 14 | 19.351 Degrees | 34.572 Degrees | | | 100 | | |
| ROADS | SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 14 | 19.351 Degrees | 34.588 Degrees | | | 50 | | |
| ROADS | CONSTRUCTION OF NEW CLIFF PATHS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 03 | 19.270 Degrees | 34.409 Degrees | | | 100 | | |
| ROADS | TRAFFIC CALMING | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 03 | 19.246 Degrees | 34.412 Degrees | | | 50 | | |
| ROADS | MOUNT PLEASANT SPEEDCALMING | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 04 | 19.212 Degrees | 34.418 Degrees | | | 25 | | |
| ROADS | MOUNT PLEASANT SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 04 | 19.212 Degrees | 34.419 Degrees | | | 50 | | |
| ROADS | UPGRADING OF FRONT AREA OF HUIS LETTIE THERON | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 04 | 19.231 Degrees | 34.422 Degrees | | | 50 | | |
| ROADS | WESTCLIFF SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 04 | 19.230 Degrees | 34.427 Degrees | | | 75 | | |
| ROADS | VIEWING POINT UPGRADE STILL STREET | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 04 | 19.226 Degrees | 34.432 Degrees | | | 100 | | |
| ROADS | WESTCLIFF SPEEDCALMING | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 04 | 19.225 Degrees | 34.430 Degrees | | | 50 | | |
| ROADS | CONSTRUCTION OF SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 06 | 19.212 Degrees | 34.427 Degrees | | | 200 | | |
| ROADS | CURBING AND TARRING PAVING OF SIDEWALKS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 08 | 19.124 Degrees | 34.357 Degrees | | | 180 | | |
| ROADS | CURBING AND TARRING OF SIDEWALKS HAWSTON | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 08 | 19.137 Degrees | 34.391 Degrees | | | 100 | | |
| ROADS | TRAFFIC CALMING HAWSTON | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 08 | 19.137 Degrees | 34.390 Degrees | | | 50 | | |
| ROADS | ANEMONE ROAD PAVING | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 10 | 34°18'03,1"S Degrees | 18°48'57,6"E Degrees | | | 150 | | |
| ROADS | MOOIUITSIG KERBING | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 10 | 34°21'16,2"S Degrees | 18°52'51,6"E Degrees | | | 25 | | |
| ROADS | PROTEADORP HEIDELAND CRECHE PARKING AREA | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 09 | 34°20'24,0"S Degrees | 19°00'55,8"E Degrees | | | 65 | | |
| ROADS | SPEED CALMING | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 10 | 34°21'57,6"S Degrees | 18°53'06,0"E Degrees | | | 50 | | |
| ROADS | TRAFFIC CALMING | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 01 | 19.451 Degrees | 34.450 Degrees | | | 50 | | |
| ROADS | TRAFFIC CALMING | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 11 | 19.509 Degrees | 34.667 Degrees | | | 50 | | |
| ROADS | TRAFFIC CALMING | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 11 | 34°39'41,7"S Degrees | 19°29'40,2"E Degrees | | | 50 | | |
| ROADS | SIDEWALKS AND SPEED CALMING MEASURES | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 12 | 19.209 Degrees | 34.422 Degrees | | | 150 | | |
| ROADS | CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWAY | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 13 | 19.173 Degrees | 34.417 Degrees | | | 200 | | |
| ROADS | CONSTRUCTION AND EXTENSION OF COASTAL PATH | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 13 | 19.147 Degrees | 34.421 Degrees | | | 200 | | |
| ROADS | UPGRADING OF MARINE DRIVE COASTAL AREA AT JAN RABIE POOL STONE WALL ON | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 13 | 19.163 Degrees | 34.418 Degrees | | | 70 | | |
| ROADS | REVITALISATION OF CBD | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 01 | 19.456 Degrees | 34.440 Degrees | | | 200 | | |
| ROADS | REVITALISATION OF CBD | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 01 | 19.456 Degrees | 34.440 Degrees | | | 400 | | |
| ROADS | BLOMPARK HOUSING PROJECT BUS ROUTE | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 14 | 34°35'54.86"S Degrees | 19°20'49.51"E Degrees | | | 5 583 | 5 000 | |
| ROADS | STANFORD HOUSING PROJECT BUS ROUTE | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 01 | 34.446248 Degrees | 19.448291 Degrees | | | | 4 000 | |
| ROADS | MASAKHANE HOUSING PROJECT BUS ROUTE | New | dating the social wage through reliable and quality basic s | Inclusion and access | 5 | Roads Infrastructure | Roads | Ward 02 | 19°21'39"E Degrees | 34°35'30"S Degrees | | | | 4 000 | 2 000 |
| | | | | | | | | | | | 21 428 | 19 119 | | | |
| ELECTRICITY | FKRAAL KBAAI BHEAD NEW66 11KV SUBSTATION | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Substations | Multi-ward Gb Area | 34°37'5.14"S Degrees | 19°20'3.08"E Degrees | | | 17 000 | 2 100 | 5 000 |
| ELECTRICITY | FKRAAL KBAAI BHEAD NEW66 11KV SUBSTATION | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Substations | Multi-ward Gb Area | 34°37'5.14"S Degrees | 19°20'3.08"E Degrees | | | 11 900 | | |
| ELECTRICITY | FKRAAL KBAAI BHEAD NEW66 11KV SUBSTATION | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Substations | Multi-ward Gb Area | 34°37'5.14"S Degrees | 19°20'3.08"E Degrees | | | 6 500 | | |
| ELECTRICITY | FKRAAL KBAAI BHEAD NEW66 11KV SUBSTATION | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Substations | Multi-ward Gb Area | 34°37'5.14"S Degrees | 19°20'3.08"E Degrees | | | 15 000 | | |
| ELECTRICITY | ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP) | New | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Overstrand | Overstrand | Overstrand | | | 3 519 | 7 000 | 7 000 |
| ELECTRICITY | ELECTRIFICATION OF LOW COST HOUSING AREAS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Overstrand | Overstrand | Overstrand | | | 2 500 | | |
| ELECTRICITY | POWER CABLE TO KLEINMOND SLIPWAY FACILITIES | New | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | LV Networks | Ward 09 | 34°20'42,0"S Degrees | 19°00'50,4"E Degrees | | | 115 | | |
| ELECTRICITY | HERMANUS:MV & LV UPGRADE/REPLACEMENT | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Ward 03 | 34°25'16.83"S Degrees | 19°13'00.62"E Degrees | | | | 3 000 | 6 000 |
| ELECTRICITY | KLEINMOND MV LV NETWORK UPGRADE | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Ward 09 | 34°20'18.35"S Degrees | 19°01'35.31"E Degrees | | | | 2 000 | 2 000 |
| ELECTRICITY | HAWSTON MV LV UPGRADE REPLACEMENT | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Ward 08 | 34°23'09.91"S Degrees | 19°07'56.01"E Degrees | | | | 2 000 | 2 000 |
| ELECTRICITY | VEHICLES ELECTRICITY DISTRIBUTION HM | New | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Transport Assets | Other | Overstrand | Overstrand | Overstrand | | | 2 230 | 3 675 | 2 450 |
| ELECTRICITY | STREET LIGHTS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | Other | Ward 07 | 34°25'00"S Degrees | 19°12'08"E Degrees | | | 100 | | |
| ELECTRICITY | STREET LIGHTS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | Other | Ward 08 | 34°21'36"S Degrees | 19°07'19"E Degrees | | | 30 | | |
| ELECTRICITY | STREET LIGHTS | New | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | Other | Ward 13 | 34°24'55"S Degrees | 19°09'09"E Degrees | | | 30 | | |
| ELECTRICITY | ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY | New | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Electrical Infrastructure | MV Networks | Overstrand | Overstrand | Overstrand | | | 1 000 | | |
| | | | | | | | | | | | 31 752 | 50 036 | | | |
| WATER | REFURBISHMENT OF BULK WATER PIPELINES | Renewal | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Distribution | Overstrand | Overstrand | Overstrand | | | 3 000 | 2 000 | 1 500 |
| WATER | FENCING AT WATER INSTALLATIONS | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 700 | 500 | |
| WATER | REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2) | Replacement | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 10 000 | 10 000 | 7 000 |
| WATER | REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2) | Replacement | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Reticulation | Overstrand | Overstrand | Overstrand | | | 8 000 | | |
| WATER | WATER FACILITIES CONTINGENCY | Replacement | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Pump Stations | Overstrand | Overstrand | Overstrand | | | 400 | 500 | 500 |
| WATER | REFURBISHMENT OF KLEINMOND BUFFELS RIVER WTW | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Works | Multi-ward Kleinmond Area | 18.848" E Degrees | 34.349" S Degrees | | | | 6 000 | 6 000 |
| WATER | ACCESS ROADS TO KLEINMOND BUFFELS RIVER WTW UPGRADE | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Water Treatment Works | Multi-ward Kleinmond Area | 19.019" E Degrees | 34.329" S Degrees | | | 2 000 | | |
| WATER | NEW VOORBERG BOOSTER PUMP STATION | ReNewal | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Pump Stations | Ward 10 | 34°21'28.5"S Degrees | 18°54'15.7"E Degrees | | | | 3 000 | |
| WATER | UPGRADE HERMANUS WELL FIELDS PHASE 2 | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Distribution | Multi-ward Hermanus Area | 19.237" E Degrees | 34.376" S Degrees | | | 2 000 | | |
| WATER | UPGRADE WATER LINES & NEW BOOSTER PUMPSTATION VALVES | Upgrading | dating the social wage through reliable and quality basic s | Inclusion and access | 2 | Water Supply Infrastructure | Pump Stations | Ward 02 | 19°21'39"E Degrees | 34°35'30"S Degrees | | | 4 000 | 3 900 | |

# Detailed capital budget per municipal vote (continued)

| R thousand | | | | | | | | | | | | 2021/22 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 Lattitude | Audited Outcome 2019/20 | Current Year 2020/21 Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| WATER | UPGRADE BULK WATER | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Distribution* | Ward 01 | 34.446248 Degrees | *19.448291 Degrees* | | | 5 615 | | |
| WATER | WATER TREATMENT PLANT FOR BUFFELJAGSBAAI | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Water Treatment Works* | Ward 11 | 34°27'09.0"S Degrees | *19°26'54.0"E Degrees* | | | | | 3 000 |
| WATER | NEW BOOSTER PUMP STATION GANSBAAI TO DE KELDERS AND PIPELINE REFURBISH | ReNewal | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Pump Stations* | Mull-ward Gb Area | 34°37'5.14"S Degrees | *19°20'3.08"E Degrees* | | | | | 2 000 |
| WATER | REFURBISH KRAAIBOSCH PUMP STATION AND PIPELINE | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Pump Stations* | Mull-ward Gb Area | 34°37'5.14"S Degrees | *19°20'3.08"E Degrees* | | | | | 2 000 |
| | | | | | | | | | | | 17 691 | 40 257 | | | |
| SEWERAGE | SEWERAGE FACILITIES CONTINGENCY | Renewal | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | Overstrand | Overstrand | *Overstrand* | | | 650 | 700 | 700 |
| SEWERAGE | KLEINMOND SEWER NETWORK EXTENSION | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Ward 09 | 19.026" E Degrees | *34.338" S Degrees* | | | | 4 000 | 3 300 |
| SEWERAGE | KLEINMOND WWTW REFURBISH UPGRADE | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Mull-ward Kleinmond Area | 18.986" E Degrees | *34.342" S Degrees* | | | 3 450 | 8 000 | 3 000 |
| SEWERAGE | KLEINMOND WWTW REFURBISH UPGRADE | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Mull-ward Kleinmond Area | 18.986" E Degrees | *34.342" S Degrees* | | | | 2 000 | 1 538 |
| SEWERAGE | GANSBAAI CBD SEWER NETWORK EXTENSION | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Ward 02 | 19.352" E Degrees | *34.586" S Degrees* | | | 4 000 | | |
| SEWERAGE | GANSBAAI CBD SEWER NETWORK EXTENSION | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Ward 02 | 19.352" E Degrees | *134.586" S Degrees* | | | 2 250 | | |
| SEWERAGE | FENCING AT SEWERAGE INSTALLATIONS | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Overstrand | Overstrand | *Overstrand* | | | 800 | | |
| SEWERAGE | FENCING AT SEWERAGE INSTALLATIONS | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Overstrand | 19.209" E Degrees | *34.429" S Degrees* | | | 1 200 | | |
| SEWERAGE | UPGRADING OF PUMPSTATIONS RISING MAINS | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | Overstrand | 19.210" E Degrees | *34.425" S Degrees* | | | 4 000 | 5 000 | 4 000 |
| SEWERAGE | UPGRADING OF PUMPSTATIONS RISING MAINS | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | Overstrand | 19.210" E Degrees | *34.425" S Degrees* | | | 5 000 | | |
| SEWERAGE | UPGRADING OF PUMPSTATIONS RISING MAINS | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | Overstrand | 19.210" E Degrees | *34.425" S Degrees* | | | 5 182 | 9 200 | |
| SEWERAGE | HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Mull-ward Hermanus Area | 19.209" E Degrees | *34.427" S Degrees* | | | 3 000 | | |
| SEWERAGE | HAWSTON WWTW REFURBISH AND UPGRADE | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Ward 08 | 34°23'09.91"S Degrees | *19°07'56.01"E Degrees* | | | | | 5 000 |
| SEWERAGE | UPGRADE BULK SEWER SUPPLY AREA A&B | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Ward 02 | 34,59319,362 Degrees | *34,59319,362 Degrees* | | | 4 834 | 5 228 | 10 530 |
| SEWERAGE | ZWELIHLE SEWER | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Mull-ward HM Area | 19.218" E Degrees | *34.433" S Degrees* | | | | | 3 500 |
| SEWERAGE | REFURBISH HERMANUS WWTW TREATED EFFLUENT IRRIGATION PIPELINE | Upgrading | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Mull-ward Hermanus Area | 19.266 Degrees | *34.398 Degrees* | | | | 1 200 | |
| | | | | | | | | | | | 9 202 | 29 378 | | | |
| STORMWATER | STORMWATER AD HOC | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.403 Degrees | *34.430 Degrees* | | | 1 500 | | |
| STORMWATER | STORMWATER NETWORK | Upgrade | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 10 | 34°22'13,8"S Degrees | *18°53'29,0"E Degrees* | | | 1 000 | | |
| STORMWATER | STORMWATER NETWORK | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 05 | 19.212 Degrees | *34.429 Degrees* | | | 1 000 | | |
| STORMWATER | SANDBAAI BOULEVARD STORMWATER PROJECT | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 07 | 19.197 Degrees | *34.421 Degrees* | | | 1 250 | | |
| STORMWATER | STORMWATER AD HOC | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 01 | 19.451 Degrees | *34.450 Degrees* | | | 50 | | |
| STORMWATER | STORMWATER AD HOC | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 01 | 19.458 Degrees | *34.441 Degrees* | | | 50 | | |
| STORMWATER | STORMWATER | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 02 | 19.349 Degrees | *34.579 Degrees* | | | 100 | | |
| STORMWATER | STORMWATER AD HOC | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 02 | 19.398 Degrees | *34.607 Degrees* | | | 100 | | |
| STORMWATER | STORMWATER AD HOC | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.398 Degrees | *34.607 Degrees* | | | 100 | | |
| STORMWATER | STORMWATER AD HOC | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.571 Degrees | *34.588 Degrees* | | | 50 | | |
| STORMWATER | STORMWATER AD HOC | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.509 Degrees | *34.667 Degrees* | | | 50 | | |
| STORMWATER | STORMWATER AD HOC | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.488 Degrees | *34.652 Degrees* | | | 100 | | |
| STORMWATER | STORM WATER DRAINS | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 05 | 19.212 Degrees | *34.429 Degrees* | | | 300 | | |
| STORMWATER | SUBSOIL DRAINAGE | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 05 | 19.212 Degrees | *34.430 Degrees* | | | 200 | | |
| STORMWATER | INSTALLATION OF SUBSOIL DRAINAGE | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 06 | 19.212 Degrees | *34.427 Degrees* | | | 200 | | |
| STORMWATER | STORMWATER AND TARRING OF CIRCLES HAWSTON | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 08 | 19.133 Degrees | *34.383 Degrees* | | | 100 | | |
| STORMWATER | STORMWATER | Upgrade | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 10 | 34°18'25,2"S Degrees | *18°49'03,7"E Degrees* | | | 30 | | |
| STORMWATER | STORMWATER DRAINS | New | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 12 | 19.219 Degrees | *34.426 Degrees* | | | 150 | | |
| | | | | | | | | | | | 7 311 | 22 024 | | | |
| WASTE MANAGEMENT | VOELKLIP DROP OFF AND MINI DROP OFF ELECTRIC FENCING | Upgrade | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Solid Waste Infrastructure* | *Waste Drop-off Points* | Ward 03 | 34,41242966 Degrees | *19,27846574 Degrees* | | | 90 | | |
| WASTE MANAGEMENT | HERMANUS TRANSFER STATION:NEW BOUNDARY WALL (F1/2) | Renewal | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Solid Waste Infrastructure* | *Waste Transfer Stations* | Ward 12 | 19.218 Degrees | *34.425 Degrees* | | | 1 250 | | |
| WASTE MANAGEMENT | HERMANUS TRANSFER STATION:NEW BOUNDARY WALL (F2/2) | Renewal | *idating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Solid Waste Infrastructure* | *Waste Transfer Stations* | Ward 12 | 19.218 Degrees | *34.425 Degrees* | | | 770 | | |
| **Parent Capital expenditure** | | | | | | | | | | | **211 056** | **280 086** | **233 444** | **142 286** | **95 835** |

## Table 61 MBRR SA37 - Projects delayed from previous financial year

| R thousand | | | | | | | | | | | Current Year 2020/21 | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Function | Project name | Type | MTSF Service Outcome | IUDF | Own Strate | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | Original Budget | Full Year Forecast | Budget Year | Budget Year +1 | Budget Year +2 |
| **Parent municipality:** | | | | | | | | | | | | | | | |
| *List all capital projects grouped by Function* | | | | | | | | | | | | | | | |
| PLANNING & DEVELOPMENT | BUILDING CONTROL OFFICE EXTENSION | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Operational Buildings* | *Municipal Offices* | *Overstrand* | *19,24 Degrees* | *34,418 Degrees* | 1 000 | 500 | 500 | | |
| PLANNING & DEVELOPMENT | ECD CENTRE ESTABLISMENT | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Crèches* | *Overstrand* | *Overstrand* | *Overstrand* | 475 | – | 475 | | |
| PLANNING & DEVELOPMENT | HAWSTON LANG ERWE TRANSFERS | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Public Open Space* | *Ward 08* | *19,129 Degrees* | *34,382 Degrees* | 150 | – | 147 | | |
| PLANNING & DEVELOPMENT | FERNKLOOF NATURE RESERVE FACILITIES | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Nature Reserves* | *Ward 03* | *19,265 Degrees* | *34,399 Degrees* | 2 100 | – | 2 100 | | |
| 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 Degrees* | *34.384 Degrees* | 600 | – | 600 | | |
| 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 Degrees* | *34.384 Degrees* | 1 637 | 498 | 1 139 | | |
| SPORT & RECREATION | UPGRADE HERMANUS WELL FIELDS PHASE 2 | Upgrading | *Consolidating the social wage through reliable and quality basic services* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Distribution* | *Multi-ward HM Area* | *19.237° E Degrees* | *34.376° S Degrees* | 6 000 | 4 000 | 2 000 | | |
| SEWERAGE | GANSBAAI CBD SEWER NETWORK EXTENSION | New | *Consolidating the social wage through reliable and quality basic services* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | *Ward 02* | *19.352° E Degrees* | *34.586° S Degrees* | 4 000 | 1 750 | 2 250 | | |
| COMMUNITY AND SOCIAL SERVICES | 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* | *19.178 Degrees* | *34.418 Degrees* | 750 | 140 | 610 | | |
| COMMUNITY AND SOCIAL SERVICES | ABLUTION FACILITIES ONRUS SWIMMING BEACH | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Public Ablution Facilities* | *Ward 13* | *19.178 Degrees* | *34.418 Degrees* | 633 | 0 | 633 | | |
| SEWERAGE | UPGRADING OF PUMPSTATIONS RISING MAINS | Upgrading | *Consolidating the social wage through reliable and quality basic services* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | *Overstrand* | *19.210° E Degrees* | *34.425° S Degrees* | 4 600 | 8 300 | 5 000 | | |

## 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 SDBIP document will be tabled in council as part of the IDP.

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

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

8. Policies
   All budget related policies have been reviewed and will be tabled in Council on 31 March 2021.

## 2.14 Other supporting documents

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

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| REVENUE ITEMS: | | | | | | | | | |
| Property rates | | | | | | | | | |
| Total Property Rates | 267 473 | 284 076 | 240 914 | 262 551 | 259 241 | 259 241 | 275 637 | 286 662 | 298 129 |
| *less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)* | 51 711 | 50 983 | | | | | – | – | – |
| **Net Property Rates** | **215 763** | **233 093** | **240 914** | **262 551** | **259 241** | **259 241** | **275 637** | **286 662** | **298 129** |
| Service charges - electricity revenue | | | | | | | | | |
| Total Service charges - electricity revenue | 349 298 | 378 693 | 415 947 | 386 294 | 386 294 | 386 294 | 479 057 | 536 403 | 600 624 |
| *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)*** | – | – | – | – | – | – | – | – | – |
| **Net Service charges - electricity revenue** | **349 298** | **378 693** | **415 947** | **386 294** | **386 294** | **386 294** | **479 057** | **536 403** | **600 624** |
| Service charges - water revenue | | | | | | | | | |
| Total Service charges - water revenue | **110 932** | **130 637** | **133 628** | **128 520** | **128 520** | **128 520** | **132 168** | **137 455** | **142 953** |
| *less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)* | | **779** | | | | | | | |
| ***less Cost of Free Basic Services (6 kilolitres per indigent household per month)*** | – | – | – | – | – | – | – | – | – |
| **Net Service charges - water revenue** | **110 932** | **129 858** | **133 628** | **128 520** | **128 520** | **128 520** | **132 168** | **137 455** | **142 953** |
| Service charges - sanitation revenue | | | | | | | | | |
| Total Service charges - sanitation revenue | **72 106** | **78 037** | **80 871** | **78 913** | **78 913** | **78 913** | 87 631 | 91 137 | 94 782 |
| *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)*** | – | – | – | – | – | – | – | – | – |
| **Net Service charges - sanitation revenue** | **72 106** | **77 719** | **80 871** | **78 913** | **78 913** | **78 913** | **87 631** | **91 137** | **94 782** |
| Service charges - refuse revenue | | | | | | | | | |
| Total refuse removal revenue | 57 775 | 61 763 | 69 102 | 69 482 | 69 482 | 69 482 | 74 741 | 77 731 | 80 840 |
| 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)*** | – | – | – | – | – | – | – | – | – |
| **Net Service charges - refuse revenue** | **57 775** | **61 763** | **69 102** | **69 482** | **69 482** | **69 482** | **74 741** | **77 731** | **80 840** |
| Other Revenue by source | | | | | | | | | |
| *Discontinued Operations* | | | | | | | – | – | – |
| Rent on Land | | | | | | | 1 106 | 1 150 | 1 195 |
| Operational Revenue | | | | | | | 6 039 | 5 568 | 5 630 |
| Intercompany/Parent-subsidiary Transactions | | | | | | | – | – | – |
| Surcharges and Taxes | | | | | | | – | – | – |
| Sales of Goods and Rendering of Services | 48 492 | 83 673 | 143 186 | 113 998 | 96 604 | 96 604 | 120 265 | 85 542 | 36 737 |
| **Total 'Other' Revenue** | **48 492** | **83 673** | **143 186** | **113 998** | **96 604** | **96 604** | **127 409** | **92 259** | **43 563** |

## Supporting detail to budgeted financial performance (Continued)

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **EXPENDITURE ITEMS:** | | | | | | | | | |
| **Employee related costs** | | | | | | | | | |
| Basic Salaries and Wages | 296 682 | 368 000 | 382 527 | 435 325 | 440 972 | 440 972 | 290 794 | 303 976 | 321 376 |
| Pension and UIF Contributions | | | | | | | 48 870 | 51 014 | 51 385 |
| Medical Aid Contributions | | | | | | | 17 876 | 18 741 | 19 437 |
| Overtime | | | | | | | 317 | 331 | 346 |
| Performance Bonus | | | | | | | 22 518 | 23 343 | 24 024 |
| Motor Vehicle Allowance | | | | | | | 8 255 | 8 258 | 8 266 |
| Cellphone Allowance | | | | | | | 2 465 | 2 465 | 2 450 |
| Housing Allowances | | | | | | | 2 674 | 2 724 | 2 700 |
| Other benefits and allowances | | | | | | | 53 537 | 55 474 | 57 614 |
| Payments in lieu of leave | | | | | | | – | – | – |
| Long service awards | | | | | | | 3 230 | 3 230 | 3 230 |
| Post-retirement benefit obligations | | | | | | | 11 208 | 11 208 | 11 208 |
| *sub-total* | **296 682** | **368 000** | **382 527** | **435 325** | **440 972** | **440 972** | **461 745** | **480 765** | **502 037** |
| Less: Employees costs capitalised to PPE | – | – | – | – | – | – | – | – | – |
| **Total Employee related costs** | **296 682** | **368 000** | **382 527** | **435 325** | **440 972** | **440 972** | **461 745** | **480 765** | **502 037** |
| **Contributions recognised - capital** | | | | | | | | | |
| *List contributions by contract* | | | | | | | 13 201 | 1 312 | 1 324 |
| **Total Contributions recognised - capital** | **–** | **–** | **–** | **–** | **–** | **–** | **13 201** | **1 312** | **1 324** |
| **Depreciation & asset impairment** | | | | | | | | | |
| Depreciation of Property, Plant & Equipment | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | 145 272 | 143 839 | 142 961 |
| Lease amortisation | | | | | | | 390 | 209 | 420 |
| Capital asset impairment | | | | | | | – | – | – |
| Depreciation resulting from revaluation of PPE | | | | | | | – | – | – |
| **Total Depreciation & asset impairment** | **134 846** | **131 114** | **134 541** | **141 877** | **141 877** | **141 877** | **145 663** | **144 047** | **143 381** |
| **Bulk purchases** | | | | | | | | | |
| Electricity Bulk Purchases | 225 844 | 242 614 | 278 485 | 270 260 | 270 260 | 270 260 | 318 669 | 347 031 | 377 917 |
| Water Bulk Purchases | | | | | | | – | – | – |
| **Total bulk purchases** | **225 844** | **242 614** | **278 485** | **270 260** | **270 260** | **270 260** | **318 669** | **347 031** | **377 917** |
| **Transfers and grants** | | | | | | | | | |
| Cash transfers and grants | – | 486 | 560 | 11 610 | 8 300 | 8 300 | 12 324 | 12 557 | 13 060 |
| Non-cash transfers and grants | 1 800 | – | – | – | – | – | – | – | – |
| **Total transfers and grants** | **1 800** | **486** | **560** | **11 610** | **8 300** | **8 300** | **12 324** | **12 557** | **13 060** |
| **Contracted services** | | | | | | | | | |
| *Outsourced Services* | | | | | | | 103 800 | 109 073 | 114 563 |
| *Consultants and Professional Services* | | | | | | | 38 471 | 38 687 | 41 271 |
| *Contractors* | 167 079 | 186 336 | 177 914 | 222 414 | 229 349 | 229 349 | 97 644 | 102 734 | 107 933 |
| **Total contracted services** | **167 079** | **186 336** | **177 914** | **222 414** | **229 349** | **229 349** | **239 915** | **250 494** | **263 768** |

## Supporting detail to budgeted financial performance (Continued)

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Other Expenditure By Type | | | | | | | | | |
| Collection costs | | | | | | | 6 642 | 7 041 | 7 463 |
| Contributions to 'other' provisions | | | | | | | 10 200 | 10 200 | 10 200 |
| Audit fees | | | | | | | 5 561 | 5 561 | 5 561 |
| General expenses | 55 726 | 71 333 | 90 183 | 123 315 | 112 917 | 112 917 | | | |
| Operating Leases | | | | | | | 1 611 | 1 624 | 1 637 |
| *Operational Cost* | | | | | | | 117 548 | 100 419 | 86 733 |
| *Statutory Payments other than Income Taxes* | | | | | | | – | – | – |
| **Total 'Other' Expenditure** | **55 726** | **71 333** | **90 183** | **123 315** | **112 917** | **112 917** | **141 561** | **124 845** | **111 594** |
| **Repairs and Maintenance by Expenditure Item** | | | | | | | | | |
| Employee related costs | 53 689 | 89 415 | 96 484 | 100 057 | 100 057 | 100 057 | 126 198 | 132 440 | 135 115 |
| Other materials | 30 000 | 17 594 | 18 615 | 20 206 | 24 131 | 24 131 | 20 700 | 22 613 | 23 360 |
| Contracted Services | 67 791 | 85 762 | 58 168 | 79 701 | 79 701 | 79 701 | 91 724 | 96 878 | 94 442 |
| Other Expenditure | 8 555 | 22 253 | 15 250 | 10 941 | 12 217 | 12 217 | 10 945 | 11 389 | 11 856 |
| **Total Repairs and Maintenance Expenditure** | 160 036 | 215 024 | 188 517 | 210 905 | 216 106 | 216 106 | 249 567 | 263 320 | 264 772 |

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

| Description<br>R thousand | Vote 1 - Council & Mayor's Office | Vote 2 - Municipal Manager & Internal Audit | Vote 3 - Management Services | Vote 4 - Finance | Vote 5 - Infrastructure & Planning | Vote 6 - Protection Services | Vote 7 - Economic and Social Development & Tourism | Vote 8 - Community Services | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Revenue By Source** | | | | | | | | | |
| Property rates | – | – | – | 275 637 | – | – | – | – | **275 637** |
| Service charges - electricity revenue | – | – | – | 676 | 478 381 | – | – | – | **479 057** |
| Service charges - water revenue | – | – | – | 52 | – | – | – | 132 116 | **132 168** |
| Service charges - sanitation revenue | – | – | – | – | – | 1 | – | 87 630 | **87 631** |
| Service charges - refuse revenue | – | – | – | – | – | – | – | 74 741 | **74 741** |
| Service charges - other | – | – | – | – | – | – | – | – | **–** |
| Rental of facilities and equipment | – | – | – | – | 0 | – | 63 | 3 377 | **3 440** |
| Interest earned - external investments | – | – | – | 27 456 | – | – | – | – | **27 456** |
| Interest earned - outstanding debtors | – | – | – | 4 680 | – | – | – | 0 | **4 681** |
| Dividends received | – | – | – | – | – | – | – | – | **–** |
| Fines, penalties and forfeits | – | – | – | 0 | 75 | 28 137 | – | 10 | **28 223** |
| Licences and permits | – | – | – | – | – | 1 737 | – | 302 | **2 039** |
| Agency services | – | – | – | – | – | 6 670 | – | 10 | **6 680** |
| Other revenue | 94 | – | 869 | 8 599 | 120 480 | 566 | 1 | 5 025 | **135 634** |
| Transfers and subsidies | 31 191 | – | – | 1 550 | 41 530 | 2 420 | 2 774 | 60 228 | **139 692** |
| Gains | – | – | – | – | – | – | – | – | **–** |
| **Total Revenue (excluding capital transfers and contributions)** | **31 285** | **–** | **869** | **318 650** | **640 466** | **39 531** | **2 838** | **363 440** | **1 397 079** |
| **Expenditure By Type** | | | | | | | | | |
| Employee related costs | 15 450 | 7 015 | 30 431 | 50 751 | 71 310 | 74 542 | 12 114 | 200 132 | **461 745** |
| Remuneration of councillors | 12 509 | – | – | – | – | – | – | – | **12 509** |
| Debt impairment | – | – | – | 300 | 300 | 20 000 | – | 900 | **21 500** |
| Depreciation & asset impairment | 6 | 15 | 1 764 | 185 | 27 480 | 833 | 134 | 115 245 | **145 663** |
| Finance charges | – | – | – | 56 | 16 877 | – | – | 34 871 | **51 804** |
| Bulk purchases | – | – | – | – | 318 669 | – | – | – | **318 669** |
| Other materials | 25 | 63 | 1 882 | 450 | 6 569 | 2 644 | 395 | 32 817 | **44 846** |
| Contracted services | 273 | 640 | 8 026 | 8 853 | 114 215 | 12 508 | 1 704 | 93 698 | **239 915** |
| Transfers and subsidies | 250 | – | – | 12 074 | – | – | – | – | **12 324** |
| Other expenditure | 8 640 | 283 | 18 425 | 22 803 | 77 171 | 4 675 | 2 918 | 6 645 | **141 561** |
| Losses | – | – | – | – | – | – | – | – | **–** |
| **Total Expenditure** | **37 152** | **8 017** | **60 528** | **95 473** | **632 592** | **115 201** | **17 266** | **484 308** | **1 450 536** |
| **Surplus/(Deficit)** | **(5 867)** | **(8 017)** | **(59 659)** | **223 177** | **7 875** | **(75 670)** | **(14 428)** | **(120 868)** | **(53 457)** |
| Transfers and subsidies - capital (monetary allocations) | **–** | **–** | **–** | **–** | **19 119** | **–** | **–** | **27 235** | **46 354** |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | – | – | – | – | 12 500 | – | – | 701 | **13 201** |
| Transfers and subsidies - capital (in-kind - all) | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Surplus/(Deficit) after capital transfers & contributions** | **(5 867)** | **(8 017)** | **(59 659)** | **223 177** | **39 494** | **(75 670)** | **(14 428)** | **(92 932)** | **6 098** |

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

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **ASSETS** | | | | | | | | | |
| **Call investment deposits** | | | | | | | | | |
| Call deposits | 380 514 | 409 200 | 510 243 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 |
| Other current investments | | | | | | | – | – | – |
| **Total Call investment deposits** | **380 514** | **409 200** | **510 243** | **400 000** | **400 000** | **400 000** | **400 000** | **400 000** | **400 000** |
| **Consumer debtors** | | | | | | | | | |
| Consumer debtors | 86 731 | 100 108 | 128 965 | 111 229 | 125 132 | 125 132 | 135 848 | 148 894 | 164 498 |
| Less: Provision for debt impairment | (21 774) | (26 108) | (40 486) | (27 340) | (40 641) | (40 641) | (42 141) | (43 641) | (45 141) |
| **Total Consumer debtors** | **64 957** | **74 000** | **88 479** | **83 889** | **84 491** | **84 491** | **93 706** | **105 253** | **119 357** |
| **Debt impairment provision** | | | | | | | | | |
| Balance at the beginning of the year | 20 593 | 21 774 | 26 108 | 22 260 | 40 486 | 40 486 | 40 641 | 42 141 | 43 641 |
| Contributions to the provision | 1 983 | 5 162 | 15 037 | 5 980 | 896 | 896 | 2 000 | 2 000 | 2 000 |
| Bad debts written off | (803) | (828) | (659) | (900) | (741) | (741) | (500) | (500) | (500) |
| **Balance at end of year** | **21 774** | **26 108** | **40 486** | **27 340** | **40 641** | **40 641** | **42 141** | **43 641** | **45 141** |
| **Property, plant and equipment (PPE)** | | | | | | | | | |
| PPE at cost/valuation (excl. finance leases) | 5 494 662 | 5 680 408 | 5 892 119 | 6 218 462 | 6 194 810 | 6 194 810 | 6 428 254 | 6 570 540 | 6 666 375 |
| Leases recognised as PPE | | | | | | | – | – | – |
| Less: Accumulated depreciation | 2 148 466 | 2 274 979 | 2 403 421 | 2 552 236 | 2 552 236 | 2 552 236 | 2 697 508 | 2 841 347 | 2 984 308 |
| **Total Property, plant and equipment (PPE)** | **3 346 195** | **3 405 429** | **3 488 698** | **3 666 226** | **3 642 574** | **3 642 574** | **3 730 746** | **3 729 193** | **3 682 067** |
| **LIABILITIES** | | | | | | | | | |
| **Current liabilities - Borrowing** | | | | | | | | | |
| Short term loans (other than bank overdraft) | | | | | | | – | – | – |
| Current portion of long-term liabilities | (33 448) | (39 725) | (45 458) | (52 751) | (52 751) | (52 751) | (42 448) | (46 521) | (34 910) |
| **Total Current liabilities - Borrowing** | **(33 448)** | **(39 725)** | **(45 458)** | **(52 751)** | **(52 751)** | **(52 751)** | **(42 448)** | **(46 521)** | **(34 910)** |
| **Trade and other payables** | | | | | | | | | |
| Trade Payables | (98 032) | (97 922) | (134 897) | (104 604) | (98 955) | (98 955) | (109 696) | (115 238) | (153 971) |
| Other Creditors | (21 776) | (10 041) | (31 133) | | | | – | – | – |
| Unspent conditional transfers | | | | | | | – | – | – |
| **VAT** | | | | | | | – | – | – |
| Total Trade and other payables | (119 809) | (107 963) | (166 030) | (104 604) | (98 955) | (98 955) | (109 696) | (115 238) | (153 971) |
| Non current liabilities - Borrowing | | | | | | | | | |
| Borrowing | (408 658) | (422 933) | (431 475) | (430 260) | (430 260) | (430 260) | (389 725) | (393 204) | (408 295) |
| **Finance leases (including PPP asset element)** | | | | | | | – | – | – |
| Total Non current liabilities - Borrowing | (408 658) | (422 933) | (431 475) | (430 260) | (430 260) | (430 260) | (389 725) | (393 204) | (408 295) |
| Provisions - non-current | | | | | | | | | |
| *Retirement benefits* | (98 747) | (108 914) | (92 981) | (132 766) | (132 766) | (132 766) | (106 441) | (111 763) | (117 351) |
| List other major provision items | | | | | | | | | |
| Refuse landfill site rehabilitation | (92 013) | (98 402) | (98 409) | (106 868) | (106 868) | (106 868) | (105 802) | (105 834) | (106 197) |
| **Other** | **(14 291)** | **(14 841)** | **(17 868)** | **(17 351)** | **(17 351)** | **(17 351)** | **(19 638)** | **(20 601)** | **(21 614)** |
| Total Provisions - non-current | (205 051) | (222 157) | (209 257) | (256 985) | (256 985) | (256 985) | (231 880) | (238 198) | (245 161) |
| **CHANGES IN NET ASSETS** | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | | | | | | | | |
| Accumulated Surplus/(Deficit) - opening balance | 3 293 898 | 3 422 258 | 3 527 808 | 3 605 894 | 3 605 894 | 3 605 894 | 3 654 426 | 3 753 971 | 3 770 496 |
| GRAP adjustments | (15 766) | (502) | 471 | | | | – | – | – |
| Restated balance | 3 278 133 | 3 421 756 | 3 528 279 | 3 605 894 | 3 605 894 | 3 605 894 | 3 654 426 | 3 753 971 | 3 770 496 |
| Surplus/(Deficit) | 144 131 | 106 526 | 142 197 | (54 518) | (46 131) | (46 131) | 6 098 | (1 386) | (18 508) |
| Transfers to/from Reserves | (5) | (3) | (0) | (6) | (6) | (6) | 750 | 750 | 750 |
| Depreciation offsets | | | | | | | – | – | – |
| **Other adjustments** | | | | **100 020** | **94 668** | **94 668** | **92 697** | **17 161** | **30 355** |
| **Accumulated Surplus/(Deficit)** | **3 422 258** | **3 528 279** | **3 670 476** | **3 651 390** | **3 654 426** | **3 654 426** | **3 753 971** | **3 770 496** | **3 783 093** |
| **Reserves** | | | | | | | | | |
| Housing Development Fund | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 |
| Capital replacement | | | | | | | – | – | – |
| Self-insurance | | | | | | | – | – | – |
| Other reserves | | | | | | | | | |
| Compensation for Occupational Injuries and Diseases | | | | | | | – | – | – |
| Employee Benefit Reserve | | | | | | | – | – | – |
| Non-current Provisions Reserve | | | | | | | – | – | – |
| Valuation Reserve | | | | | | | – | – | – |
| Investment in associate account | | | | | | | – | – | – |
| Capitalisation Reserve | | | | | | | – | – | – |
| Equity | | | | | | | – | – | – |
| Non-Controlling Interest | | | | | | | – | – | – |
| Share Premium | | | | | | | – | – | – |
| Revaluation | | | | | | | – | – | – |
| **Total Reserves** | **3 259** | **3 227** | **3 227** | **3 345** | **3 345** | **3 345** | **3 345** | **3 345** | **3 345** |
| **TOTAL COMMUNITY WEALTH/EQUITY** | **3 425 517** | **3 531 506** | **3 673 703** | **3 654 735** | **3 657 771** | **3 657 771** | **3 757 316** | **3 773 841** | **3 786 438** |

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

| Description of economic indicator | Basis of calculation | 2001 Census | 2007 Survey | 2011 Census | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Outcome | Outcome | Outcome | Original Budget | Estimate | Estimate | Estimate |
| **Demographics** | | | | | | | | | | | |
| Population | 0 | 55 012 | 74 546 | 80 432 | 96 177 | 102 024 | 105 901 | 109 925 | 114 102 | 115 620 | 117 290 |
| Females aged 5 - 14 | 0 | 2 770 | 5 837 | 5 228 | 7 280 | 7 952 | 8 254 | 8 568 | 8 893 | 7 461 | 7 568 |
| Males aged 5 - 14 | 0 | 2 816 | 5 892 | 5 278 | 6 935 | 7 575 | 7 862 | 8 161 | 8 471 | 7 532 | 7 641 |
| Females aged 15 - 34 | 0 | 5 561 | 11 567 | 13 139 | 15 386 | 16 806 | 17 444 | 18 107 | 18 795 | 18 751 | 19 022 |
| Males aged 15 - 34 | 0 | 6 029 | 11 235 | 13 648 | 15 217 | 16 621 | 17 252 | 17 908 | 18 588 | 19 477 | 19 758 |
| Unemployment | 0 | 5 165 | 8 099 | 4 237 | 5 030 | 10 961 | 11 378 | 11 810 | 12 259 | 6 047 | 6 134 |
| **Monthly household income (no. of households)** | | | | | | | | | | | |
| No income | 0 | 2 226 | 770 | 4 585 | 5 601 | 5 763 | 5 930 | 6 102 | 6 148 | 6 347 | 6 439 |
| R1 - R1 600 | 0 | 6 149 | 5 307 | 5 326 | 6 506 | 6 695 | 6 889 | 7 089 | 7 142 | 7 373 | 7 480 |
| R1 601 - R3 200 | 0 | 3 742 | 3 177 | 4 878 | 5 959 | 6 131 | 6 309 | 6 492 | 6 541 | 6 753 | 6 851 |
| R3 201 - R6 400 | 0 | 3 344 | 3 789 | 4 362 | 5 328 | 5 483 | 5 642 | 5 805 | 5 849 | 6 038 | 6 125 |
| R6 401 - R12 800 | 0 | 2 303 | 2 750 | 3 830 | 4 678 | 4 814 | 4 954 | 5 097 | 5 135 | 5 301 | 5 378 |
| R12 801 - R25 600 | 0 | 920 | 1 947 | 2 896 | 3 538 | 3 640 | 3 746 | 3 854 | 3 884 | 4 009 | 4 067 |
| R25 601 - R51 200 | 0 | 227 | 1 066 | 1 456 | 1 779 | 1 830 | 1 883 | 1 938 | 1 953 | 2 016 | 2 045 |
| R52 201 - R102 400 | 0 | 77 | 184 | 486 | 594 | 611 | 629 | 647 | 652 | 673 | 683 |
| R102 401 - R204 800 | 0 | 44 | 176 | 109 | 133 | 137 | 141 | 145 | 146 | 151 | 153 |
| R204 801 - R409 600 | 0 | - | - | 81 | 99 | 102 | 105 | 108 | 109 | 112 | 114 |
| R409 601 - R819 200 | 0 | - | - | - | - | - | - | - | - | - | - |
| > R819 200 | 0 | - | - | - | - | - | - | - | - | - | - |
| **Poverty profiles (no. of households)** | | | | | | | | | | | |
| < R2 060 per household per month | 0 | 7 053 | 9 542 | 10 295 | 12 310 | 13 059 | 13 555 | 14 070 | 14 605 | 14 799 | 15 013 |
| | 0 | - | - | - | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| **Household/demographics (000)** | | | | | | | | | | | |
| Number of people in municipal area | 0 | 55 012 | 74 546 | 80 432 | 96 177 | 102 024 | 105 901 | 109 925 | 114 102 | 115 620 | 117 290 |
| Number of poor people in municipal area | 0 | 8 904 | 3 080 | 18 340 | 22 402 | 23 052 | 23 720 | 24 408 | 24 592 | 25 388 | 25 756 |
| Number of households in municipal area | 0 | 0 | 0 | 0 | 33 692 | 31 162 | 31 710 | 31 739 | 33 643 | 35 662 | 37 802 |
| Number of poor households in municipal area | 0 | 0 | 0 | 0 | 7 385 | 7 630 | 7 595 | 7 461 | 8 000 | 8 240 | 8 480 |
| Definition of poor household (R per month) | 0 | 0 | 0 | 0 | 0 | 766 | 848 | 892 | 968 | 1 026 | 1 087 |
| **Housing statistics** | | | | | | | | | | | |
| Formal | 0 | - | - | - | 33 692 | 31 162 | 31 710 | 31 739 | 33 643 | 35 662 | 37 802 |
| Informal | 0 | - | - | - | 3 052 | 3 620 | 3 675 | 3 675 | 3 558 | 3 558 | 3 558 |
| **Total number of households** | | - | - | - | 36 744 | 34 782 | 35 385 | 35 414 | 37 201 | 39 220 | 41 360 |
| Dwellings provided by municipality | 0 | - | - | - | - | 171 | 67 | 311 | 150 | 100 | 100 |
| Dwellings provided by province/s | 0 | - | - | - | - | - | - | - | - | - | - |
| Dwellings provided by private sector | 0 | - | - | - | - | - | - | - | - | - | - |
| **Total new housing dwellings** | | - | - | - | - | 171 | 67 | 311 | 150 | 100 | 100 |
| **Economic** | | | | | | | | | | | |
| Inflation/inflation outlook (CPIX) | | | | | 6,4% | 4,7% | 4,1% | 4,5% | 4,5% | 4,6% | 4,6% |
| Interest rate - borrowing | | | | | 10,1% | 10,1% | 9,8% | 10,7% | 9,8% | 9,8% | 9,8% |
| Interest rate - investment | | | | | 7,6% | 7,8% | 6,8% | 7,1% | 4,6% | 4,6% | 4,6% |
| Remuneration increases | | | | | 7,4% | 7,0% | 6,5% | 6,4% | 4,0% | 4,0% | 4,0% |
| Consumption growth (electricity) | | | | | 0,0% | 1,0% | 2,0% | 3,0% | 1,0% | 1,0% | 1,0% |
| Consumption growth (water) | | | | | 2,2% | 2,4% | 3,0% | 3,0% | 2,0% | 2,0% | 2,0% |
| **Collection rates** | | | | | | | | | | | |
| Property tax/service charges | | | | | 99,4% | 98,2% | 97,1% | 97,9% | 100,0% | 100,0% | 100,0% |
| Rental of facilities & equipment | | | | | 99,7% | 96,8% | 96,1% | 97,1% | 97,1% | 97,1% | 97,1% |
| Interest - external investments | | | | | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% |
| Interest - debtors | | | | | 99,7% | 98,2% | 98,5% | 97,1% | 97,1% | 97,1% | 97,1% |
| Revenue from agency services | | | | | 100,0% | 100,0% | 100,0% | 97,1% | 97,1% | 97,1% | 97,1% |

## Table 66 MBRR SA11 – Property rates summary

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **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. of assistant valuers (FTE) | **2** | **2** | **2** | 2 | | | 2 | | |
| No. of data collectors (FTE) | 6 | 6 | 6 | 6 | | | 6 | | |
| No. of internal valuers (FTE) | - | - | - | - | | | - | | |
| No. of external valuers (FTE) | 3 | 3 | 3 | 3 | | | 3 | | |
| No. of additional valuers (FTE) | - | - | - | - | | | - | | |
| Valuation appeal board established? (Y/N) | Yes | Yes | Yes | Yes | | | | | |
| Implementation time of new valuation roll (mths) | 60 | 48 | 36 | 24 | | | | | |
| No. of properties | 42 949 | 42 823 | 42 895 | 43 170 | | | 43 170 | | |
| No. of sectional title values | 2 560 | 2 210 | 2 577 | 2 577 | | | 2 577 | | |
| No. of unreasonably difficult properties s7(2) | - | - | - | - | | | - | | |
| No. of supplementary valuations | 1 | 1 | 2 | 2 | | | 2 | | |
| No. of valuation roll amendments | 12 | 27 | 10 | 10 | | | 10 | | |
| No. of objections by rate payers | 12 | 11 | 14 | 14 | | | 14 | | |
| No. of appeals by rate payers | 1 | 2 | 12 | 12 | | | 12 | | |
| No. of successful objections | 1 | 6 | 14 | 14 | | | 14 | | |
| No. of successful objections > 10% | 1 | 1 | 1 | 1 | | | 1 | | |
| Supplementary valuation | 2 500 | 2 566 | 3 099 | 1 987 | | | 1 987 | | |
| Public service infrastructure value (Rm) | 82 | 84 | 92 | 77 | | | 81 | | |
| Municipality owned property value (Rm) | 905 | 924 | 894 | 902 | | | 956 | | |
| **Valuation reductions:** | | | | | | | | | |
| Valuation reductions-public infrastructure (Rm) | 98 | 84 | 92 | 77 | 77 | 77 | 81 | 81 | 81 |
| Valuation reductions-nature reserves/park (Rm) | 368 | 368 | 339 | 359 | 359 | 359 | 380 | 380 | 380 |
| Valuation reductions-mineral rights (Rm) | - | - | - | - | - | - | - | - | - |
| Valuation reductions-R15,000 threshold (Rm) | 450 | 476 | 475 | 476 | 476 | 476 | 504 | 504 | 504 |
| Valuation reductions-public worship (Rm) | 158 | 175 | 183 | 192 | 192 | 192 | 204 | 204 | 204 |
| Valuation reductions-other (Rm) | 1 946 | 2 860 | 1 107 | 1 103 | 1 103 | 1 103 | 1 169 | 1 169 | 1 169 |
| **Total valuation reductions:** | **3 020** | **3 963** | **2 196** | **2 206** | **2 206** | **2 206** | **2 339** | **2 339** | **2 339** |
| Total value used for rating (Rm) | 43 689 | 46 907 | 48 668 | 50 432 | 50 432 | 50 432 | 53 458 | 53 458 | 53 458 |
| Total land value (Rm) | 21 274 | 22 595 | 23 042 | 23 241 | 23 241 | 23 241 | 24 636 | **24 636** | **24 636** |
| Total value of improvements (Rm) | 25 585 | 27 770 | 28 743 | 28 930 | 28 930 | 28 930 | 30 665 | 30 665 | 30 665 |
| Total market value (Rm) | 46 859 | 50 364 | 51 785 | 52 171 | 52 171 | 52 171 | 55 301 | 55 301 | 55 301 |
| **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 | No | Yes | | | Yes | | |
| Phasing-in properties s21 (number) | | | No | No | 0 | 0 | No | 0 | 0 |
| 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) | 214 975 | 233 034 | 243 999 | 250 941 | 250 941 | 250 941 | 261 317 | 270 463 | 279 929 |
| Rate revenue expected to collect (R'000) | 214 975 | 233 034 | 243 999 | 250 941 | 250 941 | 250 941 | 261 317 | 270 463 | 279 929 |
| Expected cash collection rate (%) | 99,4% | 98,2% | 97,1% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% |
| Special rating areas (R'000) | 7 494 | 8 047 | | 8 300 | 8 300 | 8 300 | 8 591 | 8 891 | 9 202 |
| Rebates, exemptions - indigent (R'000) | – | – | – | – | – | – | – | – | – |
| Rebates, exemptions - pensioners (R'000) | 0 | 0 | – | – | – | – | – | – | – |
| Rebates, exemptions - bona fide farm. (R'000) | 0 | 0 | – | – | – | – | – | – | – |
| Rebates, exemptions - other (R'000) | 0 | 0 | – | – | – | – | – | – | – |
| Phase-in reductions/discounts (R'000) | – | – | – | – | – | – | – | – | – |
| **Total rebates,exemptns,reductns,discs (R'000)** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |

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

| Description | Resi. | Indust. | Bus. & Comm. | Farm props. | State-owned | Muni props. | Public service infra. | Private owned towns | Formal & Informal Settle. | Comm. Land | State trust land | Section 8(2)(n) (note 1) | Protect. Areas | National Monum/ts | Public benefit organs. | Mining Props. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Current Year 2020/21** | | | | | | | | | | | | | | | | |
| **Valuation:** | | | | | | | | | | | | | | | | |
| No. of properties | 38 161 | – | 1 574 | 166 | 364 | 2 082 | 569 | – | – | – | – | – | 174 | – | 151 | – |
| No. of sectional title property values | 2 251 | – | 327 | – | – | – | – | – | – | – | – | – | – | – | – | – |
| 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 1987 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| No. of valuation roll amendments | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| 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% | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Estimated no. of properties not valued | 100 TOTAL | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Years since last valuation (select) | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Frequency of valuation (select) | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 |
| 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 | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable |
| **Valuation reductions:** | | | | | | | | | | | | | | | | |
| Valuation reductions-public infrastructure (Rm) | – | – | – | – | – | – | 77 | – | – | – | – | – | – | – | – | – |
| Valuation reductions-nature reserves/park (Rm) | – | – | – | – | – | – | – | – | – | – | – | – | 359 | – | – | – |
| Valuation reductions-mineral rights (Rm) | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Valuation reductions-R15,000 threshold (Rm) | 476 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Valuation reductions-public worship (Rm) | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 192 | – |
| Valuation reductions-other (Rm) | 1 103 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total valuation reductions:** | | | | | | | | | | | | | | | | |
| Total value used for rating (Rm) | 44 536 | – | 4 930 | 490 | 476 | – | – | – | – | – | – | – | – | – | – | – |
| Total land value (Rm) | 19 640 | – | 1 822 | 374 | 291 | 654 | 68 | – | – | – | – | – | 255 | – | 137 | – |
| Total value of improvements (Rm) | 24 896 | – | 3 108 | 117 | 240 | 8 | 0 | – | – | – | – | – | 104 | – | 209 | – |
| Total market value (Rm) | **44 536** | **–** | **4 930** | **490** | **531** | **902** | **77** | **–** | **–** | **–** | **–** | **–** | **359** | **–** | **346** | **–** |
| **Rating:** | | | | | | | | | | | | | | | | |
| Average rate | 0,005960 | – | 0,009030 | 0,001490 | 0,009030 | – | – | – | 0,005960 | – | – | – | – | – | – | – |
| Rate revenue budget (R '000) | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Rate revenue expected to collect (R'000) | 207 000 | – | 40 232 | 68 | 3 030 | – | – | – | – | – | – | – | – | – | – | – |
| Expected cash collection rate (%) | 100,0% | 0,0% | 100,0% | 100,0% | 100,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% |
| 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 2021/22** | | | | | | | | | | | | | | | | |
| **Valuation:** | | | | | | | | | | | | | | | | |
| No. of properties | 28 161 | 1 | 1 574 | 166 | 364 | 2 082 | 569 | - | - | - | - | - | 174 | - | 151 | - |
| No. of sectional title property values | 2 251 | - | 327 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of unreasonably difficult properties s7(2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of supplementary valuations | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Supplementary valuation (Rm) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of valuation roll amendments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of objections by rate-payers | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of appeals by rate-payers | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of appeals by rate-payers finalised | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of successful objections | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| No. of successful objections > 10% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Estimated no. of properties not valued | 100 TOTAL | | | | | | | | | | | | | | | |
| Years since last valuation (select) | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 |
| Frequency of valuation (select) | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Method of valuation used (select) | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market |
| Base of valuation (select) | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. |
| Phasing-in properties s21 (number) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Combination of rating types used? (Y/N) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Flat rate used? (Y/N) | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Is balance rated by uniform rate/variable rate? | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable |
| **Valuation reductions:** | | | | | | | | | | | | | | | | |
| Valuation reductions-public infrastructure (Rm) | - | - | - | - | - | - | 81 | - | - | - | - | - | - | - | - | - |
| Valuation reductions-nature reserves/park (Rm) | - | - | - | - | - | - | - | - | - | - | - | - | 380 | - | - | - |
| Valuation reductions-mineral rights (Rm) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Valuation reductions-R15,000 threshold (Rm) | 504 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Valuation reductions-public worship (Rm) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 204 | - |
| Valuation reductions-other (Rm) | 1 169 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total valuation reductions:** | | | | | | | | | | | | | | | | |
| Total value used for rating (Rm) | 47 198 | - | 5 226 | 520 | 504 | - | - | - | - | - | - | - | - | - | - | - |
| Total land value (Rm) | 20 819 | - | 1 931 | 396 | 308 | 693 | 73 | - | - | - | - | - | 270 | - | 145 | - |
| Total value of improvements (Rm) | 26 390 | - | 3 295 | 124 | 254 | 263 | 9 | - | - | - | - | - | 110 | - | 222 | - |
| Total market value (Rm) | **47 208** | **-** | **5 226** | **520** | **563** | **956** | **81** | **-** | **-** | **-** | **-** | **-** | **380** | **-** | **367** | **-** |
| **Rating:** | | | | | | | | | | | | | | | | |
| Average rate | 0,006200 | – | 0,009390 | 0,001550 | 0,009390 | – | – | – | 0,006200 | – | – | – | – | – | – | – |
| Rate revenue budget (R '000) | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Rate revenue expected to collect (R'000) | 215 280 | – | 42 125 | 776 | 3 136 | – | – | – | – | – | – | – | – | – | – | – |
| Expected cash collection rate (%) | 100,0% | 0,0% | 100,0% | 100,0% | 100,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% |
| 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2019/20 | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Property rates (rate in the Rand)** | | | | | | | | |
| Residential properties | | 0,0051 | 0,0054 | 0,0057 | 0,0060 | 0,0062 | 0,0066 | 0,0070 |
| Residential properties - vacant land | | 0,0070 | 0,0074 | 0,0078 | 0,0082 | 0,0085 | 0,0090 | 0,0095 |
| Formal/informal settlements | | | | | | | | |
| Small holdings | | | | | | | | |
| Farm properties - used | | 0,0013 | 0,0013 | 0,0014 | 0,0015 | 0,0016 | 0,0016 | 0,0017 |
| Farm properties - not used | | | | | | | | |
| Industrial properties | | | | | | | | |
| Business and commercial properties | | 0,0077 | 0,0082 | 0,0086 | 0,0090 | 0,0094 | 0,0100 | 0,0106 |
| Communal land - residential | | | | | | | | |
| Communal land - small holdings | | | | | | | | |
| Communal land - farm property | | | | | | | | |
| Communal land - business and commercial | | | | | | | | |
| Communal land - other | | | | | | | | |
| State-owned properties | | 0,0077 | 0,0082 | 0,0086 | 0,0090 | 0,0094 | 0,0100 | 0,0106 |
| Municipal properties | | | | | | | | |
| Public service infrastructure | | | | | | | | |
| Privately owned towns serviced by the owner | | | | | | | | |
| State trust land | | | | | | | | |
| Restitution and redistribution properties | | | | | | | | |
| Protected areas | | | | | | | | |
| National monuments properties | | | | | | | | |
| **Exemptions, reductions and rebates (Rands)** | | | | | | | | |
| ***Residential properties*** | | | | | | | | |
| R15 000 threshhold rebate | | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 |
| General residential rebate | | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 |
| Indigent rebate or exemption | | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 |
| Pensioners/social grants rebate or exemption | | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 |
| Temporary relief rebate or exemption | | 40-100% | 40-100% | 40-100% | 40-100% | 40-100% | 40-100% | 40-100% |
| Bona fide farmers rebate or exemption | | | | | | | | |
| ***Other rebates or exemptions*** | | 75% | 75% | 75% | 75% | 75% | 75% | 75% |
| **Water tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Basic charge/fixed fee (Rands/month) | | 122 | 129 | 137 | 143 | 148 | 157 | 167 |
| Service point - vacant land (Rands/month) | | 122 | 129 | 137 | 143 | 148 | 157 | 167 |
| Water usage - flat rate tariff (c/kl) | 0 - 6 kl | 450 | 502 | 560 | 585 | 608 | 644 | 683 |
| Water usage - life line tariff | 7 - 18 kl | 1 024 | 1 085 | 1 147 | 1 199 | 1 247 | 1 322 | 1 401 |
| Water usage - Block 1 (c/kl) | 19 - 30 kl | 1 661 | 1 761 | 1 861 | 1 945 | 2 023 | 2 144 | 2 273 |
| Water usage - Block 2 (c/kl) | 31 - 45 kl | 2 557 | 2 711 | 2 866 | 2 995 | 3 115 | 3 302 | 3 500 |
| Water usage - Block 3 (c/kl) | 46 - 60 kl | 3 322 | 3 521 | 3 722 | 3 889 | 4 045 | 4 288 | 4 545 |
| Water usage - Block 4 (c/kl) | > 60 kl | 4 430 | 4 696 | 4 964 | 5 187 | 5 394 | 5 718 | 6 061 |
| ***Other*** | | | | | | | | |
| **Waste water tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Basic charge/fixed fee (Rands/month) | | 109 | 115 | 122 | 127 | 132 | 140 | 149 |
| Service point - vacant land (Rands/month) | | 109 | 115 | 122 | 127 | 132 | 140 | 149 |
| Waste water - flat rate tariff (c/kl) | | 1 222 | 1 296 | 1 370 | 1 432 | 1 489 | 1 578 | 1 673 |
| Volumetric charge - Block 1 (c/kl) | Basic charge pumps | 73 | 78 | 82 | 86 | 89 | 94 | 100 |
| Volumetric charge - Block 2 (c/kl) | Service per pump | 499 | 529 | 560 | 585 | 608 | 645 | 683 |
| Volumetric charge - Block 3 (c/kl) | | | | | | | | |
| Volumetric charge - Block 4 (c/kl) | | | | | | | | |
| ***Other*** | | | | | | | | |
| **Electricity tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Basic charge/fixed fee (Rands/month) | | 268 | 292 | 335 | 356 | 412 | 436 | 463 |
| Service point - vacant land (Rands/month) | | 268 | 292 | 335 | 356 | 412 | 436 | 463 |
| FBE | (how is this targeted?) | | | | | | | |
| Life-line tariff - meter | (describe structure) | | | | | | | |
| Life-line tariff - prepaid | (describe structure) | 101 | 107 | 120 | 128 | 148 | 156 | 166 |
| 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 | 108,6 | 114,9 | 128,7 | 136,7 | 158,0 | 167,5 | 177,5 |
| Meter - IBT Block 3 (c/kwh) | 351 - 600 kWh | 158,2 | 167,8 | 188,9 | 200,7 | 232,0 | 246,0 | 260,7 |
| Meter - IBT Block 4 (c/kwh) | > 600 kWh | 192,8 | 206,0 | 232,2 | 246,6 | 285,1 | 302,2 | 320,3 |
| Meter - IBT Block 5 (c/kwh) | Prepaid Meter | | | | | | | |
| Prepaid - IBT Block 1 (c/kwh) | 0 - 350 kWh | 100,3 | 106,1 | 118,9 | 126,2 | 145,9 | 154,7 | 164,0 |
| Prepaid - IBT Block 2 (c/kwh) | 351 - 600 kWh | 149,0 | 158,1 | 178,1 | 189,2 | 218,7 | 231,8 | 245,7 |
| Prepaid - IBT Block 3 (c/kwh) | > 600 kWh | 185,3 | 198,0 | 223,2 | 237,1 | 274,0 | 290,5 | 307,9 |
| Prepaid - IBT Block 4 (c/kwh) | | | | | | | | |
| Prepaid - IBT Block 5 (c/kwh) | | | | | | | | |
| ***Other*** | | | | | | | | |
| **Waste management tariffs** | | | | | | | | |
| ***Domestic*** | | | | | | | | |
| Street cleaning charge | | | | | | | | |
| Basic charge/fixed fee | | 155 | 164 | 185 | 194 | 202 | 214 | 227 |
| 80l bin - once a week | | | | | | | | |
| 250l bin - once a week | | 155 | 164 | 185 | 194 | 202 | 214 | 227 |

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

| Description | Provide description of tariff structure where appropriate | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Exemptions, reductions and rebates (Rands)** | | | | | | | | |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | 0,000000 | 0,000000 | 0,000000 | 0,000000 | 0,000000 | 0,000000 | 0,000000 |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| *Water tariffs* | | | | | | | | |
| | Basic charge | 122 | 129 | 137 | 143 | 148 | 157 | 167 |
| | Basic charge | 122 | 129 | 137 | 143 | 148 | 157 | 167 |
| | 0-6 kl | 450 | 502 | 560 | 585 | 608 | 644 | 683 |
| | 7-18 kl | 1 024 | 1 085 | 1 147 | 1 199 | 1 247 | 1 322 | 1 401 |
| | 19-30 kl | 1 661 | 1 761 | 1 861 | 1 945 | 2 023 | 2 144 | 2 273 |
| | 31-45 kl | 2 557 | 2 711 | 2 886 | 2 995 | 3 115 | 3 302 | 3 500 |
| | 46-60 kl | 3 322 | 3 521 | 3 722 | 3 889 | 4 045 | 4 288 | 4 545 |
| | >60 kl | 4 430 | 4 696 | 4 964 | 5 187 | 5 394 | 5 718 | 6 061 |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| *Waste water tariffs* | | | | | | | | |
| | Basic charge | 109 | 115 | 122 | 1 273 | 132 | 140 | 149 |
| | Basic charge | 109 | 115 | 122 | 127 | 132 | 140 | 149 |
| | Tariff per kl (c/kl) | 1 222 | 1 296 | 1 370 | 1 432 | 1 489 | 1 578 | 1 673 |
| | Basic charge - pumps | 73,0 | 78,0 | 82,0 | 86,0 | 89,0 | 94,0 | 100,0 |
| | Service per pump | 499,0 | 529,0 | 560,0 | 585,0 | 608,0 | 645,0 | 683,0 |
| | | 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 | 0,0 | 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 |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - |

## Table 71 MBRR SA32 – List of external mechanisms

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

## Table 72 MBRR SA38 – Consolidated detailed operational projects

| R thousand | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|
| Function | Project Description | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Municipality:** *List all operational projects grouped by Municipal Vote* | | | | |
| Vote 1 - Council | Municipal Running Cost | 37 152 | 37 805 | 38 715 |
| Vote 2 - Municipal Manager | Municipal Running Cost | 8 017 | 8 216 | 8 526 |
| Vote 3 - Management Services | Municipal Running Cost | 49 078 | 51 077 | 53 003 |
| | Repairs and Maintenance | 8 951 | 9 398 | 9 870 |
| | Typical Workstreams | 2 499 | 2 472 | 2 472 |
| Vote 4 - Finance | Municipal Running Cost | 74 787 | 78 808 | 91 509 |
| | Repairs and Maintenance | 1 693 | 1 693 | 1 693 |
| | Typical Workstreams | 18 992 | 19 755 | 20 550 |
| | Municipal Running Cost | 534 886 | 572 671 | 612 026 |
| Vote 5 - Infrastructure & Planning | Repairs and Maintenance | 42 464 | 44 379 | 37 990 |
| | Typical Workstreams | 55 241 | 35 842 | 19 733 |
| | Municipal Running Cost | 109 090 | 114 082 | 118 988 |
| Vote 6 - Protection Services | Repairs and Maintenance | 1 492 | 1 442 | 1 493 |
| | Typical Workstreams | 4 620 | 4 570 | 4 570 |
| | Municipal Running Cost | 14 954 | 12 500 | 13 046 |
| Vote 7 - Local Economic Development | Repairs and Maintenance | 253 | 253 | 253 |
| | Typical Workstreams | 2 059 | 1 759 | 1 759 |
| Vote 8 - Community Services | Municipal Running Cost | 268 822 | 270 000 | 276 736 |
| | Repairs and Maintenance | 194 715 | 206 155 | 213 474 |
| | Typical Workstreams | 20 770 | 20 579 | 21 501 |
| | | 167 127 | 176 076 | 185 799 |
| | | 27 869 | 28 115 | 29 851 |
| **Total Operational expenditure** | | **1 450 536** | **1 493 455** | **1 547 908** |

## Table 73 MBRR SA33 – Contracts having future budgetary implications

| Description | Preceding Years | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | | Forecast 2024/25 | Forecast 2025/26 | Forecast 2026/27 | Forecast 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Total Contract Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 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: 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 |
| | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | – |
| **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 |
| **Capital Expenditure Obligation By Contract** | | | | | | | | | | | | | |
| **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

I, DGI O'Neill, municipal manager of Overstrand Municipality, hereby certify that the **Draft Budget** for the **2021/2022 MTREF** and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the draft annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: **DGI O'Neill**

**Municipal manager of Overstrand Municipality (WC032)**

Signature: 

Date: 30 March 2021

# ANNEXURE A

# DRAFT BUDGET SCHEDULES 1-10

**SCHEDULE 1**

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

| Vote Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue by Vote** | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | 21 399 | 27 246 | 30 091 | 17 732 | 18 016 | 18 016 | 31 285 | 32 772 | 31 375 |
| Vote 2 - Municipal Manager & Internal Audit | 64 | 86 | 36 | – | – | – | – | – | – |
| Vote 3 - Management Services | 821 | 1 070 | 1 189 | 1 416 | 2 272 | 2 272 | 869 | 348 | 358 |
| Vote 4 - Finance | 262 709 | 292 876 | 300 506 | 309 162 | 305 004 | 305 004 | 318 650 | 331 200 | 344 253 |
| Vote 5 - Infrastructure & Planning | 489 799 | 496 225 | 585 515 | 539 510 | 521 472 | 521 472 | 672 085 | 672 093 | 691 198 |
| Vote 6 - Protection Services | 40 605 | 32 267 | 32 797 | 39 830 | 51 300 | 51 300 | 39 531 | 40 997 | 42 522 |
| Vote 7 - Economic and Social Development & Tourism | 2 788 | 2 030 | 2 914 | 4 663 | 5 778 | 5 778 | 2 838 | 66 | 219 |
| Vote 8 - Community Services | 323 102 | 363 260 | 378 350 | 375 179 | 394 151 | 394 151 | 391 376 | 414 592 | 419 474 |
| **Total Revenue by Vote** | **1 141 287** | **1 215 062** | **1 331 397** | **1 287 492** | **1 297 992** | **1 297 992** | **1 456 634** | **1 492 069** | **1 529 399** |
| **Expenditure by Vote** ***to be appropriated*** | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | 4 303 | 38 174 | 19 927 | 35 802 | 36 086 | 36 086 | 37 152 | 37 805 | 38 715 |
| Vote 2 - Municipal Manager & Internal Audit | 4 542 | 5 050 | 5 361 | 7 587 | 7 587 | 7 587 | 8 017 | 8 216 | 8 526 |
| Vote 3 - Management Services | 43 809 | 46 736 | 50 129 | 57 115 | 57 864 | 57 864 | 60 528 | 62 948 | 65 346 |
| Vote 4 - Finance | 71 890 | 74 680 | 69 425 | 91 935 | 88 609 | 88 609 | 95 473 | 100 257 | 113 753 |
| Vote 5 - Infrastructure & Planning | 414 432 | 449 522 | 527 810 | 551 359 | 542 786 | 542 786 | 632 592 | 652 891 | 669 749 |
| Vote 6 - Protection Services | 73 272 | 81 089 | 83 725 | 118 272 | 124 866 | 124 866 | 115 201 | 120 094 | 125 051 |
| Vote 7 - Economic and Social Development & Tourism | 10 558 | 10 303 | 12 042 | 19 065 | 20 180 | 20 180 | 17 266 | 14 512 | 15 058 |
| Vote 8 - Community Services | 374 350 | 402 983 | 420 782 | 460 876 | 466 145 | 466 145 | 484 308 | 496 734 | 511 711 |
| **Total Expenditure by Vote** | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit) for the year** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |

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

| R thousand | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue By Source** | | | | | | | | | |
| Property rates | 215 763 | 233 093 | 240 914 | 262 551 | 259 241 | 259 241 | 275 637 | 286 662 | 298 129 |
| Service charges - electricity revenue | 349 298 | 378 693 | 415 947 | 386 294 | 386 294 | 386 294 | 479 057 | 536 403 | 600 624 |
| Service charges - water revenue | 110 932 | 129 858 | 133 628 | 128 520 | 128 520 | 128 520 | 132 168 | 137 455 | 142 953 |
| Service charges - sanitation revenue | 72 106 | 77 719 | 80 871 | 78 913 | 78 913 | 78 913 | 87 631 | 91 137 | 94 782 |
| Service charges - refuse revenue | 57 775 | 61 763 | 69 102 | 69 482 | 69 482 | 69 482 | 74 741 | 77 731 | 80 840 |
| Rental of facilities and equipment | 5 616 | 6 278 | 5 738 | 3 627 | 3 627 | 3 627 | 3 440 | 3 148 | 3 273 |
| Interest earned - external investments | 30 320 | 41 767 | 48 146 | 31 400 | 26 400 | 26 400 | 27 456 | 28 554 | 29 697 |
| Interest earned - outstanding debtors | 3 854 | 4 193 | 5 040 | 4 673 | 4 650 | 4 650 | 4 681 | 4 868 | 5 062 |
| Dividends received | | | | | | | – | – | – |
| Fines, penalties and forfeits | 31 638 | 25 672 | 18 211 | 29 564 | 29 564 | 29 564 | 28 223 | 29 348 | 30 519 |
| Licences and permits | 2 527 | 2 526 | 1 975 | 2 385 | 2 385 | 2 385 | 2 039 | 2 097 | 2 164 |
| Agency services | 4 149 | 4 885 | 4 376 | 4 938 | 6 438 | 6 438 | 6 680 | 6 930 | 7 189 |
| Transfers and subsidies | 116 458 | 106 306 | 123 140 | 131 840 | 148 458 | 148 458 | 139 692 | 144 977 | 148 209 |
| Other revenue | 48 492 | 83 673 | 143 186 | 113 998 | 96 604 | 96 604 | 127 409 | 92 259 | 43 563 |
| Gains on disposal of PPE | 28 096 | – | – | 7 000 | 10 500 | 10 500 | 8 225 | 8 361 | 8 504 |
| **Total Revenue (excluding capital transfers and contributions)** | **1 077 023** | **1 156 425** | **1 290 276** | **1 255 185** | **1 251 076** | **1 251 076** | **1 397 079** | **1 449 929** | **1 495 508** |
| **Expenditure By Type** | | | | | | | | | |
| Employee related costs | 296 682 | 368 000 | 382 527 | 435 325 | 440 972 | 440 972 | 461 745 | 480 765 | 502 037 |
| Remuneration of councillors | 10 138 | 10 573 | 11 282 | 11 896 | 11 896 | 11 896 | 12 509 | 13 020 | 13 553 |
| Debt impairment | 18 013 | 17 500 | 23 453 | 26 263 | 26 263 | 26 263 | 21 500 | 21 500 | 21 500 |
| Depreciation & asset impairment | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | 145 663 | 144 047 | 143 381 |
| Finance charges | 46 129 | 44 921 | 46 570 | 51 482 | 51 482 | 51 482 | 51 804 | 51 923 | 52 180 |
| Bulk purchases | 225 844 | 242 614 | 278 485 | 270 260 | 270 260 | 270 260 | 318 669 | 347 031 | 377 917 |
| Other materials | 40 900 | 35 049 | 42 302 | 47 567 | 50 806 | 50 806 | 44 846 | 47 275 | 48 918 |
| Contracted services | 167 079 | 186 336 | 177 914 | 222 414 | 229 349 | 229 349 | 239 915 | 250 494 | 263 768 |
| Transfers and subsidies | 1 800 | 486 | 560 | 11 610 | 8 300 | 8 300 | 12 324 | 12 557 | 13 060 |
| Other expenditure | 55 726 | 71 333 | 90 183 | 123 315 | 112 917 | 112 917 | 141 561 | 124 845 | 111 594 |
| Loss on disposal of PPE | | 610 | 1 384 | | | | – | – | – |
| **Total Expenditure** | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit)** | **79 868** | **47 890** | **101 076** | **(86 825)** | **(93 046)** | **(93 046)** | **(53 457)** | **(43 526)** | **(52 400)** |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 64 263 | 31 952 | 37 392 | 32 307 | 46 916 | 46 916 | 46 354 | 40 828 | 32 568 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private | – | – | – | – | – | – | 13 201 | 1 312 | 1 324 |
| Transfers and subsidies - capital (in-kind - all) | | 26 685 | 3 730 | | | | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |
| Taxation | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after taxation** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |
| Attributable to minorities | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) attributable to municipality** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |

## SCHEDULE 3

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

| Vote Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital Expenditure - Functional** | | | | | | | | | |
| ***Governance and administration*** | **6 342** | **8 659** | **4 049** | **3 075** | **3 536** | **3 536** | **3 775** | **6 125** | **3 575** |
| Executive and council | | 295 | 2 | 5 | 466 | 466 | 5 | 5 | 5 |
| Finance and administration | 6 342 | 8 364 | 4 048 | 3 070 | 3 070 | 3 070 | 3 770 | 6 120 | 3 570 |
| Internal audit | – | – | | – | | | – | – | – |
| ***Community and public safety*** | **44 222** | **68 172** | **112 758** | **93 694** | **82 780** | **82 780** | **74 407** | **38 068** | **9 377** |
| Community and social services | 2 126 | 5 164 | 1 330 | 18 638 | 18 084 | 18 084 | 8 830 | 760 | 760 |
| Sport and recreation | 5 427 | 23 923 | 9 981 | 12 731 | 8 588 | 8 588 | 7 410 | 500 | 5 000 |
| Public safety | 2 490 | 4 809 | 15 694 | 14 181 | 13 168 | 13 168 | 3 808 | 350 | 350 |
| Housing | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 54 359 | 36 458 | 3 267 |
| Health | – | – | | | | | – | – | – |
| ***Economic and environmental services*** | **12 071** | **13 407** | **6 865** | **33 589** | **32 958** | **32 958** | **16 816** | **17 090** | **4 865** |
| Planning and development | 45 | 1 346 | 1 220 | 13 594 | 10 372 | 10 372 | 6 587 | 415 | 415 |
| Road transport | 12 026 | 12 061 | 5 645 | 19 995 | 22 586 | 22 586 | 10 229 | 16 675 | 4 450 |
| Environmental protection | – | – | | | | | – | – | – |
| ***Trading services*** | **42 619** | **84 872** | **87 384** | **173 381** | **160 813** | **160 813** | **138 446** | **81 003** | **78 018** |
| Energy sources | 16 268 | 28 893 | 21 428 | 21 119 | 19 119 | 19 119 | 59 924 | 19 775 | 24 450 |
| Water management | 3 257 | 12 270 | 31 752 | 52 606 | 50 036 | 50 036 | 35 715 | 25 900 | 22 000 |
| Waste water management | 21 523 | 42 210 | 26 893 | 77 217 | 69 635 | 69 635 | 40 696 | 35 328 | 31 568 |
| Waste management | 1 572 | 1 499 | 7 311 | 22 439 | 22 024 | 22 024 | 2 110 | – | – |
| ***Other*** | **–** | **–** | | | | | **–** | **–** | **–** |
| **Total Capital Expenditure - Functional** | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |
| **Funded by:** | | | | | | | | | |
| National Government | 21 786 | 30 445 | 31 528 | 37 369 | 35 100 | 35 100 | 45 754 | 40 828 | 32 568 |
| Provincial Government | 42 477 | 35 615 | 85 965 | 2 840 | 2 127 | 2 127 | 600 | – | – |
| District Municipality | | | | – | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental | 4 414 | 26 942 | | 46 306 | 47 296 | 47 296 | 64 159 | 36 458 | 3 267 |
| **Transfers recognised - capital** | **68 677** | **93 002** | **117 493** | **86 516** | **84 523** | **84 523** | **110 513** | **77 286** | **35 835** |
| **Borrowing** | 19 199 | 36 495 | 50 476 | 92 949 | 75 228 | 75 228 | 67 250 | 50 000 | 50 000 |
| **Internally generated funds** | 17 379 | 45 613 | 39 358 | 124 274 | 120 335 | 120 335 | 55 681 | 15 000 | 10 000 |
| **Total Capital Funding** | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |

**WC032 Overstrand - Schedule 4 - Budgeted Financial Position**

| R thousand | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **ASSETS** | | | | | | | | | |
| **Current assets** | | | | | | | | | |
| Cash | 94 453 | 123 988 | 143 570 | 85 812 | 117 249 | 117 249 | 46 299 | 62 210 | 147 155 |
| Call investment deposits | 380 514 | 409 200 | 510 243 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 |
| Consumer debtors | 64 957 | 74 000 | 88 479 | 83 889 | 84 491 | 84 491 | 93 706 | 105 253 | 119 357 |
| Other debtors | 52 806 | 61 176 | 58 432 | 34 983 | 34 987 | 34 987 | 34 987 | 34 987 | 34 987 |
| Current portion of long-term receivables | 10 | 7 | 4 | 3 | – | – | – | – | – |
| Inventory | 32 352 | 16 029 | 10 219 | 9 540 | 9 540 | 9 540 | 9 941 | 10 317 | 10 634 |
| **Total current assets** | **625 093** | **684 399** | **810 947** | **614 227** | **646 267** | **646 267** | **584 933** | **612 767** | **712 132** |
| **Non current assets** | | | | | | | | | |
| Long-term receivables | 20 | 4 | – | 1 | – | – | – | – | – |
| Investments | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| Investment property | 113 951 | 117 433 | 123 121 | 121 846 | 121 846 | 121 846 | 127 346 | 132 846 | 138 346 |
| Investment in Associate | – | – | | | | | – | – | – |
| Property, plant and equipment | 3 346 195 | 3 405 429 | 3 488 698 | 3 666 226 | 3 642 574 | 3 642 574 | 3 730 746 | 3 729 193 | 3 682 067 |
| | | | | | | | – | – | – |
| Biological | | | | | | | – | – | – |
| Intangible | 6 699 | 8 597 | 9 168 | 4 753 | 4 753 | 4 753 | 4 363 | 4 154 | 3 735 |
| Other non-current assets | 124 182 | 130 928 | 130 928 | 124 182 | 124 182 | 124 182 | 130 928 | 130 928 | 130 928 |
| **Total non current assets** | **3 635 642** | **3 712 914** | **3 798 429** | **3 982 468** | **3 947 815** | **3 947 815** | **4 055 547** | **4 067 127** | **4 033 065** |
| **TOTAL ASSETS** | **4 260 735** | **4 397 313** | **4 609 376** | **4 596 695** | **4 594 082** | **4 594 082** | **4 640 480** | **4 679 894** | **4 745 197** |
| **LIABILITIES** | | | | | | | | | |
| **Current liabilities** | | | | | | | | | |
| Bank overdraft | – | – | – | – | – | – | – | – | – |
| Borrowing | 33 448 | 39 725 | 45 458 | 52 751 | 52 751 | 52 751 | 42 448 | 46 521 | 34 910 |
| Consumer deposits | 38 462 | 40 020 | 40 992 | 62 074 | 62 074 | 62 074 | 64 074 | 66 074 | 68 074 |
| Trade and other payables | 119 809 | 107 963 | 166 030 | 104 604 | 98 955 | 98 955 | 109 696 | 115 238 | 153 971 |
| Provisions | 29 790 | 33 010 | 42 460 | 35 286 | 35 286 | 35 286 | 45 339 | 46 816 | 48 348 |
| **Total current liabilities** | **221 509** | **220 717** | **294 941** | **254 715** | **249 067** | **249 067** | **261 558** | **274 649** | **305 303** |
| **Non current liabilities** | | | | | | | | | |
| Borrowing | 408 658 | 422 933 | 431 475 | 430 260 | 430 260 | 430 260 | 389 725 | 393 204 | 408 295 |
| Provisions | 205 051 | 222 157 | 209 257 | 256 985 | 256 985 | 256 985 | 231 880 | 238 198 | 245 161 |
| **Total non current liabilities** | **613 708** | **645 090** | **640 732** | **687 245** | **687 245** | **687 245** | **621 606** | **631 403** | **653 456** |
| **TOTAL LIABILITIES** | **835 218** | **865 807** | **935 673** | **941 960** | **936 312** | **936 312** | **883 164** | **906 052** | **958 759** |
| **NET ASSETS** | **3 425 517** | **3 531 506** | **3 673 703** | **3 654 735** | **3 657 771** | **3 657 771** | **3 757 316** | **3 773 841** | **3 786 438** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | | | | |
| Accumulated Surplus/(Deficit) | 3 422 258 | 3 528 279 | 3 670 476 | 3 651 390 | 3 654 426 | 3 654 426 | 3 753 971 | 3 770 496 | 3 783 093 |
| Reserves | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 |
| **TOTAL COMMUNITY WEALTH/EQUITY** | **3 425 517** | **3 531 506** | **3 673 703** | **3 654 735** | **3 657 771** | **3 657 771** | **3 757 316** | **3 773 841** | **3 786 438** |

**WC032 Overstrand - Schedule 5 - Budgeted Cash Flows**

| R thousand | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Property rates | 213 851 | 230 566 | 238 449 | 259 513 | 255 713 | 255 713 | 273 224 | 283 739 | 294 684 |
| Service charges | 590 742 | 643 620 | 689 210 | 655 534 | 655 430 | 655 430 | 766 826 | 834 134 | 908 578 |
| Other revenue | 75 406 | 128 882 | 175 357 | 131 331 | 133 925 | 133 925 | 161 108 | 115 252 | 68 232 |
| Transfers and Subsidies - Operational | 131 819 | 110 341 | 120 949 | 131 840 | 148 458 | 148 458 | 139 692 | 144 977 | 148 209 |
| Transfers and Subsidies - Capital | 64 248 | 32 017 | 60 675 | 30 619 | 37 228 | 37 228 | 46 354 | 40 828 | 32 568 |
| Interest | 34 175 | 45 960 | 53 186 | 36 073 | 31 050 | 31 050 | 32 137 | 33 422 | 34 759 |
| Dividends | | | | | | | – | – | – |
| **Payments** | | | | | | | | | |
| Suppliers and employees | (818 415) | (929 996) | (971 606) | (983 752) | (1 000 174) | (1 000 174) | (1 190 437) | (1 234 247) | (1 241 510) |
| Finance charges | (46 129) | (44 921) | (46 570) | (51 482) | (51 482) | (51 482) | (51 804) | (51 923) | (52 180) |
| Transfers and Grants | (1 800) | (486) | (560) | (11 610) | (8 300) | (8 300) | (12 324) | (12 557) | (13 060) |
| **NET CASH FROM/(USED) OPERATING ACTIVITIES** | **243 897** | **215 983** | **319 091** | **198 066** | **201 847** | **201 847** | **164 775** | **153 626** | **180 280** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Proceeds on disposal of PPE | 81 451 | (566) | 3 289 | 7 000 | – | – | – | – | – |
| Decrease (increase) in non-current receivables | 8 | 8 | 7 | 7 | 10 | 10 | – | – | – |
| Decrease (increase) in non-current investments | (4 980) | (4 980) | (4 980) | (7 575) | 3 425 | 3 425 | (4 980) | (4 980) | (4 980) |
| **Payments** | | | | | | | | | |
| Capital assets | (105 255) | (172 777) | (211 056) | (303 738) | (280 086) | (280 086) | (233 444) | (142 286) | (95 835) |
| **NET CASH FROM/(USED) INVESTING ACTIVITIES** | **(28 775)** | **(178 314)** | **(212 740)** | **(304 307)** | **(276 651)** | **(276 651)** | **(238 424)** | **(147 266)** | **(100 815)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | |
| **Receipts** | | | | | | | | | |
| Short term loans | | | | – | – | – | – | – | – |
| Borrowing long term/refinancing | 30 000 | 54 000 | 54 000 | 54 000 | 54 000 | 54 000 | 50 000 | 50 000 | 50 000 |
| Increase (decrease) in consumer deposits | | | | (1 000) | (1 000) | (1 000) | 2 000 | 2 000 | 2 000 |
| **Payments** | | | | | | | | | |
| Repayment of borrowing | (29 969) | (33 448) | (39 725) | (46 374) | (46 374) | (46 374) | (49 301) | (42 448) | (46 521) |
| **NET CASH FROM/(USED) FINANCING ACTIVITIES** | **31** | **20 552** | **14 275** | **6 626** | **6 626** | **6 626** | **2 699** | **9 552** | **5 479** |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | **215 153** | **58 220** | **120 626** | **(99 615)** | **(68 178)** | **(68 178)** | **(70 950)** | **15 911** | **84 944** |
| Cash/cash equivalents at the year begin: | **259 815** | **474 967** | **533 188** | **585 426** | **585 426** | **585 426** | **517 249** | **446 299** | **462 210** |
| Cash/cash equivalents at the year end: | **474 967** | **533 188** | **653 813** | **485 812** | **517 249** | **517 249** | **446 299** | **462 210** | **547 155** |

## SCHEDULE 6

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

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Cash and investments available** | | | | | | | | | |
| 1. Local/District municipalities to i | 474 967 | 533 188 | 653 813 | 485 812 | 517 249 | 517 249 | 446 299 | 462 210 | 547 155 |
| Other current investments > 90 days | (0) | 0 | – | (0) | – | – | – | – | – |
| Investments - Investment in Associate | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| **Cash and investments available:** | **519 562** | **583 711** | **700 328** | **551 272** | **571 709** | **571 709** | **508 464** | **532 216** | **625 144** |
| **Application of cash and investments** | | | | | | | | | |
| Total Trade and other payables | – | – | – | – | – | – | – | – | – |
| Unspent borrowing | 10 450 | 38 199 | – | 25 193 | 25 193 | 25 193 | – | – | – |
| Statutory requirements | – | – | – | – | – | – | – | – | – |
| Other working capital requirements | (234 701) | (242 434) | (310 844) | (219 251) | (216 118) | (216 118) | (236 225) | (251 617) | (303 881) |
| Other provisions | | | | 4 109 | 4 109 | 4 109 | 10 200 | 10 200 | 10 200 |
| Long term investments committed | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| Reserves to be backed by cash/investments | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 | 3 345 |
| **Total Application of cash and investments:** | **(176 397)** | **(150 485)** | **(261 102)** | **(121 144)** | **(129 012)** | **(129 012)** | **(160 516)** | **(168 067)** | **(212 347)** |
| **Surplus(shortfall)** | **695 959** | **734 196** | **961 430** | **672 416** | **700 720** | **700 720** | **668 980** | **700 283** | **837 491** |

**WC032 Overstrand - Table A9 Asset Management**

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **CAPITAL EXPENDITURE** | | | | | | | | | |
| **Total New Assets** | **75 610** | **175 110** | **188 804** | **215 433** | **201 924** | **201 924** | **172 402** | **84 958** | **35 567** |
| *Roads Infrastructure* | 10 003 | 12 061 | 5 638 | 19 795 | 22 386 | 22 386 | 8 923 | 13 000 | 2 000 |
| *Storm water Infrastructure* | 255 | 7 247 | 7 918 | 16 384 | 16 322 | 16 322 | 6 330 | – | – |
| *Electrical Infrastructure* | 15 449 | 28 893 | 13 557 | 12 768 | 10 768 | 10 768 | 56 694 | 9 100 | 12 000 |
| *Water Supply Infrastructure* | 627 | 12 270 | 29 001 | 29 547 | 27 547 | 27 547 | 6 000 | 6 900 | – |
| *Sanitation Infrastructure* | – | 34 963 | 13 339 | 20 576 | 18 536 | 18 536 | 6 250 | 4 000 | 3 300 |
| *Solid Waste Infrastructure* | 105 | 1 499 | 7 311 | 18 479 | 18 064 | 18 064 | 2 020 | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***26 438*** | ***96 933*** | ***76 763*** | ***117 549*** | ***113 622*** | ***113 622*** | ***86 217*** | ***33 000*** | ***17 300*** |
| Community Facilities | 3 229 | 30 804 | 2 084 | 12 743 | 9 787 | 9 787 | 13 442 | – | – |
| Sport and Recreation Facilities | 5 427 | – | 2 447 | 50 | 50 | 50 | 7 089 | 500 | 5 000 |
| **Community Assets** | ***8 656*** | ***30 804*** | ***4 531*** | ***12 793*** | ***9 837*** | ***9 837*** | ***20 530*** | ***500*** | ***5 000*** |
| **Heritage Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | 4 372 | 3 092 | 1 749 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| Housing | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| **Other Assets** | ***38 552*** | ***37 368*** | ***87 502*** | ***52 970*** | ***47 951*** | ***47 951*** | ***55 079*** | ***36 458*** | ***3 267*** |
| **Biological or Cultivated Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | **1 593** | **1 346** | **3 345** | **7 896** | **7 896** | **7 896** | **3 700** | **6 050** | **3 500** |
| **Furniture and Office Equipment** | **205** | **295** | **246** | **1 025** | **1 025** | **1 025** | **875** | **840** | **840** |
| **Machinery and Equipment** | **166** | **1 428** | **533** | **760** | **860** | **860** | **1 000** | **760** | **760** |
| **Transport Assets** | **–** | **6 936** | **15 884** | **22 440** | **20 732** | **20 732** | **5 000** | **7 350** | **4 900** |
| **Libraries** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Renewal of Existing Assets** | **29 644** | **–** | **3 606** | **25 621** | **25 050** | **25 050** | **23 050** | **19 200** | **17 700** |
| *Roads Infrastructure* | 2 020 | – | 8 | – | – | – | – | – | – |
| *Storm water Infrastructure* | 10 677 | – | – | – | – | – | – | – | – |
| *Electrical Infrastructure* | 819 | – | – | 1 000 | 1 000 | 1 000 | 1 000 | – | – |
| *Water Supply Infrastructure* | 2 629 | – | 887 | 20 560 | 19 989 | 19 989 | 21 400 | 18 500 | 17 000 |
| *Sanitation Infrastructure* | 10 591 | – | 2 711 | 4 061 | 4 061 | 4 061 | 650 | 700 | 700 |
| *Solid Waste Infrastructure* | 1 634 | – | – | – | – | – | – | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***28 370*** | **–** | ***3 606*** | ***25 621*** | ***25 050*** | ***25 050*** | ***23 050*** | ***19 200*** | ***17 700*** |
| Community Facilities | 1 217 | – | – | – | – | – | – | – | – |
| Sport and Recreation Facilities | – | – | – | – | – | – | – | – | – |
| **Community Assets** | ***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** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Libraries** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Total Upgrading of Existing Assets** | **–** | **–** | **18 646** | **62 684** | **53 112** | **53 112** | **37 992** | **38 128** | **42 568** |
| *Roads Infrastructure* | – | – | – | 200 | 200 | 200 | – | – | – |
| *Storm water Infrastructure* | – | – | 1 285 | 13 057 | 13 057 | 13 057 | – | – | – |
| *Electrical Infrastructure* | – | – | 7 871 | 7 350 | 7 350 | 7 350 | – | 7 000 | 10 000 |
| *Water Supply Infrastructure* | – | – | 1 863 | 2 500 | 2 500 | 2 500 | 8 315 | 500 | 5 000 |
| *Sanitation Infrastructure* | – | – | 32 | 23 138 | 17 659 | 17 659 | 27 466 | 30 628 | 27 568 |
| *Solid Waste Infrastructure* | – | – | – | 3 960 | 3 960 | 3 960 | 90 | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | **–** | **–** | ***11 051*** | ***50 206*** | ***44 727*** | ***44 727*** | ***35 871*** | ***38 128*** | ***42 568*** |
| Community Facilities | – | – | – | 976 | 906 | 906 | 100 | – | – |
| Sport and Recreation Facilities | – | – | 7 534 | 11 503 | 7 480 | 7 480 | 2 021 | – | – |
| **Community Assets** | **–** | **–** | ***7 534*** | ***12 479*** | ***8 386*** | ***8 386*** | ***2 121*** | **–** | **–** |
| **Heritage Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | – | – | 61 | – | – | – | – | – | – |
| Housing | – | – | – | – | – | – | – | – | – |
| **Other Assets** | **–** | **–** | ***61*** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Biological or Cultivated Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Furniture and Office Equipment** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Machinery and Equipment** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Transport Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Libraries** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Capital Expenditure** | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |
| *Roads Infrastructure* | 12 023 | 12 061 | 5 645 | 19 995 | 22 586 | 22 586 | 8 923 | 13 000 | 2 000 |
| *Storm water Infrastructure* | 10 932 | 7 247 | 9 202 | 29 441 | 29 378 | 29 378 | 6 330 | – | – |
| *Electrical Infrastructure* | 16 268 | 28 893 | 21 428 | 21 119 | 19 119 | 19 119 | 57 694 | 16 100 | 22 000 |
| *Water Supply Infrastructure* | 3 257 | 12 270 | 31 752 | 52 606 | 50 036 | 50 036 | 35 715 | 25 900 | 22 000 |
| *Sanitation Infrastructure* | 10 591 | 34 963 | 16 081 | 47 776 | 40 257 | 40 257 | 34 366 | 35 328 | 31 568 |
| *Solid Waste Infrastructure* | 1 739 | 1 499 | 7 311 | 22 439 | 22 024 | 22 024 | 2 110 | – | – |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***54 809*** | ***96 933*** | ***91 420*** | ***193 376*** | ***183 399*** | ***183 399*** | ***145 138*** | ***90 328*** | ***77 568*** |
| Community Facilities | 4 446 | 30 804 | 2 084 | 13 719 | 10 693 | 10 693 | 13 542 | – | – |
| Sport and Recreation Facilities | 5 427 | – | 9 981 | 11 553 | 7 530 | 7 530 | 9 110 | 500 | 5 000 |
| **Community Assets** | ***9 873*** | ***30 804*** | ***12 065*** | ***25 272*** | ***18 223*** | ***18 223*** | ***22 651*** | ***500*** | ***5 000*** |
| **Heritage Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | 4 372 | 3 092 | 1 810 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| Housing | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| **Other Assets** | ***38 552*** | ***37 368*** | ***87 563*** | ***52 970*** | ***47 951*** | ***47 951*** | ***55 079*** | ***36 458*** | ***3 267*** |
| **Biological or Cultivated Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Computer Equipment** | **1 593** | **1 346** | **3 345** | **7 896** | **7 896** | **7 896** | **3 700** | **6 050** | **3 500** |
| **Furniture and Office Equipment** | **205** | **295** | **246** | **1 025** | **1 025** | **1 025** | **875** | **840** | **840** |
| **Machinery and Equipment** | **223** | **1 428** | **533** | **760** | **860** | **860** | **1 000** | **760** | **760** |
| **Transport Assets** | **–** | **6 936** | **15 884** | **22 440** | **20 732** | **20 732** | **5 000** | **7 350** | **4 900** |
| **Libraries** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **TOTAL CAPITAL EXPENDITURE - Asset class** | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **ASSET REGISTER SUMMARY - PPE (WDV)** | 3 591 027 | 3 662 386 | 3 751 914 | 3 917 008 | 3 893 355 | 3 893 355 | 3 993 382 | 3 997 122 | 3 955 076 |
| *Roads Infrastructure* | 1 054 313 | 1 068 859 | 1 059 300 | 1 002 295 | 1 004 886 | 1 004 886 | 976 263 | 951 540 | 915 229 |
| *Storm water Infrastructure* | | | | | | | – | – | – |
| *Electrical Infrastructure* | 522 972 | 525 175 | 520 037 | 514 928 | 512 928 | 512 928 | 543 719 | 531 787 | 526 131 |
| *Water Supply Infrastructure* | 481 367 | 464 323 | 474 519 | 512 347 | 509 776 | 509 776 | 516 094 | 518 429 | 517 349 |
| *Sanitation Infrastructure* | 569 303 | 582 010 | 612 374 | 661 610 | 654 028 | 654 028 | 676 267 | 692 921 | 705 647 |
| *Solid Waste Infrastructure* | 30 303 | 26 500 | 24 634 | 48 639 | 48 224 | 48 224 | 47 104 | 43 844 | 40 581 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | ***2 658 258*** | ***2 666 867*** | ***2 690 864*** | ***2 739 819*** | ***2 729 842*** | ***2 729 842*** | ***2 759 447*** | ***2 738 521*** | ***2 704 938*** |
| Community Facilities | | | | | | | | | |
| Sport and Recreation Facilities | | | | | | | | | |
| **Community Assets** | ***183 622*** | ***204 522*** | ***206 866*** | | | | – | – | – |
| **Heritage Assets** | **124 182** | **130 928** | **130 928** | **124 182** | **124 182** | **124 182** | **130 928** | **130 928** | **130 928** |
| Revenue Generating | | | | | | | | – | – |
| Non-revenue Generating | | | | | | | | – | – |
| **Investment properties** | ***113 951*** | ***117 433*** | ***123 121*** | ***121 846*** | ***121 846*** | ***121 846*** | ***127 346*** | ***132 846*** | ***138 346*** |
| Operational Buildings | – | – | | | | | | – | – |
| Housing | – | – | | | | | | – | – |
| **Other Assets** | ***504 315*** | ***534 039*** | ***590 968*** | ***926 408*** | ***912 732*** | ***912 732*** | ***971 299*** | ***990 672*** | ***977 129*** |
| **Biological or Cultivated Assets** | – | – | | | | | – | – | – |
| Servitudes | – | – | | | | | | – | – |
| Licences and Rights | – | – | | | | | | – | – |
| **Intangible Assets** | ***6 699*** | ***8 597*** | ***9 168*** | ***4 753*** | ***4 753*** | ***4 753*** | ***4 363*** | ***4 154*** | ***3 735*** |
| **Computer Equipment** | | | | | | | – | – | – |
| **Furniture and Office Equipment** | | | | | | | – | – | – |
| **Machinery and Equipment** | | | | | | | – | – | – |
| **Transport Assets** | | | | | | | – | – | – |
| **Libraries** | | | | | | | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | | | | | – | – | – |
| **TOTAL ASSET REGISTER SUMMARY - PPE (WDV)** | **3 591 027** | **3 662 386** | **3 751 914** | **3 917 008** | **3 893 355** | **3 893 355** | **3 993 382** | **3 997 122** | **3 955 076** |
| **EXPENDITURE OTHER ITEMS** | | | | | | | | | |
| **Depreciation** | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | 145 663 | 144 047 | 143 381 |
| **Repairs and Maintenance by Asset Class** | **160 036** | **215 024** | **188 517** | **210 905** | **216 106** | **216 106** | **249 567** | **263 320** | **264 772** |
| *Roads Infrastructure* | 53 229 | 61 860 | 65 691 | 67 578 | 67 622 | 67 622 | 67 345 | 72 456 | 76 751 |
| *Storm water Infrastructure* | 6 017 | 5 765 | 4 749 | 6 159 | 6 189 | 6 189 | 7 695 | 8 049 | 8 421 |
| *Electrical Infrastructure* | 17 645 | 23 082 | 36 812 | 31 243 | 32 317 | 32 317 | 33 314 | 34 658 | 34 905 |
| *Water Supply Infrastructure* | 15 014 | 17 367 | 16 161 | 19 710 | 19 710 | 19 710 | 21 475 | 22 493 | 22 858 |
| *Sanitation Infrastructure* | 13 051 | 14 967 | 10 072 | 13 262 | 13 920 | 13 920 | 12 133 | 12 706 | 12 960 |
| *Solid Waste Infrastructure* | 12 946 | 22 918 | 1 168 | 3 691 | 3 651 | 3 651 | 5 944 | 6 232 | 6 436 |
| *Rail Infrastructure* | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | – | – | 113 | 216 | 186 | 186 | – | – | – |
| *Information and Communication Infrastructure* | – | – | – | 42 | 42 | 42 | – | – | – |
| **Infrastructure** | ***117 901*** | ***145 959*** | ***134 766*** | ***141 901*** | ***143 636*** | ***143 636*** | ***147 905*** | ***156 594*** | ***162 331*** |
| Community Facilities | 12 289 | 27 117 | 29 422 | 37 242 | 40 524 | 40 524 | 43 317 | 45 311 | 45 753 |
| Sport and Recreation Facilities | – | 12 685 | 4 176 | 7 516 | 7 817 | 7 817 | 15 039 | 15 949 | 16 366 |
| **Community Assets** | ***12 289*** | ***39 801*** | ***33 597*** | ***44 758*** | ***48 340*** | ***48 340*** | ***58 357*** | ***61 260*** | ***62 119*** |
| **Heritage Assets** | – | – | – | – | – | – | – | – | – |
| Revenue Generating | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | – | – | – | – | – | – | – | – | – |
| **Investment properties** | – | – | – | – | – | – | – | – | – |
| Operational Buildings | – | 8 009 | 1 582 | 3 373 | 3 065 | 3 065 | 11 914 | 12 304 | 5 587 |
| Housing | – | – | – | 37 | 237 | 237 | – | – | – |
| **Other Assets** | – | ***8 009*** | ***1 582*** | ***3 410*** | ***3 302*** | ***3 302*** | ***11 914*** | ***12 304*** | ***5 587*** |
| **Biological or Cultivated Assets** | – | – | – | – | – | – | – | – | – |
| Servitudes | – | – | – | – | – | – | – | – | – |
| Licences and Rights | – | – | 6 009 | 5 925 | 5 925 | 5 925 | 6 528 | 6 862 | 7 213 |
| **Intangible Assets** | – | – | ***6 009*** | ***5 925*** | ***5 925*** | ***5 925*** | ***6 528*** | ***6 862*** | ***7 213*** |
| **Computer Equipment** | **5 207** | **4 890** | **766** | **2 186** | **2 186** | **2 186** | **2 280** | **2 394** | **2 514** |
| **Furniture and Office Equipment** | **17 919** | **16 364** | **242** | **2 811** | **2 803** | **2 803** | **6 095** | **6 312** | **6 527** |
| **Machinery and Equipment** | – | – | – | – | – | – | **5 548** | **6 194** | **6 598** |
| **Transport Assets** | **6 719** | – | **11 555** | **9 914** | **9 914** | **9 914** | **10 940** | **11 401** | **11 882** |
| **Libraries** | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | – | – | – | – | – | – | – | – | – |
| **TOTAL EXPENDITURE OTHER ITEMS** | **294 882** | **346 138** | **323 058** | **352 782** | **357 983** | **357 983** | **395 230** | **407 367** | **408 153** |
| ***Renewal and upgrading of Existing Assets as % of tota*** | *28.2%* | *0.0%* | *10.5%* | *29.1%* | *27.9%* | *27.9%* | *26.1%* | *40.3%* | *62.9%* |
| ***Renewal and upgrading of Existing Assets as % of dep*** | *22.0%* | *0.0%* | *16.5%* | *62.2%* | *55.1%* | *55.1%* | *41.9%* | *39.8%* | *42.0%* |
| ***R&M as a % of PPE*** | *4.8%* | *6.3%* | *5.4%* | *5.8%* | *5.9%* | *5.9%* | *6.7%* | *7.1%* | *7.2%* |
| ***Renewal and upgrading and R&M as a % of PPE*** | *5.0%* | *6.0%* | *6.0%* | *8.0%* | *8.0%* | *8.0%* | *8.0%* | *8.0%* | *8.0%* |

**WC032 Overstrand - Schedule 8 - Basic service delivery measurement**

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Household service targets** | | | | | | | | | |
| ***Water:*** | | | | | | | | | |
| Piped water inside dwelling | 29 174 | 29 800 | 29 946 | 29 946 | 29 946 | 29 946 | 30 844 | 31 769 | 32 722 |
| Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| Using public tap (at least min.service level) | 3 052 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| *Minimum Service Level and Above sub-total* | 32 226 | 33 420 | 33 621 | 33 621 | 33 621 | 33 621 | 34 402 | 37 106 | 36 991 |
| Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| No water supply | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **32 226** | **33 420** | **33 621** | **33 621** | **33 621** | **33 621** | **34 402** | **37 106** | **36 991** |
| ***Sanitation/sewerage:*** | | | | | | | | | |
| Flush toilet (connected to sewerage) | 29 165 | 29 631 | 30 060 | 30 060 | 30 060 | 30 060 | 30 962 | 31 891 | 32 848 |
| Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| Chemical toilet | – | – | – | – | – | – | – | – | – |
| Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (> min.service level) | 3 620 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| *Minimum Service Level and Above sub-total* | 32 785 | 33 251 | 33 735 | 33 735 | 33 735 | 33 735 | 34 520 | 37 228 | 37 117 |
| Bucket toilet | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| No toilet provisions | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **32 785** | **33 251** | **33 735** | **33 735** | **33 735** | **33 735** | **34 520** | **37 228** | **37 117** |
| ***Energy:*** | | | | | | | | | |
| Electricity (at least min.service level) | 6 112 | 5 831 | – | 5 665 | 5 665 | 5 665 | 5 384 | 5 103 | 4 822 |
| Electricity - prepaid (min.service level) | 18 814 | 19 464 | 21 546 | 20 114 | 20 114 | 20 114 | 20 497 | 20 880 | 20 880 |
| *Minimum Service Level and Above sub-total* | 24 926 | 25 295 | 21 546 | 25 779 | 25 779 | 25 779 | 25 881 | 25 983 | 25 702 |
| Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| Other energy sources | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **24 926** | **25 295** | **21 546** | **25 779** | **25 779** | **25 779** | **25 881** | **25 983** | **25 702** |
| ***Refuse:*** | | | | | | | | | |
| Removed at least once a week | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |
| *Minimum Service Level and Above sub-total* | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |
| Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| Using own refuse dump | – | – | – | – | – | – | – | – | – |
| Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| No rubbish disposal | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| **Total number of households** | **32 695** | **33 105** | **33 366** | **33 366** | **33 366** | **33 366** | **34 367** | **35 398** | **36 460** |
| **Households receiving Free Basic Service** | | | | | | | | | |
| Water (6 kilolitres per household per month) | – | – | – | – | – | – | – | – | – |
| Sanitation (free minimum level service) | – | – | – | – | – | – | – | – | – |
| Electricity/other energy (50kwh per household per month) | – | – | – | – | – | – | – | – | – |
| Refuse (removed at least once a week) | – | – | – | – | – | – | – | – | – |
| **Cost of Free Basic Services provided - Formal Settlements (R'000)** | | | | | | | | | |
| Water (6 kilolitres per indigent household per month) | – | – | – | – | – | – | – | – | – |
| Sanitation (free sanitation service to indigent households) | – | – | – | – | – | – | – | – | – |
| Electricity/other energy (50kwh per indigent household per month) | – | – | – | – | – | – | – | – | – |
| Refuse (removed once a week for indigent households) | – | – | – | – | – | – | – | – | – |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | – | – | – | – | – | – | – | – | – |
| **Total cost of FBS provided** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **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) | 73 | 78 | 82 | 86 | 86 | 86 | 89 | 94 | 100 |
| Electricity (kwh per household per month) | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Refuse (average litres per week) | 210 | 210 | 210 | 210 | 210 | 210 | 210 | 210 | 210 |
| **Revenue cost of subsidised services provided (R'000)** | | | | | | | | | |
| Property rates (tariff adjustment) ( impermissable values per section 17 of MPRA) | – | – | – | – | – | – | – | – | – |
| Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA) | 51 711 | 50 983 | – | – | – | – | – | – | – |
| Water (in excess of 6 kilolitres per indigent household per month) | – | 779 | – | – | – | – | – | – | – |
| 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** | **51 711** | **52 080** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |

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

| Standard Classification Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue - Functional** | | | | | | | | | |
| ***Governance and administration*** | **334 461** | **327 040** | **347 612** | **336 136** | **337 425** | **337 425** | **357 072** | **370 592** | **382 268** |
| Executive and council | 21 599 | 27 347 | 30 254 | 17 821 | 18 105 | 18 105 | 31 359 | 32 826 | 31 414 |
| Finance and administration | 262 045 | 299 607 | 317 322 | 318 315 | 319 320 | 319 320 | 325 712 | 337 766 | 350 854 |
| Internal audit | 50 817 | 86 | 36 | – | – | – | – | – | – |
| ***Community and public safety*** | **109 158** | **118 499** | **164 043** | **148 846** | **144 898** | **144 898** | **164 655** | **128 556** | **85 859** |
| Community and social services | 4 149 | 8 471 | 8 071 | 8 185 | 8 217 | 8 217 | 7 145 | 7 017 | 7 286 |
| Sport and recreation | 8 218 | 30 199 | 18 801 | 10 262 | 13 424 | 13 424 | 10 133 | 8 242 | 13 051 |
| Public safety | 40 605 | 32 372 | 32 801 | 39 830 | 49 300 | 49 300 | 39 531 | 40 997 | 42 522 |
| Housing | 56 186 | 47 457 | 104 370 | 90 568 | 73 957 | 73 957 | 107 845 | 72 300 | 23 000 |
| Health | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **23 251** | **16 861** | **15 503** | **10 065** | **14 578** | **14 578** | **16 227** | **20 388** | **9 674** |
| Planning and development | 14 259 | 10 337 | 8 315 | 9 788 | 11 030 | 11 030 | 9 362 | 7 105 | 7 389 |
| Road transport | 8 970 | 6 229 | 7 166 | 245 | 3 516 | 3 516 | 6 828 | 13 245 | 2 245 |
| Environmental protection | 22 | 295 | 21 | 32 | 32 | 32 | 37 | 38 | 40 |
| ***Trading services*** | **674 417** | **752 662** | **804 239** | **792 445** | **801 091** | **801 091** | **918 681** | **972 533** | **1 051 599** |
| Energy sources | 381 333 | 419 560 | 459 980 | 436 955 | 435 401 | 435 401 | 550 503 | 587 031 | 655 146 |
| Water management | 125 375 | 145 980 | 153 663 | 150 392 | 152 915 | 152 915 | 157 061 | 157 973 | 164 018 |
| Waste water management | 95 070 | 110 345 | 103 934 | 114 335 | 113 789 | 113 789 | 116 972 | 128 616 | 128 491 |
| Waste management | 72 639 | 76 777 | 86 662 | 90 764 | 98 986 | 98 986 | 94 145 | 98 912 | 103 943 |
| ***Other*** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Revenue - Functional** | **1 141 287** | **1 215 062** | **1 331 397** | **1 287 492** | **1 297 992** | **1 297 992** | **1 456 634** | **1 492 069** | **1 529 399** |
| **Expenditure - Functional** | | | | | | | | | |
| ***Governance and administration*** | **186 762** | **222 134** | **216 164** | **270 009** | **272 905** | **272 905** | **284 355** | **295 732** | **315 195** |
| Executive and council | 24 780 | 56 567 | 39 624 | 62 707 | 62 415 | 62 415 | 66 575 | 68 305 | 70 655 |
| Finance and administration | 71 864 | 162 899 | 174 217 | 203 733 | 206 921 | 206 921 | 213 705 | 223 293 | 240 243 |
| Internal audit | 90 118 | 2 668 | 2 322 | 3 569 | 3 569 | 3 569 | 4 075 | 4 135 | 4 297 |
| ***Community and public safety*** | **138 037** | **159 878** | **171 527** | **251 675** | **247 028** | **247 028** | **254 202** | **243 652** | **236 332** |
| Community and social services | 33 856 | 16 972 | 15 216 | 23 502 | 23 534 | 23 534 | 19 086 | 19 863 | 22 222 |
| Sport and recreation | 18 307 | 43 905 | 44 289 | 56 586 | 58 412 | 58 412 | 56 315 | 59 175 | 60 151 |
| Public safety | 73 286 | 80 702 | 82 675 | 119 176 | 122 500 | 122 500 | 115 101 | 120 007 | 125 179 |
| Housing | 12 589 | 18 299 | 29 347 | 52 410 | 42 583 | 42 583 | 63 700 | 44 606 | 28 780 |
| Health | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | **182 017** | **146 841** | **156 576** | **176 095** | **176 952** | **176 952** | **184 895** | **190 394** | **190 968** |
| Planning and development | 85 115 | 36 688 | 39 397 | 51 179 | 51 862 | 51 862 | 51 199 | 50 258 | 52 145 |
| Road transport | 91 197 | 103 331 | 107 277 | 108 617 | 108 691 | 108 691 | 116 106 | 121 656 | 126 719 |
| Environmental protection | 5 705 | 6 821 | 9 902 | 16 298 | 16 398 | 16 398 | 17 589 | 18 480 | 12 103 |
| ***Trading services*** | **490 339** | **576 651** | **641 935** | **640 514** | **643 219** | **643 219** | **723 499** | **760 299** | **801 936** |
| Energy sources | 295 386 | 313 606 | 366 823 | 354 355 | 355 355 | 355 355 | 407 010 | 437 921 | 469 523 |
| Water management | 66 052 | 107 916 | 112 899 | 124 167 | 125 367 | 125 367 | 129 752 | 127 206 | 130 416 |
| Waste water management | 64 937 | 84 120 | 90 406 | 88 633 | 89 138 | 89 138 | 102 566 | 106 785 | 109 968 |
| Waste management | 63 964 | 71 009 | 71 808 | 73 358 | 73 358 | 73 358 | 84 171 | 88 388 | 92 030 |
| ***Other*** | **–** | **3 031** | **2 998** | **3 719** | **4 019** | **4 019** | **3 585** | **3 379** | **3 476** |
| **Total Expenditure - Functional** | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit) for the year** | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |

**WC032 Overstrand - Schedule 10 - Budgeted Capital Expenditure by directorate**

| Vote Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousand | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital expenditure - Vote** | | | | | | | | | |
| **Multi-year expenditure to be appropriated** | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | – | – | – | – | – | – | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | – | – | – | – | – | – | 3 715 | 6 065 | 3 515 |
| Vote 4 - Finance | – | – | – | – | – | – | 60 | 60 | 60 |
| Vote 5 - Infrastructure & Planning | – | 63 169 | 15 575 | 108 693 | 82 050 | 82 050 | 166 263 | 100 328 | 67 675 |
| Vote 6 - Protection Services | – | 4 809 | – | – | – | – | 350 | 350 | 350 |
| Vote 7 - Economic and Social Development | – | – | – | – | – | – | 45 | 45 | 45 |
| Vote 8 - Community Services | – | 66 541 | 58 300 | – | – | – | 4 297 | 8 110 | 5 660 |
| **Total Capital Expenditure - Vote** | **–** | **134 520** | **73 875** | **108 693** | **82 050** | **82 050** | **174 730** | **114 958** | **77 305** |
| **Single-year expenditure to be appropriated** | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | – | – | – | – | 461 | 461 | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | 6 346 | 295 | 3 966 | 3 015 | 3 015 | 3 015 | – | – | – |
| Vote 4 - Finance | – | – | 22 | 60 | 60 | 60 | – | – | – |
| Vote 5 - Infrastructure & Planning | 16 315 | 28 195 | 93 905 | 117 721 | 117 560 | 117 560 | 33 281 | 27 328 | 18 530 |
| Vote 6 - Protection Services | 2 517 | – | 12 064 | 13 981 | 13 018 | 13 018 | 3 458 | – | – |
| Vote 7 - Economic and Social Development | – | – | 375 | 842 | 842 | 842 | – | – | – |
| Vote 8 - Community Services | 80 077 | 12 100 | 26 849 | 59 426 | 63 081 | 63 081 | 21 976 | – | – |
| **Capital single-year expenditure sub-total** | **105 255** | **40 590** | **137 181** | **195 045** | **198 037** | **198 037** | **58 714** | **27 328** | **18 530** |
| **Total Capital Expenditure - Vote** | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |

# ANNEXURE B

# A1 SCHEDULE & A2 BUDGET CHARTS

# Municipal annual budgets and MTREF & supporting tables

mSCOA Version 6.5

Click for Instructions!

Accountability

Transparency

Information & service delivery

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

**Contact details:**

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

## Preparation Instructions

| | |
|---|---|
| Municipality Name: | WC032 Overstrand |
| CFO Name: | SANTIE REYNEKE-NAUDE |
| Tel: | 028 313 8040 |
| Fax: | 028 313 8128 |
| E-Mail: | cfo@overstrand.gov.za |
| Budget for MTREF starting: | 2021 |
| Budget Year: | 2021/22 |
| Does this municipality have Entities? | No |
| If YES: Identify type of report: | Consolidated Informati |

LGDB Export

Name Votes & Sub-Votes

### Printing Instructions

**Showing / Hiding Columns**

Hide Pre-audit columns on all

Hide Reference columns on all

**Showing / Clearing Highlights**

Clear Highlights on all sheets

### Important documents which provide essential assistance

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

| 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 |
| | **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, Cemetries | 8.3 - Parks & Townlands, Cemetries |
| | 8.4 | Libraries | 8.4 - Libraries |
| | 8.5 | Sport & Recreation | 8.5 - Sport & Recreation |
| | 8.6 | Housing & Social Upliftment | 8.6 - Housing & Social Upliftment |
| | 8.7 | Roads & Stormwater | 8.7 - Roads & Stormwater |
| | 8.8 | Water | 8.8 - Water |
| | 8.9 | Sewerage | 8.9 - Sewerage |
| | 8.10 | Refuse | 8.10 - Refuse |
| | **Vote 9** | **Costing Services** | |
| | 9.1 | Departmental Charges & Recoveries | 9.1 - Departmental Charges & Recoveries |
| | 9.2 | Internal Billing | 9.2 - Internal Billing |
| | 9.3 | Activity Based Costing | 9.3 - Activity Based Costing |
| | 9.4 | [Name of sub-vote] | |
| | 9.5 | [Name of sub-vote] | |
| | 9.6 | [Name of sub-vote] | |
| | 9.7 | [Name of sub-vote] | |

| Organisational Structure Votes | | Complete Votes & Sub-Votes | Select Org. Structure |
|---|---|---|---|
| | 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] | |
| | **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] | |

**Choose name from list - Contact Information**

| A. GENERAL INFORMATION | | |
|---|---|---|
| **Municipality** | WC032 Overstrand | |
| **Grade** | 3 | *1 Grade in terms of the Remuneration of Public Office Bearers Act.* |
| **Province** | WC WESTERN CAPE | |
| **Web Address** | www.overstrand.gov.za | |
| **E-mail Address** | bking@overstrand.gov.za | |

| 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 | 028 316 4454 | 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:** | | **Secretary/PA to the Mayor/Executive Mayor:** | |
| ID Number | 470721 5075 08 2 | ID Number | 700621 0297 08 1 |
| Title | Mr | Title | Ms |
| Name | DUDLEY COETZEE | Name | DORET TALJAARD |
| Telephone number | 028 313 8016 | Telephone number | 028 313 8052 |
| Cell number | 082 5744 404 | Cell number | 060 8368 895 |
| Fax number | 028 313 8067 | Fax number | 028 313 8067 |
| E-mail address | dcoetzee@overstrand.gov.za | E-mail address | dtaljaard@overstrand.gov.za |
| | | | |
| **Deputy Mayor/Executive Mayor:** | | **Secretary/PA to the Deputy Mayor/Executive Mayor:** | |
| ID Number | 750427 0161 08 0 | ID Number | 901227 0650 08 4 |
| Title | Mrs | Title | Mrs |
| Name | ELNORA GILLION | Name | SHELLEY YAWA |
| Telephone number | 028 313 8016 | Telephone number | 028 313 8002 |
| Cell number | 060 652 0214 | Cell number | 073 086 5571 |
| Fax number | 028 313 8067 | Fax number | 028 313 8067 |
| E-mail address | egillion@overstrand.gov.za | E-mail address | maycomsec@overstrand.gov.za |

| D. MANAGEMENT LEADERSHIP | | | |
|---|---|---|---|
| **Municipal Manager:** | | **Secretary/PA to the Municipal Manager:** | |
| ID Number | 681231 5177 08 1 | ID Number | 590401 0048 08 8 |
| Title | Mr | Title | Mrs |
| Name | DEAN GABRIEL IAN O'NEILL | Name | RENTIA PRETORIUS |
| Telephone number | 028 313 8003 | Telephone number | 028 313 8909 |
| Cell number | 076 911 6497 | Cell number | 0 |
| Fax number | 028 313 8128 | Fax number | 028 313 8128 |
| E-mail address | mm@overstrand.gov.za | E-mail address | rpretorius@overstrand.gov.za |
| | | | |
| **Chief Financial Officer** | | **Secretary/PA to the Chief Financial Officer** | |

| | | | |
|---|---|---|---|
| ID Number | 640708 0098 08 1 | ID Number | 561202 0062 08 6 |
| Title | Mrs | Title | Mrs |
| Name | SANTIE REYNEKE-NAUDE | Name | RITA LE ROUX |
| Telephone number | 028 313 8040 | Telephone number | 028 313 8074 |
| Cell number | 082 551 4499 | Cell number | 0 |
| Fax number | 028 313 8128 | 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 | 0 | ID Number | 0 |
| Title | Mr | Title | Ms |
| Name | BERNARD KING | Name | VERONICA ALLEN |
| Telephone number | 028 313 8154 | Telephone number | 028 313 8131 |
| Cell number | 0 | Cell number | 0 |
| 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 | 0 | ID Number | 0 |
| Title | Mrs | Title | Ms |
| Name | GEORGIA BUCCHIANERI | Name | KELLY JEPTHA |
| Telephone number | 028 313 8913 | Telephone number | 028 313 8913 |
| Cell number | 0 | Cell number | 0 |
| 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 |

## Choose name from list - Table A1 Budget Summary

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Financial Performance** | | | | | | | | | | |
| Property rates | **215 763** | 233 093 | 240 914 | 262 551 | 259 241 | 259 241 | – | 275 637 | 286 662 | 298 129 |
| Service charges | 590 112 | 648 033 | 699 549 | 663 209 | 663 209 | 663 209 | – | 773 598 | 842 725 | 919 199 |
| Investment revenue | 30 320 | 41 767 | 48 146 | 31 400 | 26 400 | 26 400 | – | 27 456 | 28 554 | 29 697 |
| Transfers recognised - operational | 116 458 | 106 306 | 123 140 | 131 840 | 148 458 | 148 458 | – | 139 692 | 144 977 | 148 209 |
| Other own revenue | 124 371 | 127 227 | 178 526 | 166 185 | 153 768 | 153 768 | – | 180 696 | 147 010 | 100 274 |
| **Total Revenue (excluding capital transfers and contributions)** | 1 077 023 | 1 156 425 | 1 290 276 | 1 255 185 | 1 251 076 | 1 251 076 | – | 1 397 079 | 1 449 929 | 1 495 508 |
| Employee costs | 296 682 | 368 000 | 382 527 | 435 325 | 440 972 | 440 972 | – | 461 745 | 480 765 | 502 037 |
| Remuneration of councillors | 10 138 | 10 573 | 11 282 | 11 896 | 11 896 | 11 896 | – | 12 509 | 13 020 | 13 553 |
| Depreciation & asset impairment | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | – | 145 663 | 144 047 | 143 381 |
| Finance charges | 46 129 | 44 921 | 46 570 | 51 482 | 51 482 | 51 482 | – | 51 804 | 51 923 | 52 180 |
| Materials and bulk purchases | 266 744 | 277 663 | 320 786 | 317 828 | 321 066 | 321 066 | – | 363 515 | 394 306 | 426 835 |
| Transfers and grants | 1 800 | 486 | 560 | 11 610 | 8 300 | 8 300 | – | 12 324 | 12 557 | 13 060 |
| Other expenditure | 240 817 | 275 779 | 292 933 | 371 993 | 368 529 | 368 529 | – | 402 977 | 396 839 | 396 862 |
| **Total Expenditure** | 997 156 | 1 108 536 | 1 189 200 | 1 342 010 | 1 344 123 | 1 344 123 | – | 1 450 536 | 1 493 455 | 1 547 908 |
| **Surplus/(Deficit)** | 79 868 | 47 890 | 101 076 | (86 825) | (93 046) | (93 046) | – | (53 457) | (43 526) | (52 400) |
| Transfers and subsidies - capital (monetary allocations) | 64 263 | 31 952 | 37 392 | 32 307 | 46 916 | 46 916 | – | 46 354 | 40 828 | 32 568 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all) | – | 26 685 | 3 730 | – | – | – | – | 13 201 | 1 312 | 1 324 |
| **Surplus/(Deficit) after capital transfers & contributions** | 144 131 | 106 526 | 142 197 | (54 518) | (46 131) | (46 131) | – | 6 098 | (1 386) | (18 508) |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | 144 131 | 106 526 | 142 197 | (54 518) | (46 131) | (46 131) | – | 6 098 | (1 386) | (18 508) |
| **Capital expenditure & funds sources** | | | | | | | | | | |
| **Capital expenditure** | **105 255** | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | – | 233 444 | 142 286 | 95 835 |
| Transfers recognised - capital | **68 677** | 93 002 | 117 493 | 86 516 | 84 523 | 84 523 | – | 110 513 | 77 286 | 35 835 |
| Public contributions & donations | **–** | – | 3 730 | – | – | – | – | – | – | – |
| Borrowing | **19 199** | 36 495 | 50 476 | 92 949 | 75 228 | 75 228 | – | 67 250 | 50 000 | 50 000 |
| Internally generated funds | **17 379** | 45 613 | 39 358 | 124 274 | 120 335 | 120 335 | – | 55 681 | 15 000 | 10 000 |
| **Total sources of capital funds** | **105 255** | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | – | 233 444 | 142 286 | 95 835 |
| **Financial position** | | | | | | | | | | |
| Total current assets | **625 093** | 684 399 | 810 947 | 614 227 | 646 267 | 646 267 | – | 584 933 | 612 767 | 712 132 |
| Total non current assets | **3 635 642** | 3 712 914 | 3 798 429 | 3 982 468 | 3 947 815 | 3 947 815 | – | 4 055 547 | 4 067 127 | 4 033 065 |
| Total current liabilities | **221 509** | 220 717 | 294 941 | 254 715 | 249 067 | 249 067 | – | 261 558 | 274 649 | 305 303 |
| Total non current liabilities | **613 708** | 645 090 | 640 732 | 687 245 | 687 245 | 687 245 | – | 621 606 | 631 403 | 653 456 |
| Community wealth/Equity | **3 425 517** | 3 531 506 | 3 673 703 | 3 654 735 | 3 657 771 | 3 657 771 | – | 3 757 316 | 3 773 841 | 3 786 438 |
| **Cash flows** | | | | | | | | | | |
| Net cash from (used) operating | **243 897** | 215 983 | 319 091 | 198 066 | 201 847 | 201 847 | – | 164 775 | 153 626 | 180 280 |
| Net cash from (used) investing | **(28 775)** | (178 314) | (212 740) | (304 307) | (276 651) | (276 651) | – | (238 424) | (147 266) | (100 815) |
| Net cash from (used) financing | **31** | 20 552 | 14 275 | 6 626 | 6 626 | 6 626 | – | 2 699 | 9 552 | 5 479 |
| **Cash/cash equivalents at the year end** | **474 967** | 533 188 | 653 813 | 485 812 | 517 249 | 517 249 | – | 446 299 | 462 210 | 547 155 |
| **Cash backing/surplus reconciliation** | | | | | | | | | | |
| Cash and investments available | **519 562** | 583 711 | 700 328 | 551 272 | 571 709 | 571 709 | – | 508 464 | 532 216 | 625 144 |
| Application of cash and investments | **(176 397)** | (150 485) | (261 102) | (121 144) | (129 012) | (129 012) | – | (160 516) | (168 067) | (212 347) |
| **Balance - surplus (shortfall)** | **695 959** | 734 196 | 961 430 | 672 416 | 700 720 | 700 720 | – | 668 980 | 700 283 | 837 491 |
| **Asset management** | | | | | | | | | | |
| Asset register summary (WDV) | **3 591 027** | 3 662 386 | 3 751 914 | 3 917 008 | 3 893 355 | 3 893 355 | | 3 993 382 | 3 997 122 | 3 955 076 |
| Depreciation | **134 846** | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | | 145 663 | 144 047 | 143 381 |
| Renewal of Existing Assets | **29 644** | – | 3 606 | 25 621 | 25 050 | 25 050 | | 23 050 | 19 200 | 17 700 |
| Repairs and Maintenance | **160 036** | 215 024 | 188 517 | 210 905 | 216 106 | 216 106 | | 249 567 | 263 320 | 264 772 |
| **Free services** | | | | | | | | | | |
| Cost of Free Basic Services provided | **–** | – | – | – | – | – | – | – | – | – |
| Revenue cost of free services provided | **51 711** | 52 080 | – | – | – | – | – | – | – | – |
| **Households below minimum service level** | | | | | | | | | | |
| Water: | – | – | – | – | – | – | – | – | – | – |
| Sanitation/sewerage: | – | – | – | – | – | – | – | – | – | – |
| Energy: | – | – | – | – | – | – | – | – | – | – |
| Refuse: | – | – | – | – | – | – | – | – | – | – |

## Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue - Functional** | | | | | | | | | | |
| ***Governance and administration*** | | **334 461** | **327 040** | **347 612** | **336 136** | **337 425** | **337 425** | **357 072** | **370 592** | **382 268** |
| Executive and council | | 21 599 | 27 347 | 30 254 | 17 821 | 18 105 | 18 105 | 31 359 | 32 826 | 31 414 |
| Finance and administration | | 262 045 | 299 607 | 317 322 | 318 315 | 319 320 | 319 320 | 325 712 | 337 766 | 350 854 |
| Internal audit | | 50 817 | 86 | 36 | – | – | – | – | – | – |
| ***Community and public safety*** | | **109 158** | **118 499** | **164 043** | **148 846** | **144 898** | **144 898** | **164 655** | **128 556** | **85 859** |
| Community and social services | | 4 149 | 8 471 | 8 071 | 8 185 | 8 217 | 8 217 | 7 145 | 7 017 | 7 286 |
| Sport and recreation | | 8 218 | 30 199 | 18 801 | 10 262 | 13 424 | 13 424 | 10 133 | 8 242 | 13 051 |
| Public safety | | 40 605 | 32 372 | 32 801 | 39 830 | 49 300 | 49 300 | 39 531 | 40 997 | 42 522 |
| Housing | | 56 186 | 47 457 | 104 370 | 90 568 | 73 957 | 73 957 | 107 845 | 72 300 | 23 000 |
| Health | | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | | **23 251** | **16 861** | **15 503** | **10 065** | **14 578** | **14 578** | **16 227** | **20 388** | **9 674** |
| Planning and development | | 14 259 | 10 337 | 8 315 | 9 788 | 11 030 | 11 030 | 9 362 | 7 105 | 7 389 |
| Road transport | | 8 970 | 6 229 | 7 166 | 245 | 3 516 | 3 516 | 6 828 | 13 245 | 2 245 |
| Environmental protection | | 22 | 295 | 21 | 32 | 32 | 32 | 37 | 38 | 40 |
| ***Trading services*** | | **674 417** | **752 662** | **804 239** | **792 445** | **801 091** | **801 091** | **918 681** | **972 533** | **1 051 599** |
| Energy sources | | 381 333 | 419 560 | 459 980 | 436 955 | 435 401 | 435 401 | 550 503 | 587 031 | 655 146 |
| Water management | | 125 375 | 145 980 | 153 663 | 150 392 | 152 915 | 152 915 | 157 061 | 157 973 | 164 018 |
| Waste water management | | 95 070 | 110 345 | 103 934 | 114 335 | 113 789 | 113 789 | 116 972 | 128 616 | 128 491 |
| Waste management | | 72 639 | 76 777 | 86 662 | 90 764 | 98 986 | 98 986 | 94 145 | 98 912 | 103 943 |
| ***Other*** | 4 | – | – | – | – | – | – | – | – | – |
| **Total Revenue - Functional** | 2 | **1 141 287** | **1 215 062** | **1 331 397** | **1 287 492** | **1 297 992** | **1 297 992** | **1 456 634** | **1 492 069** | **1 529 399** |
| **Expenditure - Functional** | | | | | | | | | | |
| ***Governance and administration*** | | **186 762** | **222 134** | **216 164** | **270 009** | **272 905** | **272 905** | **284 355** | **295 732** | **315 195** |
| Executive and council | | 24 780 | 56 567 | 39 624 | 62 707 | 62 415 | 62 415 | 66 575 | 68 305 | 70 655 |
| Finance and administration | | 71 864 | 162 899 | 174 217 | 203 733 | 206 921 | 206 921 | 213 705 | 223 293 | 240 243 |
| Internal audit | | 90 118 | 2 668 | 2 322 | 3 569 | 3 569 | 3 569 | 4 075 | 4 135 | 4 297 |
| ***Community and public safety*** | | **138 037** | **159 878** | **171 527** | **251 675** | **247 028** | **247 028** | **254 202** | **243 652** | **236 332** |
| Community and social services | | 33 856 | 16 972 | 15 216 | 23 502 | 23 534 | 23 534 | 19 086 | 19 863 | 22 222 |
| Sport and recreation | | 18 307 | 43 905 | 44 289 | 56 586 | 58 412 | 58 412 | 56 315 | 59 175 | 60 151 |
| Public safety | | 73 286 | 80 702 | 82 675 | 119 176 | 122 500 | 122 500 | 115 101 | 120 007 | 125 179 |
| Housing | | 12 589 | 18 299 | 29 347 | 52 410 | 42 583 | 42 583 | 63 700 | 44 606 | 28 780 |
| Health | | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | | **182 017** | **146 841** | **156 576** | **176 095** | **176 952** | **176 952** | **184 895** | **190 394** | **190 968** |
| Planning and development | | 85 115 | 36 688 | 39 397 | 51 179 | 51 862 | 51 862 | 51 199 | 50 258 | 52 145 |
| Road transport | | 91 197 | 103 331 | 107 277 | 108 617 | 108 691 | 108 691 | 116 106 | 121 656 | 126 719 |
| Environmental protection | | 5 705 | 6 821 | 9 902 | 16 298 | 16 398 | 16 398 | 17 589 | 18 480 | 12 103 |
| ***Trading services*** | | **490 339** | **576 651** | **641 935** | **640 514** | **643 219** | **643 219** | **723 499** | **760 299** | **801 936** |
| Energy sources | | 295 386 | 313 606 | 366 823 | 354 355 | 355 355 | 355 355 | 407 010 | 437 921 | 469 523 |
| Water management | | 66 052 | 107 916 | 112 899 | 124 167 | 125 367 | 125 367 | 129 752 | 127 206 | 130 416 |
| Waste water management | | 64 937 | 84 120 | 90 406 | 88 633 | 89 138 | 89 138 | 102 566 | 106 785 | 109 968 |
| Waste management | | 63 964 | 71 009 | 71 808 | 73 358 | 73 358 | 73 358 | 84 171 | 88 388 | 92 030 |
| ***Other*** | 4 | – | **3 031** | **2 998** | **3 719** | **4 019** | **4 019** | **3 585** | **3 379** | **3 476** |
| **Total Expenditure - Functional** | 3 | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit) for the year** | | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |

*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.*

## Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue - Functional** | | | | | | | | | | |
| ***Municipal governance and administration*** | | **334 461** | **327 040** | **347 612** | **336 136** | **337 425** | **337 425** | **357 072** | **370 592** | **382 268** |
| Executive and council | | 21 599 | 27 347 | 30 254 | 17 821 | 18 105 | 18 105 | 31 359 | 32 826 | 31 414 |
| *Mayor and Council* | | 21 399 | 27 246 | 30 091 | 17 732 | 18 016 | 18 016 | 31 285 | 32 772 | 31 375 |
| *Municipal Manager, Town Secretary and Chief Executive* | | 200 | 101 | 163 | 89 | 89 | 89 | 75 | 54 | 39 |
| Finance and administration | | 262 045 | 299 607 | 317 322 | 318 315 | 319 320 | 319 320 | 325 712 | 337 766 | 350 854 |
| *Administrative and Corporate Support* | | | 253 | 378 | 311 | 4 668 | 4 668 | 318 | 325 | 333 |
| *Asset Management* | | | – | – | – | – | – | – | – | – |
| *Finance* | | 262 045 | 292 659 | 300 353 | 309 041 | 304 882 | 304 882 | 318 337 | 330 874 | 343 914 |
| *Fleet Management* | | | – | 95 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Human Resources* | | | 721 | 738 | 1 355 | 2 151 | 2 151 | 809 | 288 | 297 |
| *Information Technology* | | | – | – | – | – | – | – | – | – |
| *Legal Services* | | | – | – | – | 10 | 10 | – | – | – |
| *Marketing, Customer Relations, Publicity and Media Co-ordination* | | | – | – | – | – | – | – | – | – |
| *Property Services* | | | (124) | 701 | 475 | 475 | 475 | 321 | 334 | 347 |
| *Risk Management* | | | – | – | – | – | – | – | – | – |
| *Security Services* | | | – | – | – | – | – | – | – | – |
| *Supply Chain Management* | | | 205 | 152 | 121 | 121 | 121 | 313 | 326 | 339 |
| *Valuation Service* | | | 5 893 | 14 906 | 7 012 | 7 012 | 7 012 | 5 615 | 5 619 | 5 624 |
| Internal audit | | 50 817 | 86 | 36 | – | – | – | – | – | – |
| *Governance Function* | | 50 817 | 86 | 36 | | | | – | – | – |
| ***Community and public safety*** | | **109 158** | **118 499** | **164 043** | **148 846** | **144 898** | **144 898** | **164 655** | **128 556** | **85 859** |
| Community and social services | | **4 149** | **8 471** | **8 071** | **8 185** | **8 217** | **8 217** | **7 145** | **7 017** | **7 286** |
| *Aged Care* | | | – | – | – | – | – | – | – | – |
| *Agricultural* | | | – | – | – | – | – | – | – | – |
| *Animal Care and Diseases* | | | – | – | – | – | – | – | – | – |
| *Cemeteries, Funeral Parlours and Crematoriums* | | 280 | 289 | 301 | 196 | 196 | 196 | 180 | 180 | 180 |
| *Child Care Facilities* | | 30 | 400 | – | – | – | – | – | – | – |
| *Community Halls and Facilities* | | 3 677 | 298 | 385 | 230 | 261 | 261 | 365 | 125 | 280 |
| *Consumer Protection* | | | | – | – | – | – | – | – | – |
| *Cultural Matters* | | | | – | – | – | – | – | – | – |
| *Disaster Management* | | | | – | – | – | – | – | – | – |
| *Education* | | | | – | – | – | – | – | – | – |
| *Indigenous and Customary Law* | | | | – | – | – | – | – | – | – |
| *Industrial Promotion* | | | | – | – | – | – | – | – | – |
| *Language Policy* | | | | – | – | – | – | – | – | – |
| *Libraries and Archives* | | 162 | 7 423 | 7 385 | 7 760 | 7 760 | 7 760 | 6 599 | 6 711 | 6 825 |
| *Literacy Programmes* | | | – | – | – | | | – | – | – |
| *Media Services* | | | – | – | – | | | – | – | – |

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Museums and Art Galleries* | | | – | – | – | | | – | – | – |
| *Population Development* | | | 62 | – | – | | | – | – | – |
| *Provincial Cultural Matters* | | | | – | – | | | – | – | – |
| *Theatres* | | | | – | – | | | – | – | – |
| *Zoo's* | | | | – | – | – | – | – | – | – |
| Sport and recreation | | **8 218** | **30 199** | **18 801** | **10 262** | **13 424** | **13 424** | **10 133** | **8 242** | **13 051** |
| *Beaches and Jetties* | | | 1 735 | 755 | 697 | 697 | 697 | 328 | 271 | 282 |
| *Casinos, Racing, Gambling, Wagering* | | | – | – | – | – | – | – | – | – |
| *Community Parks (including Nurseries)* | | 8 218 | 4 319 | 3 816 | 4 042 | 4 042 | 4 042 | 3 244 | 3 373 | 3 507 |
| *Recreational Facilities* | | | 7 090 | 6 083 | 3 494 | 3 494 | 3 494 | 3 937 | 4 094 | 4 258 |
| *Sports Grounds and Stadiums* | | | 17 055 | 8 147 | 2 028 | 5 190 | 5 190 | 2 625 | 504 | 5 004 |
| Public safety | | **40 605** | **32 372** | **32 801** | **39 830** | **49 300** | **49 300** | **39 531** | **40 997** | **42 522** |
| *Civil Defence* | | | 200 | 3 870 | 2 200 | 3 570 | 3 570 | – | – | – |
| *Cleansing* | | | | – | – | – | – | – | – | – |
| *Control of Public Nuisances* | | | | – | – | – | – | 2 420 | 2 420 | 2 420 |
| *Fencing and Fences* | | | | – | – | – | – | – | – | – |
| *Fire Fighting and Protection* | | 40 605 | 228 | 3 137 | 862 | 5 849 | 5 849 | 150 | 155 | 160 |
| *Licensing and Control of Animals* | | | 318 | 1 787 | 308 | 1 183 | 1 183 | 214 | 223 | 232 |
| *Police Forces, Traffic and Street Parking Control* | | | 31 626 | 24 007 | 36 460 | 38 698 | 38 698 | 36 747 | 38 200 | 39 710 |
| *Pounds* | | | – | – | – | – | – | – | – | – |
| Housing | | **56 186** | **47 457** | **104 370** | **90 568** | **73 957** | **73 957** | **107 845** | **72 300** | **23 000** |
| *Housing* | | 56 186 | 47 457 | 104 370 | 90 568 | 73 957 | 73 957 | 107 845 | 72 300 | 23 000 |
| *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*** | | **23 251** | **16 861** | **15 503** | **10 065** | **14 578** | **14 578** | **16 227** | **20 388** | **9 674** |
| Planning and development | | **14 259** | **10 337** | **8 315** | **9 788** | **11 030** | **11 030** | **9 362** | **7 105** | **7 389** |
| *Billboards* | | | | – | – | – | – | – | – | – |
| *Corporate Wide Strategic Planning (IDPs, LEDs)* | | | | – | – | – | – | – | – | – |
| *Central City Improvement District* | | | | – | – | – | – | – | – | – |
| *Development Facilitation* | | | | – | – | – | – | – | – | – |
| *Economic Development/Planning* | | | 1 926 | 2 635 | 4 500 | 5 742 | 5 742 | 2 531 | 1 | 1 |
| *Regional Planning and Development* | | | – | – | – | – | – | – | – | – |
| *Town Planning, Building Regulations and Enforcement, and City Engineer* | | 14 259 | 8 411 | 5 680 | 5 288 | 5 288 | 5 288 | 6 831 | 7 104 | 7 388 |

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Project Management Unit* | | | | – | – | | | – | – | – |
| *Provincial Planning* | | | | – | – | | | – | – | – |
| *Support to Local Municipalities* | | | | – | – | | | – | – | – |
| Road transport | | **8 970** | **6 229** | **7 166** | **245** | **3 516** | **3 516** | **6 828** | **13 245** | **2 245** |
| *Public Transport* | | | | – | | | | – | – | – |
| *Road and Traffic Regulation* | | | | – | | | | – | – | – |
| *Roads* | | 8 970 | 6 229 | 7 166 | 245 | 3 516 | 3 516 | 6 828 | 13 245 | 2 245 |
| *Taxi Ranks* | | | | – | | | | – | – | – |
| Environmental protection | | **22** | **295** | **21** | **32** | **32** | **32** | **37** | **38** | **40** |
| *Biodiversity and Landscape* | | 22 | 295 | 21 | 32 | 32 | 32 | 37 | 38 | 40 |
| *Coastal Protection* | | | | – | | | | – | – | – |
| *Indigenous Forests* | | | | – | | | | – | – | – |
| *Nature Conservation* | | | | – | | | | – | – | – |
| *Pollution Control* | | | | – | | | | – | – | – |
| *Soil Conservation* | | | | – | | | | – | – | – |
| ***Trading services*** | | **674 417** | **752 662** | **804 239** | **792 445** | **801 091** | **801 091** | **918 681** | **972 533** | **1 051 599** |
| Energy sources | | **381 333** | **419 560** | **459 980** | **436 955** | **435 401** | **435 401** | **550 503** | **587 031** | **655 146** |
| *Electricity* | | 381 333 | 419 560 | 459 980 | 436 955 | 435 401 | 435 401 | 550 503 | 587 031 | 655 146 |
| *Street Lighting and Signal Systems* | | | | – | – | | | – | – | – |
| *Nonelectric Energy* | | | | – | | | | – | – | – |
| Water management | | **125 375** | **145 980** | **153 663** | **150 392** | **152 915** | **152 915** | **157 061** | **157 973** | **164 018** |
| *Water Treatment* | | | | – | – | | | – | – | – |
| *Water Distribution* | | 125 375 | 145 980 | 153 663 | 150 392 | 152 915 | 152 915 | 157 061 | 157 973 | 164 018 |
| *Water Storage* | | | | – | | | | – | – | – |
| Waste water management | | **95 070** | **110 345** | **103 934** | **114 335** | **113 789** | **113 789** | **116 972** | **128 616** | **128 491** |
| *Public Toilets* | | | | – | | | | – | – | – |
| *Sewerage* | | 84 128 | 104 583 | 98 448 | 103 870 | 103 824 | 103 824 | 116 872 | 128 516 | 128 391 |
| *Storm Water Management* | | 10 942 | 5 762 | 5 486 | 10 464 | 9 964 | 9 964 | 100 | 100 | 100 |
| *Waste Water Treatment* | | | | – | | | | – | – | – |
| Waste management | | **72 639** | **76 777** | **86 662** | **90 764** | **98 986** | **98 986** | **94 145** | **98 912** | **103 943** |
| *Recycling* | | | – | – | – | – | – | – | – | – |
| *Solid Waste Disposal (Landfill Sites)* | | | 1 157 | 38 | 22 | 8 022 | 8 022 | 38 | 39 | 41 |
| *Solid Waste Removal* | | 72 639 | 75 619 | 86 624 | 90 742 | 90 965 | 90 965 | 94 107 | 98 873 | 103 902 |
| *Street Cleaning* | | – | – | – | | | | – | – | – |
| ***Other*** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Abattoirs | | | | | | | | – | – | – |
| Air Transport | | | | | | | | – | – | – |
| Forestry | | | | | | | | – | – | – |
| Licensing and Regulation | | | | | | | | – | – | – |
| Markets | | | | | | | | – | – | – |

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Tourism | | | | | | | | – | – | – |
| **Total Revenue - Functional** | 2 | **1 141 287** | **1 215 062** | **1 331 397** | **1 287 492** | **1 297 992** | **1 297 992** | **1 456 634** | **1 492 069** | **1 529 399** |

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Expenditure - Functional** | | | | | | | | | | |
| ***Municipal governance and administration*** | | **186 762** | **222 134** | **216 164** | **270 009** | **272 905** | **272 905** | **284 355** | **295 732** | **315 195** |
| Executive and council | | 24 780 | 56 567 | 39 624 | 62 707 | 62 415 | 62 415 | 66 575 | 68 305 | 70 655 |
| *Mayor and Council* | | 4 303 | 38 174 | 19 926 | 35 801 | 36 085 | 36 085 | 37 151 | 37 804 | 38 714 |
| *Municipal Manager, Town Secretary and Chief Executive* | | 20 476 | 18 394 | 19 698 | 26 905 | 26 329 | 26 329 | 29 423 | 30 501 | 31 941 |
| Finance and administration | | 71 864 | 162 899 | 174 217 | 203 733 | 206 921 | 206 921 | 213 705 | 223 293 | 240 243 |
| *Administrative and Corporate Support* | | | 41 615 | 31 711 | 44 904 | 49 692 | 49 692 | 36 436 | 37 228 | 38 517 |
| *Asset Management* | | | – | – | – | – | – | 1 500 | 1 500 | 1 500 |
| *Finance* | | 71 864 | 65 880 | 59 491 | 80 540 | 77 814 | 77 814 | 82 631 | 86 965 | 100 005 |
| *Fleet Management* | | | 7 758 | 9 154 | 7 906 | 7 906 | 7 906 | 8 127 | 9 378 | 9 220 |
| *Human Resources* | | | 11 468 | 11 881 | 14 230 | 14 976 | 14 976 | 14 114 | 14 586 | 15 089 |
| *Information Technology* | | | 17 349 | 19 178 | 23 101 | 23 171 | 23 171 | 25 120 | 26 492 | 27 738 |
| *Legal Services* | | | 4 512 | 4 855 | 3 761 | 3 761 | 3 761 | 5 579 | 5 787 | 5 986 |
| *Marketing, Customer Relations, Publicity and Media Co-ordination* | | | 1 570 | 2 026 | 3 141 | 3 071 | 3 071 | 3 222 | 3 305 | 3 385 |
| *Property Services* | | | 3 963 | 21 530 | 9 429 | 9 439 | 9 439 | 21 330 | 21 772 | 22 050 |
| *Risk Management* | | | – | – | 260 | 260 | 260 | 255 | 250 | 250 |
| *Security Services* | | | – | 4 414 | 4 850 | 5 820 | 5 820 | 3 881 | 4 059 | 4 066 |
| *Supply Chain Management* | | | 8 784 | 9 977 | 11 610 | 11 010 | 11 010 | 11 510 | 11 970 | 12 436 |
| *Valuation Service* | | | | – | – | – | – | – | – | – |
| Internal audit | | 90 118 | 2 668 | 2 322 | 3 569 | 3 569 | 3 569 | 4 075 | 4 135 | 4 297 |
| *Governance Function* | | 90 118 | 2 668 | 2 322 | 3 569 | 3 569 | 3 569 | 4 075 | 4 135 | 4 297 |
| ***Community and public safety*** | | **138 037** | **159 878** | **171 527** | **251 675** | **247 028** | **247 028** | **254 202** | **243 652** | **236 332** |
| Community and social services | | **33 856** | **16 972** | **15 216** | **23 502** | **23 534** | **23 534** | **19 086** | **19 863** | **22 222** |
| *Aged Care* | | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| *Agricultural* | | | – | – | – | – | – | – | – | – |
| *Animal Care and Diseases* | | | – | – | – | – | – | – | – | – |
| *Cemeteries, Funeral Parlours and Crematoriums* | | 512 | 1 077 | 728 | 1 047 | 947 | 947 | 1 071 | 1 096 | 1 091 |
| *Child Care Facilities* | | 241 | 576 | 59 | – | – | – | – | – | – |
| *Community Halls and Facilities* | | 25 542 | 7 007 | 5 638 | 12 704 | 12 836 | 12 836 | 7 758 | 7 867 | 8 031 |
| *Consumer Protection* | | | | – | – | – | – | – | – | – |
| *Cultural Matters* | | | | – | – | – | – | – | – | – |
| *Disaster Management* | | | | – | – | – | – | – | – | – |
| *Education* | | | | – | – | – | – | – | – | – |
| *Indigenous and Customary Law* | | | | – | – | – | – | – | – | – |
| *Industrial Promotion* | | | | – | – | – | – | – | – | – |
| *Language Policy* | | | | – | – | – | – | – | – | – |
| *Libraries and Archives* | | 7 560 | 8 250 | 8 790 | 9 750 | 9 750 | 9 750 | 10 256 | 10 899 | 13 100 |
| *Literacy Programmes* | | | – | – | – | | | – | – | – |
| *Media Services* | | | – | – | – | | | – | – | – |
| *Museums and Art Galleries* | | | – | – | – | | | – | – | – |

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Population Development* | | | 62 | – | – | | | – | – | – |
| *Provincial Cultural Matters* | | | | – | – | | | – | – | – |
| *Theatres* | | | | – | – | | | – | – | – |
| *Zoo's* | | | | – | – | | | – | – | – |
| Sport and recreation | | **18 307** | **43 905** | **44 289** | **56 586** | **58 412** | **58 412** | **56 315** | **59 175** | **60 151** |
| *Beaches and Jetties* | | | 6 912 | 7 024 | 7 187 | 7 233 | 7 233 | 6 829 | 7 276 | 7 381 |
| *Casinos, Racing, Gambling, Wagering* | | | – | – | – | – | – | – | – | – |
| *Community Parks (including Nurseries)* | | 18 307 | 22 501 | 22 913 | 30 438 | 31 188 | 31 188 | 30 642 | 31 965 | 32 241 |
| *Recreational Facilities* | | | 10 390 | 10 051 | 12 393 | 13 231 | 13 231 | 12 101 | 12 865 | 13 134 |
| *Sports Grounds and Stadiums* | | | 4 102 | 4 301 | 6 568 | 6 760 | 6 760 | 6 743 | 7 069 | 7 395 |
| Public safety | | **73 286** | **80 702** | **82 675** | **119 176** | **122 500** | **122 500** | **115 101** | **120 007** | **125 179** |
| *Civil Defence* | | 37 733 | 3 066 | 3 320 | 3 658 | 4 562 | 4 562 | 15 237 | 15 713 | 16 283 |
| *Cleansing* | | | – | – | – | – | – | – | – | – |
| *Control of Public Nuisances* | | 13 812 | 13 476 | 19 715 | 24 632 | 26 017 | 26 017 | 19 258 | 19 967 | 20 736 |
| *Fencing and Fences* | | | – | – | – | – | – | – | – | – |
| *Fire Fighting and Protection* | | 21 741 | 27 322 | 24 661 | 33 484 | 33 953 | 33 953 | 30 180 | 31 970 | 33 939 |
| *Licensing and Control of Animals* | | | 57 | – | – | – | – | – | – | – |
| *Police Forces, Traffic and Street Parking Control* | | | 36 782 | 34 979 | 57 403 | 57 967 | 57 967 | 50 426 | 52 357 | 54 221 |
| *Pounds* | | – | – | – | – | – | – | – | – | – |
| Housing | | **12 589** | **18 299** | **29 347** | **52 410** | **42 583** | **42 583** | **63 700** | **44 606** | **28 780** |
| *Housing* | | 12 589 | 18 299 | 29 347 | 52 410 | 42 583 | 42 583 | 63 700 | 44 606 | 28 780 |
| *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*** | | **182 017** | **146 841** | **156 576** | **176 095** | **176 952** | **176 952** | **184 895** | **190 394** | **190 968** |
| Planning and development | | **85 115** | **36 688** | **39 397** | **51 179** | **51 862** | **51 862** | **51 199** | **50 258** | **52 145** |
| *Billboards* | | | – | – | – | – | – | – | – | – |
| *Corporate Wide Strategic Planning (IDPs, LEDs)* | | | 3 902 | 4 168 | 4 487 | 4 387 | 4 387 | 3 038 | 3 106 | 3 209 |
| *Central City Improvement District* | | | – | – | – | – | – | – | – | – |
| *Development Facilitation* | | | 1 189 | 918 | 1 918 | 1 618 | 1 618 | 2 590 | 2 673 | 2 760 |
| *Economic Development/Planning* | | 75 662 | 6 067 | 7 320 | 11 691 | 12 775 | 12 775 | 10 634 | 8 243 | 8 459 |
| *Regional Planning and Development* | | | – | – | – | – | – | – | – | – |
| *Town Planning, Building Regulations and Enforcement, and City Engineer* | | 9 453 | 18 211 | 19 105 | 22 501 | 22 501 | 22 501 | 25 080 | 25 996 | 27 072 |
| *Project Management Unit* | | | 7 319 | 7 885 | 10 582 | 10 582 | 10 582 | 9 857 | 10 239 | 10 644 |

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Provincial Planning* | | | – | – | | | | – | – | – |
| *Support to Local Municipalities* | | – | – | – | | | | – | – | – |
| Road transport | | **91 197** | **103 331** | **107 277** | **108 617** | **108 691** | **108 691** | **116 106** | **121 656** | **126 719** |
| *Public Transport* | | | – | – | – | – | – | – | – | – |
| *Road and Traffic Regulation* | | 91 197 | 1 094 | 1 080 | 1 409 | 1 439 | 1 439 | 1 328 | 1 382 | 1 438 |
| *Roads* | | | 102 237 | 106 198 | 107 209 | 107 253 | 107 253 | 114 778 | 120 274 | 125 282 |
| *Taxi Ranks* | | | – | – | | | | – | – | – |
| Environmental protection | | **5 705** | **6 821** | **9 902** | **16 298** | **16 398** | **16 398** | **17 589** | **18 480** | **12 103** |
| *Biodiversity and Landscape* | | 5 705 | 6 309 | 9 663 | 15 864 | 15 718 | 15 718 | 16 882 | 17 743 | 11 333 |
| *Coastal Protection* | | | – | – | – | – | – | – | – | – |
| *Indigenous Forests* | | | – | – | – | – | – | – | – | – |
| *Nature Conservation* | | | 512 | 239 | 435 | 681 | 681 | 708 | 737 | 770 |
| *Pollution Control* | | | | – | | | | – | – | – |
| *Soil Conservation* | | – | – | – | | | | – | – | – |
| ***Trading services*** | | **490 339** | **576 651** | **641 935** | **640 514** | **643 219** | **643 219** | **723 499** | **760 299** | **801 936** |
| Energy sources | | **295 386** | **313 606** | **366 823** | **354 355** | **355 355** | **355 355** | **407 010** | **437 921** | **469 523** |
| *Electricity* | | 295 386 | 312 207 | 363 413 | 351 912 | 352 762 | 352 762 | 404 464 | 435 257 | 466 722 |
| *Street Lighting and Signal Systems* | | | 1 399 | 3 411 | 2 443 | 2 593 | 2 593 | 2 546 | 2 664 | 2 801 |
| *Nonelectric Energy* | | – | – | – | | | | – | – | – |
| Water management | | **66 052** | **107 916** | **112 899** | **124 167** | **125 367** | **125 367** | **129 752** | **127 206** | **130 416** |
| *Water Treatment* | | | 52 395 | 53 893 | 59 345 | 60 345 | 60 345 | 63 700 | 65 032 | 67 871 |
| *Water Distribution* | | 66 052 | 51 366 | 54 102 | 57 854 | 58 054 | 58 054 | 61 023 | 57 395 | 57 633 |
| *Water Storage* | | | 4 155 | 4 904 | 6 967 | 6 967 | 6 967 | 5 029 | 4 778 | 4 911 |
| Waste water management | | **64 937** | **84 120** | **90 406** | **88 633** | **89 138** | **89 138** | **102 566** | **106 785** | **109 968** |
| *Public Toilets* | | 350 | 631 | 704 | 648 | 648 | 648 | 4 560 | 4 788 | 5 019 |
| *Sewerage* | | 52 578 | 47 375 | 49 426 | 50 250 | 50 725 | 50 725 | 54 563 | 57 293 | 58 990 |
| *Storm Water Management* | | 12 009 | 11 426 | 11 920 | 13 576 | 13 606 | 13 606 | 15 443 | 16 041 | 16 428 |
| *Waste Water Treatment* | | | 24 689 | 28 355 | 24 160 | 24 160 | 24 160 | 27 999 | 28 663 | 29 530 |
| Waste management | | **63 964** | **71 009** | **71 808** | **73 358** | **73 358** | **73 358** | **84 171** | **88 388** | **92 030** |
| *Recycling* | | | 143 | 39 | 258 | 258 | 258 | 258 | 400 | 605 |
| *Solid Waste Disposal (Landfill Sites)* | | | 31 028 | 33 108 | 35 141 | 35 121 | 35 121 | 42 362 | 44 753 | 46 466 |
| *Solid Waste Removal* | | 63 964 | 38 983 | 37 711 | 37 960 | 37 980 | 37 980 | 41 550 | 43 234 | 44 959 |
| *Street Cleaning* | | | 855 | 948 | – | – | – | – | – | – |
| ***Other*** | | **–** | **3 031** | **2 998** | **3 719** | **4 019** | **4 019** | **3 585** | **3 379** | **3 476** |
| Abattoirs | | | | – | – | | | – | – | – |
| Air Transport | | | | – | – | | | – | – | – |
| Forestry | | | | – | – | | | – | – | – |
| Licensing and Regulation | | | | – | – | | | – | – | – |
| Markets | | | | – | – | | | – | – | – |
| Tourism | | | 3 031 | 2 998 | 3 719 | 4 019 | 4 019 | 3 585 | 3 379 | 3 476 |

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Total Expenditure - Functional | 3 | 997 156 | 1 108 536 | 1 189 200 | 1 342 010 | 1 344 123 | 1 344 123 | 1 450 536 | 1 493 455 | 1 547 908 |
| Surplus/(Deficit) for the year | | 144 131 | 106 526 | 142 197 | (54 518) | (46 131) | (46 131) | 6 098 | (1 386) | (18 508) |

*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 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*

**Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue by Vote** | 1 | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | | 21 399 | 27 246 | 30 091 | 17 732 | 18 016 | 18 016 | 31 285 | 32 772 | 31 375 |
| Vote 2 - Municipal Manager & Internal Audit | | 64 | 86 | 36 | – | – | – | – | – | – |
| Vote 3 - Management Services | | 821 | 1 070 | 1 189 | 1 416 | 2 272 | 2 272 | 869 | 348 | 358 |
| Vote 4 - Finance | | 262 709 | 292 876 | 300 506 | 309 162 | 305 004 | 305 004 | 318 650 | 331 200 | 344 253 |
| Vote 5 - Infrastructure & Planning | | 489 799 | 496 225 | 585 515 | 539 510 | 521 472 | 521 472 | 672 085 | 672 093 | 691 198 |
| Vote 6 - Protection Services | | 40 605 | 32 267 | 32 797 | 39 830 | 51 300 | 51 300 | 39 531 | 40 997 | 42 522 |
| Vote 7 - Economic and Social Development & Tourism | | 2 788 | 2 030 | 2 914 | 4 663 | 5 778 | 5 778 | 2 838 | 66 | 219 |
| Vote 8 - Community Services | | 323 102 | 363 260 | 378 350 | 375 179 | 394 151 | 394 151 | 391 376 | 414 592 | 419 474 |
| 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 | **1 141 287** | **1 215 062** | **1 331 397** | **1 287 492** | **1 297 992** | **1 297 992** | **1 456 634** | **1 492 069** | **1 529 399** |
| **Expenditure by Vote** ***to be appropriated*** | 1 | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | | 4 303 | 38 174 | 19 927 | 35 802 | 36 086 | 36 086 | 37 152 | 37 805 | 38 715 |
| Vote 2 - Municipal Manager & Internal Audit | | 4 542 | 5 050 | 5 361 | 7 587 | 7 587 | 7 587 | 8 017 | 8 216 | 8 526 |
| Vote 3 - Management Services | | 43 809 | 46 736 | 50 129 | 57 115 | 57 864 | 57 864 | 60 528 | 62 948 | 65 346 |
| Vote 4 - Finance | | 71 890 | 74 680 | 69 425 | 91 935 | 88 609 | 88 609 | 95 473 | 100 257 | 113 753 |
| Vote 5 - Infrastructure & Planning | | 414 432 | 449 522 | 527 810 | 551 359 | 542 786 | 542 786 | 632 592 | 652 891 | 669 749 |
| Vote 6 - Protection Services | | 73 272 | 81 089 | 83 725 | 118 272 | 124 866 | 124 866 | 115 201 | 120 094 | 125 051 |
| Vote 7 - Economic and Social Development & Tourism | | 10 558 | 10 303 | 12 042 | 19 065 | 20 180 | 20 180 | 17 266 | 14 512 | 15 058 |
| Vote 8 - Community Services | | 374 350 | 402 983 | 420 782 | 460 876 | 466 145 | 466 145 | 484 308 | 496 734 | 511 711 |
| 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 | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit) for the year** | 2 | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |

*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*

## Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue by Vote** | 1 | | | | | | | | | |
| **Vote 1 - Council & Mayor's Office** | | **21 399** | **27 246** | **30 091** | **17 732** | **18 016** | **18 016** | **31 285** | **32 772** | **31 375** |
| 1.1 - Council General | | 21 399 | 27 246 | 30 091 | 17 732 | 18 016 | 18 016 | 31 285 | 32 772 | 31 375 |
| 1.2 - Mayor's Office | | – | – | – | – | – | – | – | – | – |
| 1.3 - Pensioners & Continued Members | | – | – | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – |
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| | | – | – | – | – | – | – | – | – | – |
| **Vote 2 - Municipal Manager & Internal Audit** | | **64** | **86** | **36** | **–** | **–** | **–** | **–** | **–** | **–** |
| 2.1 - Municipal Manager | | – | – | – | – | – | – | – | – | – |
| 2.2 - Internal Audit | | 64 | 86 | 36 | – | – | – | – | – | – |
| 2.3 - Risk Management | | – | – | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – |
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| | | – | – | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – |
| **Vote 3 - Management Services** | | **821** | **1 070** | **1 189** | **1 416** | **2 272** | **2 272** | **869** | **348** | **358** |
| 3.1 - Director: Management Services | | 73 | 73 | 178 | 60 | 110 | 110 | 60 | 60 | 60 |
| 3.2 - Communication | | | | – | – | – | – | – | – | – |
| 3.3 - Legal Services | | | | – | – | 10 | 10 | – | – | – |
| 3.4 - Strategic Services | | | | – | – | – | – | – | – | – |
| 3.5 - Human Resources | | 747 | 993 | 1 010 | 1 355 | 2 151 | 2 151 | 809 | 288 | 297 |
| 3.6 - Info & Communication Technology | | | | – | – | – | – | – | – | – |
| 3.7 - Council Support Services | | | 4 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 3.8 - Social Development | | – | – | – | – | | | – | – | – |
| 3.9 - Municipal Court | | – | – | – | – | | | – | – | – |
| | | – | – | – | – | | | – | – | – |
| **Vote 4 - Finance** | | **262 709** | **292 876** | **300 506** | **309 162** | **305 004** | **305 004** | **318 650** | **331 200** | **344 253** |
| 4.1 - Finance: Director | | | – | – | – | 100 | 100 | – | – | – |
| 4.2 - Finance: Deputy Director | | 1 550 | 1 550 | 1 550 | 1 025 | 1 000 | 1 000 | 1 000 | 1 000 | 1 000 |
| 4.3 - Finance: Accounting Services | | 35 787 | 42 662 | 35 893 | 33 424 | 32 450 | 32 450 | 30 731 | 31 965 | 33 251 |
| 4.4 - Finance: Expenditure & Assets | | 50 | 4 250 | 12 273 | 1 533 | 1 533 | 1 533 | 1 535 | 1 535 | 1 535 |

## Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| 4.5 - Finance: Revenue | | 10 385 | 10 936 | 9 723 | 10 508 | 10 508 | 10 508 | 9 434 | 9 712 | 10 000 |
| 4.6 - Finance: Supply Chain Management | | 91 | 205 | 152 | 121 | 171 | 171 | 313 | 326 | 339 |
| 4.7 - Data Control | | | – | – | – | – | – | – | – | – |
| 4.8 - Assessment Rates | | 214 845 | 233 274 | 240 914 | 262 551 | 259 241 | 259 241 | 275 637 | 286 662 | 298 129 |
| | | – | – | – | | | | – | – | – |
| | | – | – | – | | | | – | – | – |
| **Vote 5 - Infrastructure & Planning** | | **489 799** | **496 225** | **585 515** | **539 510** | **521 472** | **521 472** | **672 085** | **672 093** | **691 198** |
| 5.1 - Director: Infrastructure & Planning | | | – | – | 0 | 159 | 159 | 0 | 0 | 0 |
| 5.2 - Deputy Director:Engineering Planning | | 120 | – | 154 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5.3 - Engineering Services & Housing Development | | 56 973 | 46 576 | 104 498 | 90 223 | 73 580 | 73 580 | 109 100 | 72 300 | 23 000 |
| 5.4 - Town Planning | | 2 154 | 17 852 | 1 220 | 1 137 | 1 137 | 1 137 | 1 196 | 1 244 | 1 294 |
| 5.5 - Geographical Info System (GIS) | | | – | – | – | – | – | – | – | – |
| 5.6 - Building Control Services | | 8 026 | 6 881 | 4 461 | 4 151 | 4 151 | 4 151 | 5 635 | 5 860 | 6 094 |
| 5.7 - Environmental Management Services | | 22 | 45 | 21 | 32 | 32 | 32 | 37 | 38 | 40 |
| 5.8 - Electricity | | 380 758 | 419 548 | 459 980 | 436 955 | 435 401 | 435 401 | 550 503 | 587 031 | 655 146 |
| 5.9 - Solid Waste Planning & Solid Waste Disposal | | | | – | – | – | – | – | – | – |
| 5.10 - Property Administration | | 41 746 | 5 324 | 15 182 | 7 012 | 7 012 | 7 012 | 5 615 | 5 619 | 5 624 |
| **Vote 6 - Protection Services** | | **40 605** | **32 267** | **32 797** | **39 830** | **51 300** | **51 300** | **39 531** | **40 997** | **42 522** |
| 6.1 - Director: Protection Services | | | 200 | – | – | 2 000 | 2 000 | – | – | – |
| 6.2 - Traffic | | 37 450 | 31 521 | 24 003 | 36 460 | 38 698 | 38 698 | 36 747 | 38 200 | 39 710 |
| 6.3 - Law Enforcement | | 278 | 318 | 5 000 | 2 508 | 4 753 | 4 753 | 2 634 | 2 643 | 2 652 |
| 6.4 - Vehicle testing | | | | – | – | – | – | – | – | – |
| 6.5 - Fire Brigade | | 2 877 | 228 | 2 965 | 862 | 2 164 | 2 164 | 150 | 155 | 160 |
| 6.6 - Vehicle Licensing | | – | – | – | – | – | – | – | – | – |
| 6.7 - Special Task Team Unit | | – | – | – | – | – | – | – | – | – |
| 6.8 - Disaster Management | | – | – | 829 | – | 3 685 | 3 685 | – | – | – |
| 6.9 - Security Services | | – | – | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – |
| **Vote 7 - Economic and Social Development & Tourism** | | **2 788** | **2 030** | **2 914** | **4 663** | **5 778** | **5 778** | **2 838** | **66** | **219** |
| 7.1 - Director: Economic Development & Planning | | | 1 926 | 2 911 | 2 567 | 3 650 | 3 650 | 2 530 | 0 | 0 |
| 7.2 - Tourism | | 29 | | – | – | – | – | – | – | – |
| 7.3 - Social Development | | 2 300 | 104 | 4 | – | – | – | – | – | – |
| 7.4 - EPWP | | | | – | – | – | – | – | – | – |
| 7.5 - Thusong Centre: Hawston | | | | – | 96 | 128 | 128 | 307 | 66 | 219 |
| 7.6 - Parking Services | | 458 | | | 2 000 | 2 000 | 2 000 | 1 | 1 | 1 |
| | | – | – | | – | | | – | – | – |
| | | – | – | | | | | – | – | – |
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| | | – | | | | | | – | – | – |

## Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Vote 8 - Community Services** | | **323 102** | **363 260** | **378 350** | **375 179** | **394 151** | **394 151** | **391 376** | **414 592** | **419 474** |
| 8.1 - Director & Administration | | 8 086 | 722 | 241 | 138 | 2 446 | 2 446 | 141 | 120 | 105 |
| 8.2 - Offices & Community Buildings | | 896 | 1 008 | 750 | 742 | 742 | 742 | 571 | 592 | 615 |
| 8.3 - Parks & Townlands, Cemetries | | 3 728 | 4 608 | 4 117 | 4 239 | 4 239 | 4 239 | 3 424 | 3 553 | 3 688 |
| 8.4 - Libraries | | 162 | 7 423 | 7 385 | 7 760 | 7 760 | 7 760 | 6 599 | 6 711 | 6 825 |
| 8.5 - Sport & Recreation | | 7 942 | 9 559 | 14 985 | 6 220 | 9 381 | 9 381 | 6 290 | 4 869 | 9 543 |
| 8.6 - Housing & Social Upliftment | | 385 | 609 | 351 | 345 | 1 128 | 1 128 | 345 | 0 | 0 |
| 8.7 - Roads & Stormwater | | 19 912 | 11 991 | 11 902 | 10 710 | 12 731 | 12 731 | 5 928 | 13 345 | 2 345 |
| 8.8 - Water | | 125 312 | 145 980 | 153 510 | 150 392 | 152 915 | 152 915 | 157 061 | 157 973 | 164 018 |
| 8.9 - Sewerage | | 84 128 | 104 583 | 98 448 | 103 870 | 103 824 | 103 824 | 116 872 | 128 516 | 128 391 |
| 8.10 - Refuse | | 72 552 | 76 777 | 86 662 | 90 764 | 98 986 | 98 986 | 94 145 | 98 912 | 103 943 |
| **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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## Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
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| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | – | – |

**Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A**

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
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| Total Revenue by Vote | 2 | 1 141 287 | 1 215 062 | 1 331 397 | 1 287 492 | 1 297 992 | 1 297 992 | 1 456 634 | 1 492 069 | 1 529 399 |

## Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Expenditure by Vote** | 1 | | | | | | | | | |
| **Vote 1 - Council & Mayor's Office** | | **4 303** | **38 174** | **19 927** | **35 802** | **36 086** | **36 086** | **37 152** | **37 805** | **38 715** |
| 1.1 - Council General | | 3 601 | 37 129 | 18 889 | 34 392 | 34 676 | 34 676 | 35 560 | 36 146 | 36 987 |
| 1.2 - Mayor's Office | | 702 | 1 044 | 1 037 | 1 410 | 1 410 | 1 410 | 1 592 | 1 658 | 1 728 |
| 1.3 - Pensioners & Continued Members | | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
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| **Vote 2 - Municipal Manager & Internal Audit** | | **4 542** | **5 050** | **5 361** | **7 587** | **7 587** | **7 587** | **8 017** | **8 216** | **8 526** |
| 2.1 - Municipal Manager | | 2 282 | 2 382 | 3 039 | 3 757 | 3 757 | 3 757 | 2 850 | 2 961 | 3 074 |
| 2.2 - Internal Audit | | 2 260 | 2 668 | 2 322 | 3 569 | 3 569 | 3 569 | 4 075 | 4 135 | 4 297 |
| 2.3 - Risk Management | | – | – | – | 260 | 260 | 260 | 1 092 | 1 120 | 1 154 |
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| **Vote 3 - Management Services** | | **43 809** | **46 736** | **50 129** | **57 115** | **57 864** | **57 864** | **60 528** | **62 948** | **65 346** |
| 3.1 - Director: Management Services | | 7 231 | 5 183 | 5 289 | 5 047 | 5 040 | 5 040 | 4 954 | 5 052 | 5 151 |
| 3.2 - Communication | | 1 982 | 1 570 | 2 026 | 3 141 | 3 071 | 3 071 | 3 222 | 3 305 | 3 385 |
| 3.3 - Legal Services | | 2 193 | 2 381 | 2 670 | 2 515 | 2 525 | 2 525 | 2 702 | 2 819 | 2 924 |
| 3.4 - Strategic Services | | 1 692 | 1 834 | 1 975 | 2 249 | 2 249 | 2 249 | 2 513 | 2 519 | 2 627 |
| 3.5 - Human Resources | | 10 435 | 11 468 | 11 857 | 14 192 | 14 938 | 14 938 | 14 018 | 14 489 | 14 989 |
| 3.6 - Info & Communication Technology | | 13 762 | 17 349 | 19 178 | 23 101 | 23 171 | 23 171 | 25 120 | 26 492 | 27 738 |
| 3.7 - Council Support Services | | 4 411 | 4 819 | 4 949 | 5 624 | 5 624 | 5 624 | 5 121 | 5 304 | 5 469 |
| 3.8 - Social Development | | | | | | | | 2 876 | 2 968 | 3 062 |
| 3.9 - Municipal Court | | 2 103 | 2 131 | 2 185 | 1 246 | 1 246 | 1 246 | – | – | – |
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| **Vote 4 - Finance** | | **71 890** | **74 680** | **69 425** | **91 935** | **88 609** | **88 609** | **95 473** | **100 257** | **113 753** |
| 4.1 - Finance: Director | | 2 138 | 2 255 | 2 258 | 2 608 | 2 542 | 2 542 | 2 638 | 2 748 | 2 858 |
| 4.2 - Finance: Deputy Director | | 7 049 | 7 394 | 6 996 | 8 257 | 8 232 | 8 232 | 8 444 | 8 508 | 8 600 |
| 4.3 - Finance: Accounting Services | | 9 728 | 6 641 | 4 993 | 6 686 | 7 012 | 7 012 | 8 318 | 8 651 | 8 991 |
| 4.4 - Finance: Expenditure & Assets | | 10 951 | 11 390 | 14 967 | 15 405 | 15 405 | 15 405 | 14 949 | 15 678 | 16 412 |

## Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| 4.5 - Finance: Revenue | | 25 625 | 27 804 | 25 679 | 31 486 | 31 486 | 31 486 | 32 738 | 35 133 | 37 659 |
| 4.6 - Finance: Supply Chain Management | | 7 207 | 8 784 | 9 723 | 11 241 | 10 991 | 10 991 | 11 438 | 11 894 | 12 357 |
| 4.7 - Data Control | | 580 | 604 | 723 | 1 447 | 1 447 | 1 447 | 1 455 | 1 488 | 1 519 |
| 4.8 - Assessment Rates | | 8 612 | 9 809 | 4 086 | 14 804 | 11 494 | 11 494 | 15 494 | 16 158 | 25 357 |
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| **Vote 5 - Infrastructure & Planning** | | **414 432** | **449 522** | **527 810** | **551 359** | **542 786** | **542 786** | **632 592** | **652 891** | **669 749** |
| 5.1 - Director: Infrastructure & Planning | | 2 611 | 2 574 | 2 722 | 2 953 | 3 012 | 3 012 | 3 033 | 3 189 | 3 283 |
| 5.2 - Deputy Director:Engineering Planning | | 52 523 | 61 738 | 67 131 | 71 464 | 72 464 | 72 464 | 78 553 | 82 685 | 87 067 |
| 5.3 - Engineering Services & Housing Development | | 10 909 | 15 884 | 27 664 | 50 509 | 39 776 | 39 776 | 60 526 | 41 328 | 25 431 |
| 5.4 - Town Planning | | 9 453 | 10 611 | 10 591 | 12 308 | 12 308 | 12 308 | 12 432 | 12 907 | 13 419 |
| 5.5 - Geographical Info System (GIS) | | 2 257 | 2 018 | 2 549 | 2 606 | 2 606 | 2 606 | 2 685 | 2 817 | 2 947 |
| 5.6 - Building Control Services | | 5 435 | 5 582 | 5 966 | 7 421 | 7 421 | 7 421 | 8 025 | 8 248 | 8 593 |
| 5.7 - Environmental Management Services | | 5 705 | 6 786 | 9 561 | 16 086 | 16 186 | 16 186 | 17 367 | 18 248 | 11 861 |
| 5.8 - Electricity | | 296 310 | 313 442 | 365 284 | 352 547 | 353 547 | 353 547 | 405 135 | 435 977 | 467 508 |
| 5.9 - Solid Waste Planning & Solid Waste Disposal | | 27 266 | 28 650 | 29 731 | 31 582 | 31 582 | 31 582 | 40 551 | 43 032 | 44 994 |
| 5.10 - Property Administration | | 1 963 | 2 237 | 6 611 | 3 885 | 3 885 | 3 885 | 4 284 | 4 461 | 4 647 |
| **Vote 6 - Protection Services** | | **73 272** | **81 089** | **83 725** | **118 272** | **124 866** | **124 866** | **115 201** | **120 094** | **125 051** |
| 6.1 - Director: Protection Services | | 2 217 | 2 373 | 2 270 | 2 796 | 5 070 | 5 070 | 3 854 | 3 996 | 4 113 |
| 6.2 - Traffic | | 37 733 | 36 604 | 33 999 | 51 773 | 52 838 | 52 838 | 48 386 | 50 231 | 52 013 |
| 6.3 - Law Enforcement | | 9 881 | 13 191 | 17 806 | 25 384 | 26 051 | 26 051 | 17 718 | 18 356 | 19 051 |
| 6.4 - Vehicle testing | | 420 | 354 | 428 | 549 | 579 | 579 | 591 | 611 | 632 |
| 6.5 - Fire Brigade | | 21 483 | 27 082 | 20 807 | 17 649 | 20 136 | 20 136 | 23 402 | 24 994 | 26 751 |
| 6.6 - Vehicle Licensing | | 1 005 | 1 082 | 1 024 | 1 278 | 1 278 | 1 278 | 1 198 | 1 251 | 1 307 |
| 6.7 - Special Task Team Unit | | 287 | 162 | 182 | 265 | 1 167 | 1 167 | 11 596 | 11 919 | 12 334 |
| 6.8 - Disaster Management | | | 240 | 2 796 | 6 350 | 4 331 | 4 331 | 2 323 | 2 324 | 2 325 |
| 6.9 - Security Services | | 246 | | 4 414 | 12 228 | 13 416 | 13 416 | 6 135 | 6 411 | 6 524 |
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| **Vote 7 - Economic and Social Development & Tourism** | | **10 558** | **10 303** | **12 042** | **19 065** | **20 180** | **20 180** | **17 266** | **14 512** | **15 058** |
| 7.1 - Director: Economic Development & Planning | | 3 936 | 4 074 | 8 155 | 10 131 | 11 214 | 11 214 | 9 082 | 6 689 | 6 903 |
| 7.2 - Tourism | | 2 848 | 3 014 | 2 956 | 3 719 | 4 019 | 4 019 | 3 585 | 3 379 | 3 476 |
| 7.3 - Social Development | | 1 045 | 2 011 | 931 | 1 913 | 1 613 | 1 613 | 1 937 | 1 995 | 2 047 |
| 7.4 - EPWP | | 2 300 | | – | – | – | – | – | – | – |
| 7.5 - Thusong Centre: Hawston | | | | – | 306 | 338 | 338 | 1 161 | 949 | 1 131 |
| 7.6 - Parking Services | | 428 | 1 204 | – | 2 996 | 2 996 | 2 996 | 1 500 | 1 500 | 1 500 |
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## Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Vote 8 - Community Services** | | **374 350** | **402 983** | **420 782** | **460 876** | **466 145** | **466 145** | **484 308** | **496 734** | **511 711** |
| 8.1 - Director & Administration | | 51 158 | 49 699 | 77 941 | 89 166 | 91 045 | 91 045 | 94 783 | 99 032 | 102 844 |
| 8.2 - Offices & Community Buildings | | 21 957 | 19 902 | 19 584 | 24 183 | 24 193 | 24 193 | 23 279 | 23 851 | 23 908 |
| 8.3 - Parks & Townlands, Cemetries | | 20 888 | 24 551 | 22 461 | 29 661 | 30 311 | 30 311 | 29 921 | 31 190 | 31 375 |
| 8.4 - Libraries | | 7 560 | 8 009 | 8 506 | 9 702 | 9 702 | 9 702 | 10 256 | 10 899 | 13 100 |
| 8.5 - Sport & Recreation | | 17 038 | 20 432 | 20 355 | 24 586 | 25 663 | 25 663 | 24 429 | 25 928 | 26 590 |
| 8.6 - Housing & Social Upliftment | | 4 972 | 6 012 | 5 421 | 7 984 | 8 890 | 8 890 | 8 293 | 8 590 | 8 865 |
| 8.7 - Roads & Stormwater | | 102 282 | 110 978 | 109 531 | 112 570 | 112 644 | 112 644 | 121 968 | 127 692 | 132 698 |
| 8.8 - Water | | 58 870 | 64 021 | 65 200 | 69 053 | 69 253 | 69 253 | 71 407 | 65 718 | 65 591 |
| 8.9 - Sewerage | | 52 928 | 57 875 | 55 317 | 56 053 | 56 528 | 56 528 | 60 247 | 62 548 | 63 958 |
| 8.10 - Refuse | | 36 698 | 41 504 | 36 464 | 37 917 | 37 917 | 37 917 | 39 724 | 41 285 | 42 782 |
| **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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## Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
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| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
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| Vote 13 - [NAME OF VOTE 13] | | – | – | – | – | – | – | – | – | – |
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| Vote 14 - [NAME OF VOTE 14] | | – | – | – | – | – | – | – | – | – |
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| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | – | – |

## Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
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| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
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| **Total Expenditure by Vote** | 2 | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit) for the year** | 2 | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **6 098** | **(1 386)** | **(18 508)** |

*References*

*1. Insert 'Vote'; e.g. Department, if different to Functional structure*

*2. Must reconcile to Financial Performance ('Revenue and Expenditure by Functional Classification' and 'Revenue and Expenditure')*

*3. Assign share in 'associate' to relevant Vote*

**Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)**

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue By Source** | | | | | | | | | | | |
| Property rates | 2 | 215 763 | 233 093 | 240 914 | 262 551 | 259 241 | 259 241 | – | 275 637 | 286 662 | 298 129 |
| Service charges - electricity revenue | 2 | 349 298 | 378 693 | 415 947 | 386 294 | 386 294 | 386 294 | – | 479 057 | 536 403 | 600 624 |
| Service charges - water revenue | 2 | 110 932 | 129 858 | 133 628 | 128 520 | 128 520 | 128 520 | – | 132 168 | 137 455 | 142 953 |
| Service charges - sanitation revenue | 2 | 72 106 | 77 719 | 80 871 | 78 913 | 78 913 | 78 913 | – | 87 631 | 91 137 | 94 782 |
| Service charges - refuse revenue | 2 | 57 775 | 61 763 | 69 102 | 69 482 | 69 482 | 69 482 | – | 74 741 | 77 731 | 80 840 |
| Rental of facilities and equipment | | 5 616 | 6 278 | 5 738 | 3 627 | 3 627 | 3 627 | | 3 440 | 3 148 | 3 273 |
| Interest earned - external investments | | 30 320 | 41 767 | 48 146 | 31 400 | 26 400 | 26 400 | | 27 456 | 28 554 | 29 697 |
| Interest earned - outstanding debtors | | 3 854 | 4 193 | 5 040 | 4 673 | 4 650 | 4 650 | | 4 681 | 4 868 | 5 062 |
| Dividends received | | | | | | | | | – | – | – |
| Fines, penalties and forfeits | | 31 638 | 25 672 | 18 211 | 29 564 | 29 564 | 29 564 | | 28 223 | 29 348 | 30 519 |
| Licences and permits | | 2 527 | 2 526 | 1 975 | 2 385 | 2 385 | 2 385 | | 2 039 | 2 097 | 2 164 |
| Agency services | | 4 149 | 4 885 | 4 376 | 4 938 | 6 438 | 6 438 | | 6 680 | 6 930 | 7 189 |
| Transfers and subsidies | | 116 458 | 106 306 | 123 140 | 131 840 | 148 458 | 148 458 | | 139 692 | 144 977 | 148 209 |
| Other revenue | 2 | 48 492 | 83 673 | 143 186 | 113 998 | 96 604 | 96 604 | – | 127 409 | 92 259 | 43 563 |
| Gains | | 28 096 | – | – | 7 000 | 10 500 | 10 500 | | 8 225 | 8 361 | 8 504 |
| **Total Revenue (excluding capital transfers and contributions)** | | **1 077 023** | **1 156 425** | **1 290 276** | **1 255 185** | **1 251 076** | **1 251 076** | **–** | **1 397 079** | **1 449 929** | **1 495 508** |
| **Expenditure By Type** | | | | | | | | | | | |
| Employee related costs | 2 | 296 682 | 368 000 | 382 527 | 435 325 | 440 972 | 440 972 | – | 461 745 | 480 765 | 502 037 |
| Remuneration of councillors | | 10 138 | 10 573 | 11 282 | 11 896 | 11 896 | 11 896 | | 12 509 | 13 020 | 13 553 |
| Debt impairment | 3 | 18 013 | 17 500 | 23 453 | 26 263 | 26 263 | 26 263 | | 21 500 | 21 500 | 21 500 |
| Depreciation & asset impairment | 2 | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | – | 145 663 | 144 047 | 143 381 |
| Finance charges | | 46 129 | 44 921 | 46 570 | 51 482 | 51 482 | 51 482 | | 51 804 | 51 923 | 52 180 |
| Bulk purchases | 2 | 225 844 | 242 614 | 278 485 | 270 260 | 270 260 | 270 260 | – | 318 669 | 347 031 | 377 917 |
| Other materials | 8 | 40 900 | 35 049 | 42 302 | 47 567 | 50 806 | 50 806 | | 44 846 | 47 275 | 48 918 |
| Contracted services | | 167 079 | 186 336 | 177 914 | 222 414 | 229 349 | 229 349 | – | 239 915 | 250 494 | 263 768 |
| Transfers and subsidies | | 1 800 | 486 | 560 | 11 610 | 8 300 | 8 300 | – | 12 324 | 12 557 | 13 060 |
| Other expenditure | 4, 5 | 55 726 | 71 333 | 90 183 | 123 315 | 112 917 | 112 917 | – | 141 561 | 124 845 | 111 594 |
| Losses | | | 610 | 1 384 | | | | | – | – | – |
| **Total Expenditure** | | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **–** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit)** | | **79 868** | **47 890** | **101 076** | **(86 825)** | **(93 046)** | **(93 046)** | **–** | **(53 457)** | **(43 526)** | **(52 400)** |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | 64 263 | 31 952 | 37 392 | 32 307 | 46 916 | 46 916 | | 46 354 | 40 828 | 32 568 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | 6 | – | – | – | – | – | – | – | 13 201 | 1 312 | 1 324 |
| Transfers and subsidies - capital (in-kind - all) | | | 26 685 | 3 730 | | | | | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **–** | **6 098** | **(1 386)** | **(18 508)** |
| Taxation | | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after taxation** | | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **–** | **6 098** | **(1 386)** | **(18 508)** |
| Attributable to minorities | | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) attributable to municipality** | | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **–** | **6 098** | **(1 386)** | **(18 508)** |
| Share of surplus/ (deficit) of associate | 7 | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) for the year** | | **144 131** | **106 526** | **142 197** | **(54 518)** | **(46 131)** | **(46 131)** | **–** | **6 098** | **(1 386)** | **(18 508)** |

*References*

*1. Classifications are revenue sources and expenditure type*

*2. Detail to be provided in Table SA1*

*3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment*

*4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs*

*5. Repairs & maintenance detailed in Table A9 and Table SA34c*

*6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)*

*7. Equity method ( Includes Joint Ventures)*

*8. All materials not part of 'bulk' e.g road making materials, pipe, cable etc.*

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| ***Total Revenue*** | ***1 141 287*** | ***1 215 062*** | ***1 331 397*** | ***1 287 492*** | ***1 297 992*** | ***1 297 992*** | | ***1 456 634*** | ***1 492 069*** | ***1 529 399*** |

## Choose name from list - Table A5 Budgeted Capital Expenditure by vote, functional classification and fundin

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital expenditure - Vote** | | | | | | | | | | | |
| **Multi-year expenditure** *to be appropriated* | 2 | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | | – | – | – | – | – | – | – | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | | – | – | – | – | – | – | – | 3 715 | 6 065 | 3 515 |
| Vote 4 - Finance | | – | – | – | – | – | – | – | 60 | 60 | 60 |
| Vote 5 - Infrastructure & Planning | | – | 63 169 | 15 575 | 108 693 | 82 050 | 82 050 | – | 166 263 | 100 328 | 67 675 |
| Vote 6 - Protection Services | | – | 4 809 | – | – | – | – | – | 350 | 350 | 350 |
| Vote 7 - Economic and Social Development & Tourism | | – | – | – | – | – | – | – | 45 | 45 | 45 |
| Vote 8 - Community Services | | – | 66 541 | 58 300 | – | – | – | – | 4 297 | 8 110 | 5 660 |
| 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** | | **–** | **134 520** | **73 875** | **108 693** | **82 050** | **82 050** | **–** | **174 730** | **114 958** | **77 305** |
| **Single-year expenditure** *to be appropriated* | 2 | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | | – | – | – | – | 461 | 461 | – | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | | 6 346 | 295 | 3 966 | 3 015 | 3 015 | 3 015 | – | – | – | – |
| Vote 4 - Finance | | – | – | 22 | 60 | 60 | 60 | – | – | – | – |
| Vote 5 - Infrastructure & Planning | | 16 315 | 28 195 | 93 905 | 117 721 | 117 560 | 117 560 | – | 33 281 | 27 328 | 18 530 |
| Vote 6 - Protection Services | | 2 517 | – | 12 064 | 13 981 | 13 018 | 13 018 | – | 3 458 | – | – |
| Vote 7 - Economic and Social Development & Tourism | | – | – | 375 | 842 | 842 | 842 | – | – | – | – |
| Vote 8 - Community Services | | 80 077 | 12 100 | 26 849 | 59 426 | 63 081 | 63 081 | – | 21 976 | – | – |
| 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** | | **105 255** | **40 590** | **137 181** | **195 045** | **198 037** | **198 037** | **–** | **58 714** | **27 328** | **18 530** |
| **Total Capital Expenditure - Vote** | 3,7 | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **–** | **233 444** | **142 286** | **95 835** |

## Choose name from list - Table A5 Budgeted Capital Expenditure by vote, functional classification and fundin

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital Expenditure - Functional** | | | | | | | | | | | |
| ***Governance and administration*** | | **6 342** | **8 659** | **4 049** | **3 075** | **3 536** | **3 536** | **–** | **3 775** | **6 125** | **3 575** |
| Executive and council | | | 295 | 2 | 5 | 466 | 466 | | 5 | 5 | 5 |
| Finance and administration | | 6 342 | 8 364 | 4 048 | 3 070 | 3 070 | 3 070 | | 3 770 | 6 120 | 3 570 |
| Internal audit | | – | – | | – | | | – | – | – | – |
| ***Community and public safety*** | | **44 222** | **68 172** | **112 758** | **93 694** | **82 780** | **82 780** | **–** | **74 407** | **38 068** | **9 377** |
| Community and social services | | 2 126 | 5 164 | 1 330 | 18 638 | 18 084 | 18 084 | | 8 830 | 760 | 760 |
| Sport and recreation | | 5 427 | 23 923 | 9 981 | 12 731 | 8 588 | 8 588 | | 7 410 | 500 | 5 000 |
| Public safety | | 2 490 | 4 809 | 15 694 | 14 181 | 13 168 | 13 168 | | 3 808 | 350 | 350 |
| Housing | | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | | 54 359 | 36 458 | 3 267 |
| Health | | – | – | | | | | | – | – | – |
| ***Economic and environmental services*** | | **12 071** | **13 407** | **6 865** | **33 589** | **32 958** | **32 958** | **–** | **16 816** | **17 090** | **4 865** |
| Planning and development | | 45 | 1 346 | 1 220 | 13 594 | 10 372 | 10 372 | | 6 587 | 415 | 415 |
| Road transport | | 12 026 | 12 061 | 5 645 | 19 995 | 22 586 | 22 586 | | 10 229 | 16 675 | 4 450 |
| Environmental protection | | – | – | | | | | | – | – | – |
| ***Trading services*** | | **42 619** | **84 872** | **87 384** | **173 381** | **160 813** | **160 813** | **–** | **138 446** | **81 003** | **78 018** |
| Energy sources | | 16 268 | 28 893 | 21 428 | 21 119 | 19 119 | 19 119 | | 59 924 | 19 775 | 24 450 |
| Water management | | 3 257 | 12 270 | 31 752 | 52 606 | 50 036 | 50 036 | | 35 715 | 25 900 | 22 000 |
| Waste water management | | 21 523 | 42 210 | 26 893 | 77 217 | 69 635 | 69 635 | | 40 696 | 35 328 | 31 568 |
| Waste management | | 1 572 | 1 499 | 7 311 | 22 439 | 22 024 | 22 024 | | 2 110 | – | – |
| ***Other*** | | **–** | **–** | | | | | **–** | **–** | **–** | **–** |
| **Total Capital Expenditure - Functional** | 3,7 | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **–** | **233 444** | **142 286** | **95 835** |
| **Funded by:** | | | | | | | | | | | |
| National Government | | 21 786 | 30 445 | 31 528 | 37 369 | 35 100 | 35 100 | | 45 754 | 40 828 | 32 568 |
| Provincial Government | | 42 477 | 35 615 | 85 965 | 2 840 | 2 127 | 2 127 | | 600 | – | – |
| District Municipality | | | | | – | – | – | | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | | 4 414 | 26 942 | | 46 306 | 47 296 | 47 296 | | 64 159 | 36 458 | 3 267 |
| **Transfers recognised - capital** | 4 | **68 677** | **93 002** | **117 493** | **86 516** | **84 523** | **84 523** | **–** | **110 513** | **77 286** | **35 835** |
| **Public contributions & donations** | 5 | | | 3 730 | – | – | – | | – | – | – |
| **Borrowing** | 6 | 19 199 | 36 495 | 50 476 | 92 949 | 75 228 | 75 228 | | 67 250 | 50 000 | 50 000 |
| **Internally generated funds** | | 17 379 | 45 613 | 39 358 | 124 274 | 120 335 | 120 335 | | 55 681 | 15 000 | 10 000 |
| **Total Capital Funding** | 7 | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **–** | **233 444** | **142 286** | **95 835** |

**Choose name from list - Table A5 Budgeted Capital Expenditure by vote, functional classification and fundin**

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |

*References*

*1. 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).*

*2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year*

*3. Capital expenditure by functional classification must reconcile to the appropriations by vote*

*4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)*

*5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)*

*6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17*

*7. Total Capital Funding must balance with Total Capital Expenditure*

*8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget*

**Choose name from list - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding**

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | | Multi-year appropriation for Budget Year 2021/22 in the 2020/21 Annual Budget | | | | Multi-year appropriation for 2022/23 in the 2020/21 Annual Budget | | | | New multi-year appropriations (funds for new and existing projects) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital expenditure - Municipal Vote** | | | | | | | | | | | | | | | | | | | | | | |
| **Multi-year expenditure appropriation** | 2 | | | | | | | | | | | | | | | | | | | | | |
| **Vote 1 - Council & Mayor's Office** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| 1.1 - Council General | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 1.2 - Mayor's Office | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 1.3 - Pensioners & Continued Members | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| **Vote 2 - Municipal Manager & Internal Audit** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| 2.1 - Municipal Manager | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 2.2 - Internal Audit | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 2.3 - Risk Management | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| **Vote 3 - Management Services** | | – | – | – | – | – | – | – | 3 715 | 6 065 | 3 515 | – | – | – | – | – | – | – | – | 3 715 | 6 065 | 3 515 |
| 3.1 - Director: Management Services | | – | – | – | | | | | 15 | 15 | 15 | | | | – | | | | – | 15 | 15 | 15 |
| 3.2 - Communication | | – | – | – | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 3.3 - Legal Services | | – | – | – | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 3.4 - Strategic Services | | – | – | – | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 3.5 - Human Resources | | – | – | – | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 3.6 - Info & Communication Technology | | – | – | – | | | | | 3 700 | 6 050 | 3 500 | | | | – | | | | – | 3 700 | 6 050 | 3 500 |
| 3.7 - Council Support Services | | – | – | – | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 3.8 - Social Development | | – | – | – | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 3.9 - Municipal Court | | – | – | – | | | | | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| **Vote 4 - Finance** | | – | – | – | – | – | – | – | 60 | 60 | 60 | – | – | – | – | – | – | – | – | 60 | 60 | 60 |
| 4.1 - Finance: Director | | – | – | – | | | | | 60 | 60 | 60 | | | | – | | | | – | 60 | 60 | 60 |
| 4.2 - Finance: Deputy Director | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 4.3 - Finance: Accounting Services | | – | | | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 4.4 - Finance: Expenditure & Assets | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 4.5 - Finance: Revenue | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 4.6 - Finance: Supply Chain Management | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 4.7 - Data Control | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 4.8 - Assessment Rates | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| **Vote 5 - Infrastructure & Planning** | | – | 63 169 | 15 575 | 108 693 | 82 050 | 82 050 | – | 166 263 | 100 328 | 67 675 | – | – | – | – | – | – | – | – | 166 263 | 100 328 | 67 675 |
| 5.1 - Director: Infrastructure & Planning | | | | – | 1 000 | 1 000 | 1 000 | | 1 370 | 370 | 370 | | | | – | | | | – | 1 370 | 370 | 370 |
| 5.2 - Deputy Director:Engineering Planning | | | | – | 32 827 | 23 843 | 23 843 | | 50 632 | 41 900 | 30 538 | | | | – | | | | – | 50 632 | 41 900 | 30 538 |
| 5.3 - Engineering Services & Housing Development | | | 34 276 | 4 082 | 56 320 | 49 160 | 49 160 | | 57 842 | 41 958 | 14 767 | | | | – | | | | – | 57 842 | 41 958 | 14 767 |
| 5.4 - Town Planning | | | | – | – | – | – | | – | – | – | | | | – | | | | – | – | – | – |
| 5.5 - Geographical Info System (GIS) | | | | – | – | – | – | | – | – | – | | | | – | | | | – | – | – | – |
| 5.6 - Building Control Services | | | | – | – | – | – | | – | – | – | | | | – | | | | – | – | – | – |
| 5.7 - Environmental Management Services | | | | – | – | – | – | | – | – | – | | | | – | | | | – | – | – | – |
| 5.8 - Electricity | | | 28 893 | 11 493 | 18 546 | 8 046 | 8 046 | | 56 419 | 16 100 | 22 000 | | | | – | | | | – | 56 419 | 16 100 | 22 000 |
| 5.9 - Solid Waste Planning & Solid Waste Disposal | | | | | – | | | – | – | – | – | | | | – | | | | – | – | – | – |
| 5.10 - Property Administration | | | | | – | | | – | – | – | – | | | | – | | | | – | – | – | – |
| **Vote 6 - Protection Services** | | – | 4 809 | – | – | – | – | – | 350 | 350 | 350 | – | – | – | – | – | – | – | – | 350 | 350 | 350 |
| 6.1 - Director: Protection Services | | | | | | | | | 350 | 350 | 350 | | | | – | | | | – | 350 | 350 | 350 |
| 6.2 - Traffic | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 6.3 - Law Enforcement | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 6.4 - Vehicle testing | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 6.5 - Fire Brigade | | | 4 809 | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 6.6 - Vehicle Licensing | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 6.7 - Special Task Team Unit | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 6.8 - Disaster Management | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 6.9 - Security Services | | | | | | | | – | – | – | – | | | | – | | | | – | – | – | – |
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| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | | Multi-year appropriation for Budget Year 2021/22 in the 2020/21 Annual Budget | | | | Multi-year appropriation for 2022/23 in the 2020/21 Annual Budget | | | | New multi-year appropriations (funds for new and existing projects) | | |
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| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Vote 7 - Economic and Social Development & Tourism** | | – | – | – | – | – | – | – | 45 | 45 | 45 | – | – | – | – | – | – | – | – | 45 | 45 | 45 |
| 7.1 - Director: Economic Development & Planning | | – | | | | | | | 45 | 45 | 45 | | | | – | | | | – | 45 | 45 | 45 |
| 7.2 - Tourism | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 7.3 - Social Development | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 7.4 - EPWP | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 7.5 - Thusong Centre: Hawston | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 7.6 - Parking Services | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
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| **Vote 8 - Community Services** | | – | 66 541 | 58 300 | – | – | – | – | 4 297 | 8 110 | 5 660 | – | – | – | – | – | – | – | – | 4 297 | 8 110 | 5 660 |
| 8.1 - Director & Administration | | | | | | | | | 4 297 | 8 110 | 5 660 | | | | – | | | | – | 4 297 | 8 110 | 5 660 |
| 8.2 - Offices & Community Buildings | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 8.3 - Parks & Townlands, Cemetries | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 8.4 - Libraries | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 8.5 - Sport & Recreation | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 8.6 - Housing & Social Upliftment | | | | | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 8.7 - Roads & Stormwater | | | 19 308 | 24 277 | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 8.8 - Water | | | 12 270 | 20 965 | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 8.9 - Sewerage | | | 34 963 | 13 058 | | | | | – | – | – | | | | – | | | | – | – | – | – |
| 8.10 - Refuse | | | | – | | | | – | – | – | – | | | | – | | | | – | – | – | – |
| **Vote 9 - Costing Services** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| 9.1 - Departmental Charges & Recoveries | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 9.2 - Internal Billing | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
| 9.3 - Activity Based Costing | | – | – | – | – | – | – | – | – | – | – | | | | – | | | | – | – | – | – |
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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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| **Vote 13 - [NAME OF VOTE 13]** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
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| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
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| Vote 14 - [NAME OF VOTE 14] | | – | – | – | – | – | – | – | – | – | – |
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| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | – | – | – |
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| Capital multi-year expenditure sub-total | | – | 134 520 | 73 875 | 108 693 | 82 050 | 82 050 | – | 174 730 | 114 958 | 77 305 |

| Multi-year appropriation for Budget Year 2021/22 in the 2020/21 Annual Budget | | | | Multi-year appropriation for 2022/23 in the 2020/21 Annual Budget | | | | New multi-year appropriations (funds for new and existing projects) | | |
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| Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
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| Capital expenditure - Municipal Vote | | | | | | | | | | | |
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| Single-year expenditure appropriation | 2 | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | | – | – | – | – | 461 | 461 | – | – | – | – |
| 1.1 - Council General | | | | | | | | – | – | – | – |
| 1.2 - Mayor's Office | | | | | | 461 | 461 | – | – | – | – |
| 1.3 - Pensioners & Continued Members | | | | | | | | – | – | – | – |
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| Vote 2 - Municipal Manager & Internal Audit | | – | – | – | – | – | – | – | – | – | – |
| 2.1 - Municipal Manager | | – | – | – | – | – | – | – | – | – | – |
| 2.2 - Internal Audit | | – | – | – | – | – | – | – | – | – | – |
| 2.3 - Risk Management | | – | – | – | – | – | – | – | – | – | – |
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| Vote 3 - Management Services | | 6 346 | 295 | 3 966 | 3 015 | 3 015 | 3 015 | – | – | – | – |
| 3.1 - Director: Management Services | | | | 14 | 15 | 15 | 15 | – | – | – | – |
| 3.2 - Communication | | | | – | – | – | – | – | – | – | – |
| 3.3 - Legal Services | | | | – | – | – | – | – | – | – | – |
| 3.4 - Strategic Services | | | | – | – | – | – | – | – | – | – |
| 3.5 - Human Resources | | | | – | – | – | – | – | – | – | – |
| 3.6 - Info & Communication Technology | | 6 346 | 295 | 3 952 | 3 000 | 3 000 | 3 000 | – | – | – | – |
| 3.7 - Council Support Services | | | | | – | – | – | – | – | – | – |
| 3.8 - Social Development | | | | | – | – | – | – | – | – | – |
| 3.9 - Municipal Court | | – | – | | – | – | – | – | – | – | – |

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
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| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
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| Vote 4 - Finance | | – | – | 22 | 60 | 60 | 60 | – | – | – | – |
| 4.1 - Finance: Director | | | | 22 | 60 | 60 | 60 | | – | – | – |
| 4.2 - Finance: Deputy Director | | | | | | | | | – | – | – |
| 4.3 - Finance: Accounting Services | | | | | | | | | – | – | – |
| 4.4 - Finance: Expenditure & Assets | | | | | | | | | – | – | – |
| 4.5 - Finance: Revenue | | | | | | | | | – | – | – |
| 4.6 - Finance: Supply Chain Management | | | | | | | | | – | – | – |
| 4.7 - Data Control | | | | | | | | – | – | – | – |
| 4.8 - Assessment Rates | | | | | | | | – | – | – | – |
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| Vote 5 - Infrastructure & Planning | | 16 315 | 28 195 | 93 905 | 117 721 | 117 560 | 117 560 | – | 33 281 | 27 328 | 18 530 |
| 5.1 - Director: Infrastructure & Planning | | 47 | 2 773 | 317 | 9 388 | 1 991 | 1 991 | | 4 747 | – | – |
| 5.2 - Deputy Director:Engineering Planning | | | | – | 45 709 | 44 397 | 44 397 | | 5 475 | 10 200 | 6 000 |
| 5.3 - Engineering Services & Housing Development | | | 23 923 | 83 972 | 41 901 | 41 849 | 41 849 | | 20 909 | 17 128 | 12 530 |
| 5.4 - Town Planning | | | | – | – | – | – | | 1 900 | – | – |
| 5.5 - Geographical Info System (GIS) | | | | – | – | – | – | | – | – | – |
| 5.6 - Building Control Services | | | | – | – | – | – | | – | – | – |
| 5.7 - Environmental Management Services | | | | – | – | – | – | | – | – | – |
| 5.8 - Electricity | | 16 268 | | 8 689 | 1 322 | 9 822 | 9 822 | | 160 | – | – |
| 5.9 - Solid Waste Planning & Solid Waste Disposal | | | 1 499 | 927 | 19 400 | 19 500 | 19 500 | | 90 | – | – |
| 5.10 - Property Administration | | – | | – | | | | | – | – | – |
| Vote 6 - Protection Services | | 2 517 | – | 12 064 | 13 981 | 13 018 | 13 018 | – | 3 458 | – | – |
| 6.1 - Director: Protection Services | | | | 123 | 485 | 1 130 | 1 130 | | – | – | – |
| 6.2 - Traffic | | | | 77 | 4 129 | 2 421 | 2 421 | | 2 052 | – | – |
| 6.3 - Law Enforcement | | | | 1 799 | 2 896 | 2 946 | 2 946 | | 240 | – | – |
| 6.4 - Vehicle testing | | | | – | – | – | – | | – | – | – |
| 6.5 - Fire Brigade | | 2 517 | | 10 065 | 6 371 | 6 421 | 6 421 | | 1 166 | – | – |
| 6.6 - Vehicle Licensing | | | | | – | – | – | | – | – | – |
| 6.7 - Special Task Team Unit | | | | | – | – | – | | – | – | – |
| 6.8 - Disaster Management | | – | – | | – | – | – | | – | – | – |
| 6.9 - Security Services | | – | – | | 100 | 100 | 100 | | – | – | – |
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| Vote 7 - Economic and Social Development & Tourism | | – | – | 375 | 842 | 842 | 842 | – | – | – | – |
| 7.1 - Director: Economic Development & Planning | | | | 375 | 442 | 442 | 442 | | – | – | – |
| 7.2 - Tourism | | | | | 400 | 400 | 400 | | – | – | – |
| 7.3 - Social Development | | | | | – | | | | – | – | – |
| 7.4 - EPWP | | | | | – | | | | – | – | – |
| 7.5 - Thusong Centre: Hawston | | | | | – | | | | – | – | – |
| 7.6 - Parking Services | | – | | | | | | | – | – | – |
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| Vote 8 - Community Services | | 80 077 | 12 100 | 26 849 | 59 426 | 63 081 | 63 081 | – | 21 976 | – | – |
| 8.1 - Director & Administration | | 1 929 | 12 100 | 8 484 | 50 015 | 48 633 | 48 633 | | 21 976 | – | – |
| 8.2 - Offices & Community Buildings | | | | – | – | – | – | | – | – | – |
| 8.3 - Parks & Townlands, Cemetries | | | | – | – | – | – | | – | – | – |
| 8.4 - Libraries | | | | – | – | – | – | | – | – | – |
| 8.5 - Sport & Recreation | | 5 427 | | – | – | – | – | | – | – | – |
| 8.6 - Housing & Social Upliftment | | 34 180 | | – | – | – | – | | – | – | – |
| 8.7 - Roads & Stormwater | | 12 023 | | 10 309 | 9 411 | 14 448 | 14 448 | | – | – | – |
| 8.8 - Water | | 3 257 | | 5 064 | | | | | – | – | – |
| 8.9 - Sewerage | | 21 523 | | 2 992 | | | | | – | – | – |
| 8.10 - Refuse | | 1 739 | | | | | | | – | – | – |
| 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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| Multi-year appropriation for Budget Year 2021/22 in the 2020/21 Annual Budget | | | | Multi-year appropriation for 2022/23 in the 2020/21 Annual Budget | | | | New multi-year appropriations (funds for new and existing projects) | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
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| Vote 11 - [NAME OF VOTE 11] | | – | – | – | – | – | – | – | – | – | – |
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| Vote 12 - [NAME OF VOTE 12] | | – | – | – | – | – | – | – | – | – | – |
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| Vote 13 - [NAME OF VOTE 13] | | – | – | – | – | – | – | – | – | – | – |
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| Vote 14 - [NAME OF VOTE 14] | | – | – | – | – | – | – | – | – | – | – |
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| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | – | – | – |
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| Capital single-year expenditure sub-total | | 105 255 | 40 590 | 137 181 | 195 045 | 198 037 | 198 037 | – | 58 714 | 27 328 | 18 530 |
| Total Capital Expenditure | | 105 255 | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | – | 233 444 | 142 286 | 95 835 |

| Multi-year appropriation for Budget Year 2021/22 in the 2020/21 Annual Budget | | | | Multi-year appropriation for 2022/23 in the 2020/21 Annual Budget | | | | New multi-year appropriations (funds for new and existing projects) | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Appropriation for 2021/22 | Adjustments in 2020/21 | Downward adjustments for 2021/22 | Appropriation carried forward | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |

## Choose name from list - Table A6 Budgeted Financial Position

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **ASSETS** | | | | | | | | | | | |
| **Current assets** | | | | | | | | | | | |
| Cash | | 94 453 | 123 988 | 143 570 | 85 812 | 117 249 | 117 249 | | 46 299 | 62 210 | 147 155 |
| Call investment deposits | 1 | 380 514 | 409 200 | 510 243 | 400 000 | 400 000 | 400 000 | – | 400 000 | 400 000 | 400 000 |
| Consumer debtors | 1 | 64 957 | 74 000 | 88 479 | 83 889 | 84 491 | 84 491 | – | 93 706 | 105 253 | 119 357 |
| Other debtors | | 52 806 | 61 176 | 58 432 | 34 983 | 34 987 | 34 987 | | 34 987 | 34 987 | 34 987 |
| Current portion of long-term receivables | | 10 | 7 | 4 | 3 | – | – | | – | – | – |
| Inventory | 2 | 32 352 | 16 029 | 10 219 | 9 540 | 9 540 | 9 540 | | 9 941 | 10 317 | 10 634 |
| **Total current assets** | | **625 093** | **684 399** | **810 947** | **614 227** | **646 267** | **646 267** | **–** | **584 933** | **612 767** | **712 132** |
| **Non current assets** | | | | | | | | | | | |
| Long-term receivables | | 20 | 4 | – | 1 | – | – | | – | – | – |
| Investments | | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | | 62 165 | 70 005 | 77 989 |
| Investment property | | 113 951 | 117 433 | 123 121 | 121 846 | 121 846 | 121 846 | | 127 346 | 132 846 | 138 346 |
| Investment in Associate | | – | – | | | | | | – | – | – |
| Property, plant and equipment | 3 | 3 346 195 | 3 405 429 | 3 488 698 | 3 666 226 | 3 642 574 | 3 642 574 | – | 3 730 746 | 3 729 193 | 3 682 067 |
| Agricultural | | | | | | | | | – | – | – |
| Biological | | | | | | | | | – | – | – |
| Intangible | | 6 699 | 8 597 | 9 168 | 4 753 | 4 753 | 4 753 | | 4 363 | 4 154 | 3 735 |
| Other non-current assets | | 124 182 | 130 928 | 130 928 | 124 182 | 124 182 | 124 182 | | 130 928 | 130 928 | 130 928 |
| **Total non current assets** | | **3 635 642** | **3 712 914** | **3 798 429** | **3 982 468** | **3 947 815** | **3 947 815** | **–** | **4 055 547** | **4 067 127** | **4 033 065** |
| **TOTAL ASSETS** | | **4 260 735** | **4 397 313** | **4 609 376** | **4 596 695** | **4 594 082** | **4 594 082** | **–** | **4 640 480** | **4 679 894** | **4 745 197** |
| **LIABILITIES** | | | | | | | | | | | |
| **Current liabilities** | | | | | | | | | | | |
| Bank overdraft | 1 | – | – | – | – | – | – | – | – | – | – |
| Borrowing | 4 | 33 448 | 39 725 | 45 458 | 52 751 | 52 751 | 52 751 | – | 42 448 | 46 521 | 34 910 |
| Consumer deposits | | 38 462 | 40 020 | 40 992 | 62 074 | 62 074 | 62 074 | | 64 074 | 66 074 | 68 074 |
| Trade and other payables | 4 | 119 809 | 107 963 | 166 030 | 104 604 | 98 955 | 98 955 | – | 109 696 | 115 238 | 153 971 |
| Provisions | | 29 790 | 33 010 | 42 460 | 35 286 | 35 286 | 35 286 | | 45 339 | 46 816 | 48 348 |
| **Total current liabilities** | | **221 509** | **220 717** | **294 941** | **254 715** | **249 067** | **249 067** | **–** | **261 558** | **274 649** | **305 303** |
| **Non current liabilities** | | | | | | | | | | | |
| Borrowing | | 408 658 | 422 933 | 431 475 | 430 260 | 430 260 | 430 260 | – | 389 725 | 393 204 | 408 295 |
| Provisions | | 205 051 | 222 157 | 209 257 | 256 985 | 256 985 | 256 985 | – | 231 880 | 238 198 | 245 161 |
| **Total non current liabilities** | | **613 708** | **645 090** | **640 732** | **687 245** | **687 245** | **687 245** | **–** | **621 606** | **631 403** | **653 456** |
| **TOTAL LIABILITIES** | | **835 218** | **865 807** | **935 673** | **941 960** | **936 312** | **936 312** | **–** | **883 164** | **906 052** | **958 759** |
| **NET ASSETS** | 5 | **3 425 517** | **3 531 506** | **3 673 703** | **3 654 735** | **3 657 771** | **3 657 771** | **–** | **3 757 316** | **3 773 841** | **3 786 438** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | 3 422 258 | 3 528 279 | 3 670 476 | 3 651 390 | 3 654 426 | 3 654 426 | | 3 753 971 | 3 770 496 | 3 783 093 |
| Reserves | 4 | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | – | 3 345 | 3 345 | 3 345 |
| **TOTAL COMMUNITY WEALTH/EQUITY** | 5 | **3 425 517** | **3 531 506** | **3 673 703** | **3 654 735** | **3 657 771** | **3 657 771** | **–** | **3 757 316** | **3 773 841** | **3 786 438** |

*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*

**Choose name from list - Table A7 Budgeted Cash Flows**

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | | | |
| **Receipts** | | | | | | | | | | | |
| Property rates | | 213 851 | 230 566 | 238 449 | 259 513 | 255 713 | 255 713 | | 273 224 | 283 739 | 294 684 |
| Service charges | | 590 742 | 643 620 | 689 210 | 655 534 | 655 430 | 655 430 | | 766 826 | 834 134 | 908 578 |
| Other revenue | | 75 406 | 128 882 | 175 357 | 131 331 | 133 925 | 133 925 | | 161 108 | 115 252 | 68 232 |
| Transfers and Subsidies - Operational | 1 | 131 819 | 110 341 | 120 949 | 131 840 | 148 458 | 148 458 | | 139 692 | 144 977 | 148 209 |
| Transfers and Subsidies - Capital | 1 | 64 248 | 32 017 | 60 675 | 30 619 | 37 228 | 37 228 | | 46 354 | 40 828 | 32 568 |
| Interest | | 34 175 | 45 960 | 53 186 | 36 073 | 31 050 | 31 050 | | 32 137 | 33 422 | 34 759 |
| Dividends | | | | | | | | | – | – | – |
| **Payments** | | | | | | | | | | | |
| Suppliers and employees | | (818 415) | (929 996) | (971 606) | (983 752) | (1 000 174) | (1 000 174) | | (1 190 437) | (1 234 247) | (1 241 510) |
| Finance charges | | (46 129) | (44 921) | (46 570) | (51 482) | (51 482) | (51 482) | | (51 804) | (51 923) | (52 180) |
| Transfers and Grants | 1 | (1 800) | (486) | (560) | (11 610) | (8 300) | (8 300) | | (12 324) | (12 557) | (13 060) |
| **NET CASH FROM/(USED) OPERATING ACTIVITIES** | | **243 897** | **215 983** | **319 091** | **198 066** | **201 847** | **201 847** | **–** | **164 775** | **153 626** | **180 280** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | | | |
| **Receipts** | | | | | | | | | | | |
| Proceeds on disposal of PPE | | 81 451 | (566) | 3 289 | 7 000 | – | – | – | – | – | – |
| Decrease (increase) in non-current receivables | | 8 | 8 | 7 | 7 | 10 | 10 | – | – | – | – |
| Decrease (increase) in non-current investments | | (4 980) | (4 980) | (4 980) | (7 575) | 3 425 | 3 425 | – | (4 980) | (4 980) | (4 980) |
| **Payments** | | | | | | | | | | | |
| Capital assets | | (105 255) | (172 777) | (211 056) | (303 738) | (280 086) | (280 086) | – | (233 444) | (142 286) | (95 835) |
| **NET CASH FROM/(USED) INVESTING ACTIVITIES** | | **(28 775)** | **(178 314)** | **(212 740)** | **(304 307)** | **(276 651)** | **(276 651)** | **–** | **(238 424)** | **(147 266)** | **(100 815)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | | | |
| **Receipts** | | | | | | | | | | | |
| Short term loans | | | | | – | – | – | – | – | – | – |
| Borrowing long term/refinancing | | 30 000 | 54 000 | 54 000 | 54 000 | 54 000 | 54 000 | – | 50 000 | 50 000 | 50 000 |
| Increase (decrease) in consumer deposits | | | | | (1 000) | (1 000) | (1 000) | – | 2 000 | 2 000 | 2 000 |
| **Payments** | | | | | | | | | | | |
| Repayment of borrowing | | (29 969) | (33 448) | (39 725) | (46 374) | (46 374) | (46 374) | – | (49 301) | (42 448) | (46 521) |
| **NET CASH FROM/(USED) FINANCING ACTIVITIES** | | **31** | **20 552** | **14 275** | **6 626** | **6 626** | **6 626** | **–** | **2 699** | **9 552** | **5 479** |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | | **215 153** | **58 220** | **120 626** | **(99 615)** | **(68 178)** | **(68 178)** | **–** | **(70 950)** | **15 911** | **84 944** |
| Cash/cash equivalents at the year begin: | 2 | **259 815** | **474 967** | **533 188** | 585 426 | 585 426 | 585 426 | | **517 249** | **446 299** | **462 210** |
| Cash/cash equivalents at the year end: | 2 | **474 967** | **533 188** | **653 813** | **485 812** | **517 249** | **517 249** | **–** | **446 299** | **462 210** | **547 155** |

*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.*

## Choose name from list - Table A8 Cash backed reserves/accumulated surplus reconciliation

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Cash and investments available** | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 474 967 | 533 188 | 653 813 | 485 812 | 517 249 | 517 249 | – | 446 299 | 462 210 | 547 155 |
| Other current investments > 90 days | | (0) | 0 | – | (0) | – | – | – | – | – | – |
| Non current assets - Investments | 1 | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | – | 62 165 | 70 005 | 77 989 |
| **Cash and investments available:** | | **519 562** | **583 711** | **700 328** | **551 272** | **571 709** | **571 709** | **–** | **508 464** | **532 216** | **625 144** |
| **Application of cash and investments** | | | | | | | | | | | |
| Unspent conditional transfers | | – | – | – | – | – | – | – | – | – | – |
| Unspent borrowing | | 10 450 | 38 199 | – | 25 193 | 25 193 | 25 193 | | – | – | – |
| Statutory requirements | 2 | – | – | – | – | – | – | – | – | – | – |
| Other working capital requirements | 3 | (234 701) | (242 434) | (310 844) | (219 251) | (216 118) | (216 118) | – | (236 225) | (251 617) | (303 881) |
| Other provisions | | | | | 4 109 | 4 109 | 4 109 | | 10 200 | 10 200 | 10 200 |
| Long term investments committed | 4 | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | – | 62 165 | 70 005 | 77 989 |
| Reserves to be backed by cash/investments | 5 | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | – | 3 345 | 3 345 | 3 345 |
| **Total Application of cash and investments:** | | **(176 397)** | **(150 485)** | **(261 102)** | **(121 144)** | **(129 012)** | **(129 012)** | **–** | **(160 516)** | **(168 067)** | **(212 347)** |
| **Surplus(shortfall)** | | **695 959** | **734 196** | **961 430** | **672 416** | **700 720** | **700 720** | **–** | **668 980** | **700 283** | **837 491** |

*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*

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Other working capital requirements | | | | | | | | | | | |
| Debtors | | 114 892 | 134 471 | 144 814 | 114 647 | 117 163 | 117 163 | – | 126 529 | 136 379 | 149 910 |
| Creditors due | | (119 809) | (107 963) | (166 030) | (104 604) | (98 955) | (98 955) | – | (109 696) | (115 238) | (153 971) |
| **Total** | | **234 701** | **242 434** | **310 844** | **219 251** | **216 118** | **216 118** | **–** | **236 225** | **251 617** | **303 881** |
| Debtors collection assumptions | | | | | | | | | | | |
| Balance outstanding - debtors | | 117 783 | 135 179 | 146 911 | 118 873 | 119 478 | 119 478 | – | 128 693 | 140 240 | 154 344 |
| Estimate of debtors collection rate | | 97.5% | 99.5% | 98.6% | 96.4% | 98.1% | 98.1% | 0.0% | 98.3% | 97.2% | 97.1% |
| Long term investments committed | | | | | | | | | | | |
| Balance (*Insert description; eg sinking fund)* | | | | | | | | | | | |
| Bankers Acceptance Certificate | | – | – | – | – | – | – | – | – | – | – |
| Deposit Taking Institutions | | – | – | – | – | – | – | – | – | – | – |
| Bank Repurchase Agreements | | – | – | – | – | – | – | – | – | – | – |
| Derivative Financial Assets | | – | – | – | – | – | – | – | – | – | – |
| Guaranteed Endowment Policies (Sinking) | | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | | 62 165 | 70 005 | 77 989 |
| 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 | | – | – | – | – | – | – | – | – | – | – |
| | | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | – | 62 165 | 70 005 | 77 989 |
| Reserves to be backed by cash/investments | | | | | | | | | | | |
| Housing Development Fund | | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | – | 3 345 | 3 345 | 3 345 |
| Capital replacement | | – | – | – | – | – | – | – | – | – | – |
| Self-insurance | | – | – | – | – | – | – | – | – | – | – |
| Other reserves | | | | | | | | | | | |
| Compensation for Occupational Injuries and Diseases | | – | – | – | – | – | – | – | – | – | – |
| Employee Benefit Reserve | | – | – | – | – | – | – | – | – | – | – |
| Non-current Provisions Reserve | | – | – | – | – | – | – | – | – | – | – |
| Valuation Reserve | | – | – | – | – | – | – | – | – | – | – |
| Investment in associate account | | – | – | – | – | – | – | – | – | – | – |
| Capitalisation Reserve | | – | – | – | – | – | – | – | – | – | – |
| Equity | | – | – | – | – | – | – | – | – | – | – |
| Non-Controlling Interest | | – | – | – | – | – | – | – | – | – | – |
| Share Premium | | – | – | – | – | – | – | – | – | – | – |
| Revaluation | | – | – | – | – | – | – | – | – | – | – |
| | | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | – | 3 345 | 3 345 | 3 345 |

**Choose name from list - Table A9 Asset Management**

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| CAPITAL EXPENDITURE | | | | | | | | | | |
| Total New Assets | 1 | 75 610 | 175 110 | 188 804 | 215 433 | 201 924 | 201 924 | 172 402 | 84 958 | 35 567 |
| *Roads Infrastructure* | | 10 003 | 12 061 | 5 638 | 19 795 | 22 386 | 22 386 | 8 923 | 13 000 | 2 000 |
| *Storm water Infrastructure* | | 255 | 7 247 | 7 918 | 16 384 | 16 322 | 16 322 | 6 330 | – | – |
| *Electrical Infrastructure* | | 15 449 | 28 893 | 13 557 | 12 768 | 10 768 | 10 768 | 56 694 | 9 100 | 12 000 |
| *Water Supply Infrastructure* | | 627 | 12 270 | 29 001 | 29 547 | 27 547 | 27 547 | 6 000 | 6 900 | – |
| *Sanitation Infrastructure* | | – | 34 963 | 13 339 | 20 576 | 18 536 | 18 536 | 6 250 | 4 000 | 3 300 |
| *Solid Waste Infrastructure* | | 105 | 1 499 | 7 311 | 18 479 | 18 064 | 18 064 | 2 020 | – | – |
| *Rail Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | | ***26 438*** | ***96 933*** | ***76 763*** | ***117 549*** | ***113 622*** | ***113 622*** | ***86 217*** | ***33 000*** | ***17 300*** |
| Community Facilities | | 3 229 | 30 804 | 2 084 | 12 743 | 9 787 | 9 787 | 13 442 | – | – |
| Sport and Recreation Facilities | | 5 427 | – | 2 447 | 50 | 50 | 50 | 7 089 | 500 | 5 000 |
| **Community Assets** | | ***8 656*** | ***30 804*** | ***4 531*** | ***12 793*** | ***9 837*** | ***9 837*** | ***20 530*** | ***500*** | ***5 000*** |
| **Heritage Assets** | | – | – | – | – | – | – | – | – | – |
| Revenue Generating | | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | | – | – | – | – | – | – | – | – | – |
| **Investment properties** | | – | – | – | – | – | – | – | – | – |
| Operational Buildings | | 4 372 | 3 092 | 1 749 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| Housing | | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| **Other Assets** | | ***38 552*** | ***37 368*** | ***87 502*** | ***52 970*** | ***47 951*** | ***47 951*** | ***55 079*** | ***36 458*** | ***3 267*** |
| **Biological or Cultivated Assets** | | – | – | – | – | – | – | – | – | – |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | | – | – | – | – | – | – | – | – | – |
| **Computer Equipment** | | 1 593 | 1 346 | 3 345 | 7 896 | 7 896 | 7 896 | 3 700 | 6 050 | 3 500 |
| **Furniture and Office Equipment** | | 205 | 295 | 246 | 1 025 | 1 025 | 1 025 | 875 | 840 | 840 |
| **Machinery and Equipment** | | 166 | 1 428 | 533 | 760 | 860 | 860 | 1 000 | 760 | 760 |
| **Transport Assets** | | – | 6 936 | 15 884 | 22 440 | 20 732 | 20 732 | 5 000 | 7 350 | 4 900 |
| **Land** | | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | | – | – | – | – | – | – | – | – | – |
| Total Renewal of Existing Assets | 2 | 29 644 | – | 3 606 | 25 621 | 25 050 | 25 050 | 23 050 | 19 200 | 17 700 |
| *Roads Infrastructure* | | 2 020 | – | 8 | – | – | – | – | – | – |
| *Storm water Infrastructure* | | 10 677 | – | – | – | – | – | – | – | – |
| *Electrical Infrastructure* | | 819 | – | – | 1 000 | 1 000 | 1 000 | 1 000 | – | – |
| *Water Supply Infrastructure* | | 2 629 | – | 887 | 20 560 | 19 989 | 19 989 | 21 400 | 18 500 | 17 000 |
| *Sanitation Infrastructure* | | 10 591 | – | 2 711 | 4 061 | 4 061 | 4 061 | 650 | 700 | 700 |
| *Solid Waste Infrastructure* | | 1 634 | – | – | – | – | – | – | – | – |
| *Rail Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | | ***28 370*** | – | ***3 606*** | ***25 621*** | ***25 050*** | ***25 050*** | ***23 050*** | ***19 200*** | ***17 700*** |
| Community Facilities | | 1 217 | – | – | – | – | – | – | – | – |
| Sport and Recreation Facilities | | – | – | – | – | – | – | – | – | – |
| **Community Assets** | | ***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** | | – | – | – | – | – | – | – | – | – |
| Total Upgrading of Existing Assets | 6 | – | – | 18 646 | 62 684 | 53 112 | 53 112 | 37 992 | 38 128 | 42 568 |
| *Roads Infrastructure* | | – | – | – | 200 | 200 | 200 | – | – | – |
| *Storm water Infrastructure* | | – | – | 1 285 | 13 057 | 13 057 | 13 057 | – | – | – |
| *Electrical Infrastructure* | | – | – | 7 871 | 7 350 | 7 350 | 7 350 | – | 7 000 | 10 000 |
| *Water Supply Infrastructure* | | – | – | 1 863 | 2 500 | 2 500 | 2 500 | 8 315 | 500 | 5 000 |
| *Sanitation Infrastructure* | | – | – | 32 | 23 138 | 17 659 | 17 659 | 27 466 | 30 628 | 27 568 |
| *Solid Waste Infrastructure* | | – | – | – | 3 960 | 3 960 | 3 960 | 90 | – | – |
| *Rail Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | | – | – | ***11 051*** | ***50 206*** | ***44 727*** | ***44 727*** | ***35 871*** | ***38 128*** | ***42 568*** |
| Community Facilities | | – | – | – | 976 | 906 | 906 | 100 | – | – |
| Sport and Recreation Facilities | | – | – | 7 534 | 11 503 | 7 480 | 7 480 | 2 021 | – | – |
| **Community Assets** | | – | – | ***7 534*** | ***12 479*** | ***8 386*** | ***8 386*** | ***2 121*** | – | – |
| **Heritage Assets** | | – | – | – | – | – | – | – | – | – |
| Revenue Generating | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Non-revenue Generating | | – | – | – | – | – | – | – | – | – |
| **Investment properties** | | – | – | – | – | – | – | – | – | – |
| Operational Buildings | | – | – | 61 | – | – | – | – | – | – |
| Housing | | – | – | – | – | – | – | – | – | – |
| **Other Assets** | | – | – | *61* | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | | – | – | – | – | – | – | – | – | – |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | | – | – | – | – | – | – | – | – | – |
| **Computer Equipment** | | – | – | – | – | – | – | – | – | – |
| **Furniture and Office Equipment** | | – | – | – | – | – | – | – | – | – |
| **Machinery and Equipment** | | – | – | – | – | – | – | – | – | – |
| **Transport Assets** | | – | – | – | – | – | – | – | – | – |
| **Land** | | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | | – | – | – | – | – | – | – | – | – |
| **Total Capital Expenditure** | 4 | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |
| *Roads Infrastructure* | | 12 023 | 12 061 | 5 645 | 19 995 | 22 586 | 22 586 | 8 923 | 13 000 | 2 000 |
| *Storm water Infrastructure* | | 10 932 | 7 247 | 9 202 | 29 441 | 29 378 | 29 378 | 6 330 | – | – |
| *Electrical Infrastructure* | | 16 268 | 28 893 | 21 428 | 21 119 | 19 119 | 19 119 | 57 694 | 16 100 | 22 000 |
| *Water Supply Infrastructure* | | 3 257 | 12 270 | 31 752 | 52 606 | 50 036 | 50 036 | 35 715 | 25 900 | 22 000 |
| *Sanitation Infrastructure* | | 10 591 | 34 963 | 16 081 | 47 776 | 40 257 | 40 257 | 34 366 | 35 328 | 31 568 |
| *Solid Waste Infrastructure* | | 1 739 | 1 499 | 7 311 | 22 439 | 22 024 | 22 024 | 2 110 | – | – |
| *Rail Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | | ***54 809*** | ***96 933*** | ***91 420*** | ***193 376*** | ***183 399*** | ***183 399*** | ***145 138*** | ***90 328*** | ***77 568*** |
| Community Facilities | | 4 446 | 30 804 | 2 084 | 13 719 | 10 693 | 10 693 | 13 542 | – | – |
| Sport and Recreation Facilities | | 5 427 | – | 9 981 | 11 553 | 7 530 | 7 530 | 9 110 | 500 | 5 000 |
| **Community Assets** | | ***9 873*** | ***30 804*** | ***12 065*** | ***25 272*** | ***18 223*** | ***18 223*** | ***22 651*** | ***500*** | ***5 000*** |
| **Heritage Assets** | | – | – | – | – | – | – | – | – | – |
| Revenue Generating | | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | | – | – | – | – | – | – | – | – | – |
| **Investment properties** | | – | – | – | – | – | – | – | – | – |
| Operational Buildings | | 4 372 | 3 092 | 1 810 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| Housing | | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| **Other Assets** | | ***38 552*** | ***37 368*** | ***87 563*** | ***52 970*** | ***47 951*** | ***47 951*** | ***55 079*** | ***36 458*** | ***3 267*** |
| **Biological or Cultivated Assets** | | – | – | – | – | – | – | – | – | – |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | | – | – | – | – | – | – | – | – | – |
| **Computer Equipment** | | **1 593** | **1 346** | **3 345** | **7 896** | **7 896** | **7 896** | **3 700** | **6 050** | **3 500** |
| **Furniture and Office Equipment** | | **205** | **295** | **246** | **1 025** | **1 025** | **1 025** | **875** | **840** | **840** |
| **Machinery and Equipment** | | **223** | **1 428** | **533** | **760** | **860** | **860** | **1 000** | **760** | **760** |
| **Transport Assets** | | **–** | **6 936** | **15 884** | **22 440** | **20 732** | **20 732** | **5 000** | **7 350** | **4 900** |
| **Land** | | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | | – | – | – | – | – | – | – | – | – |
| **TOTAL CAPITAL EXPENDITURE - Asset class** | | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |
| **ASSET REGISTER SUMMARY - PPE (WDV)** | 5 | 3 591 027 | 3 662 386 | 3 751 914 | 3 917 008 | 3 893 355 | 3 893 355 | 3 993 382 | 3 997 122 | 3 955 076 |
| *Roads Infrastructure* | | 1 054 313 | 1 068 859 | 1 059 300 | 1 002 295 | 1 004 886 | 1 004 886 | 976 263 | 951 540 | 915 229 |
| *Storm water Infrastructure* | | | | | | | | – | – | – |
| *Electrical Infrastructure* | | 522 972 | 525 175 | 520 037 | 514 928 | 512 928 | 512 928 | 543 719 | 531 787 | 526 131 |
| *Water Supply Infrastructure* | | 481 367 | 464 323 | 474 519 | 512 347 | 509 776 | 509 776 | 516 094 | 518 429 | 517 349 |
| *Sanitation Infrastructure* | | 569 303 | 582 010 | 612 374 | 661 610 | 654 028 | 654 028 | 676 267 | 692 921 | 705 647 |
| *Solid Waste Infrastructure* | | 30 303 | 26 500 | 24 634 | 48 639 | 48 224 | 48 224 | 47 104 | 43 844 | 40 581 |
| *Rail Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Information and Communication Infrastructure* | | – | – | – | – | – | – | – | – | – |
| **Infrastructure** | | ***2 658 258*** | ***2 666 867*** | ***2 690 864*** | ***2 739 819*** | ***2 729 842*** | ***2 729 842*** | ***2 759 447*** | ***2 738 521*** | ***2 704 938*** |
| **Community Assets** | | 183 622 | 204 522 | 206 866 | | | | – | – | – |
| **Heritage Assets** | | 124 182 | 130 928 | 130 928 | 124 182 | 124 182 | 124 182 | 130 928 | 130 928 | 130 928 |
| **Investment properties** | | 113 951 | 117 433 | 123 121 | 121 846 | 121 846 | 121 846 | 127 346 | 132 846 | 138 346 |
| **Other Assets** | | 504 315 | 534 039 | 590 968 | 926 408 | 912 732 | 912 732 | 971 299 | 990 672 | 977 129 |
| **Biological or Cultivated Assets** | | – | – | | | | | – | – | – |
| **Intangible Assets** | | 6 699 | 8 597 | 9 168 | 4 753 | 4 753 | 4 753 | 4 363 | 4 154 | 3 735 |
| **Computer Equipment** | | | | | | | | – | – | – |
| **Furniture and Office Equipment** | | | | | | | | – | – | – |
| **Machinery and Equipment** | | | | | | | | – | – | – |
| **Transport Assets** | | | | | | | | – | – | – |
| **Land** | | | | | | | | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | | – | – | | | | | – | – | – |
| **TOTAL ASSET REGISTER SUMMARY - PPE (WDV)** | 5 | **3 591 027** | **3 662 386** | **3 751 914** | **3 917 008** | **3 893 355** | **3 893 355** | **3 993 382** | **3 997 122** | **3 955 076** |
| **EXPENDITURE OTHER ITEMS** | | | | | | | | | | |
| **Depreciation** | 7 | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | 145 663 | 144 047 | 143 381 |
| **Repairs and Maintenance by Asset Class** | 3 | **160 036** | **215 024** | **188 517** | **210 905** | **216 106** | **216 106** | **249 567** | **263 320** | **264 772** |
| *Roads Infrastructure* | | 53 229 | 61 860 | 65 691 | 67 578 | 67 622 | 67 622 | 67 345 | 72 456 | 76 751 |
| *Storm water Infrastructure* | | 6 017 | 5 765 | 4 749 | 6 159 | 6 189 | 6 189 | 7 695 | 8 049 | 8 421 |
| *Electrical Infrastructure* | | 17 645 | 23 082 | 36 812 | 31 243 | 32 317 | 32 317 | 33 314 | 34 658 | 34 905 |
| *Water Supply Infrastructure* | | 15 014 | 17 367 | 16 161 | 19 710 | 19 710 | 19 710 | 21 475 | 22 493 | 22 858 |
| *Sanitation Infrastructure* | | 13 051 | 14 967 | 10 072 | 13 262 | 13 920 | 13 920 | 12 133 | 12 706 | 12 960 |
| *Solid Waste Infrastructure* | | 12 946 | 22 918 | 1 168 | 3 691 | 3 651 | 3 651 | 5 944 | 6 232 | 6 436 |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Rail Infrastructure* | | – | – | – | – | – | – | – | – | – |
| *Coastal Infrastructure* | | – | – | 113 | 216 | 186 | 186 | – | – | – |
| *Information and Communication Infrastructure* | | – | – | – | 42 | 42 | 42 | – | – | – |
| **Infrastructure** | | ***117 901*** | ***145 959*** | ***134 766*** | ***141 901*** | ***143 636*** | ***143 636*** | ***147 905*** | ***156 594*** | ***162 331*** |
| Community Facilities | | 12 289 | 27 117 | 29 422 | 37 242 | 40 524 | 40 524 | 43 317 | 45 311 | 45 753 |
| Sport and Recreation Facilities | | – | 12 685 | 4 176 | 7 516 | 7 817 | 7 817 | 15 039 | 15 949 | 16 366 |
| **Community Assets** | | ***12 289*** | ***39 801*** | ***33 597*** | ***44 758*** | ***48 340*** | ***48 340*** | ***58 357*** | ***61 260*** | ***62 119*** |
| **Heritage Assets** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | | – | – | – | – | – | – | – | – | – |
| **Investment properties** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Operational Buildings | | – | 8 009 | 1 582 | 3 373 | 3 065 | 3 065 | 11 914 | 12 304 | 5 587 |
| Housing | | – | – | – | 37 | 237 | 237 | – | – | – |
| **Other Assets** | | **–** | ***8 009*** | ***1 582*** | ***3 410*** | ***3 302*** | ***3 302*** | ***11 914*** | ***12 304*** | ***5 587*** |
| **Biological or Cultivated Assets** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | – | – | 6 009 | 5 925 | 5 925 | 5 925 | 6 528 | 6 862 | 7 213 |
| **Intangible Assets** | | **–** | **–** | ***6 009*** | ***5 925*** | ***5 925*** | ***5 925*** | ***6 528*** | ***6 862*** | ***7 213*** |
| **Computer Equipment** | | **5 207** | **4 890** | **766** | **2 186** | **2 186** | **2 186** | **2 280** | **2 394** | **2 514** |
| **Furniture and Office Equipment** | | **17 919** | **16 364** | **242** | **2 811** | **2 803** | **2 803** | **6 095** | **6 312** | **6 527** |
| **Machinery and Equipment** | | **–** | **–** | **–** | **–** | **–** | **–** | **5 548** | **6 194** | **6 598** |
| **Transport Assets** | | **6 719** | **–** | **11 555** | **9 914** | **9 914** | **9 914** | **10 940** | **11 401** | **11 882** |
| **Libraries** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Zoo's, Marine and Non-biological Animals** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **TOTAL EXPENDITURE OTHER ITEMS** | | **294 882** | **346 138** | **323 058** | **352 782** | **357 983** | **357 983** | **395 230** | **407 367** | **408 153** |
| ***Renewal and upgrading of Existing Assets as % of total capex*** | | *28.2%* | *0.0%* | *10.5%* | *29.1%* | *27.9%* | *27.9%* | *26.1%* | *40.3%* | *62.9%* |
| ***Renewal and upgrading of Existing Assets as % of deprecn*** | | *22.0%* | *0.0%* | *16.5%* | *62.2%* | *55.1%* | *55.1%* | *41.9%* | *39.8%* | *42.0%* |
| ***R&M as a % of PPE*** | | *4.8%* | *6.3%* | *5.4%* | *5.8%* | *5.9%* | *5.9%* | *6.7%* | *7.1%* | *7.2%* |
| ***Renewal and upgrading and R&M as a % of PPE*** | | *5.0%* | *6.0%* | *6.0%* | *8.0%* | *8.0%* | *8.0%* | *8.0%* | *8.0%* | *8.0%* |

*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*

## Choose name from list - Table A10 Basic service delivery measurement

| Description | Ref | -2017 | -2018 | -2019 | -2020-O | -2020-A | -2020-F | -2021 | -2022 | -2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Household service targets** | 1 | | | | | | | | | |
| ***Water:*** | | | | | | | | | | |
| Piped water inside dwelling | | 29 174 | 29 800 | 29 946 | 29 946 | 29 946 | 29 946 | 30 844 | 31 769 | 32 722 |
| Piped water inside yard (but not in dwelling) | | – | – | – | – | – | – | – | – | – |
| Using public tap (at least min.service level) | 2 | 3 052 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| Other water supply (at least min.service level) | 4 | – | – | – | – | – | – | – | – | – |
| *Minimum Service Level and Above sub-total* | | 32 226 | 33 420 | 33 621 | 33 621 | 33 621 | 33 621 | 34 402 | 37 106 | 36 991 |
| Using public tap (< min.service level) | 3 | – | – | – | – | – | – | – | – | – |
| Other water supply (< min.service level) | 4 | – | – | – | – | – | – | – | – | – |
| No water supply | | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | | – | – | – | – | – | – | – | – | – |
| **Total number of households** | 5 | **32 226** | **33 420** | **33 621** | **33 621** | **33 621** | **33 621** | **34 402** | **37 106** | **36 991** |
| ***Sanitation/sewerage:*** | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | 29 165 | 29 631 | 30 060 | 30 060 | 30 060 | 30 060 | 30 962 | 31 891 | 32 848 |
| Flush toilet (with septic tank) | | – | – | – | – | – | – | – | – | – |
| Chemical toilet | | – | – | – | – | – | – | – | – | – |
| Pit toilet (ventilated) | | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (> min.service level) | | 3 620 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| *Minimum Service Level and Above sub-total* | | 32 785 | 33 251 | 33 735 | 33 735 | 33 735 | 33 735 | 34 520 | 37 228 | 37 117 |
| Bucket toilet | | – | – | – | – | – | – | – | – | – |
| Other toilet provisions (< min.service level) | | – | – | – | – | – | – | – | – | – |
| No toilet provisions | | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | | – | – | – | – | – | – | – | – | – |
| **Total number of households** | 5 | **32 785** | **33 251** | **33 735** | **33 735** | **33 735** | **33 735** | **34 520** | **37 228** | **37 117** |
| ***Energy:*** | | | | | | | | | | |
| Electricity (at least min.service level) | | 6 112 | 5 831 | – | 5 665 | 5 665 | 5 665 | 5 384 | 5 103 | 4 822 |
| Electricity - prepaid (min.service level) | | 18 814 | 19 464 | 21 546 | 20 114 | 20 114 | 20 114 | 20 497 | 20 880 | 20 880 |
| *Minimum Service Level and Above sub-total* | | 24 926 | 25 295 | 21 546 | 25 779 | 25 779 | 25 779 | 25 881 | 25 983 | 25 702 |
| Electricity (< min.service level) | | – | – | – | – | – | – | – | – | – |
| Electricity - prepaid (< min. service level) | | – | – | – | – | – | – | – | – | – |
| Other energy sources | | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | | – | – | – | – | – | – | – | – | – |
| **Total number of households** | 5 | **24 926** | **25 295** | **21 546** | **25 779** | **25 779** | **25 779** | **25 881** | **25 983** | **25 702** |
| ***Refuse:*** | | | | | | | | | | |
| Removed at least once a week | | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |
| *Minimum Service Level and Above sub-total* | | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Removed less frequently than once a week | | – | – | – | – | – | – | – | – | – |
| Using communal refuse dump | | – | – | – | – | – | – | – | – | – |
| Using own refuse dump | | – | – | – | – | – | – | – | – | – |
| Other rubbish disposal | | – | – | – | – | – | – | – | – | – |
| No rubbish disposal | | – | – | – | – | – | – | – | – | – |
| *Below Minimum Service Level sub-total* | | – | – | – | – | – | – | – | – | – |
| **Total number of households** | 5 | **32 695** | **33 105** | **33 366** | **33 366** | **33 366** | **33 366** | **34 367** | **35 398** | **36 460** |
| **Households receiving Free Basic Service** | 7 | | | | | | | | | |
| Water (6 kilolitres per household per month) | | – | – | – | – | – | – | – | – | – |
| Sanitation (free minimum level service) | | – | – | – | – | – | – | – | – | – |
| Electricity/other energy (50kwh per household per month) | | – | – | – | – | – | – | – | – | – |
| Refuse (removed at least once a week) | | – | – | – | – | – | – | – | – | – |
| **Cost of Free Basic Services provided - Formal Settlements (R'000)** | 8 | | | | | | | | | |
| Water (6 kilolitres per **indigent** household per month) | | – | – | – | – | – | – | – | – | – |
| Sanitation (free sanitation service to **indigent households**) | | – | – | – | – | – | – | – | – | – |
| Electricity/other energy (50kwh per **indigent** household per month) | | – | – | – | – | – | – | – | – | – |
| Refuse (removed once a week **for indigent households**) | | – | – | – | – | – | – | – | – | – |
| **Cost of Free Basic Services provided - Informal Formal Settlements (R'000)** | | – | – | – | – | – | – | – | – | – |
| **Total cost of FBS provided** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **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) | | 73 | 78 | 82 | 86 | 86 | 86 | 89 | 94 | 100 |
| Electricity (kwh per household per month) | | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Refuse (average litres per week) | | 210 | 210 | 210 | 210 | 210 | 210 | 210 | 210 | 210 |
| **Revenue cost of subsidised services provided (R'000)** | 9 | | | | | | | | | |
| Property rates **(tariff adjustment)** ( **impermissable values per section 17 of MPRA**) | | – | – | – | – | – | – | – | – | – |
| Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)** | | 51 711 | 50 983 | – | – | – | – | – | – | – |
| Water **(in excess of 6 kilolitres per indigent household per month)** | | – | 779 | – | – | – | – | – | – | – |
| 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 | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Total revenue cost of subsidised services provided** | | **51 711** | **52 080** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |

*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)*

## Choose name from list - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **REVENUE ITEMS:** | | | | | | | | | | | |
| **Property rates** | 6 | | | | | | | | | | |
| Total Property Rates | | 267 473 | 284 076 | 240 914 | 262 551 | 259 241 | 259 241 | | 275 637 | 286 662 | 298 129 |
| *less Revenue Foregone* ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)*** | | 51 711 | 50 983 | | | | | – | – | – | – |
| **Net Property Rates** | | **215 763** | **233 093** | **240 914** | **262 551** | **259 241** | **259 241** | **–** | **275 637** | **286 662** | **298 129** |
| **Service charges - electricity revenue** | 6 | | | | | | | | | | |
| Total Service charges - electricity revenue | | 349 298 | 378 693 | 415 947 | 386 294 | 386 294 | 386 294 | | 479 057 | 536 403 | 600 624 |
| *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)*** | | – | – | – | – | – | – | – | – | – | – |
| **Net Service charges - electricity revenue** | | **349 298** | **378 693** | **415 947** | **386 294** | **386 294** | **386 294** | **–** | **479 057** | **536 403** | **600 624** |
| **Service charges - water revenue** | 6 | | | | | | | | | | |
| Total Service charges - water revenue | | 110 932 | 130 637 | 133 628 | 128 520 | 128 520 | 128 520 | | 132 168 | 137 455 | 142 953 |
| *less Revenue Foregone* ***(in excess of 6 kilolitres per indigent household per month)*** | | | 779 | | | | | – | – | – | – |
| ***less Cost of Free Basic Services (6 kilolitres per indigent household per month)*** | | – | – | – | – | – | – | – | – | – | – |
| **Net Service charges - water revenue** | | **110 932** | **129 858** | **133 628** | **128 520** | **128 520** | **128 520** | **–** | **132 168** | **137 455** | **142 953** |
| **Service charges - sanitation revenue** | | | | | | | | | | | |
| Total Service charges - sanitation revenue | | 72 106 | 78 037 | 80 871 | 78 913 | 78 913 | 78 913 | | 87 631 | 91 137 | 94 782 |
| *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)*** | | – | – | – | – | – | – | – | – | – | – |
| **Net Service charges - sanitation revenue** | | **72 106** | **77 719** | **80 871** | **78 913** | **78 913** | **78 913** | **–** | **87 631** | **91 137** | **94 782** |
| **Service charges - refuse revenue** | 6 | | | | | | | | | | |
| Total refuse removal revenue | | 57 775 | 61 763 | 69 102 | 69 482 | 69 482 | 69 482 | | 74 741 | 77 731 | 80 840 |
| 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)*** | | – | – | – | – | – | – | – | – | – | – |
| **Net Service charges - refuse revenue** | | **57 775** | **61 763** | **69 102** | **69 482** | **69 482** | **69 482** | **–** | **74 741** | **77 731** | **80 840** |
| **Other Revenue by source** | | | | | | | | | | | |
| *Fuel Levy* | | | | | | | | | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Other Revenue* | | | | | | | | | | | |
| *Discontinued Operations* | | | | | | | | | – | – | – |
| Rent on Land | | | | | | | | | 1 106 | 1 150 | 1 195 |
| Operational Revenue | | | | | | | | | 6 039 | 5 568 | 5 630 |
| Intercompany/Parent-subsidiary Transactions | | | | | | | | | – | – | – |
| Surcharges and Taxes | | | | | | | | | – | – | – |
| Sales of Goods and Rendering of Services | | 48 492 | 83 673 | 143 186 | 113 998 | 96 604 | 96 604 | | 120 265 | 85 542 | 36 737 |
| Fuel Levy | 3 | | | | | | | | – | – | – |
| **Total 'Other' Revenue** | 1 | **48 492** | **83 673** | **143 186** | **113 998** | **96 604** | **96 604** | **–** | **127 409** | **92 259** | **43 563** |
| **EXPENDITURE ITEMS:** | | | | | | | | | | | |
| **Employee related costs** | | | | | | | | | | | |
| Basic Salaries and Wages | 2 | 296 682 | 368 000 | 382 527 | 435 325 | 440 972 | 440 972 | | 290 794 | 303 976 | 321 376 |
| Pension and UIF Contributions | | | | | | | | | 48 870 | 51 014 | 51 385 |
| Medical Aid Contributions | | | | | | | | | 17 876 | 18 741 | 19 437 |
| Overtime | | | | | | | | | 317 | 331 | 346 |
| Performance Bonus | | | | | | | | | 22 518 | 23 343 | 24 024 |
| Motor Vehicle Allowance | | | | | | | | | 8 255 | 8 258 | 8 266 |
| Cellphone Allowance | | | | | | | | | 2 465 | 2 465 | 2 450 |
| Housing Allowances | | | | | | | | | 2 674 | 2 724 | 2 700 |
| Other benefits and allowances | | | | | | | | | 53 537 | 55 474 | 57 614 |
| Payments in lieu of leave | | | | | | | | | – | – | – |
| Long service awards | | | | | | | | | 3 230 | 3 230 | 3 230 |
| Post-retirement benefit obligations | 4 | | | | | | | | 11 208 | 11 208 | 11 208 |
| ***sub-total*** | 5 | **296 682** | **368 000** | **382 527** | **435 325** | **440 972** | **440 972** | **–** | **461 745** | **480 765** | **502 037** |
| Less: Employees costs capitalised to PPE | | – | – | – | – | – | – | – | – | – | – |
| **Total Employee related costs** | 1 | **296 682** | **368 000** | **382 527** | **435 325** | **440 972** | **440 972** | **–** | **461 745** | **480 765** | **502 037** |
| **Contributions recognised - capital** | | | | | | | | | | | |
| *List contributions by contract* | | | | | | | | | 13 201 | 1 312 | 1 324 |
| **Total Contributions recognised - capital** | | – | – | – | – | – | – | – | **13 201** | **1 312** | **1 324** |
| **Depreciation & asset impairment** | | | | | | | | | | | |
| Depreciation of Property, Plant & Equipment | | 134 846 | 131 114 | 134 541 | 141 877 | 141 877 | 141 877 | | 145 272 | 143 839 | 142 961 |
| Lease amortisation | | | | | | | | | 390 | 209 | 420 |
| Capital asset impairment | | | | | | | | | – | – | – |
| Depreciation resulting from revaluation of PPE | 10 | | | | | | | | – | – | – |
| **Total Depreciation & asset impairment** | 1 | **134 846** | **131 114** | **134 541** | **141 877** | **141 877** | **141 877** | **–** | **145 663** | **144 047** | **143 381** |
| **Bulk purchases** | | | | | | | | | | | |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Electricity Bulk Purchases | | 225 844 | 242 614 | 278 485 | 270 260 | 270 260 | 270 260 | | 318 669 | 347 031 | 377 917 |
| Water Bulk Purchases | | | | | | | | | – | – | – |
| **Total bulk purchases** | 1 | **225 844** | **242 614** | **278 485** | **270 260** | **270 260** | **270 260** | **–** | **318 669** | **347 031** | **377 917** |
| **Transfers and grants** | | | | | | | | | | | |
| Cash transfers and grants | | – | 486 | 560 | 11 610 | 8 300 | 8 300 | – | 12 324 | 12 557 | 13 060 |
| Non-cash transfers and grants | | 1 800 | – | – | – | – | – | – | – | – | – |
| **Total transfers and grants** | 1 | **1 800** | **486** | **560** | **11 610** | **8 300** | **8 300** | **–** | **12 324** | **12 557** | **13 060** |
| **Contracted services** | | | | | | | | | | | |
| *Outsourced Services* | | | | | | | | | 103 800 | 109 073 | 114 563 |
| *Consultants and Professional Services* | | | | | | | | | 38 471 | 38 687 | 41 271 |
| *Contractors* | | 167 079 | 186 336 | 177 914 | 222 414 | 229 349 | 229 349 | | 97 644 | 102 734 | 107 933 |
| ***sub-total*** | 1 | **167 079** | **186 336** | **177 914** | **222 414** | **229 349** | **229 349** | **–** | **239 915** | **250 494** | **263 768** |
| **Allocations to organs of state:** | | | | | | | | | | | |
| Electricity | | – | – | – | – | – | – | – | – | – | – |
| Water | | – | – | – | – | – | – | – | – | – | – |
| Sanitation | | – | – | – | – | – | – | – | – | – | – |
| Other | | – | – | – | – | – | – | – | – | – | – |
| **Total contracted services** | | **167 079** | **186 336** | **177 914** | **222 414** | **229 349** | **229 349** | **–** | **239 915** | **250 494** | **263 768** |
| **Other Expenditure By Type** | | | | | | | | | | | |
| Collection costs | | | | | | | | | 6 642 | 7 041 | 7 463 |
| Contributions to 'other' provisions | | | | | | | | | 10 200 | 10 200 | 10 200 |
| Audit fees | | | | | | | | | 5 561 | 5 561 | 5 561 |
| General expenses | 3 | 55 726 | 71 333 | 90 183 | 123 315 | 112 917 | 112 917 | | | | |
| *Operating Leases* | | | | | | | | | 1 611 | 1 624 | 1 637 |
| *Operational Cost* | | | | | | | | | 117 548 | 100 419 | 86 733 |
| *Statutory Payments other than Income Taxes* | | | | | | | | | – | – | – |
| *Discontinued Operations* | | | | | | | | | – | – | – |
| **Total 'Other' Expenditure** | 1 | **55 726** | **71 333** | **90 183** | **123 315** | **112 917** | **112 917** | **–** | **141 561** | **124 845** | **111 594** |
| **by Expenditure Item** | 8 | | | | | | | | | | |
| Employee related costs | | 53 689 | 89 415 | 96 484 | 100 057 | 100 057 | 100 057 | | 126 198 | 132 440 | 135 115 |
| Other materials | | 30 000 | 17 594 | 18 615 | 20 206 | 24 131 | 24 131 | | 20 700 | 22 613 | 23 360 |
| Contracted Services | | 67 791 | 85 762 | 58 168 | 79 701 | 79 701 | 79 701 | | 91 724 | 96 878 | 94 442 |
| Other Expenditure | | 8 555 | 22 253 | 15 250 | 10 941 | 12 217 | 12 217 | | 10 945 | 11 389 | 11 856 |
| **Total Repairs and Maintenance Expenditure** | 9 | 160 036 | 215 024 | 188 517 | 210 905 | 216 106 | 216 106 | – | 249 567 | 263 320 | 264 772 |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Inventory Consumed** | | | | | | | | | | | |
| Inventory Consumed - Water | | – | – | – | – | – | – | – | (121) | (121) | (121) |
| Inventory Consumed - Other | | (5 559 619) | (5 754 408) | (5 980 597) | (6 302 351) | (6 279 301) | (6 279 301) | – | (6 521 960) | (6 675 793) | (6 785 732) |
| **Total Inventory Consumed & Other Material** | | **(5 559 619)** | **(5 754 408)** | **(5 980 597)** | **(6 302 351)** | **(6 279 301)** | **(6 279 301)** | **–** | **(6 522 081)** | **(6 675 914)** | **(6 785 853)** |
| | check | 160 036 | 215 024 | 188 517 | 210 905 | 216 106 | 216 106 | | 249 567 | 263 320 | 264 772 |

*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'

**Choose name from list - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)**

| Description<br>R thousand | Ref<br>1 | Vote 1 - Council & Mayor's Office | Vote 2 - Municipal Manager & Internal Audit | Vote 3 - Management Services | Vote 4 - Finance | Vote 5 - Infrastructure & Planning | Vote 6 - Protection Services | Vote 7 - Economic and Social Development & Tourism | Vote 8 - Community Services | Vote 9 - Costing Services | Vote 10 - Main Ledger Services | 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 Source** | | | | | | | | | | | | | | | | | |
| Property rates | | – | – | – | 275 637 | – | – | – | – | – | – | – | – | – | – | – | 275 637 |
| Service charges - electricity revenue | | – | – | – | 676 | 478 381 | – | – | – | – | – | – | – | – | – | – | 479 057 |
| Service charges - water revenue | | – | – | – | 52 | – | – | – | 132 116 | – | – | – | – | – | – | – | 132 168 |
| Service charges - sanitation revenue | | – | – | – | – | – | 1 | – | 87 630 | – | – | – | – | – | – | – | 87 631 |
| Service charges - refuse revenue | | – | – | – | – | – | – | – | 74 741 | – | – | – | – | – | – | – | 74 741 |
| Rental of facilities and equipment | | – | – | – | – | 0 | – | 63 | 3 377 | – | – | – | – | – | – | – | 3 440 |
| Interest earned - external investments | | – | – | – | 27 456 | – | – | – | – | – | – | – | – | – | – | – | 27 456 |
| Interest earned - outstanding debtors | | – | – | – | 4 680 | – | – | – | 0 | – | – | – | – | – | – | – | 4 681 |
| Dividends received | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | | – | – | – | 0 | 75 | 28 137 | – | 10 | – | – | – | – | – | – | – | 28 223 |
| Licences and permits | | – | – | – | – | – | 1 737 | – | 302 | – | – | – | – | – | – | – | 2 039 |
| Agency services | | – | – | – | – | – | 6 670 | – | 10 | – | – | – | – | – | – | – | 6 680 |
| Other revenue | | 94 | – | 869 | 8 599 | 120 480 | 566 | 1 | 5 025 | – | – | – | – | – | – | – | 135 634 |
| Transfers and subsidies | | 31 191 | – | – | 1 550 | 41 530 | 2 420 | 2 774 | 60 228 | – | – | – | – | – | – | – | 139 692 |
| Gains | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Revenue (excluding capital transfers and contributions)** | | **31 285** | **–** | **869** | **318 650** | **640 466** | **39 531** | **2 838** | **363 440** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **1 397 079** |
| **Expenditure By Type** | | | | | | | | | | | | | | | | | |
| Employee related costs | | 15 450 | 7 015 | 30 431 | 50 751 | 71 310 | 74 542 | 12 114 | 200 132 | – | – | – | – | – | – | – | 461 745 |
| Remuneration of councillors | | 12 509 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 12 509 |
| Debt impairment | | – | – | – | 300 | 300 | 20 000 | – | 900 | – | – | – | – | – | – | – | 21 500 |
| Depreciation & asset impairment | | 6 | 15 | 1 764 | 185 | 27 480 | 833 | 134 | 115 245 | – | – | – | – | – | – | – | 145 663 |
| Finance charges | | – | – | – | 56 | 16 877 | – | – | 34 871 | – | – | – | – | – | – | – | 51 804 |
| Bulk purchases | | – | – | – | – | 318 669 | – | – | – | – | – | – | – | – | – | – | 318 669 |
| Other materials | | 25 | 63 | 1 882 | 450 | 6 569 | 2 644 | 395 | 32 817 | – | – | – | – | – | – | – | 44 846 |
| Contracted services | | 273 | 640 | 8 026 | 8 853 | 114 215 | 12 508 | 1 704 | 93 698 | – | – | – | – | – | – | – | 239 915 |
| Transfers and subsidies | | 250 | – | – | 12 074 | – | – | – | – | – | – | – | – | – | – | – | 12 324 |
| Other expenditure | | 8 640 | 283 | 18 425 | 22 803 | 77 171 | 4 675 | 2 918 | 6 645 | – | – | – | – | – | – | – | 141 561 |
| Losses | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Expenditure** | | **37 152** | **8 017** | **60 528** | **95 473** | **632 592** | **115 201** | **17 266** | **484 308** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **1 450 536** |
| **Surplus/(Deficit)** | | **(5 867)** | **(8 017)** | **(59 659)** | **223 177** | **7 875** | **(75 670)** | **(14 428)** | **(120 868)** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **(53 457)** |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | – | – | – | – | 19 119 | – | – | 27 235 | – | – | – | – | – | – | – | 46 354 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | | – | – | – | – | 12 500 | – | – | 701 | – | – | – | – | – | – | – | 13 201 |
| Transfers and subsidies - capital (in-kind - all) | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | | **(5 867)** | **(8 017)** | **(59 659)** | **223 177** | **39 494** | **(75 670)** | **(14 428)** | **(92 932)** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **6 098** |

*References*

*1. Departmental columns to be based on municipal organisation structure*

**Choose name from list - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'**

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **ASSETS** | | | | | | | | | | | |
| **Call investment deposits** | | | | | | | | | | | |
| Call deposits | | 380 514 | 409 200 | 510 243 | 400 000 | 400 000 | 400 000 | | 400 000 | 400 000 | 400 000 |
| Other current investments | | | | | | | | | – | – | – |
| **Total Call investment deposits** | 2 | **380 514** | **409 200** | **510 243** | **400 000** | **400 000** | **400 000** | **–** | **400 000** | **400 000** | **400 000** |
| **Consumer debtors** | | | | | | | | | | | |
| Consumer debtors | | 86 731 | 100 108 | 128 965 | 111 229 | 125 132 | 125 132 | | 135 848 | 148 894 | 164 498 |
| Less: Provision for debt impairment | | (21 774) | (26 108) | (40 486) | (27 340) | (40 641) | (40 641) | | (42 141) | (43 641) | (45 141) |
| **Total Consumer debtors** | 2 | **64 957** | **74 000** | **88 479** | **83 889** | **84 491** | **84 491** | **–** | **93 706** | **105 253** | **119 357** |
| **Debt impairment provision** | | | | | | | | | | | |
| Balance at the beginning of the year | | 20 593 | 21 774 | 26 108 | 22 260 | 40 486 | 40 486 | | 40 641 | 42 141 | 43 641 |
| Contributions to the provision | | 1 983 | 5 162 | 15 037 | 5 980 | 896 | 896 | | 2 000 | 2 000 | 2 000 |
| Bad debts written off | | (803) | (828) | (659) | (900) | (741) | (741) | | (500) | (500) | (500) |
| **Balance at end of year** | | **21 774** | **26 108** | **40 486** | **27 340** | **40 641** | **40 641** | **–** | **42 141** | **43 641** | **45 141** |
| **Inventory** | | | | | | | | | | | |
| **Water** | | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | 121 | **121** | **121** |
| **System Input Volume** | | – | – | – | – | – | – | – | – | – | – |
| Water Treatment Works | | | | | | | | | – | – | – |
| Bulk Purchases | | | | | | | | | – | – | – |
| Natural Sources | | | | | | | | | – | – | – |
| **Authorised Consumption** | 6 | – | – | – | – | – | – | – | – | – | – |
| **Billed Authorised Consumption** | | – | – | – | – | – | – | – | – | – | – |
| **Billed Metered Consumption** | | – | – | – | – | – | – | – | – | – | – |
| Free Basic Water | | – | – | – | – | – | – | – | – | – | – |
| Subsidised Water | | – | – | – | – | – | – | – | – | – | – |
| Revenue Water | | – | – | – | – | – | – | – | – | – | – |
| **Billed Unmetered Consumption** | | – | – | – | – | – | – | – | – | – | – |
| Free Basic Water | | – | – | – | – | – | – | – | – | – | – |
| Subsidised Water | | – | – | – | – | – | – | – | – | – | – |
| Revenue Water | | – | – | – | – | – | – | – | – | – | – |
| **UnBilled Authorised Consumption** | | – | – | – | – | – | – | – | – | – | – |
| Unbilled Metered Consumption | | – | – | – | – | – | – | – | – | – | – |
| Unbilled Unmetered Consumption | | – | – | – | – | – | – | – | – | – | – |
| **Water Losses** | | – | – | – | – | – | – | – | – | – | – |
| **Apparent losses** | | – | – | – | – | – | – | – | – | – | – |
| Unauthorised Consumption | | – | – | – | – | – | – | – | – | – | – |
| Customer Meter Inaccuracies | | – | – | – | – | – | – | – | – | – | – |
| **Real losses** | | – | – | – | – | – | – | – | – | – | – |
| Leakage on Transmission and Distribution Mains | | – | – | – | – | – | – | – | – | – | – |
| Leakage and Overflows at Storage Tanks/Reservoirs | | – | – | – | – | – | – | – | – | – | – |
| Leakage on Service Connections up to the point of Customer | | – | – | – | – | – | – | – | – | – | – |
| Data Transfer and Management Errors | | – | – | – | – | – | – | – | – | – | – |
| Unavoidable Annual Real Losses | | – | – | – | – | – | – | – | – | – | – |
| **Non-revenue Water** | | – | – | – | – | – | – | – | – | – | – |
| **Closing Balance Water** | | – | – | – | – | – | – | – | **121** | **121** | **121** |
| **Agricultural** | | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – | – |
| Acquisitions | | – | – | – | – | – | – | – | – | – | – |
| Issues | 7 | – | – | – | – | – | – | – | – | – | – |
| Adjustments | 8 | – | – | – | – | – | – | – | – | – | – |
| Write-offs | 9 | – | – | – | – | – | – | – | – | – | – |
| **Closing balance - Agricultural** | | – | – | – | – | – | – | – | – | – | – |
| **Consumables** | | | | | | | | | | | |
| **Standard Rated** | | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | 8 899 | **9 300** | **9 676** |
| Acquisitions | | | | | | | | | 4 000 | 4 000 | 4 000 |
| Issues | 7 | | | | | | | | (3 599) | (3 624) | (3 683) |
| Adjustments | 8 | | | | | | | | – | – | – |
| Write-offs | 9 | | | | | | | | – | – | – |
| **Closing balance - Consumables Standard Rated** | | – | – | – | – | – | – | – | **9 300** | **9 676** | **9 993** |
| **Zero Rated** | | | | | | | | | | | |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – | – |
| Acquisitions | | – | – | – | – | – | – | – | – | – | – |
| Issues | 7 | – | – | – | – | – | – | – | – | – | – |
| Adjustments | 8 | – | – | – | – | – | – | – | – | – | – |
| Write-offs | 9 | – | – | – | – | – | – | – | – | – | – |
| **Closing balance - Consumables Zero Rated** | | – | – | – | – | – | – | – | – | – | – |
| **Finished Goods** | | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – | – |
| Acquisitions | | – | – | – | – | – | – | – | – | – | – |
| Issues | 7 | – | – | – | – | – | – | – | – | – | – |
| Adjustments | 8 | – | – | – | – | – | – | – | – | – | – |
| Write-offs | 9 | – | – | – | – | – | – | – | – | – | – |
| **Closing balance - Finished Goods** | | – | – | – | – | – | – | – | – | – | – |
| **Materials and Supplies** | | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – | – |
| Acquisitions | | – | – | – | – | – | – | – | – | – | – |
| Issues | 7 | – | – | – | – | – | – | – | – | – | – |
| Adjustments | 8 | – | – | – | – | – | – | – | – | – | – |
| Write-offs | 9 | – | – | – | – | – | – | – | – | – | – |
| **Closing balance - Materials and Supplies** | | – | – | – | – | – | – | – | – | – | – |
| **Work-in-progress** | | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | – | – | – |
| Materials | | – | – | – | – | – | – | – | – | – | – |
| Transfers | | – | – | – | – | – | – | – | – | – | – |
| **Closing balance - Work-in-progress** | | – | – | – | – | – | – | – | – | – | – |
| **Housing Stock** | | | | | | | | | | | |
| **Opening Balance** | | – | – | – | – | – | – | – | 520 | 520 | 520 |
| Acquisitions | | | | | | | | | – | – | – |
| Transfers | | | | | | | | | – | – | – |
| Sales | | | | | | | | | – | – | – |
| **Closing Balance - Housing Stock** | | – | – | – | – | – | – | – | 520 | 520 | 520 |
| **Land** | | | | | | | | | | | |
| Opening Balance | | – | – | – | – | – | – | – | – | – | – |
| Acquisitions | | – | – | – | – | – | – | – | – | – | – |
| Sales | | – | – | – | – | – | – | – | – | – | – |
| Adjustments | | – | – | – | – | – | – | – | – | – | – |
| Correction of Prior period errors | | – | – | – | – | – | – | – | – | – | – |
| **Closing Balance - Land** | | – | – | – | – | – | – | – | – | – | – |
| **Closing Balance - Inventory & Consumables** | | – | – | – | – | – | – | – | 9 941 | 10 317 | 10 634 |
| **Property, plant and equipment (PPE)** | | | | | | | | | | | |
| PPE at cost/valuation (excl. finance leases) | | 5 494 662 | 5 680 408 | 5 892 119 | 6 218 462 | 6 194 810 | 6 194 810 | | 6 428 254 | 6 570 540 | 6 666 375 |
| Leases recognised as PPE | 3 | | | | | | | | – | – | – |
| Less: Accumulated depreciation | | 2 148 466 | 2 274 979 | 2 403 421 | 2 552 236 | 2 552 236 | 2 552 236 | | 2 697 508 | 2 841 347 | 2 984 308 |
| **Total Property, plant and equipment (PPE)** | 2 | **3 346 195** | **3 405 429** | **3 488 698** | **3 666 226** | **3 642 574** | **3 642 574** | – | **3 730 746** | **3 729 193** | **3 682 067** |
| **LIABILITIES** | | | | | | | | | | | |
| **Current liabilities - Borrowing** | | | | | | | | | | | |
| Short term loans (other than bank overdraft) | | | | | | | | | – | – | – |
| Current portion of long-term liabilities | | (33 448) | (39 725) | (45 458) | (52 751) | (52 751) | (52 751) | | (42 448) | (46 521) | (34 910) |
| **Total Current liabilities - Borrowing** | | **(33 448)** | **(39 725)** | **(45 458)** | **(52 751)** | **(52 751)** | **(52 751)** | – | **(42 448)** | **(46 521)** | **(34 910)** |
| **Trade and other payables** | | | | | | | | | | | |
| Trade Payables | | (98 032) | (97 922) | (134 897) | (104 604) | (98 955) | (98 955) | | (109 696) | (115 238) | (153 971) |
| Other Creditors | | (21 776) | (10 041) | (31 133) | | | | | – | – | – |
| Unspent conditional transfers | | | | | | | | | – | – | – |
| VAT | | | | | | | | | – | – | – |
| **Total Trade and other payables** | 2 | **(119 809)** | **(107 963)** | **(166 030)** | **(104 604)** | **(98 955)** | **(98 955)** | – | **(109 696)** | **(115 238)** | **(153 971)** |
| **Non current liabilities - Borrowing** | | | | | | | | | | | |
| Borrowing | 4 | (408 658) | (422 933) | (431 475) | (430 260) | (430 260) | (430 260) | | (389 725) | (393 204) | (408 295) |
| Finance leases (including PPP asset element) | | | | | | | | | – | – | – |
| **Total Non current liabilities - Borrowing** | | **(408 658)** | **(422 933)** | **(431 475)** | **(430 260)** | **(430 260)** | **(430 260)** | – | **(389 725)** | **(393 204)** | **(408 295)** |
| **Provisions - non-current** | | | | | | | | | | | |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Retirement benefits | | (98 747) | (108 914) | (92 981) | (132 766) | (132 766) | (132 766) | | (106 441) | (111 763) | (117 351) |
| *List other major provision items* | | | | | | | | | | | |
| Refuse landfill site rehabilitation | | (92 013) | (98 402) | (98 409) | (106 868) | (106 868) | (106 868) | | (105 802) | (105 834) | (106 197) |
| Other | | (14 291) | (14 841) | (17 868) | (17 351) | (17 351) | (17 351) | | (19 638) | (20 601) | (21 614) |
| **Total Provisions - non-current** | | **(205 051)** | **(222 157)** | **(209 257)** | **(256 985)** | **(256 985)** | **(256 985)** | **–** | **(231 880)** | **(238 198)** | **(245 161)** |
| **CHANGES IN NET ASSETS** | | | | | | | | | | | |
| **Accumulated Surplus/(Deficit)** | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) - opening balance | | 3 293 898 | 3 422 258 | 3 527 808 | 3 605 894 | 3 605 894 | 3 605 894 | | 3 654 426 | 3 753 971 | 3 770 496 |
| GRAP adjustments | | (15 766) | (502) | 471 | | | | | – | – | – |
| Restated balance | | 3 278 133 | 3 421 756 | 3 528 279 | 3 605 894 | 3 605 894 | 3 605 894 | – | 3 654 426 | 3 753 971 | 3 770 496 |
| Surplus/(Deficit) | | 144 131 | 106 526 | 142 197 | (54 518) | (46 131) | (46 131) | – | 6 098 | (1 386) | (18 508) |
| Transfers to/from Reserves | | (5) | (3) | (0) | (6) | (6) | (6) | | 750 | 750 | 750 |
| Depreciation offsets | | | | | | | | | – | – | – |
| Other adjustments | | | | | 100 020 | 94 668 | 94 668 | | 92 697 | 17 161 | 30 355 |
| **Accumulated Surplus/(Deficit)** | 1 | **3 422 258** | **3 528 279** | **3 670 476** | **3 651 390** | **3 654 426** | **3 654 426** | **–** | **3 753 971** | **3 770 496** | **3 783 093** |
| **Reserves** | | | | | | | | | | | |
| Housing Development Fund | | 3 259 | 3 227 | 3 227 | 3 345 | 3 345 | 3 345 | | 3 345 | 3 345 | 3 345 |
| Capital replacement | | | | | | | | | – | – | – |
| Self-insurance | | | | | | | | | – | – | – |
| Other reserves | | | | | | | | | | | |
| Compensation for Occupational Injuries and Diseases | | | | | | | | | – | – | – |
| Employee Benefit Reserve | | | | | | | | | – | – | – |
| Non-current Provisions Reserve | | | | | | | | | – | – | – |
| Valuation Reserve | | | | | | | | | – | – | – |
| Investment in associate account | | | | | | | | | – | – | – |
| Capitalisation Reserve | | | | | | | | | – | – | – |
| Equity | | | | | | | | | – | – | – |
| Non-Controlling Interest | | | | | | | | | – | – | – |
| Share Premium | | | | | | | | | – | – | – |
| Revaluation | | | | | | | | | – | – | – |
| **Total Reserves** | 2 | **3 259** | **3 227** | **3 227** | **3 345** | **3 345** | **3 345** | **–** | **3 345** | **3 345** | **3 345** |
| **TOTAL COMMUNITY WEALTH/EQUITY** | 2 | **3 425 517** | **3 531 506** | **3 673 703** | **3 654 735** | **3 657 771** | **3 657 771** | **–** | **3 757 316** | **3 773 841** | **3 786 438** |

**Total capital expenditure includes expenditure on nationally significant priorities:**

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Provision of basic services | | | | | | | | | | | |

*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*

*5. Trade Payable should only include Trade Payables from Exchance Transactions ("True Creditors")*

***6. Inventory Consumed - Water - included under "Inventory Consumed" on Table A4 - Detail to be submitted on Table SA1***

***7. Inventory Consumed Other - included under "Inventory Consumed" on Table A4 - Detail to be submitted on Table SA1***

***8. Inventory Transfers/Adjustments (Include under gains/losses on Table A4)***

***9. Inventory Write-offs (Include under losses on Table A4)***

**Choose name from list - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)**

| Strategic Objective | Goal | Goal Code | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| The provision of democratic, accountable and ethical governance | Good Governance | 1 | | 334 461 | 328 011 | 347 612 | 336 136 | 337 425 | 337 425 | 332 825 | 370 592 | 382 268 |
| The provision and maintenance of municipal services | Basic Service Delivery | 2 | | 674 417 | 752 662 | 804 239 | 792 445 | 801 091 | 801 091 | 942 928 | 972 533 | 1 051 599 |
| 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 | | 52 972 | 70 070 | 59 673 | 58 278 | 70 941 | 70 941 | 56 809 | 56 256 | 62 858 |
| The promotion of tourism, economic and social development | Economic Development and Social upliftmnent | 5 | | 79 437 | 64 318 | 119 873 | 100 633 | 88 536 | 88 536 | 124 072 | 92 689 | 32 674 |
| **Allocations to other priorities** | | | 2 | | | | | | | | | |
| **Total Revenue (excluding capital transfers and contributions)** | | | 1 | **1 141 287** | **1 215 062** | **1 331 397** | **1 287 492** | **1 297 992** | **1 297 992** | **1 456 634** | **1 492 069** | **1 529 399** |

*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

**Choose name from list - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)**

| Strategic Objective | Goal | Goal Code | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| The provision of democratic, accountable and ethical governance | Good Governance | | | 185 276 | 222 134 | 215 438 | 268 814 | 271 709 | 271 709 | 284 355 | 295 732 | 315 195 |
| The provision and maintenance of municipal services | Basic Service Delivery | | | 490 339 | 576 651 | 641 935 | 640 514 | 643 219 | 643 219 | 727 084 | 763 678 | 805 413 |
| The encouragement of structured community participation in the matters of the municipality | Good Governance | | | 1 486 | 1 250 | 725 | 1 195 | 1 195 | 1 195 | 1 125 | | |
| The creation and maintenance of a safe and healthy environment | Safe and Healthy Environment | | | 125 449 | 141 579 | 171 527 | 251 675 | 247 169 | 247 169 | 190 501 | 199 046 | 207 552 |
| The promotion of tourism, economic and social development | Economic Development and Social upliftmnent | | | 194 606 | 166 921 | 159 574 | 179 813 | 180 831 | 180 831 | 247 470 | 235 000 | 219 747 |
| **Allocations to other priorities** | | | | | | | | | | | | |
| **Total Expenditure** | | | 1 | **997 156** | **1 108 536** | **1 189 200** | **1 342 010** | **1 344 123** | **1 344 123** | **1 450 536** | **1 493 455** | **1 547 908** |

*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

**Choose name from list - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)**

| Strategic Objective | Goal | Goal Code | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| The provision of democratic, accountable and ethical governance | Good Governance | 1 | | 6 346 | 8 659 | 4 049 | 3 075 | 3 536 | 3 536 | 3 775 | 6 125 | 3 575 |
| The provision and maintenance of municipal services | Basic Service Delivery | 2 | | 42 786 | 84 872 | 87 384 | 173 381 | 160 813 | 160 813 | 138 446 | 81 003 | 78 018 |
| The encouragement of structured community participation in the matters of the municipality | Good Governance | 3 | | 41 536 | 5 250 | 3 531 | 6 412 | 5 305 | 5 305 | 5 875 | | |
| The creation and maintenance of a safe and healthy environment | Safe and Healthy Environment | 4 | | 2 517 | 28 646 | 27 005 | 39 137 | 39 840 | 39 840 | 20 048 | 1 610 | 6 110 |
| The promotion of tourism, economic and social development | Economic Development and Social upliftmnent | 5 | | 12 070 | 47 683 | 89 088 | 81 733 | 70 593 | 70 593 | 65 300 | 53 548 | 8 132 |
| **Allocations to other priorities** | | | 3 | | | | | | | | | |
| **Total Capital Expenditure** | | | 1 | **105 255** | **175 110** | **211 056** | **303 738** | **280 086** | **280 086** | **233 444** | **142 286** | **95 835** |

*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

**Choose name from list - Supporting Table SA7 Measureable performance objectives**

| Description | Unit of measurement | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Council and Municipal Manager** | | | | | | | | | | |
| **Municipal Manager** | | | | | | | | | | |
| 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 | 3 | 4 | 1 | 0 | 4 | 4 | 4 | 4 |
| Percentage of a municipality's capital budget actually spent on capital projects identified for 2021/22 in terms of the municipality's IDP {(Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects) x 100 (MPPMR Reg 10 (c)) | % of the capital budget spent | 90.13% | 99.39% | 76.53% | 95% | 0% | 95% | 95.0% | 95.0% | 95.0% |
| Sign section 56 performance agreements with all directors by the end of July 2021 | Number of agreements signed | 6 | 6 | 6 | 6 | 0 | 6 | 6 | 6 | 6 |
| Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit quarterly progress reports to Executive Mayor | Number of progress reports monitored and submitted to Executive Mayor | 5 | 6 | 5 | 1 | 0 | 4 | 4 | 4 | 4 |
| Bi- annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2021 to be completed by Sept 2021 and the current period October to December 2021 to be completed by February 2022. | Number of appraisals | 12 | 12 | 12 | 6 | 0 | 12 | 12 | 12 | 12 |
| Draft the annual report and submit to the Auditor-General by end of August 2021 | Draft Annual report submitted | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| Submit the final Annual report and oversight report to Council before end March 2022 | Final Annual report and oversight report submitted | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| Prepare the final IDP for submission to Council by the end of May 2022 | Final IDP submitted | 1 | 1 | 1 | 0 | 0 | 1 | 1 | 1 | 1 |
| Submit the Final MTREF Budget by the end of May 2022 | Final Budget submitted | 1 | 1 | 1 | 0 | 0 | 1 | 1 | 1 | 1 |
| | | | | | | | | | | |
| **Management Services** | | | | | | | | | | |
| **Director: Management Services** | | | | | | | | | | |
| **Human Resources** | | | | | | | | | | |
| 92% of the approved and funded organogram filled {(actual number of posts filled dived by the funded posts budgeted) x100} | % filled | 93.4% | 92.30% | 90.64% | 92.0% | 0.0% | 92% | 92.0% | 92.0% | 92.0% |
| The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan | The number of people from EE target groups employed | 70 | 68 | 71 | 70 | 0 | 70 | 74 | 75 | 75 |
| The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan | % of the training budget spent on implementation of the WSP | 99.87% | 100.0% | 84.5% | 100.0% | 0.0% | 100% | 100.0% | 100.0% | 100.0% |
| Review the Municipal Organisational Staff Structure by the end of June 2022 | Structure reviewed | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| **Corporate Support Services** | | | | | | | | | | |
| Revise the Section 14 Access to Information Manual by the end of June 2022 to ensure compliant and up to date policies | Manual revised | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| | | | | | | | | | | |
| **Finance** | | | | | | | | | | |
| **Director: Finance** | | | | | | | | | | |
| **Director Finance** | | | | | | | | | | |
| Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure) (MPPMR Reg 10 (g)) | Ratio achieved | 6.56 | 6.55 | 7.63% | 3 | 0 | 3 | 3 | 3 | 3 |
| Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (MPPR Reg 10 (g)) | Ratio achieved | 19.96% | 22.91% | 25.06 | 15 | 0 | 15 | 15 | 15 | 15 |
| Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) (MPPR Reg 10 (g)) | % achieved | 10.52% | 10.02% | 12.33% | 14.0% | 0.0% | 14% | 16% | 16% | 16% |
| Submit a reviewed long term financial plan to the CFO by the end of October 2021 | Reviewed long term financial plan submitted | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| Financial statements submitted to the Auditor General by end August 2021 | Financial statements submitted | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 1 | 1 |
| Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements | Number of indgent households | 7385 | 7630 | 7595 | 7750 | 0 | 7 750 | 8 000 | 8 240 | 8 487 |
| Achieve a debt recovery rate not less than 80% (Receipts/total billed for 12 months period x 100) | % Recovered | 99.35% | 98.6% | 97.10% | 80% | 0% | 80% | 80% | 80% | 80% |
| | | | | | | | | | | |
| **Community Services** | | | | | | | | | | |
| **Director: Community Services** | | | | | | | | | | |
| **Director: Community Services** | | | | | | | | | | |
| 98% of the operational conditional grant (Libraries, CDW) spent (Actual expenditure divided by the total grant received) | % of total conditional operational grants spent (Libraries, CDW) | 93.0% | 100.0% | 98.49% | 98.0% | 0.0% | 98% | 98.0% | 98.0% | 98.0% |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| m² of roads patched and resealed according to approved Pavement Management System within available budget | m² of roads patched and resealed | 112932 | 112982 | | 106 000 | 0 | 106 000 | 110 000 | 110 000 | 110 000 |
| 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 | 18.82% | 24.25% | | 19% | 0% | 19% | 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<br><br>(UOM revised in 2018/19 - Number of ward committees per annum) | 8 | 114 | | 78 | 0 | 78 | 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) | 253 | 285 | | 300 | 0 | 300 | 320 | 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 | 29174 | 29800 | | 30396 | 0 | 29 946 | 30 694 | 30 694 | 30 694 |
| Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week<br>(A household is a residenntial 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 | 32695 | 33105 | | 34098 | 0 | 33 366 | 34 098 | 34 098 | 34 098 |
| 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 | 0 | 52 | 52 | 52 | 52 |
| The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilette to 5 households (MPPMR Reg 10 (a)) | The number of toilets provided in relation to the number of informal households (excluding invaded state owned land and private land) | 794 | 881 | | 930 | 0 | 930 | 980 | 980 | 980 |
| Provision of sanitation services to formal residential households (A household is a residenntial 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 | 29165 | 29631 | | 30520 | 0 | 30 060 | 30 520 | 30 520 | 30 520 |
| Provision of water to informal households on invaded land with available funding<br><br>("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households). | The number of taps installed for informal households on invaded land with available funding | no kpi set | 88 | | 80 | 0 | 80 | 70 | 70 | 70 |
| The provision of sanitation services to informal households on invaded land with available funding<br><br>("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households). | The number of toilets provided for informal households on invaded land with available funding | no kpi set | 120 | | 105 | 0 | 105 | 95 | 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 | 93.5% | 95.77% | | 90% | 90% | 90% | 90% | 90% | 90% |
| Quality of potable water comply 95% with SANS 241 | % compliance with SANS 241 | 98.0% | 98.90% | | 95% | 95% | 95% | 95% | 95% | 95% |
| Report on the implementation of the Water Service Development plan annually by the end of October | Report submitted | 1 | 1 | | 1 | 1 | 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 | 5.12% | 6.45% | | 7.50% | 7.50% | 7.50% | 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 | 21048 | 21332 | | 21 332 | 21 332 | 21 332 | 21 332 | 21 332 | 21 332 |
| **MIG** | | | | | | | | | | |
| 100% of the Municipal Infrastructure Grant (MIG) spent by 30 June 2022 (Actual MIG expenditure/Allocation received) | % Expenditure of allocated funds | 79.70% | 100.0% | | 100% | 100% | 100% | 100.0% | 100.0% | 100.0% |
| **Protection Services** | | | | | | | | | | |
| **Director Protection Services** | | | | | | | | | | |
| **Protection Services** | | | | | | | | | | |
| Arrange public awareness sessions on Protection Services | Number of sessions held | 84 | 90 | | 100 | 100 | 100 | 100 | 100 | 100 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Collect R16 500 000 Public Safety Income by 30 June 2022 (Actual revenue, excluding the fine impairment amount) | R-value of public safety collected income (excluding fines impairment amount) | R20 167 767 | R15 493 008 | | 16 500 000 | 16 500 000 | 16 500 000 | 16 500 000 | 16 500 000 | 16 500 000 |
| Review Community Safety Plan in three year cycle by end of June 2021 in conjuction with the Department of Community Safety | Plan reviewed | no kpi set | no kpi set | | 1 | 1 | 1 | 0 | 0 | 0 |
| **Disaster and Fire Manangement** | | | | | | | | | | |
| 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 |
| **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 2022 (Refers to the 4th quarter report of previous financial year and three progress reports for the 2021/22 financial year) | Number of progress reports on LED, Social Development & Tourism initiatives | 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 2021 | Number of schedules submitted | 1 | 1 | | 1 | 1 | 1 | 1 | 1 | 1 |
| Support 160 SMME's in terms of the SMME Development Programme by 30 June 2022 | Number of SMME's supported | 80 | 120 | | 120 | 120 | 120 | 160 | 160 | 160 |
| Support 60 Emerging Contractors in terms of the Emerging Contractor Development Programme by 30 June 2022 | Number of emerging contractors supported | 43 | 52 | | 50 | 50 | 50 | 60 | 60 | 60 |
| Report on projects/ initiatives in collaboration with other stakeholders for local economic development, social development and tourism | Number of projects / initiatives collaborated on | 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 1018 work opportunities) | Number of temporary jobs created | 994 | 1048 | | 1018 | 1018 | 1018 | 1018 | 1018 | 1018 |
| **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*

**Choose name from list - Entities measureable performance objectives**

| Description | Unit of measurement | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Entity 1 - (name of entity)** | | | | | | | | | | |
| *Insert measure/s description* | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| **Entity 2 - (name of entity)** | | | | | | | | | | |
| *section 56 appointees for the previous financial* | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| **Entity 3 - (name of entity)** | | | | | | | | | | |
| *section 56 appointees for the previous financial* | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| **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*

## Choose name from list - Supporting Table SA8 Performance indicators and benchmarks

| Description of financial indicator | Basis of calculation | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Borrowing Management** | | | | | | | | | | | |
| Credit Rating | | | | | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating Expenditure | 7.6% | 7.1% | 7.3% | 7.3% | 7.3% | 7.3% | 0.0% | 7.0% | 6.3% | 6.4% |
| Capital Charges to Own Revenue | Finance charges & Repayment of borrowing /Own Revenue | 7.9% | 7.5% | 7.4% | 8.7% | 8.9% | 8.9% | 0.0% | 8.0% | 7.2% | 7.3% |
| Borrowed funding of 'own' capital expenditure | Borrowing/Capital expenditure excl. transfers and grants and contributions | 82.0% | 65.8% | 60.1% | 24.9% | 27.6% | 27.6% | 0.0% | 40.7% | 76.9% | 83.3% |
| **Safety of Capital** | | | | | | | | | | | |
| Gearing | Long Term Borrowing/ Funds & Reserves | 12540.1% | 13106.3% | 13370.1% | 12862.8% | 12862.8% | 12862.8% | 0.0% | 11651.0% | 11755.0% | 12206.1% |
| **Liquidity** | | | | | | | | | | | |
| Current Ratio | Current assets/current liabilities | 2.8 | 3.1 | 2.7 | 2.4 | 2.6 | 2.6 | – | 2.2 | 2.2 | 2.3 |
| Current Ratio adjusted for aged debtors | Current assets less debtors > 90 days/current liabilities | 2.8 | 3.1 | 2.7 | 2.4 | 2.6 | 2.6 | – | 2.2 | 2.2 | 2.3 |
| Liquidity Ratio | Monetary Assets/Current Liabilities | 2.1 | 2.4 | 2.2 | 1.9 | 2.1 | 2.1 | – | 1.7 | 1.7 | 1.8 |
| **Revenue Management** | | | | | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/Last 12 Mths Billing | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) | | 99.8% | 99.2% | 98.6% | 98.8% | 98.8% | 98.8% | 0.0% | 99.1% | 99.0% | 98.8% |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | 10.9% | 11.7% | 11.4% | 9.5% | 9.6% | 9.6% | 0.0% | 9.2% | 9.7% | 10.3% |
| 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% | 99.6% | 99.0% | 99.0% | 99.0% | | 99.8% | 99.8% | 99.8% |
| Creditors to Cash and Investments | | -20.6% | -18.4% | -20.6% | -21.5% | -19.1% | -19.1% | 0.0% | -24.6% | -24.9% | -28.1% |
| **Other Indicators** | | | | | | | | | | | |
| Electricity Distribution Losses (2) | Total Volume Losses (kW) | 12 858 011 | 16 537 242 | 14 613 426 | 17 426 149 | 17 426 149 | 17 426 149 | | 15 054 751 | 15 205 299 | 15357351.97 |
| | Total Cost of Losses (Rand '000) | 8 882 | 12 219 | 13 111 | 22 522 | 22 522 | 22 522 | | 13 507 | 13 642 | 13 779 |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | 5.12% | 6.45% | 6.02% | 6.74% | 6.74% | 6.74% | | 6.00% | 6.00% | 0 |

| Description of financial indicator | Basis of calculation | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Water Distribution Losses (2) | Total Volume Losses (kℓ) | 1 112 | 1 701 | 1 836 | 1 518 | 1 518 | 1 518 | | 1 892 | 1 910 | 1 930 |
| | Total Cost of Losses (Rand '000) | 2 132 297 | 2 308 814 | 2 428 709 | 2 248 958 | 2 248 958 | 2 248 958 | | 2 502 056 | 2 527 077 | 2552347.338 |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | 18.82% | 24.25% | 25.91% | 20.69% | 20.69% | 20.69% | | 24.50% | 24.50% | 0 |
| Employee costs | Employee costs/(Total Revenue - capital revenue) | 27.5% | 31.8% | 29.6% | 34.7% | 35.2% | 35.2% | 0.0% | 33.1% | 33.2% | 33.6% |
| Remuneration | Total remuneration/(Total Revenue - capital revenue) | 28.5% | 32.7% | 30.5% | 35.6% | 36.2% | 36.2% | | 33.9% | 34.1% | 34.5% |
| Repairs & Maintenance | R&M/(Total Revenue excluding capital revenue) | 14.9% | 18.6% | 14.6% | 16.8% | 17.3% | 17.3% | | 17.9% | 18.2% | 17.7% |
| Finance charges & Depreciation | FC&D/(Total Revenue - capital revenue) | 16.8% | 15.2% | 14.0% | 15.4% | 15.5% | 15.5% | 0.0% | 14.1% | 13.5% | 13.1% |
| **IDP regulation financial viability indicators** | | | | | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | 12.1 | 11.3 | 14.2 | 14.5 | 14.5 | 14.5 | – | 16.6 | 16.1 | 16.6 |
| ii.O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | 14.5% | 15.2% | 15.5% | 12.8% | 12.9% | 12.9% | 0.0% | 12.2% | 12.4% | 12.6% |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational expenditure | 6.9 | 6.8 | 7.7 | 5.1 | 5.4 | 5.4 | – | 4.3 | 4.2 | 4.8 |

*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 | | | | | | | | | | |
| Monthly fixed operational expenditure | 69 212 | 78 614 | 84 463 | 96 147 | 96 323 | 96 323 | – | 104 631 | 108 913 | 113 167 |
| Fixed operational expenditure % assumption | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Own capex | 36 578 | 82 108 | 89 834 | 217 223 | 195 563 | 195 563 | – | 122 931 | 65 000 | 60 000 |
| Borrowing | 30 000 | 54 000 | 54 000 | 54 000 | 54 000 | 54 000 | – | 50 000 | 50 000 | 50 000 |

**Choose name from list - Supporting Table SA9 Social, economic and demographic statistics and assumptions**

| Description of economic indicator | Ref. | Basis of calculation | 2001 Census | 2007 Survey | 2011 Census | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Demographics** | | | | | | | | | | | | |
| Population | | 0 | 55 012 | 74 546 | 80 432 | 96 | 102 | 106 | 110 | 114 | 116 | 117 |
| Females aged 5 - 14 | | 0 | 2 770 | 5 837 | 5 228 | 7 | 8 | 8 | 9 | 9 | 7 | 8 |
| Males aged 5 - 14 | | 0 | 2 816 | 5 892 | 5 278 | 7 | 8 | 8 | 8 | 8 | 8 | 8 |
| Females aged 15 - 34 | | 0 | 5 561 | 11 567 | 13 139 | 15 | 17 | 17 | 18 | 19 | 19 | 19 |
| Males aged 15 - 34 | | 0 | 6 029 | 11 235 | 13 648 | 15 | 17 | 17 | 18 | 19 | 19 | 20 |
| Unemployment | | 0 | 5 165 | 8 099 | 4 237 | 5 | 11 | 11 | 12 | 12 | 6 | 6 |
| **Monthly household income (no. of households)** | 1, 12 | | | | | | | | | | | |
| No income | | 0 | 2 226 | 770 | 4 585 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| R1 - R1 600 | | 0 | 6 149 | 5 307 | 5 326 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| R1 601 - R3 200 | | 0 | 3 742 | 3 177 | 4 878 | 6 | 6 | 6 | 6 | 7 | 7 | 7 |
| R3 201 - R6 400 | | 0 | 3 344 | 3 789 | 4 362 | 5 | 5 | 6 | 6 | 6 | 6 | 6 |
| R6 401 - R12 800 | | 0 | 2 303 | 2 750 | 3 830 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| R12 801 - R25 600 | | 0 | 920 | 1 947 | 2 896 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| R25 601 - R51 200 | | 0 | 227 | 1 066 | 1 456 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| R52 201 - R102 400 | | 0 | 77 | 184 | 486 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| R102 401 - R204 800 | | 0 | 44 | 176 | 109 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R204 801 - R409 600 | | 0 | – | – | 81 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| R409 601 - R819 200 | | 0 | – | – | – | – | – | – | – | – | – | – |
| > R819 200 | | 0 | – | – | – | – | – | – | – | – | – | – |
| **Poverty profiles (no. of households)** | | | | | | | | | | | | |
| < R2 060 per household per month | 13 | 0 | 7 053 | 9 542 | 10 295 | 12 310 | 13 059 | 13 555 | 14 070 | 14 605 | 14 799 | 15 013 |
| | 2 | 0 | – | – | – | – | – | – | – | – | – | – |
| **Household/demographics (000)** | | | | | | | | | | | | |
| Number of people in municipal area | | 0 | 55 012 | 74 546 | 80 432 | 96 | 102 | 106 | 110 | 114 | 116 | 117 |
| Number of poor people in municipal area | | 0 | 8 904 | 3 080 | 18 340 | 22 | 23 | 24 | 24 | 25 | 25 | 26 |
| Number of households in municipal area | | 0 | – | – | – | 34 | 31 | 32 | 32 | 34 | 36 | 38 |
| Number of poor households in municipal area | | 0 | – | – | – | 7 | 8 | 8 | 7 | 8 | 8 | 8 |
| Definition of poor household (R per month) | | 0 | – | – | – | - | 766 | 848 | 892 | 968 | 1 026 | 1 087 |
| **Housing statistics** | 3 | | | | | | | | | | | |
| Formal | | 0 | – | – | – | 33 692 | 31 162 | 31 710 | 31 739 | 33 643 | 35 662 | 37 802 |
| Informal | | 0 | – | – | – | 3 052 | 3 620 | 3 675 | 3 675 | 3 558 | 3 558 | 3 558 |
| **Total number of households** | | | - | - | - | 36 744 | 34 782 | 35 385 | 35 414 | 37 201 | 39 220 | 41 360 |
| Dwellings provided by municipality | 4 | 0 | – | – | – | - | 171 | 67 | 311 | 150 | 100 | 100 |
| Dwellings provided by province/s | | 0 | – | – | – | - | - | - | - | - | - | - |
| Dwellings provided by private sector | 5 | 0 | – | – | – | - | - | - | - | - | - | - |
| **Total new housing dwellings** | | | - | - | - | - | 171 | 67 | 311 | 150 | 100 | 100 |
| **Economic** | 6 | | | | | | | | | | | |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Inflation/inflation outlook (CPIX) | | | | | | 6.4% | 4.7% | 4.1% | 4.5% | 4.5% | 4.6% | 4.6% |
| Interest rate - borrowing | | | | | | 10.1% | 10.1% | 9.8% | 10.7% | 9.8% | 9.8% | 9.8% |
| Interest rate - investment | | | | | | 7.6% | 7.8% | 6.8% | 7.1% | 4.6% | 4.6% | 4.6% |
| Remuneration increases | | | | | | 7.4% | 7.0% | 6.5% | 6.4% | 4.0% | 4.0% | 4.0% |
| Consumption growth (electricity) | | | | | | 0.0% | 1.0% | 2.0% | 3.0% | 1.0% | 1.0% | 1.0% |
| Consumption growth (water) | | | | | | 2.2% | 2.4% | 3.0% | 3.0% | 2.0% | 2.0% | 2.0% |
| | | | | | | | | | | | | |
| **Collection rates** | 7 | | | | | | | | | | | |
| Property tax/service charges | | | | | | 99.4% | 98.2% | 97.1% | 97.9% | 100.0% | 100.0% | 100.0% |
| Rental of facilities & equipment | | | | | | 99.7% | 96.8% | 96.1% | 97.1% | 97.1% | 97.1% | 97.1% |
| Interest - external investments | | | | | | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Interest - debtors | | | | | | 99.7% | 98.2% | 98.5% | 97.1% | 97.1% | 97.1% | 97.1% |
| Revenue from agency services | | | | | | 100.0% | 100.0% | 100.0% | 97.1% | 97.1% | 97.1% | 97.1% |

## Detail on the provision of municipal services for A10

| Total municipal services | Ref. | | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| | | **Household service targets (000)** | | | | | | | | | |
| | | ***Water:*** | | | | | | | | | |
| | | Piped water inside dwelling | 29 174 | 29 800 | 29 946 | 29 946 | 29 946 | 29 946 | 30 844 | 31 769 | 32 722 |
| | | Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| | 8 | Using public tap (at least min.service level) | 3 052 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| | 10 | Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | 32 226 | 33 420 | 33 621 | 33 621 | 33 621 | 33 621 | 34 402 | 37 106 | 36 991 |
| | 9 | Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| | 10 | Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | No water supply | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | **32 226** | **33 420** | **33 621** | **33 621** | **33 621** | **33 621** | **34 402** | **37 106** | **36 991** |
| | | ***Sanitation/sewerage:*** | | | | | | | | | |
| | | Flush toilet (connected to sewerage) | 29 165 | 29 631 | 30 060 | 30 060 | 30 060 | 30 060 | 30 962 | 31 891 | 32 848 |
| | | Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| | | Chemical toilet | – | – | – | – | – | – | – | – | – |
| | | Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| | | Other toilet provisions (> min.service level) | 3 620 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| | | *Minimum Service Level and Above sub-total* | 32 785 | 33 251 | 33 735 | 33 735 | 33 735 | 33 735 | 34 520 | 37 228 | 37 117 |
| | | Bucket toilet | – | – | – | – | – | – | – | – | – |
| | | Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | No toilet provisions | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | **32 785** | **33 251** | **33 735** | **33 735** | **33 735** | **33 735** | **34 520** | **37 228** | **37 117** |
| | | ***Energy:*** | | | | | | | | | |
| | | Electricity (at least min.service level) | 6 112 | 5 831 | – | 5 665 | 5 665 | 5 665 | 5 384 | 5 103 | 4 822 |
| | | Electricity - prepaid (min.service level) | 18 814 | 19 464 | 21 546 | 20 114 | 20 114 | 20 114 | 20 497 | 20 880 | 20 880 |
| | | *Minimum Service Level and Above sub-total* | 24 926 | 25 295 | 21 546 | 25 779 | 25 779 | 25 779 | 25 881 | 25 983 | 25 702 |
| | | Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| | | Other energy sources | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | **24 926** | **25 295** | **21 546** | **25 779** | **25 779** | **25 779** | **25 881** | **25 983** | **25 702** |
| | | ***Refuse:*** | | | | | | | | | |
| | | Removed at least once a week | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |
| | | *Minimum Service Level and Above sub-total* | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |
| | | Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| | | Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| | | Using own refuse dump | – | – | – | – | – | – | – | – | – |
| | | Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| | | No rubbish disposal | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | **32 695** | **33 105** | **33 366** | **33 366** | **33 366** | **33 366** | **34 367** | **35 398** | **36 460** |

| Municipal in-house services | Ref. | | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| | | **Household service targets (000)** | | | | | | | | | |
| | | ***Water:*** | | | | | | | | | |
| | | Piped water inside dwelling | 29 174 | 29 800 | 29 946 | 29 946 | 29 946 | 29 946 | 30 844 | 31 769 | 32 722 |
| | | Piped water inside yard (but not in dwelling) | – | – | – | – | – | – | – | – | – |
| | 8 | Using public tap (at least min.service level) | 3 052 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| | 10 | Other water supply (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | 32 226 | 33 420 | 33 621 | 33 621 | 33 621 | 33 621 | 34 402 | 37 106 | 36 991 |
| | 9 | Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| | 10 | Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | No water supply | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | **32 226** | **33 420** | **33 621** | **33 621** | **33 621** | **33 621** | **34 402** | **37 106** | **36 991** |
| | | ***Sanitation/sewerage:*** | | | | | | | | | |
| | | Flush toilet (connected to sewerage) | 29 165 | 29 631 | 30 060 | 30 060 | 30 060 | 30 060 | 30 962 | 31 891 | 32 848 |
| | | Flush toilet (with septic tank) | – | – | – | – | – | – | – | – | – |
| | | Chemical toilet | – | – | – | – | – | – | – | – | – |
| | | Pit toilet (ventilated) | – | – | – | – | – | – | – | – | – |
| | | Other toilet provisions (> min.service level) | 3 620 | 3 620 | 3 675 | 3 675 | 3 675 | 3 675 | 3 558 | 5 337 | 4 269 |
| | | *Minimum Service Level and Above sub-total* | 32 785 | 33 251 | 33 735 | 33 735 | 33 735 | 33 735 | 34 520 | 37 228 | 37 117 |
| | | Bucket toilet | – | – | – | – | – | – | – | – | – |
| | | Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | No toilet provisions | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | **32 785** | **33 251** | **33 735** | **33 735** | **33 735** | **33 735** | **34 520** | **37 228** | **37 117** |
| | | ***Energy:*** | | | | | | | | | |
| | | Electricity (at least min.service level) | 6 112 | 5 831 | – | 5 665 | 5 665 | 5 665 | 5 384 | 5 103 | 4 822 |
| | | Electricity - prepaid (min.service level) | 18 814 | 19 464 | 21 546 | 20 114 | 20 114 | 20 114 | 20 497 | 20 880 | 20 880 |
| | | *Minimum Service Level and Above sub-total* | 24 926 | 25 295 | 21 546 | 25 779 | 25 779 | 25 779 | 25 881 | 25 983 | 25 702 |
| | | Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| | | Other energy sources | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | **24 926** | **25 295** | **21 546** | **25 779** | **25 779** | **25 779** | **25 881** | **25 983** | **25 702** |
| | | ***Refuse:*** | | | | | | | | | |
| | | Removed at least once a week | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |
| | | *Minimum Service Level and Above sub-total* | 32 695 | 33 105 | 33 366 | 33 366 | 33 366 | 33 366 | 34 367 | 35 398 | 36 460 |
| | | Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| | | Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| | | Using own refuse dump | – | – | – | – | – | – | – | – | – |
| | | Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| | | No rubbish disposal | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | **32 695** | **33 105** | **33 366** | **33 366** | **33 366** | **33 366** | **34 367** | **35 398** | **36 460** |

| Municipal entity services | Ref. | | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| | | **Household service targets (000)** | | | | | | | | | |
| **Name of municipal entity** | | ***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) | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | 9 | Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| | 10 | Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | No water supply | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **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) | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | | Bucket toilet | – | – | – | – | – | – | – | – | – |
| | | Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | No toilet provisions | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | – | – | – | – | – | – | – | – | – |
| **Name of municipal entity** | | ***Energy:*** | | | | | | | | | |
| | | Electricity (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | | Electricity - prepaid (min.service level) | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | | Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| | | Other energy sources | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | – | – | – | – | – | – | – | – | – |
| **Name of municipal entity** | | ***Refuse:*** | | | | | | | | | |
| | | Removed at least once a week | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | | Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| | | Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| | | Using own refuse dump | – | – | – | – | – | – | – | – | – |
| | | Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| | | No rubbish disposal | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | – | – | – | – | – | – | – | – | – |

| Services provided by 'external mechanisms' | Ref. | | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| | | **Household service targets (000)** | | | | | | | | | |
| **Names of service providers** | | ***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) | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | 9 | Using public tap (< min.service level) | – | – | – | – | – | – | – | – | – |
| | 10 | Other water supply (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | No water supply | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **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) | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | | Bucket toilet | – | – | – | – | – | – | – | – | – |
| | | Other toilet provisions (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | No toilet provisions | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | – | – | – | – | – | – | – | – | – |
| **Names of service providers** | | ***Energy:*** | | | | | | | | | |
| | | Electricity (at least min.service level) | – | – | – | – | – | – | – | – | – |
| | | Electricity - prepaid (min.service level) | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | | Electricity (< min.service level) | – | – | – | – | – | – | – | – | – |
| | | Electricity - prepaid (< min. service level) | – | – | – | – | – | – | – | – | – |
| | | Other energy sources | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | – | – | – | – | – | – | – | – | – |
| **Names of service providers** | | ***Refuse:*** | | | | | | | | | |
| | | Removed at least once a week | – | – | – | – | – | – | – | – | – |
| | | *Minimum Service Level and Above sub-total* | – | – | – | – | – | – | – | – | – |
| | | Removed less frequently than once a week | – | – | – | – | – | – | – | – | – |
| | | Using communal refuse dump | – | – | – | – | – | – | – | – | – |
| | | Using own refuse dump | – | – | – | – | – | – | – | – | – |
| | | Other rubbish disposal | – | – | – | – | – | – | – | – | – |
| | | No rubbish disposal | – | – | – | – | – | – | – | – | – |
| | | *Below Minimum Service Level sub-total* | – | – | – | – | – | – | – | – | – |
| | | **Total number of households** | – | – | – | – | – | – | – | – | – |

| Detail of Free Basic Services (FBS) provided | | | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **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)** | – | – | – | – | – | – | – | – | – |
| 0 | | *Number of HH receiving this type of FBS* | 7 385 | 7 630 | 7 595 | 7 400 | 7 400 | 7 400 | 8 000 | 8 240 | 8 487 |
| | | **Informal settlements (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Informal settlements targeted for upgrading (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Living in informal backyard rental agreement (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Other (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **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)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | 7 385 | 7 630 | 7 595 | 7 400 | 7 400 | 7 400 | 8 000 | 8 240 | 8 487 |
| | | **Informal settlements (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Informal settlements targeted for upgrading (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Living in informal backyard rental agreement (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Other (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **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)** | – | – | – | – | – | – | – | – | – |
| 0 | | *Number of HH receiving this type of FBS* | 7 385 | 7 630 | 7 595 | 7 400 | 7 400 | 7 400 | 8 000 | 8 240 | 8 487 |
| 0 | | **Informal settlements (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Informal settlements targeted for upgrading (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Living in informal backyard rental agreement (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Other (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **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)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | 7 385 | 7 630 | 7 595 | 7 400 | 7 400 | 7 400 | 8 000 | 8 000 | 8 240 |
| | | **Informal settlements (Rands)** | – | – | – | – | – | – | – | – | – |
| | | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | | **Informal settlements targeted for upgrading (Rands)** | – | – | – | – | – | – | – | – | – |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | **Living in informal backyard rental agreement (Rands)** | – | – | – | – | – | – | – | – | – |
| | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | **Other (Rands)** | – | – | – | – | – | – | – | – | – |
| | *Number of HH receiving this type of FBS* | – | – | – | – | – | – | – | – | – |
| | **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 service*
*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 <= 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*

## Choose name from list Supporting Table SA10 Funding measurement

| Description | MFMA section | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Funding measures** | | | | | | | | | | | | |
| Cash/cash equivalents at the year end - R'000 | 18(1)b | 1 | 474 967 | 533 188 | 653 813 | 485 812 | 517 249 | 517 249 | – | 446 299 | 462 210 | 547 155 |
| Cash + investments at the yr end less applications - R'000 | 18(1)b | 2 | 695 959 | 734 196 | 961 430 | 672 416 | 700 720 | 700 720 | – | 668 980 | 700 283 | 837 491 |
| Cash year end/monthly employee/supplier payments | 18(1)b | 3 | 6.9 | 6.8 | 7.7 | 5.1 | 5.4 | 5.4 | – | 4.3 | 4.2 | 4.8 |
| Surplus/(Deficit) excluding depreciation offsets: R'000 | 18(1) | 4 | 144 131 | 106 526 | 142 197 | (54 518) | (46 131) | (46 131) | – | 6 098 | (1 386) | (18 508) |
| Service charge rev % change - macro CPIX target exclusive | 18(1)a,(2) | 5 | N.A. | 3.3% | 0.7% | (7.6%) | (6.4%) | (6.0%) | (106.0%) | 7.7% | 1.6% | 1.8% |
| Cash receipts % of Ratepayer & Other revenue | 18(1)a,(2) | 6 | 97.5% | 99.5% | 98.6% | 96.4% | 98.1% | 98.1% | 0.0% | 98.3% | 97.2% | 97.1% |
| Debt impairment expense as a % of total billable revenue | 18(1)a,(2) | 7 | 2.2% | 2.0% | 2.5% | 2.8% | 2.8% | 2.8% | 0.0% | 2.0% | 1.9% | 1.8% |
| Capital payments % of capital expenditure | 18(1)c;19 | 8 | 100.0% | 98.7% | 100.0% | 100.0% | 100.0% | 100.0% | 0.0% | 100.0% | 100.0% | 100.0% |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c | 9 | 82.0% | 65.8% | 57.7% | 24.9% | 27.6% | 27.6% | 0.0% | 40.7% | 76.9% | 83.3% |
| 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. | 14.8% | 8.7% | (19.1%) | 0.5% | 0.0% | (100.0%) | 7.7% | 9.0% | 10.1% |
| Long term receivables % change - incr(decr) | 18(1)a | 12 | N.A. | (80.6%) | (100.0%) | 0.0% | (100.0%) | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| R&M % of Property Plant & Equipment | 20(1)(vi) | 13 | 4.8% | 6.3% | 5.4% | 5.8% | 5.9% | 5.9% | 0.0% | 6.7% | 7.1% | 7.2% |
| Asset renewal % of capital budget | 20(1)(vi) | 14 | 28.2% | 0.0% | 1.7% | 8.4% | 8.9% | 8.9% | 0.0% | 9.9% | 13.5% | 18.5% |

*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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Supporting indicators** | | | | | | | | | | | | |
| % incr *total service charges (incl prop rates)* | 18(1)a | | | 9.3% | 6.7% | (1.6%) | (0.4%) | 0.0% | (100.0%) | 13.7% | 7.6% | 7.8% |
| % incr Property Tax | 18(1)a | | | 8.0% | 3.4% | 9.0% | (1.3%) | 0.0% | (100.0%) | 6.3% | 4.0% | 4.0% |
| % incr Service charges - electricity revenue | 18(1)a | | | 8.4% | 9.8% | (7.1%) | 0.0% | 0.0% | (100.0%) | 24.0% | 12.0% | 12.0% |
| % incr Service charges - water revenue | 18(1)a | | | 17.1% | 2.9% | (3.8%) | 0.0% | 0.0% | (100.0%) | 2.8% | 4.0% | 4.0% |
| % incr Service charges - sanitation revenue | 18(1)a | | | 7.8% | 4.1% | (2.4%) | 0.0% | 0.0% | (100.0%) | 11.0% | 4.0% | 4.0% |
| % incr Service charges - refuse revenue | 18(1)a | | | 6.9% | 11.9% | 0.5% | 0.0% | 0.0% | (100.0%) | 7.6% | 4.0% | 4.0% |
| % incr in Service charges - other | 18(1)a | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total billable revenue | 18(1)a | | 805 874 | 881 125 | 940 463 | 925 760 | 922 450 | 922 450 | – | 1 049 235 | 1 129 387 | 1 217 328 |
| Service charges | | | 805 874 | 881 125 | 940 463 | 925 760 | 922 450 | 922 450 | – | 1 049 235 | 1 129 387 | 1 217 328 |
| Property rates | | | 215 763 | 233 093 | 240 914 | 262 551 | 259 241 | 259 241 | – | 275 637 | 286 662 | 298 129 |
| Service charges - electricity revenue | | | 349 298 | 378 693 | 415 947 | 386 294 | 386 294 | 386 294 | – | 479 057 | 536 403 | 600 624 |
| Service charges - water revenue | | | 110 932 | 129 858 | 133 628 | 128 520 | 128 520 | 128 520 | – | 132 168 | 137 455 | 142 953 |
| Service charges - sanitation revenue | | | 72 106 | 77 719 | 80 871 | 78 913 | 78 913 | 78 913 | – | 87 631 | 91 137 | 94 782 |
| Service charges - refuse removal | | | 57 775 | 61 763 | 69 102 | 69 482 | 69 482 | 69 482 | – | 74 741 | 77 731 | 80 840 |
| Service charges - other | | | – | – | – | – | – | – | – | – | – | – |
| Rental of facilities and equipment | | | 5 616 | 6 278 | 5 738 | 3 627 | 3 627 | 3 627 | – | 3 440 | 3 148 | 3 273 |
| Capital expenditure excluding capital grant funding | | | 36 578 | 82 108 | 93 564 | 217 223 | 195 563 | 195 563 | – | 122 931 | 65 000 | 60 000 |
| Cash receipts from ratepayers | 18(1)a | | 879 999 | 1 003 068 | 1 103 016 | 1 046 377 | 1 045 068 | 1 045 068 | – | 1 201 158 | 1 233 125 | 1 271 493 |
| Ratepayer & Other revenue | 18(1)a | | 902 149 | 1 008 353 | 1 118 989 | 1 084 945 | 1 065 718 | 1 065 718 | – | 1 221 706 | 1 268 037 | 1 309 098 |
| Change in consumer debtors (current and non-current) | | | 23 077 | 17 393 | 11 728 | (28 039) | (27 437) | (27 437) | (146 915) | 9 817 | 11 546 | 14 104 |
| Operating and Capital Grant Revenue | 18(1)a | | 180 721 | 138 258 | 160 532 | 164 147 | 195 374 | 195 374 | – | 186 046 | 185 805 | 180 777 |
| Capital expenditure - total | 20(1)(vi) | | 105 255 | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | – | 233 444 | 142 286 | 95 835 |
| Capital expenditure - renewal | 20(1)(vi) | | 29 644 | – | 3 606 | 25 621 | 25 050 | 25 050 | | 23 050 | 19 200 | 17 700 |
| **Supporting benchmarks** | | | | | | | | | | | | |
| Growth guideline maximum | | | 6.0% | 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% | 5.0% | 5.4% | 5.6% | 5.4% |
| DoRA operating grants total MFY | | | | | | | | | | 127 977 | 135 644 | 138 612 |
| DoRA capital grants total MFY | | | | | | | | | | 46 754 | 40 828 | 32 568 |
| Provincial operating grants | | | | | | | | | | 10 715 | 9 333 | 9 597 |
| Provincial capital grants | | | | | | | | | | 600 | – | – |
| District Municipality grants | | | | | | | | | | – | – | – |
| Total gazetted/advised national, provincial and district grants | | | | | | | | | | 186 046 | 185 805 | 180 777 |
| Average annual collection rate (arrears inclusive) | | | | | | | | | | | | |

| Description | MFMA section | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| | | | | | | | | | | | | |
| **DoRA operating** | | | | | | | | | | | | |
| Operational Revenue:General Revenue:Equitable Share | | | | | | | | | | 123 897 | 134 094 | 137 062 |
| 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] | | | | | | | | | | 2 530 | – | – |
| 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 | | | | | | | | | | – | – | – |

| Description | MFMA section | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| 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 | | | | | | | | | | – | – | – |
| Integrated Urban Development Grant | | | | | | | | | | – | – | – |
| | | | | | | | | | | 127 977 | 135 644 | 138 612 |

| Description | MFMA section | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **DoRA Capital** | | | | | | | | | | | | |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | | | | | | | | | 18 519 | 7 000 | 7 000 |
| Municipal Infrastructure Grant [Schedule 5B] | | | | | | | | | | 23 053 | 24 628 | 25 568 |
| 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 | | | | | | | | | | – | – | – |
| Energy Efficiency and Demand Side Management Grant | | | | | | | | | | – | – | – |
| Khayelitsha Urban Renewal | | | | | | | | | | – | – | – |
| Local Government Financial Management Grant [Schedule 5B] | | | | | | | | | | – | – | – |
| Municipal Systems Improvement Grant [Schedule 5B] | | | | | | | | | | – | – | – |
| Public Transport Network Grant [Schedule 5B] | | | | | | | | | | – | – | – |
| Public Transport Network Operations Grant [Schedule 5B] | | | | | | | | | | – | – | – |
| Regional Bulk Infrastructure Grant (Schedule 5B) | | | | | | | | | | – | – | – |
| Water Services Infrastructure Grant [Schedule 5B] | | | | | | | | | | 5 182 | 9 200 | |
| 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 | | | | | | | | | | – | – | – |
| Integrated Urban Development Grant | | | | | | | | | | – | – | – |
| | | | | | | | | | | **46 754** | **40 828** | **32 568** |

| Description | MFMA section | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Trend** | | | | | | | | | | | | |
| Change in consumer debtors (current and non-current) | | | 23 077 | 17 393 | 11 728 | (28 039) | (27 437) | (27 437) | (146 915) | 9 817 | 11 546 | 14 104 |
| **Total Operating Revenue** | | | 1 077 023 | 1 156 425 | 1 290 276 | 1 255 185 | 1 251 076 | 1 251 076 | – | 1 397 079 | 1 449 929 | 1 495 508 |
| **Total Operating Expenditure** | | | 997 156 | 1 108 536 | 1 189 200 | 1 342 010 | 1 344 123 | 1 344 123 | – | 1 450 536 | 1 493 455 | 1 547 908 |
| **Operating Performance Surplus/(Deficit)** | | | 79 868 | 47 890 | 101 076 | (86 825) | (93 046) | (93 046) | – | (53 457) | (43 526) | (52 400) |
| **Cash and Cash Equivalents (30 June 2012)** | | | | | | | | | | 446 299 | | |
| **Revenue** | | | | | | | | | | | | |
| % Increase in Total Operating Revenue | | | | 7.4% | 11.6% | (2.7%) | (0.3%) | 0.0% | (100.0%) | 11.7% | 3.8% | 3.1% |
| % Increase in Property Rates Revenue | | | | 8.0% | 3.4% | 9.0% | (1.3%) | 0.0% | (100.0%) | 6.3% | 4.0% | 4.0% |
| % Increase in Electricity Revenue | | | | 8.4% | 9.8% | (7.1%) | 0.0% | 0.0% | (100.0%) | 24.0% | 12.0% | 12.0% |
| % Increase in Property Rates & Services Charges | | | | 9.3% | 6.7% | (1.6%) | (0.4%) | 0.0% | (100.0%) | 13.7% | 7.6% | 7.8% |
| **Expenditure** | | | | | | | | | | | | |
| % Increase in Total Operating Expenditure | | | | 11.2% | 7.3% | 12.8% | 0.2% | 0.0% | (100.0%) | 7.9% | 3.0% | 3.6% |
| % Increase in Employee Costs | | | | 24.0% | 3.9% | 13.8% | 1.3% | 0.0% | (100.0%) | 4.7% | 4.1% | 4.4% |
| % Increase in Electricity Bulk Purchases | | | | 7.4% | 14.8% | (3.0%) | 0.0% | 0.0% | (100.0%) | 17.9% | 8.9% | 8.9% |
| Average Cost Per Budgeted Employee Position (Remuneration) | | | | | 368523.5482 | 371437.6732 | | | | 389329.3272 | | |
| Average Cost Per Councillor (Remuneration) | | | | | 451293.0036 | 475857.4 | | | | 500344.32 | | |
| R&M % of PPE | | | 4.8% | 6.3% | 5.4% | 5.8% | 5.9% | 5.9% | | 6.7% | 7.1% | 7.2% |
| Asset Renewal and R&M as a % of PPE | | | 5.0% | 6.0% | 6.0% | 8.0% | 8.0% | 8.0% | | 8.0% | 8.0% | 8.0% |
| Debt Impairment % of Total Billable Revenue | | | 2.2% | 2.0% | 2.5% | 2.8% | 2.8% | 2.8% | 0.0% | 2.0% | 1.9% | 1.8% |
| **Capital Revenue** | | | | | | | | | | | | |
| Internally Funded & Other (R'000) | | | 17 379 | 45 613 | 43 087 | 124 274 | 120 335 | 120 335 | – | 55 681 | 15 000 | 10 000 |
| Borrowing (R'000) | | | 19 199 | 36 495 | 50 476 | 92 949 | 75 228 | 75 228 | – | 67 250 | 50 000 | 50 000 |
| Grant Funding and Other (R'000) | | | 68 677 | 93 002 | 117 493 | 86 516 | 84 523 | 84 523 | – | 110 513 | 77 286 | 35 835 |
| Internally Generated funds % of Non Grant Funding | | | 47.5% | 55.6% | 46.1% | 57.2% | 61.5% | 61.5% | 0.0% | 45.3% | 23.1% | 16.7% |
| Borrowing % of Non Grant Funding | | | 52.5% | 44.4% | 53.9% | 42.8% | 38.5% | 38.5% | 0.0% | 54.7% | 76.9% | 83.3% |
| Grant Funding % of Total Funding | | | 65.2% | 53.1% | 55.7% | 28.5% | 30.2% | 30.2% | 0.0% | 47.3% | 54.3% | 37.4% |
| **Capital Expenditure** | | | | | | | | | | | | |
| Total Capital Programme (R'000) | | | 105 255 | 175 110 | 211 056 | 303 738 | 280 086 | 280 086 | – | 233 444 | 142 286 | 95 835 |
| Asset Renewal | | | 29 644 | – | 3 606 | 25 621 | 25 050 | 25 050 | – | 23 050 | 19 200 | 17 700 |
| Asset Renewal % of Total Capital Expenditure | | | 28.2% | 0.0% | 1.7% | 8.4% | 8.9% | 8.9% | 0.0% | 9.9% | 13.5% | 18.5% |
| **Cash** | | | | | | | | | | | | |
| Cash Receipts % of Rate Payer & Other | | | 97.5% | 99.5% | 98.6% | 96.4% | 98.1% | 98.1% | 0.0% | 98.3% | 97.2% | 97.1% |
| Cash Coverage Ratio | | | 0 | 0 | 0 | 0 | 0 | 0 | – | 0 | 0 | 0 |
| **Borrowing** | | | | | | | | | | | | |
| Credit Rating (2009/10) | | | | | | | | | | 0 | | |
| Capital Charges to Operating | | | 7.6% | 7.1% | 7.3% | 7.3% | 7.3% | 7.3% | 0.0% | 7.0% | 6.3% | 6.4% |
| Borrowing Receipts % of Capital Expenditure | | | 82.0% | 65.8% | 57.7% | 24.9% | 27.6% | 27.6% | 0.0% | 40.7% | 76.9% | 83.3% |
| **Reserves** | | | | | | | | | | | | |
| Surplus/(Deficit) | | | 695 959 | 734 196 | 961 430 | 672 416 | 700 720 | 700 720 | – | 668 980 | 700 283 | 837 491 |
| **Free Services** | | | | | | | | | | | | |

| Description | MFMA section | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Free Basic Services as a % of Equitable Share | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.0% | 0.0% | 0.0% |
| Free Services as a % of Operating Revenue (excl operational transfers) | | | 5.4% | 5.0% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.0% | 0.0% | 0.0% |
| **High Level Outcome of Funding Compliance** | | | | | | | | | | | | |
| Total Operating Revenue | | | 1 077 023 | 1 156 425 | 1 290 276 | 1 255 185 | 1 251 076 | 1 251 076 | – | 1 397 079 | 1 449 929 | 1 495 508 |
| Total Operating Expenditure | | | 997 156 | 1 108 536 | 1 189 200 | 1 342 010 | 1 344 123 | 1 344 123 | – | 1 450 536 | 1 493 455 | 1 547 908 |
| Surplus/(Deficit) Budgeted Operating Statement | | | 79 868 | 47 890 | 101 076 | (86 825) | (93 046) | (93 046) | – | (53 457) | (43 526) | (52 400) |
| Surplus/(Deficit) Considering Reserves and Cash Backing | | | 695 959 | 734 196 | 961 430 | 672 416 | 700 720 | 700 720 | – | 668 980 | 700 283 | 837 491 |
| **MTREF Funded (1) / Unfunded (0)** | | 15 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| **MTREF Funded ✓ / Unfunded ✗** | | 15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

*References*

*15. Subject to figures provided in Schedule.*

**Choose name from list - Supporting Table SA11 Property rates summary**

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **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 | | | | | |
| Implementation time of new valuation roll (mths) | | 60 | 48 | 36 | 24 | | | | | |
| No. of properties | 5 | 42 949 | 42 823 | 42 895 | 43 170 | | | 43 170 | | |
| No. of sectional title values | 5 | 2 560 | 2 210 | 2 577 | 2 577 | | | 2 577 | | |
| No. of unreasonably difficult properties s7(2) | | - | - | - | - | | | - | | |
| No. of supplementary valuations | | 1 | 1 | 2 | 2 | | | 2 | | |
| No. of valuation roll amendments | | 12 | 27 | 10 | 10 | | | 10 | | |
| No. of objections by rate payers | | 12 | 11 | 14 | 14 | | | 14 | | |
| No. of appeals by rate payers | | 1 | 2 | 12 | 12 | | | 12 | | |
| No. of successful objections | 8 | 1 | 6 | 14 | 14 | | | 14 | | |
| No. of successful objections > 10% | 8 | 1 | 1 | 1 | 1 | | | 1 | | |
| Supplementary valuation | | 2 500 | 2 566 | 3 099 | 1 987 | | | 1 987 | | |
| Public service infrastructure value (Rm) | 5 | 82 | 84 | 92 | 77 | | | 81 | | |
| Municipality owned property value (Rm) | | 905 | 924 | 894 | 902 | | | 956 | | |
| **Valuation reductions:** | | | | | | | | | | |
| Valuation reductions-public infrastructure (Rm) | | 98 | 84 | 92 | 77 | 77 | 77 | 81 | 81 | 81 |
| Valuation reductions-nature reserves/park (Rm) | | 368 | 368 | 339 | 359 | 359 | 359 | 380 | 380 | 380 |
| Valuation reductions-mineral rights (Rm) | | - | - | - | - | - | - | - | - | - |
| Valuation reductions-R15,000 threshold (Rm) | | 450 | 476 | 475 | 476 | 476 | 476 | 504 | 504 | 504 |
| Valuation reductions-public worship (Rm) | | 158 | 175 | 183 | 192 | 192 | 192 | 204 | 204 | 204 |
| Valuation reductions-other (Rm) | | 1 946 | 2 860 | 1 107 | 1 103 | 1 103 | 1 103 | 1 169 | 1 169 | 1 169 |
| **Total valuation reductions:** | | **3 020** | **3 963** | **2 196** | **2 206** | **2 206** | **2 206** | **2 339** | **2 339** | **2 339** |
| Total value used for rating (Rm) | 5 | 43 689 | 46 907 | 48 668 | 50 432 | 50 432 | 50 432 | 53 458 | 53 458 | 53 458 |
| Total land value (Rm) | 5 | 21 274 | 22 595 | 23 042 | 23 241 | 23 241 | 23 241 | 24 636 | 24 636 | 24 636 |
| Total value of improvements (Rm) | 5 | 25 585 | 27 770 | 28 743 | 28 930 | 28 930 | 28 930 | 30 665 | 30 665 | 30 665 |
| Total market value (Rm) | 5 | 46 859 | 50 364 | 51 785 | 52 171 | 52 171 | 52 171 | 55 301 | 55 301 | 55 301 |
| **Rating:** | | | | | | | | | | |
| Residential rate used to determine rate for other categories? (Y/N) | | Yes | Yes | Yes | Yes | | | Yes | | |
| Differential rates used? (Y/N) | 5 | Yes | Yes | Yes | Yes | | | Yes | | |
| Limit on annual rate increase (s20)? (Y/N) | | No | No | No | No | | | No | | |
| Special rating area used? (Y/N) | | Yes | Yes | No | 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 | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Rate revenue:** | | | | | | | | | | |
| Rate revenue budget (R '000) | 6 | 214 975 | 233 034 | 243 999 | 250 941 | 250 941 | 250 941 | 261 317 | 270 463 | 279 929 |
| Rate revenue expected to collect (R'000) | 6 | 214 975 | 233 034 | 243 999 | 250 941 | 250 941 | 250 941 | 261 317 | 270 463 | 279 929 |
| Expected cash collection rate (%) | | 99.4% | 98.2% | 97.1% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Special rating areas (R'000) | 7 | 7 494 | 8 047 | | 8 300 | 8 300 | 8 300 | 8 591 | 8 891 | 9 202 |
| 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)** | | – | – | – | – | – | – | – | – | – |

*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*

**Choose name from list - Supporting Table SA12a Property rates by category (current year)**

| Description | Ref | Resi. | Indust. | Bus. & Comm. | Farm props. | State-owned | Muni props. | Public service infra. | Private owned towns | Formal & Informal Settle. | Comm. Land | State trust land | Section 8(2)(n) (note 1) | Protect. Areas | National Monum/ts | Public benefit organs. | Mining Props. | Small Holdings | Special Rating Areas | Agricultural | Multiple Purposes | Other Categories | Sum |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Current Year 2020/21** | | | | | | | | | | | | | | | | | | | | | | | |
| **Valuation:** | | | | | | | | | | | | | | | | | | | | | | | |
| No. of properties | | 38 161 | – | 1 574 | 166 | 364 | 2 082 | 569 | – | – | – | – | – | 174 | – | 151 | – | – | – | – | – | – | 43 |
| No. of sectional title property values | | 2 251 | – | 327 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 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 1987 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| No. of valuation roll amendments | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| 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 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Estimated no. of properties not valued | | 100 TOTAL | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Years since last valuation **(select)** | | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | | | | | | |
| Frequency of valuation **(select)** | | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | 6-10 | | | | | | |
| 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) | | 207 000 000 | – | 40 232 000 | 679 000 | 3 030 000 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 250 941 |
| Combination of rating types used? (Y/N) | | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | YES | | | | | | |
| Flat rate used? (Y/N) | | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | NO | | | | | | |
| Is balance rated by uniform rate/variable rate? | | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | | | | | | |
| **Valuation reductions:** | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation reductions-public infrastructure (Rm) | | – | – | – | – | – | – | 77 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 76 594 |
| Valuation reductions-nature reserves/park (Rm) | | – | – | – | – | – | – | – | – | – | – | – | – | 359 | – | – | – | – | – | – | – | – | 358 568 |
| Valuation reductions-mineral rights (Rm) | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Valuation reductions-R15,000 threshold (Rm) | | 476 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 475 530 |
| Valuation reductions-public worship (Rm) | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 192 | – | – | – | – | – | – | 192 328 |
| Valuation reductions-other (Rm) | 2 | 1 103 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 1 103 183 |
| **Total valuation reductions:** | | | | | | | | | | | | | | | | | | | | | | | |
| Total value used for rating (Rm) | 6 | 44 536 | – | 4 930 | 490 | 476 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 50 432 190 |
| Total land value (Rm) | 6 | 19 640 | – | 1 822 | 374 | 291 | 654 | 68 | – | – | – | – | – | 255 | – | 137 | – | – | – | – | – | – | 23 241 387 |
| Total value of improvements (Rm) | 6 | 24 896 | – | 3 108 | 117 | 240 | 8 | 0 | – | – | – | – | – | 104 | – | 209 | – | – | – | – | – | – | 28 681 472 |
| Total market value (Rm) | 6 | 44 536 | – | 4 930 | 490 | 531 | 902 | 77 | – | – | – | – | – | 359 | – | 346 | – | – | – | – | – | – | 52 170 887 |
| **Rating:** | | | | | | | | | | | | | | | | | | | | | | | |
| Average rate | 3 | 0.005960 | – | 0.009030 | 0.001490 | 0.009030 | – | – | – | 0.005960 | – | – | – | – | – | – | – | – | – | – | – | – | |
| Rate revenue budget (R '000) | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Rate revenue expected to collect (R'000) | | 207 000 | – | 40 232 | 679 | 3 030 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 250 941 |
| Expected cash collection rate (%) | 4 | 100.0% | 0.0% | 100.0% | 100.0% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 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)** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |

*References*

*1. Land & Assistance Act, Restitution of Land Rights, Communual 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.*

**Choose name from list - 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/ts | Public benefit organs. | Mining Props. | Small Holdings | Special Rating Areas | Agricultural | Multiple Purposes | Other Categories | Sum |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Budget Year 2021/22** | | | | | | | | | | | | | | | | | | | | | | | |
| **Valuation:** | | | | | | | | | | | | | | | | | | | | | | | |
| No. of properties | | 28 161 | 1 | 1 574 | 166 | 364 | 2 082 | 569 | - | - | - | - | - | 174 | - | 151 | - | – | – | – | – | – | 33 |
| No. of sectional title property values | | 2 251 | - | 327 | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | 3 |
| No. of unreasonably difficult properties s7(2) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| No. of supplementary valuations | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| Supplementary valuation (Rm) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| No. of valuation roll amendments | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| No. of objections by rate-payers | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| No. of appeals by rate-payers | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| No. of appeals by rate-payers finalised | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| No. of successful objections | 5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| No. of successful objections > 10% | 5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| Estimated no. of properties not valued | | 100 TOTAL | | | | | | | | | | | | | | | | – | – | – | – | – | – |
| Years since last valuation **(select)** | | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | >5 | | | | | | |
| Frequency of valuation **(select)** | | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | | | | | | |
| Method of valuation used **(select)** | | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | Market | | | | | | |
| Base of valuation **(select)** | | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | Land & impr. | | | | | | |
| Phasing-in properties s21 (number) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| Combination of rating types used? (Y/N) | | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | | | | | | |
| Flat rate used? (Y/N) | | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No | No | | | | | | |
| Is balance rated by uniform rate/variable rate? | | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | Variable | | | | | | |
| **Valuation reductions:** | | | | | | | | | | | | | | | | | | | | | | | |
| Valuation reductions-public infrastructure (Rm) | | - | - | - | - | - | - | 81 | - | - | - | - | - | - | - | - | - | – | – | – | – | – | 81 189 |
| Valuation reductions-nature reserves/park (Rm) | | - | - | - | - | - | - | - | - | - | - | - | - | 380 | - | - | - | – | – | – | – | – | 380 083 |
| Valuation reductions-mineral rights (Rm) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | – |
| Valuation reductions-R15,000 threshold (Rm) | | 504 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | 504 062 |
| Valuation reductions-public worship (Rm) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 204 | - | – | – | – | – | – | 203 868 |
| Valuation reductions-other (Rm) | 2 | 1 169 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | 1 169 374 |
| **Total valuation reductions:** | | | | | | | | | | | | | | | | | | | | | | | |
| Total value used for rating (Rm) | 6 | 47 198 | - | 5 226 | 520 | 504 | - | - | - | - | - | - | - | - | - | - | - | – | – | – | – | – | 53 447 521 |
| Total land value (Rm) | 6 | 20 819 | - | 1 931 | 396 | 308 | 693 | 73 | - | - | - | - | - | 270 | - | 145 | - | – | – | – | – | – | 24 635 870 |
| Total value of improvements (Rm) | 6 | 26 390 | - | 3 295 | 124 | 254 | 263 | 9 | - | - | - | - | - | 110 | - | 222 | - | – | – | – | – | – | 30 665 270 |
| Total market value (Rm) | 6 | 47 208 | - | 5 226 | 520 | 563 | 956 | 81 | - | - | - | - | - | 380 | - | 367 | - | – | – | – | – | – | 55 301 140 |
| **Rating:** | | | | | | | | | | | | | | | | | | | | | | | |
| Average rate | 3 | 0.006200 | – | 0.009390 | 0.001550 | 0.009390 | – | – | – | 0.006200 | – | – | – | – | – | – | – | – | – | – | – | – | |
| Rate revenue budget (R '000) | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Rate revenue expected to collect (R'000) | | 215 280 | – | 42 125 | 776 | 3 136 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 261 317 |
| Expected cash collection rate (%) | 4 | 100.0% | 0.0% | 100.0% | 100.0% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 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)** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |

*References*

*1. Land & Assistance Act, Restitution of Land Rights, Communual 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.*

**Choose name from list - Supporting Table SA13a Service Tariffs by category**

| Description | Ref | Provide description of tariff structure where appropriate | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Property rates** *(rate in the Rand)* | 1 | | | | | | | | |
| Residential properties | | | 0.0051 | 0.0054 | 0.0057 | 0.0060 | 0.0062 | 0.0066 | 0.0070 |
| Residential properties - vacant land | | | 0.0070 | 0.0074 | 0.0078 | 0.0082 | 0.0085 | 0.0090 | 0.0095 |
| Formal/informal settlements | | | | | | | | | |
| Small holdings | | | | | | | | | |
| Farm properties - used | | | 0.0013 | 0.0013 | 0.0014 | 0.0015 | 0.0016 | 0.0016 | 0.0017 |
| Farm properties - not used | | | | | | | | | |
| Industrial properties | | | | | | | | | |
| Business and commercial properties | | | 0.0077 | 0.0082 | 0.0086 | 0.0090 | 0.0094 | 0.0100 | 0.0106 |
| Communal land - residential | | | | | | | | | |
| Communal land - small holdings | | | | | | | | | |
| Communal land - farm property | | | | | | | | | |
| Communal land - business and commercial | | | | | | | | | |
| Communal land - other | | | | | | | | | |
| State-owned properties | | | 0.0077 | 0.0082 | 0.0086 | 0.0090 | 0.0094 | 0.0100 | 0.0106 |
| Municipal properties | | | | | | | | | |
| Public service infrastructure | | | | | | | | | |
| Privately owned towns serviced by the owner | | | | | | | | | |
| State trust land | | | | | | | | | |
| Restitution and redistribution properties | | | | | | | | | |
| Protected areas | | | | | | | | | |
| National monuments properties | | | | | | | | | |
| **Exemptions, reductions and rebates** *(Rands)* | | | | | | | | | |
| ***Residential properties*** | | | | | | | | | |
| R15 000 threshhold rebate | | | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 |
| General residential rebate | | | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 |
| Indigent rebate or exemption | | | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 |
| Pensioners/social grants rebate or exemption | | | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 | 220 000 |
| Temporary relief rebate or exemption | | | 40-100% | 40-100% | 40-100% | 40-100% | 40-100% | 40-100% | 40-100% |
| Bona fide farmers rebate or exemption | | | | | | | | | |
| ***Other rebates or exemptions*** | 2 | | 75% | 75% | 75% | 75% | 75% | 75% | 75% |
| **Water tariffs** | | | | | | | | | |
| ***Domestic*** | | | | | | | | | |
| Basic charge/fixed fee *(Rands/month)* | | | 122 | 129 | 137 | 143 | 148 | 157 | 167 |
| Service point - vacant land *(Rands/month)* | | | 122 | 129 | 137 | 143 | 148 | 157 | 167 |
| Water usage - flat rate tariff *(c/kl)* | | 0 - 6 kl | 450 | 502 | 560 | 585 | 608 | 644 | 683 |
| Water usage - life line tariff | | 7 - 18 kl | 1 024 | 1 085 | 1 147 | 1 199 | 1 247 | 1 322 | 1 401 |
| Water usage - Block 1 (c/kl) | | 19 - 30 kl | 1 661 | 1 761 | 1 861 | 1 945 | 2 023 | 2 144 | 2 273 |
| Water usage - Block 2 (c/kl) | | 31 - 45 kl | 2 557 | 2 711 | 2 866 | 2 995 | 3 115 | 3 302 | 3 500 |
| Water usage - Block 3 (c/kl) | | 46 - 60 kl | 3 322 | 3 521 | 3 722 | 3 889 | 4 045 | 4 288 | 4 545 |
| Water usage - Block 4 (c/kl) | | > 60 kl | 4 430 | 4 696 | 4 964 | 5 187 | 5 394 | 5 718 | 6 061 |
| ***Other*** | 2 | | | | | | | | |

| Description | Ref | Provide description of tariff structure where appropriate | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Waste water tariffs** | | | | | | | | | |
| ***Domestic*** | | | | | | | | | |
| Basic charge/fixed fee *(Rands/month)* | | | 109 | 115 | 122 | 127 | 132 | 140 | 149 |
| Service point - vacant land *(Rands/month)* | | | 109 | 115 | 122 | 127 | 132 | 140 | 149 |
| Waste water - flat rate tariff *(c/kl)* | | | 1 222 | 1 296 | 1 370 | 1 432 | 1 489 | 1 578 | 1 673 |
| Volumetric charge - Block 1 (c/kl) | | Basic charge pumps | 73 | 78 | 82 | 86 | 89 | 94 | 100 |
| Volumetric charge - Block 2 (c/kl) | | Service per pump | 499 | 529 | 560 | 585 | 608 | 645 | 683 |
| Volumetric charge - Block 3 (c/kl) | | | | | | | | | |
| Volumetric charge - Block 4 (c/kl) | | | | | | | | | |
| ***Other*** | 2 | | | | | | | | |
| **Electricity tariffs** | | | | | | | | | |
| ***Domestic*** | | | | | | | | | |
| Basic charge/fixed fee *(Rands/month)* | | | 268 | 292 | 335 | 356 | 412 | 436 | 463 |
| Service point - vacant land *(Rands/month)* | | | 268 | 292 | 335 | 356 | 412 | 436 | 463 |
| FBE | | (how is this targeted?) | | | | | | | |
| Life-line tariff - meter | | (describe structure) | | | | | | | |
| Life-line tariff - prepaid | | (describe structure) | 101 | 107 | 120 | 128 | 148 | 156 | 166 |
| 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 | 115 | 129 | 137 | 158 | 167 | 178 |
| Meter - IBT Block 3 (c/kwh) | | 351 - 600 kWh | 158 | 168 | 189 | 201 | 232 | 246 | 261 |
| Meter - IBT Block 4 (c/kwh) | | > 600 kWh | 193 | 206 | 232 | 247 | 285 | 302 | 320 |
| Meter - IBT Block 5 (c/kwh) | | Prepaid Meter | | | | | | | |
| Prepaid - IBT Block 1 (c/kwh) | | 0 - 350 kWh | 100 | 106 | 119 | 126 | 146 | 155 | 164 |
| Prepaid - IBT Block 2 (c/kwh) | | 351 - 600 kWh | 149 | 158 | 178 | 189 | 219 | 232 | 246 |
| Prepaid - IBT Block 3 (c/kwh) | | > 600 kWh | 185 | 198 | 223 | 237 | 274 | 290 | 308 |
| Prepaid - IBT Block 4 (c/kwh) | | | | | | | | | |
| Prepaid - IBT Block 5 (c/kwh) | | | | | | | | | |
| ***Other*** | 2 | | | | | | | | |
| **Waste management tariffs** | | | | | | | | | |
| ***Domestic*** | | | | | | | | | |
| Street cleaning charge | | | | | | | | | |
| Basic charge/fixed fee | | | 155 | 164 | 185 | 194 | 202 | 214 | 227 |
| 80l bin - once a week | | | | | | | | | |
| 250l bin - once a week | | | 155 | 164 | 185 | 194 | 202 | 214 | 227 |

*References*

*1. If properties are not rated or zero rated this must be indicated as such*

*2.Please provide detailed descriptions on Sheet SA13b*

## Choose name from list - Supporting Table SA13b Service Tariffs by category - explanatory

| Description | Ref | Provide description of tariff structure where appropriate | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Exemptions, reductions and rebates** *(Rands)* | | | | | | | | | |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| **Water tariffs** | | | | | | | | | |
| | | Basic charge | 122 | 129 | 137 | 143 | 148 | 157 | 167 |
| | | Basic charge | 122 | 129 | 137 | 143 | 148 | 157 | 167 |
| | | 0-6 kl | 450 | 502 | 560 | 585 | 608 | 644 | 683 |
| | | 7-18 kl | 1 024 | 1 085 | 1 147 | 1 199 | 1 247 | 1 322 | 1 401 |
| | | 19-30 kl | 1 661 | 1 761 | 1 861 | 1 945 | 2 023 | 2 144 | 2 273 |
| | | 31-45 kl | 2 557 | 2 711 | 2 886 | 2 995 | 3 115 | 3 302 | 3 500 |
| | | 46-60 kl | 3 322 | 3 521 | 3 722 | 3 889 | 4 045 | 4 288 | 4 545 |
| | | >60 kl | 4 430 | 4 696 | 4 964 | 5 187 | 5 394 | 5 718 | 6 061 |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |

| Description | Ref | Provide description of tariff structure where appropriate | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Waste water tariffs** | | | | | | | | | |
| | | Basic charge | 109 | 115 | 122 | 1 273 | 132 | 140 | 149 |
| | | Basic charge | 109 | 115 | 122 | 127 | 132 | 140 | 149 |
| | | Tariff per kl (c/kl) | 1 222 | 1 296 | 1 370 | 1 432 | 1 489 | 1 578 | 1 673 |
| | | Basic charge - pumps | 73 | 78 | 82 | 86 | 89 | 94 | 100 |
| | | Service per pump | 499 | 529 | 560 | 585 | 608 | 645 | 683 |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| **Electricity tariffs** | | | | | | | | | |
| | | Basic charge/fixed fee | 268 | 292 | 335 | 356 | 412 | 436 | 463 |
| | | Basic - Vacant Land | 268 | 292 | 335 | 356 | 412 | 436 | 463 |
| | | Flat rate prepaid (c/kWh) | 101 | 107 | 120 | 128 | 148 | 156 | 166 |
| | | Credit Meter | - | - | - | - | - | - | - |
| | | 0-350 kWh | 109 | 115 | 129 | 137 | 158 | 167 | 178 |
| | | 351-600 kWh | 158 | 168 | 189 | 201 | 232 | 246 | 261 |
| | | >600 kWh | 193 | 206 | 232 | 247 | 285 | 302 | 320 |
| | | Prepaid Meter | - | - | - | - | - | - | - |
| | | 0-350 kWh | 100 | 106 | 119 | 126 | 146 | 155 | 164 |
| | | 351-600 kWh | 149 | 158 | 178 | 189 | 219 | 232 | 246 |
| | | >600 KWh | 185 | 198 | 223 | 237 | 274 | 290 | 308 |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - |

## Choose name from list - Supporting Table SA14 Household bills

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Rand/cent | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 % incr. | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Monthly Account for Household - 'Middle Income Range'** | 1 | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | | |
| Property rates | | 220.57 | 233.78 | 247.14 | 258.27 | 258.27 | 258.27 | 4.0% | 268.67 | 284.79 | 301.88 |
| Electricity: Basic levy | | 267.52 | 291.60 | 335.34 | 356.20 | 356.20 | 356.20 | 15.6% | 411.77 | 436.48 | 462.66 |
| Electricity: Consumption | | 1 464.97 | 1 558.89 | 1 753.87 | 1 862.96 | 1 862.96 | 1 862.96 | 15.6% | 2 153.57 | 2 282.78 | 2 419.75 |
| Water: Basic levy | | 121.83 | 129.14 | 136.50 | 142.64 | 142.64 | 142.64 | 4.0% | 148.35 | 157.25 | 166.69 |
| Water: Consumption | | 354.92 | 377.69 | 400.93 | 419.04 | 419.04 | 419.04 | 4.0% | 435.81 | 461.96 | 489.68 |
| Sanitation | | 365.16 | 387.25 | 409.35 | 427.84 | 427.84 | 427.84 | 4.0% | 444.89 | 471.58 | 499.88 |
| Refuse removal | | 155.04 | 164.35 | 185.49 | 193.84 | 193.84 | 193.84 | 4.0% | 201.59 | 213.69 | 226.51 |
| Other | | 53.54 | 53.54 | 56.97 | 56.97 | 56.97 | 56.97 | – | 56.97 | 56.97 | 56.97 |
| **sub-total** | | **3 003.55** | **3 196.24** | **3 525.59** | **3 717.76** | **3 717.76** | **3 717.76** | **10.9%** | **4 121.62** | **4 365.50** | **4 624.01** |
| VAT on Services | | 389.62 | 422.15 | 491.77 | 518.92 | 518.92 | 518.92 | | 577.94 | 612.11 | 648.32 |
| **Total large household bill:** | | **3 393.17** | **3 618.39** | **4 017.36** | **4 236.68** | **4 236.68** | **4 236.68** | **10.9%** | **4 699.56** | **4 977.61** | **5 272.33** |
| **% increase/-decrease** | | | **6.6%** | **11.0%** | **5.5%** | **–** | **–** | | **10.9%** | **5.9%** | **5.9%** |
| **Monthly Account for Household - 'Affordable Range'** | 2 | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | | |
| Property rates | | 152.70 | 161.85 | 171.10 | 178.80 | 178.80 | 178.80 | 4.0% | 186.00 | 197.16 | 208.99 |
| Electricity: Basic levy | | 267.52 | 291.60 | 335.34 | 356.20 | 356.20 | 356.20 | 15.6% | 411.77 | 436.48 | 462.66 |
| Electricity: Consumption | | 574.61 | 608.63 | 683.08 | 725.57 | 725.57 | 725.57 | 15.6% | 838.75 | 889.08 | 942.42 |
| Water: Basic levy | | 121.83 | 129.14 | 136.50 | 142.64 | 142.64 | 142.64 | 4.0% | 148.35 | 157.25 | 166.69 |
| Water: Consumption | | 268.19 | 285.74 | 303.75 | 317.47 | 317.47 | 317.47 | 4.0% | 330.17 | 349.98 | 370.98 |
| Sanitation | | 322.39 | 341.89 | 361.40 | 377.72 | 377.72 | 377.72 | 4.0% | 392.78 | 416.35 | 441.33 |
| Refuse removal | | 155.04 | 164.35 | 185.49 | 193.84 | 193.84 | 193.84 | 4.0% | 201.59 | 213.69 | 226.51 |
| Other | | 53.54 | 53.54 | 56.97 | 56.97 | 56.97 | 56.97 | – | 56.97 | 56.97 | 56.97 |
| **sub-total** | | **1 915.82** | **2 036.74** | **2 233.63** | **2 349.21** | **2 349.21** | **2 349.21** | **9.2%** | **2 566.38** | **2 716.94** | **2 876.54** |
| VAT on Services | | 246.84 | 267.17 | 309.38 | 325.56 | 325.56 | 325.56 | | 357.06 | 377.97 | 400.13 |
| **Total small household bill:** | | **2 162.66** | **2 303.91** | **2 543.01** | **2 674.77** | **2 674.77** | **2 674.77** | **9.3%** | **2 923.44** | **3 094.91** | **3 276.67** |
| **% increase/-decrease** | | | **6.5%** | **10.4%** | **5.2%** | **–** | **–** | | **9.3%** | **5.9%** | **5.9%** |
| **Monthly Account for Household - 'Indigent' Household receiving free basic services** | 3 | | | | | | | | | | |
| **Rates and services charges:** | | | | | | | | | | | |
| Property rates | | 84.83 | 89.92 | 95.06 | 99.33 | 99.33 | 99.33 | (100.0%) | 0.04 | 103.33 | 109.53 |
| Electricity: Basic levy | | 267.52 | 291.60 | 335.34 | 356.20 | 356.20 | 356.20 | (100.0%) | 0.16 | 411.77 | 436.48 |
| Electricity: Consumption | | 351.05 | 371.42 | 415.98 | 441.84 | 441.84 | 441.84 | (100.0%) | 0.16 | 510.76 | 541.41 |
| Water: Basic levy | | 121.83 | 129.14 | 136.50 | 142.64 | 142.64 | 142.64 | (100.0%) | 0.04 | 148.35 | 157.25 |
| Water: Consumption | | 185.14 | 197.69 | 210.70 | 220.22 | 220.22 | 220.22 | (100.0%) | 0.04 | 229.02 | 242.76 |
| Sanitation | | 279.62 | 296.53 | 313.45 | 327.60 | 327.60 | 327.60 | (100.0%) | 0.04 | 340.66 | 361.10 |
| Refuse removal | | 155.04 | 164.35 | 185.49 | 193.84 | 193.84 | 193.84 | (100.0%) | 0.04 | 201.59 | 213.69 |
| Other | | (727.86) | (796.06) | (884.44) | (935.13) | (935.13) | (935.13) | (100.0%) | – | (1 020.80) | (1 089.90) |
| **sub-total** | | **717.17** | **744.59** | **808.08** | **846.54** | **846.54** | **846.54** | **(99.9%)** | **0.51** | **924.68** | **972.31** |
| VAT on Services | | 88.53 | 93.29 | 106.95 | 112.08 | 267.25 | 112.08 | (100.0%) | – | 123.20 | 129.42 |
| **Total small household bill:** | | **805.70** | **837.88** | **915.03** | **958.62** | **1 113.79** | **958.62** | **(99.9%)** | **0.51** | **1 047.88** | **1 101.73** |
| **% increase/-decrease** | | | **4.0%** | **9.2%** | **4.8%** | **16.2%** | **(13.9%)** | | **(99.9%)** | **204 564.1%** | **5.1%** |

*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.

**Choose name from list - Supporting Table SA15 Investment particulars by type**

| Investment type | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Parent municipality** | | | | | | | | | | |
| Securities - National Government | | | | | | | | | | |
| Listed Corporate Bonds | | | | | | | | | | |
| Deposits - Bank | | 380 514 | 409 200 | 510 243 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 | 400 000 |
| Deposits - Public Investment Commissioners | | | | | | | | | | |
| Deposits - Corporation for Public Deposits | | | | | | | | | | |
| Bankers Acceptance Certificates | | | | | | | | | | |
| Negotiable Certificates of Deposit - Banks | | | | | | | | | | |
| Guaranteed Endowment Policies (sinking) | | 44 595 | 50 524 | 46 515 | 65 460 | 54 460 | 54 460 | 62 165 | 70 005 | 77 989 |
| Repurchase Agreements - Banks | | | | | | | | | | |
| Municipal Bonds | | | | | | | | | | |
| **Municipality sub-total** | 1 | **425 109** | **459 723** | **556 758** | **465 460** | **454 460** | **454 460** | **462 165** | **470 005** | **477 989** |
| **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:** | | **425 109** | **459 723** | **556 758** | **465 460** | **454 460** | **454 460** | **462 165** | **470 005** | **477 989** |

*References*

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

**Choose name from list - Supporting Table SA16 Investment particulars by maturity**

| Investments by Maturity<br>Name of institution & investment ID | Ref<br>1 | Period of Investment<br>Yrs/Months | Type of Investment | Capital Guarantee (Yes/ No) | Variable or Fixed interest rate | Interest Rate [3] | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Parent municipality** | | | | | | | | | | | | | | |
| LIBERTY 15934476 | | 15 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/09/2025 | 20 355 550.43 | -2 720 625.91 | | 1 500 000.00 | **19 134 924.52** |
| LIBERTY 21196964 | | 14 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/09/2025 | 34 001 525.26 | -5 474 245.20 | | 3 120 000.00 | **31 647 280.06** |
| MOMENTUM 3853776 | | 15 Years | Policy | Yes | Variable | Fair Value Adjustment | | | 01/07/2026 | 3 528 127.14 | -210 321.59 | | 360 000.00 | **3 677 805.55** |
| Deposits - Bank | | 2 to 6 Months | Call accounts | No | Fixed | | | | 30/06/2021 | 510 243 000.00 | 1 250 356.17 | -111 493 000.00 | | **400 000 356.17** |
| - | | | | | | | | | | | | | | |
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| **Municipality sub-total** | | | | | | | | | | **568 128 202.83** | | **-111 493 000.00** | **4 980 000.00** | **454 460 366.30** |
| **Entities** | | | | | | | | | | | | | | |
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| **Entities sub-total** | | | | | | | | | | | | | | |
| **TOTAL INVESTMENTS AND INTEREST** | 1 | | | | | | | | | **568 128 202.83** | | **-111 493 000.00** | **4 980 000.00** | **454 460 366.30** |

*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*

**Choose name from list - Supporting Table SA17 Borrowing**

| Borrowing - Categorised by type | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Parent municipality** | | | | | | | | | | |
| Annuity and Bullet Loans | | 308 658 | 322 933 | 331 475 | 330 260 | 330 260 | 330 260 | 289 725 | 293 204 | 308 295 |
| 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 | **408 658** | **422 933** | **431 475** | **430 260** | **430 260** | **430 260** | **389 725** | **393 204** | **408 295** |
| **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 | **408 658** | **422 933** | **431 475** | **430 260** | **430 260** | **430 260** | **389 725** | **393 204** | **408 295** |

| Borrowing - Categorised by type | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Unspent Borrowing - Categorised by type** | | | | | | | | | | |
| **Parent municipality** | | | | | | | | | | |
| Long-Term Loans (annuity/reducing balance) | | 10 450 | 38 199 | – | 25 193 | 25 193 | 25 193 | – | – | – |
| 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 | **10 450** | **38 199** | **–** | **25 193** | **25 193** | **25 193** | **–** | **–** | **–** |
| **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 | **10 450** | **38 199** | **–** | **25 193** | **25 193** | **25 193** | **–** | **–** | **–** |

*References*

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

## Choose name from list - Supporting Table SA18 Transfers and grant receipts

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **RECEIPTS:** | 1, 2 | | | | | | | | | |
| **Operating Transfers and Grants** | | | | | | | | | | |
| **National Government:** | | **88 073** | **99 544** | **110 994** | **121 368** | **138 372** | **138 372** | **127 977** | **135 644** | **138 612** |
| Operational Revenue:General Revenue:Equitable Share | | 84 223 | 96 068 | 106 697 | 117 318 | 134 322 | 134 322 | 123 897 | 134 094 | 137 062 |
| 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] | | 2 300 | 1 926 | 2 635 | 2 500 | 2 500 | 2 500 | 2 530 | – | – |
| HIV and Aids | | | | | | | | – | – | – |
| Housing Accreditation | | | | | | | | – | – | – |
| Housing Top structure | | | | | | | | – | – | – |
| Infrastructure Skills Development Grant [Schedule 5B] | | | | | | | | – | – | – |
| Integrated City Development Grant | | | | | | | | – | – | – |
| Khayelitsha Urban Renewal | | | | | | | | – | – | – |
| Local Government Financial Management Grant [Schedule 5B] | | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 |
| Mitchell's Plain Urban Renewal | | | | | | | | – | – | – |
| Municipal Demarcation and Transition Grant [Schedule 5B] | | | | | | | | – | – | – |
| Municipal Disaster Grant [Schedule 5B] | | | | 112 | | | | – | – | – |
| Municipal Human Settlement Capacity Grant [Schedule 5B] | | | | | | | | – | – | – |
| Municipal Systems Improvement Grant | | | | | | | | – | – | – |
| Natural Resource Management Project | | | | | | | | – | – | – |
| Neighbourhood Development Partnership Grant | | | | | | | | – | – | – |
| Operation Clean Audit | | | | | | | | – | – | – |
| Municipal Disaster Recovery Grant | | | | | | | | – | – | – |
| Public Service Improvement Facility | | | | | | | | – | – | – |
| Public Transport Network Operations Grant [Schedule 5B] | | | | | | | | – | – | – |
| Restructuring - Seed Funding | | | | | | | | – | – | – |
| Revenue Enhancement Grant Debtors Book | | | | | | | | – | – | – |
| Rural Road Asset Management Systems Grant | | – | – | – | – | – | – | – | – | – |
| Sport and Recreation | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| 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 | | – | – | – | – | – | – | – | – | – |
| Metro Informal Settlements Partnership Grant | | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | **38 766** | **23 028** | **10 691** | **10 472** | **8 055** | **8 055** | **10 715** | **9 333** | **9 597** |
| Capacity Building | | | | 148 | 75 | 75 | 75 | 76 | 76 | 76 |
| Capacity Building and Other | | 38 627 | 22 891 | 380 | 401 | 300 | 300 | – | – | – |
| Disaster and Emergency Services | | – | | | | | | – | – | – |
| Health | | – | | | | | | – | – | – |
| Housing | | – | | | | | | – | – | – |
| Infrastructure | | | | | | | | | | |
| Libraries, Archives and Museums | | | | 7 287 | 7 651 | 5 335 | 5 335 | 6 580 | 6 692 | 6 806 |
| Other | | | | 2 750 | 2 200 | 2 200 | 2 200 | 3 914 | 2 420 | 2 570 |
| Public Transport | | – | – | – | – | – | – | – | – | – |
| Road Infrastructure - Maintenance | | 139 | 137 | 126 | 145 | 145 | 145 | 145 | 145 | 145 |
| Sports and Recreation | | – | – | – | – | – | – | | – | – |
| Waste Water Infrastructure - Maintenance | | – | – | – | – | – | – | – | – | – |
| Water Supply Infrastructure - Maintenance | | – | – | – | – | – | – | – | – | – |
| **District Municipality:** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | | – | – | – | – | – | – | – | – | – |
| **Other Grant Providers:** | | **–** | **–** | **–** | **–** | **–** | **–** | **55 241** | **35 842** | **19 733** |
| *Departmental Agencies and Accounts* | | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | | – | – | – | – | – | – | – | – | – |
| *Households* | | – | – | – | – | – | – | 55 241 | 35 842 | 19 733 |
| *Non-profit Institutions* | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Private Enterprises* | | – | – | – | – | – | – | – | – | – |
| *Public Corporations* | | – | – | – | – | – | – | – | – | – |
| *Higher Educational Institutions* | | – | – | – | – | – | – | – | – | – |
| *Parent Municipality / Entity* | | – | – | – | – | – | – | – | – | – |
| **Total Operating Transfers and Grants** | 5 | **126 839** | **122 572** | **121 685** | **131 840** | **146 427** | **146 427** | **193 933** | **180 819** | **167 942** |
| **Capital Transfers and Grants** | | | | | | | | | | |
| **National Government:** | | **26 330** | **25 901** | **39 077** | **29 887** | **27 618** | **27 618** | **46 754** | **40 828** | **32 568** |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | 4 000 | 4 262 | 7 000 | 8 000 | 6 000 | 6 000 | 18 519 | 7 000 | 7 000 |
| Municipal Infrastructure Grant [Schedule 5B] | | 22 330 | 21 639 | 32 010 | 21 887 | 21 618 | 21 618 | 23 053 | 24 628 | 25 568 |
| Municipal Water Infrastructure Grant [Schedule 5B] | | – | – | – | – | | | – | – | – |
| Neighbourhood Development Partnership Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Public Transport Infrastructure Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Rural Household Infrastructure Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Rural Road Asset Management Systems Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Urban Settlement Development Grant [Schedule 4B] | | – | – | – | – | – | – | – | – | – |
| Municipal Human Settlement | | – | – | – | – | – | – | – | – | – |
| Community Library | | – | – | – | – | – | – | – | – | – |
| Integrated City Development Grant [Schedule 4B] | | – | – | – | – | – | – | – | – | – |
| Municipal Disaster Recovery Grant [Schedule 4B] | | – | – | – | – | – | – | – | – | – |
| Energy Efficiency and Demand Side Management Grant | | – | – | – | – | – | – | – | – | – |
| Khayelitsha Urban Renewal | | – | – | – | – | – | – | – | – | – |
| Local Government Financial Management Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Municipal Systems Improvement Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Public Transport Network Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Public Transport Network Operations Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Regional Bulk Infrastructure Grant (Schedule 5B) | | – | – | – | – | – | – | – | – | – |
| Water Services Infrastructure Grant [Schedule 5B] | | – | – | – | – | – | – | 5 182 | 9 200 | |
| WIFI Connectivity | | – | – | – | – | – | – | – | – | – |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Aquaponic Project | | – | – | – | – | – | – | – | – | – |
| Restition Settlement | | – | – | – | – | – | – | – | – | – |
| Infrastructure Skills Development Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Restructuring Seed Funding | | – | – | – | – | – | – | – | – | – |
| Municipal Disaster Relief Grant | | – | – | 67 | – | – | – | – | – | – |
| Municipal Emergency Housing Grant | | – | – | – | – | – | – | – | – | – |
| Metro Informal Settlements Partnership Grant | | – | – | – | – | – | – | – | – | – |
| Integrated Urban Development Grant | | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | **42 992** | **25 463** | **1 500** | **732** | **732** | **732** | **600** | **–** | **–** |
| Capacity Building | | | | | | | | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Capacity Building and Other | | 800 | – | | 732 | 732 | 732 | – | – | – |
| Disaster and Emergency Services | | | | | | | | – | – | – |
| Health | | | | | | | | – | – | – |
| Housing | | 36 661 | 25 463 | | | | | – | – | – |
| Infrastructure | | | | | | | | – | – | – |
| Libraries, Archives and Museums | | | | | | | | – | – | – |
| Other | | 360 | – | | | | | – | – | – |
| Public Transport | | 4 000 | – | | | | | – | – | – |
| Road Infrastructure | | | | 1 500 | | | | – | – | – |
| Sports and Recreation | | 1 171 | | | | | | 600 | – | – |
| Waste Water Infrastructure | | | | | | | | – | – | – |
| Water Supply Infrastructure | | – | – | – | – | – | – | – | – | – |
| **District Municipality:** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | | – | – | – | – | – | – | – | – | – |
| **Other Grant Providers:** | | **–** | **–** | **–** | **–** | **–** | **–** | **52 259** | **36 458** | **3 267** |
| *Departmental Agencies and Accounts* | | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | | – | – | – | – | – | – | – | – | – |
| *Households* | | – | – | – | – | – | – | 52 259 | 36 458 | 3 267 |
| *Non-Profit Institutions* | | – | – | – | – | – | – | – | – | – |
| *Private Enterprises* | | – | – | – | – | – | – | – | – | – |
| *Public Corporations* | | – | – | – | – | | | – | – | – |
| *Higher Educational Institutions* | | – | – | – | – | – | – | – | – | – |
| *Parent Municipality / Entity* | | – | – | – | – | – | – | – | – | – |
| *Transfer from Operational Revenue* | | – | – | – | – | – | – | – | – | – |
| **Total Capital Transfers and Grants** | 5 | **69 322** | **51 364** | **40 577** | **30 619** | **28 350** | **28 350** | **99 613** | **77 286** | **35 835** |
| | | | | | | | | | | |
| **TOTAL RECEIPTS OF TRANSFERS & GRANTS** | | **196 161** | **173 936** | **162 262** | **162 459** | **174 777** | **174 777** | **293 546** | **258 105** | **203 777** |

**Choose name from list - Supporting Table SA19 Expenditure on transfers and grant programme**

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **EXPENDITURE:** | 1 | | | | | | | | | |
| **Operating expenditure of Transfers and Grants** | | | | | | | | | | |
| **National Government:** | | 88 073 | 99 544 | 110 994 | 121 368 | 138 372 | 138 372 | 127 977 | 135 644 | 138 612 |
| Operational Revenue:General Revenue:Equitable Share | | 84 223 | 96 068 | 106 697 | 117 318 | 134 322 | 134 322 | 123 897 | 134 094 | 137 062 |
| 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] | | 2 300 | 1 926 | 2 635 | 2 500 | 2 500 | 2 500 | 2 530 | – | – |
| HIV and Aids | | – | – | – | – | | | – | – | – |
| Housing Accreditation | | – | – | – | – | | | – | – | – |
| Housing Top structure | | – | – | – | – | | | – | – | – |
| Infrastructure Skills Development Grant [Schedule 5B] | | – | – | – | – | | | – | – | – |
| Integrated City Development Grant | | – | – | – | – | | | – | – | – |
| Khayelitsha Urban Renewal | | – | – | – | – | | | – | – | – |
| Local Government Financial Management Grant [Schedule 5B] | | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 | 1 550 |
| Mitchell's Plain Urban Renewal | | – | – | – | – | | | – | – | – |
| Municipal Demarcation and Transition Grant [Schedule 5B] | | – | – | – | – | | | – | – | – |
| Municipal Disaster Grant [Schedule 5B] | | – | – | 112 | – | – | – | – | – | – |
| Municipal Human Settlement Capacity Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Municipal Systems Improvement Grant | | – | – | – | – | – | – | – | – | – |
| Natural Resource Management Project | | – | – | – | – | – | – | – | – | – |
| Neighbourhood Development Partnership Grant | | – | – | – | – | – | – | – | – | – |
| Operation Clean Audit | | – | – | – | – | – | – | – | – | – |
| Municipal Disaster Recovery Grant | | – | – | – | – | – | – | – | – | – |
| Public Service Improvement Facility | | – | – | – | – | – | – | – | – | – |
| Public Transport Network Operations Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Restructuring - Seed Funding | | – | – | – | – | – | – | – | – | – |
| Revenue Enhancement Grant Debtors Book | | – | – | – | – | – | – | – | – | – |
| Rural Road Asset Management Systems Grant | | – | – | – | – | – | – | – | – | – |
| Sport and Recreation | | – | – | – | – | – | – | – | – | – |
| Terrestrial Invasive Alien Plants | | – | – | – | – | – | – | – | – | – |
| Water Services Operating Subsidy Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Health Hygiene in Informal Settlements | | – | – | – | – | – | – | – | – | – |
| Municipal Infrastructure Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Water Services Infrastructure Grant | | – | – | – | – | – | – | – | – | – |
| Public Transport Network Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Smart Connect Grant | | – | – | – | – | – | – | – | – | – |
| Urban Settlement Development Grant | | – | – | – | – | – | – | – | – | – |
| WiFi Grant [Department of Telecommunications and Postal Services | | – | – | – | – | – | – | – | – | – |
| Street Lighting | | – | – | – | – | – | – | – | – | – |
| Traditional Leaders - Imbizion | | – | – | – | – | – | – | – | – | – |
| Department of Water and Sanitation Smart Living Handbook | | – | – | – | – | – | – | – | – | – |
| Integrated National Electrification Programme Grant | | – | – | – | – | – | – | – | – | – |
| Municipal Restructuring Grant | | – | – | – | – | – | – | – | – | – |
| Regional Bulk Infrastructure Grant | | – | – | – | – | – | – | – | – | – |
| Municipal Emergency Housing Grant | | – | – | – | – | – | – | – | – | – |
| Metro Informal Settlements Partnership Grant | | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | 28 348 | 19 580 | 12 147 | 10 472 | 8 055 | 8 055 | 10 715 | 9 333 | 9 597 |
| Capacity Building | | – | 148 | 18 | – | | | 76 | 76 | 76 |
| Capacity Building and Other | | 258 | 448 | 4 716 | 2 676 | 2 575 | 2 575 | – | – | – |
| Disaster and Emergency Services | | | | | – | – | – | – | – | – |
| Health | | | | | – | – | – | – | – | – |
| Housing | | 21 645 | 12 688 | | – | – | – | – | – | – |
| Infrastructure | | 139 | 137 | 126 | 145 | 145 | 145 | | | |
| Libraries, Archives and Museums | | 6 306 | 6 160 | 7 287 | 7 651 | 5 335 | 5 335 | 6 580 | 6 692 | 6 806 |
| Other | | – | – | – | – | – | – | 3 914 | 2 420 | 2 570 |
| Public Transport | | – | – | – | – | – | – | – | – | – |
| Road Infrastructure - Maintenance | | – | – | – | – | – | – | 145 | 145 | 145 |
| Sports and Recreation | | – | – | – | – | – | – | | – | – |
| Waste Water Infrastructure - Maintenance | | – | – | – | – | – | – | – | – | – |
| Water Supply Infrastructure - Maintenance | | – | – | – | – | – | – | – | – | – |
| **District Municipality:** | | – | – | – | – | – | – | – | – | – |
| *All Grants* | | – | – | – | – | – | – | – | – | – |
| **Other Grant Providers:** | | – | – | – | 44 267 | 33 534 | 33 534 | 55 241 | 35 842 | 19 733 |
| *Departmental Agencies and Accounts* | | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | | – | – | – | – | – | – | – | – | – |
| *Households* | | | | | 44 267 | 33 534 | 33 534 | 55 241 | 35 842 | 19 733 |
| *Non-profit Institutions* | | – | – | – | – | – | – | – | – | – |
| *Private Enterprises* | | – | – | – | – | – | – | – | – | – |
| *Public Corporations* | | – | – | – | – | – | – | – | – | – |
| *Higher Educational Institutions* | | | | | | | | | | |
| *Parent Municipality / Entity* | | – | – | – | – | – | – | – | – | – |
| **Total operating expenditure of Transfers and Grants:** | | 116 421 | 119 124 | 123 140 | 176 107 | 179 961 | 179 961 | 193 933 | 180 819 | 167 942 |
| **Capital expenditure of Transfers and Grants** | | | | | | | | | | |
| **National Government:** | | 21 786 | 30 445 | 31 595 | 29 887 | 27 618 | 27 618 | 46 754 | 40 828 | 32 568 |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | 4 000 | 4 262 | 7 000 | 8 000 | 6 000 | 6 000 | 18 519 | 7 000 | 7 000 |
| Municipal Infrastructure Grant [Schedule 5B] | | 17 786 | 26 183 | 24 528 | 21 887 | 21 618 | 21 618 | 23 053 | 24 628 | 25 568 |
| Municipal Water Infrastructure Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Neighbourhood Development Partnership Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Public Transport Infrastructure Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Rural Household Infrastructure Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Rural Road Asset Management Systems Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Urban Settlement Development Grant [Schedule 4B] | | – | – | – | – | – | – | – | – | – |
| Municipal Human Settlement | | – | – | – | – | – | – | – | – | – |
| Community Library | | – | – | – | – | – | – | – | – | – |
| Integrated City Development Grant [Schedule 4B] | | – | – | – | – | – | – | – | – | – |
| Municipal Disaster Recovery Grant [Schedule 4B] | | – | – | – | – | – | – | – | – | – |
| Energy Efficiency and Demand Side Management Grant | | – | – | – | – | – | – | – | – | – |
| Khayelitsha Urban Renewal | | – | – | – | – | – | – | – | – | – |
| Local Government Financial Management Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Municipal Systems Improvement Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Public Transport Network Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Public Transport Network Operations Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Regional Bulk Infrastructure Grant (Schedule 5B) | | – | – | – | – | – | – | – | – | – |
| Water Services Infrastructure Grant [Schedule 5B] | | – | – | – | – | – | – | 5 182 | 9 200 | |
| WIFI Connectivity | | – | – | – | – | – | – | – | – | – |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Aquaponic Project | | – | – | – | – | – | – | – | – | – |
| Restition Settlement | | – | – | – | – | – | – | – | – | – |
| Infrastructure Skills Development Grant [Schedule 5B] | | – | – | – | – | – | – | – | – | – |
| Restructuring Seed Funding | | – | – | – | – | – | – | – | – | – |
| Municipal Disaster Relief Grant | | – | – | 67 | – | – | – | – | – | – |
| Municipal Emergency Housing Grant | | – | – | – | – | – | – | – | – | – |
| Metro Informal Settlements Partnership Grant | | – | – | – | – | – | – | – | – | – |
| Integrated Urban Development Grant | | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | **42 462** | **35 615** | **5 797** | **732** | **732** | **732** | **600** | **–** | **–** |
| Capacity Building | | 2 000 | – | | | | | – | – | – |
| Capacity Building and Other | | 5 141 | 390 | 1 843 | 732 | 732 | 732 | – | – | – |
| Disaster and Emergency Services | | – | – | | | | | – | – | – |
| Health | | – | – | | | | | – | – | – |
| Housing | | 34 180 | 34 108 | | | | | – | – | – |
| Infrastructure | | – | – | | | | | – | – | – |
| Libraries, Archives and Museums | | 1 141 | 1 117 | | | | | – | – | – |
| Other | | | | 3 204 | | | | – | – | – |
| Public Transport | | | | | | | | – | – | – |
| Road Infrastructure | | – | – | 750 | – | – | – | – | – | – |
| Sports and Recreation | | – | – | – | – | – | – | 600 | – | – |
| Waste Water Infrastructure | | – | – | – | – | – | – | – | – | – |
| Water Supply Infrastructure | | – | – | – | – | – | – | – | – | – |
| **District Municipality:** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| *All Grants* | | – | – | – | – | – | – | – | – | – |
| **Other Grant Providers:** | | **–** | **–** | **–** | **45 956** | **47 296** | **47 296** | **52 259** | **36 458** | **3 267** |
| *Departmental Agencies and Accounts* | | – | – | – | – | – | – | – | – | – |
| *Foreign Government and International Organisations* | | – | – | – | – | – | – | – | – | – |
| *Households* | | | | | 45 956 | 39 296 | 39 296 | 52 259 | 36 458 | 3 267 |
| *Non-Profit Institutions* | | – | – | – | – | | | – | – | – |
| *Private Enterprises* | | – | – | – | – | | | – | – | – |
| *Public Corporations* | | | | | – | 8 000 | 8 000 | – | – | – |
| *Higher Educational Institutions* | | – | – | – | – | | | – | – | – |
| *Parent Municipality / Entity* | | – | – | – | – | | | – | – | – |
| *Transfer from Operational Revenue* | | – | – | | – | | | – | – | – |
| **Total capital expenditure of Transfers and Grants** | | **64 248** | **66 060** | **37 392** | **76 575** | **75 646** | **75 646** | **99 613** | **77 286** | **35 835** |
| **TOTAL EXPENDITURE OF TRANSFERS AND GRANTS** | | **180 669** | **185 184** | **160 532** | **252 682** | **255 607** | **255 607** | **293 546** | **258 105** | **203 777** |

*References*

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

## Choose name from list - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Operating transfers and grants:** | 1,3 | | | | | | | | | |
| **National Government:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | | | | | | | – | – | – |
| Current year receipts | | 88 073 | 99 544 | 110 994 | 121 368 | 138 372 | 138 372 | 127 977 | 135 644 | 138 612 |
| **Conditions met - transferred to revenue** | | **88 073** | **99 544** | **110 994** | **121 368** | **138 372** | **138 372** | **127 977** | **135 644** | **138 612** |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | (10 418) | (3 596) | | | | | – | – | – |
| Current year receipts | | 38 803 | 23 028 | 10 691 | 10 472 | 8 055 | 8 055 | 10 715 | 9 333 | 9 597 |
| **Conditions met - transferred to revenue** | | **28 385** | **19 432** | **10 691** | **10 472** | **8 055** | **8 055** | **10 715** | **9 333** | **9 597** |
| 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 | | – | | | 0 | 2 031 | 2 031 | 1 000 | 0 | 0 |
| Current year receipts | | | | 1 456 | | | | | | |
| **Conditions met - transferred to revenue** | | **–** | **(12 670)** | **1 456** | **0** | **2 031** | **2 031** | **1 000** | **0** | **0** |
| Conditions still to be met - transferred to liabilities | | – | 12 670 | – | – | – | – | – | – | – |
| **Total operating transfers and grants revenue** | | **116 458** | **106 306** | **123 140** | **131 840** | **148 458** | **148 458** | **139 692** | **144 977** | **148 209** |
| **Total operating transfers and grants - CTBM** | 2 | **–** | **12 670** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Capital transfers and grants:** | 1,3 | | | | | | | | | |
| **National Government:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | | | | | | | – | – | – |
| Current year receipts | | 26 330 | 25 901 | 39 077 | 29 887 | 27 618 | 27 618 | 46 754 | 40 828 | 32 568 |
| **Conditions met - transferred to revenue** | | **26 330** | **25 901** | **39 077** | **29 887** | **27 618** | **27 618** | **46 754** | **40 828** | **32 568** |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| **Provincial Government:** | | | | | | | | | | |
| Balance unspent at beginning of the year | | (682) | 14 695 | | | | | – | – | – |
| Current year receipts | | 43 028 | 25 463 | 1 500 | 732 | 732 | 732 | 600 | – | – |
| **Conditions met - transferred to revenue** | | **42 346** | **40 159** | **1 500** | **732** | **732** | **732** | **600** | **–** | **–** |
| 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 | | – | – | – | – | – | – | 10 900 | – | – |
| Current year receipts | | 0 | 26 942 | 76 915 | 55 897 | 56 173 | 56 173 | 52 259 | 36 458 | 3 267 |
| **Conditions met - transferred to revenue** | | **0** | **26 942** | **76 915** | **55 897** | **56 173** | **56 173** | **63 159** | **36 458** | **3 267** |
| Conditions still to be met - transferred to liabilities | | – | – | | | | | | – | – |
| **Total capital transfers and grants revenue** | | **68 677** | **93 002** | **117 493** | **86 516** | **84 523** | **84 523** | **110 513** | **77 286** | **35 835** |
| **Total capital transfers and grants - CTBM** | 2 | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **TOTAL TRANSFERS AND GRANTS REVENUE** | | **185 135** | **199 308** | **240 633** | **218 356** | **232 982** | **232 982** | **250 205** | **222 263** | **184 044** |
| **TOTAL TRANSFERS AND GRANTS - CTBM** | | **–** | **12 670** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |

*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*

*2. CTBM = conditions to be met*

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

**Choose name from list - Supporting Table SA21 Transfers and grants made by the municipality**

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| 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 | 560 | – | – | – | – | – | – | – |
| *Capital* | | | | | – | – | – | – | – | – | – |
| **Total Cash Transfers To Organisations** | | – | **486** | **560** | – | – | – | – | – | – | – |
| Cash Transfers to Groups of Individuals | | | | | | | | | | | |
| *Operational* | | | | | 11 610 | 8 300 | 8 300 | | 12 324 | 12 557 | 13 060 |
| *Capital* | | | | | | | | | – | – | – |
| **Total Cash Transfers To Groups Of Individuals:** | | – | – | – | **11 610** | **8 300** | **8 300** | – | **12 324** | **12 557** | **13 060** |
| **TOTAL CASH TRANSFERS AND GRANTS** | 6 | – | **486** | **560** | **11 610** | **8 300** | **8 300** | – | **12 324** | **12 557** | **13 060** |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Non-Cash Transfers to other municipalities** | | | | | | | | | | | |
| *Operational* | 1 | 1 800 | – | – | – | – | – | – | – | – | – |
| *Capital* | | – | – | – | – | – | – | – | – | – | – |
| **Total Non-Cash Transfers To Municipalities:** | | **1 800** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **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** | | **1 800** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **TOTAL TRANSFERS AND GRANTS** | 6 | **1 800** | **486** | **560** | **11 610** | **8 300** | **8 300** | **–** | **12 324** | **12 557** | **13 060** |

*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*

## Choose name from list - Supporting Table SA22 Summary councillor and staff benefits

| Summary of Employee and Councillor remuneration | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| | 1 | A | B | C | D | E | F | G | H | I |
| **Councillors (Political Office Bearers plus Other)** | | | | | | | | | | |
| Basic Salaries and Wages | | 9 056 | 9 467 | 10 174 | 10 786 | 10 786 | 10 786 | 11 354 | 11 865 | 12 399 |
| Pension and UIF Contributions | | | | – | | | | – | – | – |
| Medical Aid Contributions | | | | – | | | | – | – | – |
| Motor Vehicle Allowance | | | | – | | | | – | – | – |
| Cellphone Allowance | | 1 081 | 1 106 | 1 108 | 1 110 | 1 110 | 1 110 | 1 154 | 1 154 | 1 154 |
| Housing Allowances | | | | – | | | | – | – | – |
| Other benefits and allowances | | | | – | | | | – | – | – |
| **Sub Total - Councillors** | | **10 138** | **10 573** | **11 282** | **11 896** | **11 896** | **11 896** | **12 509** | **13 020** | **13 553** |
| **% increase** | 4 | | **4.3%** | **6.7%** | **5.4%** | **–** | **–** | **5.1%** | **4.1%** | **4.1%** |
| **Senior Managers of the Municipality** | 2 | | | | | | | | | |
| Basic Salaries and Wages | | 10 489 | 11 036 | 11 569 | 12 506 | 12 486 | 12 486 | 12 600 | 13 167 | 13 760 |
| Pension and UIF Contributions | | | – | – | – | – | – | – | – | – |
| Medical Aid Contributions | | | – | – | – | – | – | – | – | – |
| Overtime | | | – | – | – | – | – | – | – | – |
| Performance Bonus | | 103 | 187 | 136 | 260 | 260 | 260 | 143 | 149 | 156 |
| Motor Vehicle Allowance | 3 | | – | – | – | – | – | – | – | – |
| Cellphone Allowance | 3 | 187 | 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** | | **10 779** | **11 416** | **11 891** | **12 952** | **12 932** | **12 932** | **12 930** | **13 503** | **14 102** |
| **% increase** | 4 | | **5.9%** | **4.2%** | **8.9%** | **(0.2%)** | **–** | **(0.0%)** | **4.4%** | **4.4%** |
| **Other Municipal Staff** | | | | | | | | | | |
| Basic Salaries and Wages | | 206 677 | 214 176 | 235 581 | 259 838 | 257 583 | 257 583 | 276 668 | 289 308 | 306 134 |
| Pension and UIF Contributions | | 33 240 | 36 580 | 39 697 | 48 588 | 50 375 | 50 375 | 48 870 | 51 014 | 51 385 |
| Medical Aid Contributions | | 11 195 | 12 035 | 13 141 | 18 241 | 18 320 | 18 320 | 17 876 | 18 741 | 19 437 |
| Overtime | | 18 388 | 34 501 | 39 287 | 32 190 | 36 390 | 36 390 | 40 311 | 42 047 | 43 736 |
| Performance Bonus | | | – | 1 752 | 462 | 462 | 462 | 500 | 500 | 500 |
| Motor Vehicle Allowance | 3 | 7 850 | 7 897 | 7 923 | 8 032 | 8 256 | 8 256 | 8 255 | 8 258 | 8 266 |
| Cellphone Allowance | 3 | 2 013 | 1 887 | 1 942 | 2 378 | 2 456 | 2 456 | 2 279 | 2 279 | 2 263 |
| Housing Allowances | 3 | 5 482 | 2 350 | 2 507 | 2 870 | 2 994 | 2 994 | 2 674 | 2 724 | 2 700 |
| Other benefits and allowances | 3 | 14 215 | 27 073 | 28 529 | 34 737 | 36 169 | 36 169 | 36 944 | 37 952 | 39 075 |
| Payments in lieu of leave | | 772 | 2 532 | – | – | – | – | – | – | – |
| Long service awards | | 6 054 | 2 598 | – | – | – | – | – | – | – |
| Post-retirement benefit obligations | 6 | (19 984) | 14 955 | 277 | 15 035 | 15 035 | 15 035 | 14 438 | 14 438 | 14 438 |
| **Sub Total - Other Municipal Staff** | | **285 903** | **356 584** | **370 636** | **422 373** | **428 040** | **428 040** | **448 815** | **467 261** | **487 935** |
| **% increase** | 4 | | **24.7%** | **3.9%** | **14.0%** | **1.3%** | **–** | **4.9%** | **4.1%** | **4.4%** |
| **Total Parent Municipality** | | **306 820** | **378 573** | **393 810** | **447 221** | **452 869** | **452 869** | **474 253** | **493 784** | **515 590** |
| | | | **23.4%** | **4.0%** | **13.6%** | **1.3%** | **–** | **4.7%** | **4.1%** | **4.4%** |
| **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 | – | – | – | – | – | – | – | – | – |

| Summary of Employee and Councillor remuneration | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| 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** | | 306 820 | 378 573 | 393 810 | 447 221 | 452 869 | 452 869 | 474 253 | 493 784 | 515 590 |
| **% increase** | 4 | | 23.4% | 4.0% | 13.6% | 1.3% | – | 4.7% | 4.1% | 4.4% |
| **TOTAL MANAGERS AND STAFF** | 5,7 | 296 682 | 368 000 | 382 527 | 435 325 | 440 972 | 440 972 | 461 745 | 480 765 | 502 037 |

*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/D*

*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*

## Choose name from list - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

| Disclosure of Salaries, Allowances & Benefits 1.<br>Rand per annum | Ref | No. | Salary | Contributions<br>1. | Allowances | Performance Bonuses | In-kind benefits | Total Package<br>2. |
|---|---|---|---|---|---|---|---|---|
| **Councillors** | 3 | | | | | | | |
| Speaker | 4 | 1 | 748 464 | – | 44 400 | – | – | 792 864 |
| Chief Whip | | – | – | – | – | – | – | – |
| Executive Mayor | | 1 | 935 580 | – | 44 400 | – | – | 979 980 |
| Deputy Executive Mayor | | 1 | 748 464 | – | 44 400 | – | – | 792 864 |
| Executive Committee | | 5 | 3 508 440 | – | 222 000 | – | – | 3 730 440 |
| Total for all other councillors | | 17 | 5 413 260 | – | 799 200 | – | – | 6 212 460 |
| **Total Councillors** | 8 | **25** | **11 354 208** | **–** | **1 154 400** | | | **12 508 608** |
| **Senior Managers of the Municipality** | 5 | | | | | | | |
| Municipal Manager (MM) | | 1 | 1 770 842 | – | 27 540 | 142 878 | – | 1 941 260 |
| Chief Finance Officer | | 1 | 1 890 379 | – | 24 480 | – | – | 1 914 859 |
| Director: Management Services | | 1 | 1 771 223 | – | 27 540 | – | – | 1 798 763 |
| Director: Infrastructure & Planning | | 1 | 1 900 012 | – | 27 540 | – | – | 1 927 552 |
| Director: Protection Services | | 1 | 1 716 692 | – | 27 540 | – | – | 1 744 232 |
| Director: Local Economic & Social Development & Tourism | | 1 | 1 765 135 | – | 24 480 | – | – | 1 789 615 |
| *List of each offical with packages >= senior manager* | | | | | | | | |
| Director: Community Services | | 1 | 1 785 897 | – | 27 540 | – | – | 1 813 437 |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
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| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| **Total Senior Managers of the Municipality** | 8,10 | **7** | **12 600 180** | **–** | **186 660** | **142 878** | | **12 929 718** |
| **A Heading for Each Entity** | 6,7 | | | | | | | |
| List each member of board by designation | | | | | | | | |
| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
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| | | – | – | – | – | – | – | – |
| | | – | – | – | – | – | – | – |
| **Total for municipal entities** | 8,10 | **–** | **–** | **–** | **–** | **–** | | **–** |
| | | | | | | | | |
| **TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION** | 10 | **32** | **23 954 388** | **–** | **1 341 060** | **142 878** | | **25 438 326** |

*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*

| Disclosure of Salaries, Allowances & Benefits 1. | Ref | No. | Salary | Contributions | Allowances | Performance Bonuses | In-kind benefits | Total Package |
|---|---|---|---|---|---|---|---|---|
| Rand per annum | | | | 1. | | | | 2. |

*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*

## Choose name from list - Supporting Table SA24 Summary of personnel numbers

| Summary of Personnel Numbers | Ref | 2019/20 | | | Current Year 2020/21 | | | Budget Year 2021/22 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Number | 1,2 | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees |
| **Municipal Council and Boards of Municipal Entities** | | | | | | | | | | |
| Councillors (Political Office Bearers plus Other Councillors) | | 25 | 7 | | 25 | 7 | | 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 | 54 | 50 | | 53 | 48 | | 51 | 51 | |
| Professionals | | *26* | *25* | – | *26* | *24* | – | *29* | *23* | – |
| *Finance* | | 21 | 20 | | 21 | 19 | | 24 | 18 | |
| *Spatial/town planning* | | 2 | 2 | | 2 | 2 | | 2 | 2 | |
| *Information Technology* | | 1 | 1 | | 1 | 1 | | 1 | 1 | |
| *Roads* | | | | | | | | | | |
| *Electricity* | | | | | | | | | | |
| *Water* | | | | | | | | | | |
| *Sanitation* | | | | | | | | | | |
| *Refuse* | | | | | | | | | | |
| *Other* | | 2 | 2 | | 2 | 2 | | 2 | 2 | |
| Technicians | | *195* | *174* | – | *199* | *172* | – | *200* | *170* | – |
| *Finance* | | | | | | | | | | |
| *Spatial/town planning* | | 11 | 10 | | 12 | 12 | | 11 | 10 | |
| *Information Technology* | | 5 | 4 | | 5 | 4 | | 5 | 4 | |
| *Roads* | | 9 | 9 | | 9 | 8 | | 10 | 7 | |
| *Electricity* | | 31 | 27 | | 31 | 27 | | 31 | 27 | |
| *Water* | | 21 | 18 | | 21 | 18 | | 21 | 19 | |
| *Sanitation* | | 2 | 2 | | 2 | 2 | | 2 | 2 | |
| *Refuse* | | 5 | 5 | | 5 | 5 | | 6 | 5 | |
| *Other* | | 111 | 99 | | 114 | 96 | | 114 | 96 | |
| Clerks (Clerical and administrative) | | 277 | 241 | | 277 | 246 | | 273 | 244 | |
| Service and sales workers | | 115 | 92 | | 124 | 108 | | 140 | 108 | |
| Skilled agricultural and fishery workers | | | | | | | | | | |
| Craft and related trades | | | | | | | | | | |
| Plant and Machine Operators | | 61 | 57 | | 60 | 57 | | 60 | 56 | |
| Elementary Occupations | | 430 | 410 | | 426 | 412 | | 426 | 416 | |
| **TOTAL PERSONNEL NUMBERS** | 9 | **1 190** | **1 063** | **–** | **1 197** | **1 081** | **–** | **1 211** | **1 082** | **–** |
| **% increase** | | | | | 0.6% | 1.7% | – | 1.2% | 0.1% | – |
| **Total municipal employees headcount** | 6, 10 | **1 165** | **1 056** | | **1 172** | **1 074** | | **1 186** | **1 082** | |
| Finance personnel headcount | 8, 10 | **113** | **104** | | **113** | **106** | | **114** | **104** | |
| Human Resources personnel headcount | 8, 10 | **18** | **18** | | **18** | **17** | | **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*

## Choose name from list - Supporting Table SA25 Budgeted monthly revenue and expenditure

| Description | Ref | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue By Source** | | | | | | | | | | | | | | | | |
| Property rates | | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 22 970 | 275 637 | 286 662 | 298 129 |
| Service charges - electricity revenue | | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 39 921 | 479 057 | 536 403 | 600 624 |
| Service charges - water revenue | | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 11 014 | 132 168 | 137 455 | 142 953 |
| Service charges - sanitation revenue | | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 7 303 | 87 631 | 91 137 | 94 782 |
| Service charges - refuse revenue | | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 6 228 | 74 741 | 77 731 | 80 840 |
| Rental of facilities and equipment | | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 286 | 3 440 | 3 148 | 3 273 |
| Interest earned - external investments | | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 27 456 | 28 554 | 29 697 |
| Interest earned - outstanding debtors | | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 4 681 | 4 868 | 5 062 |
| Dividends received | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 2 352 | 28 223 | 29 348 | 30 519 |
| Licences and permits | | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 2 039 | 2 097 | 2 164 |
| Agency services | | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 6 680 | 6 930 | 7 189 |
| Transfers and subsidies | | 13 768 | 11 218 | 11 850 | 11 218 | 11 218 | 11 850 | 11 218 | 11 218 | 11 850 | 11 218 | 11 218 | 11 850 | 139 692 | 144 977 | 148 209 |
| Other revenue | | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 11 303 | 3 078 | 127 409 | 92 259 | 43 563 |
| Gains | | – | – | – | – | – | – | – | – | – | – | – | 8 225 | 8 225 | 8 361 | 8 504 |
| **Total Revenue (excluding capital transfers and contributions)** | | **118 550** | **116 000** | **116 633** | **116 000** | **116 000** | **116 633** | **116 000** | **116 000** | **116 633** | **116 000** | **116 000** | **116 631** | **1 397 079** | **1 449 929** | **1 495 508** |
| **Expenditure By Type** | | | | | | | | | | | | | | | | |
| Employee related costs | | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 38 479 | 461 745 | 480 765 | 502 037 |
| Remuneration of councillors | | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 1 042 | 12 509 | 13 020 | 13 553 |
| Debt impairment | | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 1 792 | 21 500 | 21 500 | 21 500 |
| Depreciation & asset impairment | | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 139 | 12 138 | 145 663 | 144 047 | 143 381 |
| Finance charges | | – | – | – | – | – | 25 329 | – | – | – | – | – | 26 475 | 51 804 | 51 923 | 52 180 |
| Bulk purchases | | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 318 669 | 347 031 | 377 917 |
| Other materials | | 2 280 | 2 167 | 6 764 | 2 280 | 2 167 | 6 764 | 2 167 | 2 280 | 6 764 | 2 167 | 2 167 | 6 877 | 44 846 | 47 275 | 48 918 |
| Contracted services | | 13 253 | 11 934 | 34 792 | 13 253 | 11 934 | 34 792 | 11 934 | 13 253 | 34 792 | 11 934 | 11 934 | 36 111 | 239 915 | 250 494 | 263 768 |
| Transfers and subsidies | | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 12 324 | 12 557 | 13 060 |
| Other expenditure | | 13 309 | 7 870 | 14 212 | 13 309 | 7 870 | 14 212 | 7 870 | 13 309 | 14 212 | 7 870 | 7 870 | 19 652 | 141 561 | 124 845 | 111 594 |
| Losses | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Expenditure** | | **109 875** | **103 005** | **136 802** | **109 875** | **103 005** | **162 131** | **103 005** | **109 875** | **136 802** | **103 005** | **103 005** | **170 148** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit)** | | **8 675** | **12 995** | **(20 170)** | **6 125** | **12 995** | **(45 498)** | **12 995** | **6 125** | **(20 170)** | **12 995** | **12 995** | **(53 517)** | **(53 457)** | **(43 526)** | **(52 400)** |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | 22 103 | 23 751 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 46 354 | 40 828 | 32 568 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | | 108 | 108 | 3 083 | 108 | 108 | 3 083 | 108 | 108 | 3 083 | 108 | 108 | 3 083 | 13 201 | 1 312 | 1 324 |
| Transfers and subsidies - capital (in-kind - all) | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |

| Description | Ref | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Surplus/(Deficit) after capital transfers & contributions** | | 30 886 | 36 854 | (17 036) | 6 283 | 13 153 | (42 365) | 13 153 | 6 283 | (17 036) | 13 153 | 13 153 | (50 383) | 6 098 | (1 386) | (18 508) |
| Taxation | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Attributable to minorities | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Share of surplus/ (deficit) of associate | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | 1 | 30 886 | 36 854 | (17 036) | 6 283 | 13 153 | (42 365) | 13 153 | 6 283 | (17 036) | 13 153 | 13 153 | (50 383) | 6 098 | (1 386) | (18 508) |

*References*

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

## Choose name from list - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

| Description | Ref | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue by Vote** | | | | | | | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 2 607 | 31 285 | 32 772 | 31 375 |
| Vote 2 - Municipal Manager & Internal Audit | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 72 | 869 | 348 | 358 |
| Vote 4 - Finance | | 27 975 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 26 425 | 318 650 | 331 200 | 344 253 |
| Vote 5 - Infrastructure & Planning | | 54 389 | 71 908 | 56 364 | 53 389 | 53 389 | 56 364 | 53 389 | 53 389 | 56 364 | 53 389 | 53 389 | 56 364 | 672 085 | 672 093 | 691 198 |
| Vote 6 - Protection Services | | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 39 531 | 40 997 | 42 522 |
| Vote 7 - Economic and Social Development & Tourism | | 26 | 26 | 658 | 26 | 26 | 658 | 26 | 26 | 658 | 26 | 26 | 658 | 2 838 | 66 | 219 |
| Vote 8 - Community Services | | 52 398 | 35 527 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 345 | 30 344 | 391 376 | 414 592 | 419 474 |
| 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** | | **140 761** | **139 859** | **119 766** | **116 158** | **116 158** | **119 766** | **116 158** | **116 158** | **119 766** | **116 158** | **116 158** | **119 765** | **1 456 634** | **1 492 069** | **1 529 399** |
| **Expenditure by Vote to be appropriated** | | | | | | | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | | 2 989 | 2 989 | 3 311 | 2 989 | 2 989 | 3 311 | 2 989 | 2 989 | 3 311 | 2 989 | 2 989 | 3 311 | 37 152 | 37 805 | 38 715 |
| Vote 2 - Municipal Manager & Internal Audit | | 590 | 590 | 823 | 590 | 590 | 823 | 590 | 590 | 823 | 590 | 590 | 823 | 8 017 | 8 216 | 8 526 |
| Vote 3 - Management Services | | 2 702 | 2 702 | 9 729 | 2 702 | 2 702 | 9 729 | 2 702 | 2 702 | 9 729 | 2 702 | 2 702 | 9 729 | 60 528 | 62 948 | 65 346 |
| Vote 4 - Finance | | 12 527 | 5 657 | 5 657 | 12 527 | 5 657 | 5 686 | 5 657 | 12 527 | 5 657 | 5 657 | 5 657 | 12 609 | 95 473 | 100 257 | 113 753 |
| Vote 5 - Infrastructure & Planning | | 51 309 | 51 309 | 51 309 | 51 309 | 51 309 | 59 484 | 51 309 | 51 309 | 51 310 | 51 310 | 51 310 | 60 012 | 632 592 | 652 891 | 669 749 |
| Vote 6 - Protection Services | | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 600 | 9 601 | 115 201 | 120 094 | 125 051 |
| Vote 7 - Economic and Social Development & Tourism | | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 1 439 | 17 266 | 14 512 | 15 058 |
| Vote 8 - Community Services | | 28 715 | 28 715 | 54 930 | 28 715 | 28 715 | 72 054 | 28 715 | 28 715 | 54 930 | 28 715 | 28 715 | 72 676 | 484 308 | 496 734 | 511 711 |
| 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** | | **109 871** | **103 001** | **136 797** | **109 871** | **103 001** | **162 126** | **103 001** | **109 871** | **136 798** | **103 001** | **103 001** | **170 200** | **1 450 536** | **1 493 455** | **1 547 908** |
| **Surplus/(Deficit) before assoc.** | | **30 891** | **36 859** | **(17 032)** | **6 288** | **13 158** | **(42 360)** | **13 158** | **6 288** | **(17 032)** | **13 158** | **13 158** | **(50 435)** | **6 098** | **(1 386)** | **(18 508)** |
| Taxation | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Attributable to minorities | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Share of surplus/ (deficit) of associate | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | 1 | **30 891** | **36 859** | **(17 032)** | **6 288** | **13 158** | **(42 360)** | **13 158** | **6 288** | **(17 032)** | **13 158** | **13 158** | **(50 435)** | **6 098** | **(1 386)** | **(18 508)** |

*References*

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

## Choose name from list - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

| Description | Ref | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Revenue - Functional** | | | | | | | | | | | | | | | | |
| ***Governance and administration*** | | **31 177** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **29 627** | **357 072** | **370 592** | **382 268** |
| Executive and council | | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 2 613 | 31 359 | 32 826 | 31 414 |
| Finance and administration | | 28 564 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 014 | 27 013 | 325 712 | 337 766 | 350 854 |
| Internal audit | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | | **15 574** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 553** | **13 552** | **164 655** | **128 556** | **85 859** |
| Community and social services | | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 7 145 | 7 017 | 7 286 |
| Sport and recreation | | 2 697 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 676 | 10 133 | 8 242 | 13 051 |
| Public safety | | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 3 294 | 39 531 | 40 997 | 42 522 |
| Housing | | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 8 987 | 107 845 | 72 300 | 23 000 |
| Health | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | | **7 176** | **593** | **1 225** | **593** | **593** | **1 225** | **593** | **593** | **1 225** | **593** | **593** | **1 225** | **16 227** | **20 388** | **9 674** |
| Planning and development | | 569 | 569 | 1 202 | 569 | 569 | 1 202 | 569 | 569 | 1 202 | 569 | 569 | 1 202 | 9 362 | 7 105 | 7 389 |
| Road transport | | 6 603 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 6 828 | 13 245 | 2 245 |
| Environmental protection | | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 37 | 38 | 40 |
| ***Trading services*** | | **86 835** | **96 087** | **75 361** | **72 386** | **72 386** | **75 361** | **72 386** | **72 386** | **75 361** | **72 386** | **72 386** | **75 361** | **918 681** | **972 533** | **1 051 599** |
| Energy sources | | 43 340 | 61 859 | 46 315 | 43 340 | 43 340 | 46 315 | 43 340 | 43 340 | 46 315 | 43 340 | 43 340 | 46 315 | 550 503 | 587 031 | 655 146 |
| Water management | | 21 902 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 12 287 | 157 061 | 157 973 | 164 018 |
| Waste water management | | 13 747 | 14 095 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 8 913 | 116 972 | 128 616 | 128 491 |
| Waste management | | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 7 845 | 94 145 | 98 912 | 103 943 |
| ***Other*** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total Revenue - Functional** | | **140 761** | **139 859** | **119 766** | **116 158** | **116 158** | **119 766** | **116 158** | **116 158** | **119 766** | **116 158** | **116 158** | **119 765** | **1 456 634** | **1 492 069** | **1 529 399** |
| **Expenditure - Functional** | | | | | | | | | | | | | | | | |
| ***Governance and administration*** | | **24 311** | **17 441** | **29 323** | **24 311** | **17 441** | **29 353** | **17 441** | **24 311** | **29 323** | **17 441** | **17 441** | **36 219** | **284 355** | **295 732** | **315 195** |
| Executive and council | | 4 568 | 4 568 | 7 509 | 4 568 | 4 568 | 7 509 | 4 568 | 4 568 | 7 509 | 4 568 | 4 568 | 7 509 | 66 575 | 68 305 | 70 655 |
| Finance and administration | | 19 427 | 12 557 | 21 429 | 19 427 | 12 557 | 21 459 | 12 557 | 19 427 | 21 429 | 12 557 | 12 557 | 28 325 | 213 705 | 223 293 | 240 243 |
| Internal audit | | 317 | 317 | 385 | 317 | 317 | 385 | 317 | 317 | 385 | 317 | 317 | 385 | 4 075 | 4 135 | 4 297 |
| ***Community and public safety*** | | **19 333** | **19 333** | **24 817** | **19 333** | **19 333** | **24 961** | **19 333** | **19 333** | **24 817** | **19 333** | **19 333** | **24 943** | **254 202** | **243 652** | **236 332** |
| Community and social services | | 1 367 | 1 367 | 2 036 | 1 367 | 1 367 | 2 037 | 1 367 | 1 367 | 2 036 | 1 367 | 1 367 | 2 037 | 19 086 | 19 863 | 22 222 |
| Sport and recreation | | 3 390 | 3 390 | 7 231 | 3 390 | 3 390 | 7 374 | 3 390 | 3 390 | 7 231 | 3 390 | 3 390 | 7 356 | 56 315 | 59 175 | 60 151 |
| Public safety | | 9 566 | 9 566 | 9 643 | 9 566 | 9 566 | 9 643 | 9 566 | 9 566 | 9 643 | 9 566 | 9 566 | 9 643 | 115 101 | 120 007 | 125 179 |
| Housing | | 5 009 | 5 009 | 5 908 | 5 009 | 5 009 | 5 908 | 5 009 | 5 009 | 5 908 | 5 009 | 5 009 | 5 908 | 63 700 | 44 606 | 28 780 |
| Health | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | | **11 730** | **11 730** | **22 526** | **11 730** | **11 730** | **23 034** | **11 730** | **11 730** | **22 526** | **11 730** | **11 730** | **22 969** | **184 895** | **190 394** | **190 968** |
| Planning and development | | 4 235 | 4 235 | 4 330 | 4 235 | 4 235 | 4 330 | 4 235 | 4 235 | 4 330 | 4 235 | 4 235 | 4 330 | 51 199 | 50 258 | 52 145 |
| Road transport | | 6 029 | 6 029 | 16 730 | 6 029 | 6 029 | 17 238 | 6 029 | 6 029 | 16 730 | 6 029 | 6 029 | 17 173 | 116 106 | 121 656 | 126 719 |
| Environmental protection | | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 1 466 | 17 589 | 18 480 | 12 103 |
| ***Trading services*** | | **54 203** | **54 203** | **59 837** | **54 203** | **54 203** | **84 484** | **54 203** | **54 203** | **59 837** | **54 203** | **54 203** | **85 718** | **723 499** | **760 299** | **801 936** |
| Energy sources | | 32 517 | 32 517 | 32 517 | 32 517 | 32 517 | 40 647 | 32 517 | 32 517 | 32 517 | 32 517 | 32 517 | 41 197 | 407 010 | 437 921 | 469 523 |
| Water management | | 8 475 | 8 475 | 10 408 | 8 475 | 8 475 | 20 690 | 8 475 | 8 475 | 10 408 | 8 475 | 8 475 | 20 445 | 129 752 | 127 206 | 130 416 |
| Waste water management | | 6 469 | 6 469 | 9 409 | 6 469 | 6 469 | 15 518 | 6 469 | 6 469 | 9 409 | 6 469 | 6 469 | 16 478 | 102 566 | 106 785 | 109 968 |
| Waste management | | 6 742 | 6 742 | 7 504 | 6 742 | 6 742 | 7 630 | 6 742 | 6 742 | 7 504 | 6 742 | 6 742 | 7 598 | 84 171 | 88 388 | 92 030 |
| ***Other*** | | **299** | **299** | **299** | **299** | **299** | **299** | 299 | 299 | 299 | 299 | 299 | 299 | 3 585 | 3 379 | 3 476 |

| Description | Ref | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Total Expenditure - Functional** | | 109 875 | 103 005 | 136 802 | 109 875 | 103 005 | 162 131 | 103 005 | 109 875 | 136 802 | 103 005 | 103 005 | 170 148 | 1 450 536 | 1 493 455 | 1 547 908 |
| **Surplus/(Deficit) before assoc.** | | 30 886 | 36 854 | (17 036) | 6 283 | 13 153 | (42 365) | 13 153 | 6 283 | (17 036) | 13 153 | 13 153 | (50 383) | 6 098 | (1 386) | (18 508) |
| Share of surplus/ (deficit) of associate | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | 1 | 30 886 | 36 854 | (17 036) | 6 283 | 13 153 | (42 365) | 13 153 | 6 283 | (17 036) | 13 153 | 13 153 | (50 383) | 6 098 | (1 386) | (18 508) |

*References*

*1. Surplus (Deficit) must reconcile with Budeted Financial Performance*

## Choose name from list - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

| Description | Ref | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Multi-year expenditure *to be appropriated*** | 1 | | | | | | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | | 75 | 75 | 714 | 75 | 75 | 719 | 325 | 75 | 714 | 75 | 75 | 719 | 3 715 | 6 065 | 3 515 |
| Vote 4 - Finance | | – | – | – | – | – | 30 | – | – | – | – | – | 30 | 60 | 60 | 60 |
| Vote 5 - Infrastructure & Planning | | 465 | 465 | 11 067 | 16 734 | 11 499 | 9 048 | 15 449 | 17 509 | 19 392 | 19 279 | 23 193 | 22 163 | 166 263 | 100 328 | 67 675 |
| Vote 6 - Protection Services | | – | – | 88 | – | – | 88 | – | – | 88 | – | – | 88 | 350 | 350 | 350 |
| Vote 7 - Economic and Social Development & Tourism | | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 45 | 45 | 45 |
| Vote 8 - Community Services | | – | – | – | 190 | 950 | 440 | – | 990 | 837 | 190 | 700 | – | 4 297 | 8 110 | 5 660 |
| 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 | **544** | **544** | **11 872** | **17 003** | **12 528** | **10 328** | **15 778** | **18 577** | **21 033** | **19 547** | **23 972** | **23 003** | **174 730** | **114 958** | **77 305** |
| **Single-year expenditure *to be appropriated*** | | | | | | | | | | | | | | | | |
| Vote 1 - Council & Mayor's Office | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 2 - Municipal Manager & Internal Audit | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 3 - Management Services | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 4 - Finance | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 5 - Infrastructure & Planning | | – | 200 | 1 244 | 1 449 | 1 597 | 2 284 | 4 650 | 2 750 | 3 825 | 5 100 | 5 600 | 4 582 | 33 281 | 27 328 | 18 530 |
| Vote 6 - Protection Services | | – | – | 291 | 550 | 200 | 541 | 250 | 300 | 688 | 345 | – | 291 | 3 458 | – | – |
| Vote 7 - Economic and Social Development & Tourism | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Vote 8 - Community Services | | – | 100 | 650 | 1 171 | 1 428 | 1 561 | 2 401 | 3 618 | 3 777 | 2 256 | 2 797 | 2 216 | 21 976 | – | – |
| 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 | **–** | **300** | **2 185** | **3 170** | **3 225** | **4 386** | **7 301** | **6 668** | **8 290** | **7 701** | **8 397** | **7 090** | **58 714** | **27 328** | **18 530** |
| **Total Capital Expenditure** | 2 | **544** | **844** | **14 057** | **20 173** | **15 754** | **14 714** | **23 079** | **25 245** | **29 323** | **27 249** | **32 369** | **30 093** | **233 444** | **142 286** | **95 835** |

*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*

## Choose name from list - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

| Description | Ref | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Capital Expenditure - Functional | 1 | | | | | | | | | | | | | | | |
| ***Governance and administration*** | | **75** | **75** | **714** | **75** | **75** | **749** | **325** | **75** | **714** | **75** | **75** | **749** | **3 775** | **6 125** | **3 575** |
| Executive and council | | – | – | 1 | – | – | 1 | – | – | 1 | – | – | 1 | 5 | 5 | 5 |
| Finance and administration | | 75 | 75 | 713 | 75 | 75 | 748 | 325 | 75 | 713 | 75 | 75 | 748 | 3 770 | 6 120 | 3 570 |
| Internal audit | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Community and public safety*** | | **–** | **200** | **2 750** | **1 288** | **5 212** | **2 730** | **6 017** | **9 928** | **10 010** | **8 997** | **13 620** | **13 653** | **74 407** | **38 068** | **9 377** |
| Community and social services | | – | – | 403 | 738 | 628 | 976 | 1 008 | 1 835 | 1 069 | 609 | 1 192 | 371 | 8 830 | 760 | 760 |
| Sport and recreation | | – | 200 | – | – | 200 | 775 | 575 | 650 | 1 021 | 900 | 1 800 | 1 289 | 7 410 | 500 | 5 000 |
| Public safety | | – | – | 379 | 550 | 200 | 629 | 250 | 300 | 776 | 345 | – | 379 | 3 808 | 350 | 350 |
| Housing | | – | – | 1 968 | – | 4 184 | 350 | 4 184 | 7 143 | 7 143 | 7 143 | 10 628 | 11 614 | 54 359 | 36 458 | 3 267 |
| Health | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Economic and environmental services*** | | **469** | **469** | **860** | **992** | **1 486** | **1 643** | **1 134** | **1 389** | **1 914** | **3 239** | **1 519** | **1 703** | **16 816** | **17 090** | **4 865** |
| Planning and development | | 4 | 4 | 248 | 4 | 251 | 748 | 404 | 4 | 698 | 2 574 | 804 | 848 | 6 587 | 415 | 415 |
| Road transport | | 465 | 465 | 613 | 988 | 1 235 | 895 | 730 | 1 385 | 1 216 | 665 | 715 | 855 | 10 229 | 16 675 | 4 450 |
| Environmental protection | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| ***Trading services*** | | **–** | **100** | **9 733** | **17 818** | **8 980** | **9 593** | **15 603** | **13 853** | **16 686** | **14 938** | **17 155** | **13 988** | **138 446** | **81 003** | **78 018** |
| Energy sources | | – | – | 3 750 | 11 019 | 1 200 | 1 250 | 6 900 | 7 400 | 5 335 | 8 120 | 11 700 | 3 250 | 59 924 | 19 775 | 24 450 |
| Water management | | – | – | 1 500 | 3 865 | 4 000 | 3 450 | 4 750 | 3 750 | 4 000 | 3 450 | 2 500 | 4 450 | 35 715 | 25 900 | 22 000 |
| Waste water management | | – | 100 | 4 483 | 2 934 | 3 780 | 4 803 | 3 953 | 2 703 | 6 846 | 2 863 | 2 450 | 5 783 | 40 696 | 35 328 | 31 568 |
| Waste management | | – | – | – | – | – | 90 | – | – | 505 | 505 | 505 | 505 | 2 110 | – | – |
| ***Other*** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Capital Expenditure - Functional** | 2 | **544** | **844** | **14 057** | **20 173** | **15 754** | **14 714** | **23 079** | **25 245** | **29 323** | **27 249** | **32 369** | **30 093** | **233 444** | **142 286** | **95 835** |
| Funded by: | | | | | | | | | | | | | | | | |
| National Government | | 465 | 665 | 2 261 | 5 433 | 465 | 3 261 | 5 465 | 6 965 | 5 582 | 4 965 | 6 465 | **3 761** | **45 754** | **40 828** | **32 568** |
| Provincial Government | | – | – | – | – | – | – | – | – | – | 200 | 200 | 200 | 600 | – | – |
| District Municipality | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Other transfers and grants | | – | – | 1 968 | 3 500 | 3 834 | – | 8 734 | 6 793 | 6 793 | 6 793 | 14 128 | 11 614 | 64 159 | 36 458 | 3 267 |
| **Transfers recognised - capital** | | **465** | **665** | **4 229** | **8 933** | **4 299** | **3 261** | **14 199** | **13 759** | **12 375** | **11 959** | **20 793** | **15 575** | **110 513** | **77 286** | **35 835** |
| **Public contributions & donations** | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Borrowing** | | – | – | 7 038 | 9 250 | 7 500 | 6 488 | 4 250 | 3 250 | 8 538 | 6 950 | 4 500 | 9 488 | 67 250 | 50 000 | 50 000 |
| **Internally generated funds** | | 79 | 179 | 2 790 | 1 990 | 3 954 | 4 966 | 4 630 | 8 236 | 8 410 | 8 340 | 7 076 | 5 030 | 55 681 | 15 000 | 10 000 |
| **Total Capital Funding** | | **544** | **844** | **14 057** | **20 173** | **15 754** | **14 714** | **23 079** | **25 245** | **29 323** | **27 249** | 32 369 | 30 093 | 233 444 | 142 286 | 95 835 |

*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*

## Choose name from list - Supporting Table SA30 Budgeted monthly cash flow

| MONTHLY CASH FLOWS | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Cash Receipts By Source** | | | | | | | | | | | | | 1 | | |
| Property rates | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 22 769 | 273 224 | 283 739 | 294 684 |
| Service charges - electricity revenue | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 39 572 | 474 864 | 530 934 | 593 684 |
| Service charges - water revenue | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 10 918 | 131 011 | 136 054 | 141 302 |
| Service charges - sanitation revenue | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 7 239 | 86 864 | 90 207 | 93 687 |
| Service charges - refuse revenue | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 6 174 | 74 087 | 76 938 | 79 906 |
| Service charges - other | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Rental of facilities and equipment | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 3 410 | 3 116 | 3 235 |
| Interest earned - external investments | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 2 288 | 27 456 | 28 554 | 29 697 |
| Interest earned - outstanding debtors | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 390 | 4 681 | 4 868 | 5 062 |
| Dividends received | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 7 619 | 8 789 | 10 006 |
| Licences and permits | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 2 039 | 2 097 | 2 164 |
| Agency services | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 6 680 | 6 930 | 7 189 |
| Transfers and Subsidies - Operational | 3 443 | 42 192 | 1 525 | 893 | 893 | 42 824 | 893 | 893 | 42 824 | 893 | 893 | 1 525 | 139 692 | 144 977 | 148 209 |
| Other revenue | 11 474 | 11 474 | 14 449 | 11 474 | 11 474 | 14 449 | 11 474 | 11 474 | 14 449 | 11 474 | 11 474 | 6 224 | 141 360 | 94 321 | 45 636 |
| **Cash Receipts by Source** | **105 911** | **144 660** | **106 969** | **103 361** | **103 361** | **148 268** | **103 361** | **103 361** | **148 268** | **103 361** | **103 361** | **98 743** | **1 372 986** | **1 411 525** | **1 454 461** |
| **Other Cash Flows by Source** | | | | | | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 22 103 | 23 751 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 46 354 | 40 828 | 32 568 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Proceeds on Disposal of Fixed and Intangible Assets | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Short term loans | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Borrowing long term/refinancing | – | – | – | – | – | 50 000 | – | – | – | – | – | – | 50 000 | 50 000 | 50 000 |
| Increase (decrease) in consumer deposits | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 167 | 2 000 | 2 000 | 2 000 |
| Decrease (increase) in non-current receivables | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Decrease (increase) in non-current investments | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (415) | (4 980) | (4 980) | (4 980) |
| **Total Cash Receipts by Source** | **127 766** | **168 163** | **106 770** | **103 163** | **103 163** | **198 069** | **103 163** | **103 163** | **148 069** | **103 163** | **103 163** | **98 545** | **1 466 360** | **1 499 373** | **1 534 049** |
| **Cash Payments by Type** | | | | | | | | | | | | | | | |
| Employee related costs | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 3 379 | 450 185 | 487 354 | 475 181 | 496 174 |
| Remuneration of councillors | – | – | – | – | – | – | – | – | – | – | – | 12 509 | 12 509 | 13 020 | 13 553 |
| Finance charges | – | – | – | – | – | 25 329 | – | – | – | – | – | 26 475 | 51 804 | 51 923 | 52 180 |
| Bulk purchases - Electricity | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 26 556 | 318 669 | 347 031 | 377 917 |
| Bulk purchases - Water & Sewer | | | | | | | | | | | | – | – | | |
| Other materials | 2 280 | 2 167 | 6 764 | 2 280 | 2 167 | 6 764 | 2 167 | 2 280 | 6 764 | 2 167 | 2 167 | 6 877 | 44 846 | 47 275 | 48 918 |
| Contracted services | 13 253 | 11 934 | 34 792 | 13 253 | 11 934 | 34 792 | 11 934 | 13 253 | 34 792 | 11 934 | 11 934 | 36 111 | 239 915 | 250 494 | 263 768 |
| Transfers and grants - other municipalities | | | | | | | | | | | | – | – | | |
| Transfers and grants - other | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 1 027 | 12 324 | 12 557 | 13 060 |
| Other expenditure | 8 517 | 3 078 | 9 420 | 8 517 | 3 078 | 9 420 | 3 078 | 8 517 | 9 420 | 3 078 | 3 078 | 17 947 | 87 144 | 101 246 | 41 179 |
| **Cash Payments by Type** | **55 011** | **48 141** | **81 938** | **55 011** | **48 141** | **107 267** | **48 141** | **55 011** | **81 938** | **48 141** | **48 141** | **577 687** | **1 254 565** | **1 298 727** | **1 306 749** |
| **Other Cash Flows/Payments by Type** | | | | | | | | | | | | | | | |
| Capital assets | 544 | 844 | 14 057 | 20 173 | 15 754 | 14 714 | 23 079 | 25 245 | 29 323 | 27 249 | 32 369 | 30 093 | 233 444 | 142 286 | 95 835 |
| Repayment of borrowing | 1 972 | 1 410 | 1 164 | 8 993 | 1 043 | 9 418 | 2 064 | 1 493 | 1 236 | 9 470 | 1 105 | 9 933 | 49 301 | 42 448 | 46 521 |
| Other Cash Flows/Payments | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total Cash Payments by Type** | **57 526** | **50 395** | **97 158** | **84 177** | **64 938** | **131 399** | **73 284** | **81 749** | **112 497** | **84 859** | **81 615** | **617 713** | **1 537 310** | **1 483 461** | **1 449 105** |

| MONTHLY CASH FLOWS | Budget Year 2021/22 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **NET INCREASE/(DECREASE) IN CASH HELD** | **70 239** | **117 768** | **9 612** | **18 986** | **38 225** | **66 670** | **29 879** | **21 414** | **35 573** | **18 304** | **21 548** | **(519 169)** | **(70 950)** | **15 911** | **84 944** |
| Cash/cash equivalents at the month/year begin: | 517 249 | 587 488 | 705 256 | 714 868 | 733 855 | 772 080 | 838 750 | 868 630 | 890 044 | 925 616 | 943 920 | 965 468 | 517 249 | 446 299 | 462 210 |
| Cash/cash equivalents at the month/year end: | 587 488 | 705 256 | 714 868 | 733 855 | 772 080 | 838 750 | 868 630 | 890 044 | 925 616 | 943 920 | 965 468 | 446 299 | 446 299 | 462 210 | 547 155 |

*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.*

**Choose name from list - NOT REQUIRED - municipality does not have entities**

| Description<br>R million | Ref | 2017/18<br>Audited Outcome | 2018/19<br>Audited Outcome | 2019/20<br>Audited Outcome | Current Year 2020/21<br>Original Budget | <br>Adjusted Budget | <br>Full Year Forecast | 2021/22 Medium Term Revenue & Expenditure Framework<br>Budget Year 2021/22 | <br>Budget Year +1 2022/23 | <br>Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Financial Performance** | | | | | | | | | | |
| Property rates | | – | – | – | – | – | – | – | – | – |
| Service charges | | – | – | – | – | – | – | – | – | – |
| Investment revenue | | – | – | – | – | – | – | – | – | – |
| Transfers recognised - operational | | – | – | – | – | – | – | – | – | – |
| Other own revenue | | – | – | – | – | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all) | | – | – | – | – | – | – | – | – | – |
| **Total Revenue (excluding capital transfers and contributions)** | | – | – | – | – | – | – | – | – | – |
| Employee costs | | – | – | – | – | – | – | – | – | – |
| Remuneration of Board Members | | – | – | – | – | – | – | – | – | – |
| Depreciation & asset impairment | | – | – | – | – | – | – | – | – | – |
| Finance charges | | – | – | – | – | – | – | – | – | – |
| Materials and bulk purchases | | – | – | – | – | – | – | – | – | – |
| Transfers and grants | | – | – | – | – | – | – | – | – | – |
| Other expenditure | | – | – | – | – | – | – | – | – | – |
| **Total Expenditure** | | – | – | – | – | – | – | – | – | – |
| **Surplus/(Deficit)** | | – | – | – | – | – | – | – | – | – |
| **Capital expenditure & funds sources** | | | | | | | | | | |
| ***Capital expenditure*** | | | | | | | | | | |
| Transfers recognised - capital | | – | – | – | – | – | – | – | – | – |
| Public contributions & donations | | – | – | – | – | – | – | – | – | – |
| Borrowing | | – | – | – | – | – | – | – | – | – |
| Internally generated funds | | – | – | – | – | – | – | – | – | – |
| **Total sources** | | – | – | – | – | – | – | – | – | – |
| **Financial position** | | | | | | | | | | |
| Total current assets | | – | – | – | – | – | – | – | – | – |
| Total non current assets | | – | – | – | – | – | – | – | – | – |
| Total current liabilities | | – | – | – | – | – | – | – | – | – |
| Total non current liabilities | | – | – | – | – | – | – | – | – | – |
| Equity | | – | – | – | – | – | – | – | – | – |
| **Cash flows** | | | | | | | | | | |
| Net cash from (used) operating | | – | – | – | – | – | – | – | – | – |
| Net cash from (used) investing | | – | – | – | – | – | – | – | – | – |
| Net cash from (used) financing | | – | – | – | – | – | – | – | – | – |
| **Cash/cash equivalents at the year end** | | – | – | – | – | – | – | – | – | – |

## Choose name from list - Supporting Table SA32 List of external mechanisms

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

*References*

*1. Total agreement period from commencement until end*

*2. Annual value*

## Choose name from list - Supporting Table SA33 Contracts having future budgetary implications

| Description | Ref | Preceding Years | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | | Forecast 2024/25 | Forecast 2025/26 | Forecast 2026/27 | Forecast 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Total Contract Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1,3 | Total | Original Budget | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| **Parent Municipality:** | | | | | | | | | | | | | | |
| **Revenue Obligation By Contract** | 2 | | | | | | | | | | | | | |
| *Contract 1:* | | | | | | | | | | | | | | – |
| *Contract 2* | | | | | | | | | | | | | | – |
| *Contract 3* | | | | | | | | | | | | | | – |
| *Contract 4* | | | | | | | | | | | | | | – |
| *Contract 5* | | | | | | | | | | | | | | – |
| *Contract 6* | | | | | | | | | | | | | | – |
| *Contract 7* | | | | | | | | | | | | | | – |
| *Contract 8* | | | | | | | | | | | | | | – |
| *Contract 9* | | | | | | | | | | | | | | – |
| *Contract 10* | | | | | | | | | | | | | | – |
| *Contract 11* | | | | | | | | | | | | | | – |
| *Contract 12* | | | | | | | | | | | | | | – |
| *Contract 13* | | | | | | | | | | | | | | – |
| *Contract 14* | | | | | | | | | | | | | | – |
| *Contract 15* | | | | | | | | | | | | | | – |
| *Contract 16* | | | | | | | | | | | | | | – |
| *Contract 17* | | | | | | | | | | | | | | – |
| *Contract 18* | | | | | | | | | | | | | | – |
| *Contract 19* | | | | | | | | | | | | | | – |
| *Contract 20* | | | | | | | | | | | | | | – |
| **Total Operating Revenue Implication** | | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **Expenditure Obligation By Contract** | 2 | | | | | | | | | | | | | |
| *Contract 1: SC1890/2018: WATER & WASTE WATER TREATMENT OPERATIONS MANAGEMENT CONTRACT.* | | 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* | | | | | | | | | | | | | | – |

| Description | Ref | Preceding Years | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | | Forecast 2024/25 | Forecast 2025/26 | Forecast 2026/27 | Forecast 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Total Contract Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1,3 | Total | Original Budget | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| *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 |
| **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 |
| **Entities:** | | | | | | | | | | | | | | |
| **Revenue Obligation By Contract** | 2 | | | | | | | | | | | | | |
| *Contract 1* | | | | | | | | | | | | | | – |
| *Contract 2* | | | | | | | | | | | | | | – |
| *Contract 3* | | | | | | | | | | | | | | – |

| Description | Ref | Preceding Years | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | | Forecast 2024/25 | Forecast 2025/26 | Forecast 2026/27 | Forecast 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Total Contract Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1,3 | Total | Original Budget | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| *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* | | | | | | | | | | | | | | – |

| Description | Ref | Preceding Years | Current Year 2020/21 | 2021/22 Medium Term Revenue & Expenditure Framework | | | Forecast 2024/25 | Forecast 2025/26 | Forecast 2026/27 | Forecast 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Total Contract Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1,3 | Total | Original Budget | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| *Contract 20* | | | | | | | | | | | | | | – |
| **Total Operating Expenditure Implication** | | – | – | – | – | – | – | – | – | – | – | – | – | – |
| **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*

## Choose name from list - Supporting Table SA34a Capital expenditure on new assets by asset class

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital expenditure on new assets by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | **26 438** | **96 933** | **76 763** | **117 549** | **113 622** | **113 622** | **86 217** | **33 000** | **17 300** |
| Roads Infrastructure | | 10 003 | 12 061 | 5 638 | 19 795 | 22 386 | 22 386 | 8 923 | 13 000 | 2 000 |
| *Roads* | | 10 003 | 12 061 | 5 638 | 19 795 | 22 386 | 22 386 | 8 923 | 13 000 | 2 000 |
| *Road Structures* | | | | | | | | – | – | – |
| *Road Furniture* | | | | | | | | – | – | – |
| *Capital Spares* | | | | | | | | – | – | – |
| Storm water Infrastructure | | 255 | 7 247 | 7 918 | 16 384 | 16 322 | 16 322 | 6 330 | – | – |
| *Drainage Collection* | | | | | 600 | 600 | 600 | 850 | – | – |
| *Storm water Conveyance* | | 255 | 7 247 | 7 918 | 15 784 | 15 722 | 15 722 | 5 480 | – | – |
| *Attenuation* | | | | | | | | – | – | – |
| Electrical Infrastructure | | 15 449 | 28 893 | 13 557 | 12 768 | 10 768 | 10 768 | 56 694 | 9 100 | 12 000 |
| *Power Plants* | | | | | – | | | – | – | – |
| *HV Substations* | | | | | – | | | – | – | – |
| *HV Switching Station* | | | | | – | | | – | – | – |
| *HV Transmission Conductors* | | | | | – | | | – | – | – |
| *MV Substations* | | | | 4 869 | 696 | 696 | 696 | 50 430 | 2 100 | 5 000 |
| *MV Switching Stations* | | | | – | – | – | – | – | – | – |
| *MV Networks* | | 15 449 | 28 893 | 8 688 | 12 072 | 10 072 | 10 072 | 6 264 | 7 000 | 7 000 |
| *LV Networks* | | | | | – | | | – | – | – |
| *Capital Spares* | | | | | – | | | – | – | – |
| Water Supply Infrastructure | | 627 | 12 270 | 29 001 | 29 547 | 27 547 | 27 547 | 6 000 | 6 900 | – |
| *Dams and Weirs* | | | | – | – | | | – | – | – |
| *Boreholes* | | | | 4 356 | 10 500 | 8 500 | 8 500 | 2 000 | – | – |
| *Reservoirs* | | | 12 270 | 14 717 | 18 017 | 18 017 | 18 017 | – | – | – |
| *Pump Stations* | | | | – | – | – | – | 4 000 | 6 900 | – |
| *Water Treatment Works* | | 627 | | | – | – | – | – | – | – |
| *Bulk Mains* | | | | – | – | – | – | – | – | – |
| *Distribution* | | | | 9 928 | 1 030 | 1 030 | 1 030 | – | – | – |
| *Distribution Points* | | | | | – | | | – | – | – |
| *PRV Stations* | | | | | – | | | – | – | – |
| *Capital Spares* | | | | | – | | | – | – | – |
| Sanitation Infrastructure | | – | 34 963 | 13 339 | 20 576 | 18 536 | 18 536 | 6 250 | 4 000 | 3 300 |
| *Pump Station* | | | | 169 | – | | | – | – | – |
| *Reticulation* | | | 34 963 | 9 864 | 20 576 | 18 536 | 18 536 | 6 250 | 4 000 | 3 300 |
| *Waste Water Treatment Works* | | | | 3 306 | – | | | – | – | – |
| *Outfall Sewers* | | | | | – | | | – | – | – |
| *Toilet Facilities* | | | | | – | | | – | – | – |
| *Capital Spares* | | | | | – | | | – | – | – |
| Solid Waste Infrastructure | | 105 | 1 499 | 7 311 | 18 479 | 18 064 | 18 064 | 2 020 | – | – |
| *Landfill Sites* | | | | 7 311 | – | | | – | – | – |
| *Waste Transfer Stations* | | | | | – | | | 2 020 | – | – |
| *Waste Processing Facilities* | | | | | 17 964 | 18 064 | 18 064 | – | – | – |
| *Waste Drop-off Points* | | 105 | 1 499 | | 515 | – | | – | – | – |
| *Waste Separation Facilities* | | | | | – | | | – | – | – |
| *Electricity Generation Facilities* | | | | | – | | | – | – | – |
| *Capital Spares* | | | | | – | | | – | – | – |
| Rail Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Rail Lines* | | – | – | – | – | – | – | – | – | – |
| *Rail Structures* | | – | – | – | – | – | – | – | – | – |
| *Rail Furniture* | | – | – | – | – | – | – | – | – | – |
| *Drainage Collection* | | – | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | – | – | – | – | – | – | – | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *LV Networks* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Coastal Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Sand Pumps* | | – | – | – | – | – | – | – | – | – |
| *Piers* | | – | – | – | – | – | – | – | – | – |
| *Revetments* | | – | – | – | – | – | – | – | – | – |
| *Promenades* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Information and Communication Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Data Centres* | | – | – | – | – | – | – | – | – | – |
| *Core Layers* | | – | – | – | – | – | – | – | – | – |
| *Distribution Layers* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Community Assets** | | **8 656** | **30 804** | **4 531** | **12 793** | **9 837** | **9 837** | **20 530** | **500** | **5 000** |
| Community Facilities | | 3 229 | 30 804 | 2 084 | 12 743 | 9 787 | 9 787 | 13 442 | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Halls* | | 437 | | – | 26 | 26 | 26 | 110 | – | – |
| *Centres* | | | | – | – | – | – | – | – | – |
| *Crèches* | | 100 | 559 | 578 | 475 | – | – | 475 | – | – |
| *Clinics/Care Centres* | | | | – | – | – | – | – | – | – |
| *Fire/Ambulance Stations* | | 2 440 | | – | – | – | – | – | – | – |
| *Testing Stations* | | | 4 809 | 44 | – | – | – | 1 052 | – | – |
| *Museums* | | | | – | – | – | – | – | – | – |
| *Galleries* | | | | – | – | – | – | – | – | – |
| *Theatres* | | | | – | – | – | – | – | – | – |
| *Libraries* | | | 1 132 | – | 772 | 772 | 772 | 4 374 | – | – |
| *Cemeteries/Crematoria* | | 251 | 381 | 207 | 1 292 | 1 292 | 1 292 | – | – | – |
| *Police* | | | | – | – | – | – | – | – | – |
| *Parks* | | | | 139 | 202 | 152 | 152 | – | – | – |
| *Public Open Space* | | | 23 923 | 1 073 | 5 735 | 6 649 | 6 649 | 1 707 | – | – |
| *Nature Reserves* | | | | – | 2 100 | – | – | 4 100 | – | – |
| *Public Ablution Facilities* | | | | 44 | 1 383 | 140 | 140 | 1 244 | – | – |
| *Markets* | | | | | – | – | – | – | – | – |
| *Stalls* | | | | | 397 | 397 | 397 | – | – | – |
| *Abattoirs* | | – | | | – | – | – | – | – | – |
| *Airports* | | – | | | – | – | – | – | – | – |
| *Taxi Ranks/Bus Terminals* | | – | | | 360 | 360 | 360 | 380 | – | – |
| *Capital Spares* | | – | | | – | | | – | – | – |
| Sport and Recreation Facilities | | 5 427 | – | 2 447 | 50 | 50 | 50 | 7 089 | 500 | 5 000 |
| *Indoor Facilities* | | | | | – | | | – | – | – |
| *Outdoor Facilities* | | 5 427 | | 2 447 | 50 | 50 | 50 | 7 089 | 500 | 5 000 |
| *Capital Spares* | | | | | – | | | – | – | – |
| **Heritage assets** | | – | – | – | – | – | – | – | – | – |
| Monuments | | – | – | – | – | – | – | – | – | – |
| Historic Buildings | | – | – | – | – | – | – | – | – | – |
| Works of Art | | – | – | – | – | – | – | – | – | – |
| Conservation Areas | | – | – | – | – | – | – | – | – | – |
| Other Heritage | | – | – | – | – | – | – | – | – | – |
| **Investment properties** | | – | – | – | – | – | – | – | – | – |
| Revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| **Other assets** | | **38 552** | **37 368** | **87 502** | **52 970** | **47 951** | **47 951** | **55 079** | **36 458** | **3 267** |
| Operational Buildings | | 4 372 | 3 092 | 1 749 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| *Municipal Offices* | | 4 372 | 3 092 | 1 749 | 4 825 | 5 011 | 5 011 | 2 820 | – | – |
| *Pay/Enquiry Points* | | | | | – | | | – | – | – |
| *Building Plan Offices* | | | | | – | | | – | – | – |
| *Workshops* | | | | | – | | | – | – | – |
| *Yards* | | | | | – | | | – | – | – |
| *Stores* | | | | | – | | | – | – | – |
| *Laboratories* | | | | | – | | | – | – | – |
| *Training Centres* | | | | | – | | | – | – | – |
| *Manufacturing Plant* | | | | | – | | | – | – | – |
| *Depots* | | | | | – | | | – | – | – |
| *Capital Spares* | | – | – | | – | | | – | – | – |
| Housing | | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| *Staff Housing* | | – | | | | | | – | – | – |
| *Social Housing* | | 34 180 | 34 276 | 85 753 | 48 144 | 42 940 | 42 940 | 52 259 | 36 458 | 3 267 |
| *Capital Spares* | | – | | | | | | – | – | – |
| **Biological or Cultivated Assets** | | – | – | – | – | – | – | – | – | – |
| Biological or Cultivated Assets | | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | | – | – | – | – | – | – | – | – | – |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | – | – | – | – | – | – | – | – | – |
| *Water Rights* | | – | – | – | – | – | – | – | – | – |
| *Effluent Licenses* | | – | – | – | – | – | – | – | – | – |
| *Solid Waste Licenses* | | – | – | – | – | – | – | – | – | – |
| *Computer Software and Applications* | | – | – | – | – | – | – | – | – | – |
| *Load Settlement Software Applications* | | – | – | – | – | – | – | – | – | – |
| *Unspecified* | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Computer Equipment** | | 1 593 | 1 346 | 3 345 | 7 896 | 7 896 | 7 896 | 3 700 | 6 050 | 3 500 |
| Computer Equipment | | 1 593 | 1 346 | 3 345 | 7 896 | 7 896 | 7 896 | 3 700 | 6 050 | 3 500 |
| **Furniture and Office Equipment** | | 205 | 295 | 246 | 1 025 | 1 025 | 1 025 | 875 | 840 | 840 |
| Furniture and Office Equipment | | 205 | 295 | 246 | 1 025 | 1 025 | 1 025 | 875 | 840 | 840 |
| **Machinery and Equipment** | | 166 | 1 428 | 533 | 760 | 860 | 860 | 1 000 | 760 | 760 |
| Machinery and Equipment | | 166 | 1 428 | 533 | 760 | 860 | 860 | 1 000 | 760 | 760 |
| **Transport Assets** | | – | 6 936 | 15 884 | 22 440 | 20 732 | 20 732 | 5 000 | 7 350 | 4 900 |
| Transport Assets | | | 6 936 | 15 884 | 22 440 | 20 732 | 20 732 | 5 000 | 7 350 | 4 900 |
| **Land** | | – | – | – | – | – | – | – | – | – |
| Land | | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | | – | – | – | – | – | – | – | – | – |
| Zoo's, Marine and Non-biological Animals | | – | – | – | – | – | – | – | – | – |
| **Total Capital Expenditure on new assets** | 1 | **75 610** | **175 110** | **188 804** | **215 433** | **201 924** | **201 924** | **172 402** | **84 958** | **35 567** |

*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 expenditure*

## Choose name from list - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital expenditure on renewal of existing assets by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | **28 370** | **–** | **3 606** | **25 621** | **25 050** | **25 050** | **23 050** | **19 200** | **17 700** |
| Roads Infrastructure | | 2 020 | – | 8 | – | – | – | – | – | – |
| *Roads* | | 2 020 | | 8 | – | – | – | – | – | – |
| *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 | 1 000 | 1 000 | – | – |
| *Power Plants* | | | | | | | | – | – | – |
| *HV Substations* | | | | | | | | – | – | – |
| *HV Switching Station* | | | | | | | | – | – | – |
| *HV Transmission Conductors* | | | | | | | | – | – | – |
| *MV Substations* | | | | | | | | – | – | – |
| *MV Switching Stations* | | | | | 1 000 | 1 000 | 1 000 | 1 000 | – | – |
| *MV Networks* | | 819 | | | | | | – | – | – |
| *LV Networks* | | | | | | | | – | – | – |
| *Capital Spares* | | | | | | | | – | – | – |
| Water Supply Infrastructure | | 2 629 | – | 887 | 20 560 | 19 989 | 19 989 | 21 400 | 18 500 | 17 000 |
| *Dams and Weirs* | | | | | – | – | – | – | – | – |
| *Boreholes* | | | | | – | – | – | – | – | – |
| *Reservoirs* | | | | | – | – | – | – | – | – |
| *Pump Stations* | | | | | 1 800 | 1 800 | 1 800 | 400 | 500 | 2 500 |
| *Water Treatment Works* | | | | | – | – | – | – | – | – |
| *Bulk Mains* | | | | | – | – | – | – | – | – |
| *Distribution* | | 2 629 | | 887 | 18 760 | 18 189 | 18 189 | 21 000 | 18 000 | 14 500 |
| *Distribution Points* | | | | | – | | | – | – | – |
| *PRV Stations* | | | | | – | | | – | – | – |
| *Capital Spares* | | | | | – | | | – | – | – |
| Sanitation Infrastructure | | 10 591 | – | 2 711 | 4 061 | 4 061 | 4 061 | 650 | 700 | 700 |
| *Pump Station* | | | | 2 711 | 600 | 600 | 600 | 650 | 700 | 700 |
| *Reticulation* | | | | | – | – | – | – | – | – |
| *Waste Water Treatment Works* | | 10 591 | | | – | – | – | – | – | – |
| *Outfall Sewers* | | | | | 3 461 | 3 461 | 3 461 | – | – | – |
| *Toilet Facilities* | | | | | – | | | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Solid Waste Infrastructure | | 1 634 | – | – | – | – | – | – | – | – |
| *Landfill Sites* | | | | – | – | – | – | – | – | – |
| *Waste Transfer Stations* | | 1 634 | | – | – | – | – | – | – | – |
| *Waste Processing Facilities* | | | | – | – | – | – | – | – | – |
| *Waste Drop-off Points* | | | | – | – | – | – | – | – | – |
| *Waste Separation Facilities* | | – | – | – | – | – | – | – | – | – |
| *Electricity Generation Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Rail Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Rail Lines* | | – | – | – | – | – | – | – | – | – |
| *Rail Structures* | | – | – | – | – | – | – | – | – | – |
| *Rail Furniture* | | – | – | – | – | – | – | – | – | – |
| *Drainage Collection* | | – | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | – | – | – | – | – | – | – | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *LV Networks* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Coastal Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Sand Pumps* | | – | – | – | – | – | – | – | – | – |
| *Piers* | | – | – | – | – | – | – | – | – | – |
| *Revetments* | | – | – | – | – | – | – | – | – | – |
| *Promenades* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Information and Communication Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Data Centres* | | – | – | – | – | – | – | – | – | – |
| *Core Layers* | | – | – | – | – | – | – | – | – | – |
| *Distribution Layers* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Community Assets** | | **1 217** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Community Facilities | | 1 217 | – | – | – | – | – | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Halls* | | | | – | – | – | – | – | – | – |
| *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 | | – | – | – | – | – | – | – | – | – |
| **Investment properties** | | – | – | – | – | – | – | – | – | – |
| Revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| **Other assets** | | – | – | – | – | – | – | – | – | – |
| Operational Buildings | | – | – | – | – | – | – | – | – | – |
| *Municipal Offices* | | – | – | – | – | – | – | – | – | – |
| *Pay/Enquiry Points* | | – | – | – | – | – | – | – | – | – |
| *Building Plan Offices* | | – | – | – | – | – | – | – | – | – |
| *Workshops* | | – | – | – | – | – | – | – | – | – |
| *Yards* | | – | – | – | – | – | – | – | – | – |
| *Stores* | | – | – | – | – | – | – | – | – | – |
| *Laboratories* | | – | – | – | – | – | – | – | – | – |
| *Training Centres* | | – | – | – | – | – | – | – | – | – |
| *Manufacturing Plant* | | – | – | – | – | – | – | – | – | – |
| *Depots* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Housing | | – | – | – | – | – | – | – | – | – |
| *Staff Housing* | | – | – | – | – | – | – | – | – | – |
| *Social Housing* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | | – | – | – | – | – | – | – | – | – |
| Biological or Cultivated Assets | | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | | – | – | – | – | – | – | – | – | – |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | – | – | – | – | – | – | – | – | – |
| *Water Rights* | | – | – | – | – | – | – | – | – | – |
| *Effluent Licenses* | | – | – | – | – | – | – | – | – | – |
| *Solid Waste Licenses* | | – | – | – | – | – | – | – | – | – |
| *Computer Software and Applications* | | – | – | – | – | – | – | – | – | – |
| *Load Settlement Software Applications* | | – | – | – | – | – | – | – | – | – |
| *Unspecified* | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **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 | **29 644** | **–** | **3 606** | **25 621** | **25 050** | **25 050** | **23 050** | **19 200** | **17 700** |
| | | | | | | | | | | |
| ***Renewal of Existing Assets as % of total capex*** | | *0.0%* | *0.0%* | *1.7%* | *8.4%* | *8.9%* | *8.9%* | *9.9%* | *13.5%* | *18.5%* |
| ***Renewal of Existing Assets as % of deprecn"*** | | *22.0%* | *0.0%* | *2.7%* | *18.1%* | *17.7%* | *17.7%* | *15.8%* | *13.3%* | *12.3%* |

*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 expenditure*

## Choose name from list - Supporting Table SA34c Repairs and maintenance expenditure by asset class

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Repairs and maintenance expenditure by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | **117 901** | **145 959** | **134 766** | **141 901** | **143 636** | **143 636** | **147 905** | **156 594** | **162 331** |
| Roads Infrastructure | | 53 229 | 61 860 | 65 691 | 67 578 | 67 622 | 67 622 | 67 345 | 72 456 | 76 751 |
| *Roads* | | 53 229 | 61 860 | 61 812 | 63 837 | 63 881 | 63 881 | 67 345 | 72 456 | 76 751 |
| *Road Structures* | | | | 3 879 | 3 741 | 3 741 | 3 741 | – | – | – |
| *Road Furniture* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Storm water Infrastructure | | 6 017 | 5 765 | 4 749 | 6 159 | 6 189 | 6 189 | 7 695 | 8 049 | 8 421 |
| *Drainage Collection* | | | 5 765 | 2 558 | 2 811 | 2 811 | 2 811 | – | – | – |
| *Storm water Conveyance* | | 6 017 | | 2 192 | 3 348 | 3 378 | 3 378 | 7 695 | 8 049 | 8 421 |
| *Attenuation* | | – | – | – | – | | – | – | – | – |
| Electrical Infrastructure | | 17 645 | 23 082 | 36 812 | 31 243 | 32 317 | 32 317 | 33 314 | 34 658 | 34 905 |
| *Power Plants* | | | | 383 | – | – | – | – | – | – |
| *HV Substations* | | | | – | – | – | – | – | – | – |
| *HV Switching Station* | | | | – | – | – | – | – | – | – |
| *HV Transmission Conductors* | | 17 645 | | – | 42 | 142 | 142 | – | – | – |
| *MV Substations* | | | | – | – | – | – | – | – | – |
| *MV Switching Stations* | | | | – | – | – | – | – | – | – |
| *MV Networks* | | | 23 082 | 33 018 | 28 758 | 29 582 | 29 582 | – | – | – |
| *LV Networks* | | | | 3 411 | 2 443 | 2 593 | 2 593 | 33 314 | 34 658 | 34 905 |
| *Capital Spares* | | – | – | – | – | | – | – | – | – |
| Water Supply Infrastructure | | 15 014 | 17 367 | 16 161 | 19 710 | 19 710 | 19 710 | 21 475 | 22 493 | 22 858 |
| *Dams and Weirs* | | | | – | – | | | – | – | – |
| *Boreholes* | | | | – | – | | | – | – | – |
| *Reservoirs* | | | | – | – | | | – | – | – |
| *Pump Stations* | | | | – | – | | | – | – | – |
| *Water Treatment Works* | | 15 014 | | – | – | | | 575 | 595 | 621 |
| *Bulk Mains* | | | | – | – | | | – | – | – |
| *Distribution* | | | 17 367 | 16 161 | 19 710 | 19 710 | 19 710 | 18 297 | 19 177 | 19 405 |
| *Distribution Points* | | | | | – | | | 2 603 | 2 721 | 2 832 |
| *PRV Stations* | | – | – | – | – | | | – | – | – |
| *Capital Spares* | | – | – | – | – | | | – | – | – |
| Sanitation Infrastructure | | 13 051 | 14 967 | 10 072 | 13 262 | 13 920 | 13 920 | 12 133 | 12 706 | 12 960 |
| *Pump Station* | | | | – | – | | | – | – | – |
| *Reticulation* | | | | 800 | – | | | 6 917 | 7 224 | 7 237 |
| *Waste Water Treatment Works* | | 13 051 | 14 967 | 9 134 | 13 262 | 13 920 | 13 920 | 5 216 | 5 482 | 5 723 |
| *Outfall Sewers* | | | | 138 | – | | | – | – | – |
| *Toilet Facilities* | | – | – | – | – | | | – | – | – |
| *Capital Spares* | | – | – | – | – | | | – | – | – |
| Solid Waste Infrastructure | | 12 946 | 22 918 | 1 168 | 3 691 | 3 651 | 3 651 | 5 944 | 6 232 | 6 436 |
| *Landfill Sites* | | | | 36 | 82 | 62 | 62 | – | – | – |
| *Waste Transfer Stations* | | 12 946 | 22 918 | 11 | 1 450 | 1 450 | 1 450 | – | – | – |
| *Waste Processing Facilities* | | | | 152 | 836 | 816 | 816 | 1 360 | 1 422 | 1 487 |
| *Waste Drop-off Points* | | | | 929 | 1 065 | 1 065 | 1 065 | 4 584 | 4 810 | 4 949 |
| *Waste Separation Facilities* | | | | 39 | 258 | 258 | 258 | – | – | – |
| *Electricity Generation Facilities* | | – | – | – | – | | | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Rail Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Rail Lines* | | – | – | – | – | – | – | – | – | – |
| *Rail Structures* | | – | – | – | – | – | – | – | – | – |
| *Rail Furniture* | | – | – | – | – | – | – | – | – | – |
| *Drainage Collection* | | – | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | – | – | – | – | – | – | – | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *LV Networks* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Coastal Infrastructure | | – | – | 113 | 216 | 186 | 186 | – | – | – |
| *Sand Pumps* | | – | – | – | – | | | – | – | – |
| *Piers* | | – | – | – | – | | | – | – | – |
| *Revetments* | | – | – | – | – | | | – | – | – |
| *Promenades* | | | | 113 | 216 | 186 | 186 | – | – | – |
| *Capital Spares* | | – | – | – | – | | | – | – | – |
| Information and Communication Infrastructure | | – | – | – | 42 | 42 | 42 | – | – | – |
| *Data Centres* | | | | | 42 | 42 | 42 | – | – | – |
| *Core Layers* | | – | – | – | – | – | – | – | – | – |
| *Distribution Layers* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Community Assets** | | **12 289** | **39 801** | **33 597** | **44 758** | **48 340** | **48 340** | **58 357** | **61 260** | **62 119** |
| Community Facilities | | 12 289 | 27 117 | 29 422 | 37 242 | 40 524 | 40 524 | 43 317 | 45 311 | 45 753 |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Halls* | | | 4 287 | 3 502 | 4 885 | 4 885 | 4 885 | 5 052 | 5 307 | 5 232 |
| *Centres* | | | | – | 46 | 46 | 46 | – | – | – |
| *Crèches* | | | | – | – | – | – | – | – | – |
| *Clinics/Care Centres* | | | | – | – | – | – | – | – | – |
| *Fire/Ambulance Stations* | | | | 344 | 385 | 531 | 531 | – | – | – |
| *Testing Stations* | | | | – | 124 | 124 | 124 | – | – | – |
| *Museums* | | | | – | – | – | – | – | – | – |
| *Galleries* | | | | – | – | – | – | – | – | – |
| *Theatres* | | | | – | – | – | – | – | – | – |
| *Libraries* | | | 28 | 93 | 191 | 191 | 191 | – | – | – |
| *Cemeteries/Crematoria* | | | 1 059 | 693 | 1 047 | 947 | 947 | 1 071 | 1 096 | 1 091 |
| *Police* | | | | 209 | 518 | 958 | 958 | – | – | – |
| *Parks* | | | | 20 368 | 27 196 | 27 946 | 27 946 | 28 420 | 29 676 | 29 968 |
| *Public Open Space* | | 12 289 | 21 743 | 4 213 | 2 647 | 4 694 | 4 694 | 8 183 | 8 608 | 8 812 |
| *Nature Reserves* | | | | – | – | – | – | – | – | – |
| *Public Ablution Facilities* | | – | – | – | 202 | 202 | 202 | 592 | 624 | 649 |
| *Markets* | | – | – | – | – | | | – | – | – |
| *Stalls* | | – | – | – | – | | | – | – | – |
| *Abattoirs* | | – | – | – | – | | – | – | – | – |
| *Airports* | | – | – | – | – | | – | – | – | – |
| *Taxi Ranks/Bus Terminals* | | – | – | – | – | | – | – | – | – |
| *Capital Spares* | | – | – | – | – | | – | – | – | – |
| Sport and Recreation Facilities | | – | 12 685 | 4 176 | 7 516 | 7 817 | 7 817 | 15 039 | 15 949 | 16 366 |
| *Indoor Facilities* | | – | – | – | – | | – | – | – | – |
| *Outdoor Facilities* | | | 12 685 | 4 176 | 7 516 | 7 817 | 7 817 | 15 039 | 15 949 | 16 366 |
| *Capital Spares* | | – | – | – | – | | – | – | – | – |
| **Heritage assets** | | – | – | – | – | – | – | – | – | – |
| Monuments | | – | – | – | – | – | – | – | – | – |
| Historic Buildings | | – | – | – | – | – | – | – | – | – |
| Works of Art | | – | – | – | – | – | – | – | – | – |
| Conservation Areas | | – | – | – | – | – | – | – | – | – |
| Other Heritage | | – | – | – | – | – | – | – | – | – |
| **Investment properties** | | – | – | – | – | – | – | – | – | – |
| Revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| **Other assets** | | – | **8 009** | **1 582** | **3 410** | **3 302** | **3 302** | **11 914** | **12 304** | **5 587** |
| Operational Buildings | | – | 8 009 | 1 582 | 3 373 | 3 065 | 3 065 | 11 914 | 12 304 | 5 587 |
| *Municipal Offices* | | | 8 009 | 1 539 | 3 206 | 2 882 | 2 882 | 11 876 | 12 266 | 5 549 |
| *Pay/Enquiry Points* | | | | – | – | – | – | – | – | – |
| *Building Plan Offices* | | | | 28 | 129 | 145 | 145 | – | – | – |
| *Workshops* | | | | – | – | – | – | – | – | – |
| *Yards* | | | | – | – | – | – | – | – | – |
| *Stores* | | | | 15 | – | – | – | – | – | – |
| *Laboratories* | | | | – | – | – | – | – | – | – |
| *Training Centres* | | | | – | – | – | – | – | – | – |
| *Manufacturing Plant* | | | | – | – | – | – | – | – | – |
| *Depots* | | | | | 38 | 38 | 38 | 38 | 38 | 38 |
| *Capital Spares* | | | | | – | – | – | – | – | – |
| Housing | | – | – | – | 37 | 237 | 237 | – | – | – |
| *Staff Housing* | | – | – | – | – | – | – | – | – | – |
| *Social Housing* | | | | | 37 | 237 | 237 | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | | – | – | – | – | – | – | – | – | – |
| Biological or Cultivated Assets | | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | | – | – | 6 009 | 5 925 | 5 925 | 5 925 | 6 528 | 6 862 | 7 213 |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | – | – | 6 009 | 5 925 | 5 925 | 5 925 | 6 528 | 6 862 | 7 213 |
| *Water Rights* | | – | – | – | – | – | – | – | – | – |
| *Effluent Licenses* | | – | – | – | – | – | – | – | – | – |
| *Solid Waste Licenses* | | – | – | – | – | – | – | – | – | – |
| *Computer Software and Applications* | | | | 6 009 | 5 925 | 5 925 | 5 925 | 6 528 | 6 862 | 7 213 |
| *Load Settlement Software Applications* | | – | – | – | – | – | – | – | – | – |
| *Unspecified* | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Computer Equipment** | | 5 207 | 4 890 | 766 | 2 186 | 2 186 | 2 186 | 2 280 | 2 394 | 2 514 |
| Computer Equipment | | 5 207 | 4 890 | 766 | 2 186 | 2 186 | 2 186 | 2 280 | 2 394 | 2 514 |
| **Furniture and Office Equipment** | | 17 919 | 16 364 | 242 | 2 811 | 2 803 | 2 803 | 6 095 | 6 312 | 6 527 |
| Furniture and Office Equipment | | 17 919 | 16 364 | 242 | 2 811 | 2 803 | 2 803 | 6 095 | 6 312 | 6 527 |
| **Machinery and Equipment** | | – | – | – | – | – | – | 5 548 | 6 194 | 6 598 |
| Machinery and Equipment | | – | – | – | – | – | – | 5 548 | 6 194 | 6 598 |
| **Transport Assets** | | 6 719 | – | 11 555 | 9 914 | 9 914 | 9 914 | 10 940 | 11 401 | 11 882 |
| Transport Assets | | 6 719 | | 11 555 | 9 914 | 9 914 | 9 914 | 10 940 | 11 401 | 11 882 |
| **Land** | | – | – | – | – | – | – | – | – | – |
| Land | | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | | – | – | – | – | – | – | – | – | – |
| Zoo's, Marine and Non-biological Animals | | – | – | – | – | – | – | – | – | – |
| **Total Repairs and Maintenance Expenditure** | 1 | **160 036** | **215 024** | **188 517** | **210 905** | **216 106** | **216 106** | **249 567** | **263 320** | **264 772** |
| ***R&M as a % of PPE*** | | *4.8%* | *6.3%* | *5.4%* | *5.8%* | *5.9%* | *5.9%* | *0.0%* | *7.1%* | *7.1%* |
| ***R&M as % Operating Expenditure*** | | *16.0%* | *19.4%* | *15.9%* | *15.7%* | *16.1%* | *16.1%* | *0.0%* | *18.2%* | *17.7%* |

*References*

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

## Choose name from list - Supporting Table SA34d Depreciation by asset class

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Depreciation by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | **111 962** | **112 502** | **106 960** | **117 641** | **117 641** | **117 641** | **115 534** | **111 254** | **111 151** |
| Roads Infrastructure | | 32 761 | 33 523 | 33 574 | 33 352 | 33 352 | 33 352 | 37 546 | 37 723 | 38 311 |
| *Roads* | | 32 761 | 32 825 | 33 574 | 33 352 | 33 352 | 33 352 | 37 546 | 37 723 | 38 311 |
| *Road Structures* | | | – | | | | | – | – | – |
| *Road Furniture* | | | – | | | | | – | – | – |
| *Capital Spares* | | | 698 | | | | | – | – | – |
| Storm water Infrastructure | | 5 822 | 5 827 | 6 342 | 6 899 | 6 899 | 6 899 | 7 720 | 7 993 | 8 008 |
| *Drainage Collection* | | | – | 6 342 | 6 899 | 6 899 | 6 899 | 7 720 | 7 993 | 8 008 |
| *Storm water Conveyance* | | 5 822 | 5 827 | | | | | – | – | – |
| *Attenuation* | | | | | | | | – | – | – |
| Electrical Infrastructure | | 24 862 | 24 965 | 26 300 | 26 537 | 26 537 | 26 537 | 26 902 | 28 032 | 27 656 |
| *Power Plants* | | | | | | | | – | – | – |
| *HV Substations* | | | | | | | | – | – | – |
| *HV Switching Station* | | | | | | | | – | – | – |
| *HV Transmission Conductors* | | 24 862 | 24 965 | | | | | – | – | – |
| *MV Substations* | | | | | | | | – | – | – |
| *MV Switching Stations* | | | | | | | | – | – | – |
| *MV Networks* | | | | | | | | – | – | – |
| *LV Networks* | | | | 25 917 | 26 537 | 26 537 | 26 537 | 26 902 | 28 032 | 27 656 |
| *Capital Spares* | | | | 383 | | | | – | – | – |
| Water Supply Infrastructure | | 27 417 | 27 676 | 27 776 | 28 591 | 28 591 | 28 591 | 29 397 | 23 565 | 23 080 |
| *Dams and Weirs* | | | – | | | | | – | – | – |
| *Boreholes* | | | – | | | | | – | – | – |
| *Reservoirs* | | | – | | | | | – | – | – |
| *Pump Stations* | | | – | | | | | – | – | – |
| *Water Treatment Works* | | 27 417 | – | | | | | – | – | – |
| *Bulk Mains* | | | – | | | | | – | – | – |
| *Distribution* | | | 27 444 | 27 717 | 28 591 | 28 591 | 28 591 | 29 397 | 23 565 | 23 080 |
| *Distribution Points* | | | – | | | | | – | – | – |
| *PRV Stations* | | | – | | | | | – | – | – |
| *Capital Spares* | | | 232 | 59 | | | | – | – | – |
| Sanitation Infrastructure | | 16 353 | 16 668 | 9 784 | 19 694 | 19 694 | 19 694 | 10 737 | 10 681 | 10 835 |
| *Pump Station* | | | – | | | | | – | – | – |
| *Reticulation* | | | 16 390 | | | | | – | – | – |
| *Waste Water Treatment Works* | | 16 353 | – | 9 784 | 19 694 | 19 694 | 19 694 | 10 737 | 10 681 | 10 835 |
| *Outfall Sewers* | | | – | | | | | – | – | – |
| *Toilet Facilities* | | | – | | | | | – | – | – |
| *Capital Spares* | | | 278 | | | | | – | – | – |
| Solid Waste Infrastructure | | 4 747 | 3 843 | 3 184 | 2 569 | 2 569 | 2 569 | 3 231 | 3 260 | 3 262 |
| *Landfill Sites* | | | 481 | 3 184 | 2 569 | 2 569 | 2 569 | 3 231 | 3 260 | 3 262 |
| *Waste Transfer Stations* | | 4 747 | – | | | | | – | – | – |
| *Waste Processing Facilities* | | | 3 361 | | | | | – | – | – |
| *Waste Drop-off Points* | | | – | | | | | – | – | – |
| *Waste Separation Facilities* | | | – | | | | | – | – | – |
| *Electricity Generation Facilities* | | | – | | | | | – | – | – |
| *Capital Spares* | | | – | | | | | – | – | – |
| Rail Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Rail Lines* | | – | – | – | – | – | – | – | – | – |
| *Rail Structures* | | – | – | – | – | – | – | – | – | – |
| *Rail Furniture* | | – | – | – | – | – | – | – | – | – |
| *Drainage Collection* | | – | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | – | – | – | – | – | – | – | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *LV Networks* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Coastal Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Sand Pumps* | | – | – | – | – | – | – | – | – | – |
| *Piers* | | – | – | – | – | – | – | – | – | – |
| *Revetments* | | – | – | – | – | – | – | – | – | – |
| *Promenades* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Information and Communication Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Data Centres* | | – | – | – | – | – | – | – | – | – |
| *Core Layers* | | – | – | – | – | – | – | – | – | – |
| *Distribution Layers* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Community Assets** | | **–** | **–** | **–** | **15 899** | **15 899** | **15 899** | **–** | **–** | **–** |
| Community Facilities | | – | – | – | 15 899 | 15 899 | 15 899 | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Halls* | | | | | 15 899 | 15 899 | 15 899 | – | – | – |
| *Centres* | | | | | | | | – | – | – |
| *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 | | – | – | – | – | – | – | – | – | – |
| *Indoor Facilities* | | – | – | – | – | – | – | – | – | – |
| *Outdoor Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Heritage assets** | | – | – | – | – | – | – | – | – | – |
| Monuments | | – | – | – | – | – | – | – | – | – |
| Historic Buildings | | – | – | – | – | – | – | – | – | – |
| Works of Art | | – | – | – | – | – | – | – | – | – |
| Conservation Areas | | – | – | – | – | – | – | – | – | – |
| Other Heritage | | – | – | – | – | – | – | – | – | – |
| **Investment properties** | | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| Revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| **Other assets** | | **16 673** | **11 971** | **13 452** | **–** | **–** | **–** | **14 720** | **14 913** | **14 928** |
| Operational Buildings | | 16 673 | 11 971 | 13 452 | – | – | – | 14 720 | 14 913 | 14 928 |
| *Municipal Offices* | | 16 673 | 11 971 | 13 452 | | – | – | 14 720 | 14 913 | 14 928 |
| *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** | | 659 | 525 | 447 | 570 | 570 | 570 | 390 | 209 | 420 |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | 659 | 525 | 447 | 570 | 570 | 570 | 390 | 209 | 420 |
| *Water Rights* | | | | | | | | – | – | – |
| *Effluent Licenses* | | | | | | | | – | – | – |
| *Solid Waste Licenses* | | | | | | | | – | – | – |
| *Computer Software and Applications* | | 659 | 525 | 447 | 570 | 570 | 570 | 390 | 209 | 420 |
| *Load Settlement Software Applications* | | | | | | | | – | – | – |
| *Unspecified* | | | | | | | | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Computer Equipment** | | – | – | – | – | – | – | – | – | – |
| Computer Equipment | | – | – | – | – | – | – | – | – | – |
| **Furniture and Office Equipment** | | 2 006 | 1 826 | 8 921 | 1 771 | 1 771 | 1 771 | 10 233 | 11 123 | 10 922 |
| Furniture and Office Equipment | | 2 006 | 1 826 | 8 921 | 1 771 | 1 771 | 1 771 | 10 233 | 11 123 | 10 922 |
| **Machinery and Equipment** | | 724 | 764 | 843 | 663 | 663 | 663 | 1 077 | 1 473 | 1 341 |
| Machinery and Equipment | | 724 | 764 | 843 | 663 | 663 | 663 | 1 077 | 1 473 | 1 341 |
| **Transport Assets** | | 2 823 | 3 527 | 3 918 | 5 333 | 5 333 | 5 333 | 3 709 | 5 076 | 4 619 |
| Transport Assets | | 2 823 | 3 527 | 3 918 | 5 333 | 5 333 | 5 333 | 3 709 | 5 076 | 4 619 |
| **Land** | | – | – | – | – | – | – | – | – | – |
| Land | | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | | – | – | – | – | – | – | – | – | – |
| Zoo's, Marine and Non-biological Animals | | – | – | – | – | – | – | – | – | – |
| **Total Depreciation** | 1 | **134 846** | **131 114** | **134 541** | **141 877** | **141 877** | **141 877** | **145 663** | **144 047** | **143 381** |

*References*

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

## Choose name from list - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Capital expenditure on upgrading of existing assets by Asset Class/Sub-class** | | | | | | | | | | |
| **Infrastructure** | | – | – | 11 051 | 50 206 | 44 727 | 44 727 | 35 871 | 38 128 | 42 568 |
| Roads Infrastructure | | – | – | – | 200 | 200 | 200 | – | – | – |
| *Roads* | | – | – | – | 200 | 200 | 200 | – | – | – |
| *Road Structures* | | – | – | – | – | – | – | – | – | – |
| *Road Furniture* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Storm water Infrastructure | | – | – | 1 285 | 13 057 | 13 057 | 13 057 | – | – | – |
| *Drainage Collection* | | – | – | – | – | | – | – | – | – |
| *Storm water Conveyance* | | – | – | 1 285 | 13 057 | 13 057 | 13 057 | – | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| Electrical Infrastructure | | – | – | 7 871 | 7 350 | 7 350 | 7 350 | – | 7 000 | 10 000 |
| *Power Plants* | | – | – | – | – | | – | – | – | – |
| *HV Substations* | | – | – | – | – | | – | – | – | – |
| *HV Switching Station* | | – | – | – | – | | – | – | – | – |
| *HV Transmission Conductors* | | – | – | – | – | | – | – | – | – |
| *MV Substations* | | – | – | – | – | | – | – | – | – |
| *MV Switching Stations* | | – | – | – | – | | – | – | – | – |
| *MV Networks* | | – | – | 7 871 | 7 350 | 7 350 | 7 350 | – | 7 000 | 10 000 |
| *LV Networks* | | – | – | – | – | | – | – | – | – |
| *Capital Spares* | | – | – | – | – | | – | – | – | – |
| Water Supply Infrastructure | | – | – | 1 863 | 2 500 | 2 500 | 2 500 | 8 315 | 500 | 5 000 |
| *Dams and Weirs* | | – | – | – | – | | – | – | – | – |
| *Boreholes* | | – | – | – | – | | – | – | – | – |
| *Reservoirs* | | – | – | – | – | | – | – | – | – |
| *Pump Stations* | | – | – | – | – | | – | – | – | – |
| *Water Treatment Works* | | – | – | – | – | | – | – | – | – |
| *Bulk Mains* | | – | – | – | – | | – | – | – | – |
| *Distribution* | | – | – | 1 863 | 2 500 | 2 500 | 2 500 | 8 315 | 500 | 5 000 |
| *Distribution Points* | | – | – | – | – | | | – | – | – |
| *PRV Stations* | | – | – | – | – | | – | – | – | – |
| *Capital Spares* | | – | – | – | – | | – | – | – | – |
| Sanitation Infrastructure | | – | – | 32 | 23 138 | 17 659 | 17 659 | 27 466 | 30 628 | 27 568 |
| *Pump Station* | | – | – | – | 8 520 | 6 951 | 6 951 | 14 182 | 14 200 | 4 000 |
| *Reticulation* | | – | – | 32 | 9 218 | 9 218 | 9 218 | 6 834 | 6 428 | 14 030 |
| *Waste Water Treatment Works* | | – | – | – | 5 400 | 1 490 | 1 490 | 6 450 | 10 000 | 9 538 |
| *Outfall Sewers* | | – | – | – | – | | – | – | – | – |
| *Toilet Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Solid Waste Infrastructure | | – | – | – | 3 960 | 3 960 | 3 960 | 90 | – | – |
| *Landfill Sites* | | – | – | – | 2 500 | 2 500 | 2 500 | – | – | – |
| *Waste Transfer Stations* | | – | – | – | 1 460 | 1 460 | 1 460 | – | – | – |
| *Waste Processing Facilities* | | – | – | – | – | | | – | – | – |
| *Waste Drop-off Points* | | – | – | – | – | – | – | 90 | – | – |
| *Waste Separation Facilities* | | – | – | – | – | – | – | – | – | – |
| *Electricity Generation Facilities* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Rail Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Rail Lines* | | – | – | – | – | – | – | – | – | – |
| *Rail Structures* | | – | – | – | – | – | – | – | – | – |
| *Rail Furniture* | | – | – | – | – | – | – | – | – | – |
| *Drainage Collection* | | – | – | – | – | – | – | – | – | – |
| *Storm water Conveyance* | | – | – | – | – | – | – | – | – | – |
| *Attenuation* | | – | – | – | – | – | – | – | – | – |
| *MV Substations* | | – | – | – | – | – | – | – | – | – |
| *LV Networks* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Coastal Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Sand Pumps* | | – | – | – | – | – | – | – | – | – |
| *Piers* | | – | – | – | – | – | – | – | – | – |
| *Revetments* | | – | – | – | – | – | – | – | – | – |
| *Promenades* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Information and Communication Infrastructure | | – | – | – | – | – | – | – | – | – |
| *Data Centres* | | – | – | – | – | – | – | – | – | – |
| *Core Layers* | | – | – | – | – | – | – | – | – | – |
| *Distribution Layers* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Community Assets** | | – | – | 7 534 | 12 479 | 8 386 | 8 386 | 2 121 | – | – |
| Community Facilities | | – | – | – | 976 | 906 | 906 | 100 | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| *Halls* | | – | – | – | – | – | – | – | – | – |
| *Centres* | | – | – | – | – | – | – | – | – | – |
| *Crèches* | | – | – | – | – | – | – | – | – | – |
| *Clinics/Care Centres* | | – | – | – | – | – | – | – | – | – |
| *Fire/Ambulance Stations* | | – | – | – | – | – | – | – | – | – |
| *Testing Stations* | | – | – | – | – | – | – | – | – | – |
| *Museums* | | – | – | – | – | – | – | – | – | – |
| *Galleries* | | – | – | – | – | – | – | – | – | – |
| *Theatres* | | – | – | – | – | – | – | – | – | – |
| *Libraries* | | – | – | – | – | – | – | – | – | – |
| *Cemeteries/Crematoria* | | – | – | – | – | – | – | – | – | – |
| *Police* | | – | – | – | – | – | – | – | – | – |
| *Parks* | | – | – | – | 340 | 340 | 340 | – | – | – |
| *Public Open Space* | | – | – | – | 540 | 540 | 540 | – | – | – |
| *Nature Reserves* | | – | – | – | – | – | – | – | – | – |
| *Public Ablution Facilities* | | – | – | – | 70 | – | – | 100 | – | – |
| *Markets* | | – | – | – | – | – | – | – | – | – |
| *Stalls* | | – | – | – | – | – | – | – | – | – |
| *Abattoirs* | | – | – | – | – | – | – | – | – | – |
| *Airports* | | – | – | – | – | – | – | – | – | – |
| *Taxi Ranks/Bus Terminals* | | – | – | – | 26 | 26 | 26 | – | – | – |
| *Capital Spares* | | – | – | – | – | | – | – | – | – |
| Sport and Recreation Facilities | | – | – | 7 534 | 11 503 | 7 480 | 7 480 | 2 021 | – | – |
| *Indoor Facilities* | | – | – | – | – | | – | – | – | – |
| *Outdoor Facilities* | | – | – | 7 534 | 11 503 | 7 480 | 7 480 | 2 021 | – | – |
| *Capital Spares* | | – | – | – | – | | – | – | – | – |
| **Heritage assets** | | – | – | – | – | – | – | – | – | – |
| Monuments | | – | – | – | – | – | – | – | – | – |
| Historic Buildings | | – | – | – | – | – | – | – | – | – |
| Works of Art | | – | – | – | – | – | – | – | – | – |
| Conservation Areas | | – | – | – | – | – | – | – | – | – |
| Other Heritage | | – | – | – | – | – | – | – | – | – |
| **Investment properties** | | – | – | – | – | – | – | – | – | – |
| Revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| Non-revenue Generating | | – | – | – | – | – | – | – | – | – |
| *Improved Property* | | – | – | – | – | – | – | – | – | – |
| *Unimproved Property* | | – | – | – | – | – | – | – | – | – |
| **Other assets** | | – | – | 61 | – | – | – | – | – | – |
| Operational Buildings | | – | – | 61 | – | – | – | – | – | – |
| *Municipal Offices* | | – | – | – | – | – | – | – | – | – |
| *Pay/Enquiry Points* | | – | – | – | – | – | – | – | – | – |
| *Building Plan Offices* | | – | – | – | – | – | – | – | – | – |
| *Workshops* | | – | – | – | – | – | – | – | – | – |
| *Yards* | | – | – | 61 | – | – | – | – | – | – |
| *Stores* | | – | – | – | – | – | – | – | – | – |
| *Laboratories* | | – | – | – | – | – | – | – | – | – |
| *Training Centres* | | – | – | – | – | – | – | – | – | – |
| *Manufacturing Plant* | | – | – | – | – | – | – | – | – | – |
| *Depots* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| Housing | | – | – | – | – | – | – | – | – | – |
| *Staff Housing* | | – | – | – | – | – | – | – | – | – |
| *Social Housing* | | – | – | – | – | – | – | – | – | – |
| *Capital Spares* | | – | – | – | – | – | – | – | – | – |
| **Biological or Cultivated Assets** | | – | – | – | – | – | – | – | – | – |
| Biological or Cultivated Assets | | – | – | – | – | – | – | – | – | – |
| **Intangible Assets** | | – | – | – | – | – | – | – | – | – |
| Servitudes | | – | – | – | – | – | – | – | – | – |
| Licences and Rights | | – | – | – | – | – | – | – | – | – |
| *Water Rights* | | – | – | – | – | – | – | – | – | – |
| *Effluent Licenses* | | – | – | – | – | – | – | – | – | – |
| *Solid Waste Licenses* | | – | – | – | – | – | – | – | – | – |
| *Computer Software and Applications* | | – | – | – | – | – | – | – | – | – |
| *Load Settlement Software Applications* | | – | – | – | – | – | – | – | – | – |
| *Unspecified* | | – | – | – | – | – | – | – | – | – |

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Computer Equipment** | | – | – | – | – | – | – | – | – | – |
| Computer Equipment | | – | – | – | – | – | – | – | – | – |
| **Furniture and Office Equipment** | | – | – | – | – | – | – | – | – | – |
| Furniture and Office Equipment | | – | – | – | – | – | – | – | – | – |
| **Machinery and Equipment** | | – | – | – | – | – | – | – | – | – |
| Machinery and Equipment | | – | – | – | – | – | – | – | – | – |
| **Transport Assets** | | – | – | – | – | – | – | – | – | – |
| Transport Assets | | – | – | – | – | – | – | – | – | – |
| **Land** | | – | – | – | – | – | – | – | – | – |
| Land | | – | – | – | – | – | – | – | – | – |
| **Zoo's, Marine and Non-biological Animals** | | – | – | – | – | – | – | – | – | – |
| Zoo's, Marine and Non-biological Animals | | – | – | – | – | – | – | – | – | – |
| **Total Capital Expenditure on upgrading of existing assets** | 1 | **–** | **–** | **18 646** | **62 684** | **53 112** | **53 112** | **37 992** | **38 128** | **42 568** |
| | | | | | | | | | | |
| ***Upgrading of Existing Assets as % of total capex*** | | *0.0%* | *0.0%* | *8.8%* | *20.6%* | *19.0%* | *19.0%* | *16.3%* | *26.8%* | *44.4%* |
| ***Upgrading of Existing Assets as % of deprecn"*** | | *0.0%* | *0.0%* | *13.9%* | *44.2%* | *37.4%* | *37.4%* | *26.1%* | *26.5%* | *29.7%* |

*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 expenditu*

## Choose name from list - Supporting Table SA35 Future financial implications of the capital budget

| Vote Description | Ref | 2021/22 Medium Term Revenue & Expenditure Framework | | | Forecasts | | | |
|---|---|---|---|---|---|---|---|---|
| R thousand | | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Forecast 2024/25 | Forecast 2025/26 | Forecast 2026/27 | Present value |
| **Capital expenditure** | 1 | | | | | | | |
| Vote 1 - Council & Mayor's Office | | – | – | – | | | | |
| Vote 2 - Municipal Manager & Internal Audit | | – | – | – | | | | |
| Vote 3 - Management Services | | 3 715 | 6 065 | 3 515 | | | | |
| Vote 4 - Finance | | 60 | 60 | 60 | | | | |
| Vote 5 - Infrastructure & Planning | | 199 544 | 127 656 | 86 205 | 25 000 | 17 000 | 30 000 | |
| Vote 6 - Protection Services | | 3 808 | 350 | 350 | | | | |
| Vote 7 - Economic and Social Development & Tourism | | 45 | 45 | 45 | | | | |
| Vote 8 - Community Services | | 26 272 | 8 110 | 5 660 | 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] | | – | – | – | | | | |
| *List entity summary if applicable* | | | | | | | | |
| **Total Capital Expenditure** | | **233 444** | **142 286** | **95 835** | **62 500** | **57 000** | **65 000** | **–** |
| **Future operational costs by vote** | 2 | | | | | | | |
| Vote 1 - Council & Mayor's Office | | 37 152 | 37 805 | 38 715 | | | | |
| Vote 2 - Municipal Manager & Internal Audit | | 8 017 | 8 216 | 8 526 | | | | |
| Vote 3 - Management Services | | 56 813 | 56 883 | 61 831 | | | | |
| Vote 4 - Finance | | 95 413 | 100 197 | 113 693 | | | | |
| Vote 5 - Infrastructure & Planning | | 433 048 | 525 235 | 583 544 | 18 032 | 18 870 | 19 709 | 245 316 |
| Vote 6 - Protection Services | | 111 394 | 119 744 | 124 701 | | | | |
| Vote 7 - Economic and Social Development & Tourism | | 17 221 | 14 467 | 15 013 | | | | |
| Vote 8 - Community Services | | 458 036 | 488 624 | 506 051 | 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] | | – | – | – | | | | |
| *List entity summary if applicable* | | | | | | | | |
| **Total future operational costs** | | 1 217 092 | 1 351 169 | 1 452 073 | 30 097 | 31 497 | 32 897 | 409 463 |
| **Future revenue by source** | 3 | | | | | | | |
| Property rates | | 275 637 | 286 662 | 298 129 | | | | |
| Service charges - electricity revenue | | 479 057 | 536 403 | 600 624 | | | | |
| Service charges - water revenue | | 132 168 | 137 455 | 142 953 | | | | |
| Service charges - sanitation revenue | | 87 631 | 91 137 | 94 782 | | | | |
| Service charges - refuse revenue | | 74 741 | 77 731 | 80 840 | | | | |
| Service charges - other | | – | – | – | | | | |
| Rental of facilities and equipment | | 3 440 | 3 148 | 3 273 | | | | |
| Interest earned - external investments | | 27 456 | 28 554 | 29 697 | | | | |
| Interest earned - outstanding debtors | | 4 681 | 4 868 | 5 062 | | | | |
| Dividends received | | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | | 28 223 | 29 348 | 30 519 | 92 597 | 88 497 | 97 897 | 409 463 |
| Licences and permits | | 2 039 | 2 097 | 2 164 | | | | |
| Agency services | | 6 680 | 6 930 | 7 189 | | | | |
| Transfers and subsidies | | 139 692 | 144 977 | 148 209 | | | | |
| Other revenue | | 127 409 | 92 259 | 43 563 | | | | |
| Gains | | 8 225 | 8 361 | 8 504 | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | 46 354 | 40 828 | 32 568 | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | | 13 201 | 1 312 | 1 324 | | | | |
| Transfers and subsidies - capital (in-kind - all) | | – | – | – | | | | |
| *List entity summary if applicable* | | | | | | | | |
| **Total future revenue** | | 1 456 634 | 1 492 069 | 1 529 399 | 92 597 | 88 497 | 97 897 | 409 463 |
| **Net Financial Implications** | | **(6 098)** | **1 386** | **18 508** | **–** | **–** | **–** | **–** |

*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)*

**Choose name from list - Supporting Table SA36 Detailed capital budget**

| R thousand | | | | | | | | | | | | 2021/22 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 Lattitude | Audited Outcome 2019/20 | Current Year 2020/21 Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Parent municipality:** | | | | | | | | | | | | | | | |
| *List all capital projects grouped by Function* | | | | | | | | | | | | | | | |
| | | | | | | | | | | | 2 | 466 | | | |
| EXECUTIVE & COUNCIL | MINOR ASSETS-COUNCIL | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Furniture and Office Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 5 | 5 | 5 |
| | | | | | | | | | | | 4 048 | 3 070 | | | |
| FINANCE AND ADMINISTRATION | EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 600 | 600 | 600 |
| FINANCE AND ADMINISTRATION | VIDEO CONFERENCE EQUIPMENT | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 250 | 250 | 250 |
| FINANCE AND ADMINISTRATION | MINOR ASSETS ICT ORGANIZATION WIDE | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 1 400 | 3 750 | 1 200 |
| FINANCE AND ADMINISTRATION | UPS REPLACEMENT | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 300 | 300 | 300 |
| FINANCE AND ADMINISTRATION | DR HOST SERVER WITH ATTACHED STORAGE-REPLACEMENT EOL | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 250 | 250 | 250 |
| FINANCE AND ADMINISTRATION | DATA CENTRE VIRTUAL SERVER HOST REPLACEMENT EOL | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Data Centres* | Overstrand | Overstrand | *Overstrand* | | | 300 | 300 | 300 |
| FINANCE AND ADMINISTRATION | NEW HIGH SITE HAWSTON MOUNTAIN | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 600 | 600 | 600 |
| FINANCE AND ADMINISTRATION | MINOR ASSETS FINANCE | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 60 | 60 | 60 |
| FINANCE AND ADMINISTRATION | MINOR ASSETS MANAGEMENT SERVICES | New | *A capable, ethical and developmental state* | *Governance* | 1 | *Computer Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 10 | 10 | 10 |
| | | | | | | | | | | | 15 694 | 13 168 | | | |
| PUBLIC SAFETY | RAISING GANSBAAI FIRE STATION ROOF | Upgrading | *Social cohesion and safe communities* | *Governance* | 4 | *Operational Buildings* | *Municipal Offices* | Ward 02 | 34°35'54.3"S Degrees | *19°20'45.7"E Degrees* | | | 300 | | |
| PUBLIC SAFETY | GREATER HERMANUS TRAFFIC DEPT REMOVAL OF OBSOLETE OLD ROOFING AND C | New | *Social cohesion and safe communities* | *Governance* | 4 | *Operational Buildings* | *Municipal Offices* | Ward 03 | 34°23'52.81"S Degrees | *19°15'56.13"E Degrees* | | | 1 000 | | |
| PUBLIC SAFETY | ESTABLISHING OF A K53 TEST STATION GANSBAAI | New | *Social cohesion and safe communities* | *Governance* | 4 | *Operational Buildings* | *Municipal Offices* | Ward 14 | 34.4204° S Degrees | *19.2259° E Degrees* | | | 1 052 | | |
| PUBLIC SAFETY | MINOR ASSETS PROTECTION SERVICES | New | *Social cohesion and safe communities* | *Governance* | 4 | *Furniture and Office Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 350 | 350 | 350 |
| PUBLIC SAFETY | VEHICLES PUBLIC SAFETY | New | *Social cohesion and safe communities* | *Governance* | 4 | *Transport Assets* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 866 | | |
| PUBLIC SAFETY | CCTV CAMERAS | New | *Social cohesion and safe communities* | *Governance* | 4 | *Machinery and Equipment* | *Other* | Ward 03 | 34°23'52.81"S Degrees | *19°15'56.13"E Degrees* | | | 50 | | |
| PUBLIC SAFETY | CCTV CAMERAS MOUNT PLEASANT | New | *Social cohesion and safe communities* | *Governance* | 4 | *Machinery and Equipment* | *Other* | Ward 04 | 19.212 Degrees | *34.400 Degrees* | | | 100 | | |
| PUBLIC SAFETY | CCTV FISHERHAVEN | New | *Social cohesion and safe communities* | *Governance* | 4 | *Machinery and Equipment* | *Other* | Ward 08 | 19°12'70"E Degrees | *34°39'70"S Degrees* | | | 40 | | |
| PUBLIC SAFETY | BETTYS BAY CAMERAS | New | *Social cohesion and safe communities* | *Governance* | 4 | *Machinery and Equipment* | *Other* | Ward 10 | 34°20'07.1"S Degrees | *18°59'47.1"E Degrees* | | | 50 | | |
| | | | | | | | | | | | 1 220 | 10 372 | | | |
| PLANNING & DEVELOPMENT | FERNKLOOF NATURE RESERVE FACILITIES | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Nature Reserves* | Ward 03 | 19,265 Degrees | *34,399 Degrees* | | | 2 000 | | |
| PLANNING & DEVELOPMENT | FERNKLOOF NATURE RESERVE FACILITIES | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Nature Reserves* | Ward 03 | 19,265 Degrees | *34,399 Degrees* | | | 2 100 | | |
| PLANNING & DEVELOPMENT | BUILDING CONTROL OFFICE EXTENSION | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Operational Buildings* | *Municipal Offices* | Overstrand | 19,24 Degrees | *34,418 Degrees* | | | 500 | | |
| PLANNING & DEVELOPMENT | ECD CENTRE ESTABLISMENT | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Créches* | Overstrand | Overstrand | *Overstrand* | | | 475 | | |
| PLANNING & DEVELOPMENT | HAWSTON LANG ERWE TRANSFERS | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Public Open Space* | Ward 08 | 19,129 Degrees | *34,382 Degrees* | | | 147 | | |
| PLANNING & DEVELOPMENT | KLEINMOND COMMUNITY PROJECT OLD KCIH | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Public Open Space* | Ward 09 | 34°20'37,0"S Degrees | *19°00'46,8"E Degrees* | | | 700 | | |
| PLANNING & DEVELOPMENT | MINOR ASSETS LED | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Furniture and Office Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 45 | 45 | 45 |
| PLANNING & DEVELOPMENT | MINOR ASSETS INFRASTRUCTURE &PLANNING | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Furniture and Office Equipment* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 370 | 370 | 370 |
| PLANNING & DEVELOPMENT | VEHICLES PLANNING DEVELOPMENT | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Transport Assets* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 250 | | |
| | | | | | | | | | | | 1 330 | 17 312 | | | |
| COMMUNITY AND SOCIAL SERVICES | UPGRADE OF MUNICIPAL YARD ABLUTIONS | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Public Ablution Facilities* | Ward 09 | 34°20'29"S Degrees | *19°00'54,0"E Degrees* | | | 500 | | |
| COMMUNITY AND SOCIAL SERVICES | OFFICE CONTAINER FOR KLEINMOND SLIPWAY | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Operational Buildings* | *Municipal Offices* | Ward 09 | 34°20'42,0"S Degrees | *19°00'50,4"E Degrees* | | | 145 | | |
| 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* | | | 760 | 760 | 760 |
| COMMUNITY AND SOCIAL SERVICES | VEHICLES COMMUNITY SERVICES | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Transport Assets* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 348 | | |
| COMMUNITY AND SOCIAL SERVICES | 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 | 19.178 Degrees | *34.418 Degrees* | | | 610 | | |
| COMMUNITY AND SOCIAL SERVICES | ABLUTION FACILITIES ONRUS SWIMMING BEACH | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Public Ablution Facilities* | Ward 13 | 19.178 Degrees | *34.418 Degrees* | | | 633 | | |
| COMMUNITY AND SOCIAL SERVICES | BUS SHELTERS MAIN ROAD | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Public Open Space* | Ward 09 | 34°20'24,7"S Degrees | *34°19'01'55,2"E Degrees* | | | 60 | | |
| COMMUNITY AND SOCIAL SERVICES | UPGRADING OF TOWN HALL | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Halls* | Ward 09 | 19°01'55,2"E Degrees | *19°01'55,2"E Degrees* | | | 110 | | |
| COMMUNITY AND SOCIAL SERVICES | MINOR ASSETS EQUIPMENT FOR TOWN HALL | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Furniture and Office Equipment* | *Other* | Ward 09 | 34°20'24,7"S Degrees | *19°01'55,2"E Degrees* | | | 35 | | |
| COMMUNITY AND SOCIAL SERVICES | NEW ROOF TRADING SWARTDAM ROAD | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Operational Buildings* | *Municipal Offices* | Ward 12 | 19.219 Degrees | *34.426 Degrees* | | | 875 | | |
| COMMUNITY AND SOCIAL SERVICES | NEW ROOF MASAKHANE TRADING AT TAXI RANK | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Taxi Ranks/Bus Terminals* | Ward 02 | 19.357 Degrees | *34.592 Degrees* | | | 80 | | |
| COMMUNITY AND SOCIAL SERVICES | FENCING ZWEHILE TAXI RANK | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Taxi Ranks/Bus Terminals* | Ward 06 | 19.212 Degrees | *34.427 Degrees* | | | 300 | | |
| | | | | | | | | | | | | 772 | | | |
| LIBRARIES | ZWELIHLE LIBRARY | New | *A capable, ethical and developmental state* | *Inclusion and access* | 4 | *Community Facilities* | *Libraries* | Ward 12 | 19.215 Degrees | *34.423 Degrees* | | | 4 374 | | |
| | | | | | | | | | | | 9 981 | 8 588 | | | |
| SPORT & RECREATION | DEVELOPMENT OF BMX TRACK SKATE PARK | Upgrading | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 03 | 19.241 Degrees | *34.408 Degrees* | | | 100 | | |
| SPORT & RECREATION | UPGRADE HAWSTON SPORT COMPLEX | Upgrading | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 08 | 19.126 Degrees | *34.384 Degrees* | | | 600 | | |
| SPORT & RECREATION | UPGRADE HAWSTON SPORT COMPLEX | Upgrading | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 08 | 19.126 Degrees | *34.384 Degrees* | | | 1 139 | | |
| SPORT & RECREATION | UPGRADE HAWSTON SPORT COMPLEX | Upgrading | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 08 | 19.126 Degrees | *34.384 Degrees* | | | 2 021 | | |
| SPORT & RECREATION | UPGRADE HAWSTON SPORT COMPLEX STADIUM | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 08 | 19.126 Degrees | *34.384 Degrees* | | | | 500 | 5 000 |
| SPORT & RECREATION | OVERSTRAND WIDE SPORT FACILITIES | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Overstrand | Overstrand | *Overstrand* | | | 600 | | |
| SPORT & RECREATION | HERMANUS SPORT FACILITY IMPROVEMENT | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 03 | 34°24' Degrees | *31.973 Degrees* | | | 1 900 | | |
| SPORT & RECREATION | STANFORD FENCE SOCCER RUGBY CLUBHOUSES | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 01 | 19.455 Degrees | *34.447 Degrees* | | | 400 | | |
| SPORT & RECREATION | UPGRADE OF PUBLIC BOAT LAUNCHING SITE ABLUTIONS DU TOIT STREET | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Other* | Ward 01 | 19.454 Degrees | *34.437 Degrees* | | | 100 | | |
| SPORT & RECREATION | RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACILITIES | Upgrading | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Other* | Ward 07 | 19.190 Degrees | *34.424 Degrees* | | | 300 | | |
| SPORT & RECREATION | MOUNT PLEASANT UPGRADING OF SPORTSGROUNDS | Upgrading | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 04 | 19.219 Degrees | *34.419 Degrees* | | | 50 | | |
| SPORT & RECREATION | UPGRADING SCHULPHOEK OUTDOOR GYM FENCING | Upgrading | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 4 | *Sport and Recreation Facilities* | *Outdoor Facilities* | Ward 12 | 19.207 Degrees | *34.423 Degrees* | | | 200 | | |
| | | | | | | | | | | | 85 753 | 42 940 | | | |
| HOUSING | LCH SERVICES CONSTRUCTION CONTRACTS | New | *patial integration, human settlements and local governme* | *Spatial integration* | 4 | *Housing* | *Social Housing* | Overstrand | Overstrand | *Overstrand* | | | 52 259 | 36 458 | 3 267 |
| HOUSING | HAWSTON NEW HOUSING DEVELOPMENT R43 WALL | New | *patial integration, human settlements and local governme* | *Spatial integration* | 4 | *Housing* | *Social Housing* | Overstrand | Overstrand | *Overstrand* | | | 2 100 | | |
| | | | | | | | | | | | 5 645 | 22 586 | | | |
| ROADS | VEHICLES ROADS | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Overstrand | Overstrand | *Overstrand* | | | 1 306 | 3 675 | 2 450 |
| ROADS | SIDEWALKS | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 02 | 19.360 Degrees | *34.594 Degrees* | | | 200 | | |
| ROADS | GANSBAAI SIDEWALKS | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 02 | 19.352 Degrees | *34.589 Degrees* | | | 100 | | |
| ROADS | SIDEWALKS | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 11 | 19.394 Degrees | *34.607 Degrees* | | | 100 | | |
| ROADS | SIDEWALKS | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 14 | 19.350 Degrees | *34.595 Degrees* | | | 100 | | |
| ROADS | SIDEWALKS | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 14 | 19.351 Degrees | *34.572 Degrees* | | | 100 | | |
| ROADS | SIDEWALKS | New | *ating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 14 | 19.351 Degrees | *34.588 Degrees* | | | 50 | | |

| Function | Project Description | Type | MTSF Service Outcome | IUDF | Own Strategic Objectives | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | Audited Outcome 2019/20 | Current Year 2020/21 Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ROADS | CONSTRUCTION OF NEW CLIFF PATHS | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 03 | 19.270 Degrees | *34.409 Degrees* | | | 100 | | |
| ROADS | TRAFFIC CALMING | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 03 | 19.246 Degrees | *34.412 Degrees* | | | 50 | | |
| ROADS | MOUNT PLEASANT SPEEDCALMING | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 04 | 19.212 Degrees | *34.418 Degrees* | | | 25 | | |
| ROADS | MOUNT PLEASANT SIDEWALKS | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 04 | 19.212 Degrees | *34.419 Degrees* | | | 50 | | |
| ROADS | UPGRADING OF FRONT AREA OF HUIS LETTIE THERON | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 04 | 19.231 Degrees | *34.422 Degrees* | | | 50 | | |
| ROADS | WESTCLIFF SIDEWALKS | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 04 | 19.230 Degrees | *34.427 Degrees* | | | 75 | | |
| ROADS | VIEWING POINT UPGRADE STILL STREET | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 04 | 19.226 Degrees | *34.432 Degrees* | | | 100 | | |
| ROADS | WESTCLIFF SPEEDCALMING | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 04 | 19.225 Degrees | *34.430 Degrees* | | | 50 | | |
| ROADS | CONSTRUCTION OF SIDEWALKS | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 06 | 19.212 Degrees | *34.427 Degrees* | | | 200 | | |
| ROADS | CURBING AND TARRING PAVING OF SIDEWALKS | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 08 | 19.124 Degrees | *34.357 Degrees* | | | 180 | | |
| ROADS | CURBING AND TARRING OF SIDEWALKS HAWSTON | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 08 | 19.137 Degrees | *34.391 Degrees* | | | 100 | | |
| ROADS | TRAFFIC CALMING HAWSTON | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 08 | 19.137 Degrees | *34.390 Degrees* | | | 50 | | |
| ROADS | ANEMONE ROAD PAVING | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 10 | 34°18'03,1"S Degrees | *18°48'57,6"E Degrees* | | | 150 | | |
| ROADS | MOOIUITSIG KERBING | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 10 | 34°21'16,2"S Degrees | *18°52'51,6"E Degrees* | | | 25 | | |
| ROADS | PROTEADORP HEIDELAND CRECHE PARKING AREA | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 09 | 34°20'24,0"S Degrees | *19°00'55,8"E Degrees* | | | 65 | | |
| ROADS | SPEED CALMING | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 10 | 34°21'57,6"S Degrees | *18°53'06,0"E Degrees* | | | 50 | | |
| ROADS | TRAFFIC CALMING | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 01 | 19.451 Degrees | *34.450 Degrees* | | | 50 | | |
| ROADS | TRAFFIC CALMING | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 11 | 19.509 Degrees | *34.667 Degrees* | | | 50 | | |
| ROADS | TRAFFIC CALMING | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 11 | 34°39'41.7"S Degrees | *19°29'40.2"E Degrees* | | | 50 | | |
| ROADS | SIDEWALKS AND SPEED CALMING MEASURES | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 12 | 19.209 Degrees | *34.422 Degrees* | | | 150 | | |
| ROADS | CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWAY | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 13 | 19.173 Degrees | *34.417 Degrees* | | | 200 | | |
| ROADS | CONSTRUCTION AND EXTENSION OF COASTAL PATH | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 13 | 19.147 Degrees | *34.421 Degrees* | | | 200 | | |
| ROADS | UPGRADING OF MARINE DRIVE COASTAL AREA AT JAN RABIE POOL STONE WALL OI | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 13 | 19.163 Degrees | *34.418 Degrees* | | | 70 | | |
| ROADS | REVITALISATION OF CBD | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 01 | 19.456 Degrees | *34.440 Degrees* | | | 200 | | |
| ROADS | REVITALISATION OF CBD | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 01 | 19.456 Degrees | *34.440 Degrees* | | | 400 | | |
| ROADS | BLOMPARK HOUSING PROJECT BUS ROUTE | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 14 | 34°35'54.86"S Degrees | *19°20'49.51"E Degrees* | | | 5 583 | 5 000 | |
| ROADS | STANFORD HOUSING PROJECT BUS ROUTE | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 01 | 34.446248 Degrees | *19.448291 Degrees* | | | | 4 000 | |
| ROADS | MASAKHANE HOUSING PROJECT BUS ROUTE | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 5 | *Roads Infrastructure* | *Roads* | Ward 02 | 19°21'39"E Degrees | *34°35'30"S Degrees* | | | | 4 000 | 2 000 |
| | | | | | | | | | | | 21 428 | 19 119 | | | |
| ELECTRICITY | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Substations* | Multi-ward Gb Area | 34°37'5.14"S Degrees | *19°20'3.08"E Degrees* | | | 17 000 | 2 100 | 5 000 |
| ELECTRICITY | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Substations* | Multi-ward Gb Area | 34°37'5.14"S Degrees | *19°20'3.08"E Degrees* | | | 11 900 | | |
| ELECTRICITY | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Substations* | Multi-ward Gb Area | 34°37'5.14"S Degrees | *19°20'3.08"E Degrees* | | | 6 500 | | |
| ELECTRICITY | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Substations* | Multi-ward Gb Area | 34°37'5.14"S Degrees | *19°20'3.08"E Degrees* | | | 15 000 | | |
| ELECTRICITY | ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP) | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | Overstrand | Overstrand | *Overstrand* | | | 3 519 | 7 000 | 7 000 |
| ELECTRICITY | ELECTRIFICATION OF LOW COST HOUSING AREAS | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | Overstrand | Overstrand | *Overstrand* | | | 2 500 | | |
| ELECTRICITY | POWER CABLE TO KLEINMOND SLIPWAY FACILITIES | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *LV Networks* | Ward 09 | 34°20'42,0"S Degrees | *19°00'50,4"E Degrees* | | | 115 | | |
| ELECTRICITY | HERMANUS:MV & LV UPGRADE/REPLACEMENT | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | Ward 03 | 34°25'16.83"S Degrees | *19°13'00.62"E Degrees* | | | | 3 000 | 6 000 |
| ELECTRICITY | KLEINMOND MV LV NETWORK UPGRADE | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | Ward 09 | 34°20'18.35"S Degrees | *19°01'35.31"E Degrees* | | | | 2 000 | 2 000 |
| ELECTRICITY | HAWSTON MV LV UPGRADE REPLACEMENT | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | Ward 08 | 34°23'09.91"S Degrees | *19°07'56.01"E Degrees* | | | | 2 000 | 2 000 |
| ELECTRICITY | VEHICLES ELECTRICITY DISTRIBUTION HM | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Transport Assets* | *Other* | Overstrand | Overstrand | *Overstrand* | | | 2 230 | 3 675 | 2 450 |
| ELECTRICITY | STREET LIGHTS | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *Other* | Ward 07 | 34°25'00"S Degrees | *19°12'08"E Degrees* | | | 100 | | |
| ELECTRICITY | STREET LIGHTS | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *Other* | Ward 08 | 34°21'36"S Degrees | *19°07'19"E Degrees* | | | 30 | | |
| ELECTRICITY | STREET LIGHTS | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *Other* | Ward 13 | 34°24'55"S Degrees | *19°09'09"E Degrees* | | | 30 | | |
| ELECTRICITY | ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Electrical Infrastructure* | *MV Networks* | Overstrand | Overstrand | *Overstrand* | | | 1 000 | | |
| | | | | | | | | | | | 31 752 | 50 036 | | | |
| WATER | REFURBISHMENT OF BULK WATER PIPELINES | Renewal | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Distribution* | Overstrand | Overstrand | *Overstrand* | | | 3 000 | 2 000 | 1 500 |
| WATER | FENCING AT WATER INSTALLATIONS | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Reticulation* | Overstrand | Overstrand | *Overstrand* | | | 700 | 500 | |
| WATER | REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2) | Replacement | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Reticulation* | Overstrand | Overstrand | *Overstrand* | | | 10 000 | 10 000 | 7 000 |
| WATER | REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2) | Replacement | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Reticulation* | Overstrand | Overstrand | *Overstrand* | | | 8 000 | | |
| WATER | WATER FACILITIES CONTINGENCY | Replacement | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Pump Stations* | Overstrand | Overstrand | *Overstrand* | | | 400 | 500 | 500 |
| WATER | REFURBISHMENT OF KLEINMOND BUFFELS RIVER WTW | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Water Treatment Works* | Multi-ward Kleinmond Area | 18.848° E Degrees | *34.349° S Degrees* | | | | 6 000 | 6 000 |
| WATER | ACCESS ROADS TO KLEINMOND BUFFELS RIVER WTW UPGRADE | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Water Treatment Works* | Multi-ward Kleinmond Area | 19.019° E Degrees | *34.329° S Degrees* | | | 2 000 | | |
| WATER | NEW VOORBERG BOOSTER PUMP STATION | ReNewal | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Pump Stations* | Ward 10 | 34°21'28.5"S Degrees | *18°54'15.7"E Degrees* | | | | 3 000 | |
| WATER | UPGRADE HERMANUS WELL FIELDS PHASE 2 | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Distribution* | Multi-ward Hermanus Area | 19.237° E Degrees | *34.376° S Degrees* | | | 2 000 | | |
| WATER | UPGRADE WATER LINES & NEW BOOSTER PUMPSTATION VALVES | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Pump Stations* | Ward 02 | 19°21'39"E Degrees | *34°35'30"S Degrees* | | | 4 000 | 3 900 | |
| WATER | UPGRADE BULK WATER | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Distribution* | Ward 01 | 34.446248 Degrees | *19.448291 Degrees* | | | 5 615 | | |
| WATER | WATER TREATMENT PLANT FOR BUFFELJAGSBAAI | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Water Treatment Works* | Ward 11 | 34°27'09.0"S Degrees | *19°26'54.0"E Degrees* | | | | | 3 000 |
| WATER | NEW BOOSTER PUMP STATION GANSBAAI TO DE KELDERS AND PIPELINE REFURBIS | ReNewal | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Pump Stations* | Multi-ward Gb Area | 34°37'5.14"S Degrees | *19°20'3.08"E Degrees* | | | | | 2 000 |
| WATER | REFURBISH KRAAIBOSCH PUMP STATION AND PIPELINE | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Pump Stations* | Multi-ward Gb Area | 34°37'5.14"S Degrees | *19°20'3.08"E Degrees* | | | | | 2 000 |
| | | | | | | | | | | | 17 691 | 40 257 | | | |
| SEWERAGE | SEWERAGE FACILITIES CONTINGENCY | Renewal | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | Overstrand | Overstrand | *Overstrand* | | | 650 | 700 | 700 |
| SEWERAGE | KLEINMOND SEWER NETWORK EXTENSION | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Ward 09 | 19.026° E Degrees | *34.338° S Degrees* | | | | 4 000 | 3 300 |
| SEWERAGE | KLEINMOND WWTW REFURBISH UPGRADE | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Multi-ward Kleinmond Area | 18.986° E Degrees | *34.342° S Degrees* | | | 3 450 | 8 000 | 3 000 |
| SEWERAGE | KLEINMOND WWTW REFURBISH UPGRADE | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Multi-ward Kleinmond Area | 18.986° E Degrees | *34.342° S Degrees* | | | | 2 000 | 1 538 |
| SEWERAGE | GANSBAAI CBD SEWER NETWORK EXTENSION | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Ward 02 | 19.352° E Degrees | *34.586° S Degrees* | | | 4 000 | | |
| SEWERAGE | GANSBAAI CBD SEWER NETWORK EXTENSION | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Ward 02 | 19.352° E Degrees | *134.586° S Degrees* | | | 2 250 | | |
| SEWERAGE | FENCING AT SEWERAGE INSTALLATIONS | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Overstrand | Overstrand | *Overstrand* | | | 800 | | |
| SEWERAGE | FENCING AT SEWERAGE INSTALLATIONS | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Overstrand | 19.209° E Degrees | *34.429° S Degrees* | | | 1 200 | | |
| SEWERAGE | UPGRADING OF PUMPSTATIONS RISING MAINS | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | Overstrand | 19.210° E Degrees | *34.425° S Degrees* | | | 4 000 | 5 000 | 4 000 |
| SEWERAGE | UPGRADING OF PUMPSTATIONS RISING MAINS | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | Overstrand | 19.210° E Degrees | *34.425° S Degrees* | | | 5 000 | | |
| SEWERAGE | UPGRADING OF PUMPSTATIONS RISING MAINS | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | Overstrand | 19.210° E Degrees | *34.425° S Degrees* | | | 5 182 | 9 200 | |
| SEWERAGE | HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Multi-ward Hermanus Area | 19.209° E Degrees | *34.427° S Degrees* | | | 3 000 | | |
| SEWERAGE | HAWSTON WWTW REFURBISH AND UPGRADE | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Ward 08 | 34°23'09.91"S Degrees | *19°07'56.01"E Degrees* | | | | | 5 000 |
| SEWERAGE | UPGRADE BULK SEWER SUPPLY AREA A&B | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Ward 02 | 34,59319,362 Degrees | *34,59319,362 Degrees* | | | 4 834 | 5 228 | 10 530 |
| SEWERAGE | ZWELIHLE SEWER | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | Multi-ward HM Area | 19.218° E Degrees | *34.433° S Degrees* | | | | | 3 500 |
| SEWERAGE | REFURBISH HERMANUS WWTW TREATED EFFLUENT IRRIGATION PIPELINE | Upgrading | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Waste Water Treatment Works* | Multi-ward Hermanus Area | 19.266 Degrees | *34.398 Degrees* | | | | 1 200 | |
| | | | | | | | | | | | 9 202 | 29 378 | | | |
| STORMWATER | STORMWATER AD HOC | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.403 Degrees | *34.430 Degrees* | | | 1 500 | | |
| STORMWATER | STORMWATER NETWORK | Upgrade | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 10 | 34°22'13,8"S Degrees | *18°53'29,0"E Degrees* | | | 1 000 | | |
| STORMWATER | STORMWATER NETWORK | New | *tating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 05 | 19.212 Degrees | *34.429 Degrees* | | | 1 000 | | |

| Function | Project Description | Type | MTSF Service Outcome | IUDF | Own Strategic Objectives | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | Audited Outcome 2019/20 | Current Year 2020/21 Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| STORMWATER | SANDBAAI BOULEVARD STORMWATER PROJECT | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 07 | 19.197 Degrees | *34.421 Degrees* | | | 1 250 | | |
| STORMWATER | STORMWATER AD HOC | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 01 | 19.451 Degrees | *34.450 Degrees* | | | 50 | | |
| STORMWATER | STORMWATER AD HOC | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 01 | 19.458 Degrees | *34.441 Degrees* | | | 50 | | |
| STORMWATER | STORMWATER | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 02 | 19.349 Degrees | *34.579 Degrees* | | | 100 | | |
| STORMWATER | STORMWATER AD HOC | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 02 | 19.398 Degrees | *34.607 Degrees* | | | 100 | | |
| STORMWATER | STORMWATER AD HOC | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.398 Degrees | *34.607 Degrees* | | | 100 | | |
| STORMWATER | STORMWATER AD HOC | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.571 Degrees | *34.588 Degrees* | | | 50 | | |
| STORMWATER | STORMWATER AD HOC | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.509 Degrees | *34.667 Degrees* | | | 50 | | |
| STORMWATER | STORMWATER AD HOC | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 11 | 19.488 Degrees | *34.652 Degrees* | | | 100 | | |
| STORMWATER | STORM WATER DRAINS | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 05 | 19.212 Degrees | *34.429 Degrees* | | | 300 | | |
| STORMWATER | SUBSOIL DRAINAGE | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 05 | 19.212 Degrees | *34.430 Degrees* | | | 200 | | |
| STORMWATER | INSTALLATION OF SUBSOIL DRAINAGE | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 06 | 19.212 Degrees | *34.427 Degrees* | | | 200 | | |
| STORMWATER | STORMWATER AND TARRING OF CIRCLES HAWSTON | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 08 | 19.133 Degrees | *34.383 Degrees* | | | 100 | | |
| STORMWATER | STORMWATER | Upgrade | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 10 | 34°18'25,2"S Degrees | *18°49'03,7"E Degrees* | | | 30 | | |
| STORMWATER | STORMWATER DRAINS | New | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Storm water Infrastructure* | *Storm water Conveyance* | Ward 12 | 19.219 Degrees | *34.426 Degrees* | | | 150 | | |
| | | | | | | | | | | | 7 311 | 22 024 | | | |
| WASTE MANAGEMENT | VOELKLIP DROP OFF AND MINI DROP OFF ELECTRIC FENCING | Upgrade | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Solid Waste Infrastructure* | *Waste Drop-off Points* | Ward 03 | 34,41242966 Degrees | *19,27846574 Degrees* | | | 90 | | |
| WASTE MANAGEMENT | HERMANUS TRANSFER STATION:NEW BOUNDARY WALL (F1/2) | Renewal | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Solid Waste Infrastructure* | *Waste Transfer Stations* | Ward 12 | 19.218 Degrees | *34.425 Degrees* | | | 1 250 | | |
| WASTE MANAGEMENT | HERMANUS TRANSFER STATION:NEW BOUNDARY WALL (F2/2) | Renewal | *dating the social wage through reliable and quality basic s* | *Inclusion and access* | 2 | *Solid Waste Infrastructure* | *Waste Transfer Stations* | Ward 12 | 19.218 Degrees | *34.425 Degrees* | | | 770 | | |
| **Parent Capital expenditure** | | | | | | | | | | | **211 056** | **280 086** | **233 444** | **142 286** | **95 835** |
| **Entities:** | | | | | | | | | | | | | | | |
| *List all capital projects grouped by Entity* | | | | | | | | | | | | | | | |
| **Entity A** | | | | | | | | | | | | | | | |
| Water project A | | | | | | | | | | | | | | | |
| **Entity B** | | | | | | | | | | | | | | | |
| Electricity project B | | | | | | | | | | | | | | | |
| **Entity Capital expenditure** | | | | | | | | | | | – | – | – | – | – |
| **Total Capital expenditure** | | | | | | | | | | | **211 056** | **280 086** | **233 444** | **142 286** | **95 835** |

*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 MFMA section 19(1)(b) and MRRR Regulation 13 — check – – – – –

Project Number consists of MSCOA Project Longcode and seq No (sample PC001002006002_00002)

**Choose name from list - Supporting Table SA37 Projects delayed from previous financial year/s**

| R thousand | | | | | | | | | | | Previous target year to complete | Current Year 2020/21 | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Function | Project name | Type | MTSF Service Outcome | IUDF | Own Strategic Objectives | Asset Class | Asset Sub-Class | Ward Location | GPS Longitude | GPS Lattitude | | Original Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| **Parent municipality:** | | | | | | | | | | | | | | | | |
| *List all capital projects grouped by Function* | | | | | | | | | | | | | | | | |
| PLANNING & DEVELOPMENT | BUILDING CONTROL OFFICE EXTENSION | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Operational Buildings* | *Municipal Offices* | *Overstrand* | *19,24 Degrees* | *34,418 Degrees* | | 1 000 | 500 | 500 | | |
| PLANNING & DEVELOPMENT | ECD CENTRE ESTABLISMENT | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Crèches* | *Overstrand* | *Overstrand* | *Overstrand* | | 475 | – | 475 | | |
| PLANNING & DEVELOPMENT | HAWSTON LANG ERWE TRANSFERS | Upgrading | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Public Open Space* | *Ward 08* | *19,129 Degrees* | *34,382 Degrees* | | 150 | – | 147 | | |
| PLANNING & DEVELOPMENT | FERNKLOOF NATURE RESERVE FACILITIES | New | *A capable, ethical and developmental state* | *Inclusion and access* | 5 | *Community Facilities* | *Nature Reserves* | *Ward 03* | *19,265 Degrees* | *34,399 Degrees* | | 2 100 | – | 2 100 | | |
| 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 Degrees* | *34.384 Degrees* | | 600 | – | 600 | | |
| 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 Degrees* | *34.384 Degrees* | | 1 637 | 498 | 1 139 | | |
| SPORT & RECREATION | UPGRADE HERMANUS WELL FIELDS PHASE 2 | Upgrading | *Consolidating the social wage through reliable and quality basic services* | *Inclusion and access* | 2 | *Water Supply Infrastructure* | *Distribution* | *Multi-ward Hermanus Area* | *19.237° E Degrees* | *34.376° S Degrees* | | 6 000 | 4 000 | 2 000 | | |
| SEWERAGE | GANSBAAI CBD SEWER NETWORK EXTENSION | New | *Consolidating the social wage through reliable and quality basic services* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Reticulation* | *Ward 02* | *19.352° E Degrees* | *34.586° S Degrees* | | 4 000 | 1 750 | 2 250 | | |
| COMMUNITY AND SOCIAL SERVICES | 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* | *19.178 Degrees* | *34.418 Degrees* | | 750 | 140 | 610 | | |
| COMMUNITY AND SOCIAL SERVICES | ABLUTION FACILITIES ONRUS SWIMMING BEACH | New | *A capable, ethical and developmental state* | *Inclusion and access* | 3 | *Community Facilities* | *Public Ablution Facilities* | *Ward 13* | *19.178 Degrees* | *34.418 Degrees* | | 633 | 0 | 633 | | |
| SEWERAGE | UPGRADING OF PUMPSTATIONS RISING MAINS | Upgrading | *Consolidating the social wage through reliable and quality basic services* | *Inclusion and access* | 2 | *Sanitation Infrastructure* | *Pump Station* | *Overstrand* | *19.210° E Degrees* | *34.425° S Degrees* | | 4 600 | 8 300 | 5 000 | | |
| **Entities:** | | | | | | | | | | | | | | | | |
| *List all capital projects grouped by Entity* | | | | | | | | | | | | | | | | |
| ***Entity Name*** | | | | | | | | | | | | | | | | |
| *Project name* | | | | | | | | | | | | | | | | |

*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)

## Choose name from list - Supporting Table SA38 Consolidated detailed operational projects

| Municipal Vote/Operational project | Ref | Program/Project description | 2021/22 Medium Term Revenue & Expenditure Framework | | | Project information |
|---|---|---|---|---|---|---|
| R thousand | 4 | | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Ward location |
| **Parent municipality:** | | | | | | |
| *List all operational projects grouped by Municipal Vote* | | | | | | |
| **Vote 1 - Council** | | | | | | |
| | | **Municipal Running Cost** | 37 152 | 37 805 | 38 715 | |
| **Vote 2 - Municipal Manager** | | | | | | |
| | | **Municipal Running Cost** | 8 017 | 8 216 | 8 526 | |
| **Vote 3 - Management Services** | | | | | | |
| | | **Municipal Running Cost** | 49 078 | 51 077 | 53 003 | |
| | | **Repairs and Maintenance** | 8 951 | 9 398 | 9 870 | |
| | | **Typical Workstreams** | 2 499 | 2 472 | 2 472 | |
| **Vote 4 - Finance** | | | | | | |
| | | **Municipal Running Cost** | 74 787 | 78 808 | 91 509 | |
| | | **Repairs and Maintenance** | 1 693 | 1 693 | 1 693 | |
| | | **Typical Workstreams** | 18 992 | 19 755 | 20 550 | |
| **Vote 5 - Infrastructure & Planning** | | **Municipal Running Cost** | 534 886 | 572 671 | 612 026 | |
| | | **Repairs and Maintenance** | 42 464 | 44 379 | 37 990 | |
| | | **Typical Workstreams** | 55 241 | 35 842 | 19 733 | |
| **Vote 6 - Protection Services** | | **Municipal Running Cost** | 109 090 | 114 082 | 118 988 | |
| | | **Repairs and Maintenance** | 1 492 | 1 442 | 1 493 | |
| | | **Typical Workstreams** | 4 620 | 4 570 | 4 570 | |
| **Vote 7 - Local Economic Development** | | **Municipal Running Cost** | 14 954 | 12 500 | 13 046 | |
| | | **Repairs and Maintenance** | 253 | 253 | 253 | |
| | | **Typical Workstreams** | 2 059 | 1 759 | 1 759 | |
| **Vote 8 - Community Services** | | | | | | |

| Municipal Vote/Operational project<br><br>R thousand | Ref<br><br>4 | Program/Project description | 2021/22 Medium Term Revenue & Expenditure Framework<br>Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 | Project information<br>Ward location |
|---|---|---|---|---|---|---|
| | | **Municipal Running Cost** | 268 822 | 270 000 | 276 736 | |
| | | **Repairs and Maintenance** | 194 715 | 206 155 | 213 474 | |
| | | **Typical Workstreams** | 20 770 | 20 579 | 21 501 | |
| **Parent operational expenditure** | 1 | | **1 450 536** | **1 493 455** | **1 547 908** | |
| **Entities:**<br>*List all operational projects grouped by Entity* | | | | | | |
| **Entity A**<br>Water project A<br>**Entity B**<br>Electricity project B | | | | | | |
| **Entity Operational expenditure** | | | – | – | – | |
| **Total Operational expenditure** | | | **1 450 536** | **1 493 455** | **1 547 908** | |

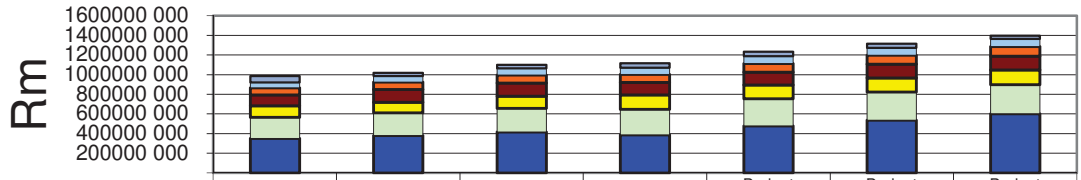
*References*

*1. Must reconcile with Budgeted Operating Expenditure*

*2. As per Table SA5*

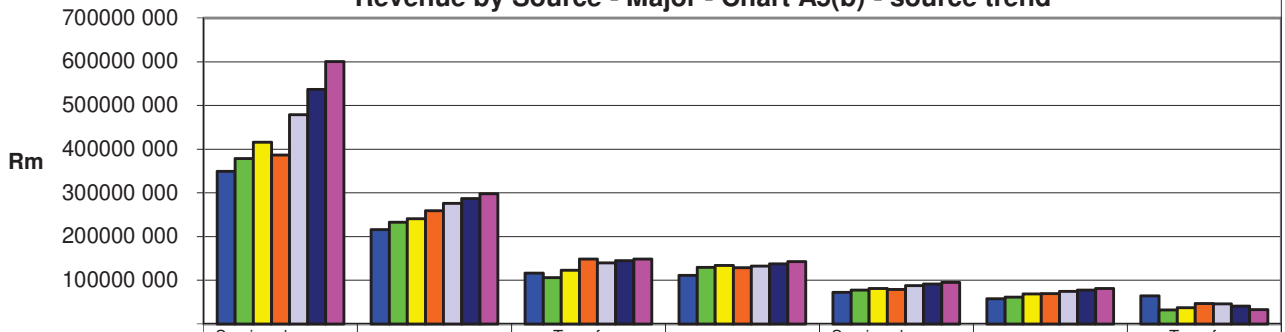
# OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

## Revenue by Source - Major - Chart A5(a)



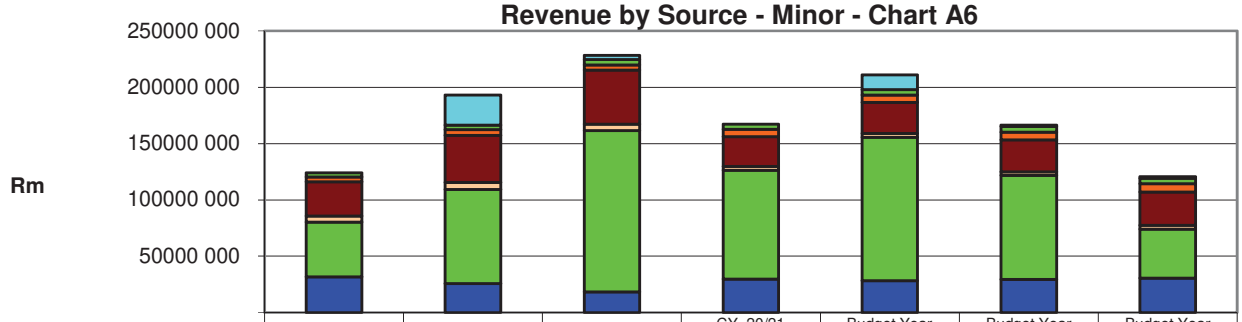

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Transfers recognised - capital | 64263 092 | 31951 631 | 37391 853 | 46915 713 | 46354 000 | 40828 000 | 32568 000 |
| Service charges - refuse | 57775 450 | 61763 313 | 69102 023 | 69481 600 | 74741 200 | 77730 784 | 80839 951 |
| Service charges - sanitation revenue | 72106 442 | 77718 851 | 80871 157 | 78913 100 | 87631 400 | 91136 616 | 94782 041 |
| Service charges - water revenue | 110931 849 | 129857 575 | 133628 116 | 128520 000 | 132168 400 | 137455 136 | 142953 339 |
| Transfers recognised - operating | 116457 743 | 106306 078 | 123140 482 | 148458 203 | 139692 100 | 144977 100 | 148209 100 |
| Property rates | 215762 844 | 233092 551 | 240914 416 | 259241 000 | 275636 575 | 286662 038 | 298128 520 |

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




| | Service charges - electricity revenue | Property rates | Transfers recognised - operating | Service charges - water revenue | Service charges - sanitation revenue | Service charges - refuse | Transfers recognised - capital |
|---|---|---|---|---|---|---|---|
| 2017/18 AUD | 349297 794 | 215762 844 | 116457 743 | 110931 849 | 72106 442 | 57775 450 | 64263 092 |
| 2018/19 AUD | 378693 094 | 233092 551 | 106306 078 | 129857 575 | 77718 851 | 61763 313 | 31951 631 |
| 2019/20 AUD | 415947 321 | 240914 416 | 123140 482 | 133628 116 | 80871 157 | 69102 023 | 37391 853 |
| CY 20/21 ADJ | 386294 069 | 259241 000 | 148458 203 | 128520 000 | 78913 100 | 69481 600 | 46915 713 |
| Budget Year 2021/22 | 479057 480 | 275636 575 | 139692 100 | 132168 400 | 87631 400 | 74741 200 | 46354 000 |
| Budget Year +1 2022/23 | 536402 914 | 286662 038 | 144977 100 | 137455 136 | 91136 616 | 77730 784 | 40828 000 |
| Budget Year +2 2023/24 | 600624 144 | 298128 520 | 148209 100 | 142953 339 | 94782 041 | 80839 951 | 32568 000 |

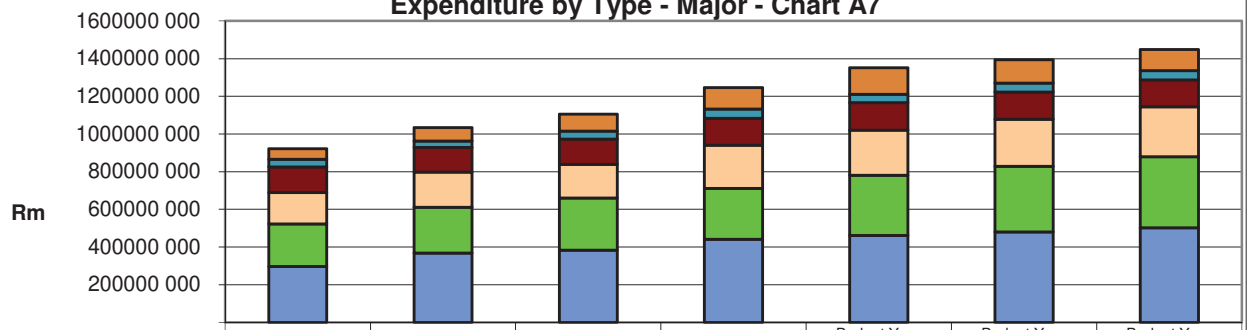
## Revenue by Source - Minor - Chart A6




| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Service charges - other | | | | | | | |
| Contributed assets | | 26685 272 | 3729 771 | | 13200 800 | 1312 032 | 1323 713 |
| Dividends received | | | | | | | |
| Contributions | | | | | | | |
| Interest earned - outstanding debtors | 3854 211 | 4193 198 | 5039 652 | 4649 500 | 4680 500 | 4867 700 | 5062 388 |
| Agency services | 4148 923 | 4884 522 | 4376 030 | 6438 100 | 6680 100 | 6929 700 | 7189 284 |
| Interest earned - external investments | 30320 491 | 41766 908 | 48146 378 | 26400 100 | 27456 100 | 28554 340 | 29696 510 |
| Rental of facilities and equipment | 5615 720 | 6277 934 | 5738 360 | 3627 180 | 3440 292 | 3147 816 | 3273 057 |
| Other revenue | 48491 637 | 83672 946 | 143186 093 | 96604 282 | 127409 360 | 92259 342 | 43562 524 |
| Fines | 31637 624 | 25672 161 | 18210 765 | 29564 100 | 28222 600 | 29348 088 | 30518 596 |

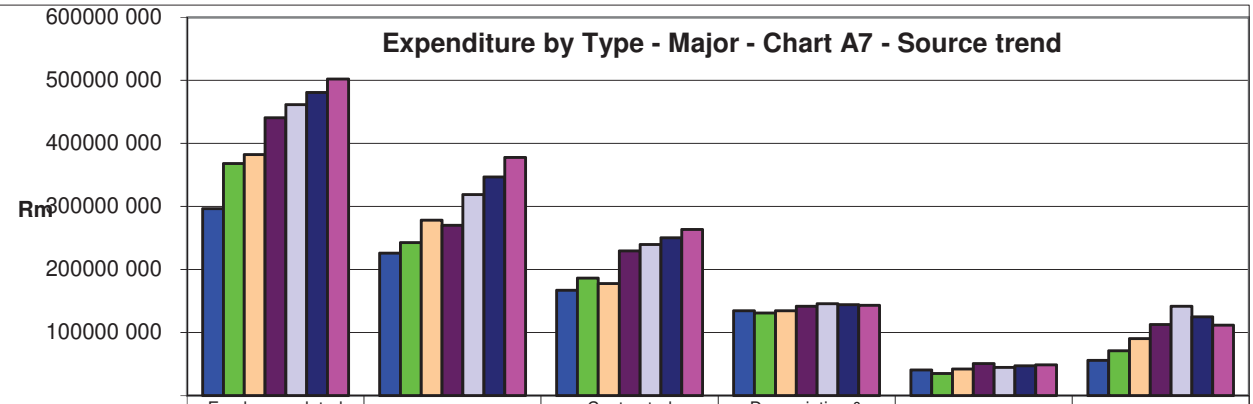
## OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

### Expenditure by Type - Major - Chart A7



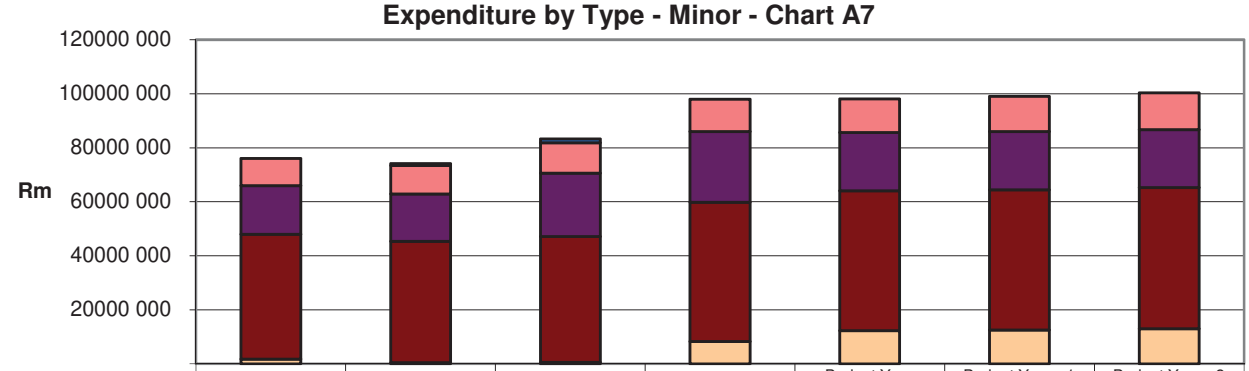

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Other expenditure | 55726 302 | 71333 300 | 90183 122 | 112917 021 | 141561 449 | 124844 495 | 111594 296 |
| Other materials | 40900 029 | 35049 460 | 42301 753 | 50805 752 | 44845 532 | 47274 529 | 48918 209 |
| Depreciation & asset impairment | 134846 277 | 131113 857 | 134540 980 | 141876 708 | 145662 652 | 144047 161 | 143380 672 |
| Contracted services | 167078 554 | 186336 164 | 177913 891 | 229348 562 | 239915 429 | 250494 221 | 263767 895 |
| Bulk purchases | 225843 568 | 242613 624 | 278484 673 | 270260 407 | 318669 449 | 347031 029 | 377916 792 |
| Employee related costs | 296682 089 | 368000 044 | 382527 443 | 440972 343 | 461744 582 | 480764 649 | 502036 900 |

### Expenditure by Type - Major - Chart A7 - Source trend




| | Employee related costs | Bulk purchases | Contracted services | Depreciation & asset impairment | Other materials | Other expenditure |
|---|---|---|---|---|---|---|
| 2017/18 AUD | 296682 089 | 225843 568 | 167078 554 | 134846 277 | 40900 029 | 55726 302 |
| 2018/19 AUD | 368000 044 | 242613 624 | 186336 164 | 131113 857 | 35049 460 | 71333 300 |
| 2019/20 AUD | 382527 443 | 278484 673 | 177913 891 | 134540 980 | 42301 753 | 90183 122 |
| CY 20/21 ADJ | 440972 343 | 270260 407 | 229348 562 | 141876 708 | 50805 752 | 112917 021 |
| Budget Year 2021/22 | 461744 582 | 318669 449 | 239915 429 | 145662 652 | 44845 532 | 141561 449 |
| Budget Year +1 2022/23 | 480764 649 | 347031 029 | 250494 221 | 144047 161 | 47274 529 | 124844 495 |
| Budget Year +2 2023/24 | 502036 900 | 377916 792 | 263767 895 | 143380 672 | 48918 209 | 111594 296 |

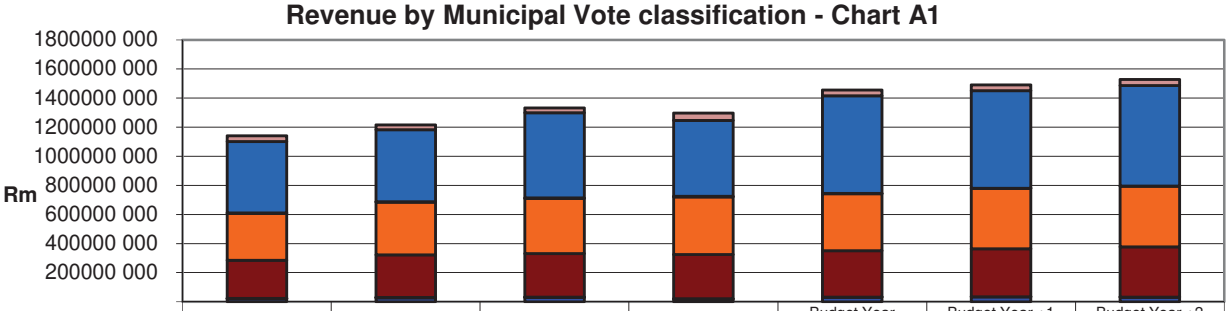
### Expenditure by Type - Minor - Chart A7




| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Loss on disposal of PPE | | 609 917 | 1383 595 | | | | |
| Remuneration of councillors | 10137 692 | 10573 228 | 11282 325 | 11896 435 | 12508 622 | 13019 560 | 13553 490 |
| Debt impairment | 18012 607 | 17499 880 | 23452 590 | 26263 461 | 21500 000 | 21500 000 | 21500 000 |
| Finance charges | 46128 610 | 44920 621 | 46570 200 | 51482 056 | 51803 648 | 51922 504 | 52179 699 |
| Grants and subsidies | 1800 000 | 485 850 | 559 623 | 8300 000 | 12324 374 | 12557 349 | 13059 643 |

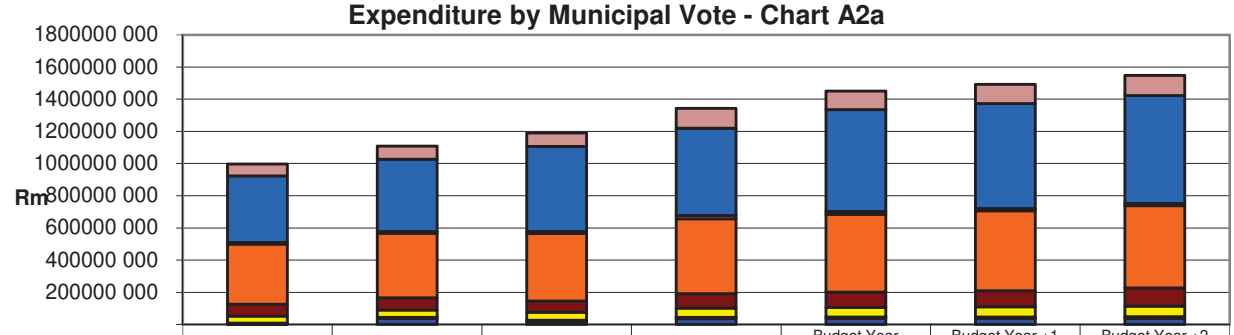
## OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

### Revenue by Municipal Vote classification - Chart A1



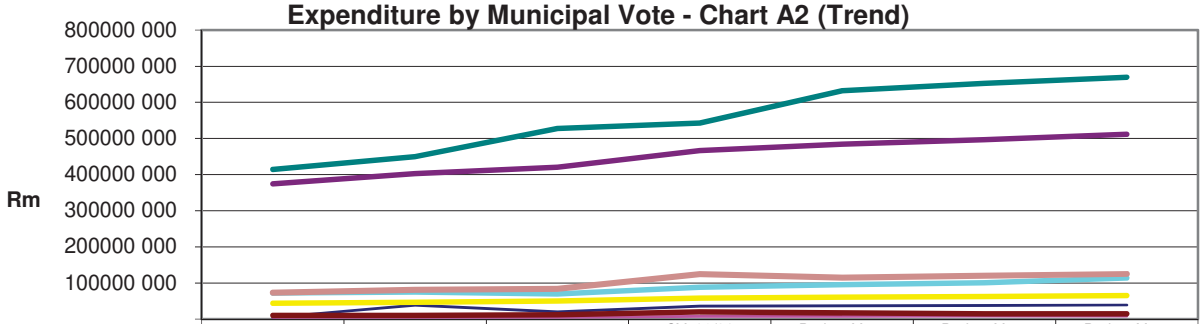

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Protection Services | 40605 212 | 32267 467 | 32797 464 | 51299 730 | 39531 200 | 40997 200 | 42521 840 |
| Infrastructure and Planning | 489798 851 | 496225 065 | 585514 608 | 521471 924 | 672085 451 | 672092 831 | 691198 245 |
| Local Economic Development | 2787 802 | 2030 375 | 2914 273 | 5778 110 | 2837 500 | 66 308 | 219 228 |
| Community Services | 323102 356 | 363260 255 | 378349 952 | 394151 363 | 391375 874 | 414592 336 | 419474 446 |
| Finance | 262709 149 | 292876 473 | 300505 525 | 305003 500 | 318649 922 | 331199 693 | 344252 816 |
| Management Services | 820 708 | 1070 202 | 1188 788 | 2271 800 | 869 300 | 348 452 | 357 970 |
| Municipal Manager | 63 544 | 86 460 | 35 742 | | | | |
| Council | 21398 957 | 27246 103 | 30091 047 | 18015 620 | 31284 707 | 32772 300 | 31374 815 |

### Expenditure by Municipal Vote - Chart A2a



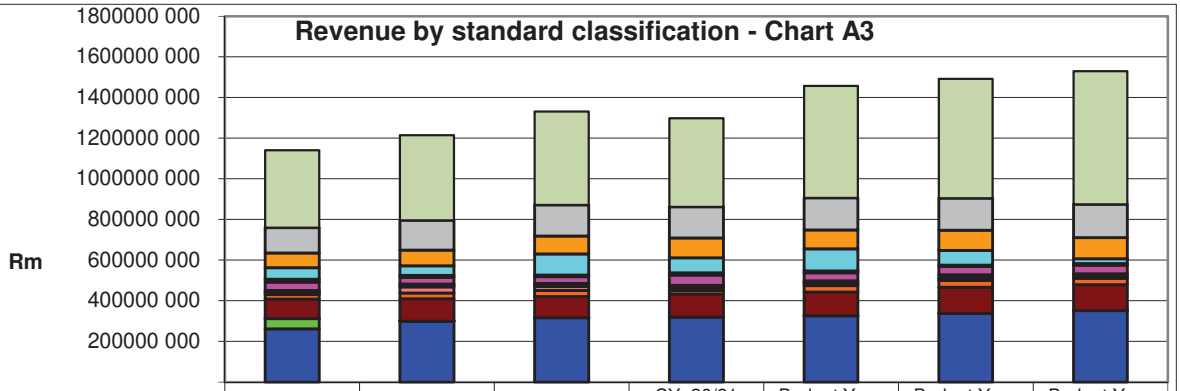

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Protection Services | 73272 398 | 81088 550 | 83724 913 | 124865 878 | 115201 357 | 120093 630 | 125050 593 |
| Infrastructure and Planning | 414431 831 | 449522 113 | 527809 932 | 542785 598 | 632591 594 | 652891 304 | 669748 802 |
| Local Economic Development | 10557 694 | 10302 724 | 12042 047 | 20179 868 | 17265 664 | 14511 937 | 15057 864 |
| Community Services | 374349 705 | 402982 972 | 420781 573 | 466145 330 | 484307 735 | 496733 645 | 511711 236 |
| Finance | 71889 661 | 74679 944 | 69424 667 | 88609 358 | 95472 803 | 100256 721 | 113752 506 |
| Management Services | 43809 495 | 46735 602 | 50129 460 | 57864 025 | 60528 176 | 62948 187 | 65346 001 |
| Municipal Manager | 4541 569 | 5049 866 | 5360 939 | 7586 592 | 8016 585 | 8215 530 | 8525 602 |
| Council | 4303 375 | 38174 175 | 19926 662 | 36086 096 | 37151 823 | 37804 543 | 38714 992 |

### Expenditure by Municipal Vote - Chart A2 (Trend)

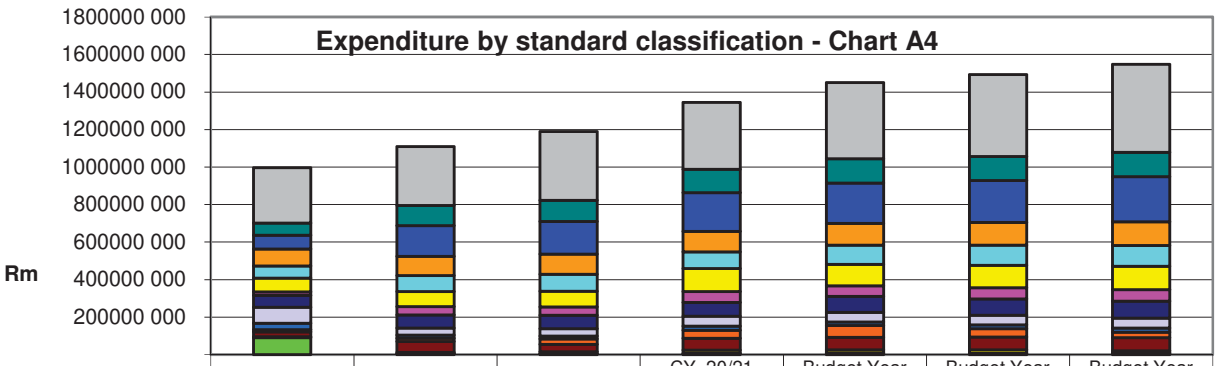



| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Council | 4303 375 | 38174 175 | 19926 662 | 36086 096 | 37151 823 | 37804 543 | 38714 992 |
| Municipal Manager | 4541 569 | 5049 866 | 5360 939 | 7586 592 | 8016 585 | 8215 530 | 8525 602 |
| Management Services | 43809 495 | 46735 602 | 50129 460 | 57864 025 | 60528 176 | 62948 187 | 65346 001 |
| Finance | 71889 661 | 74679 944 | 69424 667 | 88609 358 | 95472 803 | 100256 721 | 113752 506 |
| Community Services | 374349 705 | 402982 972 | 420781 573 | 466145 330 | 484307 735 | 496733 645 | 511711 236 |
| Local Economic Development | 10557 694 | 10302 724 | 12042 047 | 20179 868 | 17265 664 | 14511 937 | 15057 864 |
| Infrastructure and Planning | 414431 831 | 449522 113 | 527809 932 | 542785 598 | 632591 594 | 652891 304 | 669748 802 |
| Protection Services | 73272 398 | 81088 550 | 83724 913 | 124865 878 | 115201 357 | 120093 630 | 125050 593 |

## OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2020/2021 BUDGET

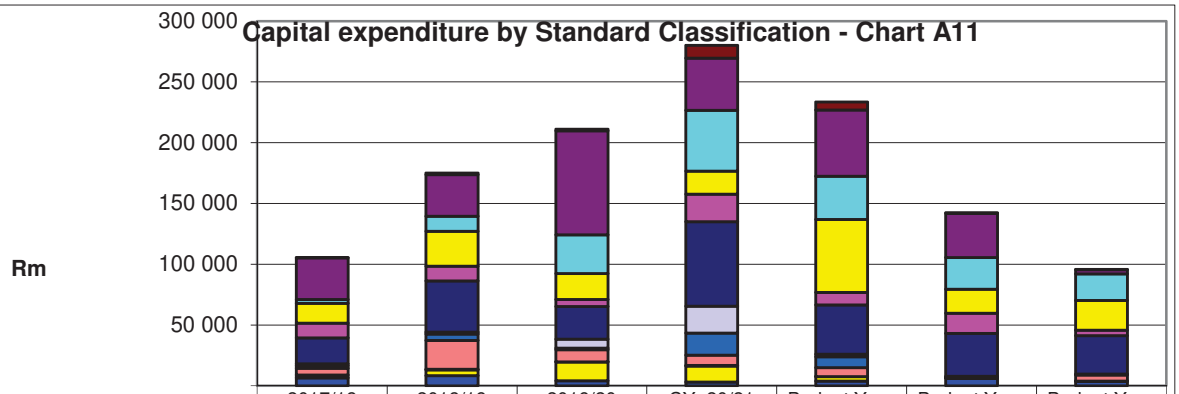



| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Electricity | 381333 081 | 419560 383 | 459980 208 | 435401 292 | 550503 131 | 587031 347 | 655146 429 |
| Water | 125374 773 | 145980 226 | 153663 169 | 152914 661 | 157060 938 | 157973 386 | 164018 280 |
| Waste Management | 72638 810 | 76776 550 | 86662 024 | 98986 483 | 94144 886 | 98912 276 | 103942 817 |
| Housing | 56186 314 | 47457 067 | 104370 277 | 73957 416 | 107845 400 | 72300 400 | 23000 400 |
| Planning & Development | 14259 224 | 10337 467 | 8315 119 | 11030 450 | 9361 620 | 7104 753 | 7388 811 |
| Public Safety | 40605 211 | 32371 843 | 32801 110 | 49299 730 | 39531 200 | 40997 200 | 42521 840 |
| Road Transport | 8969 603 | 6229 009 | 7166 286 | 3516 400 | 6828 200 | 13245 200 | 2245 200 |
| Community & Social Services | 4148 780 | 8471 058 | 8070 907 | 8217 410 | 7144 760 | 7017 086 | 7285 586 |
| Health | | | | | | | |
| Sport and Recreation | 8217 635 | 30198 874 | 18800 829 | 13423 513 | 10133 260 | 8241 654 | 13050 842 |
| Executive & Council | 21598 635 | 27346 771 | 30254 349 | 18104 920 | 31359 407 | 32826 200 | 31414 155 |
| Waste Water Management | 95069 965 | 110345 150 | 103933 774 | 113788 563 | 116972 218 | 128615 645 | 128491 226 |
| Environmental Protection | 22 169 | 294 953 | 21 236 | 31 600 | 36 700 | 38 156 | 39 670 |
| Internal audit | 50817 359 | 86 460 | 35 742 | | | | |
| Finance & Administration | 262045 019 | 299606 591 | 317322 368 | 319319 609 | 325712 234 | 337765 817 | 350854 105 |



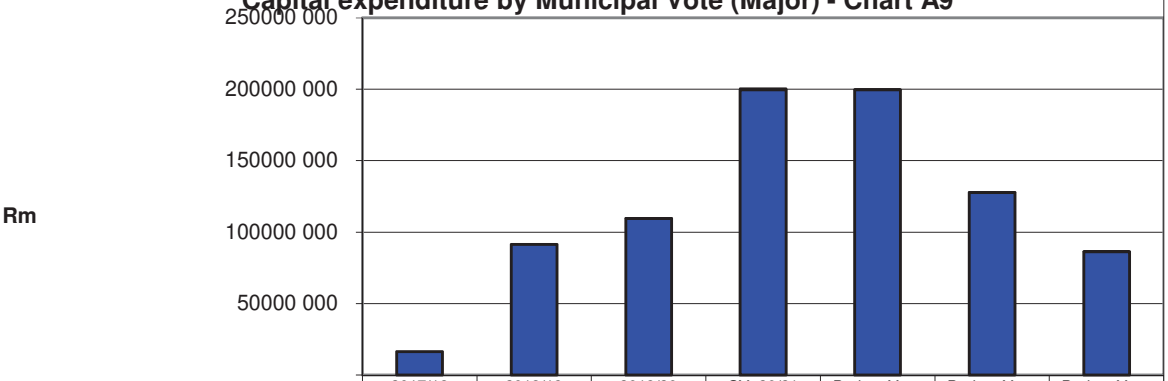

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Electricity | 295385 993 | 313606 216 | 366823 259 | 355355 285 | 407010 442 | 437920 909 | 469522 600 |
| Water | 66052 168 | 107916 412 | 112898 825 | 125366 720 | 129752 322 | 127205 772 | 130415 787 |
| Finance & Administration | 71864 028 | 162899 260 | 174217 457 | 206921 181 | 213705 443 | 223293 001 | 240242 998 |
| Road Transport | 91196 805 | 103331 107 | 107277 203 | 108691 262 | 116105 894 | 121656 073 | 126719 366 |
| Waste Water Management | 64937 052 | 84119 953 | 90405 562 | 89138 425 | 102565 507 | 106784 703 | 109968 250 |
| Public Safety | 73286 398 | 80702 403 | 82675 412 | 122499 535 | 115101 067 | 120007 381 | 125179 262 |
| Sport and Recreation | 18306 801 | 43904 713 | 44288 568 | 58412 012 | 56314 655 | 59175 288 | 60150 659 |
| Waste Management | 63963 886 | 71008 858 | 71807 771 | 73358 238 | 84170 834 | 88387 553 | 92029 603 |
| Planning & Development | 85115 122 | 36688 486 | 39396 933 | 51862 438 | 51199 460 | 50257 793 | 52144 929 |
| Community & Social Services | 33855 506 | 16971 724 | 15215 959 | 23533 950 | 19085 567 | 19863 003 | 22222 323 |
| Health | | | | | | | |
| Housing | 12588 702 | 18299 479 | 29347 378 | 42582 884 | 63700 249 | 44605 922 | 28779 639 |
| Executive & Council | 24779 536 | 56567 340 | 39624 200 | 62414 619 | 66574 647 | 68304 535 | 70654 992 |
| Environmental Protection | 5705 407 | 6820 973 | 9901 742 | 16398 334 | 17589 151 | 18480 107 | 12103 312 |
| Internal audit | 90118 324 | 2667 844 | 2322 018 | 3569 242 | 4075 143 | 4134 698 | 4297 477 |
| Other | | 3031 176 | 2997 908 | 4018 620 | 3585 356 | 3378 759 | 3476 399 |

## Capital expenditure by Standard Classification - Chart A11



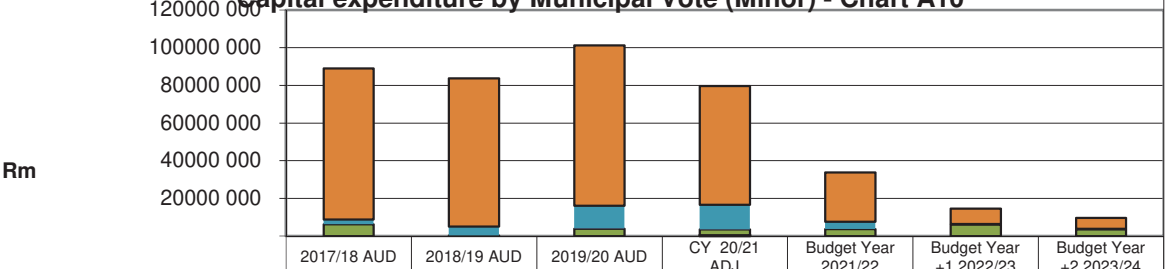

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Planning & Development | 44 990 | 1345 505 | 1219 931 | 10371 614 | 6587 070 | 415 000 | 415 000 |
| Housing | 34180 063 | 34275 986 | 85753 090 | 42939 891 | 54359 085 | 36458 195 | 3267 000 |
| Water | 3256 548 | 12270 442 | 31751 721 | 50035 705 | 35715 000 | 25900 000 | 22000 000 |
| Electricity | 16267 578 | 28893 042 | 21428 126 | 19118 639 | 59924 435 | 19775 000 | 24450 000 |
| Road Transport | 12026 166 | 12061 188 | 5645 336 | 22586 000 | 10229 087 | 16675 000 | 4450 000 |
| Waste Water Management | 21522 713 | 42209 616 | 26893 030 | 69635 345 | 40696 000 | 35328 000 | 31568 000 |
| Waste Management | 1571 923 | 1498 982 | 7310 874 | 22023 569 | 2110 260 | | |
| Community & Social Services | 2125 630 | 5163 604 | 1330 053 | 18083 945 | 8830 279 | 760 000 | 760 000 |
| Sport and Recreation | 5427 010 | 23922 928 | 9980 664 | 8587 612 | 7409 737 | 500 000 | 5000 000 |
| Health | | | | | | | |
| Executive & Council | | 295 165 | 1 714 | 465 870 | 5 000 | 5 000 | 5 000 |
| Public Safety | 2489 735 | 4809 422 | 15694 332 | 13168 190 | 3807 712 | 350 000 | 350 000 |
| Environmental Protection | | | | | | | |
| Finance & Administration | 6342 341 | 8363 837 | 4047 592 | 3070 000 | 3770 000 | 6120 000 | 3570 000 |

## Capital expenditure by Municipal Vote (Major) - Chart A9



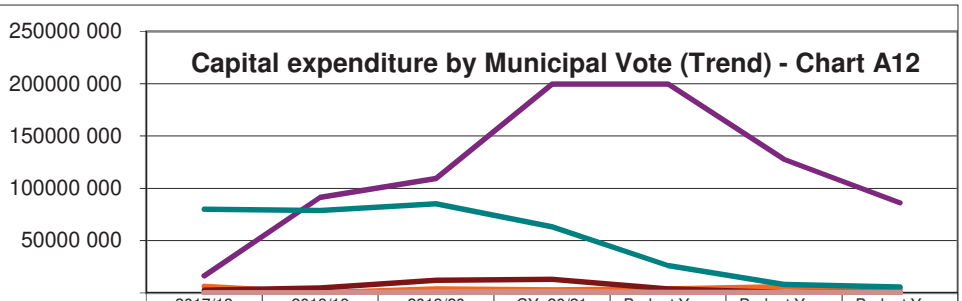

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Vote 7 - Economic and Social Development & Tourism | | | 374 653 | 842 000 | 45 000 | 45 000 | 45 000 |
| Vote 5 - Infrastructure & Planning | 16314 874 | 91364 080 | 109480 066 | 199609 462 | 199543 892 | 127656 195 | 86205 000 |

## Capital expenditure by Municipal Vote (Minor) - Chart A10



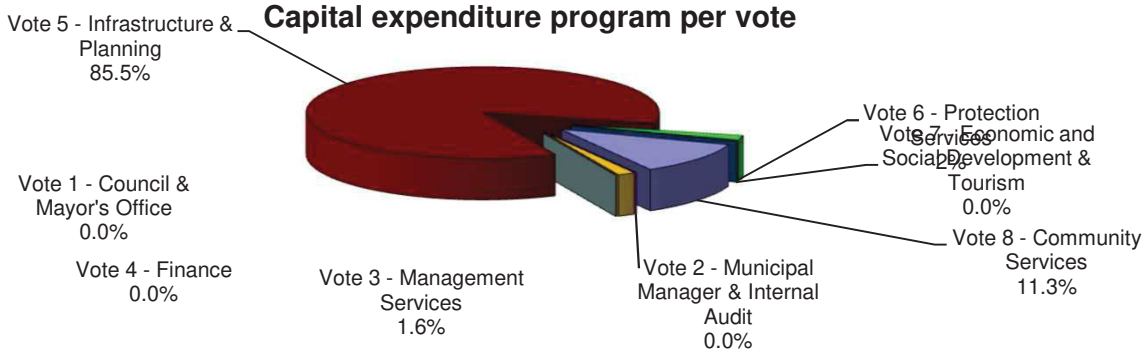

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Vote 8 - Community Services | 80077 038 | 78641 050 | 85149 209 | 63080 858 | 26272 061 | 8110 000 | 5660 000 |
| Vote 6 - Protection Services | 2516 718 | 4809 422 | 12064 090 | 13018 190 | 3807 712 | 350 000 | 350 000 |
| Vote 4 - Finance | | | 22 006 | 60 000 | 60 000 | 60 000 | 60 000 |
| Vote 3 - Management Services | 6346 067 | 295 165 | 3966 439 | 3015 000 | 3715 000 | 6065 000 | 3515 000 |
| Vote 2 - Municipal Manager & Internal Audit | | | | | | | |
| Vote 1 - Council & Mayor's Office | | | | 460 870 | | | |

## Capital expenditure by Municipal Vote (Trend) - Chart A12

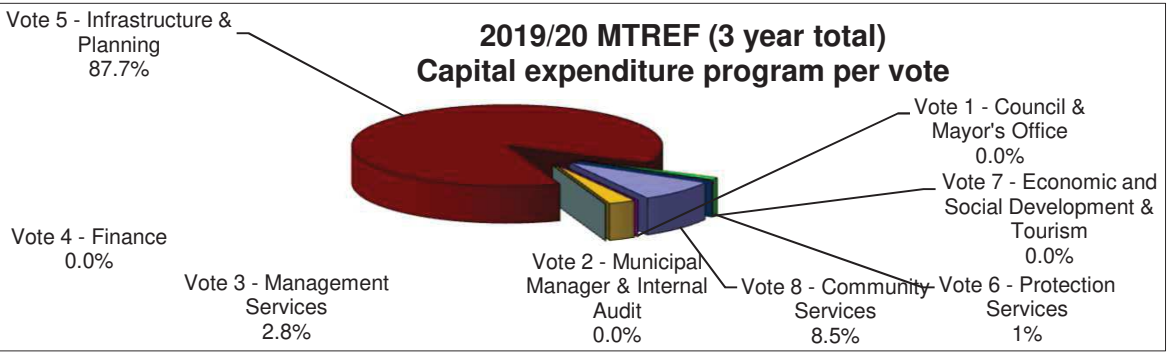



| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Vote 1 - Council & Mayor's Office | | | | 460 870 | | | |
| Vote 2 - Municipal Manager & Internal Audit | | | | | | | |
| Vote 3 - Management Services | 6346 067 | 295 165 | 3966 439 | 3015 000 | 3715 000 | 6065 000 | 3515 000 |
| Vote 4 - Finance | | | 22 006 | 60 000 | 60 000 | 60 000 | 60 000 |
| Vote 5 - Infrastructure & Planning | 16314 874 | 91364 080 | 109480 066 | 199609 462 | 199543 892 | 127656 195 | 86205 000 |
| Vote 6 - Protection Services | 2516 718 | 4809 422 | 12064 090 | 13018 190 | 3807 712 | 350 000 | 350 000 |
| Vote 8 - Community Services | 80077 038 | 78641 050 | 85149 209 | 63080 858 | 26272 061 | 8110 000 | 5660 000 |
| Vote 7 - Economic and Social Development & Tourism | | | 374 653 | 842 000 | 45 000 | 45 000 | 45 000 |

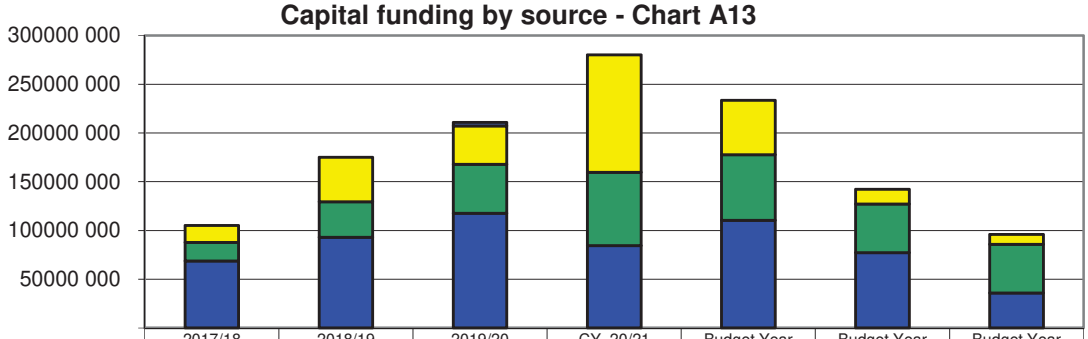
## 2019/20 Budget Year Capital expenditure program per vote




## 2019/20 MTREF (3 year total) Capital expenditure program per vote

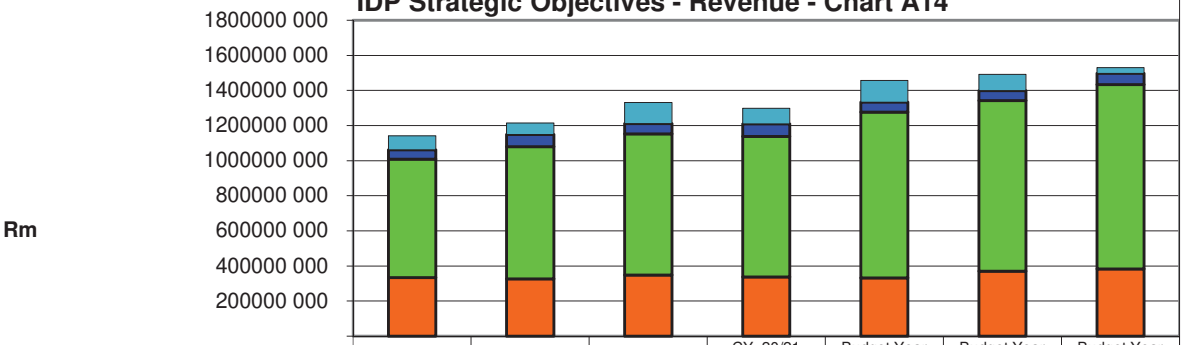



## Capital funding by source - Chart A13



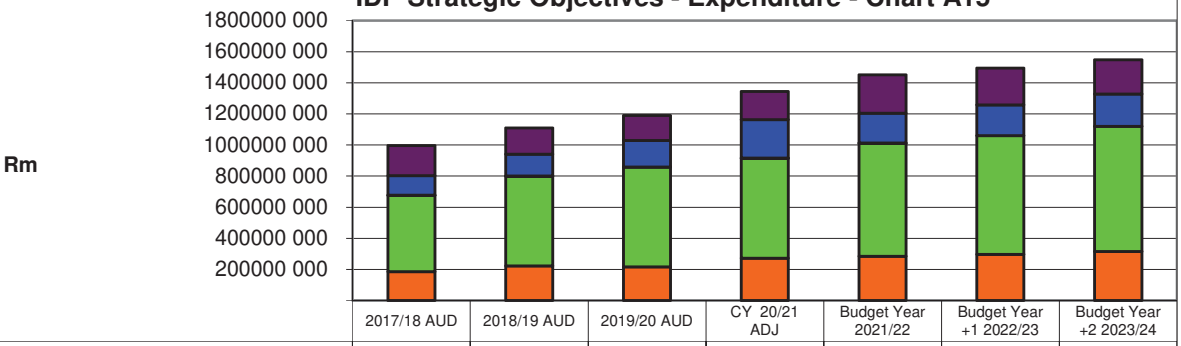

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Public contributions & donations | | | 3729 771 | | | | |
| Internally generated funds | 17378 684 | 45612 629 | 39357 705 | 120334 753 | 55680 580 | 15000 000 | 10000 000 |
| Borrowing | 19199 224 | 36495 201 | 50476 397 | 75228 311 | 67250 000 | 50000 000 | 50000 000 |
| Capital transfers recognised | 68676 789 | 93001 887 | 117492 590 | 84523 316 | 110513 085 | 77286 195 | 35835 000 |

## IDP Strategic Objectives - Revenue - Chart A14



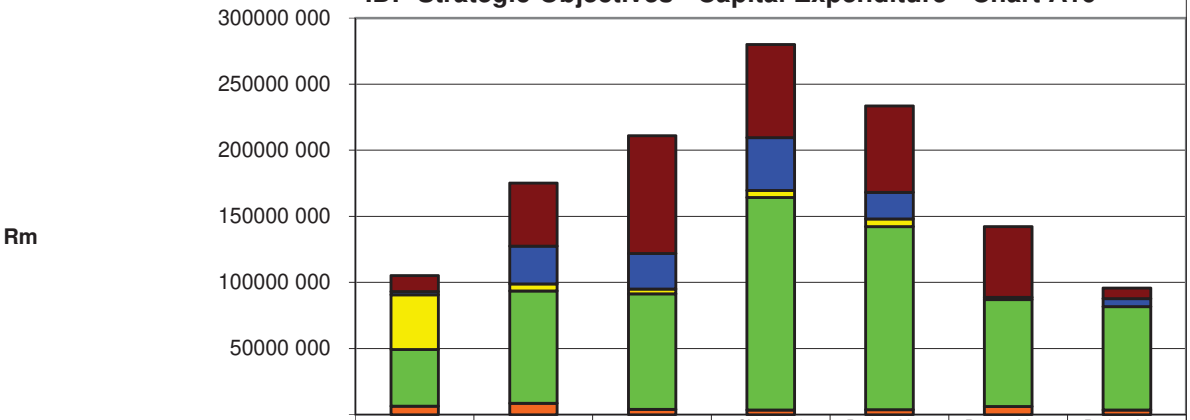

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| The promotion of tourism, economic and social development | 79437 309 | 64318 429 | 119872 641 | 88535 866 | 124071 920 | 92688 509 | 32674 081 |
| The creation and maintenance of a safe and healthy environment | 52971 627 | 70070 345 | 59673 123 | 70940 653 | 56809 220 | 56255 941 | 62858 267 |
| The encouragement of structured community participation in the matters of the municipality | | | | | | | |
| Provision and maintenance of municipal services | 674416 629 | 752662 308 | 804239 174 | 801090 999 | 942928 236 | 972532 654 | 1051598 752 |
| Provision of democratic accountable and ethical governance | 334461 013 | 327075 507 | 347612 459 | 337424 529 | 332824 578 | 370592 017 | 382268 260 |

## IDP Strategic Objectives - Expenditure - Chart A15



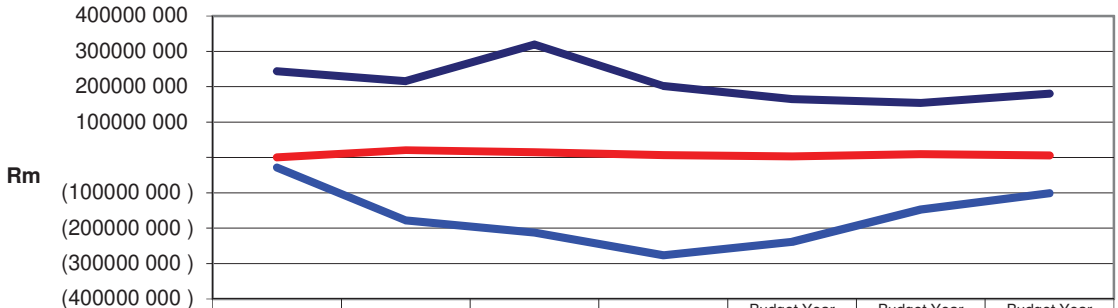

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| The promotion of tourism, economic and social development | 194605 741 | 166920 741 | 159573 785 | 180830 654 | 247469 754 | 234999 895 | 219747 246 |
| The creation and maintenance of a safe and healthy environment | 125449 000 | 141579 319 | 171527 316 | 247169 081 | 190501 289 | 199045 672 | 207552 244 |
| The encouragement of structured community participation in the matters of the municipality | 1486 000 | 1250 000 | 725 325 | 1195 000 | 1125 000 | | |
| Provision and maintenance of municipal services | 490339 100 | 576651 439 | 641935 415 | 643218 668 | 727084 461 | 763677 696 | 805412 639 |
| Provision of democratic accountable and ethical governance | 185275 888 | 222134 446 | 215438 352 | 271709 342 | 284355 233 | 295732 234 | 315195 467 |

## IDP Strategic Objectives - Capital Expenditure - Chart A16



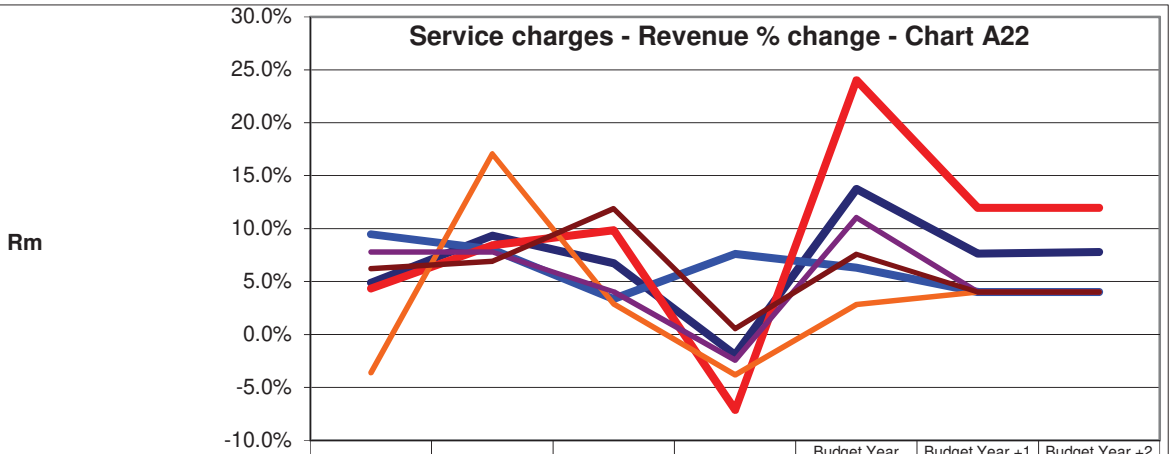

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| The promotion of tourism, economic and social development | 12070 083 | 47682 679 | 89087 752 | 70592 505 | 65300 242 | 53548 195 | 8132 000 |
| The creation and maintenance of a safe and healthy environment | 2516 718 | 28645 954 | 27005 049 | 39839 747 | 20047 728 | 1610 000 | 6110 000 |
| The encouragement of structured community participation in the matters of the municipality | 41535 900 | 5250 000 | 3530 605 | 5305 000 | 5875 000 | | |
| Provision and maintenance of municipal services | 42785 929 | 84872 082 | 87383 752 | 160813 258 | 138445 695 | 81003 000 | 78018 000 |
| Provision of democratic accountable and ethical governance | 6346 067 | 8659 002 | 4049 306 | 3535 870 | 3775 000 | 6125 000 | 3575 000 |

## Cash flow trend - Chart A23



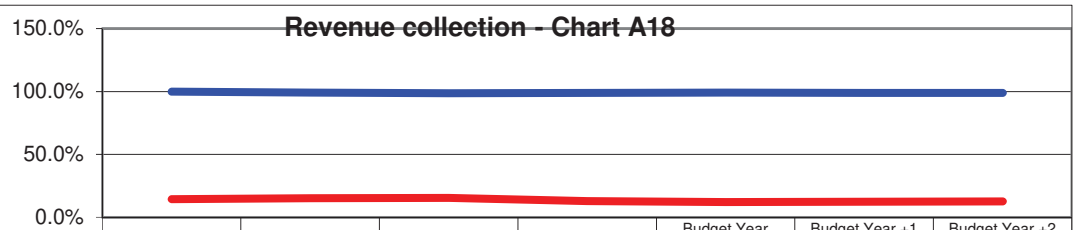

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Cash Flow - Op. Activities | 243896 535 | 215983 066 | 319090 598 | 201846 940 | 164774 895 | 153625 965 | 180280 161 |
| Cash Flow - Investing (used) | (28775 247 ) | (178314 442 ) | (212740 373 ) | (276650 956 ) | (238423 665 ) | (147266 195 ) | (100815 000 ) |
| Cash Flow - Financing | 31 409 | 20551 553 | 14275 392 | 6626 270 | 2699 232 | 9551 521 | 5479 306 |

## Service charges - Revenue % change - Chart A22



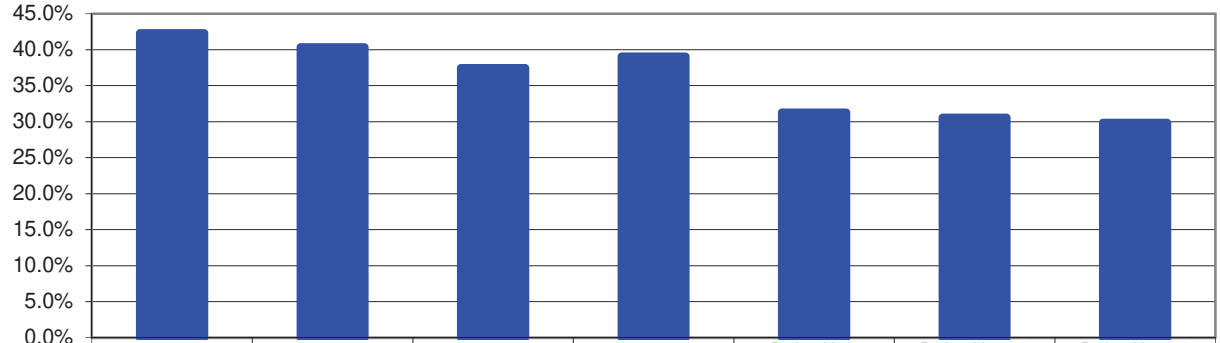

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| % incr total service charges (incl prop rates) | 4.9% | 9.3% | 6.7% | -1.9% | 13.7% | 7.6% | 7.8% |
| % incr Property Tax | 9.5% | 8.0% | 3.4% | 7.6% | 6.3% | 4.0% | 4.0% |
| % incr Service charges - electricity revenue | 4.3% | 8.4% | 9.8% | -7.1% | 24.0% | 12.0% | 12.0% |
| % incr Service charges - water revenue | -3.6% | 17.1% | 2.9% | -3.8% | 2.8% | 4.0% | 4.0% |
| % incr Service charges - sanitation revenue | 7.8% | 7.8% | 4.1% | -2.4% | 11.0% | 4.0% | 4.0% |
| % incr Service charges - refuse | 6.2% | 6.9% | 11.9% | 0.5% | 7.6% | 4.0% | 4.0% |

## Revenue collection - Chart A18



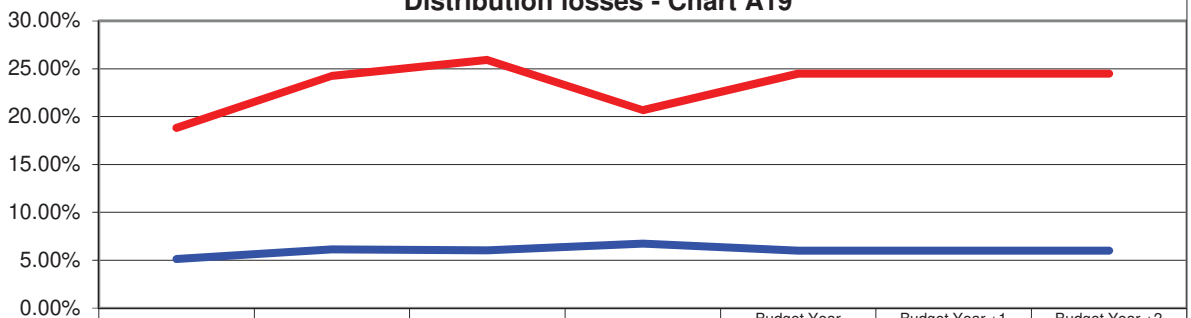

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Annual Debtors Collection | 99.8% | 99.2% | 98.6% | 98.8% | 99.1% | 99.0% | 98.8% |
| O/S Debtors to Revenue | 14.5% | 15.2% | 15.5% | 12.9% | 12.2% | 12.4% | 12.6% |

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



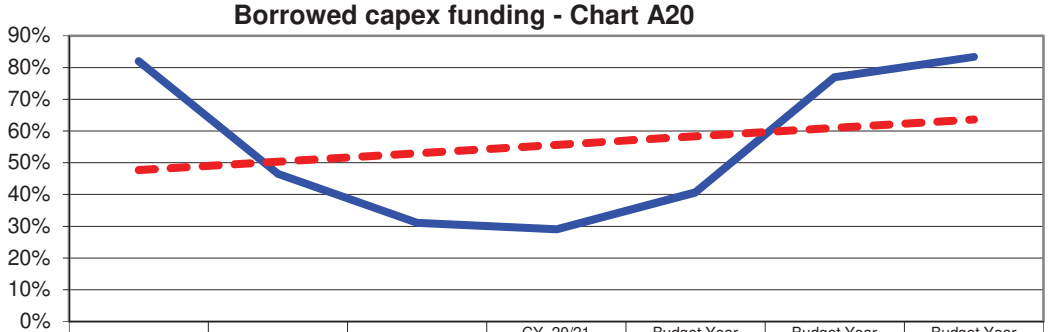

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Borrowing | 42.3% | 40.4% | 37.4% | 39.0% | 31.3% | 30.6% | 29.9% |

## Distribution losses - Chart A19



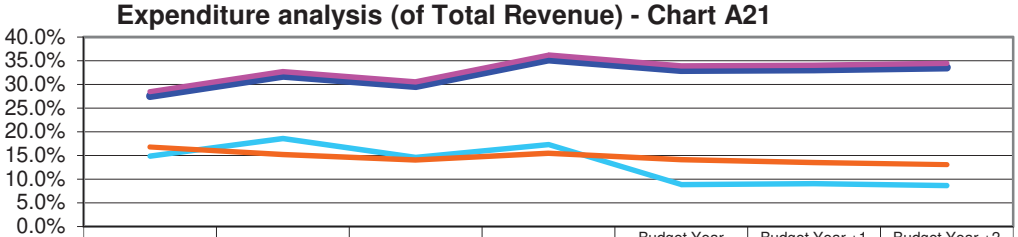

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Electricity | 5.12% | 6.14% | 6.02% | 6.74% | 6.00% | 6.00% | 6.00% |
| Water | 18.82% | 24.25% | 25.91% | 20.69% | 24.50% | 24.50% | 24.50% |

## Borrowed capex funding - Chart A20



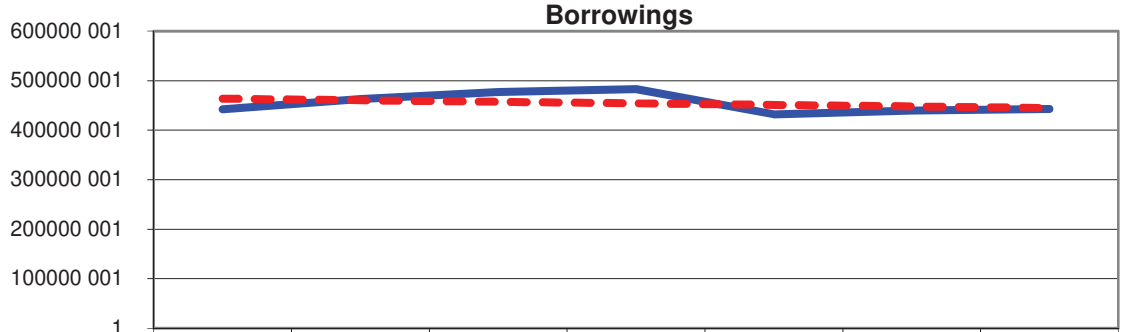

| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Borrowed capex funding | 82% | 46% | 31% | 29% | 41% | 77% | 83% |

## Expenditure analysis (of Total Revenue) - Chart A21

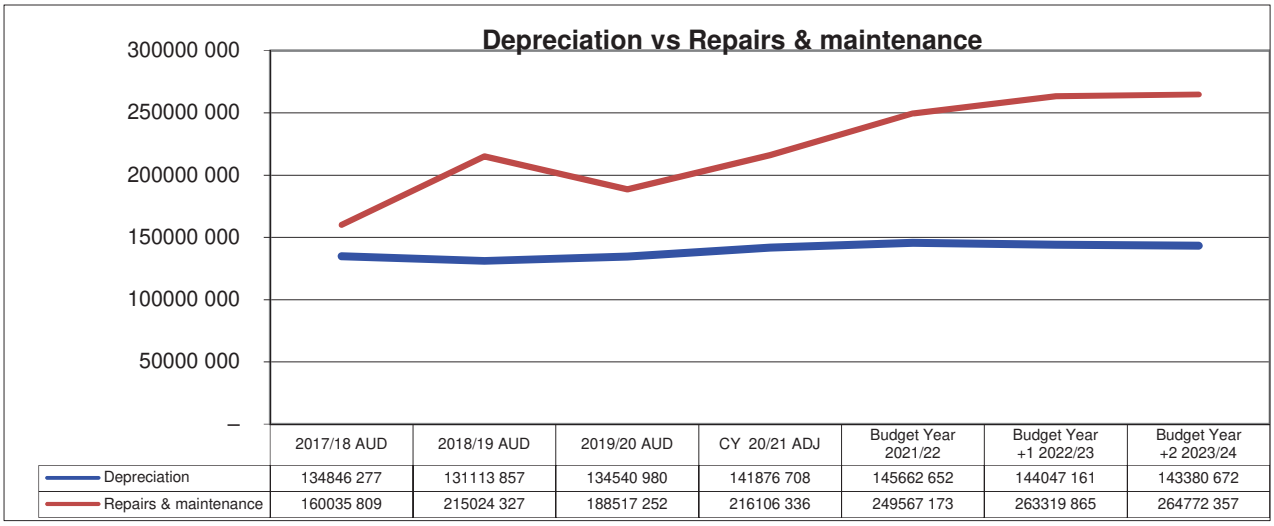



| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Employee costs | 27.5% | 31.8% | 29.6% | 35.2% | 33.1% | 33.2% | 33.6% |
| Remuneration | 28.5% | 32.7% | 30.5% | 36.2% | 33.9% | 34.1% | 34.5% |
| Repairs & Maintenance | 14.9% | 18.6% | 14.6% | 17.3% | 8.8% | 9.0% | 8.7% |
| Finance charges & Depreciation | 16.8% | 15.2% | 14.0% | 15.5% | 14.1% | 13.5% | 13.1% |

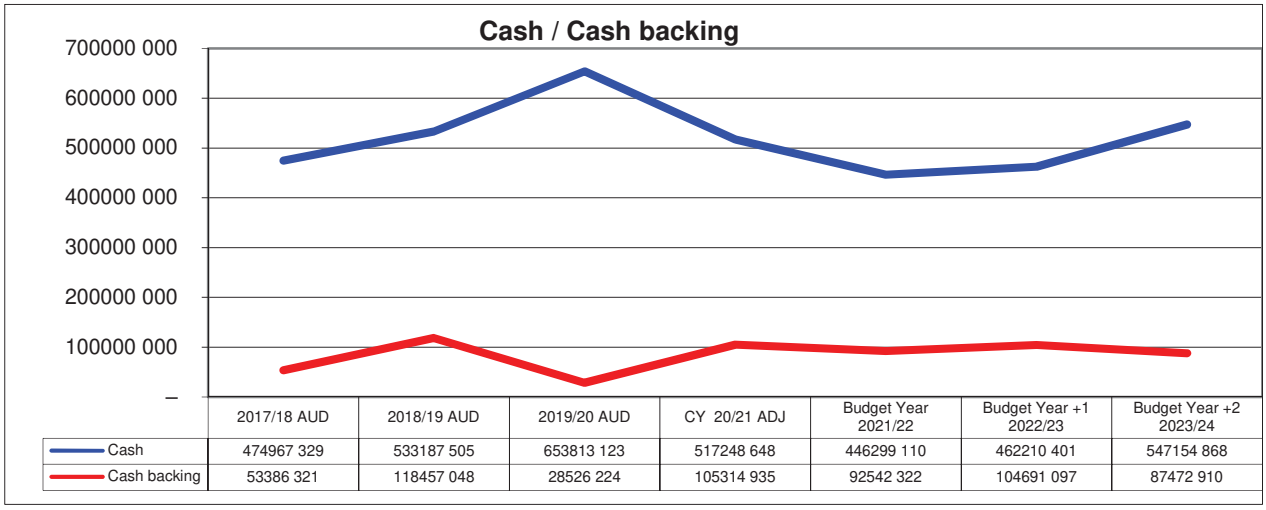
## Borrowings




| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Borrowings | 442106 055 | 462657 608 | 476933 000 | 483010 575 | 432173 746 | 439725 148 | 443204 454 |




| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Depreciation | 134846 277 | 131113 857 | 134540 980 | 141876 708 | 145662 652 | 144047 161 | 143380 672 |
| Repairs & maintenance | 160035 809 | 215024 327 | 188517 252 | 216106 336 | 249567 173 | 263319 865 | 264772 357 |




| | 2017/18 AUD | 2018/19 AUD | 2019/20 AUD | CY 20/21 ADJ | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
|---|---|---|---|---|---|---|---|
| Cash | 474967 329 | 533187 505 | 653813 123 | 517248 648 | 446299 110 | 462210 401 | 547154 868 |
| Cash backing | 53386 321 | 118457 048 | 28526 224 | 105314 935 | 92542 322 | 104691 097 | 87472 910 |

# ANNEXURE C

# RATES AND TARIFFS

## RATES TARIFFS

| Tariff Code | Detail | 2021/2022 | | 2020/2021 | | 1.0400 |
|---|---|---|---|---|---|---|
| | | 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 | 0.00939 | 0.00939 | 0.00903 | 0.00903 | 4.0000% |
| | | | | | | |
| **RATE2*** | Residential Land with Improvements | 0.00620 | 0.00620 | 0.00596 | 0.00596 | 4.0000% |
| | **** See attached schedule of Exemptions and Rebates applicable*** | | | | | |
| | | | | | | |
| **RATE3** | Municipal Properties: Investment Properties | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | Applicable tariff for Commercial or Residential | |
| **RATE4** | Municipal Properties: Property, Plant and Equipment | 0.00000 | 0.00000 | 0.00000 | 0.00000 | |
| | | | | | | |
| **RATE6** | Building Clause | Equals to tariff for rates on property | Equals to tariff for rates on property | Equals to tariff for rates on property | Equals to tariff for rates on property | |
| | | | | | | |
| **RATE7** | Farm/Agriculture (Bona-fide) | 0.00155 | 0.00155 | 0.00149 | 0.00149 | 4.0000% |
| | | | | | | |
| **RATE8** | Undeveloped erven | 0.00849 | 0.00849 | 0.00816 | 0.00816 | 4.0000% |
| | | | | | | |
| **RATE9** | Government Properties: Commercial | 0.00939 | 0.00939 | 0.00903 | 0.00903 | 4.0000% |
| | | | | | | |
| **RAT10** | Government Properties: Residential | 0.00620 | 0.00620 | 0.00596 | 0.00596 | 4.0000% |
| | | | | | | |
| | **Special Rating Areas** | | | | | |
| **RAT11** | HSRA (Hermanus) | 0.00063 | 0.00063 | 0.00061 | 0.00061 | 3.5000% |
| **RAT12** | KSRA (Kleinmond) | 0.00050 | 0.00050 | 0.00050 | 0.00050 | 0.0000% |
| **RAT13** | OVSRA (Onrus-Vermont) | 0.00035 | 0.00035 | 0.00035 | 0.00035 | 0.0000% |
| | | | | | | |
| | | | | | | |

**PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES**

**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<br>Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the difference between Bus and Res rate:<br>1 - 2 X lettable room : 100%<br>3 X lettable room : 75%<br>4 X lettable room : 50%<br>5 X lettable room : 25% |
| **BUSO** | General Tax: Tourism and Recreational Resorts outside the municipal service areas | Hotels, Guest Houses, Cottages, Caravan Parks and Holiday Resorts, Chalets | 50% rebate on the tax applicable on commercial property in urban areas |
| **RES** | General Tax: Residential properties within the municipal service areas | Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes, Small holdings not used for bona fide farming purposes | The first R15 000.00 of the rateable value of all residential properties is exempted from property tax as per the Municipal Propery Rates Act, Section 17 (1) h<br>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<br>An Additional rebate of 20% of the levy calculated on such properties is granted<br>Rebate to qualifying property owners as indicated under "Other Retabe" |
| **RESO** | General Tax: Residential properties outside the municipal service area | Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes | 50% of the tax applicable on residential property in urban areas<br>Rebate to qualifying property owners as indicated under "Other Retabe" |
| **FARMS** | General Tax: Farming properties | Small holdings used for bona fide farming purposes outside municipal service area | Agricultural purpose in relation to the use of a property, excludes the use of the property for the purpose of ecotourism or for the trading In or hunting game |
| **FARMS** | Conservation land | Privately owned properties whether designated or used for conservation purposes | Not rateable in terms of section 17(1)(e) of the Municipal Property Rates Act |
| | Other Rebates | Single residential properties, Group housing, Retirement villages, Flats, Sectional schemes | - Property zoned single residential must be occupied permantly by the applicant;<br>- The applicant must be the registered owner;<br>- 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 |

## 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. |

## SUNDRY TARIFF LIST (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2021/2022 | | 2020/2021 | |
|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% |
| | | R | R | R | R |
| **S1** | **BOAT LICENSE/PERMITS, LAUNCHING & ENTRANCE FEE** | | | | |
| **S1J** | **Kleinbaai Boat Launching:** | | | | |
| S1J1 | On site Parking pm | 1 019.13 | 1 172.00 | 980.00 | 1 127.00 |
| S1J2A | Category B1: Shark-view operators/whale-watching (Incl on-site parking) pa | 42 756.52 | 49 170.00 | 41 112.17 | 47 279.00 |
| S1J2B | Category B2: Shark-view operators/whale-watching (excl on-site parking) pm | 3 273.04 | 3 764.00 | 3 146.96 | 3 619.00 |
| S1J2C | Category B2: Shark-view operators/whale-watching (excl on-site parking) pa | 32 633.91 | 37 529.00 | 31 379.13 | 36 086.00 |
| S1J4A | Kelp Collectors pm | 4 088.70 | 4 702.00 | 3 931.30 | 4 521.00 |
| S1J4B | Kelp Collectors pa | 40 793.91 | 46 913.00 | 39 225.22 | 45 109.00 |
| S1J4C | Kelp Collectors, Whale Watching and Shark Diving per launch | 265.22 | 305.00 | 254.78 | 293.00 |
| S1J5 | Oversize vessel | tariff + 50% | applicable vat | tariff + 50% | applicable vat |
| S1J6A | Nature Conservation | no charge | no vat | no charge | no vat |
| S1J6B | Support Service per month | 774.78 | 891.00 | 745.22 | 857.00 |
| S1J6C | Support Service per launch | 103.48 | 119.00 | 99.13 | 114.00 |
| S1J7A1 | Recreational Fishing (Overstrand Consumers) Vessels < 7m pa | 660.00 | 759.00 | 634.78 | 730.00 |
| S1J7A2 | Recreational Fishing Vessels < 7m per Launch | 77.39 | 89.00 | 74.78 | 86.00 |
| S1J7A3 | Recreational Fishing (Overstrand Consumers) Vessels > 7m pa | 793.04 | 912.00 | 762.61 | 877.00 |
| S1J7A4 | Recreational Fishing Vessels > 7m per Launch | 103.48 | 119.00 | 99.13 | 114.00 |
| S1J7B1 | Commercial Fishing (Overstrand Consumers) Vessels < 7m pa | 720.00 | 828.00 | 692.17 | 796.00 |
| S1J7B2 | Commercial Fishing Vessels > 7m pa | 953.91 | 1 097.00 | 917.39 | 1 055.00 |
| S1J7B3 | Commercial Fishing Vessels < 7m per launch | 90.44 | 104.00 | 86.96 | 100.00 |
| S1J7B4 | Commercial Fishing Vessels > 7m per launch | 115.65 | 133.00 | 111.30 | 128.00 |
| S1J8A | Passenger Boats pm | 1 633.04 | 1 878.00 | 1 570.44 | 1 806.00 |
| S1J8B | Passenger Boats per launch | 158.26 | 182.00 | 152.17 | 175.00 |
| S1J9 | Use of Tractor for Boat Launching per month | 276.52 | 318.00 | 266.09 | 306.00 |
| S1J11 | Formal Shop Rental / month | 949.57 | 1 092.00 | 913.04 | 1 050.00 |
| S1J12 | Informal Trader under cover rental / month | 625.22 | 719.00 | 600.87 | 691.00 |
| **S1M** | **Kleinmond Slipway:** | | | | |
| S1M1 | Recreational Fishing (Overstrand Consumers) Vessels < 7m pa | 660.00 | 759.00 | 634.78 | 730.00 |
| S1M2 | Recreational Fishing Vessels < 7m per Launch | 77.39 | 89.00 | 74.78 | 86.00 |
| S1M3 | Recreational Fishing (Overstrand Consumers) Vessels > 7m pa | 793.04 | 912.00 | 762.61 | 877.00 |
| S1M4 | Recreational Fishing Vessels > 7m per Launch | 103.48 | 119.00 | 99.13 | 114.00 |
| S1M5 | Commercial Fishing (Overstrand Consumers) Vessels < 7m pa | 720.00 | 828.00 | 692.17 | 796.00 |
| S1M6 | Commercial Fishing Vessels > 7m pa | 953.91 | 1 097.00 | 917.39 | 1 055.00 |
| S1M7 | Commercial Fishing Vessels < 7m per launch | 90.44 | 104.00 | 86.96 | 100.00 |
| S1M8 | Commercial Fishing Vessels > 7m per launch | 107.83 | 124.00 | 103.48 | 119.00 |
| S1M9 | Passenger Boats pm | 1 633.04 | 1 878.00 | 1 570.44 | 1 806.00 |

| | | | | | |
|---|---|---|---|---|---|
| S1M10 | Passenger Boats per launch | 158.26 | 182.00 | 152.17 | 175.00 |
| **S1T** | **Registered Launching Sites managed by the Overstrand Municipality (08:00-16:00) (Western Cape December School Holiday and when declared by Council) EXCLUDING Buffeljahctsbaai, Blue Water Bay, Du Toit Street Site to the Kleinriver at Stanford.** | | | | |
| **S1T1** | **Affiliated Members** | | | | |
| S1T1A | Annually | 240.87 | 277.00 | 231.30 | 266.00 |
| S1T1B | Monthly | 144.35 | 166.00 | 139.13 | 160.00 |
| S1T1C | Weekly | 72.17 | 83.00 | 69.57 | 80.00 |
| S1T1D | Daily | 25.22 | 29.00 | 24.35 | 28.00 |
| **S1T2** | **Non- Affiliated Members** | | | | |
| S1T2A | Annually | 480.87 | 553.00 | 462.61 | 532.00 |
| S1T2B | Monthly | 216.52 | 249.00 | 207.83 | 239.00 |
| S1T2C | Weekly | 120.87 | 139.00 | 116.52 | 134.00 |
| S1T2D | Daily | 37.39 | 43.00 | 35.65 | 41.00 |
| **S2** | **BUILDING CONTROL** | | | | |
| ~~S2A1~~ | ~~Building Plan Fees up to 100 m² (R/m²) NOW S2A3~~ | ~~33.01~~ | ~~37.96~~ | ~~31.74~~ | ~~36.50~~ |
| ~~S2A2~~ | ~~Building Plan Fees from 101 m² to 200 sq m (R/m²) NOW S2A4~~ | ~~38.89~~ | ~~44.72~~ | ~~37.39~~ | ~~43.00~~ |
| ~~S2A3~~ | ~~Building Plan Fees from 201 m² to 300 sq m (R/m²) NOW S2A5~~ | ~~46.12~~ | ~~53.04~~ | ~~44.35~~ | ~~51.00~~ |
| ~~S2A4~~ | ~~Building Plan Fees greater than 300 m² (R/m²) NOW S2A6~~ | ~~50.64~~ | ~~58.24~~ | ~~48.70~~ | ~~56.00~~ |
| ~~S2A5~~ | ~~Building Plan fees - Additions to Government Subsidized Housing Schemes < 81 m² (Standard Plan with once off fixed fee) NOW S2A7~~ | ~~236.04~~ | ~~271.44~~ | ~~226.96~~ | ~~261.00~~ |
| ~~S2A6~~ | ~~Building Plans - Government Subsidized Housing Schemes (verandas < 15 m²) NOW S2A9~~ | ~~no charge~~ | ~~no vat~~ | ~~no charge~~ | ~~no vat~~ |
| ~~S2A7~~ | ~~Building Plans New Government Subsidised Housing Schemes NOW S2A8~~ | ~~no charge~~ | ~~no vat~~ | ~~no charge~~ | ~~no vat~~ |
| ~~S2B~~ | ~~Building Plan Fees 0 - 30 m² (S2A1 X 30) NOW S2A2~~ | ~~990.29~~ | ~~1 138.83~~ | ~~950.44~~ | ~~1 093.00~~ |
| ~~S2C~~ | ~~Building Plan fees related to other outbuildings (farm sheds, stables, etc) R/m² NOW S2A10~~ | ~~21.88~~ | ~~25.16~~ | ~~21.04~~ | ~~24.20~~ |
| ~~S2D1~~ | ~~Building Plan fees related to Industrial buildings R/m² NOPW S2A11~~ | ~~21.88~~ | ~~25.16~~ | ~~21.04~~ | ~~24.20~~ |
| ~~S2D2~~ | ~~Building Plan Fees Related to Government Buildings (School etc) (R/m²) NOW S2A12~~ | ~~no charge~~ | ~~no vat~~ | ~~no charge~~ | ~~no vat~~ |
| ~~S2F1~~ | ~~Plan Scrutiny Fees < 200 m² NOW S2B1~~ | ~~586.02~~ | ~~673.92~~ | ~~563.48~~ | ~~648.00~~ |
| ~~S2F2~~ | ~~Plan Scrutiny Fees > 200 m² (R/m²) NOW S2B2~~ | ~~4.97~~ | ~~5.72~~ | ~~4.78~~ | ~~5.50~~ |
| ~~S2G~~ | ~~Demolition application NOW S2A13 AND S2A14 AND S2C1~~ | ~~596.87~~ | ~~686.40~~ | ~~573.91~~ | ~~660.00~~ |
| ~~S2H~~ | ~~Inspection & Re inspection fees and Inspections on complaints, rates clearance etc. S2D1~~ | ~~336.42~~ | ~~386.88~~ | ~~323.48~~ | ~~372.00~~ |
| ~~S2J1~~ | ~~Building Deposit < 50m² or less or less than R150,000.00~~ | ~~999.44~~ | ~~no vat~~ | ~~961.00~~ | ~~no vat~~ |
| ~~S2J2~~ | ~~Building Deposit - Recoverable 50m² to 200m² or more than R150,000.00~~ | ~~2 659.28~~ | ~~no vat~~ | ~~2 557.00~~ | ~~no vat~~ |
| ~~S2J3~~ | ~~Building Deposit - Recoverable more than 200m²~~ | ~~7 293.52~~ | ~~no vat~~ | ~~7 013.00~~ | ~~no vat~~ |
| ~~S2J4~~ | ~~Building Deposit - Sub economic Areas only (Not applicable to Additions)~~ | ~~no charge~~ | ~~no vat~~ | ~~no charge~~ | ~~no vat~~ |
| ~~S2K~~ | ~~Administration / Viewing Request, Filing retrieval and Copying of Plans S2E1~~ | ~~66.02~~ | ~~75.92~~ | ~~63.48~~ | ~~73.00~~ |
| ~~S2L~~ | ~~Minor Building Works / Plan validity extension~~ | ~~264.97~~ | ~~304.72~~ | ~~254.78~~ | ~~293.00~~ |
| ~~S2L4~~ | ~~Minor Building Works / Plan validity extension NOW S2A1 AND S2F1~~ | ~~264.97~~ | ~~304.72~~ | ~~254.78~~ | ~~293.00~~ |
| ~~S2L1~~ | ~~Heritage Investigation Minor Alterations (no additions) NOW S2G1~~ | ~~528.14~~ | ~~607.36~~ | ~~507.83~~ | ~~584.00~~ |
| ~~S2L2~~ | ~~Heritage Investigation add and alt smaller than 30m² (2 X S2L1) NOW S2G2~~ | ~~1 056.28~~ | ~~1 214.72~~ | ~~1 015.65~~ | ~~1 168.00~~ |
| ~~S2L3~~ | ~~Heritage Investigation add and alt greater than 30m² (2 X S2L2) NOW S2G3~~ | ~~2 112.55~~ | ~~2 429.43~~ | ~~2 031.30~~ | ~~2 336.00~~ |

| | | | | | |
|---|---|---|---|---|---|
| ~~S2M1~~ | ~~Signage application fee for consent (S4.2.1) NOW S2H1 AND S2H2~~ | ~~515.48~~ | ~~592.80~~ | ~~495.65~~ | ~~570.00~~ |
| ~~S2M2~~ | ~~Signage application fee for departure (S4.3.1) NOWS2H3~~ | ~~515.48~~ | ~~592.80~~ | ~~495.65~~ | ~~570.00~~ |
| ~~S2M3~~ | ~~Advertising Costs Local newspapers NOW S2H4~~ | ~~4 046.40~~ | ~~4 653.36~~ | ~~new~~ | ~~new~~ |
| S2A1 | Building Plan Fees : Minor Building Works | 263.48 | 303.00 | 254.78 | 293.00 |
| S2A2 | Building Plan Fees : 0 up to 30 m² (Fixed fee)(S2A3 x 30) | 991.20 | 1 139.88 | 950.44 | 1 093.00 |
| S2A3 | Building Plan Fees : Greater than 30 m² up to 100 m² (R/m²) | 33.04 | 38.00 | 31.74 | 36.50 |
| S2A4 | Building Plan Fees : Greater than 100 m² up to 200 ²m (R/m²) | 39.13 | 45.00 | 37.39 | 43.00 |
| S2A5 | Building Plan Fees : Greater than 200 m² up to 300 m² (R/m²) | 46.09 | 53.00 | 44.35 | 51.00 |
| S2A6 | Building Plan Fees : Greater than 300 m² (R/m²) | 50.44 | 58.00 | 48.70 | 56.00 |
| S2A7 | Building Plan Fees : Government Subsidized Housing Schemes smaller than 80 m² (privatly constructed) | 235.65 | 271.00 | 226.96 | 261.00 |
| S2A8 | Building Plan Fees : New Government Subsidised Housing Schemes (Government constructed) | no charge | no vat | no charge | no vat |
| S2A9 | Building Plan Fees : Government Subsidized Housing Schemes (verandas < 15 m²) | no charge | no vat | no charge | no vat |
| S2A10 | Building Plan Fees : Agricultural buildings (excluding residential buildings) (R/m²) | 21.74 | 25.00 | 21.04 | 24.20 |
| S2A11 | Building Plan Fees : Industrial buildings (excluding offices)(R/m²) | 21.74 | 25.00 | 21.04 | 24.20 |
| S2A12 | Building Plan Fees : Government Buildings (School, etc) (R/m²) | no charge | no vat | no charge | no vat |
| S2A13 | Building plan Fees : Application for temporary structures (Wendy House,Stores,Containers,etc.) | 586.09 | 674.00 | 563.48 | 648.00 |
| S2A14 | Buildng Plan Fees : Application for temporary structures (Tents for events) | 586.09 | 674.00 | 563.48 | 648.00 |
| S2B1 | Plan Scrutiny Fees : 0 up to 200 m² (Fixed Fee) | 586.09 | 674.00 | 563.48 | 648.00 |
| S2B2 | Plan Scrutiny Fees : Greater than 200 m² (R/m²) | 5.04 | 5.80 | 4.78 | 5.50 |
| S2C1 | Demolition application | 596.52 | 686.00 | 573.91 | 660.00 |
| S2D1 | Re-inspection fees and Inspections on complaints, rates clearance etc. | 336.52 | 387.00 | 323.48 | 372.00 |
| S2E1 | Administration / Viewing Request, Filing retrieval and Copying of Plans | 66.09 | 76.00 | 63.48 | 73.00 |
| S2F1 | Plan validity extension | 265.22 | 305.00 | 254.78 | 293.00 |
| S2G1 | Heritage Investigation Minor Alterations (no additions) | 527.83 | 607.00 | 507.83 | 584.00 |
| S2G2 | Heritage Investigation add and alt smaller than 30 m² (2 X S2 G~~L~~1) | 1 055.66 | 1 214.01 | 1 015.65 | 1 168.00 |
| S2G3 | Heritage Investigation add and alt greater than 30 m² (2 X S2 G~~L~~2) | 2 111.32 | 2 428.02 | 2 031.30 | 2 336.00 |
| S2H1 | Signage : Application to erect a sign | 586.09 | 674.00 | 563.48 | 648.00 |
| S2H2 | Signage : Application fee for consent (S4.2.1) | 515.65 | 593.00 | 495.65 | 570.00 |
| S2H3 | Signage : Application fee for departure (S4.3.1) | 515.65 | 593.00 | 495.65 | 570.00 |
| S2H4 | Signage : Advertising Costs Local newspapers | 4 066.09 | 4 676.00 | 3 909.57 | 4 496.00 |
| **S3** | **BUILDING CONTROL: PLAN PRINTING FEES** | | | | |
| S3A1 | Per sheet - Size A0 (Private copy) | 68.70 | 79.00 | 66.09 | 76.00 |
| S3A2 | Size A1 (Private copy) | 53.91 | 62.00 | 52.17 | 60.00 |
| S3A3 | Size A2 (Private copy) | 40.00 | 46.00 | 38.26 | 44.00 |
| S3A4 | Per sheet - Size A0 (Official copy) | 53.91 | 62.00 | 52.17 | 60.00 |
| S3A5 | - Size A1 (Official copy) | 40.00 | 46.00 | 38.26 | 44.00 |
| S3A6 | - Size A2 (Official copy) | 27.83 | 32.00 | 26.96 | 31.00 |
| S3B1 | Per sheet - Size A0 (Private copy) Colour | 342.61 | 394.00 | 329.57 | 379.00 |

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|---|---|---|---|---|---|
| S3B2 | Size A1 (Private copy) Colour | 261.74 | 301.00 | 251.30 | 289.00 |
| S3B3 | Size A2 (Private copy) Colour | 174.78 | 201.00 | 167.83 | 193.00 |
| S3B4 | Per sheet - Size A0 (Official copy) Colour | 174.78 | 201.00 | 167.83 | 193.00 |
| S3B5 | - Size A1 (Official copy) Colour | 130.44 | 150.00 | 125.22 | 144.00 |
| S3B6 | - Size A2 (Official copy) Colour | 87.83 | 101.00 | 84.35 | 97.00 |
| **S5** | **BUSINESS LICENSE** | | | | |
| S5B1 | Business Licence - Formal | 838.26 | 964.00 | 806.09 | 927.00 |
| S5B2 | Business Licence - Informal | 300.00 | 345.00 | 288.70 | 332.00 |
| S5B3 | Re-inspection Fee | 164.35 | 189.00 | 158.26 | 182.00 |
| S5B4 | Duplicate Licence Fee | 164.35 | 189.00 | 158.26 | 182.00 |
| S5B5 | Liquor Licence per Calender year (January to December) or part there of | | | | |
| S5B5A | Application for extended Liquor (Trading Hours up to 2am), per annum | 1 808.70 | 2 080.01 | 1 739.13 | 2 000.00 |
| S5B5B | Application for extended Liquor (Trading on Sunday) per annum ** (to be applicable according By-law) | 1 808.70 | 2 080.01 | 1 739.13 | 2 000.00 |
| **S15** | **CEMETERY** | | | | |
| | **Residents (RES):** | | | | |
| **S15A** | **Plot Cost (Fixed)** | | | | |
| **Note** | **Grave Depths**<br>- Infill grave (between two existing graves) must have a soil coverage of not less than 1 meter;<br>- Other single graves (not infill) must have a soil coverage of not less than 1.5 meters;<br>- Double depht graves (in depth) must have a soil coverage of not less than 1 meters with a 300mm soil between the coffins;<br>- Child grave must have a soil coverage of not less than 1 meter. | | | | |
| S15A1 | All cemeteries - single grave | 650.44 | 748.00 | 625.22 | 719.00 |
| S15A2 | All cemeteries - Doubble graves - depth for two coffins | 1 008.70 | 1 160.00 | 969.57 | 1 115.00 |
| S15A4 | Children under 12years | 488.70 | 562.00 | 469.57 | 540.00 |
| S15A5 | Wall of Remembrance Fees | 238.26 | 274.00 | 228.70 | 263.00 |
| S15A6 | Overstrand Reginal Cemetary: COVID-19 related funerals | 0.00 | 0.00 | 0.00 | 0.00 |
| **S15B** | **Indication of grave** | | | | |
| S15B1 | New graves (include inspection before and after funeral) | 645.22 | 742.00 | 620.00 | 713.00 |
| S15B2 | Existing graves | 206.96 | 238.00 | 199.13 | 229.00 |
| **S18** | **COMMERCIAL FILMING/PHOTOGRAPHING (Tariff of 50% less charged, when compliant to pre-determined criteria)** | | | | |
| S18A | Large per day or part thereof ≥ 50 people | 15 398.26 | 17 708.00 | 14 806.09 | 17 027.00 |
| S18B | Small per day or part thereof more than 10 but < 50 people | 5 400.87 | 6 211.00 | 5 193.04 | 5 972.00 |
| S18C | Small per day or part thereof ≤ 10 people | 1 549.57 | 1 782.00 | 1 489.57 | 1 713.00 |
| S18D | Application Fee per application | 1 739.13 | 2 000.00 | new | new |
| **S18F** | **Addition to Shoot** | | | | |
| S18F1 | Animals (per animal per day or part of a day) | 193.04 | 222.00 | 185.22 | 213.00 |
| S18F2 | Area required for production and catering (per m² per day or part of a day) | 44.35 | 51.00 | 42.61 | 49.00 |
| S18F3 | Cancellation Fee (per application at full permit fee) | 15% of Fee | applicable vat | 15% of Fee | applicable vat |

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|---|---|---|---|---|---|
| S18F4 | Enviromental Control Officer: Fees per hour or part thereof | 452.17 | 520.00 | 434.78 | 500.00 |
| S18F5 | Vehicles off Public Roads per Parking Bay (per vehicle per day/part of a day) | 162.61 | 187.00 | 156.52 | 180.00 |
| **S20** | **CREDIT CONTROL AND DEBT COLLECTION** | | | | |
| S20A1 | Admin fee on arrear accounts Notices | 226.09 | 260.00 | 315.65 | 363.00 |
| S20A2 | Admin fee on 24 hour Notices - Bulk users | 226.09 | 260.00 | 315.65 | 363.00 |
| S20B | Admin fee on arrear accounts Disconnection and Reconnection Fee | 530.44 | 610.00 | 530.44 | 610.00 |
| S20C | SMS admin fee on arrear accounts Notices | 17.39 | 20.00 | 21.74 | 25.00 |
| **S23** | **FIRE SERVICES & DISASTER MANAGEMENT** | | | | |
| S23A | Plot Clearing | Actual Cost + R1 170.20 admin. Fee | applicable vat | Actual Cost + R1 130.00 admin. Fee | applicable vat |
| S23B | Re-inspection Fee under By-law | 174.78 | 201.00 | 167.83 | 193.00 |
| **S23C** | **Extinghuising of Fires** | | | | |
| S23C1 | Extinguishing of structural fires per hour or part thereof per incident | R1 980.16 + add cost incurred | applicable vat | R1 904.00 + add cost incurred | applicable vat |
| S23C2 | Extinguishing of structural fires - indigent households | no charge | no vat | no charge | no vat |
| S23C3 | Control and Extinguishing of Veld fires payable by registered owner if fire had its sole origin on said owner's property: per hour or part thereof, excluding goFPA Members | R587.60 + add cost incurred | applicable vat | R565.00 + add cost incurred | applicable vat |
| S23C4 | Extinguishing of vehicle/equipment fires per hour or part thereof | R503.36 + add cost incurred | applicable vat | R484.00 + add cost incurred | applicable vat |
| S23C5 | Assistance at motor vehcile accidents and rescues | no charge | no vat | no charge | no vat |
| **S23D** | **Standby at fire scene** | | | | |
| S23D1 | Per hour or part thereof for vehicle and fire fighters excluding goFPA members | 660.87 | 760.00 | 634.78 | 730.00 |
| **S23E** | **Fire Prevention Inspections** | | | | |
| S23E1 | Tank installation - per tank | 373.91 | 430.00 | 359.13 | 413.00 |
| S23E2 | LP Gas - per installation 48Kg and more incl bulk tanks | 373.91 | 430.00 | 359.13 | 413.00 |
| **S23F** | **Fire Safety (excluding municipal buildings)** | | | | |
| S23F1 | 1st compliance inspection per 20 minutes | 152.17 | 175.00 | 146.09 | 168.00 |
| S23F2 | 2nd and continuing compliance inspection per 20 minutes | 152.17 | 175.00 | 146.09 | 168.00 |
| S23F3 | Rates Clearance Inspection | 202.61 | 233.00 | 194.78 | 224.00 |
| S23F5 | Fire Compliance Certificate | 504.35 | 580.00 | 485.22 | 558.00 |
| **S23G** | **Events** | | | | |
| S23G1 | Inspection of location and issuing of Population Certificate | 249.57 | 287.00 | 240.00 | 276.00 |
| S23G2 | Standby at event per event per day or part thereof for vehicle and fire fighters | 1 245.22 | 1 432.00 | 1 197.39 | 1 377.00 |
| **S23H** | **Burn Permits** | | | | |
| S23H1 | Burn Permit Inspection | 312.17 | 359.00 | 300.00 | 345.00 |
| **S23J** | **Special Services** | | | | |
| S23J1 | Ad hoc services | 679.13 | 781.00 | 653.04 | 751.00 |
| S23J2 | Water Supply per hour, excluding water tariff as set out in the water tariff structure | 679.13 | 781.00 | 653.04 | 751.00 |
| **S25** | **LAW ENFORCEMENT** | | | | |
| **S25C** | **Impoundment of Informal Traders (Hawkers) Goods** | | | | |

| | | | | | |
|---|---|---|---|---|---|
| S25C1 | Per Impoundment | 743.48 | 855.00 | 714.78 | 822.00 |
| S25C2 | Removal of illegal structure per structure | 3 048.70 | 3 506.00 | 2 931.30 | 3 371.00 |
| S25C3 | Storage Fee per day | 198.26 | 228.00 | 190.44 | 219.00 |
| **S25D** | **Pound fee: Dogs and Cats** | | | | |
| S25D1 | Impoundment of Dogs and Cats per animal | 81.74 | 94.00 | 78.26 | 90.00 |
| S25D2 | Pound fee: from day 2 per day per animal | 51.30 | 59.00 | 49.57 | 57.00 |
| **S25E** | **Pound fee: Other Animals (not listed here)** | | | | |
| S25E1 | Impoundment fee per week per animal | 799.13 | 919.00 | 768.70 | 884.00 |
| **S25F** | **Pound fee: Horses** | | | | |
| S25F1 | Impoundment of Horses per animal | 806.09 | 927.00 | 774.78 | 891.00 |
| S25F2 | Pound fee: per day per animal | 202.61 | 233.00 | 194.78 | 224.00 |
| **S25G** | **Pound fee: Sheep and Goats** | | | | |
| S25G1 | Impoundment of Sheep and Goats per animal | 202.61 | 233.00 | 194.78 | 224.00 |
| S25G2 | Pound fee: per day per animal | 101.74 | 117.00 | 97.39 | 112.00 |
| **S25H** | **Pound fee: Cattle** | | | | |
| S25H1 | Impoundment of Cattle per animal | 806.09 | 927.00 | 774.78 | 891.00 |
| S25H2 | Pound fee: per day per animal | 152.17 | 175.00 | 146.09 | 168.00 |
| **S25I** | **Pound fee: Pigs** | | | | |
| S25I1 | Impoundment of Pigs per animal | 403.48 | 464.00 | 387.83 | 446.00 |
| S25I2 | Pound fee: per day per animal | 152.17 | 175.00 | 146.09 | 168.00 |
| **S25J** | **Pound fee: Poultry** | | | | |
| S25J1 | Impoundment of Poultry per animal | 101.74 | 117.00 | 97.39 | 112.00 |
| S25J2 | Pound fee: per day per animal | 20.87 | 24.00 | 20.00 | 23.00 |
| **S25K** | **Pound fee: Shopping Trolley** | | | | |
| S25K1 | Impoundment of Shopping Trolley per trolley | 452.17 | 520.00 | 434.78 | 500.00 |
| **S25P** | **Bylaw on Outdoor Advertising** | | | | |
| S25P1 | Impoundment of illegal Advertising/Agent boards (per board) - small <2400cm² | 81.74 | 94.00 | 78.26 | 90.00 |
| S25P2 | Impoundment of illegal Advertising/Agent boards (per board) - large >2400cm² | 800.87 | 921.00 | 769.57 | 885.00 |
| **S28** | **LIBRARY** | | | | |
| S28A1 | Copies: A3 / page | 4.52 | 5.20 | 4.35 | 5.00 |
| S28A3 | Copies: A3 page Colour | 8.17 | 9.40 | 7.83 | 9.00 |
| S28A5 | Copies: A4/page (Library content only) | 0.87 | 1.00 | 0.87 | 1.00 |
| S28A6 | Copies: A4/page (Non-Library content) | 1.91 | 2.20 | new | new |
| S28A7 | Copies: A4 page Colour | 5.48 | 6.30 | 5.22 | 6.00 |
| S28B1 | Deposit to person/s non-residents - Fiction & Non-Fiction | 452.00 | no vat | 435.00 | no vat |
| S28C1 | Fax per page - excluding 0865/6 numbers | 5.48 | 6.30 | 5.22 | 6.00 |
| S28C2 | Fax per page - 0865/6 numbers | 9.04 | 10.40 | 8.70 | 10.00 |
| S28D1 | Lost Cards: Laminated (R/card) first time | 27.83 | 32.00 | 26.96 | 31.00 |
| S28D1A | Lost Cards: Laminated (R/card)(subsequent lost card) | 57.39 | 66.00 | 54.78 | 63.00 |
| S28D2 | Laminated Cost A3 | 6.96 | 8.00 | 6.78 | 7.80 |

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|---|---|---|---|---|---|
| S28D3 | Laminated Cost A4 | 4.35 | 5.00 | 3.83 | 4.40 |
| S28E1 | Penalty per book per week | 3.00 | no vat | 3.00 | no vat |
| S28E2 | Penalty per record/CD per week | 3.00 | no vat | 3.00 | no vat |
| S28E3 | Penalty per video/DVD per day | 5.00 | no vat | 5.00 | no vat |
| S28F1 | Scanning of Document - Black & White | 22.61 | 26.00 | 21.74 | 25.00 |
| S28F2 | Scanning of Document - Colour | 24.35 | 28.00 | 23.48 | 27.00 |
| S28G1 | Special Requests - Hold per Book | 6.09 | 7.00 | 5.65 | 6.50 |
| S28G2 | Special Requests - ILL per Book | 13.04 | 15.00 | 12.17 | 14.00 |
| S28H1 | Subscriptions/ reader - Adults (Non residents) | 170.44 | 196.00 | 163.48 | 188.00 |
| S28H2 | Subscriptions/ reader - Children (Non residents) | 107.83 | 124.00 | 103.48 | 119.00 |
| S28H3 | Subscriptions/ reader - Family max 5 (Non residents) | 420.00 | 483.00 | 403.48 | 464.00 |
| S28K | Visitor's fee - Handling charge / item | 14.78 | 17.00 | 13.91 | 16.00 |
| S28L1 | Hire of Library Hall per Hour - Fundraising event | 165.22 | 190.00 | 158.26 | 182.00 |
| S28L2 | Hire of Library Hall per Hour - NON- Fundraising event | 32.17 | 37.00 | 31.30 | 36.00 |
| S28M1 | Minor Damage to book (per book) | 32.17 | 37.00 | 31.30 | 36.00 |
| S28M2 | Damage or lost library material | As per System Price Rounded | applicable vat | As per System Price Rounded | applicable vat |
| **S32** | **PARKING FEE** | | | | |
| | **Metered parking (excluding public holidays)** | | | | |
| S32P | Parking Monthly Permit per vehicle | 302.61 | 348.00 | 290.44 | 334.00 |
| S32R | 0 - 30 minutes or part thereof - Monday to Friday 08:30 - 16:30 and Saterday 08:30 - 14:00) | no charge | no vat | no charge | no vat |
| S32S | There after per Hour or part thereof (Monday to Friday : 08:30 - 16:30) | 4.35 | 5.00 | 4.35 | 5.00 |
| S32T | There after per Hour or part thereof Saturday (08:30 - 14:00) | 4.35 | 5.00 | 4.35 | 5.00 |
| **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 land (excluding Sport Facilities/Stalls and organs of state) | 2 608.70 | 3 000.00 | 2 793.04 | 3 212.00 |
| S34A2 | Lease or purchase of municipal land - Social Care Institutions / Registered Organisations / NPO's / PBO's/Community organisations | 600.00 | 690.00 | 600.00 | 690.00 |
| S34A3 | Tempory lease of municipal land ~~Property~~ for the storage of building materials next to building sites | 600.00 | 690.00 | 600.00 | 690.00 |
| **S34C** | **Encroachment Fee:** | | | | |
| S34C1 | Encroachments of Veranda, Balcony, Sign, Signboards or similar structure over/onto municipal land (per annum) | 499.50 | 574.43 | 482.61 | 555.00 |
| S34C2 | Encroachments onto municipal land where a lease is not applicable (per annum) | 499.50 | 574.43 | 482.61 | 555.00 |

| | | | | | |
|---|---|---|---|---|---|
| S34C3 | Enclosure or exclusive use of portions of the Commonage, Public Open Spaces, Road Reserves or Public Thoroughfares for gardening purposes where a lease is not applicable (per m² per month) | 14.40 | 16.56 | 13.91 | 16.00 |
| **S34G** | **Leases** | | | | |
| S34G1 | Tempory use (<12months) of municipal land for general purposes (per m² per month) | 5.74 | 6.60 | 5.48 | 6.30 |
| S34G2 | Lease of municipal land for outdoor seating adjoining a Restaurant (per m² per month) | 32.61 | 37.50 | 31.30 | 36.00 |
| S34G3 | Lease of municipal land to Social Care Institutions / Registered Organisations / NPO's/ PBO's/ Sport facilities/Community organisations (~~R/~~per month) | 160.87 | 185.00 | 154.78 | 178.00 |
| S34G4 | Lease of stalls/containers on municipal land for informal trading (full stall/container) (per month) | 194.78 | 224.00 | 186.96 | 215.00 |
| S34G5 | Lease of stalls/containers on municipal land for informal trading (half a stall/container) (per month) | 97.39 | 112.00 | 93.48 | 107.50 |
| S34G6 | Lease of municipal land for the displaying of vehicles (~~R/~~ per m² per month) | 6.09 | 7.00 | 5.83 | 6.70 |
| **S34H** | **Radio Mast** | | | | |
| S34H1 | Equipment on municipal mast - per month per mast | 2 208.70 | 2 540.00 | 2 123.48 | 2 442.00 |
| S34H2 | Space in building adjacent to the mast (per m² per month) | 581.74 | 669.00 | 559.13 | 643.00 |
| S34H3 | Space outside the building adjacent to the mast (per m² per month) | 292.17 | 336.00 | 280.87 | 323.00 |
| S34H4 | ~~Land for mast per m² - per month~~ Lease of municipal land with a mast on or for the erection of a new mast (per m² per month) | 73.91 | 85.00 | 71.30 | 82.00 |
| **S34J** | **Memorial Benches** | | | | |
| S34J1 | Application for a new memorial bench~~es~~ on municipal land ~~(Installation and application)~~ | 3 631.30 | 4 176.00 | 3 491.30 | 4 015.00 |
| S34J2 | Fee for a memorial bench~~es~~ on municipal land (per annum) | 292.17 | 336.00 | 280.87 | 323.00 |
| **S36** | **PROPERTY INFORMATION** | | | | |
| S36A1 | Clearance Certificate (R/certificate) - ELECTRONIC | 110.44 | 127.00 | 106.09 | 122.00 |
| S36A2 | Clearance Certificate (R/certificate) - MANUAL | 336.52 | 387.00 | 323.48 | 372.00 |
| S36B1 | Deeds office registrations with sales information (R/100 erven or part) | 145.22 | 167.00 | 140.00 | 161.00 |
| S36B2 | Deeds office registrations with sales information (R/erf) | 38.26 | 44.00 | 36.52 | 42.00 |
| S36C | Extract from the Valuation Roll (R/page) | 12.35 | 14.20 | 11.83 | 13.60 |
| S36F | Revaluation fee | 2 077.39 | 2 389.00 | 1 997.39 | 2 297.00 |
| S36G1 | Valuation Certificate (R/certificate) - ELECTRONIC | 51.30 | 59.00 | 49.57 | 57.00 |
| S36G2 | Valuation Certificate (R/certificate) - MANUAL | 174.78 | 201.00 | 167.83 | 193.00 |
| S36H | Access of valuation roll Information on CD | 397.39 | 457.00 | 381.74 | 439.00 |
| **S40** | **RENTAL: COMMUNITY HALLS** | | | | |
| S40.1 | All events hosted where the municipal council or administration is the official host | free of charge | no vat | free of charge | no vat |
| S40.3 | Elections by the Electoral Commission | as per IEC policy | applicable vat | as per IEC policy | applicable vat |
| S40.4 | Events of Government Departments directly in interest of community | free of charge | no vat | free of charge | no vat |
| **S40A** | **Auditorium & Banqueting Hall** | | | | |
| S40A1 | Deposit for all functions (refundable) - excluding meetings | 1 976.00 | no vat | 1 900.00 | no vat |
| S40A2 | Hire of Auditorium and Banqueting Hall per Hour or part of a hour | 694.78 | 799.00 | 667.83 | 768.00 |
| S40A3 | Hire of Auditorium per Hour or part of a hour | 406.09 | 467.00 | 390.44 | 449.00 |
| S40A4 | Hire of Banqueting Hall per Hour or part of a hour | 406.09 | 467.00 | 390.44 | 449.00 |

| | | | | | |
|---|---|---|---|---|---|
| **Note** | Hiring of Kitchen (Banqueting Hall & Auditorium) used for the serving of food only is included in the hiring fee mentioned above as this facility forms an integral part of the building and cannot be separated there from. | | | | |
| S40A5 | Non-fundraising events for Schools, other training institutions and sport & recreation per day | 527.83 | 607.00 | 507.83 | 584.00 |
| S40A6 | Piano per event | Actual Tuning Cost ~~+- R389.16 admin. Fee~~ | applicable vat | Actual Tuning Cost + R376.00 admin. Fee | applicable vat |
| S40A7 | Sound and/or Ligthing Equipment per event per hour | 110.44 | 127.00 | 106.09 | 122.00 |
| S40A8 | Use of Kitchen per day | 726.09 | 835.00 | 698.26 | 803.00 |
| S40A9 | Hire of Glasses or Cups, Sauers and teaspoons per event | 213.04 | 245.00 | 205.22 | 236.00 |
| S40A10 | Local NGO's and CBO's per hour per venue - all events | 226.96 | 261.00 | 218.26 | 251.00 |
| S40A12 | Preparation for event - per hour | 144.35 | 166.00 | 139.13 | 160.00 |
| S40A13 | Meetings: Government departments (private meetings), NGO's and CBO's from outside the municipal area, per hour (Banquet hall) | 320.00 | 368.00 | 307.83 | 354.00 |
| S40A14 | Meetings: Local CBO's & NGO's per hour (Banquet hall only) | 30.87 | 35.50 | 29.57 | 34.00 |
| S40A15 | Weddings, Birthdays and Special Occasions per day (including the Kitchen) | 2 015.65 | 2 318.00 | 1 938.26 | 2 229.00 |
| S40A16 | Festivals/Exhibitions/Events per day (max 14 days). Both venues, excluding extras - more than 14 days refer to general tariffs | 694.78 | 799.00 | 667.83 | 768.00 |
| **S40C** | **Rental Units - Kleinmond** | | | | |
| S40C1 | Hire per room per month | 48.87 | 56.20 | 46.96 | 54.00 |
| **S40E** | **Baardskeerdersbos / Betty's Bay / Blompark / Buffelsjags /Eluxolweni/Fernkloof Hall /Hawston Abalone *Hall* /Kleinmond Youth Centre / Kleinmond Club House / Masakane / Moffat Hall** | | | | |
| S40E4 | Fundraising: (Karaoke) Per daytime *or* evening | 320.00 | 368.00 | 307.83 | 354.00 |
| S40E5 | Funeral Tea (three hours) | 132.17 | 152.00 | 126.96 | 146.00 |
| S40E6 | Local CBO's of vulnerable groups: one booking allowed 24 hours in advance of a social gathering to be scheduled only on week days between 08:00 - 16:30 | no charge | no vat | no charge | no vat |
| S40E7 | Non-fundraising events for Schools, other training institutions and sport & recreation | 265.22 | 305.00 | 254.78 | 293.00 |
| S40E8 | Meetings: Local CBO's and NGO's per hour | 30.87 | 35.50 | 29.57 | 34.00 |
| S40E9 | Non-fundraising (parties) Per daytime *or* evening | 160.87 | 185.00 | 154.78 | 178.00 |
| S40E10 | Use of Kitchen - Fundraising events per event | 292.17 | 336.00 | 280.87 | 323.00 |
| S40E11 | Use of Kitchen - Non Fundraising | 292.17 | 336.00 | 280.87 | 323.00 |
| **Note** | **Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)** | | | | |
| **S40J** | **Kleinmond Civic Center Hall, & Hawston Thusong Centre** | | | | |
| S40J1 | Deposit: (refundable) Government Imbizos & Government Meetings. | 576.00 | no vat | 554.00 | no vat |
| S40J2 | Deposit (refundable): Hawston Thusong Centre | 1 040.00 | no vat | 1 000.00 | no vat |
| S40J3 | Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening | 726.09 | 835.00 | 698.26 | 803.00 |
| S40J4 | Church Services per day | 100.87 | 116.00 | 97.39 | 112.00 |
| S40J5 | Funeral Tea (three hours) | 132.17 | 152.00 | 126.96 | 146.00 |
| S40J6 | Government Imbizos (per day) | 2 238.26 | 2 574.00 | 2 152.17 | 2 475.00 |

| | | | | | |
|---|---|---|---|---|---|
| S40J7 | Non-fundraising events for Schools, other training institutions and sport & recreation | 265.22 | 305.00 | 254.78 | 293.00 |
| S40J8 | Meetings: Government Departments (private meetings) & CBO's outside Municipal area per hour | 320.00 | 368.00 | 307.83 | 354.00 |
| S40J9 | Meetings: Local CBO's, NGO's, Non-fund-raising indoor sports per hour (only large groups > 30) - (No Deposits) | 30.87 | 35.50 | 29.57 | 34.00 |
| S40J10 | Preparation for event - per hour | 75.65 | 87.00 | 73.04 | 84.00 |
| S40J11 | Non-fundraising: Parties, weddings, indoor sports, etc. per daytime or evening | 363.48 | 418.00 | 349.57 | 402.00 |
| S40J12 | Tariff for events continuing after midnight (24h00) per hour | 222.61 | 256.00 | 213.91 | 246.00 |
| S40J13 | Sound OR Ligthing Equipment per event (each item) per hour | 111.30 | 128.00 | 106.96 | 123.00 |
| S40J14 | Use of kitchen (per event per day) | 350.44 | 403.00 | 336.52 | 387.00 |
| S40J15 | Use of kitchen for water jugs and glasses or tea cups & sauces (per event per day) | 50.44 | 58.00 | 48.70 | 56.00 |
| **Note** | **Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)** | | | | |
| **S43** | **RENTAL: INFORMAL TRADERS' (HAWKERS') STALLS, OPEN SPACES & BEACHES (applicable Overstrand Wide)** | | | | |
| **S43A** | **CBD** | | | | |
| S43A1 | All open stalls per day (demarcated area)(excluding Western Cape December Holiday plus Easter Weekend) | 30.87 | 35.50 | 29.57 | 34.00 |
| S43A2 | Open Stalls per day (Western Cape December Holiday plus Easter Weekend) | 45.22 | 52.00 | 43.48 | 50.00 |
| **S43B** | **Outside the CBD** | | | | |
| S43B1 | Open Stalls Rental - Western Cape December Holiday plus Easter Weekend / pm | 100.00 | 115.00 | 96.52 | 111.00 |
| S43B2 | Open Stalls Rental - excluding Western Cape December Holiday plus Easter Weekend / pm | 42.61 | 49.00 | 40.87 | 47.00 |
| S43D | **Public Open Space** | | | | |
| S43D1 | Car Park - Private Car Sales per day (demarcated areas) | 40.00 | 46.00 | 38.26 | 44.00 |
| S43D2 | Funfair, Circus etc per day | 945.22 | 1 087.00 | 908.70 | 1 045.00 |
| S43D3 | Welfare, churches, non-profit organizations | no charge | no vat | no charge | no vat |
| S43D4 | Sport Events per day | 4 284.35 | 4 927.00 | 4 119.13 | 4 737.00 |
| **S43F** | **Beaches** | | | | |
| S43F1 | Beach Rentals - per day (Private functions) | 1 380.87 | 1 588.00 | 1 327.83 | 1 527.00 |
| **S~~3~~43G** | **Leases** | | | | |
| S~~3~~43G4 | Lease of stalls/containers on municipal land for informal trading (full stall/container) (per month) | 194.78 | 224.00 | 186.96 | 215.00 |
| S~~3~~43G5 | Lease of stalls/containers on municipal land for informal trading (half a stall/container) (per month) | 80.87 | 93.00 | 93.48 | 107.50 |
| **S46** | **RENTAL: OFFICE** | | | | |
| S46A | Rental for office space (Hermanus Administration) (per m² per month) ~~/ pm (Hermanus area)~~ | 132.17 | 152.00 | 126.96 | 146.00 |
| S46A1 | Rental for office space (Gansbaai, Stanford & Kleinmond Administrations) (per m² per month) | 66.09 | 76.00 | 63.48 | 73.00 |
| S46A2 | Rental for office space to NGO's/NPO's/Government Departments/State Owned Enterprises irrespective of area (per m² per month) | 40.00 | 46.00 | 38.26 | 44.00 |
| S46B | Rental for office space - Local Council Functions | no charge | no vat | no charge | no vat |
| **S48** | **RENTAL: SPORT FACILITIES** | | | | |
| **S48A** | **Spaces for Sport - Gansbaai / Hawston / Kleinmond / Mount Pleasant / Overhills / Stanford / Zwelihle** | | | | |
| S48A1 | Club House - per hour (private events) | 182.61 | 210.00 | 175.65 | 202.00 |

| | | | | | |
|---|---|---|---|---|---|
| S48A2 | Club House - Sport events hosted by Overstrand Sport and Recreation structures per 2 hours or part thereof | 45.22 | 52.00 | 43.48 | 50.00 |
| S48A3 | Club House - Sport Event hosted by non Overstrand Sport and Recreation structures - per hour | 91.30 | 105.00 | 87.83 | 101.00 |
| S48A4 | Sport grounds -Per event hosted by non Overstrand Sport and Recreation structures | 1 795.65 | 2 065.00 | 1 726.96 | 1 986.00 |
| S48A6 | Sport grounds - Functions/Events (excluding departmental events) | 991.30 | 1 140.00 | 953.04 | 1 096.00 |
| S48A8 | Change Rooms - Sport events hosted by Overstrand Sport and Recreation Structures | no charge | no charge | no charge | no charge |
| **Note** | **Sportgrounds refer to playing surfaces** | | | | |
| **S49** | **RENTAL: VACANT SERVICED ERVEN FOR LOW COST HOUSING** | | | | |
| S49A | Wetcore Stands (Social Housing) - rent per month | 37.39 | 43.00 | 35.65 | 41.00 |
| **S50** | **SCHUSS HOUSES KLEINMOND (Meerenvlei)** | | | | |
| S50A | Rental per unit per month | 1 075.65 | 1 237.00 | 1 033.91 | 1 189.00 |
| **S55** | **SUNDRY** | | | | |
| S55A | Access to Information as per Act (2 of 2000) - Tariffs | As Stipulated in the Act | applicable vat | As Stipulated in the Act | applicable vat |
| S55B1 | Administration Cost - RD ACB | actual cost + R52.00 | applicable vat | actual cost + R50.00 | applicable vat |
| S55B2 | Administration Cost - RD cheques, Post Dated Cheques | actual cost + R52.00 | applicable vat | actual cost + R50.00 | applicable vat |
| S55B3 | Administration Cost - Trace of Direct Deposit | actual cost + R106.00 | applicable vat | actual cost + R102.00 | applicable vat |
| S55D1 | Copies: A3 page | 4.52 | 5.20 | 4.35 | 5.00 |
| S55D2 | Copies: A3 page Colour | 8.17 | 9.40 | 7.83 | 9.00 |
| S55D3 | Copies: A4 page | 1.91 | 2.20 | 1.83 | 2.10 |
| S55D4 | Copies: A4 page Colour | 5.48 | 6.30 | 5.22 | 6.00 |
| S55E | Foreign Bank Cost | actual cost | applicable vat | actual cost | applicable vat |
| S55F1 | Fax per page - excluding 0865/6 numbers | 5.48 | 6.30 | 5.22 | 6.00 |
| S55F2 | Fax per page - 0865/6 numbers | 9.04 | 10.40 | 8.70 | 10.00 |
| S55G1 | Interest on accounts in arrear | prime + 4% | no vat | prime + 4% | no vat |
| S55G2 | Placard / Poster Deposit for Elections | 4 970.00 | no vat | 4 779.00 | no vat |
| S55G4 | Placard / Poster Deposit for Political Parties | 4 970.00 | no vat | 4 779.00 | no vat |
| S55H | Placard / Poster each | 18.26 | 21.00 | 17.39 | 20.00 |
| S55I | Duplicate Account | 9.04 | 10.40 | 8.70 | 10.00 |
| S55I1 | Duplicate PayDay pay slip | 9.04 | 10.40 | 8.70 | 10.00 |
| S55J | Section 62 of local Government: Systems Act: appeal deposit (refundable if appeal is upheld) | 3 349.00 | no vat | 3 220.00 | no vat |
| S55K1A | Tender objection deposit (refundable if appeal is upheld) | 3 330.00 | no vat | 3 365.00 | no vat |
| S55K1B | Tender objection deposit (partially upheld -50% refundable) | 1 665.00 | no vat | 1 675.00 | no vat |
| S55K2 | Tender documentation ~~Administration~~ Fee: (less than 50 ~~20~~ pages) | 34.78 | 40.00 | 33.91 | 39.00 |
| S55K3 | Tender documentation ~~Administration~~ Fee: (more than 51 ~~21~~ pages less than 200 ~~50~~ pages) | 182.61 | 210.00 | 180.00 | 207.00 |
| S55K4 | Tender documentation ~~Administration~~ Fee: (more than 200 ~~50~~ pages) | 391.30 | 450.00 | 726.96 | 836.00 |
| S55K5 | Tender documentation Fee (Consultant/CIDB) | 695.65 | 800.00 | new | new |
| S55L | Advertising Signs Auctioneers per 14days | 539.13 | 620.00 | 518.26 | 596.00 |
| S55K1 | Laminated Cost A3 | 6.96 | 8.00 | 6.78 | 7.80 |
| S55K2 | Laminated Cost A4 | 4.35 | 5.00 | 3.83 | 4.40 |

| | | | | | |
|---|---|---|---|---|---|
| **S60** | **SWIMMING POOL** | | | | |
| **S60A** | **Daily Tariffs (01 December - 31 March & Easter Weekend & Events approved by the Administration)** | | | | |
| S60A1 | Persons older than 12years of age - per person per DAY or part of a day | 4.35 | 5.00 | 4.35 | 5.00 |
| S60A2 | Children (< 12years) per child per day or part of a day | No Charge | no vat | No Charge | no vat |
| S60A4 | Galas | 106.09 | 122.00 | 106.09 | 122.00 |
| S60A5 | Training sessions (Schools & Clubs) per season | 167.83 | 193.00 | 167.83 | 193.00 |
| **S65** | **TOP MANAGEMENT CONSULTATIONS** | | | | |
| S65A1 | Consultation Fee (Top Management) per hour | 1 069.57 | 1 230.00 | 1 027.83 | 1 182.00 |
| **S72** | **TOWN PLANNING: APPLICATION FEES** | | | | |
| S72A | Amendment, deletion or additional contitions in respect of an existing approval | 2 334.78 | 2 685.00 | 2 245.22 | 2 582.00 |
| S72B | Application for deviation of SDF/Sectoral Plans | 2 748.70 | 3 161.00 | 2 642.61 | 3 039.00 |
| S72F | **Removal of Title Deed Restrictions** | | | | |
| S72F1 | Erven 150m² and smaller | 270.44 | 311.00 | 260.00 | 299.00 |
| S72F2 | Erven between 150 m² and 400 m² | 540.87 | 622.00 | 520.00 | 598.00 |
| S72F3 | Erven 400 m² and larger | 4 113.04 | 4 730.00 | 3 954.78 | 4 548.00 |
| S72G | **Consolidations** | | | | |
| S72G1 | Erven 150m² and smaller | 253.04 | 291.00 | 243.48 | 280.00 |
| S72G2 | Erven between 150 m² and 400 m² | 509.57 | 586.00 | 489.57 | 563.00 |
| S72G3 | Erven 400 m² and larger | 2 904.35 | 3 340.00 | 2 793.04 | 3 212.00 |
| **S72H** | **Subdivision (cumulative)** | | | | |
| S72H1 | up to 5 erven | 3 925.22 | 4 514.00 | 5 446.09 | 6 263.00 |
| S72H2 | 6 to 10 erven | 6 680.87 | 7 683.00 | 6 423.48 | 7 387.00 |
| S72H3 | More than 10 | 6 680.87 | 7 683.00 | 6 423.48 | 7 387.00 |
| S72H3A | Additional per erf after 10 | 100.87 | 116.00 | 97.39 | 112.00 |
| S72I | **Application for Consent Use/Special Use/~~Occasional Use~~/Additional Consent** | | | | |
| S72I1 | Erven 150m² and smaller | 229.57 | 264.00 | 220.87 | 254.00 |
| S72I2 | Erven between 150m² and 400m² | 611.30 | 703.00 | 587.83 | 676.00 |
| S72I3 | Erven 400 m² and larger | 2 905.22 | 3 341.00 | 2 793.04 | 3 212.00 |
| S72J | **Application for Rezoning** | | | | |
| S72J1 | Erven 150 m² and smaller | 611.30 | 703.00 | 587.83 | 676.00 |
| S72J2 | Erven between 150 m² and 400 m² | 1 000.00 | 1 150.00 | 4 608.70 | 5 300.00 |
| S72J3 | Erven between 400m² and 5000m² | 6 680.87 | 7 683.00 | 6 423.48 | 7 387.00 |
| S72J4 | Erven 5000m² and larger | 7 650.44 | 8 798.00 | 6 423.48 | 7 387.00 |
| ~~S72J4A~~ | ~~Erven larger than 5000m² additional per land use (Excluding Public Open Spaces and Public Roads)~~ | ~~1 008.35~~ | ~~1 159.60~~ | ~~969.57~~ | ~~1 115.00~~ |
| S72K | **Departure ito Section 16(2)(b) and (c) of OM Land Use Planning Bylaw** | | | | |
| S72K1A | Erven 150m and smaller | 229.57 | 264.00 | 220.87 | 254.00 |
| S72K1B | Erven between 150m² and 400m² | 508.70 | 585.00 | 488.70 | 562.00 |
| S72K1C | Erven 400 m² and larger | 2 905.22 | 3 341.00 | 2 793.04 | 3 212.00 |
| S72L | **Appeal deposit in terms of Section 79(5) of the Bylaw on Municipal Land Use Planning (refundable if appeal is upheld)** | | | | |

| | | | | | |
|---|---|---|---|---|---|
| S72L1 | Erven 150m² and smaller | 331.00 | no vat | 331.00 | no vat |
| S72L2 | Erven between 150m² and 400 m² | 621.00 | no vat | 621.00 | no vat |
| S72L3 | Erven 400 m² and larger | 3 351.00 | no vat | 3 351.00 | no vat |
| | Note: No appeal fee payable in case of appeal submitted by the Municipal Manager | | | | |
| S72M | Amendment of site development plan, Constitution/Architectural Guidelines, Phasing, amendement or cancellation of a plan of subdivision or a part thereof | 2 113.91 | 2 431.00 | 2 032.17 | 2 337.00 |
| S72N | **Determination of Zoning** | | | | |
| S72N1 | Erven 150m² and smaller | 611.30 | 703.00 | 587.83 | 676.00 |
| S72N2 | Erven between 150 m² and 400 m² | 4 793.04 | 5 512.00 | 4 608.70 | 5 300.00 |
| S72N3 | Erven 400 m² and larger | 6 680.87 | 7 683.00 | 6 423.48 | 7 387.00 |
| S72N4 | Disestablishment of HOA | 2 905.22 | 3 341.00 | 2 793.04 | 3 212.00 |
| S72P | **Relaxation of Title Deed** (if combined with departure application only the higest fee applies) | | | | |
| S72P0 | Erven 150m² and smaller | 260.87 | 300.00 | new | new |
| S72P1 | Erven 400m² and smaller | 508.70 | 585.00 | 488.70 | 562.00 |
| S72P2 | Erven larger than 400m² | 2 891.30 | 3 325.00 | 2 780.00 | 3 197.00 |
| S72Q | **Permission in terms of Zoning Scheme** | | | | |
| S72Q1 | Erven 150m² and smaller | 229.57 | 264.00 | 220.87 | 254.00 |
| S72Q2 | Erven between 150m² and 400m² | 508.70 | 585.00 | 488.70 | 562.00 |
| S72Q3 | Erven 400 m² and larger | 2 905.22 | 3 341.00 | 2 793.04 | 3 212.00 |
| S72Q4 | Closure of Public Place/Part thereof (if combined with rezoning application only the highest fee is applicable | 6 680.87 | 7 683.00 | 6 423.48 | 7 387.00 |
| S72R | Extention of Time | 729.57 | 839.00 | 701.74 | 807.00 |
| S72S | Exemption in terms of Section 26 | 115.65 | 133.00 | 111.30 | 128.00 |
| **S75** | **TOWN PLANNING: LAND USE PLANNING FEE** | | | | |
| S75A1 | Advertising Costs Government Gazette | 4 066.09 | 4 676.00 | 3 909.57 | 4 496.00 |
| S75A2 | Advertising Costs Local newspapers | 4 066.09 | 4 676.00 | 3 909.57 | 4 496.00 |
| S75A3 | Advertising Costs Local Newspaper (Removal of Restriction only) | 8 131.30 | 9 351.00 | 7 818.26 | 8 991.00 |
| S75A4 | Advertising Costs - Placing of Final Notice in the Government Gazette | 1 149.57 | 1 322.00 | 1 105.22 | 1 271.00 |
| S75B | Regulations of Zoning schemes (printing) | 260.87 | 300.00 | 461.74 | 531.00 |
| S75C | Spatial Development Framework (printing) | 260.87 | 300.00 | 1 090.44 | 1 254.00 |
| S75D | Zoning Certificate | 292.17 | 336.00 | 280.87 | 323.00 |
| S75D1 | Zoning Certificate - Non Profit Organisation (NPO) | No Charge | no vat | No Charge | no vat |
| S75E | Registered Letters - more than 10 letters, applicant to pay applicable tariffs according to the South African Post Office Rates | applicable rate | applicable vat | applicable rate | applicable vat |
| ~~S75F~~ | ~~CD - Planning Documents~~ | ~~480.21~~ | ~~552.24~~ | ~~461.74~~ | ~~531.00~~ |
| S75G | Search Fee | 292.17 | 336.00 | 280.87 | 323.00 |
| S75H | Section 30(2) Certification / Clearance (only for the first transfer) | 1 722.61 | 1 981.00 | 1 656.52 | 1 905.00 |
| S75I | Determination of Administrative ~~Contravention~~ Penalty: in terms of Section 90(5) of the Overstrand Municipality Land Use Planning Amendment By-Law, 2020 | ~~20% of built cost as determined by a Quantity Surveyor~~ | ~~applicable vat~~ | ~~20% of built cost as determined by a Quantity Surveyor~~ | ~~applicable vat~~ |

| | | | | | |
|---|---|---|---|---|---|
| ~~S75I1~~ | ~~Informal structures (including containers / wendy houses) per sqm~~ | ~~500.00~~ | ~~575.00~~ | ~~new~~ | ~~new~~ |
| S75I2 | Formal structure (erven 150m² and smaller) per sqm | 5 000.00 | 5 750.00 | new | new |
| ~~S75I3~~ | ~~Formal structure (erven between 150m² and 400m²) per sqm~~ | ~~10 000.00~~ | ~~11 500.00~~ | ~~new~~ | ~~new~~ |
| S75I4 | Formal structure (erven larger than 400m²) per sqm | 15 000.00 | 17 250.00 | new | new |
| **S80** | **TRAFFIC** | | | | |
| **S80J** | **Business & Other Events** | | | | |
| S80J1 | Per officer per hour or part thereof - Mon - Sat | 508.70 | 585.00 | 488.70 | 562.00 |
| S80J2 | Per officer per hour or part thereof - Sundays and public Holidays | 581.74 | 669.00 | 559.13 | 643.00 |
| S80J4 | Administrative fee for provision of officers - per application | 139.13 | 160.00 | 139.13 | 160.00 |
| **S80K** | **Removal of Vehicles/Towing Fee** | | | | |
| S80K1 | Removal of Vehicles per vehicle | 1 220.87 | 1 404.00 | 1 173.91 | 1 350.00 |
| S80K2 | Storage Fees per day | 335.65 | 386.00 | 322.61 | 371.00 |
| S80K3 | Towing Charge | Cost plus 15% | applicable vat | Cost plus 15% | applicable vat |
| S80K4 | Wheel Clamping per vehicle | 452.17 | 520.00 | 434.78 | 500.00 |
| **S80L** | **Traffic Cones** | | | | |
| S80L1 | Hire of Traffic Cones per Cone per day | 72.17 | 83.00 | 69.57 | 80.00 |
| **S80P** | **Disabled Parking Token** | | | | |
| S80P1 | Disabled Parking Token per application - valid for 2year period | 133.04 | 153.00 | 127.83 | 147.00 |
| S80R | **Impoundment of Boats** | | | | |
| S80R1 | Impoundment Fee per boat | 1 808.70 | 2 080.00 | 1 739.13 | 2 000.00 |
| **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** | 459.13 | 528.00 | 441.74 | 508.00 |
| S85A2 | Administration fee for a wayleave or permit to use the road reserve to install an underground service **per permit/event/incident** | 1 598.26 | 1 838.00 | 1 536.52 | 1 767.00 |
| S85A3 | Supervision fee for a wayleave or permit to install an underground service **per permit/event/incident** | 2 957.39 | 3 401.00 | 2 843.47 | 3 269.99 |
| S85A4 | Unauthorised commencement of use of the road reserve **per permit/event/incident** | 200% of applicable above administration and supervision fee | applicable vat | 200% of applicable above administration and supervision fee | applicable vat |
| **S85B** | **Remedying, Repairing and Cleaning** | | | | |
| S85B1 | Remedying substandard reinstatement or reinstatement which does not comply with the road reserve or other Overstrand Municipality infrastructure; cleaning the site; or ensuring compliance with any other requirement the Overstrand Municipality . For the costs incurred by the Overstrand Municipality resulting from any work in, or use of, the road reserve by any person other than the Overstrand Municipality . | Actual costs plus 10% administration fee | applicable vat | Actual costs plus 10% administration fee | applicable vat |
| **S85C** | **Roadway Trench Fee** | | | | |

| | | | | | |
|---|---|---|---|---|---|
| S85C1 | Tariff for authorised trenching across a roadway: Local Road per m - measured from 0.5m behind kerb face or road edge (where no kerb is present) | 226.09 | 260.00 | 217.39 | 250.00 |
| S85C2 | Tariff for unauthorised trenching across a roadway: Local Road per m - measured from 0.5m behind kerb face or road edge (where no kerb is present) | 10 373.04 | 11 929.00 | 9 973.91 | 11 470.00 |

**REFUSE (SOLID WASTE) TARIFFS** (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2021/2022 | | 2020/2021 | |
|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% |
| | | R | R | R | R |
| | **DOMESTIC WASTE** | | | | |
| SAN1A | Residential (All registered erven/unit with approved building plan) 1 x removal per week (**R/Month**) | 201.59 | 231.83 | 193.84 | 222.91 |
| 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)** | 201.59 | 231.83 | 193.84 | 222.91 |
| 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 |
| | **BUSINESS WASTE** | | | | |
| SAN1C | Commercial/Business (Hostels, Old Age Homes, Caravan Sites, Semi-permanent Resorts etc) (**R/Month)** | 201.59 | 231.83 | 193.84 | 222.91 |
| SA1N1 | Bulk Container 240L (Wheeley bin) **(R/Month) 1** X per week (if available) | 201.59 | 231.83 | 193.84 | 222.91 |
| SAN1N | Bulk Container 240L (Wheeley bin) **(R/Month) 2** X per week (if available) | 403.17 | 463.64 | 387.66 | 445.81 |
| SA1N3 | Bulk Container 240L (Wheeley bin) **(R/Month) 3** X per week CBD (if available) | 604.74 | 695.45 | 581.48 | 668.70 |
| SA1N4 | Bulk Container 240L (Wheeley bin) **(R/Month) 4** X per week CBD (if available) | 806.33 | 927.28 | 775.32 | 891.61 |
| SA1N2 | Bulk Container 240L (Wheeley bin) **(R/Month) 5** X per week CBD (if available) | 1 007.92 | 1 159.11 | 969.15 | 1 114.53 |
| SAN1O | Camphill Route **(R/Month)** (If available) | 1 583.86 | 1 821.44 | 1 522.94 | 1 751.38 |
| SAN1P | Additional Removals per week on **Saturday** per Bin **(R/Month)** per removal | 302.37 | 347.73 | 290.74 | 334.35 |
| SA1P1 | Additional Removals on request Central Town (CBD) per bin **(R/Month**) (Sunday or Public Holidays) per removal | 403.17 | 463.64 | 387.66 | 445.81 |
| SA1P2 | All CBD's additional Removal during normal working week, per Bin, per removal | 46.61 | 53.60 | 44.82 | 51.54 |
| SA1P3 | All CBD's additional Removal on Saturday, per Bin per removal | 69.91 | 80.40 | 67.22 | 77.31 |
| SA1P4 | All CBD's additional Removal during Sunday or Public Holidays, per Bin per removal | 93.22 | 107.20 | 89.63 | 103.07 |
| SA1Q | Caravan Sites, Chalets, Semi-permanent & Resorts **(R/Month)** (Uilenskraalmond Vakansieoord; Franskraal Vakansieoord; Pearly Beach Camp, Micheal Fuchs Guesthouse) **NO REMOVAL (per unit/site)** | 64.85 | 74.58 | 62.36 | 71.71 |
| SAN1R | Departmental Consumption (Municipal Consumption per removal site per **month**) | 201.59 | 231.83 | 193.84 | 222.91 |
| SAN1U | Schools **(R/Month)** | 201.59 | 231.83 | 193.84 | 222.91 |
| SAN1T | Removal outside service area (per removal per hour) (If available) | 1 511.87 | 1 738.65 | 1 453.72 | 1 671.78 |
| SAN1V | Single Quarters & Transit Camps per unit | 64.79 | 74.51 | 62.30 | 71.65 |
| SAN1W | Guesthouses, Bed & Breakfast **(R/Month)** | 201.59 | 231.83 | 193.84 | 222.91 |
| SAN1X | Removal of food waste for safe disposal (**R/per Collection**) | 401.36 | 461.56 | 385.92 | 443.81 |
| **SAN2** | **SELF DUMPING TRANSFER STATIONS & DROP OFF'S: SAND AND CLEAN BUILDERS RUBBLE: (rounding applicable)** | | | | |

| | | | | | |
|---|---|---|---|---|---|
| SA2A1 | Vehicles up to 1 ton load capacity: clean builders rubble (<250mm) and sand: only at Kleinmond Transfer Station, Stanford Drop Off, Pearly Beach Drop Off, Hawston Drop Off and Zwelihle Drop Off ~~(no admission to Hermanus Transfer Station)~~. **(All vehicles above 1 ton load capacity only to landfills).** | no Charge | no vat | no Charge | no vat |
| **SAN2B** | **SELF DUMPING TRANSFER STATIONS & DROP OFF'S: GENERAL AND GARDEN REFUSE** | | | | |
| SA2B1 | Vehicles up to 1 Ton per vehicle load capacity (maximum volume of 5m³) | no Charge | no vat | no Charge | no vat |
| SA2B2 | Vehicles >1 & up to 2 Ton per vehicle load capacity | 463.93 | 533.52 | 446.09 | 513.00 |
| SA2B3 | Vehicles >2 & up to 3 Ton per vehicle load capacity | 695.44 | 799.76 | 668.70 | 769.00 |
| **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 | 231.51 | 266.24 | 222.61 | 256.00 |
| SAN3D | Clean builders rubble ~~(<250mm~~) and sand | no Charge | no vat | no Charge | no vat |
| SAN3F | Mixed builders rubble per ton weighed (load contaminated with waste eg wood, plasitc, paper , cardboard, etc) | 231.51 | 266.24 | 222.61 | 256.00 |
| **SAN4** | **BASIC FEE REFUSE SERVICE (Erven without approved building plans)** | | | | |
| SAN4A | All registered erven without approved building plans **(R/Month)** | 100.79 | 115.90 | 96.91 | 111.45 |
| **SAN5** | **SUNDRIES (rounding applicable)** | | | | |
| SAN5A | Rental of Bulk Container per day (including disposal) | 107.83 | 124.00 | 103.48 | 119.00 |
| SAN5B | Deposit - rental of bulk containers per 4 bins or less | 815.00 | no vat | 784.00 | no vat |
| SAN5C | Asbestos Sheet - per unit (Limited to **max 10 sheets**) | 131.30 | 151.00 | 126.09 | 145.00 |
| SAN5D | Baboon Resistant 240L Wheeley bin with lock delivered to homes - projects | 1 284.35 | 1 477.00 | 1 234.78 | 1 420.00 |
| SAN5E | Replacement lock on baboon resistant wheelie bin | 399.13 | 459.00 | 383.48 | 441.00 |
| SAN5F | **~~Selling of~~ Chipped Organic Material at Gansbaai landfill site** | | | | |
| SAN5F1 | Per ton (when available and for self loading) | 0.00 | 0.00 | 413.91 | 476.00 |
| SAN5F2 | Per cubic (m³) (when available and for self loading) | 0.00 | 0.00 | 93.04 | 107.00 |

## SEWER TARIFFS (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2021/2022 | | 2020/2021 | |
|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% |
| **SE7A** | **SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)** | | | | |
| SE7A1 | 0 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month , Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B. Where the sewer consumption exceeds the water consumed tariff SE9A4 will be applicable. | 14.89 | 17.13 | 14.32 | 16.47 |
| 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. | 131.57 | 151.31 | 128.83 | 148.15 |
| | **SEWERAGE - REGISTERED INDIGENT HOUSEHOLDS** | | | | |
| SE7A4 | 0 - 4.2 kl - **subsidised** | 14.89 | 17.13 | 14.32 | 16.47 |
| 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. | 14.89 | 17.13 | 14.32 | 16.47 |
| **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 | 14.89 | 17.13 | 14.32 | 16.47 |
| **SE7C** | **SEWERAGE - GUEST HOUSE; BED & BREAKFAST ESTABLISHMENTS** | | | | |
| SE7C1 | per kl (based on 70% of water usage) per unit per month. Where the sewer consumption exceeds the water consumed tariff SE9A4 will be applicable. | 14.89 | 17.13 | 14.32 | 16.47 |
| **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 | 14.89 | 17.13 | 14.32 | 16.47 |
| **SE7E** | **CONSUMPTION - DEPARTMENTAL** | | | | |
| SE7E1 | 0 - 35 kl per kl (based on 70% of max 50kl water usage) per unit per month | 14.89 | 17.13 | 14.32 | 16.47 |
| **SE8** | **BASIC CHARGE** | | | | |
| SE8A | Basic Monthly Charge Developed sites per erf/unit per month | 132.20 | 152.04 | 127.12 | 146.19 |
| SE8A1 | Basic Monthly Subsidy Residential Indigent as per paragraph A of the Indigent Policy per month | 132.20 | 152.04 | 127.12 | 146.19 |
| SE8A2 | Basic Monthly Subsidy Residential Indigent as per paragraph B, C & E of the Indigent Policy per month | 115.09 | 132.35 | 115.09 | 132.35 |
| SE8B | Basic Monthly Charge Undeveloped sites - can not connect to the network per erf/unit per month | 89.08 | 102.44 | 85.65 | 98.50 |
| SE8C | Basic Monthly Charge Undeveloped sites - can connect to the network per erf/unit per month | 132.20 | 152.04 | 127.12 | 146.19 |
| SE8D | Basic Monthly Charge Developed sites - with a septic Tank per erf/unit per month | 89.08 | 102.44 | 85.65 | 98.50 |
| SE8E | Basic Monthly Charge - Low Cost Housing & Single Quarters per erf/unit per month | 89.08 | 102.44 | 85.65 | 98.50 |
| SE8F | **Infrastructure** | | | | |
| SE8F1 | Fixed Infrastructure Basic Charge per erf/unit per month | 9.60 | 11.04 | 9.60 | 11.04 |
| SE8F2 | Fixed Infrastructure Basic Charge per erf/unit per month | 3.43 | 3.94 | 3.43 | 3.94 |
| SE8F3 | Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households | 3.43 | 3.94 | 3.43 | 3.94 |

| SE9 | OTHER SEWERAGE CHARGES | | | | |
|---|---|---|---|---|---|
| SE9A | **Vacuum Tanker Service for users not paying tariffs SE7 above - PROVIDED ON REQUEST** | | | | |
| SE9A1 | Vacuum Tanker Service provided on request < 6kl (per 6kl or part thereof) | 608.14 | 699.36 | 584.75 | 672.46 |
| SE9A2 | Vacuum Tanker Service provided on request < 5kl (per 5kl or part thereof) | 608.14 | 699.36 | 584.75 | 672.46 |
| SE9A4 | Vacuum Tanker Service provided on request > 6kl (per 6kl or part thereof) | 608.14 | 699.36 | 584.75 | 672.46 |
| SE9A5 | Call out fee for Tank Service request but no service due to another defect | 608.14 | 699.36 | 584.75 | 672.46 |
| SE9A6 | More than 3 pipes an additional fee per pipe for users not paying tariff SE7 above | 89.08 | 102.44 | 85.65 | 98.50 |
| SE9BA | **After Hours Vacuum Tanker Service - PROVIDED ON REQUEST** | | | | |
| SE9B1 | After Hours - per request < 6kl (per 6kl or part thereof) | 1 216.28 | 1 398.72 | 1 169.49 | 1 344.91 |
| SE9B2 | After Hours - per request > 6kl (per 6kl or part thereof) | 1 216.28 | 1 398.72 | 1 169.49 | 1 344.91 |
| SE9B3 | After Hours - per request < 5kl (per 5kl or part thereof) | 1 216.28 | 1 398.72 | 1 169.49 | 1 344.91 |
| SE9B2 | After Hours Businesses with Public Toilets per removal | 365.20 | 419.98 | 351.15 | 403.82 |
| 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** | 365.21 | 419.99 | 351.16 | 403.83 |
| SE9C2 | Normal ApplicableTariff (SE9A2) plus additional per km | 17.83 | 20.50 | 17.14 | 19.71 |
| | **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** | 365.20 | 419.98 | 351.15 | 403.82 |
| SE9C7 | After Hours Applicable Tariff (SE9B2) plus additional per km | 17.83 | 20.50 | 17.14 | 19.71 |
| **SE10** | **SUNDRY CHARGES** | | | | |
| SE9D | **Testing and Connection Fees** | | | | |
| SE9D1 | Testing of the septic and conservancy tanks per test | 1 582.61 | 1 820.00 | 1 521.74 | 1 750.00 |
| SE9D2 | Smallbore sewerage connection fee + tank test | 7 260.87 | 8 350.00 | 6 981.74 | 8 029.00 |
| SE9D3 | Sewer Connection | 5 448.70 | 6 266.00 | 5 231.30 | 6 016.00 |
| SE9E | **Disposal** | | | | |
| SE9E1 | Charge per kl or part thereof | 80.00 | 92.00 | 76.52 | 88.00 |
| **SE11** | **ILLEGAL CONNECTION / TAMPERING FEE** | | | | |
| SE11A | 1st Offence | 7 462.00 | no vat | 7 175.00 | no vat |
| SE11B | 2 nd Offence (SE11A X 2) | 14 924.00 | no vat | 14 348.00 | no vat |

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

## ELECTRICITY TARIFFS 2020/2021 (ROUNDING APPLICABLE) (AFTER NERSA approval)

| Tariff Code | Detail | | 2021/2022 | | 2020/2021 | |
|---|---|---|---|---|---|---|
| | | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% |
| **ED** | **CONSUMER DEPOSITS** | | | | | |
| ED1 | Large Power User Group tariff E5 (excluding Kleinmond) | R | 0.00 | no vat | 0.00 | no vat |
| ED2 | Large Power User Group tariff E5 Kleinmond 2 weeks highest average consumption | R | calculated | no vat | calculated | no vat |
| ED3 | Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity | R | 3 031.00 | no vat | 2 622.00 | no vat |
| ED4 | Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity | R | 5 313.00 | no vat | 4 596.00 | no vat |
| ED5 | Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity | R | 12 144.00 | no vat | 10 505.00 | no vat |
| ED6 | Domestic & Commercial Single Phase Pre-paid (Two Part Tariff) - Electricity | R | 698.00 | no vat | 604.00 | no vat |
| ED7 | Domestic & Commercial Three Phase Pre-paid (Two Part Tariff) - Electricity | R | 1 397.00 | no vat | 1 208.00 | no vat |
| ED8 | Indigent Registered | R | 225.00 | no vat | 195.00 | no vat |
| EDD | **Deposit Defaulters** | | | | | |
| EDD1 | Large Power User Group tariff E5 : Two Times average consumption during the preceding 12 months | R | calculated | no vat | calculated | no vat |
| EDD2 | Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity : Two Times average consumption during the preceding 12 months | R | calculated | no vat | calculated | no vat |
| EDD3 | Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity : Two Times average consumption during the preceding 12 months | R | calculated | no vat | calculated | no vat |
| EDD4 | Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity : Two Times average consumption during the preceding 12 months | R | calculated | no vat | calculated | no vat |
| **EF** | **FIXED CHARGES** | | | | | |
| EF1 | Infrastructure Charge per Meter per month | R | 16.65 | 19.15 | 16.65 | 19.15 |
| **E1** | **SINGLE PHASE : DOMESTIC** | | | | | |
| **E1A** | **Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)** | | | | | |
| E1A1 | Basic Monthly charge per meter | R | 411.77 | 473.53 | 356.20 | 409.63 |
| | **kWH Unit cost** | | | | | |
| E1A2 | IBT BLOCK 1 0 - 350 kWh | c | 157.99 | 181.69 | 136.67 | 157.17 |
| E1A3 | IBT BLOCK 2 351 - 600 kWh | c | 232.03 | 266.84 | 200.72 | 230.83 |
| E1A4 | IBT BLOCK 3 > 600 kWh | c | 285.09 | 327.86 | 246.62 | 283.61 |
| **E1B** | **Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)** | | | | | |
| E1B1 | Basic Monthly charge per meter | R | 411.77 | 473.53 | 356.20 | 409.63 |
| | **kWH Unit cost** | | | | | |
| E1B2 | IBT BLOCK 1 0 - 350 kWh | c | 145.93 | 167.82 | 126.24 | 145.18 |
| E1B3 | IBT BLOCK 2 351 - 600 kWh | c | 218.66 | 251.46 | 189.15 | 217.52 |
| E1B4 | IBT BLOCK 3 > 600 kWh | c | 274.04 | 315.15 | 237.06 | 272.62 |
| **E1C** | **SINGLE PHASE : COMMERCIAL** | | | | | |
| E1C1 | Basic Monthly charge per meter | R | 411.77 | 473.53 | 356.20 | 409.63 |

| | | | | | | |
|---|---|---|---|---|---|---|
| E1C2 | kWH Unit cost - Credit Meters | c | 236.46 | 271.93 | 204.55 | 235.23 |
| E1C3 | KwH Unit cost - Pre-paid meters | c | 222.83 | 256.26 | 192.76 | 221.67 |
| **E1D** | **Life Line One part tariff (Pre-paid meters only) ≤ 30 Amp with Maximum consumption of 350 kWH with average measured over twelve month period. Only available to Informal dwellings** | | | | | |
| | **kWH Unit cost** | | | | | |
| E1D1 | IBT BLOCK 1 0 - 350 kWh | c | 147.53 | 169.66 | 127.62 | 146.76 |
| **E1E** | **One part tariff (Pre-paid meters only) Local Economic Development Projects** | | | | | |
| | **kWH Unit cost** | | | | | |
| E1E1 | IBT BLOCK 1 0 - 350 kWh | c | 254.90 | 293.13 | 220.50 | 253.58 |
| **E3** | **THREE PHASE: COMMERCIAL & DOMESTIC** | | | | | |
| **E3E** | **Two-Part Tariff: Credit up to 100A (70 kVA BDMD) DOMESTIC** | | | | | |
| E3E1 | Basic Monthly charge per meter | R | 823.52 | 947.05 | 712.39 | 819.25 |
| | **kWH Unit cost** | | | | | |
| E3E2 | IBT BLOCK 1 0 - 350 kWh | c | 159.48 | 183.40 | 137.96 | 158.65 |
| E3E3 | IBT BLOCK 2 351 - 600 kWh | c | 232.99 | 267.94 | 201.55 | 231.78 |
| E3E4 | IBT BLOCK 3 > 600 kWh | c | 283.32 | 325.82 | 245.09 | 281.85 |
| **E3E** | **Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) DOMESTIC** | | | | | |
| E3E5 | Basic Monthly charge per meter | R | 823.52 | 947.05 | 712.39 | 819.25 |
| | **kWH Unit cost** | | | | | |
| E3E6 | IBT BLOCK 1 0 - 350 kWh | c | 147.33 | 169.43 | 127.45 | 146.57 |
| E3E7 | IBT BLOCK 2 351 - 600 kWh | c | 219.56 | 252.49 | 189.93 | 218.42 |
| E3E8 | IBT BLOCK 3 > 600 kWh | c | 272.34 | 313.19 | 235.59 | 270.93 |
| **E3E** | **Two-Part Tariff: Credit up to 100A (70 kVA BDMD) COMMERCIAL** | | | | | |
| E3E9 | Basic Monthly charge per meter | R | 823.52 | 947.05 | 712.39 | 819.25 |
| E3E10 | **kWH Unit cost** | c | 236.46 | 271.93 | 204.55 | 235.23 |
| **E3E** | **Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) COMMERCIAL** | | | | | |
| E3E11 | Basic Monthly charge per meter | R | 823.52 | 947.05 | 712.39 | 819.25 |
| E3E12 | **kWH Unit cost** | c | 222.83 | 256.26 | 192.76 | 221.67 |
| **E3G** | **One-Part Tariff: Pre-paid only; up to 100A (70 kVA BDMD)<br>Businesses, Flats, Sport grounds, Churches.(minimum of 800kWH average for twelve months)** | | | | | |
| E3G1 | kWH Unit cost | c | 281.24 | 323.43 | 243.29 | 279.78 |
| **E5** | **TIME OF USE TARIFF** | | | | | |
| | **Service Charge (per month) for MV and LV consumers** | | | | | |
| E5A1 | Administrative and Service Charge **Medium Voltage** per month | R | 3 915.92 | 4 503.30 | 3 387.47 | 3 895.59 |
| E5A1A | Administrative and Service Charge **Low Voltage** per month | R | 3 463.26 | 3 982.75 | 2 995.90 | 3 445.29 |
| E5A2 | Network Demand Charge kVA: Utilised capacity | R | 38.62 | 44.41 | 31.90 | 36.69 |
| E5A3 | Network Capacity Charge kVA: Notified Maximum Demand (NMD) | R | 30.78 | 35.40 | 25.39 | 29.20 |
| | **Medium Voltage Metering Points (11000V)** | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| E5A4 | Off Peak kWh Unit Charge | c | 64.99 | 74.74 | 56.22 | 64.65 |
| E5A5 | Standard kWh Unit Charge | c | 116.99 | 134.54 | 101.20 | 116.38 |
| E5A6 | Peak kWh Unit Charge | c | 380.20 | 437.23 | 328.89 | 378.22 |
| | **Low Voltage Metering Points (400V)** | | | | | |
| E5A7 | Off Peak kWh Unit Charge | c | 69.88 | 80.36 | 60.45 | 69.52 |
| E5A8 | Standard kWh Unit Charge | c | 121.85 | 140.13 | 105.41 | 121.22 |
| E5A9 | Peak kWh Unit Charge | c | 385.09 | 442.85 | 333.12 | 383.09 |
| | **Sundry Charges** | | | | | |
| E5A10 | Exceed NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month | R | 1 202.06 | 1 382.36 | 1 039.84 | 1 195.82 |
| **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 | 411.77 | 473.53 | 356.20 | 409.63 |
| E6B | Basic Monthly Charge: Residential Indigent as per paragraph B, C & D of the Indigent Policy per meter | R | 291.60 | 335.34 | 291.60 | 335.34 |
| **E7** | **PUBLIC LIGHTING & CCTV** | | | | | |
| E7A1 | Streetlights & CCTV (metered) per kWh (no basic charge) | c | 102.73 | 118.14 | 88.87 | 102.20 |
| E7A2 | Streetlights & CCTV (consumption) (per unit/per month) (no basic charge) | R | 36.04 | 41.45 | 31.18 | 35.86 |
| E7A5 | Illuminated street sign boards per month | R | 36.04 | 41.45 | 31.18 | 35.86 |
| ~~E7A6~~ | ~~Hire of Sleeve space for fibre optic cable (per meter per month per fiber optic - no basic charge)~~ | ~~R~~ | ~~0.92~~ | ~~1.06~~ | ~~0.92~~ | ~~1.06~~ |
| **E8** | **CASUAL SUPPLIES** | | | | | |
| E8A1 | Per connection includes disconnection excluding hire of kiosk | R | 1 419.12 | 1 631.98 | 1 227.61 | 1 411.75 |
| E8A2 | Consumption per day if not metered | R | 92.20 | 106.03 | 79.76 | 91.72 |
| E8A3 | Hire of temporary distribution kiosk, per kiosk, per occasion | R | 556.09 | 639.51 | 481.05 | 553.21 |
| E8A4 | Deposit (Usage will be subtracted) | R | 1 914.34 | no vat | 1 656.00 | no vat |
| E8A5 | One part tariff : Prepaid or Credit Casual Supply | c | 279.68 | 321.64 | 241.94 | 278.23 |
| **E9** | **NETWORK CHARGES: SERVICED LAND** | | | | | |
| E9A1 | Netwok charge per serviced plot per month | R | 411.77 | 473.53 | 356.20 | 409.63 |
| E9A2 | Infrastructure per vacant plot per month | R | 16.65 | 19.15 | 16.65 | 19.15 |
| **E10** | **SUNDRY CHARGES** | | | | | |
| E10A1 | Call-out Fee - office hours (Based on 2 hours for electr & assist + 30km) | R | 753.91 | 867.00 | 725.22 | 834.00 |
| E10A2 | Call-out Fee - after hours: Weekdays & Saturdays (Based on 2 hrs (time and a half) for electr & assist + 30km) | R | 1 058.26 | 1 217.00 | 1 017.39 | 1 170.00 |
| E10A3 | Call-out Fee - after hours: Sundays & Public Holidays (Based on 2 hrs (double time) for electr & assist + 30km) | R | 1 361.74 | 1 566.00 | 1 309.57 | 1 506.00 |
| E10A4 | MV. Switching on Council's equipment office hours (Based on 3 hours for superintendent & electr + 60km) | R | 2 194.78 | 2 524.00 | 2 110.44 | 2 427.00 |

| | | | | | | |
|---|---|---|---|---|---|---|
| E10A5 | MV. Switching on Council's equipment -after hours: Weekdays & Saturdays (Based on 3 hours (time and a half) for a superintendent and an electrician plus 60km) | R | 3 145.22 | 3 617.00 | 3 024.35 | 3 478.00 |
| E10A6 | MV. Switching on Council's equipment -after hours: Sundays & Public holidays (Based on 3 hours (double time) for a superintendent and an electrician plus 60km) | R | 4 097.39 | 4 712.00 | 3 940.00 | 4 531.00 |
| E10A7 | Contractor Inspection 2nd | R | 738.26 | 849.00 | 709.57 | 816.00 |
| E10A8 | Contractor Inspection 3rd | R | 1 113.91 | 1 281.00 | 1 071.30 | 1 232.00 |
| E10A9 | Change of Circuit Breaker - S/Phase(1/annum) contact Electricity Department for approval (Based on Circuit Breaker cost + 1 hour for an electrician and assistant + 30km) | R | 589.57 | 678.00 | 566.96 | 652.00 |
| E10A10 | Change of Circuit Breaker - 3 Phase(1/annum) contact Electricity Department for approval (Based on Circuit Breaker cost + 1 hour for an electrician and assistant + 30km) | R | 1 504.35 | 1 730.00 | 1 446.09 | 1 663.00 |
| E10A11 | Disconnection | R | 361.74 | 416.00 | 347.83 | 400.00 |
| E10A12 | Reconnection | R | 361.74 | 416.00 | 347.83 | 400.00 |
| E10A13 | Verification of a Meter Reading | R | 361.74 | 416.00 | 347.83 | 400.00 |
| E10A14 | Administration fee - recalculation due to no meter access | R | 187.83 | 216.00 | 180.87 | 208.00 |
| E10A15 | Test of Meter: 1 & 3 Phase (Conditionally Refundable) External testing | R | 694.78 | 799.00 | 667.83 | 768.00 |
| E10A16 | Test of Meter: All other Meters (Conditionally Refundable) External testing | R | cost + 15% | applicable vat | cost + 15% | applicable vat |
| E10A17 | Tariff change - change between one part and two-part | R | 246.09 | 283.00 | 236.52 | 272.00 |
| E10A18 | Damage elect meter (based on meter cost + call out X 2) | R | 2 471.30 | 2 842.00 | 2 376.52 | 2 733.00 |
| E10A19 | Damage elect meter 3 phase (based on meter cost + call out X 2) | R | 3 773.91 | 4 340.00 | 3 628.70 | 4 173.00 |
| E10A20 | Replacement of CIU (Meter keypad) ( Based on keypad cost and call out fee) | R | 1 244.35 | 1 431.00 | 1 196.52 | 1 376.00 |
| E10A21 | Damage of Bulk meter or change to SSEG (Based on 3 hours for a superintendent and electrician + 60km + bulk meter cost + modem cost) | R | 8 167.83 | 9 393.00 | 7 853.91 | 9 032.00 |
| E10A22 | Change to Time of Use (with existing bulk meter) + Deposit | R | 737.39 | 848.00 | 708.70 | 815.00 |
| E10A23 | Change to Time of Use (without existing bulk meter) + Deposit | R | 12 793.04 | 14 712.00 | 12 300.87 | 14 146.00 |
| E10A24 | Commission of Bulk meter, supplied by customer (call out fee x 3) | R | 2 261.74 | 2 601.00 | 2 174.78 | 2 501.00 |
| E10A25 | Damage of HV Cable | R | cost + R41 192.32 | applicable vat | cost + R39 608.00 | applicable vat |
| E10A26 | Damage of MV Cable | R | cost + R10 768.16 | applicable vat | cost + R10 354.00 | applicable vat |
| E10A27 | Damage of LV Cable | R | cost + R 4 336.80 | applicable vat | cost + R 4 170.00 | applicable vat |
| E10A28 | Damage of Service Connection Cable | R | cost + R 1 084.72 | applicable vat | cost + R 1 043.00 | applicable vat |
| E10A29 | Working without Way leave | R | 5 559.13 | 6 393.00 | 5 345.22 | 6 147.00 |
| E10A30 | Refundable Wayleave **deposit** for HV cables | R | 79 389.00 | no vat | 76 336.00 | no vat |
| E10A31 | Refundable Way leave **deposit** for MV cables | R | 19 848.00 | no vat | 19 085.00 | no vat |
| E10A32 | Refundable Way leave **deposit** for LV cables | R | 4 289.00 | no vat | 4 124.00 | no vat |
| E10A33 | Cancellation Fee of requested service | R | 15% of Service Value | no vat | 15% of Service Value | no vat |
| E10A34 | Erection and removal of Banners, signs & lights (per hour) (Vehicle cost + labour) | R | 899.13 | 1 034.00 | 864.35 | 994.00 |
| E10A35 | Replacement of damaged overhead service connection cable (Tariff E13A9 - E10A18) | R | 3 800.87 | 4 371.00 | new | new |
| **E12** | **CONVERSION OF METERS** | | | | | |
| E12A1 | Convert Credit Meter to Pre-paid: SP (no cable work) (based on meter cost + call out) | R | 1 718.26 | 1 976.00 | 1 652.17 | 1 900.00 |

| | | | | | | |
|---|---|---|---|---|---|---|
| E12A2 | Convert Credit Meter to Pre-paid: 3P (no cable work ) (based on meter cost + call out) | R | 3 020.87 | 3 474.00 | 2 904.35 | 3 340.00 |
| E12A3 | Convert Credit Three Phase to Singe Phase Pre-paid meter | R | 1 552.17 | 1 785.00 | 1 492.17 | 1 716.00 |
| E12A4 | Convert Credit Three Phase to Single Phase Credit (Commercial only) | R | 1 171.30 | 1 347.00 | 1 126.09 | 1 295.00 |
| E12A5 | Convert Pre-paid Single Phase to Three Phase Pre-paid (based on tariff E13A8) cost includes cable to boundary | R | R12 510.16 + ext fee | applicable vat | R12 029.00 + ext fee | applicable vat |
| E12A6 | Convert pre-paid Three phase to Single phase pre-paid (based on meter cost + call out + CB) | R | 1 912.17 | 2 199.00 | 1 838.26 | 2 114.00 |
| E12A7 | Removal of Meter (based on call out fee) | R | 753.04 | 866.00 | 724.35 | 833.00 |
| E12A8 | Repositioning of Meter (excl. cable ) (based on call out fee) | R | 753.04 | 866.00 | 724.35 | 833.00 |
| E12A9 | Repositioning of Meter (incl. cable ) (based on call out fee + 30m cable) | R | 2 486.96 | 2 860.00 | 2 391.30 | 2 750.00 |
| **E13** | **SERVICE CONNECTIONS** | | | | | |
| E13A1 | Builders connection (plus applicable service connection tariff) | R | 955.65 | 1 099.00 | 919.13 | 1 057.00 |
| E13A4 | Single Phase (Credit - 60A) option for Commercial users only<br>(Based on 30m cable + meter cost + average labour cost + 15% admin fee) | R | 6 775.65 | 7 792.00 | 6 514.78 | 7 492.00 |
| E13A6 | Single Phase - (Pre-paid meters - 60A) applicable to Domestic users (Network Permitted)<br>(Based on: 30m cable + meter cost + average labour cost + 15% admin fee) | R | 6 775.65 | 7 792.00 | 6 514.78 | 7 492.00 |
| E13A7 | Three Phase : (Credit - 60A) Plus Extension fee : Extension fee not applicable to Industrial erven up to 60 Amp<br>(Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee) | R | R12 948.00 + ext fee | applicable vat | R12 029.00 + ext fee | applicable vat |
| E13A8 | Three Phase : (Pre-paid - 60A) Plus Extension fee : Extension fee not applicable to Industrial erven up to 60 Amp<br>(Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee) | R | R12 948.00 + ext fee | applicable vat | R12 029.00 + ext fee | applicable vat |
| E13A9 | Non Standard : Pre-paid 30 Amp Single phase (Sub economic connections)<br>(Based on 30m (10mm) cable + meter cost + average labour cost + 15% admin fee) | R | 6 291.30 | 7 235.00 | 6 049.57 | 6 957.00 |
| E13A10 | Single Phase (Credit 60A- Developer install cable to boundary ) option for Commercial users only<br>(Based on meter cost + call out fee + 15% admin fee) | R | 1 975.65 | 2 272.00 | 1 900.00 | 2 185.00 |
| E13A11 | Single Phase (Pre-paid 60A-Developer install cable to boundary) applicable to Domestic users (Network permitted)<br>(Based on meter cost + call out fee + 15% admin fee) | R | 1 975.65 | 2 272.00 | 1 900.00 | 2 185.00 |
| E13A12 | Three Phase (Credit 60A- Developer install cable to boundary ) : Extension fee not applicable to Industrial erven up to 60 Amp<br>(Based on meter cost + call out fee + 15% admin fee) | R | R3 473.19 + ext fee | applicable vat | R3 339.61 + ext fee | applicable vat |
| E13A13 | Three Phase (Pre-paid 60A-Developer install cable to boundary) : Extension fee not applicable to Industrial erven up to 60 Amp<br>(Based on meter cost + call out fee + 15% admin fee) | R | R3 473.19 + ext fee | applicable vat | R3 339.61 + ext fee | applicable vat |
| E13A14 | Any other none standard connections | | cost + 15% admin | applicable vat | cost + 15% admin | applicable vat |
| **E14** | **ILLEGAL AND UNSAFE CONNECTION / TAMPERING FEE (Including SSEG and damage or bypass of the DSM Hot Water Cylinder Control Unit** | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| E14A1 | 1 st Offence | R | 4 401.00 | no vat | 4 232.00 | no vat |
| E14A2 | 2 nd Offence (E14A1 X 2) | R | 8 802.00 | no vat | 8 462.00 | no vat |
| E14A3 | 3 rd Offence and re-occurance (Disconnection of service and remedial action fee = double previous* offence fee) *based on current tariffs | | 2 X E14A2 | applicable vat | 2 X E14A2 | applicable vat |
| E14A4 | Unsafe / Illegal ~~loads~~ supply of electricity (per visit ) **(reconnection fee included)** | R | 1 971.30 | 2 267.00 | 1 895.65 | 2 180.00 |
| **E15** | **UPGRADING CONTRIBUTIONS (BULK INFRASTRUCTURE CONTRIBUTION LEVIES - BICL) (Network permitted : to be approved by Electricity Department)** | | | | | |
| E15A1 | Primary Cost p/kVA -include all HV Equipment UP to HV Substation or identified point of supply excluding Dist. TF | R | 1 227.19 | 1 411.27 | 1 227.19 | 1 411.27 |
| E15A2 | Primary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply excluding Dist. TF | R | 3 655.37 | 4 203.68 | 3 514.78 | 4 042.00 |
| E15A3 | Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF | R | 4 455.58 | 5 123.92 | 4 284.21 | 4 926.84 |
| E15A4 | Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF and Kiosk | R | 5 813.05 | 6 685.01 | 5 589.47 | 6 427.89 |
| 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 | 4 367.10 | 5 022.16 | 4 199.13 | 4 829.00 |
| E15A7 | FACTOR OF 0,36 APPLICABLE ON DOMESTIC USERS : TARIFF : applicable on E15A3 AND E15A4 (Commercial /Business no factor apply) | R | Factor 0.36 | applicable vat | Factor 0.36 | applicable vat |
| **E18** | **SMALL SCALE EMBEDDED GENERATION (SSEG)** | | | | | |
| | This tariff is available only for approved SSEG connections, where the customers offset their small scale generation (kWh) against purchases from the Municipality, provided that their purchases exceed their generation (kWh). This tariff will only be implemented after NERSA's approved Guidelines have been received. The consumer will stay on his existing tariff **(All prepaid customers excluded) Prepaid customers to convert to credit meter and tariff:** | | | | | |
| E18A2 | Feed-in Tariff c/kWh | c | 84.64 | 97.34 | 73.22 | 84.20 |
| **DC2** | **DEVELOPMENT CONTRIBUTIONS (BULK INFRASTRUCTURE CONTRIBUTION LEVIES - BICL)** | | | | | |
| DC2A | **Sub Division of existing erf** | | | | | |
| DC2A1 | Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A4 = P/ERF **PLUS** STANDARD CONNECTION FEES | R | 28 925.51 | 33 264.34 | 29 205.22 | 33 586.00 |
| DC2B | **New Developments** | | | | | |
| DC2B1 | Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (13.8 kVA xE15A2 x.36) | R | 18 072.58 | 20 783.47 | 17 460.00 | 20 079.00 |
| DC2B2 | Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2x.36) | R | 55 003.50 | 63 254.03 | 53 139.13 | 61 110.00 |
| DC2C | MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2 | R | 3 655.37 | 4 203.68 | 3 514.78 | 4 042.00 |
| DC2C1 | LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3 | R | 4 455.58 | 5 123.92 | 4 284.21 | 4 926.84 |

## WATER TARIFFS (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2021/2022 | | 2020/2021 | |
|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% |
| WD | **CONSUMER DEPOSITS** | | | | |
| WD1 | Domestic - Water | 646.00 | no vat | 620.76 | no vat |
| WD2 | Commercial - Water - Consumption < 40kl | 2 582.00 | no vat | 2 483.07 | no vat |
| WD3 | Commercial - Water - Consumption 40 - 100kl | 9 036.00 | no vat | 8 688.51 | no vat |
| WD4 | Commercial - Water - Consumption 100 kl + | 15 490.00 | no vat | 14 893.96 | no vat |
| WD5 | Domestic - Water RUE's | Applicable Rue's X WD1A | no vat | Applicable Rue's X WD1A | no vat |
| WD6 | Indigent - registered | 207.00 | no vat | 198.82 | no vat |
| WDD | **Deposit Defaulters** | | | | |
| WDD1 | Domestic - Water - Two Times average monthly consumption during the preceding 12 months (Defaulters) | calculated | no vat | calculated | no vat |
| WDD2 | Commercial - Water - Consumption < 40kl Two Times average monthly consumption during the preceding 12 months (Defaulters) | calculated | no vat | calculated | no vat |
| WDD3 | Commercial - Water - Consumption 40 - 100kl Two Times average monthly consumption during the preceding 12 months (Defaulters) | calculated | no vat | calculated | no vat |
| WDD4 | Commercial - Water - Consumption 100 kl + Two Times average monthly consumption during the preceding 12 months (Defaulters) | calculated | no vat | calculated | no vat |
| WDD5 | Domestic - Water RUE'sTwo Times average monthly consumption during the preceding 12 months (Defaulters) | calculated | no vat | calculated | no vat |
| **W1** | **BASIC CHARGE** | | | | |
| W1A1 | Basic Monthly Charge per erf/unit per month | 148.35 | 170.60 | 142.64 | 164.04 |
| W1A2A | Basic Monthly Subsidy : Residential Indigent as per paragraph A of the Indigent Policyper erf/unit per month | 148.35 | 170.60 | 142.64 | 164.04 |
| W1A2B | Basic Monthly Subsidy: Residential Indigent as per paragraph B, C & D of the Indigent Policy per erf/unit per month | 129.14 | 148.51 | 129.14 | 148.51 |
| W1A3 | **Infrastructure** | | | | |
| W1A3A | Fixed Infrastructure Basic Charge per erf/unit per month | 15.45 | 17.77 | 15.45 | 17.77 |
| W1A3B | Fixed Infrastructure Basic Charge per erf/unit per month | 8.41 | 9.67 | 8.41 | 9.67 |
| W1A3C | Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households | 8.41 | 9.67 | 8.41 | 9.67 |
| | ***See attachment for the amount of RUE's allocated to different household consumers*** | | | | |
| **W1B** | **CONSUMPTION - HOUSEHOLDS** | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | |
| W1B1 | 0 - 6 kl per kl | 6.08 | 7.00 | 5.85 | 6.73 |
| W1B2 | 7 - 18 kl per kl | 12.47 | 14.34 | 11.99 | 13.79 |
| W1B3 | 19 - 30 kl per kl | 20.23 | 23.26 | 19.45 | 22.37 |

| | | | | | |
|---|---|---|---|---|---|
| W1B4 | 31 - 45 kl per kl | 31.15 | 35.82 | 29.95 | 34.44 |
| W1B5 | 46 - 60 kl per kl | 40.45 | 46.51 | 38.89 | 44.72 |
| W1B6 | >60kl per kl | 53.94 | 62.04 | 51.87 | 59.65 |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | |
| W1B7 | 0 - 6 kl per kl | 6.08 | 7.00 | 5.85 | 6.73 |
| W1B8 | 7 - 18 kl per kl | 16.20 | 18.63 | 15.58 | 17.92 |
| W1B9 | 19 - 30 kl per kl | 26.29 | 30.23 | 25.28 | 29.07 |
| W1B10 | 31 - 45 kl per kl | 40.49 | 46.56 | 38.93 | 44.77 |
| W1B11 | 46 - 60 kl per kl | 55.57 | 63.90 | 53.43 | 61.44 |
| W1B12 | >60kl per kl | 74.10 | 85.22 | 71.25 | 81.94 |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | |
| W1B13 | 0 - 6 kl per kl | 6.08 | 7.00 | 5.85 | 6.73 |
| W1B14 | 7 - 18 kl per kl | 19.97 | 22.96 | 19.20 | 22.08 |
| W1B15 | 19 - 30 kl per kl | 32.38 | 37.23 | 31.13 | 35.80 |
| W1B16 | 31 - 45 kl per kl | 49.83 | 57.30 | 47.91 | 55.10 |
| W1B17 | 46 - 60 kl per kl | 68.40 | 78.66 | 65.77 | 75.64 |
| W1B18 | >60kl per kl | 91.19 | 104.87 | 87.68 | 100.83 |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | |
| W1B19 | 0 - 6 kl per kl | 6.08 | 7.00 | 5.85 | 6.73 |
| W1B20 | 7 - 18 kl per kl | 26.35 | 30.31 | 25.34 | 29.14 |
| W1B21 | >18 kl per kl | 113.99 | 131.09 | 109.61 | 126.05 |
| **W1BI** | **CONSUMPTION - REGISTERED INDIGENT HOUSEHOLDS** | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | |
| W1BI1 | 0 - 6 kl per kl - **subsidised** | 6.08 | 7.00 | 5.85 | 6.73 |
| W1BI2 | 7 - 18 kl per kl | 12.47 | 14.34 | 11.99 | 13.79 |
| W1BI3 | 19 - 30 kl per kl | 20.23 | 23.26 | 19.45 | 22.37 |
| W1BI4 | 31 - 45 kl per kl | 31.15 | 35.82 | 29.95 | 34.44 |
| W1BI5 | 46 - 60 kl per kl | 40.45 | 46.51 | 38.89 | 44.72 |
| W1BI6 | >60kl per kl | 53.94 | 62.04 | 51.87 | 59.65 |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | |
| W1BI7 | 0 - 6 kl per kl - **subsidised** | 6.08 | 7.00 | 5.85 | 6.73 |
| W1BI8 | 7 - 18 kl per kl | 16.20 | 18.63 | 15.58 | 17.92 |
| W1BI9 | 19 - 30 kl per kl | 26.29 | 30.23 | 25.28 | 29.07 |
| W1BI10 | 31 - 45 kl per kl | 40.49 | 46.56 | 38.93 | 44.77 |
| W1BI11 | 46 - 60 kl per kl | 55.57 | 63.90 | 53.43 | 61.44 |
| W1BI12 | >60kl per kl | 74.10 | 85.22 | 71.25 | 81.94 |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | |
| W1BI13 | 0 - 6 kl per kl - **subsidised** | 6.08 | 7.00 | 5.85 | 6.73 |
| W1BI14 | 7 - 18 kl per kl | 19.97 | 22.96 | 19.20 | 22.08 |
| W1BI15 | 19 - 30 kl per kl | 32.38 | 37.23 | 31.13 | 35.80 |

| | | | | | |
|---|---|---|---|---|---|
| W1BI16 | 31 - 45 kl per kl | 49.83 | 57.30 | 47.91 | 55.10 |
| W1BI17 | 46 - 60 kl per kl | 68.40 | 78.66 | 65.77 | 75.64 |
| W1BI18 | >60kl per kl | 91.19 | 104.87 | 87.68 | 100.83 |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | |
| W1BI19 | 0 - 6 kl per kl - **subsidised** | 6.08 | 7.00 | 5.85 | 6.73 |
| W1BI20 | 7 - 18 kl per kl | 26.35 | 30.31 | 25.34 | 29.14 |
| W1BI21 | >18 kl per kl | 113.99 | 131.09 | 109.61 | 126.05 |
| **W1C** | **CONSUMPTION - ALL OTHER** | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | |
| W1C1 | 0 - 18 kl per kl | 13.79 | 15.86 | 13.26 | 15.25 |
| W1C2 | 19 - 30 kl per kl | 20.23 | 23.26 | 19.45 | 22.37 |
| W1C3 | 31 - 45 kl per kl | 31.15 | 35.82 | 29.95 | 34.44 |
| W1C4 | 46 - 60 kl per kl | 40.45 | 46.51 | 38.89 | 44.72 |
| W1C5 | >60 kl per kl | 53.94 | 62.04 | 51.87 | 59.65 |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | |
| W1C6 | 0 - 18 kl per kl | 17.93 | 20.62 | 17.24 | 19.83 |
| W1C7 | 19 - 30 kl per kl | 26.29 | 30.23 | 25.28 | 29.07 |
| W1C8 | 31 - 45 kl per kl | 40.49 | 46.56 | 38.93 | 44.77 |
| W1C9 | 46 - 60 kl per kl | 55.58 | 63.91 | 53.44 | 61.46 |
| W1C10 | >60 kl per kl | 74.09 | 85.20 | 71.24 | 81.93 |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | |
| W1C11 | 0 - 18 kl per kl | 22.08 | 25.39 | 21.23 | 24.41 |
| W1C12 | 19 - 30 kl per kl | 32.38 | 37.23 | 31.13 | 35.80 |
| W1C13 | 31 - 45 kl per kl | 49.83 | 57.30 | 47.91 | 55.10 |
| W1C14 | 46 - 60 kl per kl | 68.40 | 78.66 | 65.77 | 75.64 |
| W1C15 | >60 kl per kl | 91.19 | 104.87 | 87.68 | 100.83 |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | |
| W1C16 | 0 - 10 kl per kl | 27.59 | 31.73 | 26.53 | 30.51 |
| W1C17 | >10 kl per kl | 113.99 | 131.09 | 109.61 | 126.05 |
| **W1D** | **OTHER CONSUMERS** | | | | |
| W1D1 | Departmental per Kl (Including temporary connection for municipal purposes) | 25.19 | 28.97 | 24.86 | 28.59 |
| W1D2 | Fire Hoses: Basic per Month | 188.79 | 217.11 | 181.53 | 208.76 |
| W1D3 | Bulk usage (Unconnected to networks) per Kl - Consumers Permanently residing within Overstrand municipality area | 15.27 | 17.56 | 14.68 | 16.88 |
| W1D3A | Restriction Tariff 1 (level 2 & 3 water restrictions) | 19.85 | 22.83 | 19.09 | 21.95 |
| W1D3B | Restriction Tariff 2 (level 4 & 5 water restrictions) | 24.21 | 27.84 | 23.28 | 26.77 |
| W1D3C | Restriction Tariff 3 (level 6 water restrictions) | 30.53 | 35.11 | 29.36 | 33.76 |
| W1D4 | Kid Brooke (Van Cauter 0 - 8000kl per year) | 0.08 | 0.09 | 0.08 | 0.09 |
| W1D5 | Onrus Small Holdings tariff 2 (Van Cauter) | 0.08 | 0.09 | 0.08 | 0.09 |
| W1D6 | Onrus Small Holdings tariff 4 (Per agreement) | 1.11 | 1.28 | 1.11 | 1.28 |

| | | | | | |
|---|---|---|---|---|---|
| W1D7 | Contractors water consumption - temporary connection (only for municipal purposes) | 25.19 | 28.97 | 24.86 | 28.59 |
| W1D8 | Bulk usage (Unconnected to networks) per Kl - People residing outside the Overstrand municipal area | 56.63 | 65.12 | 54.45 | 62.62 |
| W1D8A | Restriction Tariff 1 (level 2 & 3 water restrictions) | 73.62 | 84.66 | 70.79 | 81.41 |
| W1D8B | Restriction Tariff 2 (level 4 & 5 water restrictions) | 90.62 | 104.21 | 87.13 | 100.20 |
| W1D8C | Restriction Tariff 3 (level 6 water restrictions) | 113.27 | 130.26 | 108.91 | 125.25 |
| **W1E** | **WET COMMERCIAL, SPORT, PARKS etc (must apply for this tariff)** | | | | |
| | **Normal Tariff & Level 1 water restrictions** | | | | |
| W1E1 | 0 - 500kl per kl | 20.07 | 23.08 | 19.30 | 22.20 |
| W1E2 | 501 - 1000kl per kl | 30.35 | 34.90 | 29.18 | 33.56 |
| W1E3 | >1000kl per kl | 40.47 | 46.54 | 38.91 | 44.75 |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | |
| W1E4 | 0 - 300kl per kl | 26.10 | 30.02 | 25.10 | 28.87 |
| W1E5 | 301 - 700kl per kl | 39.44 | 45.35 | 37.92 | 43.61 |
| W1E6 | >700kl per kl | 52.60 | 60.49 | 50.58 | 58.17 |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | |
| W1E7 | 0 - 250kl per kl | 32.12 | 36.93 | 30.88 | 35.51 |
| W1E8 | 251 - 500kl per kl | 48.55 | 55.83 | 46.68 | 53.68 |
| W1E9 | >500kl per kl | 64.73 | 74.44 | 62.24 | 71.58 |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | |
| W1E10 | 0 - 100kl per kl | 40.14 | 46.17 | 38.60 | 44.39 |
| W1E11 | >100 kl per kl | 80.92 | 93.06 | 77.81 | 89.48 |
| **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 | 20.91 | 24.05 | 20.11 | 23.13 |
| W1F2 | > 5800kl per kl | 40.47 | 46.54 | 38.91 | 44.75 |
| | **Restriction Tariff 1 (level 2 & 3 water restrictions)** | | | | |
| W1F3 | 0 - 5800kl per kl | 27.19 | 31.26 | 26.14 | 30.06 |
| W1F4 | > 5800kl per kl | 52.60 | 60.49 | 50.58 | 58.17 |
| | **Restriction Tariff 2 (level 4 & 5 water restrictions)** | | | | |
| W1F5 | 0 - 5800kl per kl | 33.46 | 38.48 | 32.17 | 37.00 |
| W1F6 | > 5800kl per kl | 64.73 | 74.44 | 62.24 | 71.58 |
| | **Restriction Tariff 3 (level 6 water restrictions)** | | | | |
| W1F7 | 0 - 5 800kl per kl | 41.81 | 48.08 | 40.20 | 46.23 |
| W1F8 | >5 800 kl per kl | 80.92 | 93.06 | 77.81 | 89.48 |
| **W2A** | **AVAILABILITY CHARGES** | | | | |
| W2A1 | Overstrand per month | 148.35 | 170.60 | 142.64 | 164.04 |
| W2A2 | Farms connected to water pipe line | 148.35 | 170.60 | 142.64 | 164.04 |
| **W2J** | **REBATES (This can be granted by the Municipal Manager after application) refer to Policy # 6.8.1** | | | | |
| W2J1 | Kl above average - per kl | 25.19 | 28.97 | 24.86 | 28.59 |

| | | | | | |
|---|---|---|---|---|---|
| **W3A** | **IRRIGATION WATER ("LEI WATER") & RAW WATER** | | | | |
| W3A1 | Use and pump water (80-90 min) per MONTH Stanford | 45.34 | 52.15 | 43.60 | 50.14 |
| W3A2 | Pearly Beach Small Holdings: Basic | 55.33 | 63.63 | 53.20 | 61.18 |
| W3A3 | Pearly Beach Small Holdings: Consumption 0- 70 kl per kl | 4.33 | 4.98 | 4.16 | 4.78 |
| W3A4 | Pearly Beach Small Holdings: Consumption >70 kl per kl | 10.13 | 11.65 | 9.74 | 11.20 |
| W3A5 | Others per kl | 4.33 | 4.98 | 4.16 | 4.78 |
| 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 |
| W3A7 | Farm 586 Volmoed raw water from De Bos pipeline consumption 0 - 300 kl/month per kl | 0.00 | 0.00 | 0.00 | 0.00 |
| W3A8 | Farm 586 Volmoed raw water from De Bos pipeline consumption >300 kl/month per kl | 4.31 | 4.96 | 3.92 | 4.51 |
| **W3B** | **IRRIGATION WATER - (TREATED EFFLUENT)** | | | | |
| W3B2 | Hermanus Golf Club per month | 49 218.59 | 56 601.38 | 47 325.57 | 54 424.41 |
| W3B3 | All other per kl | 2.77 | 3.18 | 2.66 | 3.06 |
| 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 | 2.77 | 3.18 | 2.66 | 3.06 |
| **W4** | **SUNDRY CHARGES** | | | | |
| W4A1 | Testing of a Meter (Call-out Fee incl)(Conditionally refundable) | 991.30 | 1 140.00 | 953.04 | 1 096.00 |
| W4A2 | Testing of a Meter (Ind/Bulk Meter)(Conditionally refundable) ***Minimum charge of R500** | Cost plus 15% | applicable vat | Cost plus 15% | applicable vat |
| W4A3 | Disconnection | 449.57 | 517.00 | 432.17 | 497.00 |
| W4A4 | Reconnection | 449.57 | 517.00 | 432.17 | 497.00 |
| W4A5 | Reconnection After Normal Working Hours | 899.13 | 1 034.00 | 864.35 | 994.00 |
| W4A6 | Administration fee - recalculation due to no meter access | 175.65 | 202.00 | 168.70 | 194.00 |
| W4A7 | Verification of a Meter Reading | 246.09 | 283.00 | 236.52 | 272.00 |
| W4A8 | Final and Special Readings | 225.22 | 259.00 | 216.52 | 249.00 |
| W4A9 | Call-out Fee - Normal Working Hours | 448.70 | 516.00 | 431.30 | 496.00 |
| W4A10 | Call-out Fee - After Hours | 898.26 | 1 033.00 | 863.48 | 993.00 |
| W4A11 | Replacement of damage meter | 1 205.22 | 1 386.00 | 1 159.13 | 1 333.00 |
| W4A12 | Removal of Meter (based on call out fee) | 991.30 | 1 140.00 | 953.04 | 1 096.00 |
| W4A13 | Registration of Borehole (Including inspection fee) | 336.52 | 387.00 | 323.48 | 372.00 |
| W4A14 | Repositioning of Meter (excl. pipe ) | 986.96 | 1 135.00 | 948.70 | 1 091.00 |
| W4A15 | Convert to Water Flow Restrictor Meter | 3 213.04 | 3 695.00 | 3 089.57 | 3 553.00 |
| W4A16 | Temporary Connections - Deposit | 8 455.00 | no vat | 8 130.00 | no vat |
| W4A17 | Temporary Connection - Usage per kl | 25.19 | 28.97 | 24.35 | 28.00 |
| 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 398.72 | applicable vat | Actual cost plus R3 268.00 | applicable vat |
| W4A20 | Damage of Service Connection (including water meter) | Actual cost plus R893.36 | applicable vat | Actual cost plus R859.00 | applicable vat |
| **W5** | **ILLEGAL CONNECTION / TAMPERING FEE** | | | | |

| | | | | | |
|---|---|---|---|---|---|
| W5A1 | 1st Offence | 7 500.00 | no vat | 7 212.00 | no vat |
| W5A2 | 2 nd Offence Must convert to a flow-restriction watermeter at applicable tariff plus | 8 800.00 | no vat | 8 462.00 | no vat |
| W5A3 | 3rd Offence (Restriction of service and remedial action fee = double previous offence fee) | Previous offence amount X 2 | no vat | Previous offence amount X 2 | no vat |
| **W6** | **CONNECTION FEE** | | | | |
| W6A1 | 20 mm Connection Conventional Meter | 5 494.78 | 6 319.00 | 5 283.48 | 6 076.00 |
| W6A2 | 20 mm Connection Water Flow Restrictor Meter | 6 525.22 | 7 504.00 | 6 273.91 | 7 215.00 |
| W6A3 | Other Connections | Actual cost plus 15% | applicable vat | Actual cost plus 15% | applicable vat |
| W6A4 | Connections (Erf Boundary - by Developer) | 1 428.70 | 1 643.00 | 1 373.91 | 1 580.00 |
| **W7** | **BULK SERVICES DEVELOPMENT FEES** | | | | |
| | Tariffs set out in Development Contribution Tariff list | | | | |

## ANNEXURE TO WATER TARIFFS

## ALLOCATION OF RUE's TO CATEGORIES OF CONSUMERS

| | |
|---|---|
| Clinics - Out patients | * 1 RUE |
| Flats | * 1 RUE per Unit |
| Guest Houses and B & B's | * 1 RUE |
| Household related consumers that do not fall in one of the above household consumer categories | * Upon application the Engineering & Financial Departments will assess the validity within the tariff's structural framework |
| Old Age Homes, Hostels & Boarding School | * 1 RUE per 7 beds |
| Retirement Villages, Hospital & Hospice | * 1 RUE per 1 residential unit<br>* 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)<br>* RUE's only applicable from date of application and approval |

***RUE = Residential Unit Equivalent***

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

| Tariff Code | Detail | 2021/2022 | | 2020/2021 | | 1.040 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | |
| | | R | R | R | R | |
| **DC1** | **WATER** | | | | | |
| DC1A | Standard Fee per Equivalent Unit | 21 665.22 | 24 915.00 | 20 832.17 | 23 957.00 | 4.00% |
| **DC2** | **ELECTRICITY** | | | | | |
| DC2A | **Sub Division of Existing Erf** | | | | | |
| DC2A1 | Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A4 = P/ERF **PLUS** Standard Connection Fees | 28 925.51 | 33 264.34 | 29 205.22 | 33 586.00 | -0.96% |
| DC2B | **New Developments** | | | | | |
| DC2B1 | Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (Based on 13.8 kVA xE15A2 x.36) | 18 072.58 | 20 783.47 | 17 460.00 | 20 079.00 | 3.51% |
| DC2B2 | Standard fee per Three Phase Domestic erf - infrastructure provide by developer (Based on 42kVA x E15A2x.36) | 55 003.50 | 63 254.03 | 53 139.13 | 61 110.00 | 3.51% |
| DC2C | MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2 | 3 655.37 | 4 203.68 | 3 514.78 | 4 042.00 | 4.00% |
| DC2C1 | LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3 | 4 455.58 | 5 123.92 | 4 284.21 | 4 926.84 | 4.00% |
| **DC3** | **SEWERAGE** | | | | | |
| DC3A | Standard Fee per Equivalent Unit | 14 607.93 | 16 799.12 | 14 046.09 | 16 153.00 | 4.00% |
| **DC4** | **ROADS** | | | | | |
| DC4A | Standard Fee per Equivalent Unit | 6 550.19 | 7 532.72 | 6 298.26 | 7 243.00 | 4.00% |
| **DC5** | **STORMWATER** | | | | | |
| DC5A | Standard Fee per Equivalent Unit | 7 557.64 | 8 691.28 | 7 266.96 | 8 357.00 | 4.00% |
| **DC6** | **SOLID WASTE** | | | | | |
| DC6A | Standard Fee per Equivalent Unit | 1 309.50 | 1 505.92 | 1 259.13 | 1 448.00 | 4.00% |
| **DC7** | **OFF-GRID DEVELOPMENT/UNITS** | | | | | |
| DC7A | As per signed agreement as recommended by the Director: Infrastructure and Planning and approval by the Municipal Manager | as per agreement | applicable vat | as per agreement | applicable vat | |
| **DC8** | **EVALUATION/INVESTIGATION LEVIES are payable OVER and ABOVE the Bulk Service Levies** | | | | | |
| DC8A | **Water** | | | | | |
| | No. of Equivalent units | | | | | |
| DC8A1 | 1 - 4 | no charge | no vat | no charge | no vat | |
| DC8A2 | 5 - 10 | 9 073.91 | 10 435.00 | 8 725.22 | 10 034.00 | 4.00% |
| DC8A3 | 11 - 25 | 15 279.13 | 17 571.00 | 14 691.30 | 16 895.00 | 4.00% |
| DC8A4 | 26 - 50 | 21 022.61 | 24 176.00 | 20 213.91 | 23 246.00 | 4.00% |
| DC8A5 | 51 - 100 | 24 124.35 | 27 743.00 | 23 196.52 | 26 676.00 | 4.00% |
| DC8A6 | 101 - 250 | 26 766.09 | 30 781.00 | 25 736.52 | 29 597.00 | 4.00% |
| DC8A7 | 251 - 500 | 31 246.09 | 35 933.00 | 30 044.35 | 34 551.00 | 4.00% |
| DC8A8 | 501 - 2000 | 35 266.09 | 40 556.00 | 33 909.57 | 38 996.00 | 4.00% |
| DC8A9 | 2000 – 5000 | 42 388.70 | 48 747.00 | 40 758.26 | 46 872.00 | 4.00% |

| | | | | | | |
|---|---|---|---|---|---|---|
| DC8A10 | > 5001 | 48 133.04 | 55 353.00 | 46 281.74 | 53 224.00 | 4.00% |
| DC8E | **Sanitation** | | | | | |
| | No. of Equivalent units | | | | | |
| DC8E1 | 1 - 4 | no charge | no vat | no charge | no vat | |
| DC8E2 | 5 - 10 | 9 073.91 | 10 435.00 | 8 725.22 | 10 034.00 | 4.00% |
| DC8E3 | 11 - 25 | 15 279.13 | 17 571.00 | 14 691.30 | 16 895.00 | 4.00% |
| DC8E4 | 26 - 50 | 21 022.61 | 24 176.00 | 20 213.91 | 23 246.00 | 4.00% |
| DC8E5 | 51 - 100 | 24 124.35 | 27 743.00 | 23 196.52 | 26 676.00 | 4.00% |
| DC8E6 | 101 - 250 | 26 766.09 | 30 781.00 | 25 736.52 | 29 597.00 | 4.00% |
| DC8E7 | 251 - 500 | 31 246.09 | 35 933.00 | 30 044.35 | 34 551.00 | 4.00% |
| DC8E8 | 501 - 2000 | 35 266.09 | 40 556.00 | 33 909.57 | 38 996.00 | 4.00% |
| DC8E9 | 2000 – 5000 | 42 388.70 | 48 747.00 | 40 758.26 | 46 872.00 | 4.00% |
| DC8E10 | > 5001 | 48 133.04 | 55 353.00 | 46 281.74 | 53 224.00 | 4.00% |

## RESORTS TARIFF LIST (ROUNDING APPLICABLE)

| Tariff Code | Detail | 2021/2022 | | 2020/2021 | | 1.040 |
|---|---|---|---|---|---|---|
| | | Exclude VAT | Include VAT 15% | Exclude VAT | Include VAT 15% | 1.15600 |
| | ** A deposit of 50% of the total amount payable is applicable to secure the booking | | | | | electricity |
| | ** 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 | 431.30 | 496.00 | 414.78 | 477.00 | 3.98% |
| R1A2 | B Stands per day | 346.09 | 398.00 | 333.04 | 383.00 | 3.92% |
| R1A3 | C Stands per day | 307.83 | 354.00 | 295.65 | 340.00 | 4.12% |
| R1B | **Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)** | | | | | |
| R1B1 | A Stands per day | 239.13 | 275.00 | 229.57 | 264.00 | 4.17% |
| R1B2 | B Stands per day | 205.22 | 236.00 | 197.39 | 227.00 | 3.97% |
| R1B3 | C Stands per day | 187.83 | 216.00 | 180.87 | 208.00 | 3.85% |
| | The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day | | | | | |
| R1F | **Sundry Costs** | | | | | |
| R1F1 | Electricity if available per stand per day | 30.16 | 34.68 | 26.09 | 30.00 | 15.60% |
| R1F2 | Additional persons up to a maximum of two (2) - per person per day | 62.61 | 72.00 | 60.00 | 69.00 | 4.35% |
| R1F3 | 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 | 5.13% |
| R1F4 | Day visitors for campers up to a maximum of four (4) per person per day | 62.61 | 72.00 | 60.00 | 69.00 | 4.35% |
| R1F5 | Day visitors vehicle per day | 47.83 | 55.00 | 46.09 | 53.00 | 3.78% |
| | **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 | 29.57 | 34.00 | 2.94% |
| R1F8 | Gate Card / Key Deposit per set - Refundable | 181.00 | no vat | 174.00 | no vat | 4.02% |
| R1J | **Off-Peak: Pensioners,Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers** | | | | | |
| | **Note:** Pensioners to be defined as persons sixty (60) years and older | | | | | |
| R1J1 | May get a discount on the stands | 50% | applicable vat | 50% | applicable vat | |
| R1J2 | Qulify for a reduced tariff for a period of 30 days | 2 904.35 | 3 340.00 | 2 793.04 | 3 212.00 | 3.99% |
| **R 10** | **KLEINMOND: FRANK ROBB HUT** | | | | | |
| R10A | Camping per person per day (Maximum of 10 persons) | 102.61 | 118.00 | 98.26 | 113.00 | 4.43% |
| R 20 | **ONRUS CARVAN PARK: PLETT HOUSE** | | | | | |
| R20A | Peak Season - 1 December - 31 January & Easter Weekend | 476.52 | 548.00 | 458.26 | 527.00 | 3.98% |
| R20B | Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend) | 295.65 | 340.00 | 284.35 | 327.00 | 3.97% |
| **R 30** | **ONRUS CARVAN PARK** | | | | | |
| R30A | **Peak Season - 1 December - 31 January & Easter Weekend** | | | | | |
| R30A1 | A Stands per day | 469.57 | 540.00 | 451.30 | 519.00 | 4.05% |
| R30A2 | B Stands per day | 360.00 | 414.00 | 346.09 | 398.00 | 4.02% |

| | | | | | | |
|---|---|---|---|---|---|---|
| R30A3 | C Stands per day | 329.57 | 379.00 | 316.52 | 364.00 | 4.12% |
| R30B | **Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)** | | | | | |
| R30B1 | A Stands per day | 260.00 | 299.00 | 249.57 | 287.00 | 4.18% |
| R30B2 | B Stands per day | 220.00 | 253.00 | 211.30 | 243.00 | 4.12% |
| R30B3 | C Stands per day | 205.22 | 236.00 | 197.39 | 227.00 | 3.97% |
| | The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day | | | | | |
| R30F | **Sundry Costs** | | | | | |
| R30F1 | Electricity if available per stand per day | 30.16 | 34.68 | 26.09 | 30.00 | 15.60% |
| R30F2 | Additional persons up to a maximum of two (2) - per person per day | 68.70 | 79.00 | 66.09 | 76.00 | 3.94% |
| R30F3 | Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day | 37.39 | 43.00 | 35.65 | 41.00 | 4.88% |
| R30F4 | Children under two (2) years | no charge | no vat | no charge | no vat | |
| R30F5 | Children under twelve (12) | 35.65 | 41.00 | 33.91 | 39.00 | 5.13% |
| R30F6 | Daily Functions (pre-arrangement) per day | 170.44 | 196.00 | 163.48 | 188.00 | 4.25% |
| R30F7 | Full 30 day Rental | 4 642.61 | 5 339.00 | 4 464.35 | 5 134.00 | 3.99% |
| R30F8 | Gate Card / Key Deposit per set - Refundable | 184.00 | no vat | 177.00 | no vat | 3.95% |
| R30J | **Long Term Rental** | | | | | |
| R30J1 | Rental per annum | 15 189.57 | 17 468.00 | 14 605.22 | 16 796.00 | 4.00% |
| | **Plus:** | | | | | |
| R30J2 | Pergola with covering per annum | 1 628.70 | 1 873.00 | 1 566.09 | 1 801.00 | 4.00% |
| R30J3 | Water tap per annum | 346.96 | 399.00 | 333.91 | 384.00 | 3.91% |
| R30J4 | Structure for storing purposes per annum | 346.96 | 399.00 | 333.91 | 384.00 | 3.91% |
| R30J5 | Permanent fireplace structure per annum | 346.96 | 399.00 | 333.91 | 384.00 | 3.91% |
| R30J6 | Electricity per stand per annum | 1 332.91 | 1 532.85 | 1 153.04 | 1 326.00 | 15.60% |
| R30L | **Off-Peak: Pensioners,Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers** | | | | | |
| | **Note:** Pensioners to be defined as persons sixty (60) years and older | | | | | |
| R30L1 | May get a discount on the stands | 50% | applicable vat | 50% | applicable vat | |
| R30L2 | Qualify for a reduced tariff for a period of 30 days | 3 192.17 | 3 671.00 | 3 069.57 | 3 530.00 | 3.99% |
| **R 60** | **GANSBAAAI CARAVAN PARK** | | | | | |
| R60A | **Peak Season - 1 December - 31 January & Easter Weekend** | | | | | |
| R60A1 | A+ Stands per day | 382.61 | 440.00 | 326.96 | 376.00 | 17.02% |
| R60A2 | A Stands per day | 304.35 | 350.00 | 279.13 | 321.00 | 9.04% |
| R60A3 | B Stands per day | 239.13 | 275.00 | 229.57 | 264.00 | 4.17% |
| R60A4 | C Stands per day | 217.39 | 250.00 | 197.39 | 227.00 | 10.13% |
| R60B | **Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)** | | | | | |
| R60B1 | A+ Stands per day | 260.87 | 300.00 | 250.44 | 288.00 | 4.17% |
| R60B2 | A Stands per day | 226.09 | 260.00 | 206.96 | 238.00 | 9.24% |
| R60B3 | B Stands per day | 204.35 | 235.00 | 197.39 | 227.00 | 3.53% |
| R60B4 | C Stands per day | 186.96 | 215.00 | 180.87 | 208.00 | 3.37% |
| | The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day | | | | | |
| R60F | **Sundry Costs** | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| R60F1 | Additional persons up to a maximum of two (2) - per person per day | 62.61 | 72.00 | 60.00 | 69.00 | 4.35% |
| R60F2 | Additional vehicle or small trailer or small boat - per unit per day | 45.22 | 52.00 | 43.48 | 50.00 | 4.00% |
| R60F3 | Children under two (2) years | no charge | no vat | no charge | no vat | |
| R60F4 | Children under twelve (12) | 30.44 | 35.00 | 29.57 | 34.00 | 2.94% |
| R60F5 | Day visitors for campers up to a maximum of four (4) per person per day | 45.22 | 52.00 | 43.48 | 50.00 | 4.00% |
| R60F6 | Gate Card / Key Deposit per set - Refundable | 180.00 | no vat | 173.00 | no vat | 4.05% |
| R60J | **Long Term Rental** | | | | | |
| R60J1 | Rental per annum | 8 526.96 | 9 806.00 | 8 199.13 | 9 429.00 | 4.00% |
| E60K | **Off-Peak: Pensioners,Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers** | | | | | |
| | **Note:** Pensioners to be defined as persons sixty (60) years and older | | | | | |
| R60K1 | May get a discount on the stands | 50% | applicable vat | 50% | applicable vat | |
| **R 80** | **HAWSTON DAY CAMPING SITE** | | | | | |
| R80A | **Peak Season - 1 December - 31 January & Easter Weekend** | | | | | |
| R80A1 | Camping Sites | 205.22 | 236.00 | 197.39 | 227.00 | 3.97% |
| R80A2 | Parking Fees per vehicle (excluding busses >20 seats) | 15.65 | 18.00 | 14.78 | 17.00 | 5.89% |
| R80A3 | Per Bus >20 seats | 175.65 | 202.00 | 168.70 | 194.00 | 4.12% |
| R80A4 | Entrance Fee: Adults (per person) | 15.65 | 18.00 | 14.78 | 17.00 | 5.89% |
| R80A5 | Entrance Fee: Children (per child < 12) | 4.35 | 5.00 | 4.35 | 5.00 | 0.00% |
| R80B | **Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)** | | | | | |
| R80B1 | Camping Sites | 111.30 | 128.00 | 106.96 | 123.00 | 4.06% |
| R80B2 | Parking Fees per vehicle (excluding busses >20 seats) | 15.65 | 18.00 | 14.78 | 17.00 | 5.89% |
| R80B3 | Per Bus >20 seats | 175.65 | 202.00 | 168.70 | 194.00 | 4.12% |
| R80B4 | Entrance Fee: Adults (per person) | 15.65 | 18.00 | 14.78 | 17.00 | 5.89% |
| R80B5 | Entrance Fee: Children (per child < 12) | 4.35 | 5.00 | 4.35 | 5.00 | 0.00% |
| R80B6 | The above tariffs include for up to six (6) persons and one (1) vehicle with one trailor or caravan or small boat per day | | | | | |
| R80E | **Sundry Costs** | | | | | |
| R80E1 | Electricity if available per stand per day | 30.16 | 34.68 | 26.09 | 30.00 | 15.60% |
| R80E2 | Additional vehicle or small trailer or small boat - per unit per day | 42.61 | 49.00 | 40.87 | 47.00 | 4.26% |
| R80E3 | Events - partial or whole day camp site, per day or portion of the day (Excluding other services eg. Refuse collection, electricity etc.) | 580.87 | 668.00 | 558.26 | 642.00 | 4.05% |
| R80J | **Off-Peak: Pensioners,Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers** | | | | | |
| | **Note:** Pensioners to be defined as persons sixty (60) years and older | | | | | |
| R80J1 | May get a discount on the stands | 50% | applicable vat | 50% | applicable vat | |

# ANNEXURE D

# TARIFF BASKETS

## MONTHLY BASKET OF TARIFFS - SINGLE RESIDENTIAL 2021/2022

| Residential | | | Year | Year | Increase/Decrease | |
|---|---|---|---|---|---|---|
| **High Consumption with credit elect meter** | | | 2020/2021 | 2021/2022 | Amount | % |
| Valuation | R3 500 000 | | | | | |
| Rates | | | 1 370.80 | 1 425.63 | 54.83 | 4.00 |
| Sewer | **SE7A1+SE8A** | | 628.32 | 653.45 | 25.13 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 193.84 | 201.59 | 7.75 | 4.00 |
| Water | 50 kl | | 1 198.72 | 1 246.67 | 47.95 | 4.00 |
| VAT | | 15% | 311.16 | 323.29 | 12.13 | 3.90 |
| **SUB TOTAL** | | | **3 756.38** | **3 904.17** | **147.79** | **3.93** |
| Electricity Credit Meter | 1500 kWh | | 3 555.93 | 4 110.65 | 554.72 | 15.60 |
| VAT | | 15% | 533.39 | 616.60 | 83.21 | 15.60 |
| **TOTAL** | | | **7 845.69** | **8 631.42** | **785.73** | **10.01** |
| **SRA Rate as might be applicable to be added** | | | | | | |

| **High Consumption with prepaid elect meter** | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| Valuation | R3 500 000 | | | | | |
| Rates | | | 1 370.80 | 1 425.63 | 54.83 | 4.00 |
| Sewer | **SE7A1+SE8A** | | 628.32 | 653.45 | 25.13 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 193.84 | 201.59 | 7.75 | 4.00 |
| Water | 50 kl | | 1 198.72 | 1 246.67 | 47.95 | 4.00 |
| VAT | | 15% | 311.16 | 323.29 | 12.13 | 3.90 |
| **SUB TOTAL** | | | **3 756.38** | **3 904.17** | **147.79** | **3.93** |
| Electricity Prepaid Meter | 1500 kWh | | 3 404.46 | 3 935.55 | 531.09 | 15.60 |
| VAT | | 15% | 510.67 | 590.33 | 79.66 | 15.60 |
| **TOTAL** | | | **7 671.50** | **8 430.05** | **758.55** | **9.89** |
| **SRA Rate as might be applicable to be added** | | | | | | |

| **Medium Consumption with credit elect meter** | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| Valuation | R2 500 000 | | | | | |
| Rates | | | 973.47 | 1 012.41 | 38.94 | 4.00 |
| Sewer | **SE7A1+SE8A** | | 377.72 | 392.83 | 15.11 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 193.84 | 201.59 | 7.75 | 4.00 |
| Water | 25 kl | | 457.77 | 476.08 | 18.31 | 4.00 |
| VAT | | 15% | 162.43 | 168.61 | 6.18 | 3.80 |
| **SUB TOTAL** | | | **2 218.76** | **2 305.05** | **86.29** | **3.89** |
| Electricity Credit Meter | 800 kWh | | 1 829.59 | 2 115.00 | 285.42 | 15.60 |
| VAT | | 15% | 274.44 | 317.25 | 42.81 | 15.60 |
| **TOTAL** | | | **4 322.78** | **4 737.30** | **414.52** | **9.59** |
| **SRA Rate as might be applicable to be added** | | | | | | |

| **Medium Consumption with prepaid elect meter** | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| Valuation | R2 500 000 | | | | | |
| Rates | | | 973.47 | 1 012.41 | 38.94 | 4.00 |
| Sewer | **SE7A1+SE8A** | | 377.72 | 392.83 | 15.11 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 193.84 | 201.59 | 7.75 | 4.00 |
| Water | 25 kl | | 457.77 | 476.08 | 18.31 | 4.00 |
| VAT | | 15% | 162.43 | 168.61 | 6.18 | 3.80 |
| **SUB TOTAL** | | | **2 218.76** | **2 305.05** | **86.29** | **3.89** |
| Electricity Prepaid Meter | 800 kWh | | 1 745.04 | 2 017.26 | 272.23 | 15.60 |
| VAT | | 15% | 261.76 | 302.59 | 40.83 | 15.60 |
| **TOTAL** | | | **4 225.55** | **4 624.90** | **399.35** | **9.45** |
| **SRA Rate as might be applicable to be added** | | | | | | |

| **Low Consumption with credit meter** | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| Valuation | R1 000 000 | | | | | |
| Rates | | | 377.47 | 392.57 | 15.10 | 4.00 |
| Sewer | **SE7A1+SE8A** | | 277.48 | 288.58 | 11.10 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | 193.84 | 201.59 | 7.75 | 4.00 |
| Water | 15 kl | | 285.65 | 297.08 | 11.43 | 4.00 |
| VAT | | 15% | 121.58 | 126.12 | 4.54 | 3.74 |
| **SUB TOTAL** | | | **1 309.55** | **1 359.47** | **49.92** | **3.81** |
| Electricity Credit Meter | 600 kWh | | 1 336.35 | 1 544.81 | 208.47 | 15.60 |
| VAT | | 15% | 200.45 | 231.72 | 31.27 | 15.60 |
| **SUB TOTAL** | | | **2 846.34** | **3 136.00** | **289.66** | **10.18** |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Low Consumption with prepaid elect meter | | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R1 000 000 | | | | | |
| Rates | | | | 377.47 | 392.57 | 15.10 | 4.00 |
| Sewer | **SE7A1+SE8A** | | | 277.48 | 288.58 | 11.10 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | | 193.84 | 201.59 | 7.75 | 4.00 |
| Water | | 15 kl | | 285.65 | 297.08 | 11.43 | 4.00 |
| VAT | | | 15% | 121.58 | 126.12 | 4.54 | 3.74 |
| **SUB TOTAL** | | | | **1 309.55** | **1 359.47** | **49.92** | **3.81** |
| Electricity Prepaid Meter | | 600 kWh | | 1 270.92 | 1 469.18 | 198.26 | 15.60 |
| VAT | | | 15% | 190.64 | 220.38 | 29.74 | 15.60 |
| **SUB TOTAL** | | | | **2 771.10** | **3 049.02** | **277.92** | **10.03** |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Life-Line Consumption (ONE PART) (Indigent) | | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R50 000 | | | | | |
| Rates | | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Sewer | **SE7A1** | | | 20.05 | 20.85 | 0.80 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 41.70 | 41.70 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Water | | 8 kl | | 23.98 | 24.94 | 0.96 | 4.00 |
| VAT | | | 15% | 12.86 | 13.12 | 0.26 | 2.05 |
| **SUB TOTAL** | | | | **98.59** | **100.61** | **2.03** | **2.05** |
| Electricity Pre-paid | | 300 kWh | | 382.86 | 442.59 | 59.73 | 15.60 |
| VAT | | | 15% | 57.43 | 66.39 | 8.96 | 15.60 |
| **TOTAL** | | | | **538.88** | **609.59** | **70.71** | **13.12** |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Conservancy Tanks | | | | | | | |
|---|---|---|---|---|---|---|---|
| **If tariff SE7 is not applicable** | | | | 2020/2021 | 2021/2022 | Amount | % |
| Smaller than 6kl | | | | 584.75 | 608.14 | 23.39 | 4.00 |
| Greater than 6kl | | | | 584.75 | 608.14 | 23.39 | 4.00 |
| Outside urban area Plus | per km | | | 17.14 | 17.83 | 0.69 | 4.00 |
| **Plus** | Per hour | | | 351.15 | 365.20 | 14.05 | 4.00 |
| **After hours** | | | | | | | |
| Smaller than 6kl | | | | 1 169.49 | 1 216.28 | 46.79 | 4.00 |
| Greater than 6kl | | | | 1 169.49 | 1 216.28 | 46.79 | 4.00 |

| Sub-Economic Consumption (Indigent) | | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R50 000 | | | | | |
| Rates | | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Sewer | **SE7A1** | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 41.70 | 41.70 | 0.00 | 0.00 |
| Refuse | **1X Per Week** | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Water | | 6 kl | | 0.00 | 0.00 | 0.00 | 0.00 |
| VAT | | | 15% | 6.26 | 6.26 | 0.00 | 0.00 |
| **SUB TOTAL** | | | | **47.96** | **47.96** | **0.00** | **0.00** |
| Electricity Prepaid Meter | | 150 kWh | | 189.36 | 218.90 | 29.54 | 15.60 |
| VAT | | | 15% | 28.40 | 32.84 | 4.43 | 15.60 |
| **TOTAL** | | | | **265.72** | **299.69** | **33.97** | **12.78** |
| **SRA Rate as might be applicable to be added** | | | | | | | |

## MONTHLY BASKET OF TARIFFS - BUSSINESS 2018/2019

| Bussiness - Large (Time of Use) | | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R35 000 000 | | | | | |
| Rates | | | | 26 337.50 | 27 391.00 | 1 053.50 | 4.00 |
| Sewer | SE7D1+SE8A | | 30 | 9 742.08 | 10 131.76 | 389.68 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | Bins 2X Per Week | | 30 | 11 629.80 | 12 094.99 | 465.19 | 4.00 |
| Water | | 460 kl | | 22 395.32 | 23 291.13 | 895.81 | 4.00 |
| VAT | | | 15% | 6 573.11 | 6 835.71 | 262.60 | 4.00 |
| **SUB TOTAL** | | | | **76 731.35** | **79 798.14** | **3 066.79** | **4.00** |
| Electricity Credit Meter | | 108751 + 436kVA | | 157 418.48 | 182 754.43 | 25 335.94 | 16.09 |
| VAT | | | 15% | 23 612.77 | 27 413.16 | 3 800.39 | 16.09 |
| **TOTAL** | | | | **257 762.61** | **289 965.73** | **32 203.13** | **12.49** |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Bussiness - Medium (Three Phase) | | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R3 200 000 | | | | | |
| Rates | | | | 2 408.00 | 2 504.32 | 96.32 | 4.00 |
| Sewer | SE7D1+SE8A | | 1 | 642.64 | 668.35 | 25.71 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 3 | 581.51 | 604.77 | 23.26 | 4.00 |
| Water | | 40 kl | | 914.22 | 950.79 | 36.57 | 4.00 |
| VAT | | | 15% | 328.79 | 341.62 | 12.83 | 3.90 |
| **SUB TOTAL** | | | | **4 928.69** | **5 123.38** | **194.68** | **3.95** |
| Electricity Credit Meter | | 7000 kWh | | 15 030.89 | 17 375.71 | 2 344.82 | 15.60 |
| VAT | | | 15% | 2 254.63 | 2 606.36 | 351.72 | 15.60 |
| **TOTAL** | | | | **22 214.21** | **25 105.44** | **2 891.23** | **13.02** |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Bussiness - Small (Three Phase) | | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R3 200 000 | | | | | |
| Rates | | | | 2 408.00 | 2 504.32 | 96.32 | 4.00 |
| Sewer | SE7D1+SE8A | | 1 | 642.64 | 668.35 | 25.71 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 2 | 387.67 | 403.18 | 15.51 | 4.00 |
| Water | | 40 kl | | 914.22 | 950.79 | 36.57 | 4.00 |
| VAT | | | 15% | 299.71 | 311.38 | 11.67 | 3.89 |
| **SUB TOTAL** | | | | **4 705.78** | **4 891.55** | **185.77** | **3.95** |
| Electricity Credit Meter | | 4000 kWh | | 8 894.39 | 10 281.91 | 1 387.52 | 15.60 |
| VAT | | | 15% | 1 334.16 | 1 542.29 | 208.13 | 15.60 |
| **TOTAL** | | | | **14 934.33** | **16 715.75** | **1 781.42** | **11.93** |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Bussiness - Small (Three Phase) | | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R3 200 000 | | | | | |
| Rates | | | | 2 408.00 | 2 504.32 | 96.32 | 4.00 |
| Sewer | SE7D1+SE8A | | 1 | 642.64 | 668.35 | 25.71 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 2 | 387.67 | 403.18 | 15.51 | 4.00 |
| Water | | 40 kl | | 914.22 | 950.79 | 36.57 | 4.00 |
| VAT | | | 15% | 299.71 | 311.38 | 11.67 | 3.89 |
| **SUB TOTAL** | | | | **4 705.78** | **4 891.55** | **185.77** | **3.95** |
| Electricity Credit Meter | | 1000 kWh | | 2 757.89 | 3 188.12 | 430.23 | 15.60 |
| VAT | | | 15% | 413.68 | 478.22 | 64.53 | 15.60 |
| **TOTAL** | | | | **7 877.35** | **8 557.89** | **680.53** | **8.64** |
| **SRA Rate as might be applicable to be added** | | | | | | | |

| Bussiness - Small (Three Phase) Prepaid Electricity | | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|---|
| | Valuation | R3 200 000 | | | | | |
| Rates | | | | 2 408.00 | 2 504.32 | 96.32 | 4.00 |
| Sewer | SE7D1+SE8A | | 1 | 642.64 | 668.35 | 25.71 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | | 53.54 | 53.54 | 0.00 | 0.00 |
| Refuse | 1X Per Week | | 2 | 387.67 | 403.18 | 15.51 | 4.00 |
| Water | | 40 kl | | 914.22 | 950.79 | 36.57 | 4.00 |
| VAT | | | 15% | 299.71 | 311.38 | 11.67 | 3.89 |
| **SUB TOTAL** | | | | **4 705.78** | **4 891.55** | **185.77** | **3.95** |
| Electricity Pre-paid | | 1000 kWh | | 2 639.99 | 3 051.83 | 411.84 | 15.60 |
| VAT | | | 15% | 396.00 | 457.77 | 61.78 | 15.60 |
| **TOTAL** | | | | **7 741.77** | **8 401.15** | **659.38** | **8.52** |
| **SRA Rate as might be applicable to be added** | | | | | | | |

## MONTHLY BASKET OF TARIFFS - VACANT ERVEN 2017/2018

| Valuation High | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R780 000 | | | | |
| Rates | | | 530.40 | 551.62 | 21.22 | 4.00 |
| Sewer can connect | Availability | | 127.12 | 132.20 | 5.08 | 4.00 |
| Refuse | Availability | | 96.91 | 100.79 | 3.88 | 4.00 |
| Electricity | Availability | | 356.20 | 411.77 | 55.57 | 15.60 |
| Water | Availability | | 142.64 | 148.35 | 5.71 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| VAT | | 15% | 116.46 | 127.00 | 10.54 | 9.05 |
| **TOTAL** | | | **1 423.27** | **1 525.26** | **101.99** | **7.17** |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Valuation Average | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R250 000 | | | | |
| Rates | | | 170.00 | 176.80 | 6.80 | 4.00 |
| Sewer can connect | Availability | | 127.12 | 132.20 | 5.08 | 4.00 |
| Refuse | Availability | | 96.91 | 100.79 | 3.88 | 4.00 |
| Electricity | Availability | | 356.20 | 411.77 | 55.57 | 15.60 |
| Water | Availability | | 142.64 | 148.35 | 5.71 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| VAT | | 15% | 116.46 | 127.00 | 10.54 | 9.05 |
| **TOTAL** | | | **1 062.87** | **1 150.44** | **87.57** | **8.24** |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Valuation Lower | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R110 000 | | | | |
| Rates | | | 74.80 | 77.79 | 2.99 | 4.00 |
| Sewer can connect | Availability | | 127.12 | 132.20 | 5.08 | 4.00 |
| Refuse | Availability | | 96.91 | 100.79 | 3.88 | 4.00 |
| Electricity | Availability | | 356.20 | 411.77 | 55.57 | 15.60 |
| Water | Availability | | 142.64 | 148.35 | 5.71 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| VAT | | 15% | 116.46 | 127.00 | 10.54 | 9.05 |
| **TOTAL** | | | **967.67** | **1 051.43** | **83.76** | **8.66** |
| **SRA Rate as might be applicable to be added** | | | | | | |

| Valuation Low | | | 2020/2021 | 2021/2022 | Amount | % |
|---|---|---|---|---|---|---|
| | Valuation | R15 000 | | | | |
| Rates | | | 10.20 | 10.61 | 0.41 | 4.00 |
| Sewer can connect | Availability | | 127.12 | 132.20 | 5.08 | 4.00 |
| Refuse | Availability | | 96.91 | 100.79 | 3.88 | 4.00 |
| Electricity | Availability | | 356.20 | 411.77 | 55.57 | 15.60 |
| Water | Availability | | 142.64 | 148.35 | 5.71 | 4.00 |
| Infrastructure Basic Charge Water, Electricity & Sewer | | | 53.54 | 53.54 | 0.00 | 0.00 |
| VAT | | 15% | 116.46 | 127.00 | 10.54 | 9.05 |
| **TOTAL** | | | **903.07** | **984.25** | **81.18** | **8.99** |
| **SRA Rate as might be applicable to be added** | | | | | | |

# ANNEXURE E

# CAPITAL BUDGET, WARD PROJECTS & HOUSING PROGRAMME

# DRAFT CAPITAL BUDGET 2021/22-2023/24 MTREF

| | | | | | | 2021/22 BUDGET | | | 2022/23 BUDGET | | | 2023/24 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** | **5 000** | | **5 000** | **5 000** | | **5 000** |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS COUNCIL | D Arrison | Surplus | 5 000 | | 5 000 | 5 000 | | 5 000 | 5 000 | | 5 000 |
| | | | **FINANCE AND ADMINISTRATION** | | | **3 770 000** | | **3 770 000** | **6 120 000** | | **6 120 000** | **3 570 000** | | **3 570 000** |
| Overstrand | Overstrand | Overstrand | EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS | C Johnson | Surplus | 600 000 | | 600 000 | 600 000 | | 600 000 | 600 000 | | 600 000 |
| Overstrand | Overstrand | Overstrand | VIDEO CONFERENCE EQUIPMENT | C Johnson | Surplus | 250 000 | | 250 000 | 250 000 | | 250 000 | 250 000 | | 250 000 |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS ICT ORGANIZATION WIDE | C Johnson | Surplus | 1 400 000 | | 1 400 000 | 3 750 000 | | 3 750 000 | 1 200 000 | | 1 200 000 |
| Overstrand | Overstrand | Overstrand | UPS REPLACEMENT | C Johnson | Surplus | 300 000 | | 300 000 | 300 000 | | 300 000 | 300 000 | | 300 000 |
| Overstrand | Overstrand | Overstrand | DR HOST SERVER WITH ATTACHED STORAGE-REPLACEMENT EOL | C Johnson | Surplus | 250 000 | | 250 000 | 250 000 | | 250 000 | 250 000 | | 250 000 |
| Overstrand | Overstrand | Overstrand | DATA CENTRE VIRTUAL SERVER HOST REPLACEMENT EOL | C Johnson | Surplus | 300 000 | | 300 000 | 300 000 | | 300 000 | 300 000 | | 300 000 |
| Overstrand | Overstrand | Overstrand | NEW HIGH SITE HAWSTON MOUNTAIN | C Johnson | Surplus | 600 000 | | 600 000 | 600 000 | | 600 000 | 600 000 | | 600 000 |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS FINANCE | S Reyneke | Surplus | 60 000 | | 60 000 | 60 000 | | 60 000 | 60 000 | | 60 000 |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS MANAGEMENT SERVICES | D Arrison | Surplus | 10 000 | | 10 000 | 10 000 | | 10 000 | 10 000 | | 10 000 |
| | | | **PUBLIC SAFETY** | | | **3 807 712** | | **3 807 712** | **350 000** | | **350 000** | **350 000** | | **350 000** |
| Gansbaai | Gansbaai | Ward 02 | RAISING GANSBAAI FIRE STATION ROOF | L Smith | Surplus -Non ta | 300 000 | | 300 000 | | | | | | |
| Hermanus | Hermanus | Ward 03 | GREATER HERMANUS TRAFFIC DEPT REMOVAL OF OBSOLETE OLD ROOFING AND | R Fraser | Surplus -Non ta | 1 000 000 | | 1 000 000 | | | | | | |
| Gansbaai | Gansbaai | Ward 14 | ESTABLISHING OF A K53 TEST STATION GANSBAAI | R Fraser | Land Sales | 1 052 060 | | 1 052 060 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS PROTECTION SERVICES | N Micheals | Surplus | 350 000 | | 350 000 | 350 000 | | 350 000 | 350 000 | | 350 000 |
| Overstrand | Overstrand | Overstrand | VEHICLES PUBLIC SAFETY | T Steenberg | Surplus | 865 652 | | 865 652 | | | | | | |
| Hermanus | Hermanus | Ward 03 | CCTV CAMERAS | L Smith | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Hermanus | Mount Pleasa | Ward 04 | CCTV CAMERAS MOUNT PLEASANT | L Smith | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Hermanus | Fisherhaven | Ward 08 | CCTV FISHERHAVEN | L Smith | Operating Cash | 40 000 | | 40 000 | | | | | | |
| Kleinmond | Bettiesbay | Ward 10 | BETTYS BAY CAMERAS | L Smith | Operating Cash | 50 000 | | 50 000 | | | | | | |
| | | | **PLANNING & DEVELOPMENT** | | | **6 587 070** | | **6 587 070** | **415 000** | | **415 000** | **415 000** | | **415 000** |
| Hermanus | Hermanus | Ward 03 | FERNKLOOF NATURE RESERVE FACILITIES (F1/2) | L de Villiers | Surplus -Non ta | 2 000 000 | | 2 000 000 | | | | | | |
| Hermanus | Hermanus | Ward 03 | FERNKLOOF NATURE RESERVE FACILITIES (F2/2) | L de Villiers | Land Sales -Ro | 2 100 000 | | 2 100 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | BUILDING CONTROL OFFICE EXTENSION | L Coetzee | Surplus -Non ta | 500 000 | | 500 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | ECD CENTRE ESTABLISHMENT | H Blignaut | Land Sales -Ro | 475 000 | | 475 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | HAWSTON LANG ERWE TRANSFERS | A le Roux | Land Sales -Ro | 147 070 | | 147 070 | | | | | | |
| Kleinmond | Kleinmond | Ward 09 | KLEINMOND COMMUNITY PROJECT OLD KCIH | D Lakey | Surplus | 700 000 | | 700 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS LED | S Madikane | Surplus | 45 000 | | 45 000 | 45 000 | | 45 000 | 45 000 | | 45 000 |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS INFRASTRUCTURE &PLANNING | S Muller | Surplus | 370 000 | | 370 000 | 370 000 | | 370 000 | 370 000 | | 370 000 |
| Overstrand | Overstrand | Overstrand | VEHICLES PLANNING DEVELOPMENT | T Steenberg | Surplus | 250 000 | | 250 000 | | | | | | |
| | | | **COMMUNITY SERVICES** | | | **4 456 668** | | **4 456 668** | **760 000** | | **760 000** | **760 000** | | **760 000** |
| Kleinmond | Kleinmond | Ward 09 | UPGRADE OF MUNICIPAL YARD ABLUTIONS | D Lakey | Surplus -Non ta | 500 000 | | 500 000 | | | | | | |
| Kleinmond | Kleinmond | Ward 09 | OFFICE CONTAINER FOR KLEINMOND SLIPWAY | D Lakey | Surplus -Non ta | 145 000 | | 145 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | MINOR ASSETS COMMUNITY SERVICES | R Williams | Surplus | 760 000 | | 760 000 | 760 000 | | 760 000 | 760 000 | | 760 000 |
| Overstrand | Overstrand | Overstrand | VEHICLES COMMUNITY SERVICES | T Steenberg | Surplus | 347 826 | | 347 826 | | | | | | |
| Hermanus | Onrus/Vermo | Ward 13 | ABLUTION FACILITIES ONRUS SWIMMING BEACH PHASE 2 | T Marx | Surplus-Non tar | 610 366 | | 610 366 | | | | | | |
| Hermanus | Onrus/Vermo | Ward 13 | ABLUTION FACILITIES ONRUS SWIMMING BEACH | T Marx | Land Sales -Ro | 633 476 | | 633 476 | | | | | | |
| Kleinmond | Kleinmond | Ward 09 | BUS SHELTERS MAIN ROAD | D Van Rhodie | Operating Cash | 60 000 | | 60 000 | | | | | | |
| Kleinmond | Kleinmond | Ward 09 | UPGRADING OF TOWN HALL | D Van Rhodie | Operating Cash | 110 000 | | 110 000 | | | | | | |
| Kleinmond | Kleinmond | Ward 09 | MINOR ASSETS EQUIPMENT FOR TOWN HALL | D La Kay | Operating Cash | 35 000 | | 35 000 | | | | | | |
| Hermanus | Zwelihle | Ward 12 | NEW ROOF TRADING SWARTDAM ROAD | T Marx | Surplus | 875 000 | | 875 000 | | | | | | |
| Gansbaai | Masakhane | Ward 02 | NEW ROOF MASAKHANE TRADING AT TAXI RANK | F Myburgh | Surplus | 80 000 | | 80 000 | | | | | | |
| Hermanus | Zwelihle | Ward 06 | FENCING ZWEHILE TAXI RANK | D Nel | Surplus | 300 000 | | 300 000 | | | | | | |
| | | | **LIBRARIES** | | | **4 373 611** | | **4 373 611** | | | | | | |
| Hermanus | Zwelihle | Ward 12 | ZWELIHLE LIBRARY | A Wyngaard | Surplus(Ins) | 4 373 611 | | 4 373 611 | | | | | | |
| | | | **SPORT & RECREATION** | | | **4 788 737** | **2 621 000** | **7 409 737** | | **500 000** | **500 000** | | **5 000 000** | **5 000 000** |
| Hermanus | Hermanus | Ward 03 | DEVELOPMENT OF BMX TRACK SKATE PARK | T Marx | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | UPGRADE HAWSTON SPORT COMPLEX (F1/3) | D Hendriks | Surplus-Non tar | 600 000 | | 600 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | UPGRADE HAWSTON SPORT COMPLEX (F2/3) | D Hendriks | Land Sales -Ro | 1 138 737 | | 1 138 737 | | | | | | |
| Hermanus | Hawston | Ward 08 | UPGRADE HAWSTON SPORT COMPLEX (F3/3) | D Hendriks | MIG | | 2 021 000 | 2 021 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | UPGRADE HAWSTON SPORT COMPLEX STADIUM | D Hendriks | MIG | | | | | 500 000 | 500 000 | | 5 000 000 | 5 000 000 |
| Overstrand | Overstrand | Overstrand | OVERSTRAND WIDE SPORT FACILITIES | D Hendriks | Prov-Sport&Rec | | 600 000 | 600 000 | | | | | | |
| Hermanus | Hermanus | Ward 03 | HERMANUS SPORT FACILITY IMPROVEMENT | R Kuchar | Surplus | 1 900 000 | | 1 900 000 | | | | | | |
| Stanford | Stanford | Ward 01 | STANFORD FENCE SOCCER RUGBY CLUBHOUSES | F Myburgh | Surplus | 400 000 | | 400 000 | | | | | | |
| Stanford | Stanford | Ward 01 | UPGRADE OF PUBLIC BOAT LAUNCHING SITE ABLUTIONS-DU TOIT STREET | F Myburgh | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Hermanus | Sandbaai | Ward 07 | RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACILITIES | T Marx | Operating Cash | 300 000 | | 300 000 | | | | | | |
| Hermanus | Mount Pleasa | Ward 04 | MOUNT PLEASANT UPGRADING OF SPORTSGROUNDS | D Nel | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Hermanus | Zwelihle | Ward 12 | UPGRADING SCHULPHOEK OUTDOOR GYM FENCING | D Nel | Operating Cash | 200 000 | | 200 000 | | | | | | |

# DRAFT CAPITAL BUDGET 2021/22-2023/24 MTREF

| | | | | | | 2021/22 BUDGET | | | 2022/23 BUDGET | | | 2023/24 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** | | | **2 100 000** | **52 259 085** | **54 359 085** | | **36 458 195** | **36 458 195** | | **3 267 000** | **3 267 000** |
| Overstrand | Overstrand | Overstrand | LCH SERVICES CONSTRUCTION CONTRACTS | D Hendriks | Construction Contracts | | 52 259 085 | 52 259 085 | | 36 458 195 | 36 458 195 | | 3 267 000 | 3 267 000 |
| Hermanus | Hawston | Ward 08 | HAWSTON NEW HOUSING DEVELOPMENT R43 WALL | D Hendriks | Surplus | 2 100 000 | | 2 100 000 | | | | | | |
| | | | **ROADS** | | | **4 646 087** | **5 583 000** | **10 229 087** | **3 675 000** | **13 000 000** | **16 675 000** | **2 450 000** | **2 000 000** | **4 450 000** |
| Overstrand | Overstrand | Overstrand | VEHICLES ROADS | T Steenberg | Surplus | 1 306 087 | | 1 306 087 | 3 675 000 | | 3 675 000 | 2 450 000 | | 2 450 000 |
| Gansbaai | Masakhane | Ward 02 | SIDEWALKS | J Solomons | Operating Cash | 200 000 | | 200 000 | | | | | | |
| Gansbaai | Gansbaai | Ward 02 | GANSBAAI SIDEWALKS | J Solomons | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Gansbaai | Franskraal | Ward 11 | SIDEWALKS | J Solomons | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Gansbaai | Blompark | Ward 14 | SIDEWALKS | J Solomons | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Gansbaai | De Kleders | Ward 14 | SIDEWALKS | J Solomons | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Gansbaai | Gansbaai | Ward 14 | SIDEWALKS | J Solomons | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Hermanus | Hermanus | Ward 03 | CONSTRUCTION OF NEW CLIFF PATHS | T Marx | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Hermanus | Hermanus | Ward 03 | TRAFFIC CALMING | T Marx | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Hermanus | Mount Pleasa | Ward 04 | MOUNT PLEASANT SPEEDCALMING | T Marx | Operating Cash | 25 000 | | 25 000 | | | | | | |
| Hermanus | Mount Pleasa | Ward 04 | MOUNT PLEASANT SIDEWALKS | T Marx | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Hermanus | Westcliff | Ward 04 | UPGRADING OF FRONT AREA OF HUIS LETTIE THERON | T Marx | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Hermanus | Westcliff | Ward 04 | WESTCLIFF SIDEWALKS | T Marx | Operating Cash | 75 000 | | 75 000 | | | | | | |
| Hermanus | Westcliff | Ward 04 | VIEWING POINT UPGRADE STILL STREET | T Marx | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Hermanus | Westcliff | Ward 04 | WESTCLIFF SPEEDCALMING | T Marx | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Hermanus | Zwelihle | Ward 06 | CONSTRUCTION OF SIDEWALKS | T Marx | Operating Cash | 200 000 | | 200 000 | | | | | | |
| Hermanus | Fisherhaven | Ward 08 | CURBING AND TARRING PAVING OF SIDEWALKS | T Marx | Operating Cash | 180 000 | | 180 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | CURBING AND TARRING OF SIDEWALKS HAWSTON | T Marx | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | TRAFFIC CALMING HAWSTON | T Marx | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Rooiels | Rooiels | Ward 10 | ANEMONE ROAD PAVING | D Van Rhodie | Operating Cash | 150 000 | | 150 000 | | | | | | |
| Betty's Bay | Mooiuitsig | Ward 10 | MOOIUITSIG KERBING | D Van Rhodie | Operating Cash | 25 000 | | 25 000 | | | | | | |
| Kleinmond | Proteadorp | Ward 09 | PROTEADORP HEIDELAND CRECHE PARKING AREA | D Van Rhodie | Operating Cash | 65 000 | | 65 000 | | | | | | |
| Hangklip/KM | Hangklip/KM | Ward 10 | SPEED CALMING | D Van Rhodie | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Stanford | Thembelihle | Ward 01 | TRAFFIC CALMING | J Solomons | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Gansbaai | Pearly Beach | Ward 11 | TRAFFIC CALMING | J Solomons | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Gansbaai | Buffeljachtsb | Ward 11 | TRAFFIC CALMING | J Solomons | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Hermanus | Zwelihle | Ward 12 | SIDEWALKS AND SPEED CALMING MEASURES | T Marx | Operating Cash | 150 000 | | 150 000 | | | | | | |
| Hermanus | Onrus | Ward 13 | CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWAY | T Marx | Operating Cash | 200 000 | | 200 000 | | | | | | |
| Hermanus | Vermont | Ward 13 | CONSTRUCTION AND EXTENSION OF COASTAL PATH | T Marx | Operating Cash | 200 000 | | 200 000 | | | | | | |
| Hermanus | Vermont | Ward 13 | UPGRADING OF MARINE DRIVE COASTAL AREA AT JAN RABIE POOL STONE WALL | T Marx | Operating Cash | 70 000 | | 70 000 | | | | | | |
| Stanford | Stanford | Ward 01 | REVITALISATION OF CBD | F Myburgh | Operating Cash | 200 000 | | 200 000 | | | | | | |
| Stanford | Stanford | Ward 01 | REVITALISATION OF CBD | F Myburgh | Surplus -Non ta | 400 000 | | 400 000 | | | | | | |
| Gansbaai | Blompark | Ward 14 | BLOMPARK HOUSING PROJECT BUS ROUTE | D Hendriks | MIG | | 5 583 000 | 5 583 000 | | 5 000 000 | 5 000 000 | | | |
| Stanford | Stanford | Ward 01 | STANFORD HOUSING PROJECT BUS ROUTE | D Hendriks | MIG | | | | | 4 000 000 | 4 000 000 | | | |
| Gansbaai | Masakhane | Ward 02 | MASAKHANE HOUSING PROJECT BUS ROUTE | D Hendriks | MIG | | | | | 4 000 000 | 4 000 000 | | 2 000 000 | 2 000 000 |
| | | | **ELECTRICITY** | | | **29 505 435** | **30 419 000** | **59 924 435** | **12 775 000** | **7 000 000** | **19 775 000** | **17 450 000** | **7 000 000** | **24 450 000** |
| Gansbaai | Gansbaai | Multi-ward G | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F1/4) | D Maree | EL22/23/24 | 17 000 000 | | 17 000 000 | 2 100 000 | | 2 100 000 | 5 000 000 | | 5 000 000 |
| Gansbaai | Gansbaai | Multi-ward G | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F2/4) | D Maree | DBSA-Public Cont | | 11 900 000 | 11 900 000 | | | | | | |
| Gansbaai | Gansbaai | Multi-ward G | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F3/4) | D Maree | BICL | 6 500 000 | | 6 500 000 | | | | | | |
| Gansbaai | Gansbaai | Multi-ward G | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F4/4) | D Maree | INEP | | 15 000 000 | 15 000 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP) | K d Plessis | INEP | | 3 519 000 | 3 519 000 | | 7 000 000 | 7 000 000 | | 7 000 000 | 7 000 000 |
| Overstrand | Overstrand | Overstrand | ELECTRIFICATION OF LOW COST HOUSING AREAS | K d Plessis | Surplus -Non ta | 2 500 000 | | 2 500 000 | | | | | | |
| Kleinmond | Kleinmond | Ward 09 | POWER CABLE TO KLEINMOND SLIPWAY FACILITIES | D Lakey | Surplus -Non ta | 115 000 | | 115 000 | | | | | | |
| Hermanus | Hermanus | Ward 03 | HERMANUS MV LV UPGRADE/REPLACEMENT | K d Plessis | EL23/24 | | | | 3 000 000 | | 3 000 000 | 6 000 000 | | 6 000 000 |
| Kleinmond | Kleinmond | Ward 09 | KLEINMOND MV LV NETWORK UPGRADE | K d Plessis | EL23/24 | | | | 2 000 000 | | 2 000 000 | 2 000 000 | | 2 000 000 |
| Hermanus | Hawston | Ward 08 | HAWSTON MV LV UPGRADE REPLACEMENT | K d Plessis | EL23/24 | | | | 2 000 000 | | 2 000 000 | 2 000 000 | | 2 000 000 |
| Overstrand | Overstrand | Overstrand | VEHICLES ELECTRICITY DISTRIBUTION HM | T Steenberg | Surplus | 2 230 435 | | 2 230 435 | 3 675 000 | | 3 675 000 | 2 450 000 | | 2 450 000 |
| Hermanus | Sandbaai | Ward 07 | STREET LIGHTS | K d Plessis | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Hermanus | Fisherhaven | Ward 08 | STREET LIGHTS | K d Plessis | Operating Cash | 30 000 | | 30 000 | | | | | | |
| Hermanus | Vermont | Ward 13 | STREET LIGHTS | K d Plessis | Operating Cash | 30 000 | | 30 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY | S Muller | EL22/23/24 | 1 000 000 | | 1 000 000 | | | | | | |

# DRAFT CAPITAL BUDGET 2021/22-2023/24 MTREF

| | | | | | | 2021/22 BUDGET | | | 2022/23 BUDGET | | | 2023/24 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 |
| | | | **WATER** | | | **26 100 000** | **9 615 000** | **35 715 000** | **22 000 000** | **3 900 000** | **25 900 000** | **19 000 000** | **3 000 000** | **22 000 000** |
| Overstrand | Overstrand | Overstrand | REFURBISHMENT OF BULK WATER PIPELINES | H Blignaut | EL22/23/24 | 3 000 000 | | 3 000 000 | 2 000 000 | | 2 000 000 | 1 500 000 | | 1 500 000 |
| Overstrand | Overstrand | Overstrand | FENCING AT WATER INSTALLATIONS | H Blignaut | EL22/23 | 700 000 | | 700 000 | 500 000 | | 500 000 | | | |
| Overstrand | Overstrand | Overstrand | REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2) | H Blignaut | EL22/23/24 | 10 000 000 | | 10 000 000 | 10 000 000 | | 10 000 000 | 7 000 000 | | 7 000 000 |
| Overstrand | Overstrand | Overstrand | REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2) | H Blignaut | EL21-Infra Levy | 8 000 000 | | 8 000 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | WATER FACILITIES CONTINGENCY | H Blignaut | EL22/23/24 | 400 000 | | 400 000 | 500 000 | | 500 000 | 500 000 | | 500 000 |
| Kleinmond | KM/BB/PB | Multi-ward K | REFURBISHMENT OF KLEINMOND BUFFELS RIVER WTW | H Blignaut | EL23/24 | | | | 6 000 000 | | 6 000 000 | 6 000 000 | | 6 000 000 |
| Kleinmond | KM/BB/PB | Multi-ward K | ACCESS ROADS TO KLEINMOND BUFFELS RIVER WTW UPGRADE | H Blignaut | EL22 | 2 000 000 | | 2 000 000 | | | | | | |
| Kleinmond | Bettiesbay | Ward 10 | NEW VOORBERG BOOSTER PUMP STATION | H Blignaut | EL23 | | | | 3 000 000 | | 3 000 000 | | | |
| Hermanus | Hermanus | Multi-ward H | UPGRADE HERMANUS WELL FIELDS PHASE 2 | H Blignaut | EL21 -Roll over | 2 000 000 | | 2 000 000 | | | | | | |
| Gansbaai | Masakhane | Ward 02 | UPGRADE WATER LINES & NEW BOOSTER PUMPSTATION VALVES | D Hendriks | MIG | | 4 000 000 | 4 000 000 | | 3 900 000 | 3 900 000 | | | |
| Stanford | Stanford | Ward 01 | UPGRADE BULK WATER | D Hendriks | MIG | | 5 615 000 | 5 615 000 | | | | | | |
| Gansbaai | Buffeljachtsba | Ward 11 | WATER TREATMENT PLANT FOR BUFFELJACHTSBAAI | D Hendriks | MIG | | | | | | | | 3 000 000 | 3 000 000 |
| Gansbaai | Gansbaai | Multi-ward G | NEW BOOSTER PUMP STATION GANSBAAI TO DE KELDERS AND PIPELINE REFURE | H Blignaut | EL24 | | | | | | | 2 000 000 | | 2 000 000 |
| Gansbaai | Gansbaai | Multi-ward G | REFURBISH KRAAIBOSCH PUMP STATION AND PIPELINE | H Blignaut | EL24 | | | | | | | 2 000 000 | | 2 000 000 |
| | | | **SEWERAGE** | | | **24 350 000** | **10 016 000** | **34 366 000** | **18 900 000** | **16 428 000** | **35 328 000** | **16 000 000** | **15 568 000** | **31 568 000** |
| Overstrand | Overstrand | Overstrand | SEWERAGE FACILITIES CONTINGENCY | H Blignaut | EL22/23/24 | 650 000 | | 650 000 | 700 000 | | 700 000 | 700 000 | | 700 000 |
| Kleinmond | Kleinmond | Ward 09 | KLEINMOND SEWER NETWORK EXTENSION | H Blignaut | EL23/24 | | | | 4 000 000 | | 4 000 000 | 3 300 000 | | 3 300 000 |
| Kleinmond | Kleinmond | Multi-ward K | KLEINMOND WWTW REFURBISH UPGRADE (F1/2) | H Blignaut | EL22/23/24 | 3 450 000 | | 3 450 000 | 8 000 000 | | 8 000 000 | 3 000 000 | | 3 000 000 |
| Kleinmond | Kleinmond | Multi-ward K | KLEINMOND WWTW REFURBISH UPGRADE (F2/2) | H Blignaut | MIG | | | | | 2 000 000 | 2 000 000 | | 1 538 000 | 1 538 000 |
| Gansbaai | Gansbaai | Ward 02 | GANSBAAI CBD SEWER NETWORK EXTENSION (F1/2) | H Blignaut | EL22 | 4 000 000 | | 4 000 000 | | | | | | |
| Gansbaai | Gansbaai | Ward 02 | GANSBAAI CBD SEWER NETWORK EXTENSION (F2/2) | H Blignaut | EL21-Infra Levy | 2 250 000 | | 2 250 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | FENCING AT SEWERAGE INSTALLATIONS (F1/2) | H Blignaut | EL22 | 800 000 | | 800 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | FENCING AT SEWERAGE INSTALLATIONS (F2/2) | H Blignaut | Surplus -Non ta | 1 200 000 | | 1 200 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | UPGRADING OF PUMPSTATIONS RISING MAINS (F1/3) | H Blignaut | EL22/23/24 | 4 000 000 | | 4 000 000 | 5 000 000 | | 5 000 000 | 4 000 000 | | 4 000 000 |
| Overstrand | Overstrand | Overstrand | UPGRADING OF PUMPSTATIONS RISING MAINS (F2/3) | H Blignaut | EL21-Roll over | 5 000 000 | | 5 000 000 | | | | | | |
| Overstrand | Overstrand | Overstrand | UPGRADING OF PUMPSTATIONS RISING MAINS (F3/3) | H Blignaut | WSIG | | 5 182 000 | 5 182 000 | | 9 200 000 | 9 200 000 | | | |
| Hermanus | Hermanus | Multi-ward H | HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING | H Blignaut | EL22 | 3 000 000 | | 3 000 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | HAWSTON WWTW REFURBISH AND UPGRADE | H Blignaut | EL24 | | | | | | | 5 000 000 | | 5 000 000 |
| Gansbaai | Masakhane | Ward 02 | UPGRADE BULK SEWER SUPPLY AREA A&B | D Hendriks | MIG | | 4 834 000 | 4 834 000 | | 5 228 000 | 5 228 000 | | 10 530 000 | 10 530 000 |
| Hermanus | Zwelihle | Multi-ward H | ZWELIHLE SEWER | D Hendriks | MIG | | | | | | | | 3 500 000 | 3 500 000 |
| Hermanus | Hermanus | Multi-ward H | REFURBISH HERMANUS WWTW TREATED EFFLUENT IRRIGATION PIPELINE | H Blignaut | EL23 | | | | 1 200 000 | | 1 200 000 | | | |
| | | | **STORMWATER** | | | **6 330 000** | | **6 330 000** | | | | | | |
| Gansbaai | Franskraal | Ward 11 | STORMWATER AD HOC | J Solomons | Surplus -Non ta | 1 500 000 | | 1 500 000 | | | | | | |
| Kleinmond | Betty's/Pringle | Ward 10 | STORMWATER NETWORK | D Van Rhodie | Surplus -Non ta | 1 000 000 | | 1 000 000 | | | | | | |
| Hermanus | Zwelihle | Ward 05 | STORMWATER NETWORK | T Marx | Surplus -Non ta | 1 000 000 | | 1 000 000 | | | | | | |
| Hermanus | Sandbaai | Ward 07 | SANDBAAI BOULEVARD STORMWATER PROJECT | T Marx | Land Sales | 1 250 000 | | 1 250 000 | | | | | | |
| Stanford | Thembelihle | Ward 01 | STORMWATER AD HOC | J Solomons | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Stanford | Stanford | Ward 01 | STORMWATER AD HOC | J Solomons | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Gansbaai | Gansbaai | Ward 02 | STORMWATER | J Solomons | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Gansbaai | Masakhane | Ward 02 | STORMWATER AD HOC | J Solomons | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Gansbaai | Franskraal | Ward 11 | STORMWATER AD HOC | J Solomons | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Gansbaai | Baardskeerde | Ward 11 | STORMWATER AD HOC | J Solomons | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Gansbaai | Pearly Beach | Ward 11 | STORMWATER AD HOC | J Solomons | Operating Cash | 50 000 | | 50 000 | | | | | | |
| Gansbaai | Eluxolweni | Ward 11 | STORMWATER AD HOC | J Solomons | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Hermanus | Zwelihle | Ward 05 | STORM WATER DRAINS | T Marx | Operating Cash | 300 000 | | 300 000 | | | | | | |
| Hermanus | Zwelihle | Ward 05 | SUBSOIL DRAINAGE | T Marx | Operating Cash | 200 000 | | 200 000 | | | | | | |
| Hermanus | Zwelihle | Ward 06 | INSTALLATION OF SUBSOIL DRAINAGE | T Marx | Operating Cash | 200 000 | | 200 000 | | | | | | |
| Hermanus | Hawston | Ward 08 | STORMWATER AND TARRING OF CIRCLES HAWSTON | T Marx | Operating Cash | 100 000 | | 100 000 | | | | | | |
| Rooiels | Rooiels | Ward 10 | STORMWATER | D Van Rhodie | Operating Cash | 30 000 | | 30 000 | | | | | | |
| Hermanus | Zwelihle | Ward 12 | STORMWATER DRAINS | T Marx | Operating Cash | 150 000 | | 150 000 | | | | | | |
| | | | **WASTE MANAGEMENT** | | | **2 110 260** | | **2 110 260** | | | | | | |
| Hermanus | Voelklip | Ward 03 | VOELKLIP DROP OFF AND MINI DROP OFF ELECTRIC FENCING | C Mitchell | Surplus -Non ta | 90 000 | | 90 000 | | | | | | |
| Hermanus | Zwelihle | Ward 12 | HERMANUS TRANSFER STATION:NEW BOUNDARY WALL (F1/2) | D Nel | Surplus -Non ta | 1 250 000 | | 1 250 000 | | | | | | |
| Hermanus | Zwelihle | Ward 12 | HERMANUS TRANSFER STATION:NEW BOUNDARY WALL (F2/2) | D Nel | Surplus(Ins) | 770 260 | | 770 260 | | | | | | |

# DRAFT CAPITAL BUDGET 2021/22-2023/24 MTREF

| Area | Local Area | Ward | Project Description | Project Manager | Funding Source | 2021/22 BUDGET COUNCIL FUNDED | 2021/22 BUDGET EXTERNAL (GRANTS) | 2021/22 BUDGET TOTAL | 2022/23 BUDGET COUNCIL FUNDED | 2022/23 BUDGET EXTERNAL (GRANTS) | 2022/23 BUDGET TOTAL | 2023/24 BUDGET COUNCIL FUNDED | 2023/24 BUDGET EXTERNAL (GRANTS) | 2023/24 BUDGET TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **GRAND TOTAL** | | | | | | **122 930 580** | **110 513 085** | **233 443 665** | **65 000 000** | **77 286 195** | **142 286 195** | **60 000 000** | **35 835 000** | **95 835 000** |
| | | | **FUNDING:** | | | | | | | | | | | |
| | | | EXTERNAL LOAN 22/23/24(GENERAL CAPITAL) | | | 50 000 000 | | 50 000 000 | 50 000 000 | | 50 000 000 | 50 000 000 | | 50 000 000 |
| | | | EXTERNAL LOAN 21(ROLL OVER ) | | | 7 000 000 | | 7 000 000 | | | | | | |
| | | | EXTERNAL LOAN-INFRA LEVY 21( ROLL OVER) | | | 10 250 000 | | 10 250 000 | | | | | | |
| | | | SURPLUS | | | 16 655 000 | | 16 655 000 | 15 000 000 | | 15 000 000 | 10 000 000 | | 10 000 000 |
| | | | SURPLUS -NON TARIFF INFRASTRUCTURE | | | 13 000 000 | | 13 000 000 | | | | | | |
| | | | SURPLUS -NON TARIFF INFRASTRUCTURE(ROLL OVER) | | | 1 710 366 | | 1 710 366 | | | | | | |
| | | | LAND SALES | | | 1 250 000 | | 1 250 000 | | | | | | |
| | | | LAND SALES(ROLL OVER) | | | 5 546 343 | | 5 546 343 | | | | | | |
| | | | SURPLUS- INSURANCE | | | 770 260 | | 770 260 | | | | | | |
| | | | SURPLUS INSURANCE(ROLL OVER) | | | 4 373 611 | | 4 373 611 | | | | | | |
| | | | BULK CONTRIBUTIONS INFRASTRUCTURE LEVY(BCIL) | | | 6 500 000 | | 6 500 000 | | | | | | |
| | | | OPERATING CASH (WSP) | | | 5 875 000 | | 5 875 000 | | | | | | |
| | | | DBSA-PUBLIC CONTRIBUTION | | | | 11 900 000 | 11 900 000 | | | | | | |
| | | | CONSTRUCTION CONTRACTS | | | | 52 259 085 | 52 259 085 | | 36 458 195 | 36 458 195 | | 3 267 000 | 3 267 000 |
| | | | PROV-SPORT & RECREATION GRANT | | | | 600 000 | 600 000 | | | | | | |
| | | | MIG | | | | 22 053 000 | 22 053 000 | | 24 628 000 | 24 628 000 | | 25 568 000 | 25 568 000 |
| | | | INEP | | | | 18 519 000 | 18 519 000 | | 7 000 000 | 7 000 000 | | 7 000 000 | 7 000 000 |
| | | | WATER SERVICES INFRASTRUCTURE GRANT | | | | 5 182 000 | 5 182 000 | | 9 200 000 | 9 200 000 | | | |
| | | | **GRAND TOTAL** | | | **122 930 580** | **110 513 085** | **233 443 665** | **65 000 000** | **77 286 195** | **142 286 195** | **60 000 000** | **35 835 000** | **95 835 000** |

# 2021/2022 - DRAFT WARD SPECIFIC PROJECTS

| Town | Local Area | Ward | Project Description | PROJECT MANAGER | BUDGET | TYPE-CAPEX/OPEX |
|---|---|---|---|---|---|---|
| Stanford | Stanford | 1 | Development of Millstream(Wandelpad) | F Myburgh | 50 000 | Opex |
| Stanford | Thembelihle | 1 | Stormwater(Ad-hoc) | J Solomons | 50 000 | Capex |
| Stanford | Stanford | 1 | Stormwater(Ad-hoc) | J Solomons | 50 000 | Capex |
| Stanford | Thembelihle | 1 | Traffic Calming | J Solomons | 50 000 | Capex |
| Stanford | Stanford | 1 | Upgrade of Public boat launching site ablutions-Du Toit street | F Myburgh | 100 000 | Capex |
| Stanford | Stanford | 1 | Revitilisation of CBD | J Solomons | 200 000 | Capex |
| | | | | | **500 000** | |
| Gansbaai | Masakhane | 2 | Stormwater(Ad-hoc) | J Solomons | 100 000 | Capex |
| Gansbaai | Masakhane | 2 | Sidewalks | J Solomons | 200 000 | Capex |
| Gansbaai | Gansbaai | 2 | Stormwater | J Solomons | 100 000 | Capex |
| Gansbaai | Gansbaai | 2 | Gansbaai sidewalks | J Solomons | 100 000 | Capex |
| | | | | | **500 000** | |
| Hermanus | Hermanus | 3 | CCTV - Maintenance of camera & system software | L Smith | 50 000 | Opex |
| Hermanus | Hermanus | 3 | CCTV - Camera | L Smith | 50 000 | Capex |
| Hermanus | Hermanus | 3 | Construction of new cliff paths | T Marx | 100 000 | Capex |
| Hermanus | Hermanus | 3 | Maintenance of sidewalks-Mn Rd-NG Church parking area to De Goede Street | T Marx | 100 000 | Opex |
| Hermanus | Hermanus | 3 | Development of BMX track & skate park | T Marx | 100 000 | Capex |
| Hermanus | Hermanus | 3 | Traffic calming | T Marx | 50 000 | Capex |
| Hermanus | Hermanus | 3 | Animal and environmental proof bins | T Marx | 50 000 | Opex |
| | | | | | **500 000** | |
| Hermanus | Mount Pleasant | 4 | CCTV Cameras-Mount Pleasant | L Smith | 100 000 | Capex |
| Hermanus | Mount Pleasant | 4 | Mount Pleasant:Speedcalming | T Marx | 25 000 | Capex |
| Hermanus | Mount Pleasant | 4 | Mount Pleasant:Sidewalks | T Marx | 50 000 | Capex |
| Hermanus | Mount Pleasant | 4 | Mount Pleasant:Upgrading of sportsgrounds | T Marx | 50 000 | Capex |
| Hermanus | Westcliff | 4 | Upgrading of front area of Huis Lettie Theron | T Marx | 50 000 | Capex |
| Hermanus | Westcliff | 4 | Westcliff:Sidewalks | T Marx | 75 000 | Capex |
| Hermanus | Westcliff | 4 | Viewing point upgrade Still street | T Marx | 100 000 | Capex |
| Hermanus | Westcliff | 4 | Westcliff:Speedcalming | T Marx | 50 000 | Capex |
| | | | | | **500 000** | |
| Hermanus | Zwelihle | 5 | Storm water drains | T Marx | 300 000 | Capex |
| Hermanus | Zwelihle | 5 | Subsoil drainage | T Marx | 200 000 | Capex |
| | | | | | **500 000** | |
| Hermanus | Zwelihle | 6 | Construction of sidewalks | T Marx | 200 000 | Capex |
| Hermanus | Zwelihle | 6 | Removal of old roof sheets (Zwelihle Community Hall) | T Marx | 100 000 | Opex |
| Hermanus | Zwelihle | 6 | Installation of subsoil drainage | T Marx | 200 000 | Capex |
| | | | | | **500 000** | |
| Hermanus | Sandbaai | 7 | Street lights | K Du Plessis | 100 000 | Capex |
| Hermanus | Sandbaai | 7 | Restoration and upgrade of beach area including facilities | T Marx | 300 000 | Capex |
| Hermanus | Sandbaai | 7 | Restoration and upgrade of beach area including facilities | T Marx | 100 000 | Opex |
| | | | | | **500 000** | |
| Hermanus | Fisherhaven | 8 | Curbing and tar/paving of sidewalks | T Marx | 180 000 | Capex |
| Hermanus | Fisherhaven | 8 | CCTV -Fisherhaven | L Smith | 40 000 | Capex |
| Hermanus | Fisherhaven | 8 | Streetlights | K Du Plessis | 30 000 | Capex |
| Hermanus | Hawston | 8 | Stormwater and tarring of circles-Hawston | T Marx | 100 000 | Capex |
| Hermanus | Hawston | 8 | Curbing and tarring of sidewalks-Hawston | T Marx | 100 000 | Capex |
| Hermanus | Hawston | 8 | Traffic Calming-Hawston | T Marx | 50 000 | Capex |
| | | | | | **500 000** | |

| Town | Local Area | Ward | Project Description | PROJECT MANAGER | BUDGET | TYPE-CAPEX/OPEX |
|---|---|---|---|---|---|---|
| | | | | | | |
| Kleinmond | KM/Old Proteador | 9 | Refuse Skips | D Van Rhodie | 55 000 | Opex |
| Kleinmond | Kleinmond | 9 | Speed Calming | D Van Rhodie | 35 000 | Opex |
| Kleinmond | KM/Old Proteador | 9 | Kerbing (Old Proteadorp) | D Van Rhodie | 50 000 | Opex |
| Kleinmond | Kleinmond | 9 | Bus shelters (Main Road) | D Van Rhodie | 60 000 | Capex |
| Kleinmond | Kleinmond | 9 | Upgrading of Town Hall | D Van Rhodie | 110 000 | Capex |
| Kleinmond | Kleinmond | 9 | Minor Assets(Equipment for Town Hall) | D La Kay | 35 000 | Capex |
| Kleinmond | Proteadorp | 9 | Proteadorp:Heideland Creche Parking Area | D Van Rhodie | 65 000 | Capex |
| Kleinmond | Kleinmond | 9 | Electronic Notice Board/s at entrances to Kleinmond | D Vvan Rhodie | 90 000 | Opex |
| | | | | | **500 000** | |
| | | | | | | |
| Rooiels | Rooiels | 10 | Anemone Road paving | D Van Rhodie | 150 000 | Capex |
| Rooiels | Rooiels | 10 | Stormwater | D Van Rhodie | 30 000 | Capex |
| Hangklip | Hangklip area | 10 | Hangklip Beaches:Ablution facilities upgrade | D Van Rhodie | 100 000 | Opex |
| Betty's Bay | Betty's Bay | 10 | Betty's Bay:Cameras | L Smith | 50 000 | Capex |
| Betty's Bay | Mooiuitsig | 10 | Mooiuitsig:Kerbing | D Van Rhodie | 25 000 | Capex |
| Hangklip/KM | Hangklip/KM | 10 | Speed calming | D Van Rhodie | 50 000 | Capex |
| Kleinmond | Overhills | 10 | Overhills Informal Settlement:Tanks | D Van Rhodie | 20 000 | Opex |
| Hangklip/KM | Hangklip/KM | 10 | Refuse skips | D Van Rhodie | 75 000 | Opex |
| | | | | | **500 000** | |
| | | | | | | |
| Gansbaai | Franskraal | 11 | Stormwater(Ad-hoc) | J Solomons | 100 000 | Capex |
| Gansbaai | Franskraal | 11 | Sidewalks | J Solomons | 100 000 | Capex |
| Gansbaai | Baardskeerderbos | 11 | Stormwater(Ad-hoc) | J Solomons | 50 000 | Capex |
| Gansbaai | Pearly Beach | 11 | Stormwater(Ad-hoc) | J Solomons | 50 000 | Capex |
| Gansbaai | Pearly Beach | 11 | Traffic Calming | J Solomons | 50 000 | Capex |
| Gansbaai | Buffeljachtsbaai | 11 | Traffic Calming | J Solomons | 50 000 | Capex |
| Gansbaai | Eluxolweni | 11 | Stormwater(Ad-hoc) | J Solomons | 100 000 | Capex |
| | | | | | **500 000** | |
| | | | | | | |
| Hermanus | Zwelihle | 12 | Upgrading Schulphoek outdoor Gym & Fencing | T Marx | 200 000 | Capex |
| Hermanus | Zwelihle | 12 | Sidewalks and speed calming measures | T Marx | 150 000 | Capex |
| Hermanus | Zwelihle | 12 | Stormwater drains | T Marx | 150 000 | Capex |
| | | | | | **500 000** | |
| | | | | | | |
| Hermanus | Onrus | 13 | Construction and upgrading of Atlantic Drive walkway | T Marx | 200 000 | Capex |
| Hermanus | Vermont | 13 | Construction and extension of coastal path | T Marx | 200 000 | Capex |
| Hermanus | Vermont | 13 | Upgrading of Marine Drive coastal area at Jan Rabie Pool –Stone wall on both sides of entrance and exit | T Marx | 70 000 | Capex |
| Hermanus | Vermont | 13 | Streetlights | K Du Plessis | 30 000 | Capex |
| | | | | | **500 000** | |
| | | | | | | |
| Gansbaai | Gansbaai All | 14 | K53 Testing Station (Drivers Licence) | F Myburgh | 100 000 | Opex |
| Gansbaai | Blompark | 14 | Playpark equipment | F Myburgh | 50 000 | Opex |
| Gansbaai | De Kelders | 14 | Playpark equipment | F Myburgh | 50 000 | Opex |
| Gansbaai | Gansbaai | 14 | Playpark equipment | F Myburgh | 50 000 | Opex |
| Gansbaai | Blompark | 14 | Sidewalks | J Solomons | 100 000 | Capex |
| Gansbaai | De Kelders | 14 | Sidewalks | J Solomons | 100 000 | Capex |
| Gansbaai | Gansbaai | 14 | Sidewalks | J Solomons | 50 000 | Capex |
| | | | | | **500 000** | |

| | | |
|---|---|---|
| **GRAND TOTAL** | **7 000 000** | |
| | **5 875 000** | **Capex** |
| | **1 125 000** | **Opex** |
| | **7 000 000** | |

# PROPOSED 3 YEAR DRAFT HOUSING BUDGET 2021-2024

| Project | Draft Budget 2021/2022 | Draft Budget 2022/2023 | Draft Budget 2023/2024 |
|---|---|---|---|
| Hawston TS (378) | R 756 000.00 | | |
| Blompark TS (539) | R 12 500 000.00 | R 13 000 000.00 | R 13 000 000.00 |
| Swartdamweg Site C1 TS (150) | R 12 308 343.00 | R 195 000.00 | |
| Housing Admin Refurbishment (125) | R 4 632 602.00 | R 4 632 602.50 | |
| Masakhane TS (295) | R 13 000 000.00 | R 7 554 202.50 | R 6 733 000.00 |
| Stanford TS (783) | R 12 043 970.00 | R 10 460 000.00 | |
| **TOTAL OPEX** | **R 55 240 915.00** | **R 35 841 805.00** | **R 19 733 000.00** |
| | | | |
| Masakhane UISP (1179) | R 30 000 000.00 | R 24 980 000.00 | |
| Masakhane UISP Wetcores (1179) | R 6 900 000.00 | R 5 178 195.00 | R 3 267 000.00 |
| Transit Camp Wetcores (150) | R 2 459 085.00 | | |
| Mount Pleasant IRDP Infill (315) | R 12 900 000.00 | R 5 100 000.00 | |
| Kleinmond IRDP | | R 600 000.00 | |
| Kleinmond Overhills UISP | | R 600 000.00 | |
| **TOTAL CAPEX** | **R 52 259 085.00** | **R 36 458 195.00** | **R 3 267 000.00** |
| | | | |
| **GRAND TOTAL** | **R 107 500 000.00** | **R 72 300 000.00** | **R 23 000 000.00** |

# ANNEXURE F

# SERVICE LEVEL STANDARDS

| Province: Municipality(WC032) - Schedule of Service Delivery Standards | |
|---|---|
| **Description** | |
| **Standard** | **Service Level 2021/2022** |
| **Solid Waste Removal** | |
| Premise based removal (Residential Frequency) | WEEKLY |
| Premise based removal (Business Frequency) | UP TO 7 TIMES PER WEEK (AS PER REQUEST) |
| Bulk Removal (Frequency) | NO |
| Removal Bags provided(Yes/No) | NO |
| Garden refuse removal Included (Yes/No) | YES (1 bag) |
| Street Cleaning Frequency in CBD | DAILY |
| Street Cleaning Frequency in areas excluding CBD | DAILY ON ROTATIONAL BASIS |
| How soon are public areas cleaned after events (24hours/48hours/longer) | WITHIN 24 HRS |
| Clearing of illegal dumping (24hours/48hours/longer) | 48 HOURS (from notification) |
| Recycling or environmentally friendly practices(Yes/No) | 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. |
| Licenced landfill site(Yes/No) | Yes |
| | |
| **Water Service** | |
| Water Quality rating (Blue/Green/Brown/N0 drop) | Programme discontinued by DWS |
| Is free water available to all? (All/only to the indigent consumers) | Indigent Consumers only |
| Frequency of meter reading? (per month, per year) | Monthly |
| Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period) | 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 2.4 Bar pressure |
| Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No) | Yes. Groundwater Monitoring Programs |
| How long does it take to replace faulty water meters? (days) | 5 days |
| Do you have a cathodic protection system in place that is operational at this stage? (Yes/No) | No |
| | |
| **Electricity Service** | |
| What is your electricity availability percentage on average per month? | 98,78% (Eskom Loadshedding included) 99.7% (Eskom Loadshedding excluded) |
| Do your municipality have a ripple control in place that is operational? (Yes/No) | YES |
| How much do you estimate is the cost saving in utilizing the ripple control system? | R 1 477 732.00 p/a |
| What is the frequency of meters being read? (per month, per year) | PER MONTH |
| Are estimated consumption calculated at consumption over (two month's/three month's/longer period) | N/A |
| On average for how long does the municipality use estimates before reverting back to actual readings? (months) | N/A |
| Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer) | IMMEDIATE |
| Are accounts normally calculated on actual readings? (Yes/no) | YES |
| Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No) | NO |
| How long does it take to replace faulty meters? (days) | 1 |

| Description | |
|---|---|
| **Standard** | **Service Level 2021/2022** |
| Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No) | YES |
| How effective is the action plan in curbing line losses? (Good/Bad) | GOOD |
| How soon does the municipality provide a quotation to a customer upon a written request? (days) | 7 |
| How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days) | 5 |
| How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days) | 5 |
| How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days) | 21 |
| | |
| **Sewerage Service** | |
| Are your purification system effective enough to put water back in to the system after purification? | YES, effective to put water back into water resources in accordance with license conditions. |
| To what extent do you subsidize your indigent consumers? | Basic 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) | Decrease |
| Are the financial statement outsources? (Yes/No) | No |
| Are there Council adopted business process tsructuing the flow and managemet of documentation feeding to Trial Balalnce? | Standard Operating Procedures |
| How long does it take for an Tax/Invoice to be paid from the date it has been received? | 30 days |
| Is there advance planning from SCM unit linking all departmental plans quaterly and annualy including for the next two to three years procurement plans? | Yes |
| | |
| **Administration** | |
| Reaction time on enquiries and requests? | 1 to 10 |
| Time to respond to a verbal customer enquiry or request? (working days) | 1 to 10 |
| Time to respond to a written customer enquiry or request? (working days) | 10 |
| Time to resolve a customer enquiry or request? (working days) | 10 |
| What percentage of calls are not answered? (5%,10% or more) | 1 |
| How long does it take to respond to voice mails? (hours) | N/A |
| Does the municipality have control over locked enquiries? (Yes/No) | yes |

| Description | |
|---|---|
| **Standard** | **Service Level 2021/2022** |
| Is there a reduction in the number of complaints or not? (Yes/No) | no |
| How long does in take to open an account to a new customer? (1 day/ 2 days/ a week or longer) | 1 day |
| How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings? | Weekly progress reports |
| | |
| **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

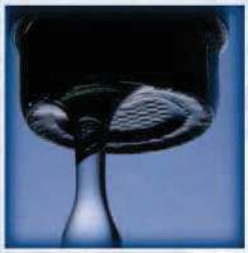
# WATER & WASTE WATER QUALITY

# 2014 Blue Drop Report









water & sanitation
Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

blue drop
CERTIFICATION
drinking water quality
REGULATION

# Blue Drop Requirements for 2014

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

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

| | | |
|---|---|---|
| | **COMPLIANCE** (5%) | - Excellent Compliance (93% for <100 000 population & 95% for >100 000 population)<br>- 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<br>- Excellent Compliance (93% for <100 000 population & 95% for >100 000 population)<br>- Good Compliance (90% for <100 000 population & 93% for >100 000 population) |
| | **PENALTY (1): Data Difference** | **Should there be a difference between data available on BDS and that which is presented in hardcopy for verification the penalty will apply** |
| | **PENALTY (2): <11 Months' Data** | **Less than 11 months data available to assess Microbiological and Chemical compliance** |
| | **PENALTY (3): Notification of Failure** | **If there is any significant (sustained) failure with no evidence of a Water Quality Alert Notice (Boil Water Notice) being issued, this penalty will apply. NB! This may have an implication on qualification for certification** |
| **(4) MANAGE-MENT, ACCOUNTA-BILITY, & LOCAL REGULATION 10%** | **(4.1) MANAGEMENT COMMITMENT** (30%) | Management's commitment to effective Drinking Water Quality Operations & Management should be portrayed by Proof of signature approval of the:<br>**a)** Water Safety Plan<br>**b)** DWQ Monitoring Programme<br>**c)** Water Treatment Plant Logbook<br>**d)** Operations and Maintenance Budget<br>**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<br>Forms of Publication:<br>>Newspaper publication<br>>Municipal Billing<br>>Community Radio<br>>Annual Report<br>>Posters & Pamphlets<br>>Population and Promotion of "My Water"<br>>Electronic Webpage<br>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,<br>**OR**<br>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)<br>**b) All** compliance monitoring test results are required to be submitted<br>**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<br>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:<br>**a)** Detail relevant equipment and infrastructure<br>**b)** Indicate asset description<br>**c)** Location<br>**d)** Condition (remaining life)<br>**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)<br>**b)** Additional prove required on team competency (e.g. Qualification & Experience & Trade-test) |
| | **(5.4) OPERATIONS & MAINTENANCE MANUAL** (15%) | O&M manual to contain:<br>**a)** Civil, mechanical, electrical detail / drawings of plant<br>**b)** Design capacity of plant<br>**c)** Operational schedules, maintenance schedules<br>**d)** Process detail and control<br>**e)** Mechanical and electrical equipment specification<br>**f)** Fault finding<br>**g)** Monitoring |
| | **(5.5) OPERATIONS & MAINTENANCE BUDGET and EXPENDITURE** (20%) | The Institution must present credible evidence of:<br>**a)** Maintenance Budget (as part of Operations Budget)<br>**b)** Maintenance Expenditure (as part of the Operations Expenditure)<br>**c)** Maintenance Expenditure should be more than 5% of the Operations Expenditure in Total for the preceding Financial Year<br>Financial expenditure to apply as per Municipal Budget Year: Jul 2012 to Jun 2013 |
| | **(5.6) DESIGN CAPACITY vs. OPERATIONAL CAPACITY** (15%) | Proof to be submitted of the documented design capacity and documented daily operating capacity over the past 12 months<br>Groundwater dependant systems must have an acceptable plan which stipulates abstraction patterns that will prevent aquifer damage<br>Flow meters must be calibrated at least annually |
| | | |
| **Blue Drop Requirements= TOTAL 97%** | | |

# 2014 NO DROP REQUIREMENTS (Water use efficiency)

**(6) WATER USE EFFICIENCY & WATER LOSS MANAGE-MENT 3%**

**(6.1) WATER BALANCE** (30%)

Provide MONTHLY and ANNUAL composite IWA water balance diagrams and supporting documents for the complete system as part of the water audit (as a component in the WSDP) as per Regulation 509 of 2001 Clause 10 of the Water Supply Regulations. Balance diagram to specify as a minimum the main components of the IWA balance including Water Losses broken down into:

**a)** System input volumes
**b)** Billed metered and unmetered usage
**c)** Unbilled Authorised Consumption
**d)** Water losses broken down into Real and Apparent Losses
**e)** Free Basic Water, and
**f)** Non Revenue Water

and to be supported by a schematic showing bulk meters, zones and main infrastructure components

*Note: WSI's to ensure that units are clearly indicated against numeric values in water balance (e.g. 100 kl/annum, 50 $m^3$/day, etc)*

**(6.2) WDM STRATEGY and BUSINESS PLAN and IMPLEMENTATION** (30%)

**a)** Evidence must be provided of a Council approved WDM strategy and business plan consisting of at least the following:
- Background and Context
- Situation Assessment including a Needs Statement
- Key Issues and Challenges
- Focus Areas of Intervention
- List of Proposed Interventions
- Set targets for demand, NRW, commercial and real losses
- Budget and Multi-year Implementation Timeline

**b)** Provide evidence of implementation against the above Plan in terms of:
- List of Interventions (Projects)
- Movement against targets for demand, NRW, commercial and real losses
- Budget and Multi-year Implementation Timeline

*(Reg 509 of 2001 Clause 10)*

**(6.3) COMPLIANCE and PERFORMANCE** (40%)

**a)** Provide historic data in order to calculate the following:
- Physical (real) water loss trend
- Commercial water loss trend
- Water use efficiency trend

**b)** Provide the following data (grey cells only) with supporting documentation, in order to calculate the WSI baseline profile for:
- Physical (real) water loss status
- Commercial water loss status
- Water use efficiency status

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

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

Quality of Drinking Water

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

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

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

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

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

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

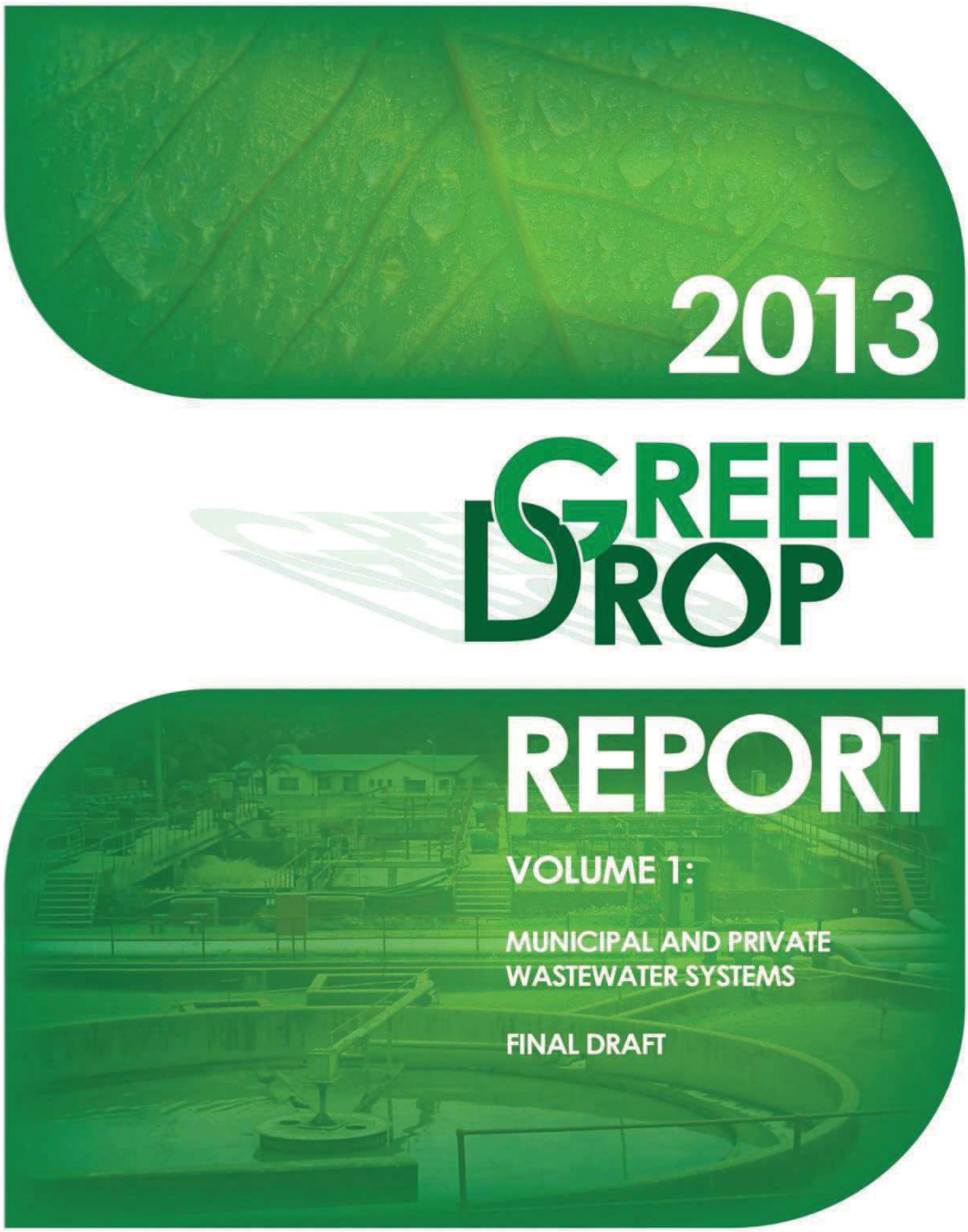
- A flow chart was displayed of the incident management protocol that indicates roles and responsibilities but alert levels were not included.
- The original O&M manual for the WTW is not available. Standard operating procedures have been compiled.
- Records of jar tests undertaken by the service provider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




Gravity flow dosing system of flocculent



Chemical tanks not bunded




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%** |
| **2011 Municipal Green Drop Score** | **63.80%** |
| **2009 Municipal Green Drop Score** | **75.00%** |

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

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

*Note: volumetric capacity refers to Average Dry Weather Flow*

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

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

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

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

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

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

# 1. GREEN DROPSCORECARD 2012/13

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

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

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

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

| Green Drop Key Performance Area | Requirements | Sub-Requirements |
|---|---|---|
| **(1) Process Control and Maintenance**<br><br>**[10%]** | **(1.1)**<br><br>**WORKS REGISTRATION** | **a)** The wastewater treatment facility is registered as per the Requirements of Regulation 2834/17. |
| | **(1.2)**<br><br>**PROCESS CONTROLLER & SUPERVISOR REGISTRATION** | **a)** Copies of Registration Certificates of Process Controllers and Supervisor(s)<br>**b)** Copies of the classification certificates of all process controllers/operators and supervisors/ superintendents must be uploaded on the GDS;<br>**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.<br>**d)** WSI must indicate process controllers and/or supervisors that are 'shared' across different plants/sites. |
| | **1.3)**<br><br>**MAINTENANCE TEAM** | **a)** Evidence of Maintenance Team used for general maintenance work at the plant & pump-stations(both mechanical and electrical)<br>**b)** Information on in-house staff (or organogram) or external contractor/s<br>**c)** Provide additional proof of competency of team (e.g. Qualification & Experience & Trade-test)<br>**d)** Provide a site specific operation and maintenance schedule (routine / scheduled)<br>**e)** Contract or Logbook with maintenance entries to serve as evidence of the above aspects |
| | **1.4)**<br><br>**OPERATIONS & MAINTENANCE MANUAL** | **a)** Proof of a 'site-specific' Operation & Maintenance Manual<br>O&M manual to contain:<br>*1. structural,*<br>*2. mechanical,*<br>*3. electrical detail of plant,*<br>*4. design specifications of plant,*<br>*5. reference to drawings,*<br>*6. operational schedules,*<br>*7. maintenance schedules,*<br>*8. process detail and control,*<br>*9. instrumentation specification/type,*<br>*10. fault finding,*<br>*11. monitoring,*<br>*12. pump curves,*<br>*13. supportive appendices* |
| | **(1.5)**<br><br>**OPERATIONAL LOGBOOK** | **a)** A logbook is in place to record all incidents at the wastewater treatment works.<br>**b)** Evidence is presented that the logbook process is being implemented. |

| | | |
|---|---|---|
| | **BONUS**<br><br>**(Process Control)** | **BONUS**: Proof of Process Controller staff being subjected to relevant training the past 24 months<br>1. Names of trainees and signature of attendance / Certificate<br>2. Date and training subject field<br>3. Training provider and content of training |
| | | |
| **(2)**<br><br>**Wastewater Monitoring Programme**<br><br>**[15%]** | **(2.1)**<br><br>**OPERATIONAL MONITORING** | Details of Operational Monitoring:<br>**a)** Proof of Operational Monitoring sites, determinands and frequency;<br>**b)** Samples must include:<br>i) *inflow*<br>*ii) outflow*<br>*iii) process flows*<br>*iv) industrial*<br>*v) sludge*<br>**c)** Determinands monitored;<br>**d)** as per Authorisation / as per best practice per technology type;<br>**e)** Frequency: as per Authorisation /as per best practice (1/month for micro & small plants, 1 /week for medium plants, and 1/day for large & macro plants) |
| | **(2.2)**<br><br>**COMPLIANCE MONITORING** | Details of Compliance Monitoring (For ALL Effluent Discharges).<br>**a)** Sampling Sites as per Authorisation;<br>**b)** Determinands as per Authorisation (This would include determinands not categorised as Microbiological, Chemical or Physical, e.g. SAR) ;<br>**c)** Sampling frequency occurs as Authorisation Requirements<br>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.<br>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)**<br><br>**LABORATORY USED** | **a)** Name lab(s) for operational analysis (in-house or on-site) and lab for compliance analysis/checks (in-house or external)<br>**b)** Provide the turnaround in laboratory analysis (in hours: from time of submission to time of results dissemination) |
| | **(2.3)**<br><br>**LABORATORY CREDIBILITY** | **a)** Certificate of Accreditation for applicable methods,<br>**b)** Or Z-scores results following participation a recognised Proficiency Testing Scheme (–2 ≥ z-score ≥ 2 are unacceptable)<br>**c)** Or Proof of Intra- and Inter-laboratory proficiency (quality assurance as prescribed in Standard Methods) |
| | **(2.4)**<br><br>**PROCESS CONTROL / MONITORING RESULTS** | **a)** Explain how monitoring results are used to amend/improve process controlling<br><br>*[The assessor will select at random analytical parameter/s from the presented analytical results to present an audit question. This might be checked during on-site assessment.]* |
| | | |
| **(3)**<br><br>**Submission of Wastewater Quality Results**<br><br>**[5%]** | **(3.1)**<br><br>**DATA SUBMISSION** | 1. 12 months of data submitted to DWA on the GDS<br>**2.** WSA must ensure that 12 months' sets of results are submitted and recorded on the GDS prior to the assessment. Note: All compliance results' data required |
| | **PENALTY (1):**<br>Data Not Captured<br><br>**OR** | Penalty will apply should Wastewater results be available but not captured on GDS. |
| | **PENALTY (2):**<br>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** | **(4.1) WATER USE AUTHORISATION** | **a)** Copy of authorisation, detailing Effluent Quality Standards. **NOTE**: List Standards to comply with. |
| **[30%]** | **(4.2)**<br>**EFFLUENT QUALITY COMPLIANCE** | **a)** 90% **Microbiological Compliance**<br>(e.g. E Coli; Faecal Coliforms)<br>**b)** 90% **Chemical Compliance**<br>(e.g. COD, Ammonia, Nitrogen, Nitrate, Nitrite, Residual Chlorine, Ortho-Phosphates, Fluoride, Arsenic, Cadmium, Copper, Manganese, Iron, Selenium, Zinc, Boron, etc.)<br>**c)** 90% **Physical Compliance**<br>(e.g. pH, Suspended Solids, Electrical Conductivity, Soap, Oil or Grease, etc) |
| | **BONUS**<br>**(GDIP)** | **a)** A practical Green Drop Improvement Plan (GDIP) in place – with baseline (current) score, tasks, responsible person, completion date, budget, target GDC score;<br>**b)** Implementation evidence and proof of management of process |
| | **PENALTY:**<br>**(Sludge Management)** | a) Sludge treatment not managed / monitored. (Monitoring records must be produced);<br>b) In case of ponds systems, provide schedule for desludging of system. |
| | | |
| **(5)**<br>**Wastewater Quality Risk Management** | **(5.1)**<br>**WASTEWATER RISK ABATEMENT PLAN ($W_2$RAP)** | **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<br>**b)** Implementation evidence and proof of management commitment |
| **[15%]** | **(5.2)**<br>**INCIDENT REGISTER** | **a)** Provide evidence of implementation of Protocol<br>**b)** Wastewater Quality Failure Incident and Sewer Spillage Incident register. |
| | **(5.3)**<br>**WASTEWATER INCIDENT MANAGEMENT PROTOCOL** | **a)** Evidence of a documented Wastewater Incident Management Protocol<br>**b)** Protocol to specify alert levels, response times, required actions, roles & responsibilities and communication measures/vehicles.<br>**c)** NB. Include Pumpstation failure (sewer collector system spillages) |
| | **BONUS**<br>**(Energy)** | WSI is able to provide DWA with:<br>a) Electricity consumption over last financial year (in KWh/day) and Rand value (R/year) of treatment plant;<br>b) Energy demand projections over next >3 years (in KWh/day) and in Rand value (R/year); and<br>c) Calculate cost of energy (KWh/kl wastewater treated) |
| | | |
| **(6)**<br>**Local Regulation** | **(6.1)**<br>**BYLAWS** | Proof of the Bylaws providing for the regulation of:<br>*1. industrial (trade) influent (volumes & quality) discharged into municipal system,*<br>*2. package plants,*<br>*3. decentralized systems,*<br>*4. vacuum tank discharges and*<br>*5. Spillages into the environment.*<br>*6. Storm-water connections to sewer system.* |
| **[5%]** | **(6.2)**<br>**ENFORCEMENT** | 1. Proof of application of Bylaw clause in practice, supported by written notice/s to offender **OR**<br>2. Proof of adequate enforcement (informing relevant sectors and means of monitoring industrial or other sewer influent.)<br>3. Records of Package Plants in area of jurisdiction (where development was approved by the Authority (Local Government). |

| | | |
|---|---|---|
| | **PENALTY:**<br><br>**(Industrial Monitoring)** | No evidence of any Industrial influent monitoring.<br>1. There must be proof in form of results to indicate WSA is performing its local regulation function as per Wastewater Services. |
| | **BONUS**<br><br>**(Publication)** | 1. Annual Publication of wastewater management performance against the requirements of the site-specific License conditions or General Authorisations<br>2. Name and date of publication, copy of information pertaining to audit question.<br>3. Note: Communication must include compliance summary |
| | | |
| **(7)**<br><br>**Wastewater Treatment Capacity** | **(7.1)**<br><br>**DESIGN CAPACITY** | **a)** Documented design capacity (hydraulic and organic) of the wastewater treatment facility<br>1. Design capacity as Average Dry Weather Flow (ADWF) and COD load to the plant<br>and<br>**b)** Documented daily receiving flows over the 12 months of assessed period (ideally ≤ than design capacity)<br>1. Evidence of daily flows and subsequent calculated averages. Measurement method to be explained<br>2. Evidence of peak wet weather flow to plant during rain events (record rain event and flow to plant)<br>3. Evidence of minimum night flow (minimum monitoring: monthly)<br>4. Water services institution is required to provide motivation/proof of accuracy of meter readings.<br>**c)** Monitoring of outflow volumes (available records) - provide proof of verification system and/or calibration of meters) |
| **[5%]** | **(7.2)**<br><br>**WWTW CAPACITY PLANNING** | Medium to long term planning to ensure sufficient capacity for treatment system and to ensure effluent quality compliance;<br>1. Detailed Work-plan which stipulates:<br>i*) type of work,*<br>*ii) associated budget,*<br>*iii) projected timeframe*<br>*iv) planned output of this work.* |
| | **(7.3)**<br><br>**COLLECTOR CAPACITY PLANNING** | Medium to long term planning to ensure sufficient capacity for collecting system1. Detailed Work-plan which stipulates:<br>*i) type of work,*<br>*ii) associated budget*<br>*iii) projected timeframe*<br>*iv) iv) the planned output of this work*<br><br>Note for 7.2 and 7.3: When the WSI is motivating that 'no work' is needed, then provide basis for such standpoint (i.e. quantified design versus operational capacity, usage of system, expected housing developments, condition of treatment system) |
| | **PENALTY** | **CapacityUtilisation <40%, >90%, >100%** |
| | | |
| **(8)**<br><br>**Wastewater Asset Management** | **(8.1)**<br><br>**PROCESS AUDIT** | **a)** Process Audit reporting (evidence required of audit findings and recommendations) on treatment facility efficacy. The audit to include the (design) capability of the plant to meet compliance standards, as well as actual performance of plant. Should've been done between July 2010 and June 2012.<br>**b)** Evidence/plan of implementation of findings during year following Audit Report required. |
| **[15%]** | **(8.2)**<br><br>**SEWER MAIN INSPECTION** | **c)** Site inspection of sewer reticulation network and pump-station/s. Provide evidence in form of capacity and condition assessment and recommendations of system. Report to include flow balance that provides evidence which % of total sewage is received at treatment plant.<br><br>Note: both the process audit and sewer network report could serve as baseline to the $W_2$RAP (may run concurrently with "system description and risk identification/rating) |

| | | |
|---|---|---|
| | **(8.3)**<br><br>**WASTEWATER ASSET REGISTER** | **d)** Updated sanitation / wastewater Infrastructure Asset Register<br>1. Proof of Asset Register, evidence to be submitted. Asset register to include movable equipment and immovable infrastructure / assets with matching detail.<br>The asset register must detail :<br>a) relevant equipment and infrastructure<br>b) indicate asset description<br>c) location<br>d) condition (remaining life)<br>e) replacement value |
| | **(8.4)**<br><br>**O&M BUDGET &EXPENDITURE** | **e)** Operation and maintenance budget and comparative expenditure detail for:<br>1. *wastewater treatment (in cents/$m^3$), and*<br>*2. collection system (R/$m^3$)*<br>The assessor will require the WSI to explain how these figures compare or are benchmarked to determine whether budget is (in)sufficient<br><br>NOTE: Indicate whether WSI could only provide global figures or system specific figures. |
| | **(8.5)**<br><br>**PUMPSTATION MAINTENANCE** | Proof of maintenance work done on mechanical, electrical, civil per pumpstation |
| | | |
| **Additional Bonuses** | **(AB 1)**<br>**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)**<br>**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)**<br>**WATER DEMAND MANAGEMENT** | Water Demand Management Plan which provides a strategy and/or work plan that identify, quantify, monitor and manage leakages and water losses of any kind that (may) create an artificial water demand due to higher hydraulic loading of wastewater collection and treatment infrastructure. The bonus will be maximised should a wastewater flow balance be provided. |
| | | |

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

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

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

*Colin Powell*

## 1. Overstrand Local Municipality

| | |
|---|---|
| **Water Services Authority** | **Overstrand Local Municipality** |
| **Water Services Provider(s)** | Overstrand Local Municipality |

| | |
|---|---|
| **2013 Municipal Green Drop Score** | **89.14%** ↑ |
| **2011 Municipal Green Drop Score** | **88.80%** |
| **2009 Municipal Green Drop Score** | **63.00%** |

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

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

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

## *Regulatory Impression*




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

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

Overall, Overstrand has managed to produce a polished Green Drop Performance. Overstrand is also one of very few municipalities that were using the opportunity to score against all the bonus criteria. ***Well done***. The absolute consistency displayed in keeping all systems in **low risk zones** using the $W_2$RAP process, is commendable. Overstrand is an accomplished service provider in wastewater management, and deserves to be mentioned amongst the top performers in the Province.





Green Drop findings:

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

## *Site Inspection Report*

**Kleinmond** **75%**



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

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

# ANNEXURE H

# NT & PT BUDGET CIRCULARS & FINANCIAL RATIOS AND NORMS

NATIONAL TREASURY

**MFMA Circular No. 107**

**Municipal Finance Management Act No. 56 of 2003**

# Municipal Budget Circular for the 2021/22 MTREF

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## Introduction

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF). This circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts *(m*SCOA); and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

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

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

## 1. The South African economy and inflation targets

The National Treasury projects real economic growth of 3.3 per cent in 2021, following an expected contraction of 7.8 per cent in 2020. Real GDP growth is expected to moderate to 1.7 per cent in 2022 and 1.5 per cent in 2023, averaging 2.1 per cent over the medium term.

South Africa experienced its largest recorded decline in economic output in the second quarter of 2020 due to the strict COVID-19 lockdown. Real GDP fell by 17.1 per cent relative to the previous quarter (or 51 per cent on a seasonally adjusted and annualised basis), with all major sectors except agriculture declining. The second-quarter results were weaker than expected in the June 2020 special adjustments budget, which projected a contraction of 7.2 per cent in 2020.

High-frequency data for the third quarter – such as the volume of electricity distributed, mining and manufacturing output, business confidence and the Absa Purchasing Managers' Index (PMI) – shows evidence of a limited economic rebound. Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, output is only expected to return to pre-pandemic levels in 2024.

The main risks to the economic outlook are weaker-than-expected growth, continued deterioration in the public finances and a failure to implement structural reforms. A second wave of COVID-19 infections, accompanied by new restrictions on economic activity, would have significant implications for the outlook. Government's fiscal position is a risk to growth: higher long-term borrowing costs and risk premiums have started to affect the broader economy.

In addition, recovery efforts will fail unless structural constraints (including in energy, infrastructure and competitiveness) are urgently addressed. While the reforms required in these areas do not immediately affect growth, they are critical for market confidence and investment.

Electricity remains a binding constraint on economic recovery, with power interruptions expected to continue into 2021. Private generation will only be able to plug the electricity gap to a limited extent over the next year.

Job creation is a top priority of the economic recovery plan that will guide policy actions over the medium term, supported by new infrastructure investment and large-scale public

employment programmes. In addition, targeted skills development will improve productivity and employment prospects.

Headline inflation is at the lower end of the 3 to 6 per cent target range. Goods and services inflation has broadly declined due to weak demand and falling oil prices. Inflation is forecast to fluctuate around the 4.5 per cent midpoint over the medium term in line with moderating inflation expectations.

In summary, the country's tax collection targets have not been met and this means that the fiscus has less funds available to allocate across the various spheres of government. There are measures in place to reduce expenditure to narrow the deficits.

The following macro-economic forecasts must be considered when preparing the 2021/22 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2016 - 2020**

| Fiscal year | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|---|---|---|---|---|---|
| | Actual | Estimate | | Forecast | |
| CPI Inflation | 4.1% | 3.2% | 4.1% | 4.4% | 4.5% |

*Source: Medium Term Budget Policy Statement 2020.*

*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 2021/22 budget process

## 2.1 Local government conditional grants allocations

Transfers to local government will be reduced by R17.7 billion, including R14.5 billion from the local government equitable share, R2.7 billion from the general fuel levy and R569 million in direct conditional grants over the 2021 MTEF period. The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the MTEF period.

Government will revisit underperforming programmes. For example, some cities receiving the Public Transport Network Grant (PTNG) have not launched their integrated public transport networks. Over the MTEF period, government will suspend at least two more poorly performing cities from this grant and the remaining cities will be required to reduce costs and demonstrate their effectiveness to remain funded.

The annual Division of Revenue Bill will be published in February 2021 after the Minister of Finance's budget speech. The Bill will specify grant allocations and municipalities must reconcile their budgets to the numbers published herein.

Municipalities are advised to use the indicative numbers presented in the 2020 Division of Revenue Act to compile their 2021/22 MTREF. In terms of the outer year allocations (2023/24 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2020 Division of Revenue Act for 2020/21. The DoRA is available at http://www.treasury.gov.za/documents/national%20budget/2020/default.aspx

***Division of Revenue Second Amendment Bill, 2020: changes to local government allocations***

***Roll-over of funds -*** R390 million is rolled over in the Urban Settlement Development Grant (USDG) to fund commitments for bulk infrastructure related projects in Nelson Mandela Bay Metropolitan Municipality. R98 million is rolled over in the PTNG to continue with the rollout of the integrated public transport network (IPTN) for public and non-motorised infrastructure in Nelson Mandela Bay Metropolitan Municipality.

R307 million is rolled over in the Regional Bulk Infrastructure Grant (RBIG) for drought and COVID-19 water and sanitation interventions nation-wide.

***Water Services Infrastructure Grant (WSIG) -*** R12 million has been reprioritised from the Department of Water Affairs' budget into the indirect component of WSIG for the implementation of various water services interventions.

***Reductions to municipal conditional grants***
In the Medium-Term Policy Budget Statement, the Minister of Finance indicated that R10.5 billion is required for the rescue plan for the South African Airways. Therefore, R613 million has been proportionately reduced across municipalities in respect of conditional grants while no reductions were made to the local government equitable share for the 2020/21 financial year.

These changes are shown in Schedule 4, Part B; Schedule 5, Part B and Schedule 6, Part B of the Bill.

***Additional instruments to finance infrastructure in municipalities***

Municipalities can access other instruments to finance the development of infrastructure that boosts economic growth beyond infrastructure grants. Reforms over the medium term will enhance the ability of municipalities to raise revenue to invest in their own development. An update on development charges and borrowing reforms is summarised below:

- *Development charges* - Municipalities earn revenue from charging developers to connect new developments to municipal services. The draft Municipal Fiscal Powers and Functions Amendment Bill proposes new, uniform regulations in respect of these development charges, thereby strengthening the revenue-raising framework of municipalities. After processing comments, the National Treasury will submit the Bill to Cabinet and Parliament for consideration in 2021; and
- *Borrowing* - Creditworthy municipalities can also borrow in capital markets. The National Treasury has updated the original municipal borrowing policy framework, which guides this borrowing, and will shortly submit it to Cabinet for approval. The proposed changes aim to increase the term maturity of borrowing improve the secondary market for the trade of municipal debt instruments and define the role of development finance institutions to avoid crowding out the private sector.

## 3. 2021 Local Government Elections and the budget process

Local government elections are scheduled to take place in 2021, and the proposed date is yet to be determined. Elections are important events as we reaffirm our commitment to democratic and accountable government by choosing representatives of the people who will guide the work of local government for the next five years.

The following four risks need to be explicitly managed:

1. In terms of section 13 of the Municipal Property Rates Act, 2004 (Act No 6 of 2004)(MPRA) and sections 24 and 42 of the Municipal Finance Management Act, 2003 (Act No 56 of 2003)(MFMA), new tariffs for property rates, electricity, water and any other taxes and similar tariffs may only be implemented from the start of the municipal financial year (1 July). This means that the municipal council must approve the relevant tariffs as part of the MTREF budget before the commencement of the financial year on 1 July. Failure to obtain council approval for the annual tariff increases would most likely cause an immediate financial crisis that may lead to the provincial executive intervening in the municipality in terms of section 139 of the Constitution. Therefore, if the elections take place after the start of the financial year, the outgoing council will be responsible for approving tariffs for the 2021/22 MTREF and the newly elected council for the implementation thereof as section 28(6) of the MFMA does not allow the increase of tariffs in-year;

2. In terms of section 16 of the MFMA, a municipal council must approve the annual budget for the municipality before the start of the financial year, and should a municipal council fail to do so, section 26 of the MFMA prescribes that the provincial executive **must** intervene. This provincial intervention may include dissolving the municipal council and appointing an administrator to run the municipality. Therefore, the outgoing council must ensure that they comply with the timeframes for approval of the budget;

3. The outgoing council may be tempted to prepare an 'election friendly budget' with unrealistically low tariff increases and an over-ambitious capital expenditure programme. The outcome of this approach will undoubtedly be an unfunded municipal budget that threatens their respective municipality's financial sustainability and service delivery; and

4. Given that the timing of election campaigning may coincide with the municipal public budget consultations, there is a risk that these consultations may be neglected or used to serve the narrow interests of political parties. It is reiterated that transparency and public participation is an integral part of our constitutional democracy, hence municipalities must ensure that public and stakeholder consultation processes are adhered to as required by the legislative framework.

In the build-up to the 2021 local government elections, the financial sustainability of the municipality should be protected. Now, more than ever before, it is paramount for sound municipal decision-making so that the long-term sustainability of municipal finances and service delivery is achieved beyond the election period.

Finances of some municipalities have been unstable for many years, and this was exacerbated by the financial impact of the COVID-19 pandemic. Therefore, there is severe pressure to maintain healthy cash flows and increase cost containment measures while sustaining efficient service delivery levels. It is therefore imperative that municipalities refrain from suspending credit control and debt collection efforts. Municipalities are also reminded of the regulatory framework set out in the Municipal Cost Containment Regulations insofar as it relates to the use of municipal funds to fund election campaigns and other non-priority issues as this might further impact the financial sustainability of municipalities.

Furthermore, as the current municipal leadership will be responsible for the compilation of the 2022/23 MTREF budgets, councils are advised to prioritise expenditure appropriations aligned to the policy intent as described in the integrated development plans (IDPs). Infrastructure provisioning for water, sanitation, roads and electricity remain key priorities.

In addition, the outgoing council is advised to critically consider the financial implications before entering into new long-term contracts that are not of priority to the municipality and avoid if possible, committing the incoming council. Municipalities should refrain from filling non-critical positions, purchasing cars, procuring new financial systems and from incurring any other expenditure at this stage that will financially burden the incoming council.

During this time of transition, all stakeholders should work together to ensure that municipalities continue to perform their functions efficiently and effectively. The Mayor and municipal manager should now be engaging in the process of the annual review of the fifth and last year of the IDP in terms of section 34 of the Municipal Systems Act (MSA) and the 2022/23 budget preparation process in terms of section 21 of the MFMA. It is particularly important to ensure that arrangements for the review of IDPs and preparation of budgets continue seamlessly as these processes cannot be delayed in anticipation of the announcement of an election date.

In deciding on the schedule for the 2022/23 budget process, the Mayor and municipal manager must also note that the MFMA, read together with the Municipal Budget and Reporting Regulations, only allows for a 'main adjustments budget' to be tabled after the mid-year budget and performance assessment has been tabled in council, i.e. after 25 January 2022. In addition, the permitted scope of an adjustments budget is quite limited in that taxes and tariffs may not be increased (refer to section 28(6) of the MFMA) and any additional revenues may only be appropriated to programmes and projects already budgeted for (refer to section 28 of the MFMA). Therefore, the idea of the current council passing a 'holding budget' which the new council will change substantially through an adjustments budget soon after the start of the municipal financial year is not legally permitted.

Though an IDP is a five-year strategic document of council, municipalities should note that when a new council takes office after a local government election, the norm has been that the new council implements the last adopted IDP during the first year of office. It is normally only in the second year of office that the newly elected council adopts a new IDP after thorough interrogation, extensive consultation and finalisation of a new five-year strategy.

In the absence of detailed information on the 2021 Local Government Elections, National Treasury will provide further guidance in the follow-up MFMA Budget Circular to be issued in March 2021.

# 4. Municipal Standard Chart of Accounts (*m*SCOA)

## 4.1 Release of Version 6.5 of the Chart

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.5 is released with this circular.

Version 6.5 of the chart will be effective from 2021/22 and must be used to compile the 2021/22 MTREF and is available on the link below:
http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx

## 4.2 Budgeting and Reporting for the COVID-19 pandemic and water inventory

In terms of the Annexure to MFMA Circular No. 99, *m*SCOA Circular No. 9, and GRAP 12, municipalities were advised to:

1. Record and ringfence all funding and expenditure pertaining to the COVID-19 pandemic for the 2020/21 MTREF when budgeting and transacting; and

2. Budget and account for bulk water purchases as inventory as per GRAP 12 (paragraph 07).

It is evident from the snapshots that were drawn from the Local Government Database based on the *m*SCOA data strings that were submitted by municipalities in terms of the monthly Section 71 reporting, that most municipalities have not budgeted or reported on COVID-19 related allocations and expenditure, nor bulk water inventory as per the guidance provided.

Although the regulated A1 Schedule will only be amended from the 2021/22 MTREF to align to GRAP 12 (as per MFMA Circular No. 98), municipalities should already record water inventory in the *m*SCOA chart. ***Municipalities must budget for water as inventory in the 2021/22 MTREF.*** This means that municipalities will no longer be able to budget for water bulk purchases as an expense on table A4. Municipalities must use bulk water purchases i.e. system input volume on table A6: inventory. This provides for three different water sources i.e. water treatment works, bulk purchases and natural sources. When water is issued through the billing/ distribution, the cost should be expensed through table A4: inventory consumed with the corresponding accounting transaction in the inventory account on table A6: current assets: water: authorised consumption.

Municipalities that did not adjust their 2020/21 MTREF budgets by 30 September 2020 to respond to the COVID-19 pandemic or budget for bulk water inventory are reminded to do so in the main adjustments budget process in February 2021.

It should also be noted that the National Treasury's reporting on COVID-19 will be drawn as per *m*SCOA Circular No. 9 and we will not be able to identify COVID-19 allocations and expenditure that have been ringfenced in another manner.

Municipalities must submit the adjustments budget and revised project list for 2020/21 in the format of a *m*SCOA data strings (ADJB and PRAR) uploaded to the Local Government (LG) Upload Portal within 10 working days after Council has adopted the adjustments.

### 4.3 Revised Municipal Property Rates Act Categories

By now all municipalities should be aware that section 8 of the Municipal Property Rates Act on the determination of categories of **rateable** properties has been revised through the Local Government Municipal Property Rates Amendment Act, 2014 ("the Amendment Act"). The new rateable property categorisation framework based on use (provided these property categories exist within the municipality) and consequently, all property categories that are based on ownership, geographic location or any other basis fall away.

Municipalities must implement the new property categorisation framework by not later than 1 July 2021. The *m*SCOA chart Version 6.5 makes provision for the new and the old framework. However, the old framework will be retired in the next version of the chart and municipalities are advised to implement the new property categorisation framework as legislated. Therefore, municipalities cannot use both frameworks to avoid duplication and overstatement of revenue from property rates.

### 4.4 Forbidden activities

The Item Assets segment of the *m*SCOA chart currently includes items such as staff loans as non-current receivables from non-exchange transactions. This is in contravention with Section 164(1)(c) of the MFMA that stipulates that a municipality may not make loans to councillors or officials of the municipality; directors or officials of the entity; or members of the public. Therefore, municipalities are advised not to use these items when budgeting as National Treasury may retire these items in the next version of the chart.

### 4.5 Independent Audits on Municipal Financial Systems

All municipalities and municipal entities had to comply with the *m*SCOA Regulations by 1 July 2017. MFMA Circular No. 80 provided guidance on the minimum business processes and system specifications 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.

The National Treasury will conduct independent audits on all municipal financial systems in 2021 to determine to what extent the financial systems that are currently being used by municipalities comply with the minimum business processes and system specifications required in terms of *m*SCOA. These audits were initially planned for 2020, but due to restrictions on procurement processes and travel in terms of the COVID-19 pandemic it was postponed to 2021. The results of the audits will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2022. **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 does not comply with the necessary *m*SCOA functionality requirements**. However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and *m*SCOA Circulars No 5 and 6. In addition, National Treasury has not accredited any of the municipal financial systems available in the market and this should therefore not be advertised as a requirement in municipal tender documents.

It should be emphasised that the onus to ensure compliance with the *m*SCOA Regulations and minimum system specifications as per MFMA Circular No. 80 and its Annexure B rests with the municipality and not the system vendor. Municipalities must properly manage Service level agreements (SLA) with system vendors. Penalties, including the termination of the SLA in cases of persistent non-compliance, should be imposed if the system vendor does not meet the agreed upon milestones. 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. Lastly, municipalities must agree on the services that are to be provided by the system vendors and costs thereof in the SLA that is signed by the municipality and system vendor. Municipalities should consider the financial implications thereof and negotiate more favourable terms with the system vendor if necessary before signing the SLA. Once signed, the SLA is legally binding.

### 4.6 Regulation of Minimum Business Processes and *m*SCOA System Specifications

National and Provincial Treasuries held extensive engagements with key system providers during which the system functionality on the following were demonstrated: IDP and budget, supply chain management (SCM), asset management, annual financial statements, revenue management, cash flow and period control. These engagements provided National and Provincial Treasuries with an understanding of what functionality is available on each system and what the key system related challenges are.

It was evident from the engagements that municipalities are not using their financial systems optimally. Some of the challenges that were identified in this regard include the following:

- Some municipalities have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (*m*SCOA enabling) version of their financial systems;

- A few municipalities are not paying for the required licences to use system solutions and they are not upgrading and maintaining their servers, hardware and software to become and remain *m*SCOA compliant and to protect their data;
- Several municipalities are still transacting on their legacy systems that are not *m*SCOA enabling or they are using excel spreadsheets that are not incorporated in the functionality of their financial systems, while they are paying for maintenance and support for the *m*SCOA enabling system that was procured. This constitutes fruitless and wasteful expenditure; and
- Other municipalities are not using all the modules of the core financial system (using 3rd party systems) while they have procured these modules. This is once again fruitless and wasteful expenditure.

Municipalities should include the cost of the above in their 2021/22 MTREF budgets.

One of the key objectives of the *m*SCOA reform is to ensure that municipalities are budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the *m*SCOA Regulations.

National Treasury will expand and regulate the business processes and system specifications communicated in MFMA Circular No. 80 and its Annexure B in the 2021/22 MTREF to ensure that municipalities are using the functionality available on their financial systems. MFMA Circular No. 80 was issued in 2016, and several Regulations and best practises as per the MFMA Circulars have been introduced since then. The expansion of the requirements will accommodate these new developments.

### 4.7 Non-compliance with *m*SCOA requirements

If your municipality has not yet achieved the required level of *m*SCOA implementation, then it must provide a detailed action plan (road map) to the National and the respective provincial treasury to indicate how the municipality will fast track the implementation of *m*SCOA. The action plan should include the following priority areas, as applicable to the municipality:

- The functionality of the financial system, including the minimum system functionality and business process as per MFMA Circular No. 80 and Annexure B and functionality required in terms of Regulations and MFMA Circulars that was issued after 08 March 2016 (the date on which MFMA Circular No. 80 was issued);
- Integration of 3rd party sub-systems with the *m*SCOA enabling financial system as required in terms of MFMA Circular No. 80 and Annexure B;
- Change management initiatives to ensure that *m*SCOA is institutionalised as an organisational reform and not only a financial reform; and
- Training initiatives to ensure that all officials in the organisation are familiar with the *m*SCOA chart, basic accounting, balance sheet budgeting and movement accounting and the use of the *m*SCOA enabling financial system.

Importantly, the action plan must be drafted by the municipality and not the system vendor and the progress against it should be carefully monitored by the municipality's *m*SCOA Project Steering Committee (chaired by the Accounting Officer). Municipalities must present progress against the action plan at the 2020/21 Mid-Year Budget and Performance visits and Budget and Benchmark engagements with the National and the respective provincial treasury.

### 4.8 Extension and Procuring of Service Level Agreements (SLA) for Financial Systems

At least six (6) months prior to the expiry of the SLA for the support and maintenance of the financial system, the municipality should either:

- Extend the existing SLA with the same system vendor subject to the provisions of Section 33 and 116(3) of the MFMA (read in conjunction with MFMA Circular No. 62); or
- Approach the market to procure services for the support and maintenance of the financial system consistent with the Municipal Supply Chain Management Regulations and municipality's Supply Chain Management Policy.

Importantly, once the SLA has expired, it cannot be extended, and the municipality will have to embark on a new procurement process. In addition, when the contract for the support and maintenance of the financial system comes to an end, it does not mean that the municipality must procure a new financial system. It is only support and maintenance services pertaining to the financial system that needs to be procured. Municipalities need to properly document their systems and the system language used to ensure that system support can be procured in the local market when required.

### 4.9 Cash flow reconciliation

The population of the cash flow reconciliation in tables A7, B7 and C7 of the MBRR formats using *m*SCOA data strings has been a challenge in previous financial years. The main contributing factors to this were that:

- Municipalities were not using the *m*SCOA segments correctly to populate their cash flow information;
- A number of municipalities did not use the movement accounts correctly in the *m*SCOA chart which distorts the figures reported in the cash flow tables;
- Some municipalities did not budget, transact or report directly in or from their financial systems; and
- There were errors in the linkages of the MBRR cash flow tables to the *m*SCOA data strings in the segment item: asset and liabilities on the Local Government Database.

It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. National Treasury has provided guidance in this regard in MFMA Circular No. 98 and *m*SCOA Circular No. 10 and have also corrected the errors in the linkages of the MBRR cash flow tables to the *m*SCOA data strings. This has resulted in improvements in the section 71 cash flow data that were published at the end of quarter 1 of the 2020/21 MTREF. Further guidance on the application of the funding segment has also been issued in *m*SCOA Circular No. 11 on 4 December 2020.

### 4.10 *m*SCOA Calendar for 2021/22

Important dates pertaining to *m*SCOA related activities for the 2020/21 financial year is summarised below for planning purposes:

| | Activity | Time Frames |
|---|---|---|
| 1. | Independent System Audits | February to December 2021 |
| 2. | Regulation of Minimum Business Processes and System Specifications | For comments and testing: October 2021 |
| 3. | *m*SCOA Virtual Training Sessions (various topics) | Monthly |
| 4. | Roll out of eLearning *mSCOA* course through | July 2020 |

| | | |
|---|---|---|
| | National School of Governance | |
| 5. | Issue proposed *m*SCOA chart changes for version 6.6 | October 2021 |
| 6. | Annual *m*SCOA CIGFARO Budgeting Workshop | November 2021 |
| 7. | Issuing of transversal contract for provision of financial systems | March 2022 |

# 5. 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 for the servicing of 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. Household budgets are becoming increasingly under more pressure, and trade-offs might be applied when it becomes unaffordable to pay all household expenses on a monthly basis.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the*** **projected inflation target for 2021/22** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

## 5.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circular No. 93, paragraph 3.1 and No. 98, paragraph 4.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2021/22 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 indicate 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 reconciliation of the valuation roll to the financial system to the National Treasury by no later than **05 February 2021**.

The above information must be emailed to linda.kruger@treasury.gov.za or must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/.

### 5.2 Setting cost-reflective tariffs

Reference is made to MFMA Circular No. 98, paragraph 4.2. The setting of cost-reflective tariffs is a requirement of Section 74(2) of the Municipal Systems Act which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (FFC, 2011). Credible budgets are critical for local government to fulfil its mandate and to ensure its financial sustainability.

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

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

Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular 98, item 4.2. This tool will assist in setting tariffs that are cost-reflective and would enable municipalities to recover costs to fulfil its mandate. The National Treasury Municipal Costing Guide is also 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

### 5.3 Bulk Account Payments - Eskom Concessions

During 2018/19, intense work had been undertaken to resolve systemic and structural issues pertaining to the electricity function in municipalities. Core to this work was addressing the escalating Eskom debt that threatened the sustainability of Eskom as well as that of municipalities.

During the process, Eskom was engaged on providing relieve in certain areas. Municipalities must be made aware that the following concessions were agreed upon:

- Reducing the interest rate charged on overdue municipal bulk accounts from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms being extended from 15 days to 30 days for municipal bulk accounts; and
- Payments received from municipalities will be allocated to capital first and then the interest.

These concessions are aligned to the MFMA and are meant to curb the growing debt levels by allowing municipalities a more conducive payment regime than what was previously employed. In addition, municipalities are encouraged to budget for bulk services and honour their current account payments religiously to avoid stringent application of the bulk suppliers' credit control policy.

### 5.4 Timeous allocations and clearing of the control accounts

Municipalities are encouraged to clear the control accounts on a monthly basis and to allocate trade and other receivable payments in these suspense accounts to the relevant debtor accounts regularly before the monthly submissions as required by the MFMA. Implementing and enforcing the credit control policy of the municipality whilst payments are not cleared in the control account is negligent and irresponsible. Municipalities are warned against this bad practice, and this must be avoided at all costs.

### 5.5 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

Municipalities are advised to use the tariff increases previously (March 2019) approved by the Regulator of 5.2 per cent 2021/22, 8.9 per cent for 2022/23 and 8.9 per cent in 2023/24 (*for 2023/24,* an average annual tariff increase is used for the National Energy Regulator of South Africa's multi-year price determination period of 1 April 2019 to 31 March 2022). The outer year is anticipated to be the first year of the MYPD 5 period, which is yet to be published.

## 6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2021/22 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates; and
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of chapter 15 of the MFMA, read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

### 6.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary

increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC. Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability as many municipalities that are already not in a position to afford the current wage cost would indeed have to apply no more than zero per cent increase in the 2021/22 MTREF and to exercise the option for exemption for any negotiated increase above the level of their affordability.

### 6.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

## 7. Conditional Grant Transfers to Municipalities

### 7.1 Non-compliance of in-year monitoring

In terms of Section 74(1) of the MFMA, municipalities must submit to the transferring officers, National and Provincial treasuries documents and monthly grant reports as may be prescribed or required. The *m*SCOA Regulations requires the uniform recording and classification of municipal budget and financial information at a transaction level in the form of a *m*SCOA data string that must be submitted to the LG Upload portal. Most municipalities are still not reporting on conditional grants as per the *m*SCOA requirements. As per MFMA Circular No 93, the National Treasury has only used *m*SCOA data strings as the source of data for publications on municipal financial performance from 1 July 2019. The *m*SCOA data strings will also be the main source of data that will be used to monitor the performance against grants and to inform decisions on the stopping and reallocation of conditional grants funding in the 2021/22 MTREF. The credibility of the *m*SCOA data strings reporting on grants will be closely monitored going forward.

Furthermore, section 12(2) of the Division of Revenue Act, 2020 (Act No. 4 of 2020) (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.

Some municipalities have not been complying with the reporting requirements as stipulated above. Municipalities are reminded that the 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 of non-compliant municipalities. Municipalities are encouraged to comply with the reporting requirements to avoid withholding or stopping of an allocation.

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 realising full value for money against the substantial investments it makes through grants.

# 8. The Municipal Budget and Reporting Regulations

## 8.1 Ensuring municipal sustainability through a funded budget

A budget is funded from realistically anticipated revenues to be collected, cash backed accumulated funds from the previous year as well as borrowed funds to be utilised for capital projects. A budget is realistic if it takes into account projected revenue for the current year based on the collection levels to date and actual revenue collected in the previous financial year. Municipal budgets must be prepared on this basis. The economic climate and the impact of COVID-19 pandemic had an effect on the ability of municipalities to collect arrear debt during levels 5, 4 and 3 of the national lockdown. This inability to exercise credit control measures during this period had decreased the collection rate in many municipalities.

Municipalities need to be proactive in exercising credit control measures to ensure that arrear debt is collected. Whilst collection rates decreased during the period mentioned above, municipalities must implement efforts to collect arrear debt and return collection rates to pre-COVID-19 levels. Whilst this unprecedented COVID-19 period is the exception, collection rates need to be maintained at 95 per cent in order to ensure the financial sustainability of municipalities. If collection rates have decreased, prudent financial management requires expenditure to be adjusted downward accordingly. This is to ensure that deficits are not realised and that realistically anticipated revenue based on projected collection rates funds expenditure. This will also ensure financial sustainability and avoid situations of financial distress in municipalities.

The Municipal Systems Act states that a municipal council must adopt, maintain and implement a credit control and debt collection policy that would be utilised for the collection of money that is due and payable to it. The municipal Councillors therefore are the custodians of the policy and responsible for its implementation. As a result, Councillors are required to encourage consumers in their municipal jurisdiction to pay for municipal services and to ensure that such debt that is due and payable to the municipality is collected. This would ensure compliance with the Act and ensure that a culture of payment is implemented in the municipal area. Council needs to play an active role in implementing their adopted policies to increase collection rates and ensure that funds are received to render services to the people.

Municipalities are reminded to develop a credible funding plan where the budget is unfunded. This plan must be tabled in and adopted by Council with the 2021/22 MTREF budget and submitted to the National and provincial treasuries when they submit their tabled and adopted budget in terms of Section 22(b)(i) and 24 (3) of the MFMA. Failure to approve a credible plan will result in the invoking of Section 216(2) of the Constitution.

## 8.2 Budgeting for indirect grant allocations

Some municipalities continue to budget for allocations not directly allocated to them as revenue in the Statement of Financial Performance. This results in revenue being overstated. Therefore, municipalities must refrain from budgeting for indirect grant allocations. A municipality must only budget for the allocations that are directly allocated and transferred to them.

## 8.3 Monthly reporting of debtors

National Treasury has observed through in-year monitoring that most municipalities are overstating debtors as they report on gross debtors instead of net. The format of the monthly debtors' data strings provides for a column to disclose provision for impairment as per council policy. Therefore, municipalities are urged to always reflect the provision for impairment in the column as indicated above for National Treasury to be able to reconcile the net debtors.

### 8.4 Schedule A - version to be used for the 2021/22 MTREF

National Treasury has released Version 6.5 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.5 of the *m*SCOA classification framework and must be used when compiling the 2021/22 MTREF budget.

It is imperative that all municipalities prepare their 2021/22 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 2021/22 MTREF budget must be done manually. National Treasury has protected the A1 schedule version 6.5, therefore manual population will not be allowed as the schedule must be extracted from the financial system.

**ALL** municipalities **MUST** prepare their 2021/22 MTREF tabled and adopted budgets using the A1 schedule version 6.5.

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. **Manual capturing on A1 schedule version 6.5 is not allowed** in terms of the *m*SCOA Regulations.

The National Treasury has indicated in MFMA Circular No. 93 that municipalities must submit all A1 Schedules in PDF format only from the 2019/20 MTREF. 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 that additional data needed must be obtained from sub-systems that integrate with the financial system, the National Treasury will only accept the prescribed data string containing the supporting data, populated and uploaded by each municipality. National Treasury published the layout for the data string on the website in MFMA Budget Circular No. 98 and an amended version to be used for the 2021/22 MTREF forms part of this circular. 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 budget, adjustments budget and Section 71 monthly reporting Schedules that have been regulated in terms of the MBRR have also been aligned to the *m*SCOA chart version 6.5 changes. The revised MBRR Schedules for the 2021/22 MTREF and its linkages to the data string are available on the link below:

http://cenvappsp10:31200/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2020%2d21&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67

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

## 8.5 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 |
| | Kevin Bell | 012-315 5725 | Kevin.Bell@treasury.gov.za |
| Johannesburg and Tshwane | Willem Voigt | 012-315 5830 | WillemCordes.Voigt@treasury.gov.za |
| KwaZulu-Natal | Kgomotso Baloyi | 012-315 5866 | Kgomotso.Baloyi@treasury.gov.za |
| | Mpati Rakgwale | | Mpati.Rakgwale@treasury.gov.za |
| eThekwini | 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 |
| | Stanley Malele | | Stanley.Malele@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 | Kgomotso Baloyi | 012-315 5866 | Kgomotso.Baloyi@treasury.gov.za |
| George | Willem Voigt and | 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 | lgdataqueries@treasury.gov.za |

National and provincial treasuries will analyse the credibility of the data string submissions.

## 8.6 Assessing the 2021/22 MTREF budget

National and provincial treasuries will assess the 2021/22 MTREF budgets to determine if it is complete, funded and complies with the *m*SCOA requirements. The *m*SCOA data strings for the tabled (TABB) and adopted (ORGB) budgets will be used for this assessment.

The **assessment period** of all municipal budget will therefore be from **31 May to 30 June**. In this one-month period, the National and provincial treasuries will evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that need to be made must be done before the start of the municipal financial year on 1 July.

Importantly, in order to generate an adopted budget (ORGB) data string, the budget must be locked on the financial system by the 10th working day of July each year. Therefore, once the ORGB data string has been generated, errors in the ORGB can only be corrected via an adjustments budget in February of each year. In terms of the design principles of *m*SCOA, municipalities are not allowed to open the budget on the system for corrections after it has been locked. This means that the tabled budget data string (TABB) should in fact be verified and errors in the TABB should be corrected in the ORGB **before the adopted budget is locked on the financial system and the ORGB data string is generated**.

The previous verification process and timeframes (i.e. July to September) can no longer be applied as municipalities are already transacting against the adopted and locked budget from 01 July 2020.

Amending an unfunded, incomplete and erroneous budget through an adjusted budget is also not encouraged as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes. This will result in overspending and unauthorised expenditure not been monitored in the first six months of the financial year.

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 the adopted budgets) in accordance with the format specified in Regulation 31 of Schedule A of the MBRR. The A1 schedule must be included as part of the budget documentation in pdf format.

The National Treasury would like to emphasise that ***where municipalities have adopted an unfunded budget without a* credible funding plan*, they will be required to correct the budget and go back to the Municipal Council to ensure they adopt and implement a funded budget as required in terms of Section 18 of the MFMA***.

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The budget and data strings that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities). The budget of each entity must be submitted on the D schedule in pdf format.

In the past it was noted that municipalities have challenges to align the audited outcomes on the financial system to A1 Schedule. Municipalities must ensure that the audited figures and adjusted budget figures captured on the A1 Schedule aligns to the annual financial statements and Schedule B respectively.

# 9. Budget process and submissions for the 2021/22 MTREF

## 9.1 Submitting budget documentation and A1 schedules for 2021/22 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 2021**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget 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 **31 May 2021**, 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, 14 June 2020**.

**Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Hard copies must be submitted in pdf format to the LG Upload portal.**

### 9.2 Expected submissions for 2021/22 MTREF

- The budget documentation as set out in the MBRR. The budget document must include the main A1 Schedule Tables (A1 - A10);
- The non-financial supporting tables (A10, SA9, SA11, SA12, SA13, SA24 and any other information not contained in the financial data string) in the A1 in the prescribed *m*SCOA data string in the format published with Version 6.5 of the A1 schedule;
- The draft and final service delivery and budget implementation plan (SDBIP) in electronic PDF format;
- The draft and final IDP;
- The council resolution for the tabled and adopted budgets;
- Signed Quality Certificate as prescribed in the MBRR for the tabled and adopted budgets;
- D Schedules specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

Budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/. It should be emphasised that municipalities should submit all required documents to the LG Upload portal and not to lgdocuments@treasury.gov.za. National Treasury will retire lgdocuments@treasury.gov.za on 1 July 2021 to ensure that there is a single collection point of municipal financial data.

Also note that the LG Upload Portal does not have the same size restrictions encountered with lgdocuments@treasury.gov.za, 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 clearly and uploaded separately.

Any problems experienced with the submission of documents can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

The 2020/21 MTREF and the preliminary Quarter 1 Section 71 results for the 2020/21 financial year that has recently been published, have indicated that the credibility of the *m*SCOA data strings is still a concern although we have observed a marked improvement in some areas. At the core of the problem is:

- The incorrect use of the *m*SCOA chart and segments, balance sheet budgeting, movement accounting and basic municipal accounting practices by municipalities;
- Some municipalities are not budgeting, transacting and reporting directly in/from their core financial systems; 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. To date, the analysis has highlighted that municipalities are not using the FUND, REGION and COSTING segments correctly. In many instances, these segments are simply defaulted which impedes the multi-dimensional reporting power of the *m*SCOA classification framework. Another common area of concern is that total capital expenditure do not balance to total funding. Currently, the expenditure is much higher than the available funding reported.

It needs to be noted that the single source for all analysis and publications will be the data strings submitted by the municipalities for the 2020/21 municipal financial year. It is therefore imperative that municipalities ensure the credibility and accuracy of the data strings before submission.

### 9.3 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.

### 9.4 Communication by municipal entities to National Treasury

Municipal entities should not request meetings directly from National Treasury. National Treasury will only engage the entities through the parent municipalities. This includes all communications apart from the legislative reporting requirements.

# Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

| | |
|---|---|
| ***Post*** | Private Bag X115, Pretoria 0001 |
| ***Phone*** | 012 315 5009 |
| ***Fax*** | 012 395 6553 |
| ***Website*** | http://www.treasury.gov.za/default.aspx |

**JH Hattingh**
**Chief Director: Local Government Budget Analysis**
**04 December 2020**

NATIONAL TREASURY

**MFMA Circular No. 108**

**Municipal Finance Management Act No. 56 of 2003**

# Municipal Budget Circular for the 2021/22 MTREF

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# Introduction

This budget circular is a follow-up to the one issued in December 2020. It guides municipalities with their preparation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars, it should be read within this context. This Circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts *(m*SCOA); and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved. The key focus of this Circular is the grant allocations per the 2021 Budget Review and the 2021 Division of Revenue Bill.

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

# 1. The South African economy and inflation targets

The South African economy contracted by an estimated 7.2 per cent in 2020 compared with the 7.8 per cent contraction projected in the 2020 Medium Term Budget Policy Statement (MTBPS). The revised estimate results from easing lockdown restrictions in the third quarter and a faster-than-expected resumption of global growth, especially in China. The National Treasury projects real economic growth of 3.3 per cent in 2021, following an estimated contraction of 7.2 per cent in 2020. Real GDP growth is expected to moderate to 1.9 per cent in 2022 and 2023.

The outlook remains highly uncertain, and the economic effects of the pandemic are far-reaching. There were 1.7 million fewer jobs by the third quarter of 2020 compared to the same period in 2019. Rising unemployment and income losses have entrenched existing inequalities. GDP is only expected to recover to pre-pandemic levels in late 2023. High-frequency data for the third quarter, such as the volume of electricity distributed, mining and manufacturing output, business confidence and the ABSA Purchasing Managers' Index (PMI) shows evidence of a limited economic rebound.

Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, the output is only expected to return to pre-pandemic levels in 2024. Given South Africa's structural constraints, its recovery will be slower than many of its developing-country peers. Industrial sectors (which include mining, manufacturing, construction and utilities) lagged substantially, undermined by structural constraints including unreliable electricity supply and weak public investment that preceded the pandemic. Over the next several years, the country requires the implementation of long-standing structural reforms to sustainably move to a higher growth path.

These economic challenges will continue to exert pressure on municipal revenue generation and collection levels; hence a conservative approach is advised for revenue projections.

The following macro-economic forecasts must be considered when preparing the 2021/22 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2019 - 2023**

| Fiscal year | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|---|---|---|---|---|---|
| | Actual | Estimate | | Forecast | |
| CPI Inflation | 4.1% | 3.3% | 3.9% | 4.2% | 4.4% |

*Source: 2021 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 2021/22 budget process

## 2.1 Changes to local government allocations

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability. The 2021 Budget protects transfers that focus on infrastructure, service delivery and COVID-19 spending while reducing those spent less effectively. The 2021 Budget includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities.

Transfers to local government over the medium-term account for **9.4 per cent** of nationally raised funds after providing for debt-service costs, the contingency reserve and provisional allocations. Local government's share of revenue has risen in relative terms because reductions to the public-service wage bill affect only national and provincial government. Local government transfers grow by an annual average of 5.2 per cent over the MTEF; the equitable share declines by 4.4 per cent and conditional grants grow by 7.3 per cent. As part of government's fiscal consolidation policies over the medium term, transfers to local government are reduced by R19.4 billion, including R14.7 billion from the local government equitable share, R2.7 billion from the general fuel levy and R2 billion in direct conditional grants.

### *Conditional grants*

The reduction to direct conditional grants includes R329 million from the *municipal infrastructure grant* and R21 million from the *integrated urban development grant*. These amounts have been reprioritised from underspending grants to fund a once-off councillor gratuity for non-returning councillors. The largest proportional reduction of R1.3 billion to local government grants has been made in the *public transport network grant*, because only six of the 13 cities receiving the grant have successfully launched public transport systems. Indirect conditional grants are re duced by R286 million over the period.

Government continues to reform the system of conditional grant transfers to local government based on the principles set out in the 2019 Budget Review. In 2021, government will expand the scope of the *municipal infrastructure grant* to allow municipalities to use up to 5 per cent of their allocation to develop infrastructure asset management plans. This change addresses poor asset management in municipalities.

In 2020, the *integrated city development grant* was repurposed to assist cities to build internal capacity or obtain technical support to prepare and package key infrastructure projects. This will continue in 2021 and private sector participation will be encouraged in these projects.

Two standalone *informal settlement upgrading grants* for provinces and municipalities will be introduced from 2021/22. These grants are made up of components previously within the *human settlements development grant* and the *urban settlements development grant* for provinces and municipalities respectively. In addition, the Municipal Systems Improvement Grant scope is extended to fund comprehensive institutional diagnostic assessments of the 21 district areas where the district municipality is a water service authority and the development of institutional improvement/ support plans that will inform all future capacity development programmes and municipal support initiatives to enhance the continued rollout of the rollout of the District Development Model (DDM).

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/2021/

# 3. 2021 Local Government Elections and the budget process

Municipalities are advised to refer to MFMA Circular No. 107 on risks related to the Local Government elections and issues to be considered in compiling the 2021/22 MTREF in addition to the information provided below.

## 3.1 Transitional processes - development and adoption of IDPs during the 2021 election year

The 2020/21 municipal financial year represents the last year of the current municipal councils' electoral term. Therefore, the next municipal election to usher in new councils is expected to take place between August and November 2021 in terms of the Section 24 (2) of the Municipal Structures Act, 2000 (Act No. 32 of 2000) (MSA).

It is acknowledged that the period within which the coming election's date is expected takes place after the start of a new financial year. This particular scenario poses a latent challenge in so far as adherence to legislated timeframes with regard to the adoption of the 5-year Integrated Development Plan (IDP) and the subsequent implementation.

Given the fact that the IDP and budget would need to be reviewed and adopted by 30 June 2021, the current council has an obligation to ensure that these stipulations are complied with. In this regard, the current council will be expected to continue reviewing the IDP and ensuring that it is adopted within the legislated timeframe.

Section 25 (3) of the MSA does allow the municipal council to adopt the IDP of the preceding council. However, should the incoming councils be unhappy with the priorities set out by the current council, in this case, municipal councils are advised to consider the existing adopted IDP and resolve to initiate or not to initiate an amendment procedure as guided by the MSA and the Municipal Performance and Planning Regulations (2001).

The Department of Cooperative Governance (DCoG), through the Chief Directorate: Development Planning, is rolling out the revised IDP guidelines to municipalities. These guidelines are aimed to, amongst others, guide municipalities with regards to the adoption of IDPs during an election year.

## 3.2 Hand-over reports for the newly elected councils

Each municipal manager, working together with the CFO and senior managers, is encouraged to prepare a hand-over report that can be tabled at the first meeting of the newly elected council. This hand-over report aims to provide the new councils important orientation information regarding the municipality, the state of its finances, service delivery and capital programme, as well as key issues that need to be addressed.

It is proposed that the hand-over report should include:

- An overview of the demographic and socio-economic characteristics of the municipality;
- An overview of the organisational structure of the municipality, with the names and numbers of senior managers;
- An overview of key municipal policies that councillors need to be aware of and where they can obtain the full text of such policies;
- An overview of issues that still need to be addressed in relation to the municipality's turnaround strategy;
- An overview of the municipality's financial health, with specific reference to:
    - Its cash and investments, and its funding of commitments (Table A8);
    - Cash coverage of normal operations (see Supporting Table SA10);

  - Creditors outstanding for more than 30 days, along with reasons for delayed settlement;
  - Current collection levels and debtors outstanding for more than 30 days; and
  - Extent of existing loans and associated finance and redemption payments.
- The municipality's 2019/20 audit outcome and its strategy to address audit issues;
- An overview of the provision of basic services, including plans to address backlogs;
- An overview of the state of the municipality's assets, with particular reference to the asset management plan, and repairs and maintenance requirements;
- A list of the main infrastructure projects planned for the 2021/22 budget and MTREF;
- A list of key processes requiring council input over the next six months, e.g. revision of the IDP, approval of specific policies etc. and
- Any other information deemed to be important.

In addition to the hand-over report, each new councillor should be given the municipalities' revised IDP, the adopted 2021/22 MTREF budget, the mid-year budget and performance assessment report for 2020/21, and the latest monthly financial statement, and the annual report for 2019/20.

Municipal managers should submit their municipality's hand-over report to the relevant provincial department responsible for local government, to the Department of Co-operative Governance (DCoG) and National and Provincial Treasuries.

# 4. Municipal Standard Chart of Accounts (*m*SCOA)

## 4.1 Opening balances

It was noted that some municipalities are not transferring their opening balances consistently to the current year of transacting. Opening balances for the previous year must be transferred in the first month (M01) of the current year, and all adjustments made during the preparation of the annual financial statements in period 14 and 15 must be transferred through journals to the opening balances of the current year in the month that it becomes apparent. When municipalities are not doing this correctly and consistently, it compromises the credibility of the *m*SCOA data strings submitted.

Importantly, journals may only be passed in the core financial system and not in 3rd party sub-systems.

## 4.2 Surplus or deficit journals

The Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and MBRR require that municipalities perform their month-end reconciliations at the end of every month before they submit their financial performance information to the National Treasury. Surplus or deficit journals must be passed monthly before a data string is generated to ensure that the financial system remains in balance. The monthly data strings reflected in the Statement of Financial position (table C6 of the regulated C Schedules) will not be in balance for those municipalities that are not doing this, and their *m*SCOA data strings will therefore not be accurate.

Municipalities must also reconcile their creditors and debtors and all month-end processes **before** they submit their monthly data strings to ensure that the data submitted to the National Treasury Local Government Database is credible.

## 4.3 Rollovers and repayment of unspent grants

Municipalities are required to use the correct posting levels and movement accounting when conditional grants are being receipted, recognised, rolled over, and unspent grants are repaid. The accounting for grants should be done in accordance with GRAP 23: Revenue from

exchange transactions (Taxes and Transfers). Refer to **Annexure A** of this Circular on the correct treatment of rollovers and repayment of unspent grants in *m*SCOA.

# 5. The revenue budget

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the municipality's financial sustainability. The Consumer Price Index (CPI) is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required ***to justify all increases in excess of the projected inflation target for 2021/22 MTREF*** in their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. It is noted that the tariff increases by Eskom and Water Boards are above inflation and should be considered as such while determining cost-reflective tariffs. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

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 its own revenue collection, working more efficiently and implementing cost-containment measures.

## 5.1 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March, NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

The equitable share formula uses the 9.9 per cent bulk tariff increase used when National Treasury calculated the baseline for this year in the 2020 MTEF period. Other (non-bulk) electricity costs are updated based on the National Treasury's inflation projections in the 2020 MTBPS. This is due to fiscal constraints and the fact that the court had not pronounced on the Eskom matter at the time that the budget was finalised.

The additional R10 billion that the courts have allowed Eskom to recover in the 2021/22 national financial year translates to a 15.6 per cent bulk increase over the national financial year. However, given that the increase only comes into effect in July for municipalities, NERSA typically allows a higher percentage increase so that Eskom can recover the additional allowable revenue from municipalities over 9 months before the national financial year ends. Therefore, the increase should be expected to be between 16 to 20 per cent. Municipalities can mitigate the negative impact of this increase by improving efficiencies on both the revenue collections and the spending side.

The outer two years of the 2021 MTEF use 8.9 per cent, which is an average annual tariff increase used for the NERSA's multi-year price determination period of 1 April 2019 to 31 March 2022. Moreover, the outer year is anticipated to be the first year of the MYPD 5 period, yet to be published.

# 6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. Customers' ability to pay for services is declining, which means that less revenue will be collected.

In order to achieve financial sustainability, municipalities must demonstrate the political will to implement the changes required to improve their performance. Where municipalities consistently fail to deliver their mandates, the Constitution provides for provincial and/or national government to intervene.

### 6.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability. Some municipalities are already not able to afford the current wage cost and would indeed have to apply no more than a zero per cent increase in the 2021/22 MTREF and exercise the option for exemption for any negotiated increase above the level of their affordability.

Therefore, should accounting officers fail to consider salary increases within the ambit of the municipality's available resources and financial position, such failure will constitute an act of financial misconduct as defined in section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

### 6.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

### 6.3 Payment of danger allowance to the employees

The work undertaken by the frontline staff in rendering services to communities must be appreciated whilst understanding the country's economic situation and the world resulting from the impact of COVID-19 pandemic. The SALGBC Circular No. 5 of 2020 provides advice to municipalities about the payment of danger allowance to employees working at the frontline to fight the COVID-19 pandemic.

The Circular provides that the council of the municipality must have an approved policy that should guide how the danger allowance should be paid, based on the affordability of the municipality. During this difficult financial situation posed by the COVID-19 pandemic, municipalities must consider the following:

1. Determine whether or not the municipality will afford the percentage increase in order to accommodate the Danger Allowance;
2. Assess the current status of the Employee Related Costs that form part of the municipality's budget in order to ascertain whether or not the inclusion of such allowance will not place the municipality's financial position in jeopardy in terms of the total Employee Related Costs as a percentage of the total expenditure;
3. Determine the credible funding source for the payment of Danger Allowance;

4. In this case the municipality must subject that change to "public participation processes" when dealing with the 2021/2022 MTREF based on the funding source; and
5. The municipality must also have a policy that operationalise the implementation of this kind of an allowance, only based on the determination/ assessment as per the aforementioned points.

### 6.4 Mayor's discretionary funds and similar discretionary budget allocations

It has been observed that many municipal budgets contain sub-votes or allocations to "Mayoral Discretionary Funds", "Special Projects", "Special Events" or similar discretionary type funds. Municipalities must refer to section 12 of the MFMA in relation to setting up a relief, charitable, trust or other funds.

National Treasury regards these types of allocations as a bad practice because:

- It is not clear how they are aligned to the constitutional requirement that municipalities structure their budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community (see section 153(a) of the Constitution);
- They do not provide for the appropriation of funds for the purposes of a department or functional area of the municipality (see the definition of 'vote' in section 1 of the MFMA);
- They undermine the budget consultation processes since the intended use of the funds is not transparently reflected in the tabled budget; and
- There is a risk that they may be abused for personal gain or to improperly benefit another person or organisation.

Therefore, National Treasury discourages allocations of this nature. Good budget practice requires that a municipal budget should transparently indicate the purposes and areas where municipal funds (i.e. public funds) are to be allocated. These kinds of discretionary funds immediately raise public suspicions of impropriety and corruption. In terms of section 52(a) of the MFMA the Mayor "must provide general political guidance over the fiscal and financial affairs of the municipality". The Mayor, therefore, provides direct input into the budget. If this is the case, why does the Mayor require a 'discretionary / personal slush fund'?

Section 17(3)(b) of the MFMA requires that when an annual budget is tabled it must be accompanied by "measurable performance objectives ... for each vote in the budget". What measurable performance objectives can be set in relation to these funds given that their use is at the discretion of the Mayor? This means the transparent and effective use of these funds cannot be monitored and assessed by the council and the public.

National Treasury notes that section 17(3)(j) of the MFMA requires that when an annual budget is tabled it must be accompanied by "particulars of any proposed allocations or grants by the municipality to ... (iv) any organisations or bodies referred to in section 67(1)". The aim of this provision is to ensure that all proposed allocations or grants are presented transparently in the budget documentation that is tabled for public consultation and council approval, as well as for budget management and monitoring purposes. *Any allocations or grants made to organisations or bodies that are not reflected in a municipality's budget or adjustments budget must be regarded as unauthorised expenditure because they are "(f) a grant by the municipality otherwise than in accordance with this Act"* (see definition of unauthorised expenditure in section 1 of the MFMA).

National Treasury further notes that section 67 of the MFMA only allows funds to be transferred to 'an organisation or body' and not to an individual. Any allocations or grants to individuals, *other than in terms of the municipality's indigent policy or bursary scheme, must be regarded as*

*irregular expenditure because they are expenditures not in accordance with a requirement of the MFMA*.

National Treasury and provincial treasuries will exercise close oversight of all discretionary type allocations in municipal budgets. If there are any concerns about the use of these funds, section 74 of the MFMA will be used to request information in this regard and analyse it for consistency with the MFMA legal framework.

# 7. Conditional Grant Transfers to Municipalities

The annual Division of Revenue Act requires that municipalities must request for a rollover approval against any unspent conditional grants that were allocated through the Act, therefore this section provides guidance to municipalities with regard to the preparation for the 2020/21 unspent conditional grant and rollover process and should be referenced against previous annual budget circulars.

## 7.1 Criteria for the rollover of conditional grant funds

In terms of Section 22 of the Division of Revenue Act, 2020 (Act No.4 of 2020) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2020 (Act No. 10 of 2020) (DoRAA) and the Division of Revenue Second Amendment Act, 2020 (Act No. 20 of 2020), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2020/21 financial year reverts to the National Revenue Fund, unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and national transferring officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 22(2) of the 2020 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2020 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 a contractor or service provider was appointed for delivery of the project before 31 March; or
    b) Proof of project tender and tender submissions published and closed before 31 March with the 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;
    c) Incorporation of the Appropriation Statement;
    d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2022 (attach cash flow projection for the applicable grant).

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 rollover 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 2021, 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 2020 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 to National Treasury by 31 August 2021;
3. Accurate disclosure of grant performance in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact local government is required to comply to different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relates to rollover processes and disclose conditional grant performance in the 2020/21 pre-audited Annual Financial Statements in order to verify grant expenditure; and
5. Cash available in the bank (net position including short term investments) as at 30 June 2021 is equivalent to the unspent amount at the end of the financial year. If the amount that is requested for rollover **is not entirely cash-backed**, such a rollover will not be approved. National Treasury will also not approve portions of rollover requests.

It should be noted that under no circumstances will the National Treasury consider requests to rollover:

1. The entire 2020/21 allocation to the municipality, in cases whereby the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2020/21 allocation;
2. Rollover 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 rollover application is linked to invoices that were issued before or on 31 May 2021.

### 7.2 Rollover request against the Covid-19 allocated through the Equitable Share

The Division of Revenue Amendment Act, 2020 (Act No 10 of 2020) made available to Local government an amount of R11 billion following the President's speech on 20 April 2020. The President pronounced that R20 billion would be made available to municipalities in order to provide emergency water supply, increase sanitation of public transport facilities, and provide

food and shelter for the homeless. The R20 billion consisted of an additional allocation of R11 billion, which was transferred through the Equitable Share, and the R9 billion was funded from the repurposed spending within conditional grants allocated to municipalities. This increased the 2020/21 municipal Equitable Share allocation from R74.7 billion to R85.7 billion.

The R11 billion added to the local government Equitable Share allowed municipalities to maintain existing services despite a temporary decline in revenue collections and also cover some additional expenses incurred in response to the pandemic, including the provision of temporary shelter for homeless people during the lockdown.

Although the R11 billion was allocated through an unconditional grant (Equitable Share), these are committed funds in response to the Covid-19 pandemic. Consequently, the municipalities are required to request a rollover from National Treasury of any unspent committed Covid-19 allocation to be rolled over into the 2021/22 financial year.

Municipalities are therefore required to provide the following information to National Treasury in order to prove that the unspent funds are committed and also provide approval to allow the unspent funds to be spent in the 2021/22 financial year.

1. Provide the contracts that are linked to the response of the Covid-19 pandemic in line with the provisions made in the 2020 DoRAA;
2. Reasons why the funds were not fully spent during the year of original allocation per the DoRAA;
3. Accurate disclosure of Covid-19 allocation expenditure in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Any expenditure incurred against the unspent Covid-19 funds that was not approved for the rollover will be regarded as unauthorized expenditure.

### 7.3 Unspent conditional grant funds for 2020/21

The process to ensure the return of unspent conditional grants for the 2020/21 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 2021 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 2021. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately; and

Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2020 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2021.

***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 22 October 2021;

Step 5: National Treasury will communicate the unspent conditional grants amount by 08 November 2021. 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 19 November 2021; and

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 19 November 2021, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 07 December 2021 equitable share allocation.

*All other issues pertaining to Appropriation Statement and reporting on approved rollovers are addressed in the Annexure to MFMA Circular No. 86.*

### 7.4 Importance of section 17 of the Division of Revenue Act

The purpose of this section is to provide further clarity on section 17 of DoRA in relation to the transfer of funds to the organ of state in order to implement projects on behalf of the municipalities.

Section 17 (3) of DoRA states that a receiving officer may not allocate any portion of a schedule 5 allocation to any other organ of state for the performance of a function, unless the receiving officer and the organ of the state agree on the obligation of both parties and a payment schedule, the receiving officer has notified the transferring officer, the relevant provincial treasury and National Treasury of the agreed payment schedule and:

a. The allocation
    i) Is approved in the budget for the receiving provincial department or municipality; or
    ii) If not already approved;
        aa) the receiving officer notifies the National Treasury that the purpose of the allocation is not to artificially inflate the expenditure estimates of the relevant municipality and indicates the reasons for the allocation; and
        bb) the National Treasury approves the allocation; or
b. The allocation is for the payment for goods or services procured in accordance with the procurement prescripts applicable to the relevant province or municipality and, if it is an advance payment, paragraph (a) (ii) applies with the necessary changes.

Further, section 17 (4) states that the receiving officer must submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury before payment is made.

This section requires municipalities to comply with section 17 (3) before any DoRA allocated funds are allocated to any organ of state, and the municipality should first seek approval from National Treasury.

Note that National Treasury considers the following when assessing the request from the municipality for approval:

1. If the municipality is benefitting and utilising from the five per cent from capital grants that may be utilised for Project Management Unit (PMU). In terms of the capital grant framework (i.e. MIG and IUDG and three per cent for the USDG), municipalities are allowed to utilise a certain per cent of the grant for PMU or capacity support in order to implement capital projects. Therefore, if municipalities are benefiting from this initiative, the PMU should be capacitated enough to implement capital project;
2. Municipalities that are benefiting from the added technical support from Municipal Infrastructure Support Agent (MISA) will not be granted approval because MISA would assist with providing support and develop technical capacity towards sustained

accelerated municipal and service delivery. This implies that the municipality would be capacitated and be in a better position to implement capital project; and

3. If the request does not comply with the grant conditions, framework and if the transfer artificially inflates the expenditure estimates.

The following information must be submitted to National Treasury before approval is granted to municipalities to transfer funds to organs of the state:

1. In consultation with the relevant transferring officer municipalities must submit their request to National Treasury for approval;
2. Provide the time frames regarding the duration of this arrangement between the municipality and the organ of the state;
3. Provide the Service Level Agreement between the municipality and the organ of the state in consultation with the relevant transferring officer;
4. Provide the agreed payment schedule reflecting the disbursement of the funds;
5. Must provide the reasons why the municipality has taken such a decision;
7. If amongst the reasons for the request is related to capacity challenges, the municipality must therefore prove beyond reasonable doubt that there are capacity challenges and the reasons thereof; and
8. Upon approval, the municipality must submit the approved budget that includes the allocation.

Note that once the allocation has been approved, the payment for goods or services must be procured in accordance with or in compliance with the procurement prescripts applicable to the relevant municipality. If there is an agreement for an advancement, subsection (a) (ii) will apply in order to determine if the payment does not artificially inflate the expenditure estimates. Further, before funds are transferred, the national transferring officer and National Treasury must agree on the payment schedule.

Therefore, if any expenditure incurred which emanates from such an arrangement while there was non-compliance with section 17, grant conditions and framework, such expenditure will not be recognised by both National Treasury and relevant transferring officer and will be classified as unauthorised expenditure.

# 8. The Municipal Budget and Reporting Regulations

## 8.1 Service Level Standards

Municipalities are reminded to update the service level standards which must form part of their 2021/22 MTREF tabled budget documentation. A broad framework on the minimum service standards was issued with MFMA Circular No. 75. Therefore, the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances.

## 8.2 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<br><br>Johannesburg and Tshwane | Kgomotso Baloyi<br>Kevin Bell<br>Willem Voigt | 012-315 5866<br>012-315 5725<br>012-315 5830 | Kgomotso.Baloyi@treasury.gov.za<br>Kevin.Bell@treasury.gov.za<br>WillemCordes.Voigt@treasury.gov.za<br>Sifiso.Mabaso@treasury.gov.za |
| KwaZulu-Natal<br><br>eThekwini | Kgomotso Baloyi<br>Mpati Rakgwale<br>Una Rautenbach<br>Abigail Maila | 012-315 5866<br><br>012-315 5700 | Kgomotso.Baloyi@treasury.gov.za<br>Mpati.Rakgwale@treasury.gov.za<br>Una.Rautenbach@treasury.gov.za<br>Abigail.Maila@treasury.gov.za |
| Limpopo | Willem Voigt<br>Sifiso Mabaso | 012-315 5830<br>012-315 5952 | WillemCordes.Voigt@treasury.gov.za<br>Sifiso.Mabaso@treasury.gov.za |
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# 9. Budget process and submissions for the 2021/22 MTREF

## 9.1 Submitting budget documentation and A1 schedules for 2021/22 MTREF

To facilitate oversight of compliance with the MBRR, 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 2021**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget 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 **31 May 2021**, 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, 14 June 2020**.

**Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Integrated Development Plan, Service Delivery Budget and Implementation Plan, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in pdf format to the LG Upload portal or lgdocuments@treasury.gov.za.**

## 9.2 Consolidated budgets and reports

Municipalities with entities are reminded that they must prepare and submit MTREF budgets, section 71 reports, annual financial statements and annual reports for both the parent municipalities and consolidated documents that incorporates the entity information in terms of the MBRR.

### 9.3 Submission using LG Upload Portal

In MFMA Budget Circular No 107, it was indicated that budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/ and that National Treasury was planning to retire lgdocuments@treasury.gov.za from 01 July 2021 to ensure that there is a single collection point of municipal financial data. However, based on workflow licensing challenges on the LG Upload Portal, data string submissions will shortly be shifted to the Open Portal GoMuni while documents must still be submitted using lgdocuments@treasury.gov.za. The document submissions will also be shifted to GoMuni as soon as possible.

All municipalities and their entities had to prepare their MTREF budget directly on the *m*SCOA financial systems from 01 July 2017. Therefore, all MBRR schedule submissions must be submitted in ***PDF format only***.

### 9.4 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Pages/Default.aspx. Municipalities are encouraged to visit it regularly as documents are regularly added/ updated on the website.

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**JH Hattingh**
**Chief Director: Local Government Budget Analysis**
**08 March 2021**

# Annexure A: Treatment of Rollovers and repayment of unspent grants in *m*SCOA

*Cash receipting of a conditional grant*
The receiving of grants must be accounted for against (Dt) Bank and (Cr) Item Liabilities: Unspent grants: Capital: Monetary: Municipal Infrastructure Grant: Receipts as shown below:

- Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)
  - Opening Balance(IL-001-007-002-001-002-005-002-001)
  - **Receipts(IL-001-007-002-001-002-005-002-002)**

*Recognising the revenue when the grant is spent*

When the grant is spent in accordance with the conditions of the grant, a transaction must be passed against the (Dt) Item Liabilities: Transferred to Revenue/ Capital Expenditure and (Cr) Item Revenue: Non-Exchange Transactions: Transfers and subsidies: Capital: Monetary allocations: National Government: Municipal Infrastructure Grant as shown below:

Debit Item Liability: posting level

- Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)
  - Opening Balance(IL-001-007-002-001-002-005-002-001)
  - Receipts(IL-001-007-002-001-002-005-002-002)
  - **Transferred to Revenue/Capital Expenditure(IL-001-007-002-001-002-005-002-003)**

Credit revenue recognised: posting level

- Transfers and Subsidies(IR-003-005)
  - Capital(IR-003-005-001)
    - Allocations In-kind(IR-003-005-001-001)
    - Monetary Allocations(IR-003-005-001-002)
      - Departmental Agencies and Accounts(IR-003-005-001-002-001)
      - District Municipalities(IR-003-005-001-002-002)
      - Foreign Government and International Organisations(IR-003-005-001-002-003)
      - Households(IR-003-005-001-002-004)
      - National Government(IR-003-005-001-002-005)
        - Integrated National Electrification Programme Grant(IR-003-005-001-002-005-001)
        - **Municipal Infrastructure Grant(IR-003-005-001-002-005-002)**

*Rollovers*

In the event that the full grant was not spent at the end of the financial year, the municipality must apply for a rollover as per the process stipulated in the Division of Revenue Act (DoRA). Until such approval has been granted by the National Treasury, a municipality may not continue to incur expenditure against the unspent conditional grant allocation. This does not mean that the municipality should stop or cancel ongoing projects, but Council approval must be obtained to fund the spending from own funding sources until rollover approval is granted by the National Treasury. Once the rollover has been approved by the National Treasury, the amount of the rollover must be ratified through an adjustments budget. The *m*SCOA chart makes provision for all the required transactions in this regard.

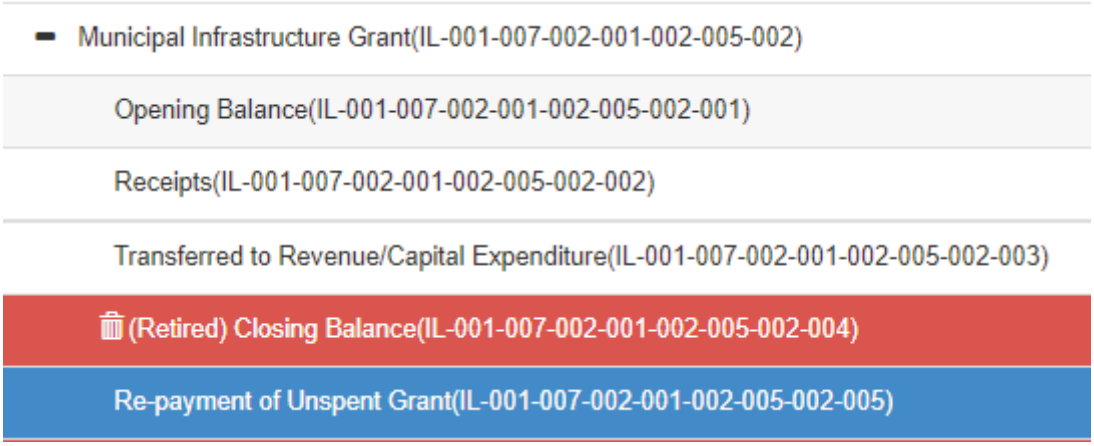
*Roll over not approved/ Offset against Equitable share*

In the event that the rollover is not approved by the National Treasury, the unspent grant funding must be paid back to the National Revenue Fund or alternatively be offset against the Equitable Share and the Liability must be reduced by:

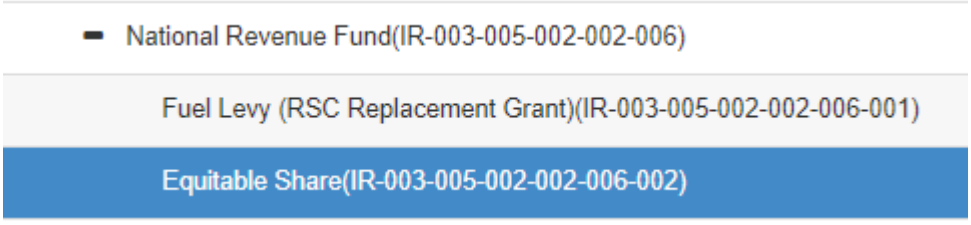
1) Debiting Unspent Grant (Repayment) to reduce the liability that was still outstanding; and
2) Crediting Item Revenue Equitable Share to adjust the revenue in line with DoRA.

This is further illustrated below:

1) Debit Liability: posting level




2) Credit Revenue: posting level




*Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure*

If the municipality continues to spend against the conditional grant allocation, but rollover approval has not been granted by the National Treasury, this expenditure will be viewed as unauthorised expenditure.

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**TREASURY CIRCULAR MUN. NO. 5/2021 (Amended)**

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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 QUNTA
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 B KLAASEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MR C POOLE
THE MAYOR, STELLENBOSCH MUNICIPALITY: ADV. G VAN DEVENTER
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN
THE MAYOR, LANGEBERG MUNICIPALITY: MR S VAN EEDEN
THE MAYOR, OVERBERG DISTRICT MUNICIPALITY: MR A FRANKEN
THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MS C VOSLOO
THE MAYOR, OVERSTRAND MUNICIPALITY: MR D COETZEE
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR P SWART
THE MAYOR, SWELLENDAM MUNICIPALITY: MR N MYBURGH
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THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDLES
THE DEPUTY MAYOR, MOSSEL BAY MUNICIPALITY: MR D KOTZE (ACTING)
THE MAYOR, GEORGE MUNICIPALITY: MR L VAN WYK
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THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE
THE MAYOR, KNYSNA MUNICIPALITY: MR E VAN ASWEGEN
THE MAYOR, CENTRAL KAROO DISTRICT MUNICIPALITY: MR I WINDVOGEL
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# MUNICIPAL BUDGET CIRCULAR FOR THE 2021/22 MTREF AND ASSOCIATED STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS: 2021

## 1. INTRODUCTION

This Provincial budget circular is a follow-up to the Provincial Treasury (PT) Circular 20/2020 issued on 18 December 2020 and should be read in conjunction with National Treasury (NT) MFMA Circular No. 107 and MFMA Circular No. 108 issued on 04 December 2020 and 08 March 2021 respectively.

The purpose of this circular is to:

- Provide guidance to municipalities with the finalisation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF) Budgets and accompanied budget documentation, and
- Brief municipalities on the 2021 Strategic Integrated Municipal Engagements (SIME) process and related matters.

## 2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government (WCG) has institutionalised the Strategic Integrated Municipal Engagements (SIME; previously referred to as LGMTEC) process in fulfilment of its obligations under:

- Sections 5, 22 and 23 of the Local Government: Municipal Finance Management Act (MFMA), Act No. 56 of 2003;
- Chapter 5 of the Local Government: Municipal Systems Act (Act No. 32 of 2000) [MSA];
- Chapter 3 of the National Environmental Management Act (Act No. 107 of 1998) (NEMA); and
- Chapter 4 of the Spatial Planning and Land Use Management Act (Act No. 16 of 2013) (SPLUMA).

The 2021 SIME process will give effect to the "Integrated Work Plan" adopted in 2017. It builds on the 2020 integrated municipal and provincial processes to strengthen alignment between municipal and provincial planning and budgeting and drives the theme of "Integrated service delivery", specifically as municipalities are preparing for the final year of the current five (5) year Integrated Development Planning Cycle.

## 3. FISCAL AND ECONOMIC CONTEXT

### 3.1 2021 National Budget

The key highlights of the 2021 National Budget which was tabled by the Minister of Finance, Tito Mboweni on 24 February 2021, are summarised below.

- Government will support economic recovery by extending short-term economic support and undertaking reforms to lower the cost of doing business and stabilize the public finances. While real GDP is expected to grow at 3.3 per cent in 2021 and 2.2 per cent in 2022, the global economic outlook is uncertain; however, additional policy stimulus packages and the successful rollout of COVID-19 vaccines will boost global growth.

- A successful rollout of COVID-19 vaccines will also support economic recovery and global trade. Government will also take steps to promote faster growth by stabilizing electricity supply, supporting industries with high employment potential and undertaking partnerships with the private sector. Operation Vulindlela, a joint initiative of the National Treasury and President's office to rollout economic reforms, will further support the implementation of key structural reforms, however still faster progress is needed to generate an economic recovery.

- To support economic recovery, government will not raise any additional tax revenue in the 2021 budget. The personal income tax brackets and rebates will increase above the inflation rate of 4 per cent. However, government will increase excise duties on alcohol and tobacco by 8 per cent for 2021/22 while inflation-related increases of 15c/litre and 11c/litre will be implemented for the general fuel levy and the RAF levy, respectively, with effect from 7 April 2021. The Unemployment Insurance Fund (UIF) contribution ceiling has been set at R17 711.58 per month from 1 March 2021.

- In response to the spending and economic pressures of the COVID-19 pandemic, the budget deficit has been revised to 14 per cent of GDP in 2020/21. Gross debt increased from 65.6 per cent to 80.3 per cent of GDP for 2020/21. The 2021 Budget also proposes measures to narrow the main budget primary deficit from 7.5 per cent of GDP in the current year to 0.8 per cent in 2023/24. The proposed fiscal framework will stabilize debt at 88.9 per cent of GDP in 2025/26. Over the medium term, debt-service costs are expected to average 20.9 per cent of gross tax revenue.

- Total consolidated spending amounts to R2 trillion each year over the medium term with the bulk of the 2021/22 spending being allocated to learning and culture (R402.9 billion), social development (R335.2 billion) and health (R248.8 billion). The fastest-growing functions over the medium term are economic development, community development and general public services. The majority of funding for new and urgent priorities is provided through the reprioritisation and reallocation of existing baselines. Government will roll out a fee mass COVID-19 vaccination campaign for which R9 billion has been allocated in the medium term.

The 2021 National Budget documentation is available at: http://www.treasury.gov.za/documents/National%20Budget/2021/

### 3.2 2021 Western Cape Provincial Budget

The WCG tabled the Western Cape Recovery Plan in cabinet in March 2021. The Recovery Plan is based on the following four themes:

- **COVID-19 Recovery:** The pandemic is still with us; existing health measures must continue, and new ones put in place, and we must also deal with the secondary impacts of COVID-19 on the delivery of health services.
- **Jobs:** The economic impact of COVID-19 has been severe. We can only recover if our economy grows and our citizens generate income.
- **Safety:** This is the overarching theme for the Provincial Strategic Plan, and it is equally relevant going forward. It is inextricably linked with Well-being, as Safety cannot be achieved if basic human needs are not met.
- **Well-being:** Government must ensure that the basic human needs of our citizens are realised, as guaranteed in the Constitution.

The full Western Cape Recovery Plan can be found at this link:

https://www.westerncape.gov.za/sites/www.westerncape.gov.za/files/assets/departments/premier/western_cape_recovery_plan.pdf

In April 2020, the WCG adopted a three-phased approach to the budget process in order to ensure resources are reprioritised and deployed with the agility necessary to respond to the pandemic and its social and economic consequences. The Immediate Phase focused on the public health response through reprioritising resources and deploying available reserves. The Short-term Phase focused on policy-led repositioning towards the Western Cape Recovery Plan's priorities of Jobs, Safety and Well-being.

On Tuesday, 16 March 2021, the Western Cape Minister for Finance and Economic Opportunities, David Maynier, tabled the 2021 Western Cape Budget Address in the provincial legislature.

The 2021 MTEF, along with the 3rd 2020 adjusted budget, represent the final phase of this approach and sets the course for recovery and fiscal sustainability over the medium to long term. Given the complexities, uncertainties and moving variables related to the budget process and the fiscal outlook, the Medium-term Phase required difficult decisions in order to support economic and social recovery, re-introduce fiscal stability and maintain fiscal sustainability through rebuilding Provincial Reserves.

While responding to immediate pressures, the 2021 MTEF Budget also protects spending on the Western Cape's constitutionally and legally mandated functions. The 2021 MTEF Budget has four main objectives:

- **Protecting the health platform**, by allowing for an agile response to the risk of a COVID-19 resurgence and the need to have an effective vaccination programme. Dealing decisively with the COVID-19 pandemic will both allow the economy to open up and support a rebound in economic growth and dramatically reduce the health effects of the pandemic.
- **Enabling the Western Cape Recovery Plan (Recovery Plan)**, by protecting jobs and stimulating employment, accelerating implementation of the Provincial Safety Plan, enhancing well-being and providing targeted social relief.

- **Managing risks, particularly those arising from the COVID-19 pandemic**, ensuring resources are available to respond to ongoing vulnerabilities in communities, and ensuring that money is set aside for other disasters, particularly environmental ones. Transversal risks include a) severe COVID-19 pressures on the fiscal framework and the likely economic and social implications, b) Compensation of Employees pressures resulting in the inability to fill critical posts and having implications for staff well-being and burnout, c) Insufficient infrastructure investment including ICT infrastructure constraining service delivery and d) Deterioration of Local Government finances and the need to enhance the Joint District Metro Approach (JDMA).

- **Supporting the transition to long-term fiscal sustainability**. Measures are required to restructure the composition of Provincial Government expenditures and rebuild reserves in light of national spending reductions and the utilisation of reserves to fund the COVID-19 response. In particular, expenditure on the compensation of employees should not overwhelm spending on infrastructure or goods and services. This in turn requires the adoption of new technologies and ways of working to enhance the efficiency and effectiveness of service delivery.

These priority areas/objectives are as relevant to the local government space as it is to the Western Cape as a whole and has informed the formulation of the 2021 SIME theme i.e. Recovery, Responsiveness, Resilience. Municipalities are urged to familiarise themselves with the fiscal strategy underlining the 2021 WCG MTEF Budget and to take cognisance of the Provincial expenditure allocations (including infrastructure investments) within the respective municipal areas. The 2021 Main Budget documentation can be found here: https://www.westerncape.gov.za/provincial-treasury/western-cape-budget-202122

## 4. NATIONAL TREASURY AND PROVINCIAL TREASURY GUIDELINES

- Municipalities are advised to consult MFMA Circular No. 107 and MFMA Circular No. 108 as well as the Provincial Treasury Circular No. 20/2020 (December 2020) for guidance with respect to 2021/22 planning and budgeting. Key focus areas from MFMA Circular No. 108 are highlighted in section 4.1 below.

- Municipalities MUST include the National and Provincial Treasury Budget Circulars as part of the source documents consulted in the preparation of the 2021/22 MTREF Budget documents and table it as part of the budget documentation in the Municipal Council.

### 4.1 Key focus areas from MFMA Circular No. 108

**Changes to local government allocations**

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability.

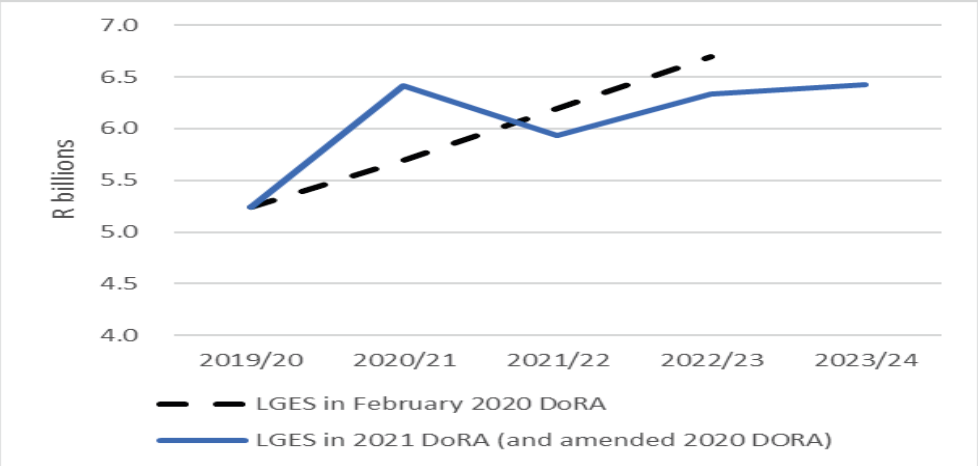
Local government transfers grow by an annual average of 5.2 per cent over the MTEF; the equitable share declines by 4.4 per cent and conditional grants grow by 7.3 per cent. As part of government's fiscal consolidation policies over the medium term, transfers to local government are reduced by R19.4 billion, including R14.7 billion from the local government equitable share, R2.7 billion from the general fuel levy and R2 billion in direct conditional grants.

**Local government equitable share**

Following the additional allocations made to municipalities through the local government equitable share for 2020/21 in the national Special Adjustment Budget in June last year, equitable share allocations to Western Cape municipalities decline by an average of 7.5 per cent from 2020/21 to 2022/23. Equitable share allocations then increase by an average of 6.9 per cent from 2021/22 to

2022/23. However, municipalities are cautioned to note that from 2022/23 to 2023/24 the average increase is only 1.4 per cent. This will be the first time that equitable share increases will be less than inflation. This increase will not compensate for population growth or the rising cost of services. Municipalities must therefore identify reprioritisations and savings that can be implemented in time to offset the impact of lower equitable share increases by the end of the 2021 MTREF period.

**Figure 1: Comparison of total local government equitable share (LGES) allocations for Western Cape municipalities in the 2020 and 2021 Division of Revenue Acts**




It should also be noted that some municipalities will face steeper changes that the average growth rates cited above. Some municipalities in the Western Cape face a decline in allocations from 2020/21 to 2021/22 of as much as 10.2 per cent and increases from 2021/22 to 2022/23 of as much as 9.6 per cent. In 2023/24 two municipalities in the Province are projected to see negative growth in their nominal equitable share allocations.

A national census is due to be conducted in 2021, and this data should be expected to be used to update the local government equitable share formula. Depending on the timelines for the release of the Census data, these updates could be phased into the equitable share formula from 2022/23 or 2023/24. National Treasury may also take this opportunity to implement other changes to the structure of the equitable share formula. Municipalities should therefore be aware of a higher degree of uncertainty on their equitable share allocations for the outer years of the MTREF.

**Conditional grants**

- Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the 2021 Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website at the following link:

  http://www.treasury.gov.za/documents/national%20budget/2021/

**2021 Local government elections and the budget process**

- Municipalities are advised to refer to MFMA Circular No. 107 and MFMA Circular No. 108 and highlighted in Provincial Budget Circular 20/2020 for details on risks related to the Local Government elections, issues to be considered and transitional processes in development and adoption of the 2021/22 MTREF IDPs and budgets.

- As detailed in MFMA Circular No. 108, Municipal Managers, together with the Chief Financial Officers (CFOs) and Senior Managers are also encouraged to prepare a hand-over report that can be tabled at the first meeting of the newly elected council. This hand-over report aims to provide the new councils important orientation information regarding the Municipality, the state of its finances, service delivery and capital programme, as well as key issues that need to be addressed. A detailed list of what is proposed should be included is included in Circular No. 108. In addition to the hand-over report, each new councillor should be given the municipalities' revised IDP, the adopted 2021/22 MTREF budget, the mid-year budget and performance assessment report for 2020/21, the latest monthly financial statement, and the annual report for 2019/20.

- Municipal Managers should submit their municipality's hand-over report to the relevant provincial department responsible for local government, to the Department of Co-operative Governance (DCoG) and National and Provincial Treasuries.

**Electricity supply and tariffs**

- The National Energy Regulator of South Africa (NERSA) published their Municipal Tariff Guideline Increase Benchmarks for 2021/22 on Friday, 12th March 2021.

- In March 2019, NERSA approved a Multi-Year Price Determination that allowed for tariff increases for Eskom of 9.4 per cent in 2019/20, 8.1 per cent in 2020/21 and 5.2 per cent in 2021/22. However, for a variety of reasons, these are not the actual bulk tariff increases applied to municipalities in any of these years.

    - In 2019/20 the bulk tariff increase for municipalities was 15.63 per cent (and the NERSA guideline for the municipal retail tariff increase was 13.07 per cent).

    - In 2020/21 the bulk tariff increase for municipalities was 6.9 per cent (and the NERSA guideline for the municipal retail tariff increase was 6.22 per cent).

    - In 2021/22 the bulk tariff increase for municipalities was 17.8 per cent (and the NERSA guideline for the municipal retail tariff increase was 14.59 per cent).

**Table 1: Electricity tariff increases, 2019/20 – 2021/22**

| | MYPD tariff increase for Eskom customers (national financial year) | Revised bulk tariff (national financial year) | Bulk increase for municipalities (municipal financial year) | NERSA guideline tariff increase for municipal customers |
|---|---|---|---|---|
| 2019/20 | 9.4% | - | 15.63% | 13.07% |
| 2020/21 | 8.4% | - | 6.9% | 6.22% |
| 2021/22 | 5.2% | 15.63% | 17.8% | 14.59% |

- On 17 February 2021, the North Gauteng High Court ruled in Eskom's favour, ordering NERSA to add R10 billion to Eskom's allowable revenue to be recovered from tariff customers in the 2021/22 financial year. NERSA calculates that this will result in a tariff increase of 15.63 per cent in the 2021/22 national financial year. However, given that the increase only comes into effect in July for municipalities, NERSA typically allows a higher percentage increase so that Eskom can recover the additional allowable revenue from municipalities over the 9 months before the national financial year ends.

- The higher bulk tariff for municipalities will extend past the end of the 2020/21 national financial year (which ends on 30 March 2021). As a result, there is likely to be an over-recovery of bulk costs from municipalities in the period from April to June 2021. Such an over-recovery is typically offset against the following year's bulk tariff increase. So, it is anticipated that the 2021/22 municipal tariff increases will be lower than those for Eskom customers. This pattern of over-recovery followed by an offset is the reason for the "see-saw" pattern in which tariff increases for Municipal customers are higher in one year (e.g. 2019/20) and then higher for Eskom customers in the next year (e.g. 2020/21).

- In 2021/22 the NERSA guideline issued on 12 March 2021 assumes that bulk costs make up 76 per cent of municipalities' retail electricity costs. As other costs (for salaries, repairs, capital and other costs) are all expected to be much closer to CPI, the guideline retail tariff will be somewhat lower than the bulk tariff for municipalities.

- NERSA's "Municipal Tariff Guidelines Increases, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2021/22 financial year" publication should be consulted before the tabling of the budgets.

- Municipalities should note that the increase in the free basic services subsidy used in the local government equitable share formula used a bulk electricity increase of 9.9 per cent. As a result, the increase in the cost of free basic electricity may not be fully covered by the equitable share.

**Cost of employment**

- The Salary and Wage Collective Agreement for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement has not yet been negotiated.

- In the absence of any information from the South African Local Government Bargaining Council (SALGBC), National Treasury has advised municipalities to take into account their financial sustainability when considering salary increases.

- National Treasury acknowledges that several municipalities cannot afford any wage increase and suggests that they consider budgeting for a zero per cent increase. Several municipalities in the Western Cape applied for exemptions from implementing the 6.25 per cent increase in 2020/21 as they could not afford it. However, most of these applications were not successful in the SALGBC process. Although the option to apply for exemptions has been provided for in previous wage agreements and may be included again, it is difficult to budget on the basis of applying for an exemption.

- Provincial Treasury has observed that several municipalities in the Province appear to be responding to financial pressures and uncertainty in 2020/21 by delaying the filling of vacant posts. After the first six months of 2020/21 employee related spending by municipalities in the Province was R569.04 million lower than projected, largely as a result of unfilled posts. This offers one option for how municipalities can respond to the uncertainty of not having a wage agreement in place. If a municipality chooses to budget for a zero percent wage increase, they could nonetheless budget to fill all vacant posts. Then if the wage agreement includes an increase, the municipality can respond by no longer filling vacant posts in order to offset the cost of the increase. In this way, the same overall level of compensation spending can be achieved in two different ways: either with a smaller number of staff receiving wage increases, or a larger staff contingent, with static wages.

- Municipalities should note that national and provincial budgets have been prepared on the basis zero per cent cost of living increases for the 2020/21 to 2023/24 financial years. However,

even with these zero percent increases some other cost of employment related costs are still projected to increase, including medical and housing allowances and progression rates (which are equivalent to a 1.5 per cent increase). Technical details of the approach used for the other spheres can be seen at:

http://www.treasury.gov.za/publications/guidelines/2021%20MTEF%20COE%20guidelines.pdf

This may be useful both as a precedent for how zero per cent increases have been budgeted for in other spheres, and in identifying other compensation-related cost factors that will increase at different rates.

- It must be noted however that national and provincial government cannot set wages on behalf of municipalities and can only offer advice in the absence of a finalised wage agreement concluded through the SALGBC processes.

**Mayor's discretionary funds and similar discretionary budget allocations**

Discretionary funds and similar discretionary budget allocations are regarded as bad practice because:

- It is not clear how they are aligned to the constitutional requirement that municipalities structure their budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community (see Section 153(a) of the Constitution);
- They do not provide for the appropriation of funds for the purposes of a department or functional area of the Municipality (see the definition of 'vote' in section 1 of the MFMA);
- They undermine the budget consultation processes since the intended use of the funds is not transparently reflected in the tabled budget; and
- There is a risk that they may be abused for personal gain or to improperly benefit another person or organisation.

National and Provincial Treasury will exercise close oversight of all discretionary type allocations in municipal budgets. If there are any concerns about the use of these funds, section 74 of the MFMA will be used to request information in this regard and analyse it for consistency with the MFMA legal framework.

## 5. 2021/22 STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS (SIME) PROCESS

### 5.1 Municipal Budget Day

According to sections 16(2) and 17(3)(d) of the MFMA, the Mayor of a municipality must table the annual budget at a council meeting at least 90 days (i.e. by 31 March 2021) before the start of the budget year.

It is important to note that there is no explicit requirement for council to endorse or approve the tabled budget or 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 for the mayor to proceed with the tabling of the proposed annual budget (and commence with public participation process required in terms of section 22 of the MFMA) at a time when the 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 for the 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 must submit an application for an extension of the said deadline. As per section 27 of the MFMA, the mayor of a municipality must, upon becoming aware of any impending non-compliance by the municipality of any provisions of the Act or any other legislation pertaining to the tabling or approval of the annual budget or compulsory consultation processes, inform the MEC for Finance in the province in writing of any impending non-compliance.

If the impending non-compliance pertains to a time provision, except section 16(1) of the MFMA, the mayor may apply to the MEC for Finance for an extension, which must be in accordance with Schedule G of the Municipal Budget and Reporting Regulations.

Municipalities are kindly requested to indicate any changes to the confirmed tabling dates as per **Appendix A** with the Provincial Treasury to Tania.Bosser@westerncape.gov.za by **23 March 2021**.

### 5.2 Submitting budget documentation and schedules for 2021/22 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 2021, the final date of submission of the electronic budget documents and corresponding **mSCOA data strings** is Thursday, 01 April 2021.

- Section 24(3) of the MFMA, read together with Regulation 20(1) of the Municipal Budget and Reporting Regulations (MBRR), requires that municipalities must submit the approved annual budget to both National Treasury and the relevant provincial treasury within ten (10) working days after the council has approved the annual budget. E.g. if the council approves the annual budget on 31 May 2021, 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, 14 June 2021.

- The accompanying document submission checklist (***see Appendix B***) provides a list of the documentation required from Provincial Government. Electronic budget related documents must be provided in PDF format. The designated municipal official needs to complete and sign the accompanying checklist (***Appendix B***) as confirmation that the set of budget, IDP and related documents have been submitted.

- *Municipalities are **no longer** expected to submit hard copies of all required documents including budget-related, Integrated Development Plan, Service Delivery Budget and Implementation Plan (SDBIP), Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be uploaded by approved registered users in PDF format to the **LG Upload portal at https://lguploadportal.treasury.gov.za/**. Also note that the LG Upload Portal requires all documents: 1. To be in PDF format only; and that 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 clearly and uploaded separately.*

- *Municipalities should submit electronic documents to **Provincial Treasury** to: **MFMA.MFMA@westerncape.gov.za** or if too large (exceeds 3 MB), must be submitted via One Drive. Instructions for uploading the budget and related documents via **One Drive** are provided in **Appendix C**.*

- If municipalities require advice with the compilation of their respective budgets, they should direct their enquiries to the following WC Provincial Treasury officials:

| Directorate | Official | Tel. No. | Email |
|---|---|---|---|
| **Public Finance** | Chris Mapeyi | 021 483 6100 | Christpher.Mapeyi@westerncape.gov.za |
| | Elizabeth de Lange | 021 483 4540 | Elizabeth.deLange@westerncape.gov.za |
| | Elton Johannes – CoCT | 021 483 4229 | Elton.Johannes@westerncape.gov.za |
| **Budget Office** | Dian Cronje | 021 483 0390 | Dian.Cronje@westerncape.gov.za |
| | Nadia Rinquest | 021 483 8692 | Nadia.Rinquest@westerncape.gov.za |
| | Kim Engel | 021 483 8459 | Kim.Engel@westerncape.gov.za |
| **Fiscal Policy** | Dr Ndodana Nleya | 021 483 6707 | Ndodana.Nleya@westerncape.gov.za |

Municipalities may also contact the following officials at National Treasury for assistance.

| Responsible Area | Official | Tel. No. | Email |
|---|---|---|---|
| **Western Cape**<br>**Cape Town**<br>**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 | lgdataqueries@treasury.gov.za |

### 5.3 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.

## 5.4 Strategic Integrated Municipal Engagement Process

Integrated planning and budgeting focusses on strengthening the alignment of planning and budgeting in the Province, and places particular emphasis on enhancing the provincial and local government interface. The Strategic Integrated Municipal Engagements which takes place in April and May precedes the approval and implementation of municipal budgets. The engagements afford Provincial Government the opportunity to provide feedback on its assessment of the of Municipal planning and budgeting efforts for the upcoming financial year and for the 2021/22 MTREF.

The assessments are based on compliance and performance information obtained from the Western Cape Monitoring and Evaluation System (WCMES) as well as an assessment on conformance, responsiveness, credibility and sustainability of the municipality's draft budget, IDP, SDF and supporting plans. It is therefore important that all Municipalities timeously submit all the required information as per the WCMEC. The assessment of the tabled IDPs will be undertaken by the Department of Local Government working with all relevant sector departments in the Province impacting on municipalities, to ensure alignment between the IDPs and all the Provincial strategic priorities and plans.

The Strategic Integrated Municipal Engagements will primarily focus on strategic issues emanating from the municipalities IDPs, SDFs and tabled annual budgets in order to gear municipalities for sustainable growth and development.

A key focus of the 2021/22 SIME process will be on local governments responsiveness, resilience and recovery plans in dealing with its socio-economic environment, and in particular, in relation to the effects of the COVID-19 pandemic that has had far reaching economic and social impacts. Although the future path of the pandemic is still uncertain, municipalities must chart a way through the difficult environment to ensure that it continues to deliver on its mandate.

The overall objectives of the 2021/22 SIME process and the key messages therefore emphasises:

- Aligning strategic intent as encapsulated within the Integrated Development Plans (IDP) and municipal budgets to create public value based on the community needs/priorities identified through the public participation processes;
- Safeguarding of municipal sustainability by ensuring that municipalities table funded budgets and the strengthening of municipal financial management;
- Ensure optimal and targeted service delivery through strategic spatial planning and alignment;
- Deepening of an integrated approach to service delivery with the intention of creating synergies through the consolidation/concentration of resources, also across different spheres of government;
- Identification of areas that require support 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 COVID-19 pandemic and measures taken to minimize the risk of the spread of the disease, the Strategic Integrated Municipal Engagements will take place via videoconferencing, on Microsoft Teams.**

- The SIME engagements are provisionally scheduled to take place from 29 April 2021 to 10 May 2021 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.

## 6. OTHER MATTERS

### 6.1 Annual Report submission

Municipalities are reminded to ensure that Annual Reports are tabled within the legislated timeframes, which read together with Exemption Notice 43582, stipulates that Municipalities and municipal entities must comply within two months after the deadline, that is, by end March 2021.

If the mayor is unable to table the Annual Report within the legislated timeframe, as per section 127(3)(a) of MFMA, the mayor must promptly submit to the council a written explanation referred to in section 133(1)(a) setting out the reasons for the delay, together with any components of the annual report listed in section 121(3) or (4) that are ready. If the Audit Report is not yet available at this time, all other components of the Annual Report must be tabled by this date. As per section 127(3)(b) of the MFMA, the mayor must submit to the council the outstanding annual report or the outstanding components of the annual report as soon as may be possible.

### 6.2 Performance Reporting Obligations: Implementation of MFMA Circular 88 (2017) for the 2021/22 municipal financial year

Municipalities are reminded to familiarise themselves with MFMA Circular No. 88 of 2017, its accompanying annexures and subsequent addendums which provide guidance to municipalities on the adoption and internalisation of a common set of performance indicators. Experience since the 2018/19 implementation of the original circular has shown that the on-going planning, budgeting and reporting reforms process is complex and requires sufficient time and change management for incremental roll-out, growth and institutionalisation. Addendum 2 (released in December 2020) introduced a significant shift in the reforms in four respects: 1) it more closely integrates and guides planning, budgeting and reporting reforms; 2) it significantly expands and revises the set of MFMA Circular No. 88 indicators applicable to metropolitan municipalities; 3) it expands the application of the reforms and the indicators to differential categories of municipalities and levels of readiness, for application in 2021/22 MTREF cycle going forward; and 4) it introduces evaluations in the context of these reforms.

For immediate implementation purposes, municipalities should be able to identify the indicators in Appendix A to Addendum 2 that are listed as Tier 1 or Tier 2 for their category of municipality and start establishing baselines for those measurements (if they are not already being tracked). Understanding the standard definitions will require engaging with the technical indicator descriptions (TID) in Appendix B to Addendum 2. Municipalities should be able to navigate Appendix A without any further guidance to understand what is going to apply to them for the 2021/22 financial year and be able to refer to Appendix B to get the detail on the standard formulation of each indicator.

Importantly, please note that intermediate cities, districts and local municipalities will not yet for 2021/22 be required to incorporate these indicators in their IDPs and SDBIPs. Instead, the relevant indicators should be included as an annexure to the IDP and SDBIP. Although the indicators do not formally have to be included in the IDP/SDBIP, municipalities will be required to report on performance against said indicators on a quarterly and annual basis. Municipalities are therefore

advised to put in place the necessary standard operating procedures and portfolios of evidence to ensure timeous reporting throughout 2021/22 to ultimately strengthen the link between planning, budgeting and reporting. Please do note that the roll-out process will for 2021/22 remain a pilot project. Reporting against these indicators will as such not be audited for 2021/22.

## 7. CONCLUSION

Municipalities should take into account and apply the contents of this budget circular in the 2021/22 planning and budgeting process.

Please direct any queries regarding this circular to Dian Cronje at:

Dian.Cronje@westerncape.gov.za.



**DR R HAVEMANN**
**DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES**
**DATE**: 17 March 2021

**ANNEXURE A**

## CONFIRMED 2021 BUDGET TABLING DATES

| Municipality | Confirmed date |
|---|---|
| City of Cape Town | Wednesday, 31 March 2021 |
| Matzikama | Tuesday, 30 March 2021 |
| Cederberg | Wednesday, 31 March 2021 |
| Bergrivier | Tuesday, 30 March 2021 |
| Saldanha Bay | Tuesday, 30 March 2021 |
| Swartland | Tuesday, 30 March 2021 |
| West Coast District Municipality | Monday, 29 March 2021 |
| Witzenberg | Wednesday, 31 March 2021 |
| Drakenstein | Wednesday, 31 March 2021 |
| Stellenbosch | Wednesday, 31 March 2021 |
| Breede Valley | Tuesday, 30 March 2021 |
| Langeberg | Tuesday, 30 March 2021 |
| Cape Winelands District Municipality | Thursday, 25 March 2021 |
| Theewaterskloof | Tuesday, 30 March 2021 |
| Overstrand | Wednesday, 31 March 2021 |
| Cape Agulhas | Tuesday, 30 March 2021 |
| Swellendam | Wednesday, 31 March 2021 |
| Overberg District Municipality | Monday, 29 March 2021 |
| Kannaland | Wednesday, 31 March 2021 |
| Hessequa | Wednesday, 31 March 2021 |
| Mossel Bay | Wednesday, 31 March 2021 |
| George | Wednesday, 31 March 2021 |
| Oudtshoorn | Wednesday, 31 March 2021 |
| Bitou | Wednesday, 31 March 2021 |
| Knysna | Wednesday, 31 March 2021 |
| Garden Route District Municipality | Wednesday, 31 March 2021 |
| Laingsburg | Wednesday, 31 March 2021 |
| Prince Albert | Wednesday, 31 March 2021 |
| Beaufort West | Wednesday, 31 March 2021 |
| Central Karoo District Municipality | Thursday, 25 March 2021 |

**APPENDIX B**

**DOCUMENT SUBMISSION CHECKLIST FOR THE 2021/22 TABLED INTEGRATED DEVELOPMENT PLAN, BUDGET AND RELATED DOCUMENTATION**

**MUNICIPALITY:** _____

In completing and signing the Budget and IDP documentation checklist below, the municipality confirms that Schedule A1 **complies with the Municipal Budget and Reporting Regulations (MBRR)** and that the main tables and the relevant supporting tables (as listed below)are in ***version 6.5*** of Schedule A1 and **drawn directly from the municipal financial system**.

The Integrated Development Plan as set out in Section 26, 32 and 34 of the Local Government: Municipal Systems Act, No 32 of 2000 and Regulations (MSA) and Section 21 of the Local Government Municipal Finance Management Act 56 of 2003 (MFMA).

The Spatial Development Framework, Disaster Management Framework and additional documents must be submitted as required in terms of budget circulars.

| **Budget Documentation** | **Yes** | **No** | **N/A** |
|---|---|---|---|
| Council Resolution in terms of the Tabled Budget | | | |
| The Budget Documentation as set out in the MBRR. The Budget Document must include the main A1 Schedule Tables (A1-A10) | | | |
| The non-financial supporting tables A10, SA9, SA11, SA12, SA13, SA24 **and any information not contained in the financial data string** in ***the A1 in the prescribed mSCOA data string in the format published with Version 6.5 of the A1 schedule*** | | | |
| Council Resolution in terms of the Tabled Budget | | | |
| Draft Service Delivery and Budget Implementation Plan | | | |
| Procurement Plan | | | |
| Draft Service Level Standards | | | |
| Signed Quality Certificate as prescribed in the MBRR | | | |
| **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 | | | |
| The draft memorandum referred to in Regulation 3(2) of the Local Government: Municipal Planning and Performance Management Regulations of 2001 | | | |
| 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 *Spatial Development Framework* | | | |
| Applicable Disaster Management Plan | | | |
| Council Resolution in terms of the adoption of the *Disaster Management Framework* | | | |

| Budget Documentation | Yes | No | N/A |
|---|---|---|---|
| Integrated Waste Management Plan | | | |
| Air Quality Management Plan | | | |
| Coastal Management Plan *(Coastal Municipalities only)* | | | |
| Human Settlement Plan | | | |
| Local Economic Development Strategy | | | |
| Water Services Development Plan | | | |
| Storm Water Master Plan | | | |
| Integrated Transport Plan | | | |
| Electricity Master Plan | | | |
| Infrastructure Growth Plan | | | |
| Workplace Skills Plan | | | |

**MUNICIPAL REPRESENTATIVE:**

**Designation:** _____

**Name:** _____

**Signature:** _____

**Date:** _____

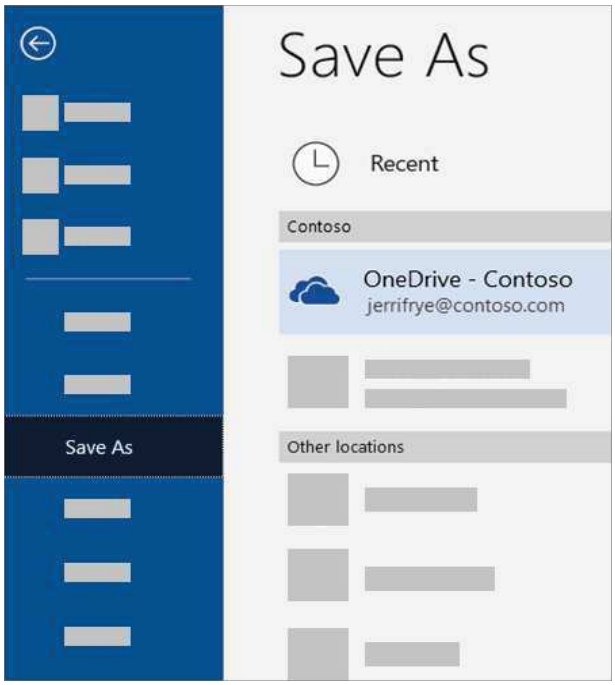
**ANNEXURE C**

**The following instructions provide a guide for the upload of budget documentation onto OneDrive.**

- **<u>How to upload documents to One drive:</u>**

  **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.2021)
  - Name of document submitted (e.g. Draft Budget, Draft IDP, Draft SDBIP etc.)

    E.g.: DC1 2021 Draft IDP

    E.g.: DC1 2021 MTREF Main Budget

    E.g.: DC1 2021 Draft SDBIP

# Uniform Financial Ratios and Norms

The purpose of this Circular is to provide a set of uniform key financial ratios and norms suitable and applicable to municipalities and municipal entities. Section 216 (1)(c) of the Constitution and section 2 of the Municipal Finance Management Act (MFMA) enable National Treasury to introduce uniform treasury norms and standards to ensure sound and sustainable management of fiscal and financial affairs of municipalities and municipal entities.

A number of institutions currently use a variety of financial ratios and norms to assess and compare the financial health and performance of municipalities. Municipalities also use different financial ratios and norms to assess their own performance and set benchmarks for improvement to be measured over time. Results of our research show that there are in excess of two hundred different sets of financial ratios, with different derivatives used to assess municipality's financial status. This results in conflicting interpretation, inconsistent application and misunderstanding of the financial status of a municipality, often with incorrect diagnosis of the challenges and therefore inappropriate responses.

This Circular aims to bring consistency in interpretation and application of certain financial information using standardised financial ratios. It is important that any one of these ratios should not be read in isolation of one another, as this could lead to distortions in interpretation. Ideally, a number of interrelated ratios should be analysed together in order to get a broader picture of a municipality's or municipal entity's financial performance. When used in a combined manner analysis of different ratios will provide policy makers and the public with a very good sense of the financial status of the municipality and its entity. This Circular will also assist in municipalities being able to identify areas of financial management that need constant monitoring and improvement.

The Circular addresses different categories of ratios norms, interpretation and covers various aspects of a municipality's finances, such as financial position, financial performance and budget implementation, so that these can be used as part of in-year and end of year analysis. This will also aid in long-term financial planning and can be used to track progress over a number of years. Each ratio is explained to remove ambiguity and misinterpretation. The source of such information is also explained in the annexures to this Circular. Norms or standards have been assigned to each financial ratio, which are explained later in this Circular.

# Categorisation Financial Ratios, Formulas, Norms and Interpretation

## Categorisation

In order to perform a holistic financial analysis of a municipality or municipal entity all financial aspects of the institution should be considered. Ratios are divided into various

categories to address the different financial aspects and operations of a municipality or municipal entity.

1) **Financial Position**

2) **Financial Performance**

3) **Budget Implementation**

# Financial Ratios, Formulas, Norms and Interpretation

The ratios presented in this Circular are categorised in accordance with the previous section, and are presented in further detail to include the following:

- Purpose/ description of the Financial Ratio;
- Formula to be Used;
- Norms per Ratio; and
- Interpretation of Ratio Analysis Results.

Tables that provide a summary of the financial ratios, formulas, data source and norms are presented in Annexure 1.

## 1. FINANCIAL POSITION

### A. Asset Management

#### *1. Capital Expenditure to Total Expenditure*

***Purpose/Description of the Ratio***

This Ratio is used to assess the level of Capital Expenditure to Total Expenditure, which indicates the prioritisation of expenditure towards current operations *versus* future capacity in terms of Municipal Services.

***Formula***

Total Capital Expenditure / Total Expenditure (Total Operating Expenditure + Capital Expenditure) × 100

***Norm***

The norm range between **10% and 20%**

***Interpretation of Results***

When assessing the level of Investment in Assets, a ratio less than 10% reflects lower spending by the municipality in infrastructure and holds potential risks to service delivery. A ratio of more than 20% reflects higher spending on infrastructure and acceleration in service delivery, but could also hold financial sustainability risks if the infrastructure do not include both economic (revenue generating) and social type infrastructure.

The environment of the municipality should be considered when assessing the level of Investment in Assets. A municipality that has already invested in assets to address service delivery backlogs, would be required to maintain and improve such service levels, and therefore the percentage of spending allocated to new assets may not be significant higher.

On the other hand a municipality where the infrastructure and level of services provided is low and the associated expenditure is also low, the percentage of investment in new assets to total expenditure would be significantly higher.

The results from this ratio should be read together with the results from the analysis of the funding mix for capital expenditure.

It is critical that capital expenditure is largely directed toward service delivery infrastructure and not administrative assets.

***2. Impairment of Property, Plant and Equipment and Investment Property and Intangible Assets (Carrying Value)***

***Purpose/ Description of the Ratio***

Asset impairment refers to the loss in future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation.

This implies that the utilisation of assets did not deliver the value or service levels envisaged when approval was originally obtained for procuring the assets. When the approval is obtained to invest in Property, Plant and Equipment or Intangible Assets by the Municipality or Municipal Entity, the value should be realised through utilisation and reflected as Depreciation and not through unexpected losses due the Impairment of Property, Plant and Equipment or Intangible Assets. Impairment is therefore unexpected and only detected when the assessment for Impairment is performed as per the requirements of the applicable GRAP standards. It is therefore not planned for or expected and will not be budgeted.

***Formula***

Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/ (Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100

***Norm***

The norm is **0%**

***Interpretation of Results***

The purpose of the Ratio is to indicate the percentage of Impairments compared to the Carrying Value of the Assets; a ratio above 0% reflects a risk in service delivery and therefore corrective measures should be implemented.

***3. Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value)***

**Purpose/ Use of the Ratio**

The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of services.

***Formula***

Total Repairs and Maintenance Expenditure / Property, Plant and Equipment and Investment Property (Carrying Value) x 100

***Norm***

The norm is **8%**

***Interpretation of Results***

A ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets.

An increasing expenditure trend may be indicative of high asset-usage levels, which can prematurely require advanced levels of Repairs and Maintenance or a need for Asset Renewal / Replacements. Also, should an increasing expenditure trend suddenly drop to lower levels without an increase in the fixed asset value, this may be indicative of challenges in spending patterns. This may also indicates that the Municipality is experiencing cash flow problems and therefore unable to spend at

appropriate levels on its repairs to existing assets or purchase of new assets thus impacting negatively on service delivery.

## B. Debtors Management

### *1. Collection Rate*

***Purpose/ Use of the Ratio***

The Ratio indicates the collection rate; *i.e.* level of payments. It measures increases or decreases in Debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration.

***Formula***

Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100

***Norm***

The norm is **95%**

***Interpretation of Results***

Assessing the Collection Ratio will provide an indication of the performance against a number of areas, for example:

- Quality of Credit Control - ensuring that what is billed is collected; and
- Quality of Revenue Management - the ability to set affordable tariffs and bill correctly.

If the ratio is below the norm this is an indication that revenue collection of the municipality requires urgent attention and corrective measures should be implemented. A municipality with outstanding debtors should aim at achieving a collection rate of more than 100%. The results from this ratio should be viewed along with results from the age analysis and net debtor's day's ratio.

### *2. Bad Debts Written-off as % of the Bad Debt Provision*

**Purpose/ Use of the Ratio**

The Ratio compares the value of Bad Debts Written-off on Consumer Debtors to Bad Debts Provided for Consumer Debtors to ensure that the Provision for Bad Debts is sufficient.

***Formula***

Bad Debts Written-off (Period under review)/ Provision for Bad Debt (Period under review x 100

***Norm***

The norm is **100%**

***Interpretation of Results***

Municipality should only write-off Bad Debts already provided for and, if the results are less than 100%, it should be ideally due to the recoverability of debtors. When 100% is exceeded, it indicates that the Municipality had not previously identified the Debtor/s as having the potential for defaults, which could indicate weakness in calculation of the Provision for Bad Debt, the methodology used and/or poor credit control processes.

### *3. Net Debtors Days*

**Purpose/ Use of the Ratio**

This ratio reflects the collection period. Net Debtor Days refers to the average number of days required for a Municipality or Municipal Entity to receive payment from its Consumers for bills/invoices issued to them for services.

The Ratio exclude balances for Debtors, which the Municipality or Municipal Entity has assessed as potentially irrecoverable, and is also a good indication of the effectiveness of credit control procedures within the Municipality or Municipal Entity as well as the extent to which the Municipality or Municipal Entity has provided for Doubtful Debts.

***Formula***

((Gross Debtors - Bad Debt Provision) / Billed Revenue)) × 365

***Norm***

The norm is **30 Days**

***Interpretation of Results***

This Ratio adjusts for Municipality's who have had significant write-offs of Irrecoverable Debtor balances in the Gross Debtors Days analysis as it only assesses the performance of collectable Debtors. In addition, it provides an indication of the quality of credit control policy, effectiveness of the implementation thereof and quality of revenue management. If the ratio is above the norm, this indicates that the Municipality is exposed to significant Cash Flow risk. This is also an indication that the municipality is experiencing challenges in the collection of outstanding amounts due to it. In addition,

this indicates that a significant amount of potential cash is tied up in consumer debtors and the municipality must improve its revenue and cash flow management.

### *C. Liquidity Management*

#### *1. Cash/ Cost Coverage Ratio (Excluding Unspent Conditional Grants)*

***Purpose/ Use of the Ratio***

The Ratio indicates the Municipality's or Municipal Entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.

The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal Municipal day-to-day operational expenditure but rather reserved for Grant related expenditure.

***Formula***

((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).

***Norm***

The norm range between **1 month to 3 months.**

***Interpretation of Results***

If a municipality has a ratio below the norm it would be vulnerable and at a higher risk in the event of financial "shocks/set-backs" and its ability to meet its obligations to provide basic services or its financial commitment is compromised. The results from this ratio should be viewed along with results from analysis on Debtor Management to fully assess Cash Flow Risk. The more cash reserves a municipality or municipal entity has available the lower the risk of it being unable to fund monthly fixed operational expenditure and to continue rendering services.

#### *2. Current Ratio*

**Purpose/ Use of the Ratio**

The Ratio is used to assess the Municipality's or Municipal Entity's ability to pay back its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables).

**Formula**

Current Assets / Current Liabilities

***Norm***

The norm range between **1.5 to 2 :1**

***Interpretation of Results***

The higher the current Ratio, the more capable the Municipality or Municipal Entity will be to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality or Municipal Entity would be unable to pay all its current or short-term obligations if they fall due at any specific point.

If current liabilities exceed current assets, it highlights serious financial challenges and likely liquidity problems *i.e.* insufficient cash to meet short-term financial obligations. Current assets must therefore be increased to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities.

## *D. Liability Management*

### *1. Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure*

***Purpose/ Use of the Ratio***

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as a percentage of Total Operating Expenditure.

**Formula**

Capital Cost (Interest Paid and Redemption) / Total Operating Expenditure x 100

***Norm***

The norm is between **6% to 8%**

***Interpretation of Results***

Operating below the Norm could indicate that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects or it could relate to cash flow problems where it is unable to access borrowed funds or the funding decisions of the municipality impacts of these levels. On the other hand, exceeding the Norm could pose a risk to the Municipality should changes or fluctuations in financing costs arise.

When assessing this ratio, the cash flow requirements of the Municipality or Municipal Entity should also be considered.

### *2. Debt (Total Borrowings)/ Total Operating Revenue*

#### *Purpose/ Use of the Ratio*

The Ratio indicates the extent of Total Borrowings in relation to Total Operating Revenue. It indicates short and long term debt financing relative to operating revenue of the municipality.

The purpose of the Ratio is to provide assurance that sufficient Revenue will be generated to repay Liabilities. Alternatively stated, the Ratio indicates the affordability of the Total Borrowings.

#### *Formula*

Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant

#### *Norm*

The norm is **45%**

#### *Interpretation of Results*

If the result of the Ratio analysis indicates less than 45% then the Municipality still has capacity to take increase funding from borrowings, however, this should be considered within the cash flow requirements of the Municipality or Municipal Entity.

## *E. Sustainability*

### *1. Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)*

#### *Purpose/ Use of the Ratio*

The Ratio measures the extent to which the Other Reserves, which are required to be cash backed are actually backed by Cash Reserves.

#### *Formula*

(Cash and Cash Equivalents - Bank Overdraft + Short Term Investment + Long Term Investment - Unspent Conditional Grants) / (Net Assets - Accumulated Surplus – Non Controlling Interest – Share Premium – Share Capital – Fair Value Adjustment – Revaluation Reserve)

***Norm***

The norm is **100%**

***Interpretation of Results***

If a Municipality or Municipal Entity has less than 100% Cash Reserves it could negatively impact the Municipality's or Municipal Entity ability to comply with the conditions for creating the Reserves and on its ability to fund current and future operations.

## 2. FINANCIAL PERFORMANCE

### *A. Efficiency*

### *1. Net Operating Surplus Margin*

***Purpose/ Use of the Ratio***

The Ratio assesses the extent to which the Municipality generates Operating Surpluses.

***Formula***

(Total Operating Revenue – Total Operating Expenditure)/ Total Operating Revenue x 100%

***Norm***

The norm is equal to or greater than **0%**

***Interpretation of Results***

Municipalities should at least recover operational costs for the services being delivered. In addition, a ratio which is greater than 0% will enable the municipality to generate a surplus which will assist to contribute towards its capital funding requirements. If the result is less than 0% it implies that the municipality is operating at a deficit and measures must be implemented to address this situation to ensure sustainable service delivery. In a case of an operating deficit it is critical to ascertain the extent to which the accounting policy, i.e. revaluation method has impacted on the calculations to avoid any distortions in interpretation of the outcome. Refer to Circular 58 section 4.3 regarding revaluation in terms of GRAP 17 and treatment of depreciation and GRAP 24.

### *2. Net Surplus /Deficit Electricity*

***Purpose/ Use of the Ratio***

This ratio measures the extent to which the municipality generates surplus or deficit in rendering electricity service. The purpose of the Ratio is to determine the contribution

made by the provision of Electricity Services, being one of the major functions of a municipality.

***Formula***

Total Electricity Revenue less Total Electricity Expenditure /Total Electricity Revenue x 100%

***Norm***

The Norm range between **0% and 15%**

It should be noted that this norm will be superseded by sector determinations from time to time, as other regulatory bodies address the appropriate level of tariffs and surpluses.

***Interpretation of Results***

A ratio below 0% depicts that electricity service is rendered at a deficit/loss and will be unsustainable if other revenue is not allocated to fund such services. The results must be between the range to ensure services are sustainable and that all costs associated with the delivery of Electricity Services are at least recovered with a margin for future growth and/ or capital funding for electricity assets.

***3. Net Surplus / Deficit Water***

***Purpose/ Use of the Ratio***

This ratio measures the extent to which the municipality generates surplus or deficit in rendering water service. The purpose of the Ratio is to determine the contribution made by the provision of water service being one of the major functions of a municipality.

***Formula***

Total Water Revenue less Total Water Expenditure / Total Water Revenue x 100%

***Norm***

The norm is equal to or greater than **0%** and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

***Interpretation of Results***

A ratio below 0% depicts that water service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Water Services are at least recovered with a margin for future growth and/ or capital funding for water assets.

### *4. Net Surplus /Deficit Refuse*

#### *Purpose/ Use of the Ratio*

This ratio measures the extent to which the municipality generates surplus or deficit in rendering refuse service. The purpose of the Ratio is to determine the contribution made by the provision of refuse service being one of the major functions of a municipality.

#### *Formula*

Total Refuse Revenue less Total Refuse Expenditure /Total Refuse Revenue x 100%

#### *Norm*

The Norm is equal to or greater than **0%** and will be superseded by the Sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

#### *Interpretation of Results*

A ratio below 0% depicts that refuse service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Refuse Services are at least recovered with a margin for future growth and/ or capital funding for Refuse assets.

### *5. Net Surplus / Deficit Sanitation and Waste Water*

#### *Purpose/ Use of the Ratio*

This ratio measures the extent to which the municipality generates surplus or deficit in rendering sanitation and waste water service. The purpose of the Ratio is to determine the contribution made by the provision of sanitation and waste water services being one of the major functions of a municipality.

#### *Formula*

Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure / Total Sanitation and Waste Water Revenue x 100%

#### *Norm*

The norm is equal to or greater than **0%** and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

***Interpretation of Results***

A ratio below 0% depicts that sanitation and waste water is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of sanitation and waste water are at least recovered with a margin for future growth and / or capital funding for assets.

## *B. Distribution Losses*

### *1. Electricity Distribution Losses (Percentage)*

***Purpose/ Use of the Ratio***

The purpose is to measure the percentage loss of potential revenue from Electricity Services through electricity units purchased and generated but not sold as a result of losses incurred through theft (illegal connections), non or inaccurate metering or wastage. It is expected that implementation of the free basic service policy is included in the calculation for sale of electricity.

***Formula***

(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and / or Generated) × 100

***Norm***

The Norm is between **7% and 10%** and will be superseded by the sector determination.

***Interpretation of Results***

A ratio below the norm depicts that electricity losses are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, deteriorating electricity infrastructure or poor management of the networks, affecting the Municipality or Municipal Entity, which would require further analysis to determine the reasons for such losses. In addition, the root causes should be addressed.

### *2. Water Distribution Losses (Percentage)*

***Purpose/ Use of the Ratio***

The purpose of this ratio is to determine the percentage loss of potential revenue from water service through kilolitres of water purchased but not sold as a result of losses incurred through theft (illegal connections), non- or incorrect metering or wastage as a result of deteriorating water infrastructure. It is expected that implementation of the free basic service policy is included in the calculation for sale of water.

***Formula***

(Number of Kiloliters Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kiloliters Water Purchased or Purified × 100

***Norm***

The Norm is between **15% and 30%**

***Interpretation of Results***

A ratio within the norm depicts that water losses and water infrastructure are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, ageing water infrastructure or poor management, affecting the Municipality or Municipal Entity, which would require further analysis and explanation to determine the reasons for such losses. In addition, the root causes should be addressed.

**C. Revenue Management**

***1. Growth in Number of Active Consumer Accounts***

**Purpose/ Use of the Ratio**

The ratio measures the actual growth in the Revenue base of the Municipality brought about by an increase in the Consumer base rather than tariff increases.

***Formula***

(Period under Review's Number of Active Debtor Accounts - Previous Period's Number of Active Debtor Accounts) / Previous Period Number of Active Debtor Accounts x 100

***Norm***

No Norm is currently being proposed for this Ratio but will be monitored and a determined in the future. Municipalities are requested to report on this aspect to its Council.

***Interpretation of Results***

The results from this analysis will have to be taken into consideration when assessing the Growth in Revenue to determine the Real Growth in the Customer base vs growth due to tariff and inflationary adjustments. Growth in number of active consumers indicates an increase in revenue base.

Further, the impact of growth on the Indigent Base vs Growth in Paying Consumers should be assessed regularly as this must be used to inform Councils policy.

### 2. *Revenue Growth (%)*

***Purpose/ Use of the Ratio***

This Ratio measures the overall revenue growth. In addition, this ratio will assist in determining if the increase in Expenditure will be funded by an increase in Revenue base or by some other means.

***Formula***

(Period Under Review's Total Revenue - Previous Period's Total Revenue) / Previous Period's Total Revenue) x 100

***Norm***

The norm is at the rate of **CPI**

***Interpretation of Results***

The Revenue Growth has to be assessed in conjunction with the growth in the Revenue base and number of consumer accounts to determine the real Growth in Revenue.

### 3. *Revenue Growth (%) - Excluding Capital Grants*

***Purpose/Use of the Ratio***

This Ratio measures the overall Revenue Growth adjusted for Capital Grants. In addition, this ratio will assist in determining if the increase in Expenditure will be funded by the increased Revenue Base or by some other means.

***Formula***

((Period Under Review's Total Revenue Excluding Capital Grants - Previous Period's Total Revenue Excluding Capital Grants)/ Previous Period's Total Revenue Excluding Capital Grants) x 100

***Norm***

The norm is at the rate of **CPI**

***Interpretation of Results***

The Revenue Growth has to be assessed in conjunction with the growth in the Revenue base, number of consumer accounts to determine the real Growth.

## D. Expenditure Management

### 1. Creditors Payment Period (Trade Creditors)

***Purpose/ Use of the Ratio***

This ratio indicates the average number of days taken for Trade Creditors to be paid.

***Formula***

Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365

***Norm***

The norm is **30 days**

***Interpretation of Results***

A period of longer than 30 days to settle creditors is normally an indication that the Municipality may be experiencing cash flow problems, however in certain instances this may be as a result of disputes, processing of payments, etc. In addition, a ratio that exceeds the norm indicates that the Municipality may not be adequately managing its Working Capital or that effective controls are not in place to ensure prompt payments. The municipality will be required to provide further explanations in this regard.

### 2. Irregular, Fruitless and Wasteful and Unauthorised Expenditure/ Total Operating Expenditure

***Purpose/ Use of the Ratio***

The ratio measures the extent to which the Municipality has incurred Irregular, Fruitless and Wasteful and Unauthorised Expenditure.

***Formula***

(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x 100

The net amount after condonement should be used in this calculation.

***Norm***

The norm is **0%**

***Interpretation of Results***

A ratio that exceeds 0% must be investigated and acted upon.

**3. Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure)**

**Purpose/ Use of the Ratio**

The ratio measures the extent of Remuneration to Total Operating Expenditure.

***Formula***

Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x 100

***Norm***

The norm range between **25% and 40%**

***Interpretation of Results***

If the ratio exceed the norm it could indicate inefficiencies, overstaffing or even the incorrect focus due to misdirected expenditure to non-essentials or non-service delivery related expenditure. Various factors need to be considered when commenting on this ratio, such as the powers and functions performed by the municipality or entity, as this can create distortions in the outcomes, if the analysis ignores such factors.

***4. Contracted Services % of Total Operating Expenditure***

**Purpose/ Use of the Ratio**

This ratio measures the extent to which the municipalities resources are committed towards contracted services to perform Municipal related functions.

***Formula***

Contracted Services / Total Operating Expenditure x 100

***Norm***

The norm range between **2% and 5%**

***Interpretation of Results***

A ratio in excess of the Norm could indicate that many functions are being outsourced to Consultants, or that Contracted Services are not effectively utilised. This also depends on the model of service delivery selected by the municipality. In addition, outsourcing decisions will have to be weighed against the ability to attract skills; however, increases in this ratio can further expose the municipality to other risks, such as its inability to build capacity and ongoing reliance on Contractors.

## *E. Grant Dependency*

### 1. Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) to Total Capital Expenditure

**Purpose/ Use of the Ratio**

The Ratio measures the extent to which the municipality's Total Capital Expenditure is funded through Internally Generated Funds and Borrowings.

***Formula***

Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) / Total Capital Expenditure x 100

***Norm***

No norm is proposed at this time. It is critical that the funding mix of capital expenditure is undertaken in such a manner that affordable borrowing is directed towards addressing service delivery needs and that there is also opportunity for increased capacity on internally generated funding to attain an improved balance of the funding sources.

### *2. Own Funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure*

**Purpose/ Use of the Ratio**

The Ratio measures the extent to which Total Capital Expenditure of the Municipality is funded through Internally Generated Funds.

***Formula***

Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100

***Norm***

No norm is proposed at this time. The funding mix for capital expenditure is dependent on the municipal policy and ability to raise revenue from different sources. Increased capacity for internally generated funding is required in some circumstances, which could also improve the balance in funding sources.

### *3. Own Source Revenue to Total Operating Revenue (Including Agency Revenue)*

**Purpose/ Use of the Ratio**

The Ratio assesses the extent of Own Source Revenue to Total Operating Revenue, including Agency Revenue hence self-sufficiency.

***Formula***

Own Source Revenue (Total Revenue - Government Grants and Subsidies – Public Contribution and Donations)/ Total Operating Revenue (Including Agency Services) x 100

***Norm***

No norm is proposed at this time. The municipal specific circumstances, including the powers and functions assigned to it, must be considered when assessing the level of own source revenue or its self-sufficiency. An analysis of the trends and levels of own source of revenue will also inform the municipality and users of measures taken to optimise own revenues. The ratio measuring own source revenue should be increasing over time as it reflects municipal efforts towards self-sufficiency.

## 3. BUDGET IMPLEMENTATION

### *1. Capital Expenditure Budget Implementation Indicator*

***Purpose/ Use of the Ratio***

This ratio measures the extent to which Budgeted Capital Expenditure has been spent during the financial year, under review. Further, this ratio measures the municipality's ability to implement capital projects and monitor the risks associated with non-implementation. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

***Formula***

Actual Capital Expenditure / Budget Capital Expenditure x 100

***Norm***

The norm range between **95% and 100%**

***Interpretation of Results***

This can be used in-year to monitor progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented.

Under-spending is also an indicator that the Municipality might be experiencing possible cash flow difficulties to implement projects. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control.

### 2. *Operating Expenditure Budget Implementation Indicator*

***Purpose/ Use of the Ratio***

This ratio measures the extent to which Budgeted Operating Expenditure has been spent during the financial year, under review. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

***Formula***

Actual Operating Expenditure / Budgeted Operating Expenditure x 100

***Norm***

The norm range between **95% and 100%**

***Interpretation of Results***

Any variance from 100% indicates either challenge in capacity to implement, issues of financial controls and management and/or poor budgeting.

Under-spending normally is an indicator that the Municipality experiences possible Cash Flow difficulties or capacity challenges to undertake Budgeted/ planned service delivery, and/ or does not prepare accurate and credible Budgets. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control in respect of budget control.

### 3. *Operating Revenue Budget Implementation Indicator*

***Purpose/ Use of the Ratio***

This ratio measures the extent of Actual Operating Revenue (Excl. Capital Grant Revenue) received in relation to Budgeted Operating Revenue during the financial year, under review.

***Formula***

Actual Operating Revenue / Budgeted Operating Revenue x 100

***Norm***

The norm range between **95% and 100%**

***Interpretation of Results***

A ratio below 95% indicates either a challenge in capacity to implement, ineffective billing and credit control, weakness in compilation of budgets or issues of financial controls and management of the Municipality.

***4. Service Charges and Property Rates Revenue Budget Implementation Indicator***

***Purpose/ Use of the Ratio***

The ratio measures the extent of Actual Service Charges and Property Rates Revenue received in relation to Budgeted Service Charges and Property Rates Revenue during the financial year, under review.

***Formula***

Actual Service Charges and Property Rates Revenue / Budgeted Service Charges and Property Rates Revenue x 100

***Norm***

The norm range between **95% and 100%**

***Interpretation of Results***

A ratio below 95% indicates either a challenge in capacity to implement, ineffective billing and credit control, weakness in compilation of budgets or issues of financial controls and management of the Municipality.

# Monitoring

It is important that these indicators are not seen or used in isolation of one another but used in a combined manner so as to provide a holistic picture of the financial status of the municipality or municipal entity. Poor outcomes with relation to these indicators can also point to weaknesses in Institutional and Governance aspects in a municipality that need attention. Therefore, Councillors, Municipal Managers, Chief Financial Officers, Accounting Offices of Municipal Entities, and all financial officials should derive benefits from a deeper understanding of these Ratios and Norms and their implications. The primary responsibility to avoid, identify and resolve financial problems in a municipality rests with the municipality and proper monitoring and use of these indicators, will support decision-makers overcome such challenges.

The use of these Ratios and Norms should assist Municipalities and Municipal Entities to predict, identify, prevent, avoid, and resolve financial problems/crisis timeously and serve as an early warning mechanism. Moreover, this will ensure that Municipalities and Municipal Entities make strategic decisions based on empirical and factual information and analysis for a sustainable outcome. Monitoring and trend analysis of these ratios is critical to ensure that measures are introduced to address areas needing attention and that there is progressive improvements of municipalities own position against the norms. These indicators and their norms, when viewed holistically, provide an overview of the financial position and performance of the Municipalities and Municipal Entities, while recognising institutional differences. Sound and effective financial management practices form the basis for an effective long term sustainable municipality.

The oversight role played by the Municipal Executive, Audit Committee, and Municipal Public Account Committee will also be enhanced with the use of these financial Ratios and Norms through implementation and reporting of financial information. The financial ratios and norms will strengthen financial management and accountability and be used throughout the cycle - integrated development plans (including long term financial plan), budgets, in-year reports for example section 52, 71 and 72 reports, annual financial statements, annual report and oversight reports. Comparison with other municipalities is now possible.

An Excel template has been developed (Annexure 2 of this Circular) to assist municipalities and Municipal Entities to populate relevant financial information, automate calculations, and assist in interpretation thereof.

These Ratios and Norms will be used to assess financial position and performance, quality of budgeting, management, and other characteristics of Municipalities and Municipal Entities, and should holistically provide an overview of the financial health of the Municipality or Municipal Entity, taking the respective and unique circumstances into account. Benchmarking and comparisons between Municipalities and Municipal Entities can also be undertaken, made simpler in future, and will further assist in targeting assistance and support, where needed.

Different institutions including, financial institutions, research organisations, rating agencies, national and provincial government, legislatures, amongst others, can use these uniform set of financial indicators, ratios and norms to monitor the financial position and performance of municipalities.

# Implementation

The ratios and norms provided in this Circular and elaborated in the annexures are to be understood in an aspirational context and utilised as soon as possible to enable municipal councils to commence with the process of introducing measures to address areas needing attention. Municipalities and Municipal Entities should take advantage of the transition period, covering the medium term, to allow for progressive improvements of their own status against the ratios and norms.

# Conclusion

The variety of financial ratios and norms, over 200, used by various institutions to assess and compare the financial health and performance of Municipalities and Municipal Entities has resulted in confusion across the sector, as users formulate assumptions based on different interpretation of the same financial information.

The Circular creates a uniform categorisation of ratios, standardising formulas and inputs, providing guidance on norms and interpretation of the financial ratio analysis, as applicable to Municipalities and Municipal Entities. There may be other ratios and norms used by analysts that are more appropriate to the financial status of private sector institutions, therefore, the use, differentiation and range described in this Circular should be understood within the context of a public sector institution.

This Circular therefore attempts to address the above challenges and also provide a more structured approach for holistic analysis, taking into cognisance the different type of Municipalities and Municipal Entities. The consistent use of these ratios and norms will assist in reporting accurately the status of municipal finances.

Institutions performing financial ratio analysis for Municipalities and Municipal Entities should therefore refer to this Circular and interpretation therein to ensure uniformity and consistency of application.

It is important that the Municipal Manager ensure that this Circular is brought to the attention of the Municipal Council, Board of Directors of Municipal Entities, relevant oversight structures (Municipal Executive, Audit Committee, and Municipal Public Account) and all other relevant stakeholders. Training providers are also requested to bring this Circular to the attention of trainees.

The introduction and application of these uniform norms, coupled with other financial reforms, will allow for comparisons with different type of municipalities and municipal entities and it is expected that they will replace earlier regulations issued that cover financial ratios and norms as these are based on the latest reforms in financial management.

**National Treasury**

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**TV PILLAY**
**Chief Director: MFMA Implementation**
**17 January 2014**

Annexure 1: Summary of the financial ratios, norms, formulae and data sources
Annexure 2: Excel template for calculation of the ratios and interpretation of results

## SUMMARY OF UNIFORM FINANCIAL RATIO, FORMULAE, DATA SOURCE AND NORMS

## 1. FINANCIAL POSITION

### A. Asset Management

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Capital Expenditure to Total Expenditure | Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR | 10% - 20% |
| 2 | Impairment of Property, Plant and Equipment, Investment Property and Intangible Assets (Carrying Value) | Property, Plant and Equipment Impairment + Investment Property Impairment + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100 | Statement of Financial Position, Notes to the AFS and AR | 0% |
| 3 | Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value) | Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property(Carrying value) x 100 | Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports | 8% |

## B. Debtors Management

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Collection Rate | (Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget , In-Year Reports, IDP and AR | 95% |
| 2 | Bad Debts Written-off as % of Provision for Bad Debt | Bad Debts Written-off /Provision for Bad Debt x 100 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR | 100% |
| 3 | Net Debtors Days | ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR | 30 days |

## C. Liquidity Management

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants) | ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets) | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR | 1 - 3 Months |
| 2 | Current Ratio | Current Assets / Current Liabilities | Statement of Financial Position, Budget, IDP and AR | 1.5 - 2:1 |

## D. Liability Management

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure | Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x100 | Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR | 6% - 8% |
| 2 | Debt (Total Borrowings) / Revenue | (Overdraft + Current Finance Lease Obligation + Non Finance Lease Obligation + Short Term Borrowings + Long Term Borrowings) / Total Operating Revenue | Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR | 45% |

## E. Sustainability

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Level of Cash Backed Reserves (Net Assets - Accumulated Surplus) | (Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest - Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) | Statement Financial Position, Budget and AR | 100% |

## 2. FINANCIAL PERFORMANCE

### A. Efficiency

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Net Operating Surplus Margin | (Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue | Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Assets | = or > 0% |
| 2 | Net Surplus /Deficit Electricity | Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | 0% - 15% |
| 3 | Net Surplus /Deficit Water | Total Water Revenue less Total Water Expenditure/Total Water Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% |
| 4 | Net Surplus /Deficit Refuse | Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% |
| 5 | Net Surplus /Deficit Sanitation and Waste Water | Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue × 100 | Statement of Financial Performance, Notes to AFS Budget, IDP, In-Year reports and AR | = or > 0% |

## B. Distribution Losses

| RATIO | | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Electricity Distribution Losses (Percentage) | (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 7% - 10% |
| 2 | Water Distribution Losses (Percentage) | (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 15% - 30% |

## C. Revenue Management

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Growth in Number of Active Consumer Accounts | (Period under review's number of Active Debtor Accounts - previous period number of Active Debtor Accounts)/ previous period number of Active Debtor Accounts x 100 | Debtors System | None |
| 2 | Revenue Growth (%) | (Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue ) x 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = CPI |
| 3 | Revenue Growth (%) - Excluding capital grants | (Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants ) x 100 | Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR | = CPI |

## D. Expenditure Management

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Creditors Payment Period (Trade Creditors) | Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365 | Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR | 30 days |
| 2 | Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure | (Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100 | Statement Financial Performance, Notes to Annual Financial Statements and AR | 0% |
| 3 | Remuneration as % of Total Operating Expenditure | Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | 25% - 40% |
| 4 | Contracted Services % of Total Operating Expenditure | Contracted Services / Total Operating Expenditure x100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | 2% - 5% |

## E. Grant Dependency

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure | Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100 | Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR | None |
| 2 | Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure | Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100 | Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR | None |
| 3 | Own Source Revenue to Total Operating Revenue(Including Agency Revenue) | Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100 | Statement Financial Performance, Budget, IDP, In-Year reports and AR | None |

## 3. BUDGET IMPLEMENTATION

| | RATIO | FORMULA | DATA SOURCE AND POLICY DOCS | NORM |
|---|---|---|---|---|
| 1 | Capital Expenditure Budget Implementation Indicator | Actual capital Expenditure / Budget Capital Expenditure x 100 | Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR | 95% - 100% |
| 2 | Operating Expenditure Budget Implementation Indicator | Actual Operating Expenditure / Budgeted Operating Expenditure x 100 | Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR | 95% - 100% |
| 3 | Operating Revenue Budget Implementation Indicator | Actual Operating Revenue / Budget Operating Revenue x 100 | Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR | 95% - 100% |
| 4 | Service Charges and Property Rates Revenue Budget Implementation Indicator | Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100 | Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR | 95% - 100% |

NATIONAL TREASURY

MFMA Circular No 71

**Municipal Finance Management Act No. 56 of 2003**

**Annexure 2**

**Interpretation of results**

| | |
|---|---|
| | The green colour indicates that the result is within the norm and is acceptable |
| | The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results. |
| | Data should be captured in the blue colour cell to calculate a ratio. |
| # | In instances where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced |

# Template for Calculation of Uniform Financial Ratios and Norms 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) × 100 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR | 10% - 20% | | 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) × 100 | Statement of Financial Position, Notes to the AFS and AR | 0% | | 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 | Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports | 8% | | 5% | *Restated* | Repairs & maintenance compises 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% | | |
| | | | | | Gross Debtors closing balance | 86 730 701 | | |
| | | | | | Gross Debtors opeining balance | 82 721 539 | *Restated* | |
| | | | | | 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% | | |
| | | | | | Consumer Debtors Bad debts written off | 801 303 | *Restated* | The norm range appears incorrect |
| | | | | | Consumer Debtors Current bad debt Provision | 21 773 613 | | |
| 3 | Net Debtors Days | ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR | 30 days | | 29 days | | |
| | | | | | Gross debtors | 86 730 701 | *Restated* | |
| | | | | | 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 | | |
| | | | | | Cash and cash equivalents | 94 453 193 | | |
| | | | | | Unspent Conditional Grants | 21 776 160 | | |
| | | | | | Overdraft | | *Restated* | |
| | | | | | 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 | | |
| | | | | | Current Assets | 625 092 549 | *Restated* | |
| | | | | | 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% | | |
| | | | | | Interest Paid | 46 128 610 | | |
| | | | | | Redemption | 29 968 590 | *Restated* | |
| | | | | | 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% | | 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 | *Restated* | |
| | | | | | 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 *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)* | | | |
| | | | | | Total Operating Expenditure | 997 155 727 | | |
| | | | | | Taxation Expense | - | | |
| 2 | Net Surplus /Deficit Electricity | Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | 0% - 15% | | 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 × 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 × 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 × 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) × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 7% - 10% | | 5% | | |
| | | | | | Number of units purchased and/or generated | 251 003 895 | *Restated* | |
| | | | | | 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 × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 15% - 30% | | 22% | | |
| | | | | | Number of kilolitres purchased and/or purified | 6 774 478 | *Restated* | |
| | | | | | 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% | | |
| | | | | | Number of Active Debtors Accounts (Previous) | 46 426 | *Restated* | |
| | | | | | 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% | | |
| | | | | | CPI | 6% | *Restated* | |
| | | | | | 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% | | |
| | | | | | CPI | 6% | | |
| | | | | | Total Revenue Exl.Capital (Previous) | 996 686 318 | *Restated* | |
| | | | | | 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 | | |
| | | | | | 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 | *Restated* | The nature of the calculation is not a fair reflection of the actual |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Creditors) | (Operating and Capital) x 365 | reports and AR | | 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 |
| **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% | | |
| | | | | | Actual Capital Expenditure | 105 254 697 | *Restated* | |
| | | | | | Budget Capital Expenditure | 116 619 618 | | Noted |
| **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% | | |
| | | | | | Actual Operating Expenditure | 997 155 727 | *Restated* | |
| | | | | | 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% | | |
| | | | | | Actual Operating Revenue | 1 077 023 486 | *Restated* | Not sure why 100% collection should be penalised |
| | | | | | 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% | | |
| | | | | | Actual Service Charges and Property Rates Revenue | 805 874 379 | *Restated* | Not sure why 100% collection should be penalised |
| | | | | | 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 actions/plans should be put in place to improve the results. |
| | Data should be captured in the blue colour cell to calculate a ratio. |
| # | In instances where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced |

# Template for Calculation of Uniform Financial Ratios and Norms 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) × 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 | 1 108 535 945 | | |
| | | | | | 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) × 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 | 3 536 356 939 | | |
| | | | | | Investment at carrying value | 117 432 500 | | |
| | | | | | 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 compises 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 | 3 536 356 939 | | |
| | | | | | Investment Property at Carrying value | 117 432 500 | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **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% | | |
| | | | | | Gross Debtors closing balance | 100 107 596 | | |
| | | | | | Gross Debtors opeining balance | 86 730 701 | *Audited* | |
| | | | | | Bad debts written Off | 827 584 | | |
| | | | | | Billed Revenue | 881 125 384 | | |
| **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% | | |
| | | | | | Consumer Debtors Bad debts written off | 827 584 | *Audited* | The norm range appears incorrect |
| | | | | | Consumer Debtors Current bad debt Provision | 26 108 000 | | |
| **3** | Net Debtors Days | ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR | 30 days | | 31 days | | |
| | | | | | Gross debtors | 100 107 596 | *Audited* | |
| | | | | | Bad debts Provision | 26 108 000 | | |
| | | | | | Billed Revenue | 881 125 384 | | |
| **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 | | |
| | | | | | Cash and cash equivalents | 123 987 652 | | |
| | | | | | Unspent Conditional Grants | 10 040 875 | | |
| | | | | | Overdraft | | *Audited* | |
| | | | | | Short Term Investments | 409 199 854 | | |
| | | | | | Total Annual Operational Expenditure | 959 322 443 | | |
| **2** | Current Ratio | Current Assets / Current Liabilities | Statement of Financial Position, Budget, IDP and AR | 1.5 - 2:1 | | 3.10 | | |
| | | | | | Current Assets | 684 399 435 | *Audited* | |
| | | | | | Current Liabilities | 220 717 104 | | |
| **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% | | |
| | | | | | Interest Paid | 44 920 621 | | |
| | | | | | Redemption | 33 448 447 | *Audited* | |
| | | | | | Total Operating Expenditure | 1 108 535 945 | | |
| | | | | | 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% | | 44% | | |
| | | | | | Total Debt | 462 657 608 | *Audited* | |
| | | | | | Total Operating Revenue | 1 156 425 497 | | |
| | | | | | Operational Conditional Grants | 106 306 078 | | |
| **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% | | 17777% | *Audited* | |
| | | | | | Cash and cash Equivalents | 123 987 652 | | |
| | | | | | Bank Overdraft | | | |
| | | | | | Short Term Investment | 409 199 854 | | |
| | | | | | Long Term Investment | 50 523 542 | | |
| | | | | | Unspent Grants | 10 040 875 | | |
| | | | | | Net Assets | 3 531 506 158 | | |
| | | | | | Share Premium | | | |
| | | | | | Share Capital | | | |
| | | | | | Revaluation Reserve | | | |
| | | | | | Fair Value Adjustment Reserve | | | |
| | | | | | Accumulated Surplus | 3 528 279 205 | | |

**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% | *Audited* | |
| | | | | | Total Operating Revenue | 1 156 425 497 | | |
| | | | | | Depreciation - Revalued Portion *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)* | | | |
| | | | | | Total Operating Expenditure | 1 108 535 945 | | |
| | | | | | Taxation Expense | | | |
| 2 | Net Surplus /Deficit Electricity | Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | 0% - 15% | | 13% | *Audited* | |
| | | | | | Total Electricity Revenue | 419 560 383 | | |
| | | | | | Total Electricity Expenditure | 365 115 031 | | |
| 3 | Net Surplus /Deficit Water | Total Water Revenue less Total Water Expenditure/Total Water Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 16% | *Audited* | |
| | | | | | Total Water Revenue | 145 980 226 | | |
| | | | | | Total Water Expenditure | 122 989 424 | | |
| 4 | Net Surplus /Deficit Refuse | Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | -6% | *Audited* | Aware of the rising costs of refuse removal as well as operation by the district municipalty of the new landfill site - Referred to Costing of Services for future budgets |
| | | | | | Total Refuse Revenue | 76 776 550 | | |
| | | | | | Total Refuse Expenditure | 81 024 260 | | |
| | | Total Sanitation and Waste Water Revenue less | Statement of Financial Performance | | | 10% | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 5 | Net Surplus /Deficit Sanitation and Waste Water | Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | = or > 0% | 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) × 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 × 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 | | 6% | *Audited* | Refer to flactuations in the housing grant (operational vs capital) |
| | | | | | CPI | 5% | | |
| | | | | | Total Revenue (Previous) | 1 141 286 578 | | |
| | | | | | Total Revenue (Current) | 1 215 062 400 | | |
| 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 | | 7% | *Audited* | Refer to flactuations in the housing grant (operational vs capital) |
| | | | | | CPI | 5% | | |
| | | | | | Total Revenue Exl.Capital (Previous) | 1 077 023 486 | | |
| | | | | | Total Revenue Exl.Capital (Current) | 1 156 425 497 | | |
| **D. Expenditure Management** | | | | | | | | |
| | | | | | | 26 days | | |
| | | | | | Trade Creditors | 49 950 923 | | |
| | | | | | Contracted Services | 100 574 346 | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 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 | 49 079 838 | | |
| | | | | | Bulk Purchases | 242 613 624 | | |
| | | | | | Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)* | 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 | 27 970 740 | | |
| | | | | | Total Operating Expenditure | 1 108 535 945 | | |
| | | | | | 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 | 368 000 044 | | |
| | | | | | Councillors Remuneration | 10 573 228 | | |
| | | | | | Total Operating Expenditure | 1 108 535 945 | | |
| | | | | | 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 | 186 336 164 | | |
| | | | | | Total Operating Expenditure | 1 108 535 945 | | |
| | | | | | 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 | | 47% | *Audited* | |
| | | | | | Internally generated funds | 45 612 629 | | |
| | | | | | 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 | | 26% | *Audited* | |
| | | | | | Internally generated funds | 45 612 629 | | |
| | | | | | Total Capital Expenditure | 175 109 715 | | |
| | | Own Source Revenue (Total revenue - Government | | | | 89% | | |
| | | | | | Total Revenue | 1 215 062 398 | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 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 | 138 257 709 | *Audited* | |
| | | | | | Public contributions and Donations | 26 685 272 | | |
| | | | | | Capital Grants | 31 951 631 | | |

**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% | *Audited* | |
| | | | | | 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% | *Audited* | |
| | | | | | Actual Operating Expenditure | 1 108 535 945 | | |
| | | | | | 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% | | 107% | *Audited* | Not sure why 100% collection should be penalised |
| | | | | | Actual Operating Revenue | 1 156 425 497 | | |
| | | | | | 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% | | 102% | *Audited* | Not sure why 100% collection should be penalised |
| | | | | | Actual Service Charges and Property Rates Revenue | 881 125 384 | | |
| | | | | | 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 |
| | The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results. |
| | Data should be captured in the blue colour cell to calculate a ratio. |
| # | In instances where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced |

# Template for Calculation of Uniform Financial Ratios and Norms 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) × 100 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR | 10% - 20% | | 15% | *2019/20 Projected 5* | |
| | | | | | Total Operating Expenditure | 1 189 200 193 | | |
| | | | | | Taxation Expense | - | | |
| | | | | | Total Capital Expenditure | 211 056 463 | | |
| 2 | Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value) | Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100 | Statement of Financial Position, Notes to the AFS and AR | 0% | | 0% | *2019/20 Projected 5* | |
| | | | | | PPE, Investment Property and Intangible Impairment | 1 817 842 | | |
| | | | | | PPE at carrying value | 3 619 625 755 | | |
| | | | | | Investment at carrying value | 123 120 500 | | |
| | | | | | Intangible Assets at carrying value | 9 168 010 | | |
| 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 compises 15.9% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost. |
| | | | | | Total Repairs and Maintenance Expenditure | 188 517 252 | | |
| | | | | | PPE at carrying value | 3 619 625 755 | | |
| | | | | | Investment Property at Carrying value | 123 120 500 | | |

**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% | | 97% | | |
| | | | | | Gross Debtors closing balance | 128 964 870 | | |
| | | | | | Gross Debtors opeining balance | 100 107 596 | *2019/20 Projected 5* | |
| | | | | | Bad debts written Off | 658 643 | | |
| | | | | | Billed Revenue | 940 463 033 | | |
| 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% | | |
| | | | | | Consumer Debtors Bad debts written off | 658 643 | *2019/20 Projected 5* | The norm range appears incorrect |
| | | | | | Consumer Debtors Current bad debt Provision | 40 486 177 | | |
| 3 | Net Debtors Days | ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR | 30 days | | 34 days | | |
| | | | | | Gross debtors | 128 964 870 | *2019/20 Projected 5* | |
| | | | | | Bad debts Provision | 40 486 177 | | |
| | | | | | Billed Revenue | 940 463 033 | | |

**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 | | |
| | | | | | Cash and cash equivalents | 143 570 238 | | |
| | | | | | Unspent Conditional Grants | 31 132 871 | | |
| | | | | | Overdraft | | *2019/20 Projected 5* | |
| | | | | | Short Term Investments | 510 242 885 | | |
| | | | | | Total Annual Operational Expenditure | 1 029 823 028 | | |
| 2 | Current Ratio | Current Assets / Current Liabilities | Statement of Financial Position, Budget, IDP and AR | 1.5 - 2:1 | | 2.75 | | |
| | | | | | Current Assets | 810 946 819 | *2019/20 Projected 5* | |
| | | | | | Current Liabilities | 294 940 850 | | |

**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% | | |
| | | | | | Interest Paid | 46 570 200 | | |
| | | | | | Redemption | 39 724 608 | *2019/20 Projected 5* | |
| | | | | | Total Operating Expenditure | 1 189 200 193 | | |
| | | | | | 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% | | |
| | | | | | Total Debt | 476 933 000 | *2019/20 Projected 5* | |
| | | | | | Total Operating Revenue | 1 290 275 773 | | |
| | | | | | Operational Conditional Grants | 123 140 482 | | |

**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% | | 20736% | *2019/20 Projected 5* | |
| | | | | | Cash and cash Equivalents | 143 570 238 | | |
| | | | | | Bank Overdraft | | | |
| | | | | | Short Term Investment | 510 242 885 | | |
| | | | | | Long Term Investment | 46 515 060 | | |
| | | | | | Unspent Grants | 31 132 871 | | |
| | | | | | Net Assets | 3 673 703 364 | | |
| | | | | | Share Premium | | | |
| | | | | | Share Capital | | | |
| | | | | | Revaluation Reserve | | | |
| | | | | | Fair Value Adjustment Reserve | | | |
| | | | | | Accumulated Surplus | 3 670 476 200 | | |

## 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% | | 8% | *2019/20 Projected 5* | |
| | | | | | Total Operating Revenue | 1 290 275 773 | | |
| | | | | | Depreciation - Revalued Portion *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)* | | | |
| | | | | | Total Operating Expenditure | 1 189 200 193 | | |
| | | | | | Taxation Expense | | | |
| 2 | Net Surplus /Deficit Electricity | Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | 0% - 15% | | 8% | *2019/20 Projected 5* | |
| | | | | | Total Electricity Revenue | 459 980 208 | | |
| | | | | | Total Electricity Expenditure | 421 063 990 | | |
| 3 | Net Surplus /Deficit Water | Total Water Revenue less Total Water Expenditure/Total Water Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 16% | *2019/20 Projected 5* | |
| | | | | | Total Water Revenue | 153 633 169 | | |
| | | | | | Total Water Expenditure | 128 853 890 | | |
| 4 | Net Surplus /Deficit Refuse | Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 5% | *2019/20 Projected 5* | |
| | | | | | Total Refuse Revenue | 86 662 024 | | |
| | | | | | Total Refuse Expenditure | 82 343 978 | | |
| 5 | Net Surplus /Deficit Sanitation and Waste Water | Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | = or > 0% | | -2% | *2019/20 Projected 5* | |
| | | | | | Total Sanitation and Water Waste Revenue | 103 933 774 | | |
| | | | | | Total Sanitation and Water Waste Expenditure | 106 497 738 | | |

**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) × 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 | 253 797 658 | | |
| | | | | | Number of units sold | 238 519 039 | | |
| 2 | Water Distribution Losses (Percentage) | (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 15% - 30% | | 26% | *2019/20 Projected 5* | |
| | | | | | Number of kilolitres purchased and/or purified | 7 086 457 | | |
| | | | | | Number of kilolitres sold | 5 250 356 | | |

**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 flactuations in the housing grant (operational vs capital) |
| | | | | | CPI | 5% | | |
| | | | | | Total Revenue (Previous) | 1 215 062 400 | | |
| | | | | | Total Revenue (Current) | 1 331 397 398 | | |
| 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 flactuations in the housing grant (operational vs capital) |
| | | | | | CPI | 5% | | |
| | | | | | Total Revenue Exl.Capital (Previous) | 1 156 425 497 | | |
| | | | | | Total Revenue Exl.Capital (Current) | 1 290 275 773 | | |

**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 | | 33 days | *2019/20 Projected 5* | |
| | | | | | Trade Creditors | 70 710 613 | | |
| | | | | | Contracted Services | 119 745 927 | | |
| | | | | | Repairs and Maintenance | 92 032 858 | | |
| | | | | | General expenses | 74 933 329 | | |
| | | | | | Bulk Purchases | 278 484 673 | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Creditors) | (Operating and Capital) x 365 | reports and AR | | Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)* | 211 056 463 | | |
| **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 | 3 780 636 | | |
| | | | | | Total Operating Expenditure | 1 189 200 193 | | |
| | | | | | 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% | *2019/20 Projected 5* | |
| | | | | | Employee/personnel related cost | 382 527 443 | | |
| | | | | | Councillors Remuneration | 11 282 325 | | |
| | | | | | Total Operating Expenditure | 1 189 200 193 | | |
| | | | | | 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% | *2019/20 Projected 5* | Cost analysis conducted to deliver cost effective services. |
| | | | | | Contracted Services | 177 913 893 | | |
| | | | | | Total Operating Expenditure | 1 189 200 193 | | |
| | | | | | 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 | | 43% | *2019/20 Projected 5* | |
| | | | | | Internally generated funds | 39 357 705 | | |
| | | | | | Borrowings | 50 476 397 | | |
| | | | | | Total Capital Expenditure | 211 056 463 | | |
| **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 | | 19% | *2019/20 Projected 5* | |
| | | | | | Internally generated funds | 39 357 705 | | |
| | | | | | Total Capital Expenditure | 211 056 463 | | |
| **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 | 1 331 397 397 | | |
| | | | | | Government grant and subsidies | 160 532 335 | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Agency Revenue) | Donations)/ Total Operating Revenue (including agency services) x 100 | | | Public contributions and Donations | 3 729 771 | | |
| | | | | | Capital Grants | 37 391 853 | | |
| **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% | | 77% | | |
| | | | | | Actual Capital Expenditure | 211 056 463 | *2019/20 Projected 5* | |
| | | | | | Budget Capital Expenditure | 275 799 967 | | |
| **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% | | 91% | | |
| | | | | | Actual Operating Expenditure | 1 189 200 193 | *2019/20 Projected 5* | |
| | | | | | Budget Operating Expenditure | 1 306 768 048 | | |
| **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% | | |
| | | | | | Actual Operating Revenue | 1 290 275 773 | *2019/20 Projected 5* | |
| | | | | | Budget Operating Revenue | 1 290 877 415 | | |
| **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% | | |
| | | | | | Actual Service Charges and Property Rates Revenue | 940 463 033 | *2019/20 Projected 5* | |
| | | | | | Budget Service Charges and Property Rates Revenue | 932 999 816 | | |

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 |
| | The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results. |
| | Data should be captured in the blue colour cell to calculate a ratio. |
| # | In instances where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced |

# Template for Calculation of Uniform Financial Ratios and Norms 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) × 100 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR | 10% - 20% | | 17% | *2020/21 Projected 4* | |
| | | | | | Total Operating Expenditure | 1 344 122 745 | | |
| | | | | | Taxation Expense | - | | |
| | | | | | Total Capital Expenditure | 280 086 380 | | |
| 2 | Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value) | Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100 | Statement of Financial Position, Notes to the AFS and AR | 0% | | 0% | *2020/21 Projected 4* | |
| | | | | | PPE, Investment Property and Intangible Impairment | - | | |
| | | | | | PPE at carrying value | 3 766 756 386 | | |
| | | | | | Investment at carrying value | 121 846 000 | | |
| | | | | | Intangible Assets at carrying value | 4 753 092 | | |
| 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% | *2020/21 Projected 4* | Repairs & maintenance compises 16.07% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost. |
| | | | | | Total Repairs and Maintenance Expenditure | 216 106 336 | | |
| | | | | | PPE at carrying value | 3 766 756 386 | | |
| | | | | | 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% | *2020/21 Projected 4* | |
| | | | | | Gross Debtors closing balance | 125 132 448 | | |
| | | | | | Gross Debtors opeining balance | 128 964 870 | | |
| | | | | | Bad debts written Off | 740 714 | | |
| | | | | | Billed Revenue | 922 449 769 | | |
| 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% | *2020/21 Projected 4* | The norm range appears incorrect |
| | | | | | Consumer Debtors Bad debts written off | 740 714 | | |
| | | | | | Consumer Debtors Current bad debt Provision | 40 641 428 | | |
| 3 | Net Debtors Days | ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR | 30 days | | 33 days | *2020/21 Projected 4* | Taking into account/providing for the high risk regarding the COVID19 lockdown consequences |
| | | | | | Gross debtors | 125 132 448 | | |
| | | | | | Bad debts Provision | 40 641 428 | | |
| | | | | | Billed Revenue | 922 449 769 | | |

**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 | 117 248 648 | | |
| | | | | | Unspent Conditional Grants | - | | |
| | | | | | Overdraft | - | | |
| | | | | | Short Term Investments | 400 000 000 | | |
| | | | | | Total Annual Operational Expenditure | 1 175 982 576 | | |
| 2 | Current Ratio | Current Assets / Current Liabilities | Statement of Financial Position, Budget, IDP and AR | 1.5 - 2:1 | | 2.59 | *2020/21 Projected 4* | |
| | | | | | Current Assets | 646 266 812 | | |
| | | | | | Current Liabilities | 249 066 800 | | |

**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 | 51 482 056 | | |
| | | | | | Redemption | 46 373 730 | | |
| | | | | | Total Operating Expenditure | 1 344 122 745 | | |
| | | | | | 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% | | 44% | *2020/21 Projected 4* | |
| | | | | | Total Debt | 483 010 575 | | |
| | | | | | Total Operating Revenue | 1 251 076 334 | | |
| | | | | | Operational Conditional Grants | 148 458 203 | | |

**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% | | 17091% | *2020/21 Projected 4* | |
| | | | | | Cash and cash Equivalents | 117 248 648 | | |
| | | | | | Bank Overdraft | | | |
| | | | | | Short Term Investment | 400 000 000 | | |
| | | | | | Long Term Investment | 54 460 010 | | |
| | | | | | Unspent Grants | - | | |
| | | | | | Net Assets | 3 657 770 600 | | |
| | | | | | Share Premium | | | |
| | | | | | Share Capital | | | |
| | | | | | Revaluation Reserve | | | |
| | | | | | Fair Value Adjustment Reserve | | | |
| | | | | | Accumulated Surplus | 3 654 425 600 | | |

**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% | *2020/21 Projected 4* | Refer to flactuations in the housing grant (operational vs capital) |
| | | | | | Total Operating Revenue | 1 251 076 334 | | |
| | | | | | Depreciation - Revalued Portion *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)* | | | |
| | | | | | Total Operating Expenditure | 1 344 122 745 | | |
| | | | | | Taxation Expense | | | |
| 2 | Net Surplus /Deficit Electricity | Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | 0% - 15% | | 5% | *2020/21 Projected 4* | |
| | | | | | Total Electricity Revenue | 435 401 292 | | |
| | | | | | Total Electricity Expenditure | 412 253 812 | | |
| 3 | Net Surplus /Deficit Water | Total Water Revenue less Total Water Expenditure/Total Water Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 7% | *2020/21 Projected 4* | |
| | | | | | Total Water Revenue | 152 914 661 | | |
| | | | | | Total Water Expenditure | 142 103 582 | | |
| 4 | Net Surplus /Deficit Refuse | Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 15% | *2020/21 Projected 4* | |
| | | | | | Total Refuse Revenue | 98 986 483 | | |
| | | | | | Total Refuse Expenditure | 84 410 720 | | |
| 5 | Net Surplus /Deficit Sanitation and Waste Water | Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | = or > 0% | | 7% | *2020/21 Projected 4* | |
| | | | | | Total Sanitation and Water Waste Revenue | 113 788 563 | | |
| | | | | | Total Sanitation and Water Waste Expenditure | 106 019 118 | | |

**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) × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 7% - 10% | | 7% | | |
| | | | | | Number of units purchased and/or generated | 258 548 205 | *2020/21 Projected 4* | |
| | | | | | Number of units sold | 241 122 056 | | |
| 2 | Water Distribution Losses (Percentage) | (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 15% - 30% | | 21% | | |
| | | | | | Number of kilolitres purchased and/or purified | 7 334 505 | *2020/21 Projected 4* | |
| | | | | | 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% | | |
| | | | | | Number of Active Debtors Accounts (Previous) | 48 755 | *2020/21 Projected 4* | |
| | | | | | 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 | | -3% | | |
| | | | | | CPI | 5% | *2020/21 Projected 4* | |
| | | | | | Total Revenue (Previous) | 1 331 397 397 | | |
| | | | | | Total Revenue (Current) | 1 297 992 047 | | |
| 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 | | -3% | | |
| | | | | | CPI | 5% | | |
| | | | | | Total Revenue Exl.Capital (Previous) | 1 290 275 773 | *2020/21 Projected 4* | |
| | | | | | Total Revenue Exl.Capital (Current) | 1 251 076 334 | | |

**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 | | 27 days | | |
| | | | | | Trade Creditors | 67 604 750 | | |
| | | | | | Contracted Services | 149 647 530 | | |
| | | | | | Repairs and Maintenance | 116 049 183 | | |
| | | | | | General expenses | 100 699 567 | | |
| | | | | | Bulk Purchases | 270 260 407 | *2020/21 Projected 4* | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Creditors) | (Operating and Capital) x 365 | reports and AR | | Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)* | 280 086 380 | | |
| **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 | 1 344 122 745 | | |
| | | | | | 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% | *2020/21 Projected 4* | |
| | | | | | Employee/personnel related cost | 440 972 343 | | |
| | | | | | Councillors Remuneration | 11 896 435 | | |
| | | | | | Total Operating Expenditure | 1 344 122 745 | | |
| | | | | | 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% | *2020/21 Projected 4* | Cost analysis conducted to deliver cost effective services. |
| | | | | | Contracted Services | 229 348 562 | | |
| | | | | | Total Operating Expenditure | 1 344 122 745 | | |
| | | | | | 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 | | 70% | *2020/21 Projected 4* | |
| | | | | | Internally generated funds | 120 334 753 | | |
| | | | | | Borrowings | 75 228 311 | | |
| | | | | | Total Capital Expenditure | 280 086 380 | | |
| **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 | | 43% | *2020/21 Projected 4* | |
| | | | | | Internally generated funds | 120 334 753 | | |
| | | | | | Total Capital Expenditure | 280 086 380 | | |
| **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 | 1 297 992 047 | | |
| | | | | | Government grant and subsidies | 148 458 203 | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Agency Revenue) | Donations)/ Total Operating Revenue (including agency services) x 100 | | | Public contributions and Donations | - | | |
| | | | | | Capital Grants | 46 915 713 | | |
| **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 | 280 086 380 | | |
| | | | | | Budget Capital Expenditure | 280 086 380 | | |
| **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 | 1 344 122 745 | | |
| | | | | | Budget Operating Expenditure | 1 344 122 745 | | |
| **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 | 1 251 076 334 | | |
| | | | | | Budget Operating Revenue | 1 251 076 334 | | |
| **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 | 922 449 769 | | |
| | | | | | Budget Service Charges and Property Rates Revenue | 922 449 769 | | |

NATIONAL TREASURY

MFMA Circular No 71

**Municipal Finance Management Act No. 56 of 2003**

**Annexure 2**

**Interpretation of results**

| | |
|---|---|
| | The green colour indicates that the result is within the norm and is acceptable |
| | The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results. |
| | Data should be captured in the blue colour cell to calculate a ratio. |
| # | In instances where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced |

# Template for Calculation of Uniform Financial Ratios and Norms 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) × 100 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR | 10% - 20% | | 14% | *2021/22 Projected 3* | |
| | | | | | Total Operating Expenditure | 1 450 535 737 | | |
| | | | | | Taxation Expense | - | | |
| | | | | | Total Capital Expenditure | 233 443 665 | | |
| 2 | Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value) | Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100 | Statement of Financial Position, Notes to the AFS and AR | 0% | | 0% | *2021/22 Projected 3* | |
| | | | | | PPE, Investment Property and Intangible Impairment | | | |
| | | | | | PPE at carrying value | 3 861 673 737 | | |
| | | | | | Investment at carrying value | 127 346 000 | | |
| | | | | | Intangible Assets at carrying value | 4 362 754 | | |
| 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 compises 17.21% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost. |
| | | | | | Total Repairs and Maintenance Expenditure | 249 567 173 | | |
| | | | | | PPE at carrying value | 3 861 673 737 | | |
| | | | | | Investment Property at Carrying value | 127 346 000 | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **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 | 135 847 568 | | |
| | | | | | Gross Debtors opeining balance | 125 132 448 | | |
| | | | | | Bad debts written Off | 500 000 | | |
| | | | | | Billed Revenue | 1 049 235 055 | | |
| **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% | | 1% | *2021/22 Projected 3* | The norm range appears incorrect |
| | | | | | Consumer Debtors Bad debts written off | 500 000 | | |
| | | | | | Consumer Debtors Current bad debt Provision | 42 141 428 | | |
| **3** | Net Debtors Days | ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR | 30 days | | 33 days | *2021/22 Projected 3* | Taking into account/providing for the high risk regarding the COVID19 lockdown consequences |
| | | | | | Gross debtors | 135 847 568 | | |
| | | | | | Bad debts Provision | 42 141 428 | | |
| | | | | | Billed Revenue | 1 049 235 055 | | |
| **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 | *2021/22 Projected 3* | |
| | | | | | Cash and cash equivalents | 46 299 110 | | |
| | | | | | Unspent Conditional Grants | - | | |
| | | | | | Overdraft | | | |
| | | | | | Short Term Investments | 400 000 000 | | |
| | | | | | Total Annual Operational Expenditure | 1 283 373 085 | | |
| **2** | Current Ratio | Current Assets / Current Liabilities | Statement of Financial Position, Budget, IDP and AR | 1.5 - 2:1 | | 2.24 | *2021/22 Projected 3* | |
| | | | | | Current Assets | 584 933 180 | | |
| | | | | | Current Liabilities | 261 558 430 | | |
| **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% | *2021/22 Projected 3* | |
| | | | | | Interest Paid | 51 803 648 | | |
| | | | | | Redemption | 49 300 768 | | |
| | | | | | Total Operating Expenditure | 1 450 535 737 | | |
| | | | | | 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% | | 34% | *2021/22 Projected 3* | |
| | | | | | Total Debt | 432 173 746 | | |
| | | | | | Total Operating Revenue | 1 397 079 154 | | |
| | | | | | Operational Conditional Grants | 139 692 100 | | |
| **E. Sustainability** | | | | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 1 | Level of Cash Backed Reserves (Net Assets - Accumulated Surplus) | (Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100 | Statement Financial Position, Budget and AR | 100% | | 15201% | *2021/22 Projected 3* | |
| | | | | | Cash and cash Equivalents | 46 299 110 | | |
| | | | | | Bank Overdraft | | | |
| | | | | | Short Term Investment | 400 000 000 | | |
| | | | | | Long Term Investment | 62 164 557 | | |
| | | | | | Unspent Grants | - | | |
| | | | | | Net Assets | 3 757 316 243 | | |
| | | | | | Share Premium | | | |
| | | | | | Share Capital | | | |
| | | | | | Revaluation Reserve | | | |
| | | | | | Fair Value Adjustment Reserve | | | |
| | | | | | Accumulated Surplus | 3 753 971 243 | | |

## 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* | Refer to flactuations in the housing grant (operational vs capital) |
| | | | | | Total Operating Revenue | 1 397 079 154 | | |
| | | | | | Depreciation - Revalued Portion *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)* | | | |
| | | | | | Total Operating Expenditure | 1 450 535 737 | | |
| | | | | | Taxation Expense | | | |
| 2 | Net Surplus /Deficit Electricity | Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | 0% - 15% | | 10% | *2021/22 Projected 3* | |
| | | | | | Total Electricity Revenue | 519 084 131 | | |
| | | | | | Total Electricity Expenditure | 468 571 433 | | |
| 3 | Net Surplus /Deficit Water | Total Water Revenue less Total Water Expenditure/Total Water Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 2% | *2021/22 Projected 3* | |
| | | | | | Total Water Revenue | 147 445 938 | | |
| | | | | | Total Water Expenditure | 143 977 928 | | |
| 4 | Net Surplus /Deficit Refuse | Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 1% | *2021/22 Projected 3* | |
| | | | | | Total Refuse Revenue | 94 144 886 | | |
| | | | | | Total Refuse Expenditure | 93 099 156 | | |
| 5 | Net Surplus /Deficit Sanitation and Waste Water | Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | = or > 0% | | 7% | *2021/22 Projected 3* | |
| | | | | | Total Sanitation and Water Waste Revenue | 106 656 118 | | |
| | | | | | Total Sanitation and Water Waste Expenditure | 99 443 420 | | |

**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) × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 7% - 10% | | 6% | | |
| | | | | | Number of units purchased and/or generated | 250 912 516 | *2021/22 Projected 3* | |
| | | | | | Number of units sold | 235 857 765 | | |
| 2 | Water Distribution Losses (Percentage) | (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 15% - 30% | | 25% | | |
| | | | | | Number of kilolitres purchased and/or purified | 7 720 616 | *2021/22 Projected 3* | |
| | | | | | Number of kilolitres sold | 5 829 065 | | |

**C. Revenue Management**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 1 | Growth in Number of Active Consumer Accounts | (Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100 | Debtors System | None | | 0% | | |
| | | | | | Number of Active Debtors Accounts (Previous) | 48 755 | *2021/22 Projected 3* | |
| | | | | | 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 | | 12% | | |
| | | | | | CPI | 5% | *2021/22 Projected 3* | Refer to flactuations in the housing grant (operational vs capital) |
| | | | | | Total Revenue (Previous) | 1 297 992 047 | | |
| | | | | | Total Revenue (Current) | 1 456 633 954 | | |
| 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% | | |
| | | | | | CPI | 5% | | |
| | | | | | Total Revenue Exl.Capital (Previous) | 1 251 076 334 | *2021/22 Projected 3* | |
| | | | | | Total Revenue Exl.Capital (Current) | 1 397 079 154 | | Refer to flactuations in the housing grant (operational vs capital) |

**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 | | 26 days | | |
| | | | | | Trade Creditors | 68 000 000 | | |
| | | | | | Contracted Services | 148 191 492 | | |
| | | | | | Repairs and Maintenance | 123 369 141 | | |
| | | | | | General expenses | 130 616 051 | | |
| | | | | | Bulk Purchases | 318 669 449 | *2021/22 Projected 3* | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Creditors) | (Operating and Capital) x 365 | reports and AR | | Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)* | 233 443 665 | | |
| **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 | 1 450 535 737 | | |
| | | | | | 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% | *2021/22 Projected 3* | |
| | | | | | Employee/personnel related cost | 461 744 582 | | |
| | | | | | Councillors Remuneration | 12 508 622 | | |
| | | | | | Total Operating Expenditure | 1 450 535 737 | | |
| | | | | | 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% | *2021/22 Projected 3* | Cost analysis conducted to deliver cost effective services. |
| | | | | | Contracted Services | 239 915 429 | | |
| | | | | | Total Operating Expenditure | 1 450 535 737 | | |
| | | | | | 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% | *2021/22 Projected 3* | |
| | | | | | Internally generated funds | 55 680 580 | | |
| | | | | | Borrowings | 67 250 000 | | |
| | | | | | Total Capital Expenditure | 233 443 665 | | |
| **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 | | 24% | *2021/22 Projected 3* | |
| | | | | | Internally generated funds | 55 680 580 | | |
| | | | | | Total Capital Expenditure | 233 443 665 | | |
| **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% | *2021/22 Projected 3* | |
| | | | | | Total Revenue | 1 456 633 954 | | |
| | | | | | Government grant and subsidies | 139 692 100 | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Agency Revenue) | Donations)/ Total Operating Revenue (including agency services) x 100 | | | Public contributions and Donations | 13 200 800 | | |
| | | | | | Capital Grants | 46 354 000 | | |
| **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% | | |
| | | | | | Actual Capital Expenditure | 233 443 665 | *2021/22 Projected 3* | |
| | | | | | Budget Capital Expenditure | 233 443 665 | | |
| **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% | | |
| | | | | | Actual Operating Expenditure | 1 450 535 737 | *2021/22 Projected 3* | |
| | | | | | Budget Operating Expenditure | 1 450 535 737 | | |
| **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% | | |
| | | | | | Actual Operating Revenue | 1 397 079 154 | *2021/22 Projected 3* | |
| | | | | | Budget Operating Revenue | 1 397 079 154 | | |
| **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% | | |
| | | | | | Actual Service Charges and Property Rates Revenue | 1 049 235 055 | *2021/22 Projected 3* | |
| | | | | | Budget Service Charges and Property Rates Revenue | 1 049 235 055 | | |

NATIONAL TREASURY

MFMA Circular No 71

**Municipal Finance Management Act No. 56 of 2003**

**Annexure 2**

**Interpretation of results**

| | |
|---|---|
| | The green colour indicates that the result is within the norm and is acceptable |
| | The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results. |
| | Data should be captured in the blue colour cell to calculate a ratio. |
| # | In instances where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced |

# Template for Calculation of Uniform Financial Ratios and Norms 2022/23 Projected

| RATIO | FORMULA | DATA SOURCE | NORM/RANGE | INPUT DESCRIPTION | DATA INPUTS AND RESULTS | INTERPRETATION | MUNICIPAL COMMENTS (#) |
|---|---|---|---|---|---|---|---|
| | | | | | " R 000 " | | |
| **1. FINANCIAL POSITION** | | | | | | | |
| **A. Asset Management/Utilisation** | | | | | | | |
| 1 | Capital Expenditure to Total Expenditure | Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR | 10% - 20% | | 9% | *2022/23 Projected 2* | |
| | | | | Total Operating Expenditure | 1 493 455 497 | | |
| | | | | Taxation Expense | - | | |
| | | | | Total Capital Expenditure | 142 286 195 | | |
| 2 | Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value) | Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100 | Statement of Financial Position, Notes to the AFS and AR | 0% | | 0% | *2022/23 Projected 2* | |
| | | | | PPE, Investment Property and Intangible Impairment | | | |
| | | | | PPE at carrying value | 3 860 121 314 | | |
| | | | | Investment at carrying value | 132 846 000 | | |
| | | | | Intangible Assets at carrying value | 4 154 211 | | |
| 3 | Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value) | Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100 | Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports | 8% | | 7% | *2022/23 Projected 2* | Repairs & maintenance compises 17.63% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost. |
| | | | | Total Repairs and Maintenance Expenditure | 263 319 865 | | |
| | | | | PPE at carrying value | 3 860 121 314 | | |
| | | | | Investment Property at Carrying value | 132 846 000 | | |

| | RATIO | FORMULA | DATA SOURCE | NORM/RANGE | INPUT DESCRIPTION | DATA INPUTS AND RESULTS | INTERPRETATION | MUNICIPAL COMMENTS (#) |
|---|---|---|---|---|---|---|---|---|
| **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% | | |
| | | | | | Gross Debtors closing balance | 148 894 054 | | |
| | | | | | Gross Debtors opeining balance | 135 847 568 | *2022/23 Projected 2* | |
| | | | | | Bad debts written Off | 500 000 | | |
| | | | | | Billed Revenue | 1 056 705 876 | | |
| 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% | | 1% | | |
| | | | | | Consumer Debtors Bad debts written off | 500 000 | *2022/23 Projected 2* | The norm range appears incorrect |
| | | | | | Consumer Debtors Current bad debt Provision | 43 641 428 | | |
| 3 | Net Debtors Days | ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR | 30 days | | 34 days | | Taking into account/providing for the high risk regarding the COVID19 lockdown consequences |
| | | | | | Gross debtors | 148 894 054 | | |
| | | | | | Bad debts Provision | 43 641 428 | *2022/23 Projected 2* | |
| | | | | | Billed Revenue | 1 129 387 488 | | |
| **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 | | |
| | | | | | Cash and cash equivalents | 62 210 401 | | |
| | | | | | Unspent Conditional Grants | | | |
| | | | | | Overdraft | | *2022/23 Projected 2* | |
| | | | | | Short Term Investments | 400 000 000 | | |
| | | | | | Total Annual Operational Expenditure | 1 327 908 336 | | |
| 2 | Current Ratio | Current Assets / Current Liabilities | Statement of Financial Position, Budget, IDP and AR | 1.5 - 2:1 | | 2.23 | | |
| | | | | | Current Assets | 612 766 763 | *2022/23 Projected 2* | |
| | | | | | Current Liabilities | 274 649 485 | | |
| **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% | | |
| | | | | | Interest Paid | 51 922 504 | | |
| | | | | | Redemption | 42 448 479 | *2022/23 Projected 2* | |
| | | | | | Total Operating Expenditure | 1 493 455 497 | | |
| | | | | | 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% | | 34% | | |
| | | | | | Total Debt | 439 725 148 | | |
| | | | | | Total Operating Revenue | 1 449 929 089 | *2022/23 Projected 2* | |
| | | | | | Operational Conditional Grants | 144 977 100 | | |

| RATIO | FORMULA | DATA SOURCE | NORM/RANGE | INPUT DESCRIPTION | DATA INPUTS AND RESULTS | INTERPRETATION | MUNICIPAL COMMENTS (#) |
|---|---|---|---|---|---|---|---|
| **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% | | 15911% | *2022/23 Projected 2* | |
| | | | | | Cash and cash Equivalents | 62 210 401 | | |
| | | | | | Bank Overdraft | | | |
| | | | | | Short Term Investment | 400 000 000 | | |
| | | | | | Long Term Investment | 70 005 332 | | |
| | | | | | Unspent Grants | | | |
| | | | | | Net Assets | 3 773 841 336 | | |
| | | | | | Share Premium | | | |
| | | | | | Share Capital | | | |
| | | | | | Revaluation Reserve | | | |
| | | | | | Fair Value Adjustment Reserve | | | |
| | | | | | Accumulated Surplus | 3 770 496 336 | | |
| **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% | | -3% | *2022/23 Projected 2* | Refer to flactuations in the housing grant (operational vs capital) |
| | | | | | Total Operating Revenue | 1 449 929 089 | | |
| | | | | | Depreciation - Revalued Portion *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)* | | | |
| | | | | | Total Operating Expenditure | 1 493 455 497 | | |
| | | | | | Taxation Expense | | | |
| 2 | Net Surplus /Deficit Electricity | Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | 0% - 15% | | 10% | *2022/23 Projected 2* | |
| | | | | | Total Electricity Revenue | 539 847 496 | | |
| | | | | | Total Electricity Expenditure | 487 314 290 | | |
| 3 | Net Surplus /Deficit Water | Total Water Revenue less Total Water Expenditure/Total Water Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 2% | *2022/23 Projected 2* | |
| | | | | | Total Water Revenue | 153 343 776 | | |
| | | | | | Total Water Expenditure | 149 737 045 | | |
| 4 | Net Surplus /Deficit Refuse | Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 1% | *2022/23 Projected 2* | |
| | | | | | Total Refuse Revenue | 97 910 681 | | |
| | | | | | Total Refuse Expenditure | 96 823 122 | | |

| | RATIO | FORMULA | DATA SOURCE | NORM/RANGE | INPUT DESCRIPTION | DATA INPUTS AND RESULTS | INTERPRETATION | MUNICIPAL COMMENTS (#) |
|---|---|---|---|---|---|---|---|---|
| 5 | Net Surplus /Deficit Sanitation and Waste Water | Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | = or > 0% | | 7% | | |
| | | | | | Total Sanitation and Water Waste Revenue | 110 922 363 | *2022/23 Projected 2* | |
| | | | | | Total Sanitation and Water Waste Expenditure | 103 421 157 | | |
| **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) × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 7% - 10% | | 6% | | |
| | | | | | Number of units purchased and/or generated | 253 421 633 | *2022/23 Projected 2* | |
| | | | | | Number of units sold | 238 216 335 | | |
| 2 | Water Distribution Losses (Percentage) | (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 15% - 30% | | 25% | | |
| | | | | | Number of kilolitres purchased and/or purified | 7 797 824 | *2022/23 Projected 2* | |
| | | | | | Number of kilolitres sold | 5 887 357 | | |
| **C. Revenue Management** | | | | | | | | |
| 1 | Growth in Number of Active Consumer Accounts | (Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100 | Debtors System | None | | 0% | | |
| | | | | | Number of Active Debtors Accounts (Previous) | 48 755 | *2022/23 Projected 2* | |
| | | | | | 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 | | 2% | | |
| | | | | | CPI | 5% | *2022/23 Projected 2* | |
| | | | | | Total Revenue (Previous) | 1 456 633 954 | | |
| | | | | | Total Revenue (Current) | 1 492 069 121 | | |
| 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% | | |
| | | | | | CPI | 5% | | |
| | | | | | Total Revenue Exl.Capital (Previous) | 1 397 079 154 | *2022/23 Projected 2* | |
| | | | | | Total Revenue Exl.Capital (Current) | 1 449 929 089 | | |

| | RATIO | FORMULA | DATA SOURCE | NORM/RANGE | INPUT DESCRIPTION | DATA INPUTS AND RESULTS | INTERPRETATION | MUNICIPAL COMMENTS (#) |
|---|---|---|---|---|---|---|---|---|
| **D. Expenditure Management** | | | | | | | | |
| 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 | | 28 days | *2022/23 Projected 2* | |
| | | | | | Trade Creditors | 68 500 000 | | |
| | | | | | Contracted Services | 153 616 618 | | |
| | | | | | Repairs and Maintenance | 130 880 157 | | |
| | | | | | General expenses | 113 455 287 | | |
| | | | | | Bulk Purchases | 347 031 029 | | |
| | | | | | Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)* | 142 286 195 | | |
| 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 | 1 493 455 497 | | |
| | | | | | 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% | *2022/23 Projected 2* | |
| | | | | | Employee/personnel related cost | 480 764 649 | | |
| | | | | | Councillors Remuneration | 13 019 560 | | |
| | | | | | Total Operating Expenditure | 1 493 455 497 | | |
| | | | | | 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% | *2022/23 Projected 2* | Cost analysis conducted to deliver cost effective services. |
| | | | | | Contracted Services | 250 494 221 | | |
| | | | | | Total Operating Expenditure | 1 493 455 497 | | |
| | | | | | 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 | | 46% | *2022/23 Projected 2* | |
| | | | | | Internally generated funds | 15 000 000 | | |
| | | | | | Borrowings | 50 000 000 | | |
| | | | | | Total Capital Expenditure | 142 286 195 | | |

| | RATIO | FORMULA | DATA SOURCE | NORM/RANGE | INPUT DESCRIPTION | DATA INPUTS AND RESULTS | INTERPRETATION | MUNICIPAL COMMENTS (#) |
|---|---|---|---|---|---|---|---|---|
| 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 | | 11% | *2022/23 Projected 2* | |
| | | | | | Internally generated funds | 15 000 000 | | |
| | | | | | Total Capital Expenditure | 142 286 195 | | |
| 3 | Own Source Revenue to Total Operating Revenue(Including Agency Revenue) | Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100 | Statement Financial Performance, Budget, IDP, In-Year reports and AR | None | | 93% | *2022/23 Projected 2* | |
| | | | | | Total Revenue | 1 492 069 121 | | |
| | | | | | Government grant and subsidies | 144 977 100 | | |
| | | | | | Public contributions and Donations | 1 312 032 | | |
| | | | | | Capital Grants | 40 828 000 | | |
| **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 | 142 286 195 | | |
| | | | | | Budget Capital Expenditure | 142 286 195 | | |
| 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 | 1 493 455 497 | | |
| | | | | | Budget Operating Expenditure | 1 493 455 497 | | |
| 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 | 1 449 929 089 | | |
| | | | | | Budget Operating Revenue | 1 449 929 089 | | |
| 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 | 1 129 387 488 | | |
| | | | | | Budget Service Charges and Property Rates Revenue | 1 129 387 488 | | |

NATIONAL TREASURY

MFMA Circular No 71

**Municipal Finance Management Act No. 56 of 2003**

**Annexure 2**

**Interpretation of results**

| | |
|---|---|
| | The green colour indicates that the result is within the norm and is acceptable |
| | The red colour indicates that the result is not acceptable and corrective actions/plans should be put in place to improve the results. |
| | Data should be captured in the blue colour cell to calculate a ratio. |
| # | In instances where the results are not within the acceptable norm, corrective actions/plans should be taken and referenced |

## Template for Calculation of Uniform Financial Ratios and Norms 2023/24 Projected

| RATIO | FORMULA | DATA SOURCE | NORM/RANGE | INPUT DESCRIPTION | DATA INPUTS AND RESULTS | INTERPRETATION | MUNICIPAL COMMENTS (#) |
|---|---|---|---|---|---|---|---|
| | | | | | " R 000 " | | |
| **1. FINANCIAL POSITION** | | | | | | | |
| **A. Asset Management/Utilisation** | | | | | | | |
| 1 | Capital Expenditure to Total Expenditure | Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR | 10% - 20% | | 6% | *2023/24 Projected 1* | |
| | | | | Total Operating Expenditure | 1 547 907 596 | | |
| | | | | Taxation Expense | | | |
| | | | | Total Capital Expenditure | 95 835 000 | | |
| 2 | Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value) | Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100 | Statement of Financial Position, Notes to the AFS and AR | 0% | | 0% | *2023/24 Projected 1* | |
| | | | | PPE, Investment Property and Intangible Impairment | | | |
| | | | | PPE at carrying value | 3 812 995 186 | | |
| | | | | Investment at carrying value | 138 346 000 | | |
| | | | | Intangible Assets at carrying value | 3 734 667 | | |
| 3 | Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value) | Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100 | Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports | 8% | | 7% | *2023/24 Projected 1* | Repairs & maintenance compises 17.11% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost. |
| | | | | Total Repairs and Maintenance Expenditure | 264 772 357 | | |
| | | | | PPE at carrying value | 3 812 995 186 | | |
| | | | | Investment Property at Carrying value | 138 346 000 | | |

**B. Debtors Management**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 1 | Collection Rate | (Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts 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% | *2023/24 Projected 1* | |
| | | | | | Gross Debtors closing balance | 164 498 039 | | |
| | | | | | Gross Debtors opeining balance | 148 894 054 | | |
| | | | | | Bad debts written Off | 500 000 | | |
| | | | | | Billed Revenue | 1 217 327 994 | | |
| 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% | | 1% | *2023/24 Projected 1* | The norm range appears incorrect |
| | | | | | Consumer Debtors Bad debts written off | 500 000 | | |
| | | | | | Consumer Debtors Current bad debt Provision | 45 141 428 | | |
| 3 | Net Debtors Days | ((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365 | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR | 30 days | | 36 days | *2023/24 Projected 1* | Taking into account/providing for the high risk regarding the COVID19 lockdown consequences |
| | | | | | Gross debtors | 164 498 039 | | |
| | | | | | Bad debts Provision | 45 141 428 | | |
| | | | | | Billed Revenue | 1 217 327 994 | | |

**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 | *2023/24 Projected 1* | |
| | | | | | Cash and cash equivalents | 147 154 868 | | |
| | | | | | Unspent Conditional Grants | | | |
| | | | | | Overdraft | | | |
| | | | | | Short Term Investments | 400 000 000 | | |
| | | | | | Total Annual Operational Expenditure | 1 383 026 924 | | |
| 2 | Current Ratio | Current Assets / Current Liabilities | Statement of Financial Position, Budget, IDP and AR | 1.5 - 2:1 | | 2.33 | *2023/24 Projected 1* | |
| | | | | | Current Assets | 712 132 280 | | |
| | | | | | Current Liabilities | 305 303 256 | | |

**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% | *2023/24 Projected 1* | |
| | | | | | Interest Paid | 52 179 699 | | |
| | | | | | Redemption | 46 520 694 | | |
| | | | | | Total Operating Expenditure | 1 547 907 596 | | |
| | | | | | 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% | | 33% | *2023/24 Projected 1* | |
| | | | | | Total Debt | 443 204 454 | | |
| | | | | | Total Operating Revenue | 1 495 507 648 | | |
| | | | | | Operational Conditional Grants | 148 209 100 | | |

**E. Sustainability**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 1 | Level of Cash Backed Reserves (Net Assets - Accumulated Surplus) | (Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100 | Statement Financial Position, Budget and AR | 100% | | 18689% | *2023/24 Projected 1* | |
| | | | | | Cash and cash Equivalents | 147 154 868 | | |
| | | | | | Bank Overdraft | | | |
| | | | | | Short Term Investment | 400 000 000 | | |
| | | | | | Long Term Investment | 77 989 145 | | |
| | | | | | Unspent Grants | | | |
| | | | | | Net Assets | 3 786 437 982 | | |
| | | | | | Share Premium | | | |
| | | | | | Share Capital | | | |
| | | | | | Revaluation Reserve | | | |
| | | | | | Fair Value Adjustment Reserve | | | |
| | | | | | Accumulated Surplus | 3 783 092 982 | | |

**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% | *2023/24 Projected 1* | Refer to flactuations in the housing grant (operational vs capital) |
| | | | | | Total Operating Revenue | 1 495 507 648 | | |
| | | | | | Depreciation - Revalued Portion *(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)* | | | |
| | | | | | Total Operating Expenditure | 1 547 907 596 | | |
| | | | | | Taxation Expense | | | |
| 2 | Net Surplus /Deficit Electricity | Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | 0% - 15% | | 10% | *2023/24 Projected 1* | |
| | | | | | Total Electricity Revenue | 561 441 396 | | |
| | | | | | Total Electricity Expenditure | 506 806 862 | | |
| 3 | Net Surplus /Deficit Water | Total Water Revenue less Total Water Expenditure/Total Water Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 2% | *2023/24 Projected 1* | |
| | | | | | Total Water Revenue | 159 477 527 | | |
| | | | | | Total Water Expenditure | 155 726 527 | | |
| 4 | Net Surplus /Deficit Refuse | Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue × 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = or > 0% | | 1% | *2023/24 Projected 1* | |
| | | | | | Total Refuse Revenue | 101 827 109 | | |
| | | | | | Total Refuse Expenditure | 100 696 047 | | |
| 5 | Net Surplus /Deficit Sanitation and Waste Water | Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue × 100 | Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR | = or > 0% | | 7% | *2023/24 Projected 1* | |
| | | | | | Total Sanitation and Water Waste Revenue | 115 359 257 | | |
| | | | | | Total Sanitation and Water Waste Expenditure | 107 558 003 | | |

**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) × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 7% - 10% | | 6% | | |
| | | | | | Number of units purchased and/or generated | 255 955 850 | *2023/24 Projected 1* | |
| | | | | | Number of units sold | 240 598 498 | | |
| 2 | Water Distribution Losses (Percentage) | (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100 | Annual Report, Audit Report and Notes to Annual Financial Statements | 15% - 30% | | 25% | | |
| | | | | | Number of kilolitres purchased and/or purified | 7 875 800 | *2023/24 Projected 1* | |
| | | | | | Number of kilolitres sold | 5 946 229 | | |

**C. Revenue Management**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 1 | Growth in Number of Active Consumer Accounts | (Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100 | Debtors System | None | | 0% | | |
| | | | | | Number of Active Debtors Accounts (Previous) | 48 755 | *2023/24 Projected 1* | |
| | | | | | Number of Active Debtors Accounts (Current) | 48 760 | | |
| 2 | Revenue Growth (%) | (Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue ) x 100 | Statement of Financial Performance, Budget, IDP, In-Year reports and AR | = CPI | | 3% | | |
| | | | | | CPI | | *2023/24 Projected 1* | Refer to flactuations in the housing grant (operational vs capital) |
| | | | | | Total Revenue (Previous) | 1 492 069 121 | | |
| | | | | | Total Revenue (Current) | 1 529 399 361 | | |
| 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 | | 3% | | |
| | | | | | CPI | | *2023/24 Projected 1* | Refer to flactuations in the housing grant (operational vs capital) |
| | | | | | Total Revenue Exl.Capital (Previous) | 1 449 929 089 | | |
| | | | | | Total Revenue Exl.Capital (Current) | 1 495 507 648 | | |

**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 | | 29 days | | |
| | | | | | Trade Creditors | 69 000 000 | | |
| | | | | | Contracted Services | 169 325 499 | | |
| | | | | | Repairs and Maintenance | 129 657 795 | | |
| | | | | | General expenses | 99 738 598 | | |
| | | | | | Bulk Purchases | 377 916 792 | *2023/24 Projected 1* | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Creditors) | (Operating and Capital) x 365 | reports and AR | | Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)* | 95 835 000 | | |
| **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% | *2023/24 Projected 1* | |
| | | | | | Irregular, Fruitless and Wasteful and Unauthorised Expenditure | | | |
| | | | | | Total Operating Expenditure | 1 547 907 596 | | |
| | | | | | 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% | *2023/24 Projected 1* | |
| | | | | | Employee/personnel related cost | 502 036 900 | | |
| | | | | | Councillors Remuneration | 13 553 490 | | |
| | | | | | Total Operating Expenditure | 1 547 907 596 | | |
| | | | | | 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% | *2023/24 Projected 1* | Cost analysis conducted to deliver cost effective services. |
| | | | | | Contracted Services | 263 767 895 | | |
| | | | | | Total Operating Expenditure | 1 547 907 596 | | |
| | | | | | 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 | | 63% | *2023/24 Projected 1* | |
| | | | | | Internally generated funds | 10 000 000 | | |
| | | | | | Borrowings | 50 000 000 | | |
| | | | | | Total Capital Expenditure | 95 835 000 | | |
| **2** | Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure | Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100 | Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR | None | | 10% | *2023/24 Projected 1* | |
| | | | | | Internally generated funds | 10 000 000 | | |
| | | | | | Total Capital Expenditure | 95 835 000 | | |
| **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% | *2023/24 Projected 1* | |
| | | | | | Total Revenue | 1 529 399 361 | | |
| | | | | | Government grant and subsidies | 148 209 100 | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Agency Revenue) | Donations)/ Total Operating Revenue (including agency services) x 100 | | | Public contributions and Donations | 1 323 713 | | |
| | | | | | Capital Grants | 32 568 000 | | |
| **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% | | |
| | | | | | Actual Capital Expenditure | 95 835 000 | *2023/24 Projected 1* | |
| | | | | | Budget Capital Expenditure | 95 835 000 | | |
| **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% | | |
| | | | | | Actual Operating Expenditure | 1 547 907 596 | *2023/24 Projected 1* | |
| | | | | | Budget Operating Expenditure | 1 547 907 596 | | |
| **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% | | |
| | | | | | Actual Operating Revenue | 1 495 507 648 | *2023/24 Projected 1* | |
| | | | | | Budget Operating Revenue | 1 495 507 648 | | |
| **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% | | |
| | | | | | Actual Service Charges and Property Rates Revenue | 1 217 327 994 | *2023/24 Projected 1* | |
| | | | | | Budget Service Charges and Property Rates Revenue | 1 217 327 994 | | |

**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% | 15% | 17% | 14% | 9% | 6% |
| 2 | Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value) | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| 3 | Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value) | 8% | 5% | 6% | 5% | 6% | 6% | 7% | 7% |
| Debtors Management | | | | | | | | | |
| 1 | Collection Rate | 95% | 99% | 98% | 97% | 100% | 99% | 99% | 99% |
| 2 | Bad Debts Written-off as % of Provision for Bad Debt | 100% | 4% | 3% | 2% | 2% | 1% | 1% | 1% |
| 3 | Net Debtors Days | 30 days | 29 days | 31 days | 34 days | 33 days | 33 days | 34 days | 36 days |
| Liquidity Management | | | | | | | | | |
| 1 | Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants) | 1 - 3 Months | 6 Month | 7 Month | 7 Month | 5 Month | 4 Month | 4 Month | 5 Month |
| 2 | Current Ratio | 1.5 - 2:1 | 2.82 | 3.10 | 2.75 | 2.59 | 2.24 | 2.23 | 2.33 |
| Liability Management | | | | | | | | | |
| 1 | Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure | 6% - 8% | 8% | 7% | 7% | 7% | 7% | 6% | 6% |
| 2 | Debt (Total Borrowings) / Revenue | 45% | 46% | 44% | 41% | 44% | 34% | 34% | 33% |
| **FINANCIAL PERFORMANCE** | | | | | | | | | |
| Efficiency | | | | | | | | | |
| 1 | Net Operating Surplus Margin | = or > 0% | 7% | 4% | 8% | -7% | -4% | -3% | -4% |
| 2 | Net Surplus /Deficit Electricity | 0% - 15% | 10% | 13% | 8% | 5% | 10% | 10% | 10% |
| 3 | Net Surplus /Deficit Water | = or > 0% | 36% | 16% | 16% | 7% | 2% | 2% | 2% |
| 4 | Net Surplus /Deficit Refuse | = or > 0% | 7% | -6% | 5% | 15% | 1% | 1% | 1% |
| 5 | Net Surplus /Deficit Sanitation and Waste Water | = or > 0% | 32% | 10% | -2% | 7% | 7% | 7% | 7% |
| Distribution Losses | | | | | | | | | |
| 1 | Electricity Distribution Losses (Percentage) | 7% - 10% | 5% | 6% | 6% | 7% | 6% | 6% | 6% |
| 2 | Water Distribution Losses (Percentage) | 15% - 30% | 22% | 24% | 26% | 21% | 25% | 25% | 25% |
| Revenue Management | | | | | | | | | |
| 1 | Growth in Number of Active Consumer Accounts | None | 5% | 0% | 0% | 0% | 0% | 0% | 0% |
| 2 | Revenue Growth (%) | = CPI | 6% | 6% | 10% | -3% | 12% | 2% | 3% |
| 3 | Revenue Growth (%) - Excluding capital grants | = CPI | 4% | 7% | 12% | -3% | 12% | 4% | 3% |
| Expenditure Management | | | | | | | | | |
| 1 | Creditors Payment Period (Trade Creditors) | 30 days | 36 days | 26 days | 33 days | 27 days | 26 days | 28 days | 29 days |
| 2 | Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure | 0% | 0% | 3% | 0% | 0% | 0% | 0% | 0% |
| 3 | Remuneration as % of Total Operating Expenditure | 25% - 40% | 31% | 34% | 33% | 34% | 33% | 33% | 33% |
| 4 | Contracted Services % of Total Operating Expenditure | 2% - 5% | 17% | 17% | 15% | 17% | 17% | 17% | 17% |
| Grant Dependency | | | | | | | | | |
| 1 | Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure | None | 35% | 47% | 43% | 70% | 53% | 46% | 63% |
| 2 | Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure | None | 17% | 26% | 19% | 43% | 24% | 11% | 10% |
| 3 | Own Source Revenue to Total Operating Revenue(Including Agency Revenue) | None | 89% | 89% | 90% | 92% | 92% | 93% | 92% |
| **BUDGET IMPLEMENTATION** | | | | | | | | | |
| 1 | Capital Expenditure Budget Implementation Indicator | 95% - 100% | 90% | 100% | 77% | 100% | 100% | 100% | 100% |
| 2 | Operating Expenditure Budget Implementation Indicator | 95% - 100% | 95% | 96% | 91% | 100% | 100% | 100% | 100% |
| 3 | Operating Revenue Budget Implementation Indicator | 95% - 100% | 103% | 107% | 100% | 100% | 100% | 100% | 100% |
| 4 | Service Charges and Property Rates Revenue Budget Implementation Indicator | 95% - 100% | 101% | 102% | 101% | 100% | 100% | 100% | 100% |

# ANNEXURE I

# mSCOA REGULATIONS & IMPLEMENTATION

**MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA):**

**POST IMPLEMENTATION STATUS OF mSCOA PROJECT - MARCH 2021**

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## 1. Executive Summary

**The purpose of this submission to Council is to:**

1. Inform Council on specific initiatives to date by National Treasury to enable a full and complete understanding of the scope and extent of the SCOA implementation as applicable to all municipalities and municipal entities;
2. Report to Council on progress made to date with the implementation of mSCOA at the Overstrand Municipality since the previous report to Council.
3. Maintain an on-going awareness of specific mSCOA initiatives in the Overstrand Municipality; and
4. Considerations on the way forward with the core financial system, being Samras Classic, currently in use by the Overstrand Municipality.

A comprehensive supplementary report in this regard, providing the necessary detail with regard to background and historic information over the past number of years for this National Treasury project, was also included up to 31 December 2019, as part of the reporting to Council.

## 2. Updated status - March 2021 (Quarter 3)

mSCOA Project Governance and Management: Solvem (previously Bytes Systems Integration) and engagements with regard to the Samras Financial System)

It was reported to Council (Dec 2020, Quarter 2) that Overstrand Municipality received correspondence on 31 December 2020 from the service provider (Bytes Systems Integration) for the financial system currently in use (SAMRAS), inclusive of the following notification as corresponded to National Treasury:

"this letter serves to advise that the service provider for the SAMRAS system has changed from Altron TMT (Pty) Ltd to Solvem Consulting (Pty) Ltd. The effective date of the business transfer is the 1 December 2020. The transfer of the resources will be the 1 January 2021. The SAMRAS product and service offerings remain the same. The full resource team transfers in a section 197 process and hence continuity of service will be uninterrupted to our current clients."

It was also confirmed that this development will be closely monitored and any important matters impacting on the Overstrand contract, service rendering levels, etc. will be reported to Council, with the continuation of this quarterly report, due to the process still not leading to a close-out report in the near future.

The most recent SOLVEM SAMRAS Usergroup workshops and meeting took place as virtual sessions on 3 & 4 March 2021 respectively. The feedback provided to municipalities focused on the continuous development of the Web system modules and importantly, efforts currently with regard to the gradual migration of West Coast District

Municipality, Stellenbosch Municipality, and lately George Municipality, in particular to the web modules. Progress with these efforts are currently at various stages, which could not be established as completed migration processes from the classic environment to the web. Other instances of municipalities involved and the extent of these municipal sites where specific web module testing is currently underway, or planning processes could not be established during these workshops and the usergroup meeting on the 4th of March 2021, to provide the necessary evidence and confirmation that the service provider is currently in a position to provide the required resources and detailed project plan for a viable migration process with regard to any substantial module or section of a module, to the web-based platform.

The service provider provided the following feedback in terms of further development of web modules attended to, since the previous usergroup meeting towards the end of 2020, up to the end of February 2021:




The following status as previously reported to Council with regard to the auditing of ERP mSCOA systems as announced by national treasury, is unchanged at this stage (March 2021):
The outcome of the audit of ERP mSCOA Systems by National Treasury, as previously advised by them (scheduled for 2019, subsequently postponed to 2020, currently scheduled for 2021), has not been received up to date.

The mSCOA Committee is currently investigating above-mentioned and awaits detailed information requested from the service provider, in order to consider the appropriate approach in ensuring that the municipality will not be exposed to risk from either an operational- and/or monitary perspective in this regard. The absence of any clear direction from National Treasury in terms of the outcome of systems audits and their envisaged transversal tender process and specifications, are compounding challenges for municipalities in view of the caution expressed in the municipal budget circular no 108 of 8 March 2021, stating as follows:

***4.5 Independent Audits on Municipal Financial Systems***

*All municipalities and municipal entities had to comply with the mSCOA Regulations by 1 July 2017. MFMA Circular No. 80 provided guidance on the minimum business processes and system specifications 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.*
*The National Treasury will conduct independent audits on all municipal financial systems in 2021 to determine to what extent the financial systems that are currently being used by municipalities comply with the minimum business processes and system specifications required in terms of mSCOA. These audits were initially planned for 2020, but due to restrictions on procurement processes and travel in terms of the COVID-19 pandemic it was postponed to 2021. The results of the audits will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2022.* ***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 does not comply with the necessary mSCOA functionality requirements****. However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and mSCOA Circulars No 5 and 6. In addition, National Treasury has not accredited any of the municipal financial systems available in the market and this should therefore not be advertised as a requirement in municipal tender documents.*
*It should be emphasised that the onus to ensure compliance with the mSCOA Regulations and minimum system specifications as per MFMA Circular No. 80 and its Annexure B rests with the municipality and not the system vendor. Municipalities must properly manage Service level agreements (SLA) with system vendors. Penalties, including the termination of the SLA in cases of persistent non-compliance, should be imposed if the system vendor does not meet the agreed upon milestones. 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. Lastly, municipalities must agree on the services that are to be provided by the system vendors and costs thereof in the SLA that is signed by the municipality and system vendor. Municipalities should consider the financial implications thereof and negotiate more favourable terms with the system vendor if necessary before signing the SLA. Once signed, the SLA is legally binding.*

***4.6 Regulation of Minimum Business Processes and mSCOA System Specifications***
*National and Provincial Treasuries held extensive engagements with key system providers during which the system functionality on the following were demonstrated: IDP and budget, supply chain management (SCM), asset management, annual financial statements, revenue management, cash flow and period control. These engagements provided National and Provincial Treasuries with an understanding of what functionality is available on each system and what the key system related challenges are.*
*It was evident from the engagements that municipalities are not using their financial systems optimally. Some of the challenges that were identified in this regard include the following:*
*• Some municipalities have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (mSCOA enabling) version of their financial systems;*
*• A few municipalities are not paying for the required licences to use system solutions and they are not upgrading and maintaining their servers, hardware and software to become and remain mSCOA compliant and to protect their data;*
*• Several municipalities are still transacting on their legacy systems that are not mSCOA enabling or they are using excel spreadsheets that are not incorporated in the functionality of their financial systems, while they are paying for maintenance and support for the mSCOA enabling system that was procured. This constitutes fruitless and wasteful expenditure; and*
*• Other municipalities are not using all the modules of the core financial system (using 3rd party systems) while they have procured these modules. This is once again fruitless and wasteful expenditure.*

*Municipalities should include the cost of the above in their 2021/22 MTREF budgets.*

*One of the key objectives of the mSCOA reform is to ensure that municipalities are budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the mSCOA Regulations. National Treasury will expand and regulate the business processes and system specifications communicated in MFMA Circular No. 80 and its Annexure B in the 2021/22 MTREF to ensure that municipalities are using the functionality available on their financial systems. MFMA Circular No. 80 was issued in 2016, and several Regulations and best practises as per the MFMA Circulars have been introduced since then. The expansion of the requirements will accommodate these new developments.*

***4.7 Non-compliance with mSCOA requirements***

*If your municipality has not yet achieved the required level of mSCOA implementation, then it must provide a detailed action plan (road map) to the National and the respective provincial treasury to indicate how the municipality will fast track the implementation of mSCOA. The action plan should include the following priority areas, as applicable to the municipality:*

*• The functionality of the financial system, including the minimum system functionality and business process as per MFMA Circular No. 80 and Annexure B and functionality required in terms of Regulations and MFMA Circulars that was issued after 08 March 2016 (the date on which MFMA Circular No. 80 was issued);*

*• Integration of 3rd party sub-systems with the mSCOA enabling financial system as required in terms of MFMA Circular No. 80 and Annexure B;*

*• Change management initiatives to ensure that mSCOA is institutionalised as an organisational reform and not only a financial reform; and*

*• Training initiatives to ensure that all officials in the organisation are familiar with the mSCOA chart, basic accounting, balance sheet budgeting and movement accounting and the use of the mSCOA enabling financial system.*

*Importantly, the action plan must be drafted by the municipality and not the system vendor and the progress against it should be carefully monitored by the municipality's mSCOA Project Steering Committee (chaired by the Accounting Officer). Municipalities must present progress against the action plan at the 2020/21 Mid-Year Budget and Performance visits and Budget and Benchmark engagements with the National and the respective provincial treasury.*

***4.8 Extension and Procuring of Service Level Agreements (SLA) for Financial Systems***

*At least six (6) months prior to the expiry of the SLA for the support and maintenance of the financial system, the municipality should either:*

*• Extend the existing SLA with the same system vendor subject to the provisions of Section 33 and 116(3) of the MFMA (read in conjunction with MFMA Circular No. 62); or*

*• Approach the market to procure services for the support and maintenance of the financial system consistent with the Municipal Supply Chain Management Regulations and municipality's Supply Chain Management Policy.*

*Importantly, once the SLA has expired, it cannot be extended, and the municipality will have to embark on a new procurement process. In addition, when the contract for the support and maintenance of the financial system comes to an end, it does not mean that the municipality must procure a new financial system. It is only support and maintenance services pertaining to the financial system that needs to be procured. Municipalities need to properly document their systems and the system language used to ensure that system support can be procured in the local market when required.*

National Treasury issued the following Circulars and guidance relating to mSCOA from December 2020 to March 2021:

i. *Municipal Budget Circular (No 107) for the 2021/22 MTREF - 04 December 2020;*
ii. *Municipal Budget Circular (No 108) for the 2021/22 MTREF - 08 March 2021:)*

The Draft and Final budgets were compiled according to the latest chart available on the financial system:

**mSCOA Segment Detail - (Patch to Final Version 6.5 - 26 Mar 2021) for implementation 2021/22**
**mSCOA Segment Detail - (Final Version 6.5 - 4 Dec 2020) for implementation 2021/22**

It was furthermore now noted in the Circular for this draft budget cycle (No 108), that some municipalities are not transferring their opening balances consistently to the current year of transacting. Opening balances for the previous year must be transferred in the first month (M01) of the current year, and all adjustments made during the preparation of the annual financial statements in period 14 and 15 must be transferred through journals to the opening balances of the current year in the month that it becomes apparent. When municipalities are not doing this correctly and consistently, it compromises the credibility of the mSCOA data strings submitted.
As previously mentioned in the 2020/21 Budget circular, ‘*’challenges to populate the detail of cash payments will be addressed through chart amendments in version 6.5 of the chart”*. Furthermore, we also await the linking relating to cash flow in term of: ‘*’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”* *Guidance has now been provided in Circulars 10 & 11*

*Municipal SCOA Circular No. 7 - 02 March 2020: Guide on Construction Work in Progress (CWIP)*
The principles stated in this circular were implemented during the 2019/2020 General Adjustments Budget, which served before Council on 26 February 2020 and was carried forward into the 2020/2021 Budget Cycle

*Municipal SCOA Circular No. 8 - 24 April 2020: Guidance on Virement Policies for Municipalities*
The guidance in this circular already forms an integral part of Overstrand municipality’s Virement Policy.

*Municipal SCOA Circular No. 9 - 09 June 2020: Reporting on COVID-19 using the mSCOA chart*
The principle of Typical Workstream Projects relating to COVID-19 was implemented for the Special Adjustments Budget in June 2020, notwithstanding that is circular was issued on the same day that the Special Adjustments Budget was submitted to be tabled in Council.

*Municipal SCOA Circular No. 10 – 14 October 2020: Cash Flow Guidance*
This circular is to provide further guidance to municipalities on the correct use of the municipal standard chart of accounts (mSCOA) data strings to populate the cash flows tables in Schedules A, B and C of the Municipal Budget Reporting Regulations (MBRR)To ensure that the MBRR cash flow tables (A7, SA30, B7 and C7) are linked correctly to the mSCOA data strings.

National Treasury corrected the linkages in the segment item: asset and liabilities.

*Municipal SCOA Circular No. 11 – 4 December 2020: Guidance on the use of the Fund Segment*

The purpose of this circular is to provide guidance to municipalities on the use of the Fund segment.

Following the guidance provided in Circular 10, the following cash flow issues still had to be corrected and/or clarified:

- The recording of unallocated deposits;
- The duplication of capital assets other expenditure (trade and other payables – payables and accruals);
- The linking of construction Work-In-Progress (CWIP) to capital assets in Table A9 of the A1 Schedule;
- The linking of advance payments and retentions to the cash flow tables;
- The distinction of and payment between Inventory, Contracted Services and Other Expenditure line items not specifically listed under Liabilities in the mSCOA chart; and
- The linking of Income tax receivable, Income tax payables, Value Added Tax (VAT) receivable, VAT payable, Accrued interest on receivables to cash flow/payments.

# ANNEXURE J

# DRAFT DMP

# DEMAND MANAGEMENT PLAN - 2020/2021

| DMP REF # | Directorate [R] | Existing Tender Number | Expiry Date of current contract | Contract Director | Contract Owner | Project Name / Tender Description | Project Type Stand alone or Combined /Mulit project | Funding source | Ward | Area | Est. Expenditure as per budget 2021/2022 | Est. Expenditure 2022/2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A | SECTION A: RECURRING PROJECTS ON THE CONTRACT MANAGEMENT SYSTEM | | | | | | | | | | | |
| A01 | Community Services | SC1327D/2013 | 2022/06/30 | R Williams | T Steenberg | (EMIS)THE PROVISION OF INFORMATION TECHNOLOGY RELATED SERVICES AND SYSTEMS. | Combined / Multi project | Operational | Overstrand | Overstrand wide | 1 166 000.00 | 2 332 000.00 |
| A02 | Community Services | SC1327(iv)/2013 | 2022/06/30 | R Williams | T Steenberg/J van Asperen | BUSINESS SYSTEM THROUGH WHICH THE MAINTENANCE OF ALL PROPERTY AND INFRASTRUCTURE ASSETS IN THE MUNICIPALITY IS DONE LICENSES | Combined / Multi project | Operational | Overstrand | Overstrand wide | 1 166 000.00 | 268 765.25 |
| A03 | Community Services | SC1962/2019 | 2022/06/30 | R Williams | T Marx | PRUNING AND FELLING OF TREES IN HERMANUS, KLEINMOND AND STANFORD AREAS FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstrand | Hermanus, Kleinmond & Stanford | 500 000.00 | 535 957.00 |
| A04 | Community Services | SC1963/2019 | 2022/06/30 | R Williams | T Marx | PROVISION OF GARDEN MAINTENANCE SERVICES IN HERMANUS AREA, FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Ward 3, 8 | Hermanus | 596 700.00 | 632 500.00 |
| A05 | Community Services | SC1965/2019 | 2022/06/30 | R Williams | T Steenberg | REPAIR OF SMALL PLANT (LAWNMOWERS, WEED EATER, ETC.) FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstrand | Overstrand wide | 1 000 000.00 | 1 060 000.00 |
| A06 | Community Services | SC1966/2019 | 2022/06/30 | R Williams | T Steenberg | CLEANING OF STORMWATER AND SEWERAGE PIPELINES ON AN "AS AND WHEN" REQUIRED FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstrand | Overstrand wide | 3 000 000.00 | 3 180 000.00 |
| A07 | Community Services | SC1980/2019 | 2022/06/30 | R Williams | T Steenberg | SUPPLY, INSTALLATION, MONITORING AND MAINTENANCE OF A VEHICLE ACTIVE TRACKING SYSTEM ON A LEASE BASIS FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstrand | Overstrand wide | 700 000.00 | 742 000.00 |
| A08 | Community Services | SC1987/2019 | 2022/06/30 | R Williams | F Frans | MANAGEMENT OF INFORMAL SETTLEMENTS WITHIN THE OVERSTRAND AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstrand | Overstrand | - | - |
| A09 | Community Services | SC1995/2019 | 2022/06/30 | R Williams | T Steenberg | REPLACEMENT OF WATER METERS IN THE OVERSTRAND AREA, PHASE 4, FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstrand | Overstrand wide | 3 000 000.00 | 3 180 000.00 |
| A10 | Community Services | SC1999/2019 | 2022/06/30 | R Williams | A Wyngaard | LIFE SAVING SERVICES FOR THE OVERSTRAND AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Surplus | Ward 3, 8 | Hermanus, Hawston | 1 978 713.00 | 2 097 436.00 |
| A11 | Community Services | SC2033/2019 | 2022/06/30 | R Williams | T Marx | ARBOURICULTURAL CONSULTATION AND THE DEVELOPMENT OF AN URBAN TREE MANAGEMENT SYSTEM FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstraand | Overstraand | 200 000.00 | 212 000.00 |
| A12 | Community Services | SC2044/2019 | 2022/06/30 | R Williams | A Wyngaard | PROVISION OF CLEANING SERVICES FOR THE GREATER HERMANUS AND KLEINMOND AREAS | Stand Alone | Surplus | Ward 4,5,6,7,8,12, 13 | Hermanus, Sandbaai, Hawston, Onrus/Vermont, Zwelihle,Kleinmond | 7 806 900.00 | 8 275 314.00 |
| A13 | Community Services | SC2049/2019 | 2022/06/30 | R Williams | T Marx | ARBOURICULTURAL CONSULTATION AND THE DEVELOPMENT OF AN URBAN TREE MANAGEMENT SYSTEM FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstraand | Overstraand | 200 000.00 | 212 000.00 |
| A14 | Finance | SC1327(i)/2013 | 2022/06/30 | S Reyneke-Naude/D Arrison | C Roets/J van Asperen | CORE FINANCIAL BUSINESS SYSTEM & LICENSES | Combined / Multi project | Operational | Overstrand | Overstrand wide | 1 781 199.91 | 1 804 025.91 |
| A15 | Finance | SC1327(ix)/2013 | 2022/06/30 | S Reyneke-Naude/D Arrison | H Vorster/J van Asperen/L Bucchianeri | HUMAN RESOURCES MANAGEMENT AND PAYROLL BUSINESS SYSTEM & LICENSES | Combined / Multi project | Operating Cash | Overstrand | Overstrand wide | 314 848.59 | 337 136.48 |
| A16 | Finance | SC1961/2019 | 2022/06/30 | S Reyneke-Naude | E Hooneberg | PROVISION AND ADMINISTRATION OF AN ELECTRICITY PREPAYMENT VENDING SYSTEM FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Combined / Multi project | Operational | Overstrand | Overstrand wide | 5 122 450.00 | 5 429 797.00 |
| A17 | Finance | SCD3219/2020 | 2022/06/30 | S Reyneke-Naude | E Hooneberg | COMPILATION OF SUPPLEMENTARY VALUATION ROLLS | Combined / Multi project | Operational | Overstrand | Overstrand wide | 1 330 000.00 | 10 000 000.00 |
| A18 | Infrastructure & Planning | SC 1969/2019 | 2022/06/30 | S Muller | H Blignaut | APPOINTMENT OF CONSULTANTS FOR VARIOUS ENGINEERING AND GROUNDWATER PROJECTS IN THE OVERSTRAND MUNICIPAL AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2022. | Stand Alone | Overstrand | Overstrand | Unknown | Unknown | Unknown |
| A19 | Infrastructure & Planning | SC1127/2011 | 2022/05/30 | S Muller | L Coetzee | LEASING FOR THE OPERATION OF ILLUMINATED STREET SIGNS IN THE OVERSTRAND MUNICIPAL AREA | Stand Alone | Operational | Overstrand | Overstrand | N/A | N/A |
| A20 | Infrastructure & Planning | SC1327 D /2013 | 2022/06/30 | S Muller | L Coetzee | ( BUILDMAN) THE PROVISION OF INFORMANTION TECHNOLOGY RELATED SERVICES AND SYSTEMS. | Combined / Multi project | Operational | Overstrand | Overstrand wide | - | - |
| A21 | Infrastructure & Planning | SC2017/2019 | 2022/06/30 | S Muller | C Mitchell | EDUCATION AWARENESS - PUPPET SHOWS AND LIVE THEATRE FOR SCHOLARS TO CREATE AWARENESS FOR WATER CONSERVATION, WASTE RECYCLING AND ENVIRONMENTAL CONSERVATION | Stand Alone | OPEX | Overstrand | Overstrand | 324 000.00 | 336 000.00 |

| DMP REF # | Directorate [R] | Existing Tender Number | Expiry Date of current contract | Contract Director | Contract Owner | Project Name / Tender Description | Project Type Stand alone or Combined /Mulit project | Funding source | Ward | Area | Est. Expenditure as per budget 2021/2022 | Est. Expenditure 2022/2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A22 | Management Services | SC 1970/2019 | 2022/06/30 | D Arrison | N Zweni | PROVISION OF SERVICES TO HOST, MAINTAIN, POSSIBLY RE-DESIGN AND UPRADE THE WEBSITE OF THE OVERSTRAND MUNICIPALITY FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstrand | Overstrand | - | - |
| A23 | Management Services | SC1327(ii)/2013 | 2022/06/30 | D Arrison | L Bucchianeri/J van Asperen | SOFTWARE USED TO MANAGE TIME AND ATTENDANCE OF EMPLOYESS & LICENSES | Combined / Multi project | Operational | Overstrand | Overstrand wide | 206 742.57 | 226 184.10 |
| A24 | Management Services | SC1327(vi)/2013 | 2022/06/30 | D Arrison | R Louw/J van Asperen/L Bucchianeri | SOFTWARE USED TO MANAGE THE INTEGRATED DEVELOPMENT PLAN,THE SERVICE DEVELOPMENT AND BUDGET IMPLEMENTATION PLAN AND INDIVIDUAL PERFORMANCE MANAGEMENT & LICENSES & SLA | Combined / Multi project | Operational | Overstrand | Overstrand wide | 538 357.10 | 588 210.45 |
| A25 | Management Services | SC1327(vii)/2013 | 2022/06/30 | D Arrison | H van Tonder/J van Asperen | DOCUMENT ARCHIVING AND AUTOMATED PROCESS AND WORKFLOW BUSINESS SYSTEM & LICENSES | Combined / Multi project | Operational | Overstrand | Overstrand wide | 171 232.55 | 179 794.18 |
| A26 | Management Services | SC2043/2020 | 2022/06/30 | D Arrison | C Johnson | UPGRADE, MAINTENANCE OF DIGITAL MOBILE NETWORK AND SUPPLY OF EQUIPMENT | Stand Alone | Capital / Operational | Overstrand | Overstrand | - | - |
| A27 | Management Services | SC2074/2020 | 2022/06/30 | D Arrison | C Johnson | MICROSOFT OFFICE 365: MIGRATE, DESIGN, INSTALL, MAINTAIN AND TRAIN | Stand Alone | Capital / Operational | Overstrand | Overstrand | - | - |
| A28 | Protection Services | SC1990/2019 | 2022/06/30 | N Michaels | R Fraser | PROVISION OF ACCOMMODATION FOR IMPOUNDED CATS AND DOGS IN THE OVERSTRAND AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstrand | Overstrand | - | - |
| A29 | Protection Services | SC1994/2019 | 2022/06/30 | N Michaels | R Fraser | PROVISION OF TOWING SERVICES IN THE OVERSTRAND AREA FOR A CONTRACT PERIOD ENDING 30 JUNE 2022 | Stand Alone | Operational | Overstrand | Overstrand | - | - |
| **B** | **SECTION B: PROJECTS ON THE CAPITAL BUDGET FOR 2021/2022 AND FIRST HALF OF 2022/2023** | | | | | | | | | | | |
| B01 | Management Services | New tender | | D Arrison | C Johnson | EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS | Stand Alone | Surplus | Overstrand | Overstrand | 600 000.00 | 600 000.00 |
| B02 | Management Services | New tender | | D Arrison | C Johnson | VIDEO CONFERENCE EQUIPMENT | Stand Alone | Surplus | Overstrand | Overstrand | 250 000.00 | 250 000.00 |
| B03 | Management Services | New tender | | D Arrison | C Johnson | MINOR ASSETS ICT ORGANIZATION WIDE | Stand Alone | Surplus | Overstrand | Overstrand | 1 400 000.00 | 3 750 000.00 |
| B04 | Management Services | New tender | | D Arrison | C Johnson | UPS REPLACEMENT | Stand Alone | Surplus | Overstrand | Overstrand | 300 000.00 | 300 000.00 |
| B05 | Management Services | New tender | | D Arrison | C Johnson | DR HOST SERVER WITH ATTACHED STORAGE-REPLACEMENT EOL | Stand Alone | Surplus | Overstrand | Overstrand | 250 000.00 | 250 000.00 |
| B06 | Management Services | New tender | | D Arrison | C Johnson | DATA CENTRE VIRTUAL SERVER HOST REPLACEMENT EOL | Stand Alone | Surplus | Overstrand | Overstrand | 300 000.00 | 300 000.00 |
| B07 | Management Services | New tender | | D Arrison | C Johnson | NEW HIGH SITE HAWSTON MOUNTAIN | Stand Alone | Surplus | Overstrand | Overstrand | 600 000.00 | 600 000.00 |
| B08 | Finance | New tender | | S Reyneke-Naude | S Reyeneke-Naude | MINOR ASSETS FINANCE | Stand Alone | Surplus | Overstrand | Overstrand | 60 000.00 | 60 000.00 |
| B09 | Protection Services | New tender | | N Michaels | L Smith | RAISING GANSBAAI FIRE STATION ROOF | Stand alone | Surplus -Non tariff | Ward 02 | Gansbaai | 300 000.00 | - |
| B10 | Protection Services | New tender | | N Michaels | R Fraser | GREATER HERMANUS TRAFFIC DEPT-REMOVAL OF OBSOLETE OLD ROOFING & CEILING AND REPLACE WITH NEW ROOF&CEILING | Stand Alone | Surplus -Non tariff | Ward 03 | Hermanus | 1 000 000.00 | - |
| B11 | Protection Services | New tender | | N Michaels | R Fraser | ESTABLISHING OF A K53 TEST STATION GANSBAAI | Stand Alone | Land Sales -Roll Over | Ward 14 | Gansbaai | 1 052 060.00 | - |
| B12 | Protection Services | New tender | | N Michaels | N Micheals | MINOR ASSETS PROTECTION SERVICES | Stand Alone | Surplus | Overstrand | Overstrand | 350 000.00 | 350 000.00 |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B13 | Protection Services | New tender | | R Williams | R Williams | VEHICLES PROTECTION SERVICES | Stand Alone | Surplus | Overstrand | Overstrand | 865 652.00 | - |
| B14 | Protection Services | New tender | | N Michaels | L Smith | CCTV - CAMERAS | Combined / Multi project | Operating Cash-WSP | Ward 03 | Hermanus | 50 000.00 | - |
| B15 | Protection Services | New tender | | N Michaels | L Smith | CCTV CAMERAS-MOUNT PLEASANT | Combined / Multi project | Operating Cash-WSP | Ward 04 | Hermanus | 100 000.00 | - |
| B16 | Protection Services | New tender | | N Michaels | L Smith | CCTV -FISHERHAVEN | Combined / Multi project | Operating Cash-WSP | Ward 08 | Hermanus | 40 000.00 | - |
| B17 | Protection Services | New tender | | N Michaels | L Smith | BETTYS BAY CAMERAS | Combined / Multi project | Operating Cash-WSP | Ward 10 | Kleinmond | 50 000.00 | - |
| B18 | Infrastructure & Planning | New tender | | S Muller | S Muller | FERNKLOOF NATURE RESERVE FACILITIES (F1/2) | Combined / Multi project | Surplus -Non tariff | Ward 03 | Hermanus | 2 000 000.00 | - |
| B19 | Infrastructure & Planning | New tender | | S Muller | S Muller | FERNKLOOF NATURE RESERVE FACILITIES (F2/2) | Combined / Multi project | Land Sales -Roll Over | Ward 03 | Hermanus | 2 100 000.00 | - |
| B20 | Infrastructure & Planning | SC2166/2021 | | S Muller | L Coetzee | BUILDING CONTROL OFFICE EXTENSION | Stand Alone | Surplus -Non tariff-R/O | Overstrand | Overstrand | 500 000.00 | - |
| B21 | Infrastructure & Planning | New tender | | S Muller | H Blignaut | ECD CENTRE ESTABLISMENT | Stand Alone | Land Sales -Roll Over | Overstrand | Overstrand | 475 000.00 | - |
| B22 | Infrastructure & Planning | New tender | | S Muller | A Le Roux | HAWSTON "LANG ERWE"TRANSFERS | Stand Alone | Land Sales -Roll Over | Ward 08 | Hermanus | 147 070.00 | - |
| B23 | Community Services | New tender | | R Williams | D Lakey | KLEINMOND COMMUNITY PROJECT OLD KCIH | Stand Alone | Surplus | Ward 09 | Kleinmond | 700 000.00 | - |
| B24 | Economic & Social Development & Tourism | New tender | | S Madikane | S Madikane | MINOR ASSETS LED | Stand Alone | Surplus | Overstrand | Overstrand | 45 000.00 | 45 000.00 |
| B25 | Infrastructure & Planning | New tender | | S Muller | S Muller | MINOR ASSETS INFRASTRUCTURE &PLANNING | Stand Alone | Surplus | Overstrand | Overstrand | 370 000.00 | 370 000.00 |
| B26 | Community Services | New tender | | R Williams | T Steenberg | VEHICLES LED | Stand Alone | Surplus | Overstrand | Overstrand | 250 000.00 | - |
| B27 | Community Services | New tender | | R Williams | D Lakey | UPGRADE OF MUNICIPAL YARD ABLUTIONS | Stand Alone | Surplus -Non tariff | Ward 09 | Kleinmond | 500 000.00 | - |
| B28 | Community Services | New tender | | R Williams | D Lakey | OFFICE CONTAINER FOR KLEINMOND SLIPWAY | Stand Alone | Surplus -Non tariff | Ward 09 | Kleinmond | 145 000.00 | - |
| B29 | Community Services | New tender | | R Williams | R Williams | MINOR ASSETS COMMUNITY SERVICES | Stand Alone | Surplus | Overstrand | Overstrand | 760 000.00 | 760 000.00 |
| B30 | Community Services | New tender | | R Williams | T Steenberg | VEHICLES AREA MANAGER KM | Stand Alone | Surplus | Overstrand | Overstrand | 347 826.00 | - |
| B31 | Community Services | New tender | | R Williams | T Marx | ABLUTION FACILITIES ONRUS SWIMMING BEACH PHASE 2 (F1/2) | Stand alone | Surplus-Non tariff-R/O | Ward 13 | Hermanus | 610 366.00 | - |
| B32 | Community Services | New tender | | R Williams | T Marx | ABLUTION FACILITIES ONRUS SWIMMING BEACH(F2/2) | Stand Alone | Land Sales -Roll Over | Ward 13 | Hermanus | 633 476.00 | - |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B33 | Community Services | New tender | | R Williams | T Marx | RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACILITIES | Stand alone | Operating Cash-WSP | Ward 07 | Hermanus | 300 000.00 | - |
| B34 | Community Services | New tender | | R Williams | D Van Rhodie | BUS SHELTERS (MAIN ROAD) | Stand Alone | Operating Cash-WSP | Ward 09 | Kleinmond | 60 000.00 | - |
| B35 | Community Services | New tender | | R Williams | D Van Rhodie | UPGRADING OF TOWN HALL | Stand Alone | Operating Cash-WSP | Ward 09 | Kleinmond | 110 000.00 | - |
| B36 | Community Services | New tender | | R Williams | D Lakay | MINOR ASSETS(EQUIPMENT FOR TOWN HALL) | Stand Alone | Operating Cash-WSP | Ward 09 | Kleinmond | 35 000.00 | - |
| B37 | Community Services | New tender | | R Williams | T Marx | NEW ROOF TRADING: SWARTDAM ROAD | Stand alone | Surplus | Ward 12 | Hermanus | 875 000.00 | - |
| B38 | Community Services | New tender | | R Williams | F Myburgh | NEW ROOF MASAKHANE TRADING AT TAXI RANK | Stand Alone | Surplus | Ward 02 | Gansbaai | 80 000.00 | - |
| B39 | Community Services | New tender | | R Williams | D Nel | FENCING ZWEHILE TAXI RANK | | Surplus | Ward 06 | Hermanus | 300 000.00 | - |
| B40 | Community Services | New tender | | R Williams | F Myburgh | UPGRADE OF PUBLIC BOAT LAUNCHING SITE ABLUTIONS-DU TOIT STREET | Stand Alone | Operating Cash-WSP | Ward 01 | Stanford | 100 000.00 | - |
| B41 | Community Services | New tender | | R Williams | A Wyngaard | ZWELIHLE LIBRARY | Stand Alone | Surplus(Ins)-R/O | Ward 12 | Hermanus | 4 373 611.00 | - |
| B42 | Community Services | New tender | | R Williams | T Marx | DEVELOPMENT OF BMX TRACK & SKATE PARK | Stand Alone | Operating Cash-WSP | Ward 03 | Hermanus | 100 000.00 | - |
| B43 | Infrastructure & Planning | New tender | | S Muller | D Hendriks | UPGRADE HAWSTON SPORT COMPLEX (F1/3) | Stand Alone | Surplus-Non tariff-R/O | Ward 08 | Hermanus | 600 000.00 | - |
| B44 | Infrastructure & Planning | New tender | | S Muller | D Hendriks | UPGRADE HAWSTON SPORT COMPLEX (F2/3) | Stand Alone | Land Sales -Roll Over | Ward 08 | Hermanus | 1 138 737.00 | - |
| B45 | Infrastructure & Planning | New tender | | S Muller | D Hendriks | UPGRADE HAWSTON SPORT COMPLEX (F3/3) | Stand Alone | MIG | Ward 08 | Hermanus | 2 021 000.00 | - |
| B46 | Infrastructure & Planning | New tender | | S Muller | D Hendriks | UPGRADE HAWSTON SPORT COMPLEX STADIUM | Combined / Multi project | MIG | Ward 08 | Hermanus | - | 500 000.00 |
| B47 | Infrastructure & Planning | New tender | | S Muller | D Hendriks | OVERSTRAND WIDE SPOPRTSTS FACILITIES | Stand Alone | Prov-Sport&Rec | Overstrand | Overstrand | 600 000.00 | - |
| B48 | Infrastructure & Planning | N/A | | S Muller | R Kuchar | HERMANUS SPORT FACILITY- IMPROVEMENT | Stand Alone | Surplus | Ward 03 | Hermanus | 1 900 000.00 | - |
| B49 | Community Services | New tender | | R Williams | F Myburgh | STANFORD FENCE: SOCCER & RUGBY CLUBHOUSES | Stand Alone | Surplus | Ward 01 | Stanford | 400 000.00 | - |
| B50 | Community Services | New tender | | R Williams | D Nel | MOUNT PLEASANT:UPGRADING OF SPORTSGROUNDS | Stand Alone | Operating Cash-WSP | Ward 04 | Hermanus | 50 000.00 | - |
| B51 | Community Services | New tender | N/A | R Williams | T Marx | RESTORATION AND UPGRADE OF BEACH AREA INCLUDING FACILITIES | Stand Alone | Operating Cash-WSP | Ward 07 | Sandbaai | 300 000.00 | - |
| B52 | Community Services | New tender | | R Williams | D Nel | UPGRADING SCHULPHOEK OUTDOOR GYM & FENCING | Combined / Multi project | Operating Cash-WSP | Ward 12 | Hermanus | 200 000.00 | - |

| DMP REF # | Directorate [R] | Existing Tender Number | Expiry Date of current contract | Contract Director | Contract Owner | Project Name / Tender Description | Project Type Stand alone or Combined /Mulit project | Funding source | Ward | Area | Est. Expenditure as per budget 2021/2022 | Est. Expenditure 2022/2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B53 | Infrastructure & Planning | SC55/2007 | | S Muller | D Hendriks | LCH SERVICES CONSTRUCTION CONTRACTS | Stand Alone | Construction Contracts | Overstrand | Overstrand | 52 259 085.00 | 36 458 195.00 |
| B54 | Infrastructure & Planning | SC55/2007 | | S Muller | D Hendriks | HAWSTON NEW HOUSING DEVELOPMENT R43 WALL | Stand Alone | Surplus | Ward 08 | Hermanus | 2 100 000.00 | - |
| B55 | Community Services | New tender | | R Williams | R Williams<br>T Steenberg | VEHICLES ROADS | Stand Alone | Surplus | Overstrand | Overstrand | 1 306 087.00 | 3 675 000.00 |
| B56 | Community Services | New tender | | R Williams | J Solomons | SIDEWALKS | Combined / Multi project | Gansbaai | Ward 02 | Gansbaai | 200 000.00 | - |
| B57 | Community Services | New tender | | R Williams | J Solomons | GANSBAAI SIDEWALKS | Combined / Multi project | Gansbaai | Ward 02 | Gansbaai | 100 000.00 | - |
| B58 | Community Services | New tender | | R Williams | J Solomons | SIDEWALKS | Combined / Multi project | Gansbaai | Ward 11 | Gansbaai | 100 000.00 | - |
| B59 | Community Services | New tender | | R Williams | J Solomons | SIDEWALKS | Combined / Multi project | Gansbaai | Ward 14 | Gansbaai | 100 000.00 | - |
| B60 | Community Services | New tender | | R Williams | J Solomons | SIDEWALKS | Combined / Multi project | Gansbaai | Ward 14 | Gansbaai | 100 000.00 | - |
| B61 | Community Services | New tender | | R Williams | J Solomons | SIDEWALKS | Combined / Multi project | Gansbaai | Ward 14 | Gansbaai | 50 000.00 | - |
| B62 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | CONSTRUCTION OF NEW CLIFF PATHS | Combined / Multi project | Operating Cash-WSP | Ward 03 | Hermanus | 100 000.00 | - |
| B63 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | TRAFFIC CALMING | Combined / Multi project | Operating Cash-WSP | Ward 03 | Hermanus | 50 000.00 | - |
| B64 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | MOUNT PLEASANT:SPEEDCALMING | Combined / Multi project | Operating Cash-WSP | Ward 04 | Hermanus | 25 000.00 | - |
| B65 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | MOUNT PLEASANT:SIDEWALKS | Combined / Multi project | Operating Cash-WSP | Ward 04 | Hermanus | 50 000.00 | - |
| B66 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | UPGRADING OF FRONT AREA OF HUIS LETTIE THERON | Combined / Multi project | Operating Cash-WSP | Ward 04 | Hermanus | 50 000.00 | - |
| B67 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | WESTCLIFF:SIDEWALKS | Combined / Multi project | Operating Cash-WSP | Ward 04 | Hermanus | 75 000.00 | - |
| B68 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | VIEWING POINT UPGRADE STILL STREET | Combined / Multi project | Operating Cash-WSP | Ward 04 | Hermanus | 100 000.00 | - |
| B69 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | WESTCLIFF:SPEEDCALMING | Combined / Multi project | Operating Cash-WSP | Ward 04 | Hermanus | 50 000.00 | - |
| B70 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | CONSTRUCTION OF SIDEWALKS | Combined / Multi project | Operating Cash-WSP | Ward 06 | Hermanus | 200 000.00 | - |
| B71 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | CURBING AND TAR/PAVING OF SIDEWALKS | Combined / Multi project | Operating Cash-WSP | Ward 08 | Hermanus | 180 000.00 | - |
| B72 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | CURBING AND TARRING OF SIDEWALKS-HAWSTON | Combined / Multi project | Operating Cash-WSP | Ward 08 | Hermanus | 100 000.00 | - |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B73 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | TRAFFIC CALMING-HAWSTON | Combined / Multi project | Operating Cash-WSP | Ward 08 | Hermanus | 50 000.00 | - |
| B74 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | SIDEWALKS AND SPEED CALMING MEASURES | Combined / Multi project | Operating Cash-WSP | Ward 12 | Hermanus | 150 000.00 | - |
| B75 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | D Van Rhodie | PROTEADORP HEIDELAND CRECHE PARKING AREA | Combined / Multi project | Operating Cash-WSP | Ward 9 | Kleinmond | 65 000.00 | - |
| B76 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWAY | Combined / Multi project | Operating Cash-WSP | Ward 13 | Hermanus | 200 000.00 | - |
| B77 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | CONSTRUCTION AND EXTENSION OF COASTAL PATH | Combined / Multi project | Operating Cash-WSP | Ward 13 | Hermanus | 200 000.00 | - |
| B78 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | UPGRADING OF MARINE DRIVE COASTAL AREA AT JAN RABIE POOL –STONE WALL ON BOTH SIDES OF ENTRANCE AND EXIT | Combined / Multi project | Operating Cash-WSP | Ward 13 | Hermanus | 70 000.00 | - |
| B79 | Community Services | New tender | | R Williams | J Solomons | TRAFFIC CALMING | Combined / Multi project | Operating Cash-WSP | Ward 01 | Stanford | 50 000.00 | - |
| B80 | Community Services | New tender | | R Williams | J Solomons | TRAFFIC CALMING | Combined / Multi project | Operating Cash-WSP | Ward 11 | Gansbaai | 50 000.00 | - |
| B81 | Community Services | New tender | | R Williams | J Solomons | TRAFFIC CALMING | Combined / Multi project | Gansbaai | Ward 11 | Gansbaai | 50 000.00 | - |
| B82 | Community Services | New tender | | R Williams | T Marx | SIDEWALKS AND SPEED CALMING MEASURES | Combined / Multi project | Operating Cash-WSP | Ward 12 | Hermanus | 150 000.00 | - |
| B83 | Community Services | New tender | | R Williams | T Marx | CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE WALKWAY | Combined / Multi project | Operating Cash-WSP | Ward 13 | Hermanus | 200 000.00 | - |
| B84 | Community Services | New tender | | R Williams | T Marx | CONSTRUCTION AND EXTENSION OF COASTAL PATH | Combined / Multi project | Operating Cash-WSP | Ward 13 | Hermanus | 200 000.00 | - |
| B85 | Community Services | New tender | | R Williams | T Marx | UPGRADING OF MARINE DRIVE COASTAL AREA AT JAN RABIE POOL –STONE WALL ON BOTH SIDES OF ENTRANCE AND EXIT | Combined / Multi project | Operating Cash-WSP | Ward 13 | Hermanus | 70 000.00 | - |
| B86 | Community Services | New tender | | R Williams | F Myburgh | REVITALISATION OF CBD | Stand Alone | Operating Cash-WSP | Ward 01 | Stanford | 200 000.00 | - |
| B87 | Community Services | New tender | | R Williams | F Myburgh | REVITALISATION OF CBD | Stand Alone | Surplus -Non tariff | Ward 01 | Stanford | 400 000.00 | - |
| B88 | Infrastructure & Planning | New tender | | S Muller | D Hendriks | BLOMPARK HOUSING PROJECT BUS ROUTE | Stand Alone | MIG | Ward 14 | Gansbaai | 5 583 000.00 | 5 000 000.00 |
| B89 | Infrastructure & Planning | New tender | | S Muller | D Hendriks | STANFORD HOUSING PROJECT BUS ROUTE | Stand Alone | MIG | Ward 01 | Stanford | - | 4 000 000.00 |
| B90 | Infrastructure & Planning | New tender | | S Muller | D Hendriks | MASAKHANE HOUSING PROJECT BUS ROUTE | Stand Alone | MIG | Ward 02 | Gansbaai | - | 4 000 000.00 |
| B91 | Infrastructure & Planning | New tender | | S Muller | D Maree | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F1/4) | Stand Alone | EL22/23/24 | Multi-ward Gb Area | Gansbaai | 17 000 000.00 | 2 100 000.00 |
| B92 | Infrastructure & Planning | New tender | | S Muller | D Maree | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F2/4) | Stand Alone | DBSA-Public Cont | Multi-ward Gb Area | Gansbaai | 11 900 000.00 | - |

| DMP REF # | Directorate [R] | Existing Tender Number | Expiry Date of current contract | Contract Director | Contract Owner | Project Name / Tender Description | Project Type Stand alone or Combined /Mulit project | Funding source | Ward | Area | Est. Expenditure as per budget 2021/2022 | Est. Expenditure 2022/2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B93 | Infrastructure & Planning | New tender | | S Muller | D Maree | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F3/4) | Stand Alone | BICL | Multi-ward Gb Area | Gansbaai | 6 500 000.00 | - |
| B94 | Community Services | New tender | | S Muller | D Maree | FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F4/4) | Stand Alone | INEP | Multi-ward Gb Area | Gansbaai | 15 000 000.00 | - |
| B95 | Infrastructure & Planning | New tender | | S Muller | K d Plessis | ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP) | Stand Alone | INEP | Overstrand | Overstrand | 3 519 000.00 | 7 000 000.00 |
| B96 | Community Services | New tender | | R Williams | D Lakey | POWER CABLE TO KLEINMOND SLIPWAY FACILITIES | Stand Alone | Surplus -Non tariff | Ward 09 | Kleinmond | 115 000.00 | - |
| B97 | Infrastructure & Planning | New tender | | S Muller | K d Plessis | ELECTRIFICATION OF LOW COST HOUSING AREAS | Stand Alone | Surplus -Non tariff | Overstrand | Overstrand | 2 500 000.00 | - |
| B98 | Infrastructure & Planning | New tender | | S Muller | K d Plessis | HERMANUS:MV & LV UPGRADE/REPLACEMENT (F1/2) | Combined / Multi project | EL22/23/24 | Ward 03 | Hermanus | - | 3 000 000.00 |
| B99 | Infrastructure & Planning | New tender | | S Muller | K d Plessis | HERMANUS MV LV UPGRADE REPLACEMENT (F2/2) | Combined / Multi project | EL22/23/24 | Ward 03 | Hermanus | - | 3 000 000.00 |
| B100 | Infrastructure & Planning | New tender | | S Muller | K d Plessis | KLEINMOND MV LV NETWORK UPGRADE | Combined / Multi project | EL22/23/24 | Ward 09 | Kleinmond | - | 2 000 000.00 |
| B101 | Infrastructure & Planning | New tender | | S Muller | K d Plessis | HAWSTON MV LV UPGRADE REPLACEMENT | Combined / Multi project | EL22/23/24 | Ward 08 | Hermanus | - | 2 000 000.00 |
| B102 | Community Services | New tender | | R Williams | T Steenberg | VEHICLES ELECTRICITY DISTRIBUTION HM | | Surplus | Overstrand | Overstrand | 2 230 435.00 | - |
| B103 | Infrastructure & Planning | New tender | | S Muller | K d Plessis | STREET LIGHTS | Combined / Multi project | Operating Cash-WSP | Ward 07 | Hermanus | 100 000.00 | - |
| B104 | Infrastructure & Planning | New tender | | S Muller | K d Plessis | STREET LIGHTS | Combined / Multi project | Operating Cash-WSP | Ward 08 | Hermanus | 30 000.00 | - |
| B105 | Infrastructure & Planning | New tender | | S Muller | K d Plessis | STREET LIGHTS | Combined / Multi project | Operating Cash-WSP | Ward 13 | Hermanus | 30 000.00 | - |
| B106 | Infrastructure & Planning | New tender | | S Muller | S Muller | ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY | Combined / Multi project | EL22/23/24 | Overstrand | Overstrand | 1 000 000.00 | - |
| B107 | Infrastructure & Planning | SC 1890/2018 | 2033/12/07 | S Muller | H Blignaut | REFURBISHMENT OF BULK WATER PIPELINES | Combined / Multi project | EL22/23/24 | Overstrand | Overstrand | 3 000 000.00 | 2 000 000.00 |
| B108 | Infrastructure & Planning | SC 1890/2018 | 2033/12/07 | S Muller | H Blignaut | FENCING AT WATER INSTALLATIONS | Combined / Multi project | EL22/23/24 | Overstrand | Overstrand | 700 000.00 | 500 000.00 |
| B109 | Infrastructure & Planning | SC 2108/2020 | 2022/06/30 | S Muller | H Blignaut | REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2) | Combined / Multi project | EL22/23/24 | Overstrand | Overstrand | 10 000 000.00 | 10 000 000.00 |
| B110 | Infrastructure & Planning | SC 2192/2021 | To be awarded | S Muller | H Blignaut | REPLACEMENT OF OVERSTRAND WATER PIPES(F1/2) | Combined / Multi project | EL21-INFRA LEVY-R/O | Overstrand | Overstrand | 8 000 000.00 | - |
| B111 | Infrastructure & Planning | SC 1890/2018 | 2033/12/07 | S Muller | H Blignaut | WATER FACILITIES CONTINGENCY | Combined / Multi project | EL22/23/24 | Overstrand | Overstrand | 400 000.00 | 500 000.00 |
| B112 | Infrastructure & Planning | New tender | | S Muller | H Blignaut | REFURBISHMENT OF KLEINMOND BUFFELS RIVER WTW | Combined / Multi project | EL22/23/24 | Multi-ward Kleinmond Area | Kleinmond | - | 6 000 000.00 |

| DMP REF # | Directorate [R] | Existing Tender Number | Expiry Date of current contract | Contract Director | Contract Owner | Project Name / Tender Description | Project Type Stand alone or Combined /Mulit project | Funding source | Ward | Area | Est. Expenditure as per budget 2021/2022 | Est. Expenditure 2022/2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B113 | Infrastructure & Planning | SC 1890/2018 | 2033/12/07 | S Muller | H Blignaut | ACCESS ROADS TO KLEINMOND BUFFELS RIVER WTW UPGRADE | Combined / Multi project | EL22/23/24 | Multi-ward Kleinmond Area | Kleinmond | 2 000 000.00 | - |
| B114 | Infrastructure & Planning | New tender | | S Muller | H Blignaut | NEW VOORBERG BOOSTER PUMP STATION | Combined / Multi project | EL22/23/24 | Ward 10 | Kleinmond | - | 3 000 000.00 |
| B115 | Infrastructure & Planning | SC 1938/2018 | 2021/06/30 | S Muller | H Blignaut | UPGRADE HERMANUS WELL FIELDS PHASE 2 | Combined / Multi project | EL21 -Roll over | Multi-ward Hermanus Area | Hermanus | 2 000 000.00 | - |
| B116 | Infrastructure & Planning | New tender | N/A | S Muller | D Hendriks | UPGRADE WATER LINES & NEW BOOSTER PUMPSTATION VALVES | Combined / Multi project | MIG | Ward 02 | Gansbaai | 4 000 000.00 | 3 900 000.00 |
| B117 | Infrastructure & Planning | New tender | N/A | S Muller | D Hendriks | UPGRADE BULK WATER | Combined / Multi project | MIG | Ward 01 | Stanford | 5 615 000.00 | - |
| B121 | Infrastructure & Planning | SC 1890/2018 | 2033/12/07 | S Muller | H Blignaut | SEWERAGE FACILITIES CONTINGENCY | Combined / Multi project | EL22/23/24 | Overstrand | Overstrand | 650 000.00 | 700 000.00 |
| B122 | Infrastructure & Planning | SC 2159/2020 | Tender to be cancelled | S Muller | H Blignaut | KLEINMOND SEWER NETWORK EXTENSION | Combined / Multi project | EL22/23/24 | Ward 09 | Kleinmond | - | 4 000 000.00 |
| B123 | Infrastructure & Planning | New tender | | S Muller | H Blignaut | KLEINMOND WWTW REFURBISH UPGRADE (F1/2) | Combined / Multi project | EL22/23/24 | Multi-ward Kleinmond Area | Kleinmond | 3 450 000.00 | 8 000 000.00 |
| B124 | Infrastructure & Planning | New tender | | S Muller | H Blignaut | KLEINMOND WWTW REFURBISH UPGRADE (F2/2) | Combined / Multi project | MIG | Multi-ward Kleinmond Area | Kleinmond | - | 2 000 000.00 |
| B125 | Infrastructure & Planning | SC 2185/2021 | 2022/06/30 | S Muller | H Blignaut | GANSBAAI CBD SEWER NETWORK EXTENSION (F1/2) | Combined / Multi project | EL22/23/24 | Ward 02 | Gansbaai | 4 000 000.00 | - |
| B126 | Infrastructure & Planning | SC 2185/2021 | | S Muller | H Blignaut | GANSBAAI CBD SEWER NETWORK EXTENSION (F2/2) | Combined / Multi project | EL21-INFRA LEVY-R/O | Ward 02 | Gansbaai | 2 250 000.00 | - |
| B127 | Infrastructure & Planning | SC 1890/2018 | 2033/12/07 | S Muller | H Blignaut | FENCING AT SEWERAGE INSTALLATIONS | Combined / Multi project | EL22/23/24 | Overstrand | Overstrand | 800 000.00 | - |
| B128 | Infrastructure & Planning | SC 2171/2020 | 2023/06/30 | S Muller | H Blignaut | UPGRADING OF PUMPSTATIONS RISING MAINS (F1/3) | Combined / Multi project | EL22/23/24 | Overstrand | Overstrand | 4 000 000.00 | 5 000 000.00 |
| B129 | Infrastructure & Planning | SC 2171/2020 | 2023/06/30 | S Muller | H Blignaut | UPGRADING OF PUMPSTATIONS RISING MAINS (F2/3) | Combined / Multi project | EL21-Roll over | Overstrand | Overstrand | 5 000 000.00 | - |
| B130 | Infrastructure & Planning | SC 2171/2020 | 2023/06/30 | S Muller | H Blignaut | UPGRADING OF PUMPSTATIONS RISING MAINS (F3/3) | Combined / Multi project | WSIG | Overstrand | Overstrand | 5 182 000.00 | 9 200 000.00 |
| B131 | Infrastructure & Planning | New tender | | S Muller | H Blignaut | HERMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING | Combined / Multi project | EL22/23/24 | Multi-ward Hermanus Area | Hermanus | 3 000 000.00 | - |
| B132 | Infrastructure & Planning | New tender | N/A | S Muller | D Hendriks | UPGRADE BULK SEWER SUPPLY AREA A&B | Combined / Multi project | MIG | Ward 02 | Gansbaai | 4 834 000.00 | 5 228 000.00 |
| B133 | Infrastructure & Planning | SC 1890/2018 | 2033/12/07 | S Muller | H Blignaut | FENCING AT SEWERAGE INSTALLATIONS | Combined / Multi project | Surplus -Non tariff | Overstrand | Overstrand | 1 200 000.00 | - |
| B134 | Infrastructure & Planning | New tender | | S Muller | H Blignaut | REFURBISH HERMANUS WWTW TREATED EFFLUENT IRRIGATION PIPELINE | Combined / Multi project | EL22/23/24 | Multi-ward Hermanus Area | Hermanus | | 1 200 000.00 |
| B135 | Community Services | New tender | | R Williams | J Solomons | STORMWATER AD-HOC | Stand Alone | Gansbaai | Ward 11 | Gansbaai | 1 500 000.00 | - |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B136 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | D Van Rhodie | STORMWATER NETWORK | Stand Alone | Surplus -Non tariff | Ward 10 | Kleinmond | 1 000 000.00 | - |
| B137 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | STORMWATER NETWORK | Combined / Multi project | Surplus -Non tariff | Ward 05 | Hermanus | 1 000 000.00 | - |
| B138 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | SANDBAAI BOULEVARD STORMWATER PROJECT | Combined / Multi project | Land Sales | Ward 07 | | 1 250 000.00 | - |
| B139 | Community Services | New tender | | R Williams | J Solomons | STORMWATER(AD-HOC) | Combined / Multi project | Stanford | Ward 01 | Stanford | 50 000.00 | - |
| B140 | Community Services | New tender | | R Williams | J Solomons | STORMWATER(AD-HOC) | Combined / Multi project | Stanford | Ward 01 | Stanford | 50 000.00 | - |
| B141 | Community Services | New tender | | R Williams | J Solomons | STORMWATER | Combined / Multi project | Gansbaai | Ward 02 | Gansbaai | 100 000.00 | - |
| B142 | Community Services | New tender | | R Williams | J Solomons | STORMWATER(AD-HOC) | Combined / Multi project | Gansbaai | Ward 02 | Gansbaai | 100 000.00 | - |
| B143 | Community Services | New tender | | R Williams | J Solomons | STORMWATER(AD-HOC) | Combined / Multi project | Gansbaai | Ward 11 | Gansbaai | 100 000.00 | - |
| B144 | Community Services | New tender | | R Williams | J Solomons | STORMWATER(AD-HOC) | Combined / Multi project | Gansbaai | Ward 11 | Gansbaai | 50 000.00 | - |
| B145 | Community Services | New tender | | R Williams | J Solomons | STORMWATER(AD-HOC) | Combined / Multi project | Gansbaai | Ward 11 | Gansbaai | 50 000.00 | - |
| B146 | Community Services | New tender | | R Williams | J Solomons | STORMWATER(AD-HOC) | Combined / Multi project | Gansbaai | Ward 11 | Gansbaai | 100 000.00 | - |
| B147 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | STORM WATER DRAINS | Combined / Multi project | Operating Cash-WSP | Ward 05 | Hermanus | 300 000.00 | - |
| B148 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | SUBSOIL DRAINAGE | Combined / Multi project | Operating Cash-WSP | Ward 05 | Hermanus | 200 000.00 | - |
| B149 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | INSTALLATION OF SUBSOIL DRAINAGE | Combined / Multi project | Operating Cash-WSP | Ward 06 | Hermanus | 200 000.00 | - |
| B150 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | STORMWATER AND TARRING OF CIRCLES-HAWSTON | Combined / Multi project | Operating Cash-WSP | Ward 08 | Hermanus | 100 000.00 | - |
| B151 | Community Services | SC2132/2020 | 2023/06/30 | R Williams | D Van Rhodie | STORMWATER | Combined / Multi project | Operating Cash-WSP | Ward 10 | Rooiels | 30 000.00 | - |
| B152 | Community Services | SC1874/2018 | 2021/06/30 | R Williams | T Marx | STORMWATER DRAINS | Combined / Multi project | Operating Cash-WSP | Ward 12 | Hermanus | 150 000.00 | - |
| B153 | Community Services | New tender | | R Williams | D Nel | HERMANUS TRANSFER STATION NEW BOUNDARY WALL (F1/2) | Combined / Multi project | Hermanus | Hermanus | Hermanus | 1 250 000.00 | - |
| B154 | Community Services | New tender | | R Williams | D Nel | HERMANUS TRANSFER STATION NEW BOUNDARY WALL (F2/2) | Combined / Multi project | Hermanus | Hermanus | Hermanus | 770 260.00 | - |
| B155 | Protection Services | New tender | | N Michaels | L Smith | CHANGE OF KLEINMOND FIRE STATION | Stand Alone | Capital | Kleinmond | Kleinmond | 300 000.00 | - |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|
| B156 | Protection Services | New tender | | N Michaels | L Smith | MAINTENANCE OF EQUIPMENT AND BUILDINGS | Stand Alone | Operating Cash - WSP | Overstrand | Overstrand | 206 671.00 | - |
| B157 | Infrastructure & Planning | New tender | | S Muller | C Mitchell | VOELKLIP DROP OFF & MINI DROP OFF -ELECTRIC FENCING | Stand Alone | EL22/23/24 | Multi-ward Hermanus Area | Hermanus | 90 000.00 | - |
| **C** | **SECTION C: PROJECTS FUNDED FROM OPERATIONAL BUDGET** | | | | | | | | | | | |
| C01 | Community Services | N/A | N/A | R Williams | B Plaatjies | ONRUS CARAVAN PARK: REPAIRS AND MAINTENANCE OF ABLUTION BLOCKS | Stand Alone | Operating Cash-WSP | 13 | Onrus | 800 000.00 | - |
| C02 | Community Services | N/A | N/A | R Williams | B Plaatjies | ZWELIHLE COMMUNITY HALL: REPAIRS AND MAINTENANCE | Stand Alone | Operating Cash-WSP | 6 | Zwelihle | 400 000.00 | - |
| C03 | Community Services | N/A | N/A | R Williams | B Plaatjies | MUNICIPAL OFFICE BUILDING: ALTERATIONS AND RENOVATIONS FOR DISABLE TOILET AND STORAGE | Stand Alone | Operating Cash-WSP | 3 | Hermanus | 300 000.00 | - |
| C04 | Community Services | N/A | N/A | R Williams | B Plaatjies | HERMANUS AREA: LATTE SHADE PORTS | Stand Alone | Operating Cash-WSP | 3,4,5,6,7,8,12,13 | Hermanus,Zwelihle | 200 000.00 | - |
| C05 | Community Services | N/A | N/A | R Williams | B Plaatjies | MAINTENANCE OF HAWSTON ABALONE HALL | Stand Alone | Operating Cash | 8 | Hawston | 300 000.00 | - |
| C06 | Community Services | N/A | N/A | R Williams | B Plaatjies | UPGRADING OF HAWSTON SWIMMING POOL | Stand Alone | Operating Cash | 8 | Hawston | 400 000.00 | - |
| C07 | Community Services | N/A | N/A | R Williams | D Nel | MUNICIPAL OFFICES: ROOF MAINTENANCE | Stand Alone | Overstrand | Overstrand | Overstrand | 200 000.00 | - |
| C08 | Community Services | N/A | N/A | R Williams | T Marx | MUNICIPAL OFFICES: AIRCONDITIONERS | Stand Alone | Overstrand | Overstrand | Overstrand | 200 000.00 | - |
| C09 | Community Services | N/A | N/A | R Williams | D Nel | MUNICIPAL YARD: WATER AND SANITIZING DEPARTMENT: ALTERATIONS AND BUILDING MAINTENANCE | Stand Alone | Overstrand | Overstrand | Overstrand | 1 700 000.00 | - |
| C10 | Community Services | N/A | N/A | R Williams | D Nel | DAVIES TIDAL POOL: ALTERATIONS AND BUILDING MAINTENANCE | Stand Alone | Overstrand | Overstrand | Overstrand | 350 000.00 | - |
| C11 | Community Services | N/A | N/A | R Williams | D Nel | BEACH ABLUTION FACILITIES: ALTERATIONS AND BUILDING MAINTENANCE | Stand Alone | Overstrand | Overstrand | Overstrand | 300 000.00 | - |
| **D** | **SECTION D: LAND SALES / LEASING** | | | | | | | | | | | |
| D1 | Community Services | N/A | N/A | R Williams | A Wyngaard | HERMANUS AREA: BEACH STALLS RENTAL | Stand Alone | Income Generating | Ward 3, 7, 8 | Hermanus, Sandbaai, Hawston | | |

| | DIRECTORATE | Total number of projects | Value of total projects | % of total value of projects |
|---|---|---|---|---|
| 1 | COMMUNITY SERVICES | 101 | 106 659 855.25 | **19.70%** |
| 2 | ECONOMIC DEVELOPMENT & TOURISM | 1 | 135 000.00 | **0.02%** |
| 3 | FINANCE | 5 | 35 737 695.25 | **6.60%** |
| 4 | INFRASTRUCTURE & PLANNING SERVICES | 62 | 378 448 757.00 | **69.89%** |
| 5 | MANAGEMENT SERVICES | 13 | 15 457 135.57 | **2.85%** |
| 6 | PROTECTION & SECURITY SERVICES | 13 | 5 022 649.84 | **0.93%** |
| | **TOTAL PROJECTS LISTED ON DMP** | **195** | **541 461 092.91** | **100%** |

| Total Estimated Project Cost | Procurement Process | 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 BEC | Actual BEC date | Expected BAC | Actual BAC date | Expiry of validity period | Expected Final Award Date | Actual final award date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3 498 000.00 | Sec 116 (3) Amendment of Contract | No | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| 4 352 637.25 | Sec 116 (3) Amendment of Contract | No | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| 568 114.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/09/17 | | 2021/09/28 | | 2021/10/07 | | 2021/11/08 | | 90 | 2021/11/22 | | 2021/11/29 | | | 2021/11/29 | |
| 670 500.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/09/17 | | 2021/09/28 | | 2021/10/07 | | 2021/11/08 | | 90 | 2021/11/22 | | 2021/11/29 | | | 2021/11/29 | |
| 3 180 000.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2022/02/28 | | 2022/03/15 | | 2022/03/22 | | 2022/04/22 | | 90 | 2022/05/06 | | 2022/05/13 | | | 2022/05/13 | |
| 9 540 000.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2022/02/28 | | 2022/03/15 | | 2022/03/22 | | 2022/04/22 | | 90 | 2022/05/06 | | 2022/05/13 | | | 2022/05/13 | |
| 2 226 000.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2022/02/28 | | 2022/03/15 | | 2022/03/22 | | 2022/04/22 | | 90 | 2022/05/06 | | 2022/05/13 | | | 2022/05/13 | |
| - | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/11/01 | | 2021/11/08 | | 2021/11/14 | | 2021/12/14 | | 90 | 2022/01/28 | | 2022/02/08 | | | 2022/02/08 | |
| 9 540 000.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2022/02/28 | | 2022/03/15 | | 2022/03/22 | | 2022/04/22 | | 90 | 2022/05/06 | | 2022/05/13 | | | 2022/05/13 | |
| 4 076 149.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/07/12 | | 2021/07/14 | | 2021/07/15 | | 2021/08/13 | | 90 | 2021/09/09 | | 2021/09/17 | | | 2021/09/20 | |
| 224 720.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/10/04 | | 2021/10/12 | | 2021/10/29 | | 2021/12/03 | | 90 | 2022/01/14 | | 2022/01/27 | | | 2022/01/31 | |
| 16 082 214.00 | Tender | | 2022/07/01 | 36 | 2025/06/30 | 2021/08/02 | | 2021/08/04 | | 2021/08/05 | | 2021/08/27 | | 90 | 2021/10/21 | | 2021/10/29 | | | 2021/11/01 | |
| 224 720.00 | Tender | | 2022/07/01 | 36 | 2025/06/30 | 2021/10/04 | | 2021/10/12 | | 2021/10/29 | | 2021/12/03 | | 90 | 2022/01/14 | | 2022/01/27 | | | 2022/01/31 | |
| 5 687 191.67 | Sec 116 (3) Amendment of Contract | No | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| 942 871.76 | Sec 116 (3) Amendment of Contract | No | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| 16 307 831.82 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| 12 739 800.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| Unknown | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2022/02/02 | | 2022/02/09 | | 2022/02/25 | | 2022/04/01 | | 90 | 2022/05/19 | | 2022/05/27 | | | 2022/05/27 | |
| N/A | Tender | Yes | 2022/06/01 | 119 | 2032/04/30 | 2021/10/01 | | 2021/11/08 | | 2021/11/14 | | 2021/12/14 | | 90 | 2022/01/28 | | 2022/02/08 | | | 2022/02/08 | |
| - | Sec 116 (3) Amendment of Contract | No | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| 1 010 000.00 | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2022/03/02 | | 2022/03/09 | | 2022/03/25 | | 2022/04/20 | | 90 | 2022/05/19 | | 2022/05/27 | | | 2022/05/27 | |

| Total Estimated Project Cost | Procurement Process | 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 BEC | Actual BEC date | Expected BAC | Actual BAC date | Expiry of validity period | Expected Final Award Date | Actual final award date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| - | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/09/01 | | 2021/10/08 | | 2021/10/14 | | 2021/11/14 | | 90 | 2022/01/28 | | 2022/02/08 | | | 2022/02/08 | |
| 513 766.86 | Sec 116 (3) Amendment of Contract | No | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| 1 126 567.55 | Sec 116 (3) Amendment of Contract | No | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 08/10/2021 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| 566 801.16 | Sec 116 (3) Amendment of Contract | No | 2022/07/01 | 36 | 2025/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/22 | | 2021/12/06 | | 90 | 2022/02/03 | | 2022/02/18 | | | 2022/02/18 | |
| - | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/01/08 | | 2021/01/14 | | 2021/01/21 | | 2021/02/25 | | 90 | 2021/04/01 | | 2021/04/08 | | | 2021/04/08 | |
| - | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2021/01/08 | | 2021/01/14 | | 2021/01/21 | | 2021/02/25 | | 90 | 2021/04/01 | | 2021/04/08 | | | 2021/04/08 | |
| - | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2022/01/12 | | 2022/01/18 | | 2022/02/02 | | 2022/03/03 | | 90 | 2022/04/28 | | 2022/05/08 | | | 2022/05/08 | |
| - | Tender | Yes | 2022/07/01 | 36 | 2025/06/30 | 2022/01/12 | | 2022/01/18 | | 2022/02/02 | | 2022/03/03 | | 90 | 2022/04/28 | | 2022/05/08 | | | 2022/05/08 | |
| 1 800 000.00 | Tender | Yes | 2021/09/01 | 22 | 2023/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/21 | | 2021/08/21 | | 90 | 2021/09/21 | | 2021/09/28 | | | 2021/09/28 | |
| 750 000.00 | Tender | Yes | 2021/10/01 | 21 | 2023/06/30 | 2021/08/01 | | 2021/08/08 | | 2021/08/21 | | 2021/09/21 | | 90 | 2021/10/21 | | 2021/10/21 | | | 2021/10/21 | |
| 6 350 000.00 | Tender | Yes | 2021/09/01 | 22 | 2023/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/21 | | 2021/08/21 | | 90 | 2021/09/21 | | 2021/09/28 | | | 2021/09/28 | |
| 900 000.00 | Tender | Yes | 2021/09/01 | 22 | 2023/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/21 | | 2021/08/21 | | 90 | 2021/09/21 | | 2021/09/28 | | | 2021/09/28 | |
| 750 000.00 | Tender | Yes | 2021/09/01 | 22 | 2023/06/30 | 2021/07/11 | | 2021/07/18 | | 2021/07/28 | | 2021/08/29 | | 90 | 2021/09/29 | | 2021/10/07 | | | 2021/10/14 | |
| 900 000.00 | Tender | Yes | 2021/09/01 | 22 | 2023/06/30 | 2021/07/11 | | 2021/07/18 | | 2021/07/28 | | 2021/08/29 | | 90 | 2021/09/29 | | 2021/10/07 | | | 2021/10/14 | |
| 1 800 000.00 | Tender | Yes | 2021/09/01 | 22 | 2023/06/30 | 2021/07/11 | | 2021/07/18 | | 2021/07/28 | | 2021/08/29 | | 90 | 2021/09/29 | | 2021/10/07 | | | 2021/10/14 | |
| 180 000.00 | Formal Quotation | No | 2021/09/15 | 12 | 2022/06/30 | 2021/07/20 | | 2021/07/27 | | 2021/07/30 | | 2021/08/14 | | 90 | 2021/09/14 | | 2021/09/14 | | | 2021/09/14 | |
| 300 000.00 | Tender | Yes | 2022/01/17 | 6 | 2022/06/30 | 2021/10/04 | | 2021/10/12 | | 2021/10/21 | | 2021/11/11 | | 90 | 2021/11/25 | | 2021/12/10 | | 2022/02/10 | | 2021/12/31 |
| 1 000 000.00 | Tender | Yes | 2021/08/01 | 11 | 2022/06/30 | 2021/05/01 | | 2021/05/08 | | 2021/05/21 | | 2021/06/21 | | 90 | 2021/07/21 | | 2021/07/28 | | | 2021/07/28 | |
| 1 052 060.00 | Tender | Yes | 2021/08/01 | 11 | 2022/06/30 | 2021/05/01 | | 2021/05/08 | | 2021/05/21 | | 2021/06/21 | | 90 | 2021/07/21 | | 2021/07/28 | | | 2021/07/28 | |
| 1 050 000.00 | Tender | Yes | 2021/09/01 | 22 | 2023/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/21 | | 2021/08/21 | | 90 | 2021/09/21 | | 2021/09/28 | | | 2021/09/28 | |

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| Total Estimated Project Cost | Procurement Process | 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 BEC | Actual BEC date | Expected BAC | Actual BAC date | Expiry of validity period | Expected Final Award Date | Actual final award date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 865 652.00 | Tender | Yes | 2021/09/01 | 10 | 2022/06/30 | 2021/07/11 | | 2021/07/18 | | 2021/07/28 | | 2021/08/29 | | 90 | 2021/09/29 | | 2021/10/07 | | | 2021/10/14 | |
| 50 000.00 | Tender | Yes | 2021/12/01 | 7 | 2022/06/30 | 2021/08/01 | | 2021/08/09 | | 2021/08/24 | | 2021/09/24 | | 90 | 2021/10/24 | | 2021/11/04 | | | 2021/11/04 | |
| 100 000.00 | Tender | Yes | 2021/12/01 | 7 | 2022/06/30 | 2021/08/01 | | 2021/08/09 | | 2021/08/24 | | 2021/09/24 | | 90 | 2021/10/24 | | 2021/11/04 | | | 2021/11/04 | |
| 40 000.00 | Tender | Yes | 2021/12/01 | 7 | 2022/06/30 | 2021/08/01 | | 2021/08/09 | | 2021/08/24 | | 2021/09/24 | | 90 | 2021/10/24 | | 2021/11/04 | | | 2021/11/04 | |
| 50 000.00 | Tender | Yes | 2021/12/01 | 7 | 2022/06/30 | 2021/08/01 | | 2021/08/09 | | 2021/08/24 | | 2021/09/24 | | 90 | 2021/10/24 | | 2021/11/04 | | | 2021/11/04 | |
| 2 000 000.00 | Tender | Yes | 2021/07/01 | 7 | 2022/06/30 | 2021/03/25 | | 2021/03/29 | | 2021/04/14 | | 2021/05/14 | | 90 | 2021/06/14 | | 2021/06/21 | | | 2021/06/21 | |
| 2 100 000.00 | Tender | Yes | 2021/07/01 | 7 | 2022/06/30 | 2021/03/25 | | 2021/03/29 | | 2021/04/14 | | 2021/05/15 | | 90 | 2021/06/14 | | 2021/06/21 | | | 2021/06/21 | |
| 500 000.00 | 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 | 90 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 475 000.00 | Existing Contract | No | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 90 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 147 070.00 | 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 | 90 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 700 000.00 | Tender | No | 2022/04/01 | 3 | 2022/06/30 | 2021/12/01 | | 2021/12/15 | | 2022/01/14 | | 2022/01/28 | | 90 | 2022/02/15 | | 2022/02/25 | | | 2022/02/25 | |
| 135 000.00 | Formal Quotation | No | 2022/04/01 | 12 | 2023/03/31 | 2022/01/14 | | 2021/01/21 | | 2021/01/29 | | 2021/02/14 | | 90 | 2021/03/14 | | 2021/03/14 | | | 2021/03/14 | |
| 1 110 000.00 | 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 | 90 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 250 000.00 | 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 | 90 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 500 000.00 | Tender | No | 2022/02/01 | 3 | 2022/04/30 | 2021/08/03 | | 2021/08/17 | | 2021/08/27 | | 2021/09/10 | | 90 | 2021/10/07 | | 2021/10/22 | | | 2021/10/22 | |
| 145 000.00 | Formal Quotation | No | 2021/11/01 | 1 | 2021/12/01 | 2021/08/03 | | 2021/08/17 | | 2021/08/27 | | 2021/09/10 | | 90 | 2021/10/07 | | | | 2021/12/10 | 2021/10/15 | |
| 2 280 000.00 | Tender | Yes | 2021/08/01 | 23 | 30 06 2023 | 2021/05/01 | | 2021/05/08 | | 2021/05/21 | | 2021/06/21 | | 90 | 2021/07/21 | | 2021/07/28 | | | 2021/07/28 | |
| 347 826.00 | 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 | 90 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 610 366.00 | Tender | | 2021/10/01 | 10 months | 2022/06/30 | 2021/08/01 | | 2021/08/05 | | 2021/08/12 | | 2021/08/26 | | 90 | 2021/09/15 | | 2021/09/22 | | | 2021/09/22 | |
| 633 476.00 | Tender | | 2021/10/01 | 10 months | 2022/06/30 | 2021/08/01 | | 2021/08/05 | | 2021/08/12 | | 2021/08/26 | | 90 | 2021/09/15 | | 2021/09/22 | | | 2021/09/22 | |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 300 000.00 | Tender | | 2021/10/01 | 10 months | 2022/06/30 | 2021/08/01 | | 2021/08/05 | | 2021/08/12 | | 2021/08/26 | | 90 | 2021/09/15 | | 2021/09/22 | | | 2021/09/22 | |
| 60 000.00 | Formal Quotation | No | 2021/11/01 | 1 | 2021/12/01 | 2021/08/03 | | 2021/08/17 | | 2021/08/27 | | 2021/09/10 | | 90 | 2021/10/07 | | | | 10/12/2021 | 15/10/2021 | |
| 110 000.00 | Formal Quotation | No | 2022/02/01 | 2 | 2022/03/31 | 2021/11/01 | | 2021/11/09 | | 2021/11/19 | | 2021/12/03 | | 90 | 2022/01/17 | | | | 03/03/2022 | 24/01/2022 | |
| 35 000.00 | Formal Quotation | Yes | 2021/10/01 | 9 | 2022/06/30 | 2021/08/01 | | 2021/08/08 | | 2021/08/14 | | 2021/08/28 | | 90 | 2021/09/28 | | 2021/09/28 | | | 2021/09/28 | |
| 875 000.00 | Tender | | 2021/10/01 | 10 months | 2022/06/30 | 2021/08/01 | | 2021/08/05 | | 2021/08/12 | | 2021/08/26 | | 90 | 2021/09/15 | | 2021/09/22 | | | 2021/09/22 | |
| 80 000.00 | Formal Quotation | | 2021/08/01 | 2 | 2021/09/30 | 2021/07/19 | | 2021/08/02 | | 2021/08/10 | | 2021/08/26 | | 90 | 2021/09/09 | | | | 2021/10/08 | 2021/09/17 | |
| 300 000.00 | Tender | | 2021/07/01 | 12 months | 2022/06/30 | 2021/08/01 | | 2021/04/25 | | 2021/03/26 | | 2021/04/01 | | 90 | 2021/04/08 | | 2021/04/15 | | | 2021/04/15 | |
| 100 000.00 | Formal Quotation | | 2021/08/01 | 2 | 2021/09/30 | 2021/07/19 | | 2021/08/02 | | 2021/08/10 | | 2021/08/26 | | 90 | 2021/09/09 | | 2021/09/16 | | 2021/10/08 | 2021/09/17 | |
| 4 373 611.00 | Tender | Yes | 2021/07/01 | 12 | 2022/06/30 | 2021/03/01 | | 2021/03/28 | | 2021/04/10 | | 2021/05/10 | | 90 | 2021/06/01 | | 2021/06/08 | | | 2021/06/08 | |
| 100 000.00 | Formal Quotation | Yes | 2022/01/01 | 6 | 2022/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/14 | | 2021/10/28 | | 90 | 2021/11/28 | | 2021/11/28 | | | 2021/11/28 | |
| 600 000.00 | Tender | No | 2022/01/21 | 5 | 2022/06/30 | 2021/10/01 | | 2021/10/06 | | 2021/10/15 | | 2021/11/19 | | 90 | 2021/12/09 | | 2021/12/17 | | 2022/01/13 | 2021/12/17 | |
| 1 138 737.00 | Tender | No | 2022/01/21 | 5 | 2022/06/30 | 2021/10/01 | | 2021/10/06 | | 2021/10/15 | | 2021/11/19 | | 90 | 2021/12/09 | | 2021/12/17 | | 2022/01/13 | 2021/12/17 | |
| 2 021 000.00 | Tender | No | 2022/01/21 | 5 | 2022/06/30 | 2021/10/01 | | 2021/10/06 | | 2021/10/15 | | 2021/11/19 | | 90 | 2021/12/09 | | 2021/12/17 | | 2022/01/13 | 2021/12/17 | |
| 5 500 000.00 | Tender | Yes | 2021/11/01 | 18 | 2023/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/14 | | 2021/08/14 | | 90 | 2021/09/14 | | 2021/09/24 | | | 2021/09/24 | |
| 600 000.00 | Tender | Yes | 2022/03/01 | 4 | 2022/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/14 | | 2021/08/14 | | 90 | 2021/09/14 | | 2021/09/24 | | | 2021/09/24 | |
| 1 900 000.00 | Tender | Yes | 2021/10/01 | 9 months | 2022/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/22 | | 2021/08/27 | | 90 | 2021/08/26 | | 2021/09/03 | | | 2021/09/03 | |
| 400 000.00 | Tender | | 2021/08/01 | 6 | 2021/12/30 | 2021/08/02 | | 2021/08/10 | | 2021/08/26 | | 2021/10/01 | | 90 | 2021/10/19 | | 2021/10/29 | | 2021/11/26 | 2021/11/30 | |
| 50 000.00 | 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 |
| 300 000.00 | Tender | Yes | 2022/03/01 | 4 | 2022/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/14 | | 2021/08/14 | | 90 | 2021/09/14 | | 2021/09/24 | | | 2021/09/24 | |
| 200 000.00 | Formal Quotation | Yes | 2021/07/01 | 12 | 2022/06/30 | 2021/04/25 | | 2021/04/25 | | 2021/03/26 | | 2021/04/01 | | 90 | 2021/04/08 | | 2021/04/15 | | | 2021/04/15 | |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 88 717 280.00 | 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 |
| 2 100 000.00 | 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 |
| 7 431 087.00 | 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 |
| 200 000.00 | 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 |
| 100 000.00 | 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 |
| 100 000.00 | 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 |
| 100 000.00 | 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 |
| 100 000.00 | 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 |
| 50 000.00 | 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 |
| 50 000.00 | 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 |
| 50 000.00 | 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 |
| 100 000.00 | 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 |
| 100 000.00 | 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 |
| 100 000.00 | 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 |
| 50 000.00 | 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 |
| 100 000.00 | 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 |
| 50 000.00 | 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 |
| 200 000.00 | 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 |
| 180 000.00 | 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 |
| 100 000.00 | 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 |

| Total Estimated Project Cost | Procurement Process | 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 BEC | Actual BEC date | Expected BAC | Actual BAC date | Expiry of validity period | Expected Final Award Date | Actual final award date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 50 000.00 | 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 |
| 150 000.00 | 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 |
| 65 000.00 | 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 |
| 200 000.00 | 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 |
| 200 000.00 | 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 |
| 70 000.00 | 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 |
| 50 000.00 | 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 |
| 50 000.00 | 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 |
| 50 000.00 | 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 |
| 150 000.00 | Formal Quotation | Yes | 2022/02/01 | 5 | 2022/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/19 | | 2021/11/19 | | 90 | 2021/12/15 | | 2021/01/19 | | | 2021/01/19 | |
| 200 000.00 | Tender | Yes | 2022/02/01 | 5 | 2022/06/30 | 2021/10/01 | | 2021/10/08 | | 2021/10/19 | | 2021/11/19 | | 90 | 2021/12/15 | | 2021/01/19 | | | 2021/01/19 | |
| 200 000.00 | Tender | Yes | 2022/03/01 | 4 | 2022/06/30 | 2021/11/01 | | 2021/11/08 | | 2021/11/19 | | 2021/12/19 | | 90 | 2021/01/19 | | 2021/01/25 | | | 2021/01/25 | |
| 70 000.00 | Formal Quotation | No | 2022/03/01 | 4 | 2022/06/30 | 2021/11/02 | | 2021/11/08 | | 2021/1119 | | 2021/12/19 | | 90 | 2021/01/19 | | 2021/01/25 | | | 2021/01/25 | |
| 200 000.00 | Tender | | 2021/08/01 | 6 | 2021/12/30 | 2021/08/02 | | 2021/08/10 | | 2021/08/26 | | 2021/10/01 | | 90 | 2021/10/19 | | 2021/10/29 | | 2021/11/26 | 2021/11/30 | |
| 400 000.00 | Tender | | 2021/08/01 | 6 | 2021/12/30 | 2021/08/02 | | 2021/08/10 | | 2021/08/26 | | 2021/10/01 | | 90 | 2021/10/19 | | 2021/10/29 | | 2021/11/26 | 2021/11/30 | |
| 10 583 000.00 | Tender | No | 2021/09/17 | 18 | 2023/06/30 | 2021/05/31 | | 2021/06/04 | | 2021/06/11 | | 2021/07/16 | | 90 | 2021/08/05 | | 2021/08/13 | | 2021/10/14 | 2021/08/13 | |
| 4 000 000.00 | Tender | No | 2022/07/01 | 18 | 2024/06/30 | 2022/03/04 | | 2022/03/10 | | 2022/03/17 | | 2022/04/22 | | 90 | 2022/05/12 | | 2022/05/20 | | 2022/07/21 | 2022/05/20 | |
| 6 000 000.00 | Tender | No | 2022/07/01 | 18 | 2024/06/30 | 2022/03/04 | | 2022/03/10 | | 2022/03/17 | | 2022/04/22 | | 90 | 2022/05/12 | | 2022/05/20 | | 2022/07/21 | 2022/05/20 | |
| 24 100 000.00 | Tender | No | 2021/09/01 | 24 | 2023/08/31 | 2021/04/16 | | 2021/05/07 | | 2021/05/21 | | 2021/06/18 | | 90 | 2021/07/21 | | 2021/08/04 | | 2021/09/16 | 2021/08/27 | |
| 11 900 000.00 | Tender | No | 2021/09/01 | 24 | 2023/08/31 | 2021/04/16 | | 2021/05/07 | | 2021/05/21 | | 2021/06/18 | | 90 | 2021/07/21 | | 2021/08/04 | | 2021/09/16 | 2021/08/27 | |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6 500 000.00 | Tender | No | 2021/09/01 | 24 | 2023/08/31 | 2021/04/16 | | 2021/05/07 | | 2021/05/21 | | 2021/06/18 | | 90 | 2021/07/21 | | 2021/08/04 | | 2021/09/16 | 2021/08/27 | |
| 15 000 000.00 | Tender | No | 2021/09/01 | 24 | 2023/08/31 | 2021/04/16 | | 2021/05/07 | | 2021/05/21 | | 2021/06/18 | | 90 | 2021/07/21 | | 2021/08/04 | | 2021/09/16 | 2021/08/27 | |
| 21 275 400.00 | Tender | Yes | 2021/12/01 | 7 | 2022/06/30 | 2021/07/30 | | 2021/08/06 | | 2021/08/20 | | 2021/09/30 | | 90 | 2021/10/28 | | 2021/11/05 | | 2021/11/19 | 2021/11/22 | |
| 115 000.00 | Formal Quotation | No | 2022/02/01 | 2 | 2022/03/31 | 2021/11/01 | | 2021/11/09 | | 2021/11/19 | | 2021/12/03 | | 90 | 2022/01/17 | | | | 2022/03/03 | 2022/01/24 | |
| 2 500 000.00 | Tender | Yes | 2021/12/01 | 7 | 2022/06/30 | 2021/07/30 | | 2021/08/06 | | 2021/08/20 | | 2021/09/30 | | 90 | 2021/10/28 | | 2021/11/05 | | 2021/11/19 | 2021/11/22 | |
| 9 000 000.00 | Tender | Yes | 2021/11/01 | 20 | 2023/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/08 | | 2021/08/08 | | 90 | 2021/09/09 | | 2021/09/14 | | | 2021/09/14 | |
| 3 000 000.00 | Tender | Yes | 2021/11/01 | 20 | 2023/06/30 | 2021/07/01 | | 2021/07/08 | | 2021/07/08 | | 2021/08/08 | | 90 | 2021/09/09 | | 2021/09/14 | | | 2021/09/14 | |
| 4 000 000.00 | Tender | Yes | 2021/12/01 | 19 | 2023/06/30 | 2021//08/01 | | 2021/08/08 | | 2021/08/08 | | 2021/09/08 | | 90 | 2021/10/08 | | 2021/10/15 | | | 2021/10/15 | |
| 4 000 000.00 | Tender | Yes | 2021/01/01 | 18 | 2023/06/30 | 2021/08/01 | | 2021/08/08 | | 2021/08/08 | | 2021/09/08 | | 90 | 2021/10/08 | | 2021/10/15 | | | 2021/10/15 | |
| 2 230 435.00 | 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 |
| 100 000.00 | Formal Quotation | Yes | 2022/02/02 | 5 | 2022/06/30 | 2021/09/01 | | 2021/09/08 | | 2021/09/08 | | 2021/10/08 | | 90 | 2021/11/08 | | 2021/11/15 | | | 2021/11/15 | |
| 30 000.00 | Formal Quotation | Yes | 2022/02/02 | 5 | 2022/06/30 | 2021/09/01 | | 2021/09/08 | | 2021/09/08 | | 2021/10/08 | | 90 | 2021/11/08 | | 2021/11/15 | | | 2021/11/15 | |
| 30 000.00 | Tender | Yes | 2022/02/02 | 5 | 2022/06/30 | 2021/09/01 | | 2021/09/08 | | 2021/09/08 | | 2021/10/08 | | 90 | 2021/11/08 | | 2021/11/15 | | | 2021/11/15 | |
| 1 000 000.00 | 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 |
| 6 500 000.00 | 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 |
| 750 000.00 | Existing Contract | Yes | 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 |
| 27 000 000.00 | Tender | Yes | 2022/09/30 | 21 | 2024/06/30 | 2022/04/15 | | 2022/04/30 | | 2022/05/15 | | 2022/06/30 | | 90 | 2022/08/20 | | 2022/08/30 | | | 2022/08/30 | |
| - | Existing Contract | Yes | 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 |
| 1 400 000.00 | Existing Contract | Yes | 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 |
| 20 000 000.00 | Tender | Yes | 2022/09/30 | 21 | 2024/06/30 | 2022/04/15 | | 2022/04/30 | | 2022/05/15 | | 2022/06/30 | | 90 | 2022/08/20 | | 2022/08/30 | | | 2022/08/30 | |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| - | Existing Contract | Yes | 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 |
| 3 000 000.00 | Tender | Yes | 2023/01/15 | 5 | 2023/06/30 | 2022/08/01 | | 2022/08/10 | | 2022/08/24 | | 2022/10/05 | | 90 | 2022/11/25 | | 2022/12/05 | | | 2022/12/05 | |
| 2 000 000.00 | Tender | Yes | 2021/10/01 | 33 | 2024/06/30 | 2021/04/12 | | 2021/04/21 | | 2021/05/07 | | 2021/06/11 | | 90 | 2021/07/29 | | 2021/08/06 | | | 2021/08/06 | |
| 7 900 000.00 | Tender | No | 2021/09/17 | 18 | 2023/06/30 | 2021/05/31 | | 2021/06/04 | | 2021/06/11 | | 2021/07/16 | | 90 | 2021/08/05 | | 2021/08/13 | | 2021/10/14 | 2021/08/13 | |
| - | Tender | No | 2021/09/17 | 9 | 2022/06/30 | 2021/05/31 | | 2021/06/04 | | 2021/06/11 | | 2021/07/16 | | 90 | 2021/08/05 | | 2021/08/13 | | 2021/10/14 | 2021/08/13 | |
| 2 050 000.00 | 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 |
| 7 300 000.00 | Tender | Yes | 2022/01/17 | 18 | 2023/06/30 | 2021/08/10 | | 2021/08/20 | | 2021/09/03 | | 2021/10/08 | | 90 | 2021/11/25 | | 2021/12/03 | | | 2021/12/03 | |
| 14 450 000.00 | Tender | Yes | 2022/05/01 | 26 | 2024/06/30 | 2021/10/11 | | 2021/10/20 | | 2021/10/29 | | 2021/12/03 | | 90 | 2022/01/27 | | 2022/02/05 | | | 2022/02/05 | |
| 3 538 000.00 | Tender | Yes | 2022/07/01 | 12 | 2023/06/30 | 2021/11/01 | | 2021/11/08 | | 2021/11/14 | | 2021/12/14 | | 90 | 2021/01/19 | | 2021/01/25 | | | 2021/01/25 | |
| 4 000 000.00 | Tender | Yes | 2021/06/01 | 13 | 2022/06/30 | 2021/02/03 | 2021/02/03 | 2021/02/17 | 2021/02/17 | 2021/02/26 | 2021/02/26 | 2021/04/01 | 2021/04/01 | 90 | 2021/05/20 | | 2021/05/28 | | 2021/06/30 | 2021/05/28 | |
| 2 250 000.00 | Tender | Yes | 2022/07/01 | 12 | 2023/06/30 | 2021/11/01 | | 2021/11/08 | | 2021/11/14 | | 2021/12/14 | | 90 | 2021/01/19 | | 2021/01/25 | | | 2021/01/25 | |
| 800 000.00 | Existing Contract | Yes | 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 |
| 13 000 000.00 | Tender | Yes | 2021/06/01 | 25 | 2023/06/30 | 2021/01/06 | 2021/01/06 | 2021/01/12 | 2021/01/12 | 2021/01/15 | 2021/01/15 | 2021/02/19 | 2021/02/19 | 90 | 2021/04/22 | | 2021/04/30 | | | 2021/04/30 | |
| 5 000 000.00 | Tender | Yes | 2022/03/01 | | 2022/06/30 | 2022/10/01 | | 2022/10/08 | | 2022/10/19 | | 2022/11/19 | | 90 | 2022/01/09 | | 2022/01/28 | | | 2022/01/28 | |
| 14 382 000.00 | Tender | Yes | 2022/03/01 | | 2022/06/30 | 2022/10/01 | | 2022/10/08 | | 2022/10/19 | | 2022/11/19 | | 90 | 2022/01/09 | | 2022/01/28 | | | 2022/01/28 | |
| 3 000 000.00 | Tender | Yes | 2022/01/17 | 5 | 2022/06/30 | 2021/08/10 | | 2021/08/20 | | 2021/09/03 | | 2021/10/08 | | 90 | 2021/11/18 | | 2021/11/26 | | | 2021/11/26 | |
| 20 592 000.00 | Tender | No | 2021/11/01 | 27 | 2024/06/30 | 2021/07/09 | | 2021/07/15 | | 2021/07/23 | | 2021/08/27 | | 90 | 2021/09/16 | | 2021/09/24 | | 2021/11/25 | 2021/09/24 | |
| 1 200 000.00 | Existing Contract | Yes | 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 |
| 1 200 000.00 | Tender | Yes | 2023/01/15 | 5 | 2023/06/30 | 2022/08/11 | | 2022/08/21 | | 2022/09/04 | | 2022/10/09 | | 90 | 2022/11/19 | | 2022/11/27 | | | 2022/11/27 | |
| 1 500 000.00 | Tender | Yes | 2021/03/30 | 5 | 2022/06/30 | 2021/08/02 | | 2021/08/10 | | 2021/08/24 | | 2021/08/20 | | 90 | 2021/09/20 | | 2021/10/01 | | | 2021/10/01 | |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 000 000.00 | Tender | Yes | 2021/12/01 | 7 | 2022/06/30 | 2021/08/01 | | 2021/08/14 | | 2021/09/05 | | 2021/10/05 | | | 2021/11/05 | | 2021/11/18 | | | 2021/11/18 | |
| 1 000 000.00 | 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 |
| 1 250 000.00 | 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 |
| 50 000.00 | 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 |
| 50 000.00 | 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 |
| 100 000.00 | 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 |
| 100 000.00 | 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 |
| 100 000.00 | 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 |
| 50 000.00 | 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 |
| 50 000.00 | 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 |
| 100 000.00 | 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 |
| 300 000.00 | 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 |
| 200 000.00 | 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 |
| 200 000.00 | 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 |
| 100 000.00 | 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 |
| 30 000.00 | Formal Quotation | No | | | 2022/06/30 | 2022/01/25 | | 2022/02/01 | | 2022/02/14 | | 2022/02/28 | | 90 | 2022/03/28 | | 2022/03/28 | | | 2022/03/28 | |
| 150 000.00 | 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 |
| - | Tender | Yes | 2021/07/01 | 12 months | 2022/06/30 | 2022/04/25 | | 2022/04/25 | | 2022/03/26 | | 2022/04/01 | | 90 | 2022/04/08 | | 2022/04/15 | | | 2022/04/15 | |
| - | Tender | Yes | 2021/07/01 | 12 months | 2021/06/30 | 2021/04/25 | | 2021/04/25 | | 2021/03/26 | | 2021/04/01 | | 90 | 2021/04/08 | | 2021/04/15 | | | 2021/04/15 | |
| 300 000.00 | Tender | Yes | 2021/12/01 | 7 | 2022/06/30 | 2021/08/01 | | 2021/08/14 | | 2021/09/05 | | 2021/10/05 | | 90 | 2021/11/05 | | 2021/11/18 | | | 2021/11/18 | |

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| Total Estimated Project Cost | Procurement Process | 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 BEC | Actual BEC date | Expected BAC | Actual BAC date | Expiry of validity period | Expected Final Award Date | Actual final award date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 214 937.84 | Tender | Yes | 2021/12/01 | 7 | 2022/06/30 | 2021/08/01 | | 2021/08/14 | | 2021/09/05 | | 2021/10/05 | | 90 | 2021/11/05 | | 2021/11/18 | | | 2021/11/18 | |
| 90 000.00 | Tender | no | 2021/11/01 | 1 | 2021/11/30 | 2021/07/02 | | 2021/07/09 | | 2021/07/23 | | 2021/08/13 | | 90 | 2021/09/17 | | 2021/09/23 | | 2021/11/12 | 2021/09/23 | |
| | | | | | | | | | | | | | | | | | | | | | |
| 800 000.00 | Tender | | 2022/01/01 | 6 | 2022/06/30 | 2021/10/01 | | 2021/10/14 | | 2021/10/21 | | 2021/11/15 | | 90 | 2021/12/09 | | 2021/12/17 | | | 2021/12/17 | |
| 400 000.00 | Tender | | 2021/11/01 | 3 | 2022/02/28 | 2021/08/01 | | 2021/08/12 | | 2021/08/19 | | 2021/09/10 | | 90 | 2021/10/07 | | 2021/10/15 | | | 2021/10/15 | |
| 300 000.00 | Tender | | 2021/08/01 | 3 | 2021/10/30 | 2021/07/01 | | 2021/07/15 | | 2021/07/22 | | 2021/09/17 | | 90 | 2021/09/23 | | 2021/09/30 | | | 2021/09/30 | |
| 200 000.00 | Formal Quotation | | 2021/07/01 | 2 | 2021/09/01 | 2021/07/01 | | 2021/07/08 | | 2021/07/15 | | 2021/08/13 | | 90 | 2021/09/09 | | 2021/09/16 | | | 2021/09/16 | |
| 300 000.00 | Tender | | 2021/07/30 | 2 | 2021/09/01 | 2021/07/30 | | 2021/08/13 | | 2021/08/13 | | 2021/08/13 | | 90 | 2021/09/09 | | 2021/09/16 | | | 2021/09/16 | |
| 400 000.00 | Tender | | 2021/08/01 | 3 | 2021/10/30 | 2021/07/01 | | 2021/07/15 | | 2021/07/22 | | 2021/09/17 | | 90 | 2021/09/23 | | 2021/09/30 | | | 2021/09/30 | |
| 200 000.00 | Tender | | 2021/10/01 | 3 | 2021/12/31 | 2021/08/01 | | 2021/08/20 | | 2021/09/01 | | 2021/09/06 | | 90 | | | | | | | |
| 200 000.00 | Existing Contract | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 90 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 1 700 000.00 | Tender | | 2021/07/01 | 3 | 2021/09/01 | 2021/03/01 | | 2021/03/04 | | 2021/05/01 | | 2021/05/10 | | 90 | 2021/06/30 | | 2021/07/07 | | | 2021/07/07 | |
| 350 000.00 | Tender | | 2021/07/01 | 2 | 2021/11/01 | 2021/07/01 | | 2021/07/20 | | 2021/08/01 | | 2021/05/10 | | 90 | 2021/06/30 | | 2021/07/07 | | | 2021/07/07 | |
| 300 000.00 | Tender | | 2021/07/01 | 2 | 2021/11/01 | 2021/07/01 | | 2021/07/20 | | 2021/08/01 | | 2021/05/10 | | 90 | 2021/06/30 | | 2021/07/07 | | | 2021/07/07 | |
| | | | | | | | | | | | | | | | | | | | | | |
| - | Formal Quotation | | 2021/12/01 | 5 month | 2022/04/30 | 2021/08/16 | | 2021/08/18 | | 2021/09/02 | | 2021/09/17 | | 90 | 2021/10/07 | | 2021/10/15 | | | 2021/10/18 | |
| **542 746 822.91** | | | | | | | | | | | | | | | | | | | | | |

# ANNEXURE K

# BUDGET RELATED POLICIES

# OVERSTRAND MUNICIPALITY




# PROPERTY RATES POLICY

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## 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); |
| ***"additional rate"*** | means a rate as contemplated in sections 19(1)(d) and 22(1)(b) of the MPRA read together with section 10 of the Municipality's Property Rates Policy and section 12(2) of the Municipality's Special Ratings Area By-law, which Additional Rate shall be determined on an annual basis by the Municipality and shall be a debt due to the Municipality by the registered owner of a property within the SRA, and collected in the same manner as other property rates imposed by the Municipality; |
| ***"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 *inter alia*, 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; |
| ***"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 -<br>(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;<br>(b) at any time been dedicated to the public;<br>(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<br>(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-<br>(a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary;<br>(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;<br>(c) power stations, power substations or power lines forming part of an electricity scheme serving the public;<br>(d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels;<br>(e) communication towers, masts, exchanges or lines forming part of a communications system serving the public;<br>(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;<br>(g) rights of way, easement or servitudes in connection with infrastructure mentioned;<br>(h) any other government or government agency controlled infrastructure as may be described from time to time. |
| ***"Public street"*** | means:-<br>(a) any street which has at any time been- |

| | |
|---|---|
| | i. dedicated to the public;<br>ii. used without interruption by the public for a period of at least thirty years;<br>iii. declared or rendered such by a council or other competent authority, or<br>iv. constructed by local authority, and<br>(b) any land, with or without buildings or structures thereon, which is shown as a street on-<br>i. any plan of subdivision or diagram approved by a council or other competent authority and acted upon, or<br>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,<br>unless such land is on such plan or diagram described as a private street. |
| ***"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:<br>(a) used predominantly (60% or more) for residential purposes, with not more than two dwelling units per property.<br>(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<br>(c) owned by a share-block company and used predominantly (60% or more) for residential purposes, or<br>(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:<br>(a) State properties that provide local services.<br>(b) State properties that provide regional/municipal district-wide/metro-wide service.<br>(c) State properties that provide provincial/national service.<br>(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.

**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 an 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;
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**

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**

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) A *usufructuary* or *habitatio* (right of habitation) or an executor or administrator of a deceased estate will be regarded as the property owner for purposes of a rebate application. The applicant must produce an Affidavit or a letter from the Master of the High Court to substantiate the appointment.

iii) Property owners must apply on a prescribed application form for a rebate as determined by the Municipality.

iv) 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, for all persons normally residing on that property or, if **[the]** those persons do **[does]**not have **[a]**bank accounts, such proof as the Municipality may require to substantiate the **[person]** level of **[gross]** total monthly income of the person(s).
- an affidavit from the owner, (on the application form);
- 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.
- The CFO or his/her nominee has the right to conduct a full credit check or financial analysis on any person applying for any benefit in terms of this policy, or to review and recover any previous benefit received, based on evidence available.

v) 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.

vi) **[The Municipality retains the right to refuse rebates if the details supplied in the application form were incomplete, incorrect or false.]** In the case of misrepresentation or false declaration, the Municipality reserves the right to refuse the approval of the rebate, or to recover any rebate, if already granted and may institute appropriate legal action, civil or otherwise against guilty party(ies).

**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.

## 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.

## 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 2021** 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: | 26 MAY 2021 |
| PREVIOUS REVIEW: | 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

# 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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## 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/Erf"** | 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; |

| | |
|---|---|
| **"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:-<br>(a) acting in such position; and<br>(b) to whom the Municipal Manager has delegated a power, function or duty in respective 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

(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.

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.

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

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

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**<br>1) 0 - 350 kWh<br>2) 351 – 600 kWh<br>3) > 600kWh |
| **Single Phase:** (Domestic Pre-paid meters) | X | X | | ***Note: IBT BLOCK**<br>1) 0 - 350 kWh<br>2) 351 – 600 kWh<br>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**<br>1) 0 - 350 kWh<br>2) 351 – 600 kWh<br>3) > 600kWh |
| **Three Phase:** (Domestic Pre-paid meter) ≤ 100A | X | X | | ***Note: IBT BLOCK**<br>1) 0 - 350 kWh |

| | | | | |
|---|---|---|---|---|
| | | | | 2) 351 – 600 kWh<br>3) > 600kWh |
| **Three Phase:**<br>(Commercial Credit meter) ≤ 100A | X | X | | **Flat Rate** |
| **Three Phase:**<br>(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:-

| Category of Consumer | Basic Fixed Charge (Rand/meter/month) | Unit Charge per kℓ | Level of Consumption (Rand/kℓ/month) |
|---|---|---|---|
| **NORMAL TARIFF** | | | |
| Single Residential<br>Flats<br>Group Housing (including Townhouse Developments)<br>Retirement Villages<br>Guest Houses | X | X | **HOUSEHOLD**<br>0 - 6 kℓ<br>7 - 18 kℓ<br>19 - 30 kℓ<br>31 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Churches<br>Caravan Parks<br>Boutique Hotels and Hotels<br>Other Consumers | X | X | **NON-HOUSEHOLD**<br>0 - 18 kℓ<br>19 - 30 kℓ<br>31 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| **RESTRICTION TARIFF 1 (LEVELS 2 & 3 WATER RESTRICTIONS) PLUS 30% on Normal Tariff)** | | | |
| Single Residential<br>Flats<br>Group Housing (including Townhouse Developments)<br>Retirement Villages<br>Guest Houses | X | X | **HOUSEHOLD**<br>7 - 18 kℓ<br>19 - 30 kℓ<br>31 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Churches<br>Caravan Parks<br>Boutique Hotels and Hotels<br>Other Consumers | X | X | **NON-HOUSEHOLD**<br>0 - 18 kℓ<br>19 - 30 kℓ<br>31 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| **RESTRICTION TARIFF 2 (LEVELS 4 & 5 WATER RESTRICTIONS) PLUS 60% on Normal Tariff)** | | | |
| Single Residential<br>Flats<br>Group Housing (including Townhouse Developments)<br>Retirement Villages<br>Guest Houses | X | X | **HOUSEHOLD**<br>7 - 18 kℓ<br>19 - 30 kℓ<br>31 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| Churches<br>Caravan Parks<br>Boutique Hotels and Hotels<br>Other Consumers | X | X | **NON-HOUSEHOLD**<br>0 - 18 kℓ<br>19 - 30 kℓ<br>31 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |
| **RESTRICTION TARIFF 3 (LEVEL 6 WATER RESTRICTION) PLUS 100% on Normal Tariff)** | | | |
| Single Residential<br>Flats<br>Group Housing (including Townhouse Developments)<br>Retirement Villages<br>Guest Houses | X | X | **HOUSEHOLD**<br>7 - 18 kℓ<br>19 - 30 kℓ<br>31 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |

| | | | |
|---|---|---|---|
| Churches<br>Caravan Parks<br>Boutique Hotels and Hotels<br>Other Consumers | X | X | **NON-HOUSEHOLD**<br>0 - 18 kℓ<br>19 - 30 kℓ<br>31 - 45 kℓ<br>46 - 60 kℓ<br>>60 kℓ |

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<br>▫ 1 RUE per 7 Frail care beds |
| **Single Residential erven** | ▫ 1 RUE |
| **Townhouse and group developments** | ▫ 1 RUE per unit<br>▫ Townhouse/Group Developments must apply should they require more than 1 rue during development phase)<br>▫ 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<br>(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<br>(ii) 501 – 1 000 kℓ |

| | | | |
|---|---|---|---|
| | | | (iii) > 1 000 kℓ |
| Restriction Tariff 1 (levels 2 & 3 water restrictions)<br>**PLUS 30% of Normal Tariff** | **X** | **X** | (i) 0 – 300 kℓ<br>(ii) 301 – 700 kℓ<br>(iii) > 700 kℓ |
| Restriction Tariff 2 (levels 4 & 5 water restrictions)<br>**PLUS 60% of Normal Tariff** | **X** | **X** | (i) 0 – 250 kℓ<br>(ii) 251 – 500 kℓ<br>(iii) > 500 kℓ |
| Restriction Tariff 3 (level 6 **water** restrictions)<br>**PLUS 100% of Normal Tariff** | **X** | **X** | (i) 0 – 100 kℓ<br>(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<br>(ii) >5 800 kℓ |
| Restriction Tariff 1 (levels 2 & 3 water restrictions)<br>**PLUS 30% of Normal Tariff** | **X** | **X** | (i) 0 – 5 800 kℓ<br>(ii) >5 800 kℓ |
| Restriction Tariff 2 (levels 4 & 5 water restrictions)<br>**PLUS 60% of Normal Tariff** | **X** | **X** | (i) 0 – 5 800 kℓ<br>(ii) >5 800 kℓ |
| Restriction Tariff 3 (level 6 **water** restrictions)<br>**PLUS 100% of Normal Tariff** | **X** | **X** | (i) 0 – 5 800 kℓ<br>(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;

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.

(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. (i) 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 (ownership/registration or new occupancy), which took place after 30 September.

(ii) In case of conservancy tanks or septic tanks, the municipality reserves the right to change the tariff option should it become apparent that the sewer consumption is more than the water consumption for more than two consecutive months.

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 | ▪ Access to information<br>▪ Administration Costs<br>▪ Advertisements / Advertising<br>▪ Bank cost on foreign accounts<br>▪ Deposit<br>▪ Duplicate Accounts<br>▪ Duplicate Pay Day Slip<br>▪ Facsimiles<br>▪ Interest on Accounts in Arrear<br>▪ Laminated documents | ▪ Photocopies<br>▪ Placard / Poster Costs<br>▪ Section 62 Appeals<br>▪ Tender Objections<br>▪ Top Management Consultation<br>▪ Top Management Deposit<br>▪ Trace of Direct Deposits |
| **B** | Building Control | ▪ Administration / Viewing Request, Filing retrieval and Copying of Plans<br>▪ Building Plans<br>▪ Demolition application<br>▪ Heritage Investigations | ▪ Plan Printing Fees<br>▪ Plan Scrutiny Fees<br>▪ Plan validity extension<br>▪ Re-inspection fees<br>▪ Signage |
| **C** | Cemeteries | ▪ Grave-depths<br>▪ Indication of grave | ▪ Plot Cost<br>▪ Wall of Remembrance |
| **D** | Business License | ▪ Application for extended Liquor hours<br>▪ Duplicates<br>▪ License- Formal | ▪ License - Informal<br>▪ Liquor License<br>▪ Re-inspection Fee |
| **E** | Commercial Filming/Photographing | ▪ Animals<br>▪ Application Fee<br>▪ Area required for production and catering<br>▪ Cancellation Fee | ▪ Environmental Control Officer<br>▪ Permits<br>▪ Vehicles off Public Roads per Parking Bay |
| **F** | Credit Control & Debt Collecting | ▪ Administration fee<br>▪ Notices<br>▪ Sheriff fee<br>▪ | ▪ SMS<br>▪ Tracing fee |
| **G** | Development Contributions | ▪ Water<br>▪ Electricity<br>▪ Sewerage<br>▪ Roads<br>▪ Sanitation | ▪ Storm water<br>▪ Solid Waste<br>▪ Off Grid Developments<br>▪ Evaluations/Investigations Levies |
| **H** | Electricity | ▪ Builders connection<br>▪ Call-out fee<br>▪ Cancellation Fee<br>▪ Capital Contributions<br>▪ Casual Supplies<br>▪ Change to SSEG or Time of Use<br>▪ Change of Circuit Breaker<br>▪ Commission of Bulk Meter<br>▪ Connection and Disconnection of Service<br>▪ Consumer Deposits<br>▪ Contractor inspections<br>▪ Conversion of meters<br>▪ Credit Control and Debt Collection<br>▪ Damaged cables<br>▪ Damaged meter<br>▪ Deposits cables etc.<br>▪ Development Contribution<br>▪ Erection & Removal of Banners | ▪ Illegal Connection/Tampering Fee<br>▪ Illuminated Signs<br>▪ Small Scale Embedded Generation (SSEG)<br>▪ Meter Testing<br>▪ Meter Verification<br>▪ MV Switching<br>▪ Public Lighting & CCTV<br>▪ Removal of meter<br>▪ Replacement<br>▪ Repositioning of Meter<br>▪ Service Connections<br>▪ Special Meter Readings<br>▪ Sundry Services<br>▪ Tariff change<br>▪ Unsafe/illegal connections per visit<br>▪ Upgrading extension Fee<br>▪ Way leave |

| | | | |
|---|---|---|---|
| | | ▪ Fee recalculation – no access<br>▪ Hire of temporary distribution kiosk<br>▪ Hire of Sleeve Space for fiber optic cable | |
| I | Fire Services & Disaster Management | ▪ Assistance of motor vehicle accidents and rescues<br>▪ Burn Permits<br>▪ Events<br>▪ Extinguishing of Fires<br>▪ Fire Prevention inspections<br>▪ Fire Safety | ▪ Plot Clearing<br>▪ Re-inspection Fee under the By-law<br>▪ Special Services<br>▪ Standby at fire scene |
| J | Housing | ▪ Administration | ▪ Rental |
| K | Law Enforcement | ▪ Bylaw on outdoor advertising<br>▪ Impoundment of Informal Traders (Hawkers) goods<br>▪ Impoundment of illegal Advertising/Agent boards<br>▪ Inspection Fees<br>▪ Pound Fee Cattle<br>▪ Pound fee Dogs and Cats<br>▪ Pound fee Horses | ▪ Pound fee other animals<br>▪ Pound fee Pigs<br>▪ Pound Fee Poultry<br>▪ Pound fee Sheep and Goats<br>▪ Pound fee Shopping Trolley<br>▪ Re-inspection Fee<br>▪ Removal of illegal structure<br>▪ Storage Fee |
| L | Libraries | ▪ Damage or lost Library material<br>▪ Deposits<br>▪ Facsimiles<br>▪ Laminated documents<br>▪ Lost Cards<br>▪ Penalty for Late Return | ▪ Photocopies<br>▪ Rental of Library Amenities<br>▪ Scanning<br>▪ Special Requests<br>▪ Subscription<br>▪ Visitors Fee (Handling) |
| M | Municipal Buildings | ▪ Deposits<br>▪ Rental of Amenities | ▪ Rental of Equipment |
| N | Off-Grid Developments/Units | ▪ Development Contribution | |
| O | Operational Cost | ▪ Street Signage | |
| P | Parking Fees | * Metered Parking | * Monthly Parking Permit |
| Q | Property Administration | ▪ Application lease/purchase<br>▪ Encroachment Fee<br>▪ Leases | ▪ Memorial Benches<br>▪ Radio Mast |
| R | Public Works | ▪ Felling and Pruning of Trees<br>▪ Private Work<br>▪ Sale of Miscellaneous Items<br>▪ Storm Water Drainage | ▪ Street Signage<br>▪ Tar and Patch Work<br>▪ Vehicle Entrances |
| R | Recreational Amenities | ▪ Affiliated Members<br>▪ Beaches<br>▪ Boat Launching<br>▪ Boat License/Permits<br>▪ Caravan Parks<br>▪ Change Rooms<br>▪ Clubhouses<br>▪ Commercial Fishing Vessels<br>▪ Community Halls<br>▪ Day Camping Site<br>▪ Deposit | ▪ Leases of stalls/containers<br>▪ Non-Affiliated Members<br>▪ Office Rental<br>▪ Open Spaces<br>▪ Parking<br>▪ Passenger Boats<br>▪ Plett House<br>▪ Public Open Space<br>▪ Recreational Fishing Vessels<br>▪ Rental Units Kleinmond<br>▪ Rental Wet core Stands |

| | | | |
|---|---|---|---|
| | | ▪ Entrance Fee<br>▪ Formal Shop Rental<br>▪ Frank Robb Hut<br>▪ Hawker Stalls<br>▪ Informal Trader under cover rental<br>▪ Kelp Collectors, Whale Watching and Shark Diving | ▪ Schuss Houses<br>▪ Spaces for Sport<br>▪ Sport Events<br>▪ Sport Grounds<br>▪ Support Services<br>▪ Use of Tractor |
| **T** | Roads | ▪ Capital Contributions | ▪ Development Contribution |
| **U** | Refuse Removal | ▪ Asbestos Sheet<br>▪ Baboon Resistant Bins<br>▪ Deposits<br>▪ Rental of Bulk Containers | ▪ Self-Dumping<br>▪ Replacement of lock on baboon resistant wheelie bin<br>▪ Weigh Bridge |
| **V** | Sewage | ▪ Capital Contributions<br>▪ Connection of tanks<br>▪ Development Contribution | ▪ Disposal<br>▪ Tank Services<br>▪ Testing of tanks |
| **W** | Storm water | ▪ Development Contribution | |
| **X** | Swimming Pool | ▪ Entrance Fee<br>▪ Galas | ▪ Training session |
| **Y** | Town Planning | ▪ Advertising Cost<br>▪ Application Fee<br>▪ Closure of Public Place<br>▪ Contravention<br>▪ Penalty<br>▪ Demolition of Administrative Penalty<br>▪ Departure<br>▪ Deposit – Appeal<br>▪ Determination of Zoning<br>▪ Exemption ito Section 26<br>▪ Extension of Time | ▪ Formal Structure<br>▪ Informal Structures<br>▪ Land use planning Fee<br>▪ Permission ito Zoning Scheme<br>▪ Relaxation of Title Deed<br>▪ Registered Letter<br>▪ Removal of Title Deed Restrictions<br>▪ Search Fee<br>▪ Section 30(2) Certification/Clearance<br>▪ Spatial Development Framework<br>▪ Sub-division<br>▪ Zoning Certificate |
| **Z** | Traffic | ▪ Business and Other Events<br>▪ Disabled Parking Tokens<br>▪ Driver's Licenses<br>▪ Escorting and Other Services<br>▪ Hiring Traffic cones<br>▪ Impoundment of Boats<br>▪ Leaner's Licenses<br>▪ Parking Meters<br>▪ Professional Driver's Permits | ▪ Removal of Vehicles<br>▪ Roadworthy Certificates<br>▪ Storage Fees<br>▪ Taxi Rank Tokens<br>▪ Traffic Cones<br>▪ Towing Charge<br>▪ Vehicle Registration<br>▪ Wheel clamping fee |
| **AA** | Valuation (Property Information) | ▪ Access to Information<br>▪ Clearance Certificates<br>▪ Deeds Office Registrations<br>▪ Extract from Valuation Roll | ▪ Revaluation<br>▪ Valuation Certificates<br>▪ Valuation Roll<br>▪ Voters' Roll |
| **BB** | Water | ▪ Administration Fee – recalculation no meter access<br>▪ Call-out Fee<br>▪ Capital Contributions<br>▪ Connection & Disconnection<br>▪ Consumer Deposits<br>▪ Convert to water flow restrictor meter<br>▪ Credit Control and Debt Collection | ▪ Meter Testing<br>▪ Meter verification<br>▪ Rebates<br>▪ Reconnection<br>▪ Registration of borehole<br>▪ Removal of meter<br>▪ Repair of meter<br>▪ Replacement of Damage meter |

| | | | |
|---|---|---|---|
| | | ▪ Damaged Water Meter; Water main & Service Connection<br>▪ Development Contribution<br>▪ Final meter reading<br>▪ Irrigation Water<br>▪ Illegal Connection/Tampering Fee | ▪ Repositioning of meter<br>▪ Service Connections<br>▪ Special Meter Readings<br>▪ Still-off" inspections<br>▪ Sundry Services<br>▪ Temporary connections |
| CC | Wayleaves and the use of Municipal Road Reserves for the Installation of services | ▪ Administration and Supervision Fee<br>▪ Roadway Trench Fee<br>▪ Remedying, Repairing and Cleaning | |

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.

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 2021** 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: | 26 MAY 2021 |
| PREVIOUS REVIEW: | 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

# 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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## 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:-<br>(a) acting in such position; and<br>(b) to whom the Chief Financial Officer has delegated a power, function or duty in respective 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:-<br>(a) acting in such position; and<br>(b) to whom the Director has delegated a power, function or duty in respective 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"*** | 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:-<br>(a) show the levies for assessment rates and/or building clause; and<br>(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. |
| ***"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:-<br>(a) acting in such position; and<br>(b) to whom the Municipal Manager has delegated a power, function or duty in respective of such a delegated power, function or duty. |
| ***"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"*** | (a) the person in whom the legal title to the property is vested;<br>(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:<br>(i) A trustee, in the case of a property in a trust excluding state trust land;<br>(ii) an executor or administrator, in the case of a property in a deceased estate;<br>(iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;<br>(iv) a judicial manager, in the case of a property in the estate of a person under judicial management;<br>(v) a curator, in the case of a property in the estate of a person under curator ship;<br>(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;<br>(vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by the lessee;<br>(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;<br>(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;<br>(d) in the case of a property for which a lease agreement of 30 years or more has been entered into, the lessee thereof;<br>(e) regarding:-<br>(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<br>(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;<br>(i) any legal entity, including but not limited to:- |

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| | (i) a company registered in terms of the Companies Act, 2008 (Act No 71 of 2008), a trust *inter vivos*, trust *mortis causa*, a closed corporation registered in terms of the Closed Corporations Act, 1984 (Act No 69 of 1984), and any voluntary organisation;<br>(ii) any local, provincial or national government;<br>(iii) any council, board or entity established in terms of any legislation applicable to the Republic of South Africa; and<br>(iv) any embassy or other foreign entity.<br>(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<br>(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"*** | any portion of land, the external surface boundaries of which are delineated on:-<br>(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<br>(b) a sectional plan registered in terms of the Sectional Titles Act, 1986 (Act No 95 of 1986);<br>which is situated within the area of jurisdiction of the Municipality. |
| ***"Residential"*** | means improved property that is:<br>(a) used predominantly (60% or more) for residential purposes, with not more than two dwelling units per property.<br>(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<br>(c) owned by a share-block company and used predominantly (60% or more) for residential purposes, or<br>(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.

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.

## 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 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.

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 (at least 60%) 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:-

(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 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.

6.4.15 Opening of tenant accounts will only be allowed when :

(a) the customer **[lessee]** is an indigent household and the property is registered in the name of another person;
(b) the customer **[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 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]**90 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; or any further leakages was prevented effectively after detection, with reference to the subsequent consumption patterns;

(iii) the customer applied only once in a cycle of 30 months for a discount; and in the instance were a customer experience a second leak within the 30 months period as mentioned in above, the customer may apply on the prescribed form within 60 days after the leak has been repaired, which application will only be regarded as a valid application if the customer is prepared to convert to a flow restrictor meter at cost of the customer.

(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.

(d) 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.

(e) A discount will be applicable on the excess sewer consumption charge as calculated.

(f) 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.

(b) Rate rebates will be subject to certain criteria as determined by Council from time to time.

6.8.3 Arrangements for 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 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 (at least 60%), 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.

## 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 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 Debtors who default on two occasions in respect of arrangements, will be denied the privilege of making further arrangements, and the full amount will be payable. 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]** two 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 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, 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

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.

**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 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.

(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.

## 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.

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 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 [ratio] percentage to 90%.

**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 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**.

## 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 Municipal Manager will approve the write off of all interest charged with regard to afore-mentioned 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 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 Municipality monthly.

## 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 Regardless of the stipulations of sections 11.3.1. and 11.3.2, 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]** these arrangements on receipt of a written recommendation by the Senior Manager: Revenue.

11.2.2 The customer must:-

(a) sign an acknowledgement of debt;
(b) sign a consent to judgement;
(c) in the case of a company, trust or closed corporation, supply the guarantee as prescribed in clause 6.8.3(c) of the Policy.
(d) submit proof of income on the prescribed form;
(e) pay the current portion of the account in cash;
(f) 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
(g) 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 arears amount plus the cost of credit control actions, together with the current account.]** 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 to be considered by the Senior Manager: Revenue, based on current circumstances of the customer.
  (ii) **[No arrangements will be allowed.]**
  (iii) **[Customer deposits may be adjusted to the higher of the sumof 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 20% of the arrears, plus the current account [the monetary value of the most recent 3 months accounts must] be settled before a recommendation by the Snr Manager: Revenue can be made for further consideration of arrangements in excess of the [three] two occasions mentioned above, to be considered by the Chief Financial Offer [Senior Manager: Revenue], based on current circumstances of the customer.

**11.3.2. Non-residential Customers:**

(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.

(a) 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.

**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.

**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.

**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 2021** and will be reviewed at least annually or when required by way of a Council resolution.

| **POLICY SECTION:** | **SENIOR MANAGER: REVENUE** |
|---|---|
| **CURRENT UPDATE:** | 26 MAY 2021 |
| **PREVIOUS REVIEW:** | 30 SEPT 2020 |
| **PREVIOUS REVIEW:** | 27 MAY 2020 |
| **PREVIOUS REVIEW:** | 29 MAY 2019 |
| **PREVIOUS REVIEW:** | 30 MAY 2018 |
| **PREVIOUS REVIEW:** | 31 MAY 2017 |
| **PREVIOUS REVIEW** | 25 MAY 2016 |
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| **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 |

# OVERSTRAND MUNICIPALITY




# 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:-<br>a. acting in such position; and<br>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"*** | Any customer 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 qualifies in terms of clause 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:-<br>(a) show the levies for assessment rates and/or building clause; and<br>*"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, free of charge for these customers

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

a. 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;

b. Applicants must complete an official application form, which is to be submitted together with the supporting documents as specified in this policy, when applicable;
c. Application forms, agreements and documents relating to this Policy must be available in Afrikaans, English and isiXhosa.
d. 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 income less than four times the Government [State] Old Age Pension and electricity units purchase is [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 units purchase **[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]** Occupy the property as his/her primary residence;
(v) Must be a South African citizen; and
(vi) [The applicant may] The recipient of an indigent benefit in terms of this policy must not be the registered owner of more than one property.
(vii) **[A]** The property may only be used for residential purposes.

If any of the above criteria is not complied with, the household will immediately be given notice and will loose the status of "indigent" and the subsidy will be forfeited **[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 household with a property value up to R220 000.00 and electricity units purchase [consumption] less than 400 kWh (no income restriction), only applicable to existing category B recipients as at 30 June 2021, of a benefit in terms of this policy:-**

(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**] units purchase 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 units purchase 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**] must not be the registered owner of more than one property.

(vi) A propert may only be used for residential purposes**.**
(vii) Must be a South African citizen
(viii) Occupy the property as his/her primary residence; .

**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) R185.49 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 up to R220 000.00 and electricity units purchase is less than 500 kWh (no income restriction). Only applicable for existing category C recipients as at 30 June 2021, of a benefit in terms of this policy [up to 30 June 2020]:**
(i) The property value must be less than R220 000.00;
(iii) The average monthly **[consumption**] units purchase of electricity by the household over the previous 6 months may not exceed 500kWh;
(iv) The average monthly consumption of water by the household over the previous 6 months may not exceed 18kℓ;
(v) **[Must be a resident of the Overstrand]** Occupy the property as his/her primary residence;
(vi) Must be a South African citizen; and
(vii) **[The applicant may]** The recipient of an indigent benefit in terms of this policy must not be the registered owner of more than one property.
(viii) The 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) R185.49 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 [units purchase] is [more than 400kWh but] less than 500kWh (income not exceeding the sum of four times the amount of the state funded social pension plus R1 per month). Only applicable for existing category D recipients of a benefit in terms of this policy [up to] as at 30 June 2021:**
(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**] units purchase 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;
(iv) Occupy the property as his/her primary residence;
(v) Must be a South African citizen;
(vi) **[The applicant may]** The recipient of an indigent benefit in terms of this policy must not be the registered owner of more than one property; and
(vii) The 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) R185.49 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]** applicant'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 AND AMNESTY PERIOD

12.1 The Municipality reserves the right to send officials and/or representatives of the Municipality to the household or site of the [applicant(s)] receipient(s) of a subsidy at any reasonable time with the aim of carrying out an ongoing audit on the accuracy of the information provided. [by the applicant(s)].

12.2 **The municipality is implementing an amnesty period for a three-month period from 1 July 2021 to 30 September 2021 to customers who received, or who are receiving a subsidy, on reporting of transgressions of the stipulations of this policy, to avoid the retrospective repayment of any indigent subsidy received during the period of the transgression with regard to the following**:

**12.2.1 Requirement for a customer to occupy the property as his/her primary residence:**

**This amnesty offers customers, who have not, or who are not occupying the property as his/her primary residence**, to make use of the window period (1 July 2021 to 30 September 2021) to report any transgressions in this regard in writing to the municipality, to avoid the retrospective repayment of any indigent subsidy received during the period of the transgression;

**12.2.2 The recipient of an indigent benefit in terms of this policy must not be the registered owner of more than one property:**

**This amnesty offers customers, who were, or who are, the registered owner of more than one property**, to make use of the window period (1 July 2021 to 30 September 2021) to report any transgressions in this regard in writing to the municipality, to avoid the retrospective repayment of any indigent subsidy received during the period of the transgression;

## 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]** cancel the subsidy immediately.
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 an 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] excessive water consumption and/or electricity units purchase, in terms of the conditions of this policy, 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 2021;**

This policy will be reviewed at least annually or when required by way of a Council resolution.

| | |
|---|---|
| **POLICY SECTION:** | **SENIOR MANAGER: REVENUE** |
| **CURRENT UPDATE:** | 26 MAY 2021 |
| **PREVIOUS REVIEW** | 25 NOV 2020 |
| **PREVIOUS REVIEW** | 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 |
| **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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## 1. DEFINITIONS

In this Policy words or expressions shall bear the meaning assigned to them and, unless the context otherwise indicates –

| | |
|---|---|
| ***"additional rate"*** | means a rate as contemplated in sections 19(1)(d) and 22(1)(b) of the MPRA read together with section 10 of the Municipality's Property Rates Policy and section 12(2) of the Municipality's Special Ratings Area By-law, which Additional Rate shall be determined on an annual basis by the Municipality and shall be a debt due to the Municipality by the registered owner of a property within the SRA, and collected in the same manner as other property rates imposed by the Municipality; |
| ***"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"*** | means Integrated Development Plan |
| ***"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.

## 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

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.

## 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, Section 17 of the Property Rates Act, 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.

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) as representative(s) of the Municipality, who shall attend and participate in, but not vote at meetings of the management body, 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).

## 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.

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.

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:

- 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.

## 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

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.

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 2021.**

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: | 26 MAY 2021 |
| PREVIOUS REVIEW: | 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

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| ***"Accounting Standards Board"*** | *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.* |
| ***"Amortization"*** | *is the systematic allocation of the depreciable amount of an intangible asset over its useful life.* |
| ***"Assets"*** | *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.* |
| ***"Assets below capitalization threshold"*** | *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.* |
| ***"Asset categories"*** | *are the asset categories as per the Overstrand Asset Register.* |
| ***"Basic Municipal Services"*** | *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.* |
| ***"Capitalization"*** | *is the recognition of expenditure as an Asset in the Financial Asset Register.* |
| ***"Carrying amount"*** | *is the amount at which an asset is included in the Statement of Financial Position after deducting any accumulated depreciation and accumulated impairment thereon.* |
| ***"Control items"*** | *are items of assets that are not significant enough for financial recognition but are valuable enough to warrant special safe-guarding.* |
| ***"Cost"*** | *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.* |
| ***"Cost of acquisition"*** | *is all the costs incurred in bringing an asset item to the required condition and location for its intended use.* |
| ***"Depreciation"*** | *is the systematic allocation of the depreciable amount of an asset over its useful life.* |
| ***"Depreciable amount"*** | *is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.* |
| ***"Director"*** | *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* |

| | |
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| | *of this set of assets to optimize the achievement of these objectives.* |
| ***"Disposal"*** | *in relation to a capital asset, includes:*<br>*(a) the demolition, dismantling or destruction of the capital asset; or*<br>*(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.* |
| ***"Fair value"*** | *is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.* |
| ***"Finance Lease"*** | *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.* |
| ***"Financial asset register"*** | *is the control register recording the financial and other key details for all municipal assets recognized in accordance with this policy.* |
| ***"Fixed Asset"*** | *(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.* |
| ***"Grantor"*** | *is the entity that grants the right to use the service concession asset to the operator.* |
| ***"Heritage Assets"*** | *are assets defined as culturally, environmental, historical, natural, scientific, technological or artistic significant and are held indefinitely for te benefit of present and future generations. Examples are works of art, historical buildings and statues.* |
| ***"Immovable Assets"*** | *are fixed structures such as buildings and roads, tied to the land, meaning it cannot physically be move somewhere else. 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).* |
| ***"Impairment loss" of a cash-generating asset*** | *is the amount by which the carrying amount of an asset exceeds its recoverable amount.* |
| ***"Impairment loss" of a non-cash-generating asset*** | *is the amount by which the carrying amount of an asset exceeds its recoverable service amount.* |
| ***"Infrastructure assets"*** | *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.* |
| ***"Intangible assets"*** | *are defined as identifiable non-monetary assets without physical substance.* |
| ***"Investment properties"*** | *are defined as properties that are acquired for economic and capital gains.* |
| ***"Mandated Function"*** | *involves the delivery of a public service by an operator on* |

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| | *behalf of a grantor that falls within the grantor's mandate.* |
| ***"Minor Assets"*** | *are moveable assets with the exception of items specifically excluded in Annexures 1, 2 & 3 of this Policy* |
| ***"Movable Assets"*** | *are the stock of equipment owned or leased by the municipality such as office equipment and furniture, motor vehicles and mobile plant.* |
| ***"Operator"*** | *is the entity that uses the service concession asset to provide a mandated function subject to the grantor's control of the asset.* |
| ***"Organ of State"*** | *in terms of this policy, means –*<br>*(a) a national department or national public entity;*<br>*(b) a provincial department or provincial public entity;*<br>*(c) a municipality or municipal entity; or*<br>*(d) any other organ of state within the meaning assigned to "organ of state" in section 239 of the Constitution.* |
| ***"Other assets"*** | *are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles and furniture.* |
| ***"Prescribe"*** | *means as prescribed by the Minister of Finance by regulation.* |
| ***"Property, plant or equipment" (PPE)*** | *Means tangible assets that:*<br>*(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*<br>*(b) are expected to have a useful life extending for more than one financial year.* |
| ***"Recoverable amount"*** | *is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.* |
| ***"Residual value"*** | *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.* |
| ***"Service concession arrangement"*** | *is a contractual arrangement between a grantor and an operator in which:*<br>*(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*<br>*(b) the operator is compensated for its services over the period of the service concession arrangement.* |
| ***"Service concession asset"*** | *is an asset used to provide a mandated function in a service concession arrangement that:*<br>*a) is provided by the operator which:*<br>*i. the operator constructs, develops, or acquires from a third party; or*<br>*ii. is an existing asset of the operator; or*<br>*b) is provided by the grantor which:*<br>*i. is an existing asset of the grantor; or*<br>*ii. is an upgrade to an existing asset of the grantor.* |

| | |
|---|---|
| ***"Useful life"*** | *is either:*<br>*(a) 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***<br>*(b) 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.* |

## 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 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 Immovable 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 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 Asset Loss Control Committee, appointed by the Accounting Officer, must be established to investigate all losses and to consider the settlement of third party 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 ITEMS BELOW CAPITALIZATION THRESHHOLD (Control Items)[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 |
|---|---|
| ▪ Acquiring a new asset<br>▪ Replacing an existing asset<br>▪ Enhancing an existing asset so that its use is expanded<br>▪ Further developing an existing asset so that its original useful life is extended | ▪ Restoring an asset so that it can continue to be used for its intended purpose<br>▪ 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 2021**;

**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:** | **26 MAY 2021** |
| **PREVIOUS REVIEW** | 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.

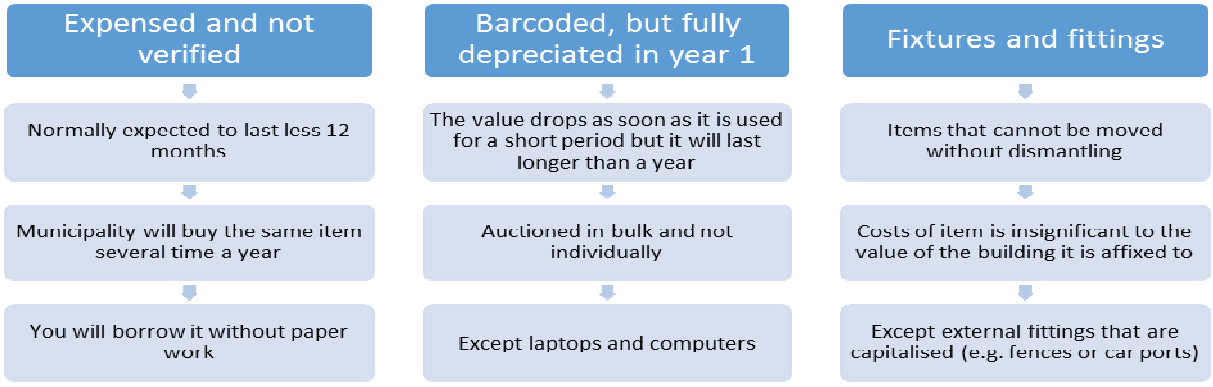
The GRAP discussion paper on materiality states the following: "Information in the financial statements is therefore relevant when it meets these information needs. The relevance of information is affected by its nature and materiality." This implies that certain information would not be relevant to 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) Cost Code / B-key,

**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.**

(Please note the difference from the next section, 2 below, where "the Items below Capitalization Threshold Cost Code / B-key" is expected to last longer than 12 months and these Items will be barcoded.)

### 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 to 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]B-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]B-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.

## Annexure 1: Items expected to be consumed within 12 months

The following list of items is approved to only be purchased via the operational [vote] cost code / B-key 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 |

*Annexure 2: Items barcoded, but bought through assets below threshold (control items) budget [vote]cost code / B-key (operational expenditure)*

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 |
| | Label printing equipment |
| Audio and video recorders | Ladders (All) |
| Benches (All) | Lamps |
| | Laser Distance Meter |
| Binoculars | Lighting System |
| | Link Stick |
| 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 |
| | Modems |
| Coffin Hoist | Monitors for PC's (excluding Televisions) |
| 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 |
| External hard drives | |
| 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 |

| Description | Description |
|---|---|
| Grease pump | Spray trolley |
| Griller | Stands (All) |
| Guillotine | Stapler Heavy Duty |
| Hand Control Divider | Stretcher |
| Heat gun | Turbidi meter |
| Hose Washer | Typewriter |
| 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) | |
| | |
| | |

*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] cost codes / B-keys 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:-

| | |
|---|---|
| *"Accommodation"* | The rental of lodging facilities while away from the traveller's place of residence while on authorized official duty. |
| *"Accounting Officer" / "Municipal Manager"* | 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. |
| *"Air Travel"* | Travel by airline on official duty. |
| *"Car Rental"* | The rental of a vehicle for a short period of time by a traveller for official purposes. |
| *"Chief Financial Officer"* | 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. |
| *"Council"* | 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). |
| *"Councillor"* | A member of the Overstrand Municipal Council. |
| *"Day"* | A completed period of twenty-four hours away from normal place of domicile and employment of official business of the Municipality. |
| *"Director"* | 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. |
| *"Domestic Travel"* | Travel within the boundaries of the Republic of South Africa. |
| *"Essential User Transportation Allowance"* | Transportation allowance paid in accordance with the Essential User Transport Allowance Scheme to employees participating in the scheme. |
| *"Executive Management Team"* | 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). |
| *"Executive Mayor"* | 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. |
| *"Fixed Transportation Allowance"* | Transportation allowance linked directly to the managerial post level of the incumbent, also referred to as the "Old Perk Scheme". |
| *"Host"* | The person or institution who has extended an invitation to the |

| | |
|---|---|
| | Municipality to delegate a Councillor and / or an Official to attend an event which is regarded as official business. |
| *"Incidentals"* | Any minor expenses normally associated with business travel. |
| *"International Travel"* | Travel to a location beyond the territorial boundaries of the Republic of South Africa. |
| *"Municipality"* | Overstrand Municipality, established in terms of sections 12 and 14 of the Structures Act. |
| *"Official"* | A person employed by the Municipality. |
| *"Official Business"* | 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. |
| *"Place of Work"* | The place where the principal duties of the Councillor or Official are performed. |
| *"Traveller"* | Any councillor or official travelling away from his or her normal place of domicile and employment on the official business of the Overstrand Municipality. |
| *"Sponsored Trip"* | 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). |
| *"Subsistence allowance"* | 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). |
| *"Travel Allowance"* | 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. |
| *"Traveller"* | 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.

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 re-imbursement 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] Municipal Manager**.

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] Municipal Manager in terms of the delegated authority to do so.

7.7 In the event of direct 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 the work performance of the traveller. NO costs incurred during the personal part of the 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, etc;

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, unless [and] specific written pre-approval 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, was [must be] obtained from the Municipal Manager for any such expenditure. prior to submissionof the claim.[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 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 license may hire vehicles; where the traveller who hires a vehicle, is not in possession of such license, 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] R3.82/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 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 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 2021**;

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** |
| **CURRENT UPDATE** | **26 MAY 2020** |
| **PREVIOUS REVIEW** | **27 MAY 2020** |
| **PREVIOUS REVIEW** | **29 MAY 2019** |
| **PREVIOUS REVIEW** | **30 MAY 2018** |
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| **PREVIOUS REVIEW** | **25 MAY 2016** |
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| **PREVIOUS REVIEW** | **28 MAY 2014** |
| **PREVIOUS REVIEW** | **29 MAY 2013** |
| **PREVIOUS REVIEW** | **30 MAY 2012** |
| **PREVIOUS REVIEW** | **04 MAY 2011** |
| **APPROVAL BY COUNCIL** | **26 MAY 2010** |
| **APPROVAL BY EXECUTIVE MAYOR:** | **10 DEC 2004** |

# 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 is minor in the form of cash, used for expenditure where it is impractical to obtain prior quotations due to the nature of the goods, monitory 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**.**

(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;

(f) The Accounting Officer, or delegated official, may conduct internal audits to evaluate compliance with this policy, and

(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 set arrangements 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 Sub-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 2021;**

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.

| | |
|---|---|
| **POLICY SECTION:** | **SENIOR MANAGER: EXPENDITURE AND ASSET MANAGEMENT** |
| **CURRENT UPDATE:** | **26 May 2021** |
| **PREVIOUS REVIEW** | **27 May 2020** |
| **PREVIOUS REVIEW** | **29 May 2019** |
| **PREVIOUS REVIEW** | **30 May 2018** |
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| **PREVIOUS REVIEW** | **25 May 2016** |
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| **PREVIOUS REVIEW** | **28 May 2014** |
| **PREVIOUS REVIEW** | **29 May 2013** |
| **PREVIOUS REVIEW** | **30 May 2012** |
| **PREVIOUS REVIEW** | **04 May 2011** |
| **APPROVAL BY COUNCIL:** | **26 May 2010** |

# 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 2021**;

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** |
| **CURRENT UPDATE:** | **26 MAY 2021** |
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| **APPROVAL BY COUNCIL:** | **28 November 2000 (Resolution)** |

# OVERSTRAND
# MUNICIPALITY




# SUPPLY CHAIN
# MANAGEMENT POLICY

**OVERSTRAND**

**MUNICIPALITY**




# PART A

# SUPPLY CHAIN MANAGEMENT POLICY,

**adopted in terms of section 111 of the**

**LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, NO. 56 OF 2003**

**and the**

**MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS, NOTICE 868 OF 30 MAY 2005**

**This Policy consists of three parts:**

**Part A** is the Supply Chain Management Policy, adopted in terms of section 111 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 and the Municipal Supply Chain Management Regulations, Notice 868 of 30 May 2005;

**Part B** is the Supply Chain Management Policy adapted for the Standard for Infrastructure Procurement and Delivery Management; and

**Part C** is the Preferential Procurement Policy, adopted in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 and the Preferential Procurement Regulations, 2017.

## PART A

## MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

## LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

The Council of the Overstrand Municipality resolved on 25 June 2008 in terms of Section 111 of the Local Government: Municipal Finance Management Act (no. 56 of 2003) to adopt the following as the Supply Chain Management Policy of the municipality.

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## POLICY STATEMENT AND OBJECTIVES

1 Section 111 of the Local Government: Municipal Finance Management Act, 56 (MFMA) requires each municipality and municipal entity to adopt and implement a Supply chain Management Policy, which give effect to the requirements of the Act.

2 In addition, the Preferential Procurement Policy Framework Act requires an Organ of State to determine its Preferential Procurement Policy and to implement it within the framework prescribed.

3 The objectives of this Policy are:

1) to give effects to section 217 of the Constitution of the Republic of South Africa by implementing a system that is fair, equitable, transparent, competitive and cost effective;

2) to comply with applicable provisions of the Municipal Finance Management Act including Municipal Supply Chain Management Regulations published under GN868 in Government Gazette 27636, 30 May 2005 and any National Treasury Guidelines issued in terms of the MFMA and regulations pertaining thereto; and

3) to acknowledge the provisions of:

a) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

b) The Competitions Act 1998 (Act No. 89 of 1998)

c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);

d) the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

e) the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

f) the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);

g) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);

h) the Prevention and Combating of Corrupt Activities Act, 2000 (Act No. 12 of 2004);

i) the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)

## 1 Definitions

In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) has the same meaning as in the Act, and –

| | |
|---|---|
| *"Accounting Officer"* | means a person appointed by the Municipality in terms of Section 82 of the Local Government: Municipal Structures Act. 1998 (Act No. 117 of 1998) and who is the head of administration and also the Municipal Manager for the Municipality. |
| *"Act" or "MFMA"* | means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003); |
| *"Budget Holder"* | Means the person/s accountable for expenditure from, and income to a particular budget. Each budget holder is responsible for the control of his/her budget and for the general financial administration of his/her area of responsibility. The Budget Holder is responsible to authorise expenditure from their budget up to a total of their budget allocation |
| *"business day"* | means any day of the week except Saturday, Sunday and public holidays as determined in the Public Holidays Act, 1994 (Act No. 36 of 1994) |
| *"Capital Asset"* | means<br>a) any immovable asset such as land, property or buildings; or<br>b) any movable asset that can be used continuously or repeatedly for more than one year in the production or supply of goods or services, for rental to others or for administrative purposes, and from which future economic benefit can be derived, such as plant, machinery and equipment. |
| *"CFO"* | means Chief Financial Officer of the Municipality or Director of Finance in this instance; |
| *"CIDB"* | means Construction Industry Development Board |
| *"close family member"* | a person's spouse, whether in a marriage or in a customary union according to indigenous law, domestic partner in a civil union, or child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption |
| *"closing date"* | means the time and day specified in the bid documents and/or advertisement of the receipt of bids. |
| *"competitive bidding process"* | means a competitive bidding process referred to in **[clause]** paragraph 12(1)(e) of this Policy; |
| *"competitive bid"* | means a bid in terms of a competitive bidding process; |
| *"Construction Works"* | means any work in connection with:<br>c) the erection, maintenance, alteration, renovation, repair, demolition or dismantling of or addition to a building or any similar structure;<br>d) the installation, erection, dismantling or maintenance of a fixed plant;<br>e) the construction, maintenance, demolition or dismantling of any bridge, dam, canal, road, railway, sewer or water reticulation system or any similar civil engineering structure; or<br>*f)* the moving of earth, clearing of land, the making of an excavation, piling or any similar type of work. |
| *"Consultant"* | means a person or entity providing services requiring knowledge based expertise |
| *"contract"* | means the agreement that results from the acceptance of a bid by the Municipality; |
| *"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. |
| *"day(s)"* | Means calendar days unless the context indicates otherwise; |
| *"delegation"* | in relation to a duty, includes an instruction a request to perform, or to assist in performing the duty. |
| *"director"* | means a manager referred to in section 56 of the Municipal Systems Act. |
| *"emergency"* | an emergency is an unforeseeable and sudden event with harmful or potentially harmful consequences for the municipality which requires urgent action to address. |
| *"emerging enterprise"* | means an enterprise which is owned, managed and controlled by previously disadvantaged persons and which is overcoming business impediments arising from the legacy of apartheid. |
| *"essential community services"* | means (in Local Government context) as published in Government Gazette numbers 18043 of 6 June 1997; Government Gazette number 18276 of 12 September 1997; Government Gazette number 18439 of 21 November 1997; Government Gazette number 18761 of 27 March 1998; Government Gazette number 22670 of 21 September 2001; Government Gazette number 27104 of 24 December 2004; Government Gazette number 28076 of 28 July 2006; Government Gazette number 29987 of 22 June 2007; Government Gazette number 30805 of 29 February 2008:<br>I. Municipal traffic services and policing.<br>II. Municipal health |

| | |
|---|---|
| | III. Municipal security.<br>IV. Supply and distribution of water.<br>VI. Generation, transmission and distribution of power.<br>VII. Fire- fighting.<br>XXVI. The following parts of sanitation services:<br>a) Maintenance and operation of water borne sewerage systems, including pumping stations and the control of discharge of industrial effluent into the system;<br>b) Maintenance and operation of sewerage purification works;<br>c) Collection of refuse of an organic nature;<br>d) Collection of infectious refuse from medical and veterinary hospitals or practices;<br>e) Collection and disposal of refuse at a disposal site;<br>f) Collection of refuse left uncollected for fourteen (14) days or longer, including domestic refuse and refuse on public roads and open spaces. |
| *"final award"* | in relation to bids or quotations submitted for a contract, means the final decision on which a bid or quote is accepted; |
| *"financial interest"* | means where a municipal staff member is a close family member of a person who is the owner, partner, principal shareholder or member, manager or who serves on the board of directors, etc of a tendering enterprise; |
| *"financial year"* | means a twelve-month period ending 30 June of every year. |
| *"formal written price quotation"* | means quotations referred to in **[clause]** paragraph 12(1)(d) of this Policy; |
| *"Granting of Rights"* | means the granting by the Overstrand Municipality of the right to use, control or manage capital assets in circumstances where sections 14 and 90 of the MFMA and Chapters 2 and 3 of the Municipal Asset Transfer Regulations do not apply. In other words, where the granting of such rights does not amount to "transfer" or "disposal" of the asset and which includes leasing, letting, hiring out, etc., of the capital asset. |
| *"Head: Supply Chain Management"* | Any post in the approved organisational structure to whom the entire SCM Unit reports to functionally |
| *"IDP"* | means Integrated Development Plan; |
| *"in the service of the state"* | means to be –<br>a member of –<br>a) any municipal council;<br>b) any provincial legislature; or<br>c) the National Assembly or the National Council of Provinces;<br>d) a member of the board of directors of any municipal entity;<br>e) an executive member of the accounting authority of any national or provincial public entity; or<br>f) an official of any national or provincial department, national or provincial public entity or institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);<br>g) a member of the accounting authority of any national or provincial public entity; or<br>*h)* an employee of Parliament or a provincial legislature; |
| *"long term contract"* | means a contract with a duration period exceeding one year; |
| *"list of accredited prospective providers"* | means the list of accredited prospective providers which the Overstrand Municipality must keep in terms of **[clause]** paragraph 14 of this policy; |
| *"municipality"* | means the Overstrand Municipality; |
| *"notice boards"* | means the official notice boards at the municipal offices and libraries; |
| *"other applicable legislation"* | means any other legislation applicable to municipal supply chain management, including –<br>a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);<br>b) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);<br>c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);<br>d) the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);<br>e) the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000);<br>f) the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);<br>g) the Prevention and Combating of Corrupt Activities Act, 2000 (Act No. 12 of 2004);<br>h) the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003): Municipal Supply Chain Management Regulations;<br>i) the Preferential Procurement Regulations The Competitions Act 1998 (Act No. 89 of 1998), 2017 |
| *"Policy"* | means the Supply Chain Management Policy of the Overstrand Municipality; |
| *"quotation"* | means a stated price that a supplier expects to receive for the provision of specified services, works or goods; |

| | |
|---|---|
| *"Regulations"* | means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 30 May 2005; |
| *"SDBIP"* | means Service Delivery and Budget Implementation Plan; |
| *"single provider"* | Sole supplier - One and Only (Alone of its kind) Supplier (Oxford Dictionary). If such goods or services are produced or available from a single provider only. There is no competition and only one provider exists in South Africa (for example, sole distribution rights); |
| *"small business"* | means a separate and distinct business entity, including cooperative enterprises and non-governmental organisations, managed by one owner or more which, including its branches or subsidiaries, if any, is predominantly carried on in any sector or sub-sector of the economy mentioned in column I of the Small Business Classification Schedule, and which can be classified as a micro-, a very small, a small or a medium enterprise by satisfying the criteria mentioned in columns 3,4 and 5 of the Schedule opposite the smallest relevant size or class as mentioned in column 2 of the Schedule. |
| "supply chain management practitioners" | includes the Chief Financial Officer and the Head: Supply Chain Management; |
| *"survivalist enterprise"* | means a business set up by people unable to find a paid job or get into an economic sector of their choice. Income generated from these activities usually falls far short of even a minimum income standard, with little capital invested, virtually no skills training in the particular field and only limited opportunities for growth into a viable business. This category is characterised by poverty and the attempt to survive. |
| *"tender"* | means a 'bid' or a 'quotation' in relation to a "Tender Box"; |
| *"tender box"* | means the specified tender box at the offices of Overstrand Municipality, Magnolia Avenue, Hermanus. |
| *"Treasury guidelines"* | means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act |
| *"validity period"* | means the period for which a bid is to remain valid and binding as stipulated in the relevant tender document. |
| *"written or verbal quotations"* | means quotations referred to in **[clause]** paragraph 12(1)(b) & (c) of this Policy. |
| *Reckoning of number of days: When any particular number of days is prescribed for the doing of any act, or for any other purpose, the same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day happens to fall on a Sunday or on any public holiday, in which case the time shall be reckoned exclusively of the first day and exclusively of every such Sunday and public holiday.* | |
| *Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include females and words importing persons shall include companies, closed corporations and firms, unless the context clearly indicates otherwise.* | |
| *All amounts / limits stated in this document shall be deemed to be inclusive of Value Added Tax (VAT).* | |

## CHAPTER 1: IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

### 2 Supply Chain Management Policy

1) All officials and other role players in the Supply Chain Management system of the Municipality must implement this Policy in a way that –
   a) gives effect to –
      (i) section 217 of the Constitution; and
      (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
      (iii) Regulations pertaining to Supply Chain Management.
   b) is fair, equitable, transparent, competitive, cost effective. and complies with –
      (i) the Regulations; and
      (ii) any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
   c) is consistent with other applicable legislation;
   d) does not undermine the objective for uniformity in Supply Chain Management Systems between organs of state in all spheres; and
   e) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
2) This Policy applies when the Municipality –
   a) procures goods or services;
   b) disposes of goods no longer needed;

c) selects contractors to provide assistance in the provision of municipal services including circumstances where Chapter 8 of the Municipal Systems Act applies.

d) Selects external mechanisms referred to in section 80(1)(b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of the Act.

3) This Policy, except where provided otherwise, does not apply in respect of:

a) the procurement of goods and services contemplated in section 110(2) of the Act, including –

(i) water from the Department of Water Affairs or a public entity, another municipality or a municipal entity;

(ii) electricity from Eskom or another public entity, another municipality or a municipal entity; and

(iii) or any other such entities.

**3 Adoption, Amendment and Implementation of the Supply Chain Management Policy**

1) The Accounting Officer must –

a) at least annually review the implementation of this Policy; and

b) when the Accounting Officer considers it necessary, submit proposals for the amendment of this Policy to Council.

2) If the Accounting Officer submits proposed amendments to Council that differs from the model policy issued by the National Treasury, the Accounting Officer must –

a) ensure that such proposed amendments comply with the Regulations; and

b) report any deviation from the model policy to the National Treasury and the Provincial Treasury.

3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

4) The Accounting Officer must in terms of section 62(1)(f)(iv) of the Act, take all reasonable steps to ensure that the municipality implements the supply chain management policy.

**4 Delegation of supply chain management powers and duties**

1) Council hereby delegates all powers and duties to the Accounting Officer which are necessary to enable the Accounting Officer –

a) to discharge the supply chain management responsibilities conferred on Accounting Officers in terms of –

(i) Chapter 8 or 10 of the Act; and

(ii) this Policy;

b) to maximize administrative and operational efficiency in the implementation of this Policy;

c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and

d) to comply with his or her responsibilities in terms of Section 115 and other applicable provisions of the Act.

2) Section 79 of the Act applies to the sub delegation of powers and duties delegated to the Accounting Officer in terms of sub-**[clause]**paragraph (1).

3) The Accounting Officer may not sub-delegate any supply chain management powers or duties to a person who is not an official of the Municipality or to a committee which is not exclusively composed of officials of the Municipality.

4) This **[clause]** paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in **[clause]** paragraph 26 of this Policy.

## 5 Sub-delegations

1) The Accounting Officer may in terms of section 79 of the Act sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this Policy, but any such sub-delegation must be consistent with sub-**[clause]**paragraph (2) of this **[clause]** paragraph and **[clause]** paragraph 4 of this Policy.

2) The power to make a final award –

   a) above R10 million (Incl. VAT), may not be sub-delegated by the Accounting Officer;

   b) above R200,000 (Incl. VAT), but not exceeding R10 million (Incl. VAT) may be sub-delegated, but only to a bid adjudication committee of which the Chief Financial Officer is the chairperson and directors are members;

   c) below R200,000 (Incl. VAT) may be sub-delegated as per Council's delegations, attached as Annexure A, pertaining to the procurement of goods and services.

3) An official or bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with sub-**[clause]**paragraph (2) must within three (3) business days of the end of each month submit to the official referred to in sub-**[clause]**paragraph (4) a written report containing particulars of each final award made by such official or committee during that month, including–

   a) contract numbers and description of goods, services or infrastructure projects;

   b) the name of the person to whom the award was made;

   c) the B-BBEE level of contribution claimed;

   d) the amount of the award; and

   e) the reason why the award was made to that person.

4) A written report referred to in sub-**[clause]**paragraph (3) must be submitted to the Accounting Officer, in the case of an award by a bid adjudication committee of which the Chief Financial Officer and directors are members.

   a) The awards scheduled must be published on Council's website in terms of Section 75(g) of the Act).

5) Sub-**[clauses]**paragraphs (3) and (4) of this policy do not apply to procurement out of petty cash or written quotations below R2,000 (Incl. VAT).

6) This **[clause]** paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in **[clause]** paragraph 26 of this Policy. Also refer to **[clause]** paragraph 4(4) and 5(2)(a) of this Policy.

7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

## 6 Oversight role of council

1) Council must maintain oversight over the implementation of this Policy.

2) For the purposes of such oversight the Accounting Officer must –

   a) within 22 business days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and

   b) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to Council.

3) The Accounting Officer must, within six (6) business days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality.

4) The reports must be made public in accordance with section 21A of the Local Government Municipal Systems Act 32, 2002.

## 7 Supply Chain Management Unit

1) The Overstrand Municipality has established a Supply Chain Management Unit to implement this Policy.

2) The Chief Financial Officer is administratively in charge of the supply chain management unit which operates under the direct supervision of the Head: Supply Chain Management, to whom this duty has been sub-delegated in terms of Section 82 of the Act.

### 8 Training of Supply Chain Management officials

The training of officials involved in implementing this Policy should be in accordance with relevant legislation, including Treasury guidelines on supply chain management.

## CHAPTER 2: SUPPLY CHAIN MANAGEMENT SYSTEM

### 9 Format of Supply Chain Management system

1) This Policy provides systems for –
   a) demand management;
   b) acquisition management;
   c) logistics management;
   d) disposal management;
   e) risk management; and
   f) performance management.

## Part 1: DEMAND MANAGEMENT

### 10 System of Demand Management

1) The Accounting Officer must establish and implement an appropriate demand management system in order to ensure that the resources required by the Municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan, the Budget and the Service Delivery and Budget Implementation Plan.
2) The Demand Management Plan must be developed in conjunction with the IDP, Service Delivery and Budget Implementation Plan (SDBIP) and annual budget.
3) All user departments are required to submit their procurement plans to the Supply Chain Management Unit by 31 December in terms of the IDP and Budget processes.
4) The Demand Management Plan must be submitted to and approved by the Accounting Officer or his or her delegate before 30 June of each year.
5) The Demand Management Plan must be reviewed regularly and submitted to the Accounting Officer or his delegate on a monthly basis.
6) Demand management must be co-ordinated by SCM officials of the Municipality in consultation with budget holders.
7) The outcome of this activity should be a detailed planning document that outlines what goods, works or services should be procured, the manner in which they should be procured as well as the timelines to execute the procurement functions.

## Part 2: ACQUISITION MANAGEMENT

### 11 System of Acquisition Management

1) The Accounting Officer must implement the system of acquisition management set out in this Part in order to ensure –
   a) that goods and services are procured by the Municipality in accordance with authorised processes only;
   b) that expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
   c) that the threshold values for the different procurement processes are complied with;
   d) that bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
   e) that any Treasury guidelines on acquisition management are properly taken into account.

2) When procuring goods or services contemplated in section 110(2) of the Act, the Accounting Officer must, subject to **[clause]** paragraph 2(3), make public the fact that such goods or services are procured otherwise than through the Municipality's supply chain management system, including -

   a) the kind of goods or services; and

   b) the name of the supplier.

**12 Range of procurement processes**

1) Goods and services may only be procured by way of –

   a) petty cash purchases in terms of Council's Petty Cash Policy for procurement transactions with a value up to R2 000 (Incl. VAT);

   b) one written or verbal quotation for procurement transactions with a value up to R2 000 (Incl. VAT);

   c) three written quotations for procurement transactions with a value over R2 000 (Incl. VAT) up to R10 000 (Incl. VAT) ;

   d) formal written price quotations for procurement transactions valued over R10 000 (Incl. VAT) up to R200 000 (Incl. VAT) ; and

   e) a competitive bidding process for –

      (i) procurement transactions with a value above R200 000 (Incl. VAT); and

      (ii) the procurement of long-term contracts.

2) The Accounting Officer may, in writing -

   a) lower, but not increase, the different threshold values specified in sub-**[clause]**paragraph (1); or

   b) direct that –

      (i) written or verbal quotations be obtained for any specific procurement of a transaction value lower than R2 000 (Incl. VAT);

      (ii) formal written price quotations be obtained for any specific procurement of a transaction value lower than R30 000 (Incl. VAT); or

      (iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200 000 (Incl. VAT).

3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

**13 General preconditions for consideration of written quotations or bids**

1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –

   a) has furnished that provider's –

      (i) full name;

      (ii) identification number or company or other registration number; and

      (iii) tax reference number and VAT registration number, if any;

   b) has authorised the Municipality to verify any of the documentation referred to in sub-**[clause]**paragraph (a) above; and

   c) has indicated –

      (i) whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;

      (ii) if the provider is not a natural person, whether any of its directors, managers, principal shareholder or stakeholders are in the service of the state, or has been in the service of the state in the previous twelve months; or

(iii) whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in sub-**[clause]**paragraph (ii) is in the service of the state or has been in the service of the state in the previous twelve months.

**14 Lists of accredited prospective providers**

1) The Accounting Officer must –
   a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations; and
   b) at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers; and
   c) The listing criteria for prospective suppliers are:
      (i) Name of supplier / service provider;
      (ii) Street and postal address;
      (iii) Contact person for quotations/enquiries;
      (iv) Contact numbers for quotations / enquiries;
      (v) Contact details for quotations/enquiries
      (vi) VAT registration yes/no;
      (vii) VAT registration number;
      (viii) Banking details in the name of the entity;
      (ix) Type of industry;
      (x) Valid certification for specialised services;
      (xi) Valid tax clearance certificate or pin;
      (xii) CIDB registration if applicable;
      (xiii) Valid certification in respect of Exempted Micro Enterprises or
      (xiv) B-BBEE Status Level of Contributor.
      (xv) Relevant identification numbers and certified copies of identity documents of all members, directors and partners.
   d) Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.
2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
3) The list must be compiled per commodity and per type of service.

**15 Written or verbal quotations below R2,000** (Incl. VAT)

1) The conditions for the procurement of goods by means of written quotations referred to in **[clause]** paragraph 12(1)(b) of this Policy for minor items that are purchased for up to R2,000 (Incl. VAT), are as follows:-.
   a) written quotations for transactions must be obtained from at least one prospective supplier or service provider preferably from, but not limited to, suppliers or service providers whose names appear on the list of accredited prospective providers of the Municipality provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in **[clause]** paragraph 14(1)(b), (c) and (d) of this Policy;
   b) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.

**16 Written quotations above R2,000** (Incl. VAT)

1) The conditions for the procurement of goods or services through written quotations for amounts above R2,000 (Incl. VAT) up to R10,000 (Incl. VAT) are as follows:

a) quotations must be obtained from at least three different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Municipality provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in **[clause]** paragraph 14(1)(b), (c) and (d) of this Policy;

b) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Chief Financial Officer or an official designated by the Chief Financial Officer and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer; and

c) the Accounting Officer must record the names of the potential providers requested to provide such quotations with their quoted prices.

**17 Formal written price quotations**

1) The conditions for the procurement of goods or services through formal written price quotations for amounts above R10,000 (Incl. VAT) up to R200,000 (Incl. VAT) are as follows:

a) quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Municipality;

b) quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria set out in **[clause]** paragraph 14(1)(c) and (d) of this Policy;

c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Chief Financial Officer or an official designated by the Chief Financial Officer; and

d) the Accounting Officer must record the names of the potential providers and their written quotations.

2) A designated official referred to in **[clause]** paragraph 16(1)(b) and sub-**[clause]**paragraph (1)(c) must by the 3rd of each month report to the Chief Financial Officer on any approvals given during the preceding month by that official in terms of that sub-delegation.

**18 Procedures for procuring goods or services through written quotations and formal written price quotations**

1) The procedure for the procurement of goods or services through written quotations or formal written price quotations is as follows:

a) when using the list of accredited prospective providers the Accounting Officer must promote ongoing competition amongst providers by inviting providers to submit quotations on a rotation basis;

b) all requirements in excess of R30,000 (Incl. VAT) that are to be procured by means of formal written price quotations must, in addition to the requirements of **[clause]** paragraph 17, be advertised for at least five business days on the website and an official notice board of the Municipality;

c) quotations received must be evaluated on a comparative basis taking into account unconditional discounts;

d) the Accounting Officer or Chief Financial Officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub-delegation;

e) quotations must be awarded based on compliance to specifications, conditions of contract, ability and capability to deliver the goods and services and lowest price for quotations up to R30 000 (Incl. VAT) and the preference points system will apply for all quotations in excess of R30 000 (Incl. VAT);

f) the Chief Financial Officer must set requirements for proper record keeping of all formal written price quotations accepted on behalf of the municipality;

**19 Competitive bids**

1) Goods or services above a transaction value of R200 000 (Incl. VAT) and long term contracts may only be procured through a competitive bidding process, subject to **[clause]** paragraph 11(2) of this Policy.

2) No requirement for goods or services above an estimated transaction value of R200,000 (Incl. VAT), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

**20 Process for competitive bidding**

1) The procedures for the following stages of a competitive bidding process are as follows:
   a) Compilation of bidding documentation is detailed in **[clause]** paragraph 21;
   b) Public invitation of bids is detailed in **[clause]** paragraph 22;
   c) Site meetings or briefing sessions are detailed in **[clause]** paragraph 22;
   d) Handling of bids submitted in response to public invitation is detailed in **[clause]** paragraph 23;
   e) Evaluation of bids is detailed in **[clause]** paragraph 28;
   f) Award of contracts is detailed in **[clause]** paragraph 29;
   g) Administration of contracts is detailed in **[clause]** paragraph 6 of Council's Contract management Policy
   h) Proper record keeping: Original and legal copies of all tender documentation must be kept in a secure place for reference purposes.

**21 Bid documentation for competitive bids**

1) The criteria to which bid documentation for a competitive bidding process must comply, must –
   a) take into account –
      (i) the general conditions of contract and any special conditions of contract, if specified;
      (ii) any Treasury guidelines on bid documentation; and
      (iii) the requirements of the Construction Industry Development Board (CIDB), in the case of a bid relating to construction, upgrading, refurbishment of buildings or infrastructure.
   b) include the preference points system to be used as contemplated in the Preferential Procurement Regulations, 2017, evaluation and adjudication criteria, including any criteria required by other applicable legislation;
   c) compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
   d) if the value of the transaction is expected to exceed R10 million (Incl. VAT) –
      (i) if the bidder is required by law to prepare annual financial statements for auditing, its audited annual financial statements –
         (a) for the past three years; or
         (b) since its establishment if established during the past three years;
      (ii) certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a Municipality or other service provider in respect of which payment is overdue for more than 30 calendar days;
      (iii) particulars of any contracts awarded to the bidder by the municipality during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
      (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and
   e) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law;
2) A fee shall be raised for bid forms, plans, specifications, samples and any other bid documentation, depending on the nature, magnitude and value of technical information or samples provided by the municipality for tenders in excess of R200 000 (Incl. VAT).

## 22 Public invitation for competitive bids

1) The procedure for the invitation of competitive bids is as follows:

   a) Any invitation to prospective providers to submit bids must be by means of a public advertisement:

      (i) in newspapers commonly circulating locally,

      (ii) on the notice boards at selected offices of the Municipality,

      (iii) on the website of the Municipality,

      (iv) on the e-Tender Publication Portal of the National Treasury

      (v) on the i-Tender website of the CIDB for construction procurement related transactions or

      (vi) any other appropriate ways (which may include an advertisement in the Government Tender Bulletin).

   b) The information contained in a public advertisement, must include –

      (i) the closure date for the submission of bids, which may not be less than 22 business days in the case of transactions over R10 million (Incl. VAT), or which are of a long term nature (in excess of three years), or 10 business days in any other case, from the date on which the advertisement is placed in a newspaper, subject to sub-**[clause]**paragraph (2) of this policy;

      (ii) a statement that bids may only be submitted on the bid documentation provided by the Municipality;

      (iii) a statement that bids will only be considered if it was deposited into the bid box indicated in the bid invitation;

      (iv) date, time and venue of any proposed site meetings or briefing sessions, provided that site meetings / information sessions may not be scheduled within 5 business days of the date on which a bid advertisement is placed; and

      (v) the required CIDB contractor category and grading designation for construction procurement.

      (vi) that only locally produced goods, works or services or locally manufactured goods with a stipulated minimum threshold for local production and content will be considered for sectors designated by the Department of Trade and Industry.

2) The Accounting Officer may determine a closure date for the submission of bids which is less than the required 22 or 10 business days, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

3) The notice shall further state that all bids for the contract must be submitted in a sealed envelope on which it is clearly stated that such envelope contains a bid and the contract title and contract or bid reference number for which the bid is being submitted.

4) The period for which bids are to remain valid, irrevocable and open for acceptance must be indicated in the bid documents and must not exceed 180 days.

5) The validity period of a bid may be extended by the accounting officer, or his/her delegate, prior to the expiry of the validity period indicated in the bid document.

6) Communication with bidders before the closing date:

   a) The budget holder must approach the Bid Specification Committee, if necessary, to consider authorisation in writing, of communication with bidders prior to bids closing.

   b) The Municipality is entitled to amend any bid condition, validity period, specification or plan, or extend the closing date of such a bid or quotation before the closing date, provided that such amendments or extensions are advertised and/or where possible, that all bidders to whom bid documents have been issued, are advised in writing per e-mail or by fax of such amendments or of the extension clearly reflecting the new closing date and time. For this reason, officials and authorised service providers issuing bids shall keep a record of the names, addresses and contact numbers of the persons or enterprises to whom bid documents have been issued.

c) All amendments must be approved by the Accounting Officer or the relevant delegated director prior to the closing date of the bid invitation. The communication of the minutes of site meetings is not subject to this requirement.

**23 Procedure for handling, opening and recording of bids**

1) The procedures for the handling, opening and recording of bids, are as follows:

a) Bids–

(i) must be opened only in public;

(ii) must be opened on the same date and as soon as possible after the period for the submission of bids has expired; and

b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;

c) No information, except the provisions in sub-**[clause]**paragraph (b), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and

d) The Accounting Officer must –

(i) record in a register all bids received in time;

(ii) make the register available for public inspection; and

(iii) publish the entries in the register and the bid results on the website.

2) Stamping of bids and reading out of names:

a) As each bid is opened the name of the bidder and the amount – if practical – shall be read out.

b) An official shall date-stamp the bid or quotation and all enclosures related to prices, delivery periods and special conditions.

c) Bids and quotations shall be numbered in the sequence in which they have been opened and the words "and last" shall be endorsed on the last bid or quotation.

d) In instances where only one bid has been received the words "and only" shall be endorsed on such bid.

e) Where prices have not been inserted in all relevant spaces on the form and such items have not been deleted by bidders, such spaces shall be stamped "no price" by the employee who opens the bids or quotations.

f) A bid will not be invalidated if the amount in words and the amount in figures do not correspond, where there is a discrepancy, the amount in words shall be read out at the bid opening and shall be deemed to be the bid amount.

3) Late Bids

a) Bids or quotations arriving after the specified closing time shall not be considered and where practicable and cost effective shall be returned to the bidder unopened with a letter explaining the circumstances.

b) Where it is necessary to open a late bid or quotation to obtain the name and address of the sender, each page of the document shall be stamped "late bid" before the bid is returned to the bidder. The envelope must be stamped and initialled in like manner and must be retained for record purposes.

4) Dealing with bids and quotations if the closing date thereof has been extended.

a) Where the closing date of a bid or quotation is extended, bids or quotations already received, will be retained unopened in the bidding box and be duly considered after the expiry of the extended period, unless the bidder cancels it by submitting a later dated bid or quotation before the extended closing date.

**24 Negotiations with preferred bidders and communication with prospective providers and bidders**

1) The Accounting Officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –

a) does not allow any preferred bidder a second or unfair opportunity;

b) is not to the detriment of any other bidder; and

c) does not lead to a higher price than the bid as submitted;

d) does not lead to a lower price in respect of sale of land / goods.

2) Minutes of such negotiations must be kept for record purposes and as far as practical be made part of the final contract.

3) No unauthorised communication with bidders and prospective providers:

a) where bids and quotations have been submitted to the municipality, a bidder may not communicate with any councillor, official, or authorised service provider on any matter regarding his bid, quotation or offer other than a notice of withdrawal.

b) No municipal personnel may communicate with a bidder or any other party who has an interest in a bid, during the period between the closing date for the receipt of the bid or quotation (or date of receipt of an offer), and the date of notification of the successful bidder of acceptance of his bid, quotation or offer, except as provided for in **[clause]** paragraph (c) below. Every such case of unauthorised communication shall forthwith be reported to the Supply Chain Management Unit as well as the chairperson of the Bid Adjudication Committee. A bid or quotation in respect of which unauthorised communication has occurred may be disqualified.

c) The budget holder must approach the Bid Evaluation Committee, as determined in **[clause]** paragraph 28(2)**,** to consider authorising an employee or authorised consulting service provider, in writing, to communicate with a bidder during the period mentioned in subsection (b) above for the purpose of:-

(i) Obtaining an explanation and verification of declarations made in the bid response;

(ii) confirming technical particulars and the compliance thereof with specifications;

(iii) clarifying delivery times/quantities;

(iv) extending the validity period of a bid;

(v) clarifying any other commercial aspect;

(vi) for the submission of substantiating documents;

(vii) any other clarifications

d) In all cases where authority has been granted to communicate with bidders in terms of **[clause]** paragraph (c) above, it should be clearly stated in the submission to the Bid Adjudication Committee the nature of the communication as well as by whom such authority to communicate has been granted.

**25 Two-stage bidding process**

1) A two-stage bidding process is allowed for –

a) large complex projects; or

b) projects where it may be undesirable to prepare complete detailed technical specifications; or

c) long term projects with a duration period exceeding three years.

2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.

3) In the second stage final technical proposals and priced bids should be invited.

**26 Committee system for competitive bids**

1) A committee system for competitive bids is hereby established, consisting of the following committees for each transaction or cluster of transactions as the Accounting Officer may determine:

a) a bid specification committee;

b) a bid evaluation committee; and

c) a bid adjudication committee;

2) The Accounting Officer appoints the members of each committee, taking into account section 117 of the Act, and

3) The Accounting Officer may appoint a neutral or independent observer, to attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.

4) The committee system must be consistent with –

   a) **[clause]** paragraphs 27, 28 and 29 of this Policy; and

   b) any other applicable legislation.

5) The Accounting Officer may apply the committee system to formal written price quotations.

**27 Bid Specification Committees**

1) The appropriate bid specification committee must compile the specifications for each procurement transaction for goods or services by the Municipality, depending on the department involved.

2) Specifications –

   a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;

   b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organization, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;

   c) must, where possible, be described in terms of performance required and / or in terms of descriptive characteristics for design;

   d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;

   e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;

   f) must indicate the preference points system for which points may be awarded as set out in the prevailing Preferential Procurement Regulations; and

   g) must be approved by the Accounting Officer or the relevant delegated director prior to publication of the invitation for bids in terms of **[clause]** paragraph 22 of this Policy.

3) A Bid Specification Committee must be composed of one or more officials of the municipality, including, but not limited to:-

   a) a delegated supply chain management practitioner as chairperson;

   b) the budget holder from the Directorate for whom the bid is called; and

4) The Committee may, when appropriate, include external specialist advisors.

5) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

**28 Bid Evaluation Committees**

1) A Bid Evaluation Committee must –

   a) evaluate all bids in accordance with –

      (i) the specifications for a specific procurement; and

      (ii) the points system set out in terms of the Preferential Procurement Policy;

   b) evaluate each bidder’s ability to execute the contract ;

   c) check in respect of the recommended bidder whether municipal rates and taxes and municipal

   d) service charges are not in arrears for more than three months;

   e) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter; and

2) A Bid Evaluation Committee must as far as possible be composed of:-

   a) the budget holder and other officials from departments requiring the goods or services

   b) at least one delegated supply chain management practitioner

**29 Bid Adjudication Committees**

1) A bid adjudication committee must –

   a) consider the report and recommendations of the bid evaluation committee; and

   b) either –

      (i) depending on its delegations, make a final award or a recommendation to the Accounting Officer to make the final award; or

      (ii) make another recommendation to the Accounting Officer how to proceed with the relevant procurement.

2) The bid adjudication committee must be composed of at least four directors of the municipality which must include –

   a) the Chief Financial Officer or, if the Chief Financial Officer is not available, another manager reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer; and

   b) a senior supply chain management practitioner.

3) The Accounting Officer must appoint the chairperson of the committee. If the Chairperson is unable to chair the meeting, the members of the committee who are present must elect one of them to preside at the meeting.

4) A quorum for the Adjudication Committee shall be four members.

   a) In the event of an equality of votes the chairperson shall have a casting vote over and above a deliberate vote.

   b) The Director of the department that called for the tender must be present at the meeting where the particular tender is considered.

5) The members of the Bid Evaluation Committee, or their delegates, must be present at the Bid Adjudication Committee meetings **[introduce the reports to the Committee and assist in]** to clarify issues that were dealt with in the Bid Evaluation Committee meetings without voting rights.

6) A technical expert in the relevant field, who is an official, if such an expert exists, may attend the meeting as an advisor for clarification purposes. This official will not have voting rights at the Bid Adjudication Committee meeting. Neither a member of a bid evaluation committee, nor an advisor or person assisting the bid evaluation committee, may be a member of a bid adjudication committee.

7) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee –

   a) the bid adjudication committee must prior to awarding the bid –

      (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears for more than three months, and;

      (ii) notify the Accounting Officer.

   b) The Accounting Officer may –

      (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in **[clause]** paragraph (a); and

      (ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.

8) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.

9) The Accounting Officer must comply with Section 114 of the Act within 10 days–

a) If a tender other than the one recommended in the normal course of implementing the supply chain management policy is approved, the Accounting Officer must, in writing, notify the Auditor-General, the Provincial Treasury and the National Treasury of the reasons for deviating from such recommendation.

b) Subsection (1) does not apply if a different tender was approved in order to rectify an irregularity.

**30 Procurement of Banking Services**

1) A contract for banking services –

a) must be procured through competitive bids;

b) must be consistent with section 7 of the Act; and

c) may not be for a period of more than five years at a time.

2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.

3) The closure date for the submission of bids may not be less than 46 business days from the date on which the advertisement is placed in a newspaper in terms of **[clause]** paragraph 22(1).

4) Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

**31 Procurement of Information- and Communication Technology (ICT) related goods or services**

1) The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of ICT related goods or services through a competitive bidding process.

2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

3) The Accounting Officer must notify SITA together with a motivation of the ICT needs if –

a) the transaction value of ICT related goods or services required in any financial year will exceed R50 million ; or

b) the transaction value of a contract to be procured whether for one or more years exceeds R50 million.

4) If SITA comments on the submission and the Municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to Council, the National Treasury, the Provincial Treasury and the Auditor-General.

5) The Municipality is required to follow the following process before inviting proposals for a new financial management system:

a) National and Provincial Treasury should immediately be informed of any intention to replace the accounting or billing system currently operating at the municipality;

b) The submission should include a comprehensive motivation with specific reasons for why it is deemed necessary to replace the existing financial system;

c) A copy of the service level agreement with minutes of the meetings between the municipality and the current service provider (financial system vendor) during the previous twelve months must be made available;

d) The organisational structure, specifically for the IT department/function, clearly indicating management capacity and responsibility for operating the financial system, must be submitted;

e) An assessment should be done to determine which modules of the existing financial system are being utilised by the municipality and reasons must be provided for modules not in operation. In cases where an existing system is not an ERP system the municipality must provide details of any other systems utilised by the municipality;

f) The date on which the existing financial system was implemented, the procurement and implementation costs and the current operational costs thereof must be disclosed;

g) A technical assessment must be undertaken on the server and network requirements of the new financial system and a copy of such report should be submitted; and

h) Copies of all IT strategies, policies and procedural documents including the IT disaster recovery plan must be made available.

**32 Procurement of goods and services under contracts secured by other organs of state**

1) The Accounting Officer may procure goods or services under a contract secured by another organ of state, but only if –

   a) the contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;

   b) there is no reason to believe that such contract was not validly procured;

   c) there are demonstrable discounts or benefits to do so; and

   d) that other organ of state and the provider have consented to such procurement in writing.

**33 Procurement of goods necessitating special safety arrangements**

1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided where ever possible.

2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the official duly authorised in terms of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993).

**34 Proudly SA Campaign**

1) The Municipality supports the Proudly SA Campaign to the extent that, as far as possible, preference is given to procuring local goods and services as per Council's Preferential Procurement Policy

**35 Appointment of consultants**

1) The Accounting Officer may procure consulting services provided that any National Treasury guidelines and CIDB requirements in respect of consulting services are taken into account when such services are procured.

2) Consultancy services must be procured through competitive bids if:

   a) the value of the contract exceeds R200 000 (Incl. VAT); or

   b) the duration period of the contract exceeds one year.

3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –

   a) all consultancy services provided to an organ of state in the last five years; and

   b) any similar consultancy services provided to an organ of state in the last five years.

4) The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Municipality.

5) 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.

6) 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.

7) The tender documentation for the appointment of consultants must include a **[clause]** paragraph that the remuneration rates will be subject to negotiation, not exceeding the applicable rates mentioned in sub -regulation (2).

8) When negotiating cost -effective consultancy rates for international consultants, the accounting officer may take into account the relevant international and market –determined rates.

9) 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.

10) All contracts with consultants must include a fee retention or penalty **[clause]** paragraph for poor performance.

11) 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.

12) 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.

13) 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.

**36 Deviation from, and ratification of minor breaches of procurement processes**

1) The Accounting Officer may –

a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –

(i) in an emergency;

(a) Circumstances that warrant emergency dispensation, includes but are not limited to -

(i) the possibility of human injury or death;

(ii) the possibility of damage to property;

(iii) failure to take necessary action may result in the municipality not being able to render an essential community service;

(iv) the interruption of services related to communication facilities or support services critical to the effective functioning of the municipality as a whole; or

(v) the eminent possibility of serious damage occurring to the natural environment.

(b) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal tender process.

(c) Procurement in the case of emergencies must be tacitly approved by the relevant director or his delegate prior to incurring the expenditure (before issuing an instruction to the supplier) and must be reported in writing to the Accounting Officer or delegated official within three business days.

(ii) if such goods or services are produced or available from a single provider only;

(iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iv) acquisition of animals for zoos and/or nature and game reserves; or

(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes including, but not limited to-:

(a) ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids;

**(b) [the unskilled labour component of the Municipality's Local Labour Promotion Programme (LLPP);**

**(c) any contract relating to the publication of notices and advertisements by the municipality where applicable legislation or applicable council policy dictates.**

**(d) Membership and subscription to professional bodies and any training provided by such bodies for purposes of obtaining continuous professional development points;**

**(e) the attendance of conferences and workshops;**

(f) **the use of couriers for official documents/parcels;]**

b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature; and

c) may condone any irregular expenditure incurred in contravention of, or that is not in accordance with a requirement of this Policy and which is not also a contravention of the Municipal Supply Chain Management Regulations (GG 27636 of 30 May 2005), provided that such condonation and the reasons therefore shall be reported to Council at the next ensuing meeting.

2) The Accounting Officer must record the reasons for any deviations in terms of sub-**[clauses]**paragraphs (1)(a) and (b) of this policy and report them to the next Council Meeting and include as a note to the annual financial statements.

3) Sub-**[clause]**paragraph (2) does not apply to the procurement of goods and services contemplated in **[clause]** paragraph 11(2) of this policy.

**37 Unsolicited bids**

1) In accordance with Section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.

2) The Accounting Officer may decide in terms of Section 113(2) of the Act to consider an unsolicited bid, only if –

a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;

b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages;

c) the person who made the bid is the sole provider of the product or service; and

d) the reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.

3) If the Accounting Officer decides to consider an unsolicited bid that complies with sub-**[clause]**paragraph (2) of this policy, the decision must be made public in accordance with Section 21A of the Municipal Systems Act, together with –

a) reasons as to why the bid should not be open to other competitors;

b) an explanation of the potential benefits if the unsolicited bid was to be accepted; and

c) an invitation to the public or other potential suppliers to submit their comments within 22 business days of the notice.

4) The Accounting Officer must submit all written comments received pursuant to sub-**[clause]**paragraph (3), including any responses from the unsolicited bidder, to the National Treasury and the Provincial Treasury for comment.

5) The bid adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.

6) A meeting of the bid adjudication committee to consider an unsolicited bid must be open to the public.

7) When considering the matter, the adjudication committee must take into account –

a) any comments submitted by the public; and

b) any written comments and recommendations of the National Treasury or the Provincial Treasury.

8) If any recommendations of the National Treasury or Provincial Treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the Provincial Treasury and the National Treasury the reasons for rejecting or not following those recommendations.

9) Such submission must be made within five business days after the decision on the award of the unsolicited bid is taken, but no contract committing the Municipality to the bid may be entered into or signed within 22 business days of the submission.

**38 Combating of abuse of the supply chain management system**

1) The Accounting Officer is hereby enabled to –

a) take all reasonable steps to prevent abuse of the supply chain management system;

b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –

(i) take appropriate steps against such official or other role player; or

(ii) report any alleged criminal conduct to the South African Police Service;

c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;

d) reject any bid from a bidder –

(i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Municipality, or to any other municipality or municipal entity are in arrears for more than three months; or

(ii) who during the last five years has failed to perform satisfactorily on a previous contract with the Municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;

e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;

f) cancel a contract awarded to a person if –

(i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or

(ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and

g) reject the bid of any bidder if that bidder or any of its directors –

(i) has abused the supply chain management system of the Municipality or has committed any improper conduct in relation to such system;

(ii) has been convicted for fraud or corruption during the past five years;

(iii) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or

(iv) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

2) The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of sub-**[clauses]** paragraphs (1)(b)(ii), (e) or (f) of this policy.

## Part 3: LOGISTICS, DISPOSAL, RISK AND PERFORMANCE MANAGEMENT

**39 Logistics management**

1) The Accounting Officer must establish and implement an effective system of logistics management, which must include -

a) the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;

b) the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;

c) the placing of manual or electronic orders for all acquisitions other than those from petty cash prior to the receipt of goods and/or services. Orders must be issued by 31 July for all contracts active during July;

d) before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract. Orders may be amended/issued where estimates are used to issue orders for rates/tariff based contracts when it is impractical to determine the final amount upfront;

e) appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;

f) regular checking to ensure that all assets are properly managed and maintained in terms of Council's Asset Management Policy; and

g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

h) Contracts will be implemented in terms of the requirements of Section 116 of the Act and Council's Contract Management Policy.

**40 Disposal management**

a) Assets must be disposed of in terms of the Municipal Asset Transfer Regulations, Overstrand Municipality's Asset Management Policy and Administration of Immovable Property Policy respectively.

b) Disposal Management does not represent a procurement process and is thus exempt from the prohibitions of **[clause]** paragraph 44 of this policy. As a result, the municipality is not prohibited from selling/disposing of movable or immovable assets to persons in the service of the state

c) **Granting of Rights**

The granting of rights (where sections 14 and 90 of the MFMA do not apply) by the Overstrand Municipality, shall be executed strictly in accordance with Chapter 4 of the Municipal Asset Transfer Regulations and the Administration of Immovable Property Policy, as amended from time to time.

**41 Risk management**

The Accounting Officer must implement an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system as per Council's Risk Management Policy.

**42 Performance management**

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.

**Part 4: OTHER MATTERS**

**43 Prohibition on awards to persons whose tax matters are not in order**

1) Irrespective of the procurement process followed, the municipality may not make any award above R30 000 to a person whose tax matters have not been declared by the South African Revenue Service to be in order.

2) Before making an award to a person, the Municipality must first check with SARS whether that person's tax matters are in order.

3) If SARS does not respond within seven days, such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.

**44 Prohibition on awards to persons in the service of the state**

1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –

   a) who is in the service of the state;

   b) that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or

   c) a person who is an advisor or consultant contracted with the Municipality in respect of a contract that would cause a conflict of interest.

**45 Awards to close family members of persons in the service of the state**

1) The Accounting Officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2 000 (Incl. VAT) to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –

   a) the name of that person;

   b) the capacity in which that person is in the service of the state; and

   c) the amount of the award.

**46 Ethical standards**

1) A code of ethical standards for supply chain management practitioners and other role players involved in supply chain management is hereby established in accordance with sub-**[clause]**paragraph (2) in order to promote –

   a) mutual trust and respect; and

   b) an environment where business can be conducted with integrity and in a fair and reasonable manner.

2) An official or other role player involved in the implementation of the supply chain management policy –

   a) must treat all providers and potential providers equitably;

   b) may not use his or her position for private gain or to improperly benefit another person;

   c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;

   d) notwithstanding sub-**[clause]**paragraph (2)(c), must declare to the Accounting Officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;

   e) must declare to the Accounting Officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the Municipality;

   f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;

   g) must be scrupulous in his or her use of property belonging to the municipality;

   h) must assist the Accounting Officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and

   i) must report to the Accounting Officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –

      (i) any alleged fraud, corruption, favouritism or unfair conduct;

      (ii) any alleged contravention of **[clause]** paragraph 47(1) of this policy; or

      (iii) any alleged breach of this code of ethical standards.

3) Declarations in terms of sub-**[clauses]** paragraphs (2)(d) and (e) -

   a) must be recorded in a register which the Accounting Officer must keep for this purpose;

(i) by the Accounting Officer must be made to the mayor of the municipality who must ensure that such declarations are recorded in the register.

4) A breach of the code of ethics must be dealt with as follows -

a) in the case of an employee, in terms of the disciplinary procedures of the Municipality envisaged in section 67(1)(h) of the Municipal Systems Act;

b) in the case a councillor, in terms of Schedule 1 of the Systems Act;

c) in the case a role player who is not an employee, or a councillor through other appropriate means in recognition of the severity of the breach; and

d) in all cases, financial misconduct must be dealt with in terms of Chapter 15 of the Act.

**47 Inducements, rewards, gifts and favours to municipal officials and other role players**

1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –

a) any inducement or reward to the Municipality for or in connection with the award of a contract; or

b) any reward, gift, favour or hospitality to –

(i) any official; or

(ii) any other role player involved in the implementation of this Policy.

2) The Accounting Officer must promptly report any alleged contravention of sub-**[clause]**paragraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.

3) Sub-**[clause]**paragraph (1) does not apply to gifts less than R350 (Incl. VAT) in value.

**48 Sponsorships**

1) The Accounting Officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –

a) a provider or prospective provider of goods or services; or

b) a recipient or prospective recipient of goods disposed or to be disposed.

**49 Objections and complaints**

Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 10 business days of the decision or action, a written objection or complaint against the decision or action subject to the payment of applicable appeal deposit as per Council's approved tariffs.

**50 Resolution of disputes, objections, complaints and queries**

1) The Accounting Officer must appoint an independent and impartial person or persons, not directly involved in the supply chain management processes –

a) to assist in the resolution of disputes between the Municipality and other persons regarding -

(i) any decisions or actions taken in the implementation of the supply chain management system; or

(ii) any matter arising from a contract awarded in the course of the supply chain management system;

b) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

2) The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his or her functions effectively.

3) The person appointed must –

a) strive to resolve promptly all disputes, objections, complaints or queries received; and

b) submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.

4) A dispute, objection, complaint or query may be referred to the Provincial Treasury if –

a) the dispute, objection, complaint or query is not resolved within 46 business days; or

b) no response is forthcoming within 46 business days.

5) If the Provincial Treasury does not or cannot resolve the matter, the dispute, objection, complaint or query will be referred to the National Treasury for resolution.

6) This **[clause]** paragraph must not be read as affecting a person's rights to approach a court at any time.

**51 Contracts providing for compensation based on turnover**

1) If a service provider acts on behalf of the Municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the Municipality must stipulate:-

a) A cap on the compensation payable to the service provider; and

b) That such compensation must be performance based.

**52 Public-Private Partnerships**

Public-Private Partnerships will be procured in terms of Part 2 of Chapter 11 of the Act.

**53 Contract Management**

Contracts will be implemented in terms of the requirements of Section 116 of the Act and Council's Contract Management Policy.

**54 Transversal Contracts**

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.

**55 Short title and commencement**

This part of the policy is called the Overstrand Municipality **Supply Chain Management Policy**.

This policy will come into effect on **1 July 2021** and will be reviewed at least annually by way of a Council resolution.

| | | | | | |
|---|---|---|---|---|---|
| POLICY SECTION: | HEAD: SUPPLY CHAIN MANAGEMENT | | | | |
| CURRENT UPDATE | 2021/05/26 | | | | |
| PREVIOUS REVIEW: | 2020/05/27 | PREVIOUS REVIEW: | 2017/03/29 | PREVIOUS REVIEW: | 2012/06/26 |
| PREVIOUS REVIEW: | 2020/03/25 | PREVIOUS REVIEW: | 2016/05/25 | PREVIOUS REVIEW: | 2012/05/30 |
| PREVIOUS REVIEW: | 2019/06/26 | PREVIOUS REVIEW: | 2016/02/24 | PREVIOUS REVIEW: | 2011/11/30 |
| PREVIOUS REVIEW: | 2019/05/29 | PREVIOUS REVIEW: | 2015/05/28 | PREVIOUS REVIEW: | 2011/05/04 |
| PREVIOUS REVIEW: | 2018/05/30 | PREVIOUS REVIEW: | 2014/05/28 | PREVIOUS REVIEW: | 2010/05/26 |
| PREVIOUS REVIEW: | 2017/11/29 | PREVIOUS REVIEW: | 2013/05/29 | PREVIOUS REVIEW: | 2009/05/27 |
| PREVIOUS REVIEW: | 2017/05/31 | PREVIOUS REVIEW: | 2012/11/28 | APPROVAL | 2008/06/25 |

**OVERSTRAND**

**MUNICIPALITY**

# PART B

# SCM POLICY FOR INFRASTRUCTURE PROCUREMENT AND DELIVERY MANAGEMENT

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## 1 SCOPE

This policy establishes the Municipality's policy for infrastructure procurement and delivery management in accordance with the provisions of the regulatory frameworks for procurement and supply chain management. It includes the procurement of goods and services necessary for a new facility to be occupied and used as a functional entity but excludes:

1) the storage of goods and equipment following their delivery to the Municipality which are stored and issued to contractors or to employees;
2) the disposal or letting of land;
3) the conclusion of any form of land availability agreement;
4) the leasing or rental of moveable assets; and
5) public private partnerships.

## 2 TERMS, DEFINITIONS AND ABBREVIATIONS

### 1) Terms and definitions

For the purposes of this document, the definitions and terms given in the standard and the following apply:

| | |
|---|---|
| **agent:** | person or organization that is not an employee of the Municipality that acts on the Municipality's behalf in the application of this document |
| **authorised person:** | the Municipal Manager or the appropriately delegated authority to award, cancel, amend, extend or transfer a contract or order |
| **conflict of interest:** | any situation in which:<br>someone in a position of trust has competing professional or personal interests which make it difficult for him to fulfil his duties impartially,<br>an individual or organization is in a position to exploit a professional or official capacity in some way for his personal or for corporate benefit, or<br>incompatibility or contradictory interests exist between an employee and the organization which employs that employee |
| **contract owner:** | person responsible for administering a package on behalf of the employer and performing duties relating to the overall management of such contract from the implementer's point of view |
| **family member:** | a person's spouse, whether in a marriage or in a customary union according to indigenous law, domestic partner in a civil union, or child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption |
| **framework agreement:** | an agreement between an organ of state and one or more contractors, the purpose of which is to establish the terms governing orders to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged |
| **gate:** | a control point at the end of a process where a decision is required before proceeding to the next process or activity |
| **gateway review:** | an independent review of the available information at a gate upon which a decision to proceed or not to the next process is based |
| **gratification:** | an inducement to perform an improper act |
| **infrastructure delivery:** | the combination of all planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure |
| **infrastructure procurement:** | the procurement of goods or services including any combination thereof associated with the acquisition, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure |
| **maintenance:** | the combination of all technical and associated administrative actions during an item's service life to retain it in a state in which it can satisfactorily perform its required function |
| **operation:** | combination of all technical, administrative and managerial actions, other than maintenance actions, that results in the item being in use |
| **order:** | an instruction to provide goods, services or any combination thereof under a framework agreement |
| **organ of state:** | an organ of state as defined in section 239 of the Constitution of the Republic of South Africa |
| **procurement document:** | documentation used to initiate or conclude (or both) a contract or the issuing of an order |
| **principal:** | a natural person who is a partner in a partnership, a sole proprietor, a director a company established in terms of the Companies Act of 2008 (Act No. 71 of 2008) or a member of a close corporation registered in terms of the Close Corporation Act, 1984, (Act No. 69 of 1984) |
| **standard:** | the latest edition of the Standard for Infrastructure Procurement and Delivery Management as published by National Treasury |
| **working day:** | any day of a week on which is not a Sunday, Saturday or public holiday |

### 2) Abbreviations

For the purposes of this document, the following abbreviations apply

a) CIDB: Construction Industry Development Board

b) SARS: South African Revenue Services

## 3 GENERAL REQUIREMENTS

### 1) Delegations

a) The council of the Municipality hereby delegates all powers and duties to the Accounting Officer to enable him or her to:

(i) discharge the supply chain management responsibilities conferred on accounting officers in terms of Chapter 8 of the Local Government Municipal Finance Management Act of 2003 and this document;

(ii) maximise administrative and operational efficiency in the implementation of this document;

(iii) enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this document; and

(iv) comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Local Government Municipal Finance Management Act of 2003.

(v) No departure shall be made from the provisions of this policy without the approval of the Accounting Officer of the Municipality

(vi) The Accounting Officer shall for oversight purposes:

(vii) within 22 business days of the end of each financial year, submit a report on the implementation of this policy to the council of the Municipality.

(viii) whenever there are serious and material problems in the implementation of this policy, immediately submit a report to the council.

(ix) within 6 business days of the end of each quarter, submit a report on the implementation of the policy to the mayor; and

(x) make the reports public in accordance with section 21A of the Municipal Systems Act of 2000.

### 2) Implementation of the Standard for Infrastructure Procurement and Delivery Management

Infrastructure procurement and delivery management shall be undertaken in accordance with all applicable legislation and the relevant requirements of the latest edition of the National Treasury Standard for Infrastructure Procurement and Delivery Management.

### 3) Supervision of the infrastructure delivery management unit

The Infrastructure Delivery Management Unit shall be directly supervised by the Head: Supply Chain Management.

### 4) Objections and complaints

Persons aggrieved by decisions or actions taken in the implementation of this policy, may lodge within 10 business days of the decision or action, a written objection or complaint against the decision or action.

### 5) Resolution of disputes, objections, complaints and queries

a) The Accounting Officer shall appoint an independent and impartial person, not directly involved in the infrastructure delivery management processes to assist in the resolution of disputes between the Municipality and other persons regarding:

(i) any decisions or actions taken in the implementation of the supply chain management system;

(ii) any matter arising from a contract awarded within the Municipality's infrastructure delivery management system; or

(iii) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

b) The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his or her functions effectively.

c) The person appointed in terms of 3(5)(a) shall:

(i) strive to resolve promptly all disputes, objections, complaints or queries received; and

(ii) submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.

d) A dispute, objection, complaint or query may be referred to the Western Cape Provincial Treasury if:

(i) the dispute, objection, complaint or query is not resolved within 46 business days; or

(ii) no response is forthcoming within 46 business days.

(iii) If the Western Cape Provincial Treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.

## 4 CONTROL FRAMEWORK FOR INFRASTRUCTURE DELIVERY MANAGEMENT

### 1) Assignment of responsibilities for approving or accepting end of stage deliverables[1]

The responsibilities for approving or accepting end of stage deliverables shall be as stated in Table 1.

### 2) Gateway reviews

#### a) Gateway reviews for major capital projects above a threshold

The Accounting Officer shall appoint a gateway review team in accordance with the provisions of clause 4.1.13.1.2 of the standard to undertake gateway reviews for major capital projects.

***Table 1: Responsibilities for approving or accepting end of stage deliverables in the control framework for the management of infrastructure delivery***

| Stage | | | Person assigned the responsibility for approving or accepting end of stage deliverables |
|---|---|---|---|
| No | Name | | |
| 0 | Project initiation | | Relevant Director accepts the initiation report |
| 1 | Infrastructure planning | | Relevant Director approves the infrastructure plan |
| 2 | Strategic resourcing | | Relevant Director approves the delivery and / or procurement strategy |
| 3 | Pre-feasibility | | Relevant Director accepts the pre-feasibility report |
| | Preparation and briefing | | Relevant Director accepts the strategic brief |
| 4 | Feasibility | | Relevant Director accepts the feasibility report |
| | Concept and viability | | Relevant Director accepts the concept report |
| 5 | Design development | | Relevant Director accepts the design development report |
| 6 | Design documentation | 6A Production information | Relevant Director accepts the parts of the production information which are identified when the design development report is accepted as requiring acceptance |
| | | 6B Manufacture, fabrication & construction information | The contract owner accepts the manufacture, fabrication and construction information |
| 7 | Works | | The contract owner certifies completion of the works or the delivery of goods and associated services |
| 8 | Handover | | The owner or end user accepts liability for the works |
| 9 | Package completion | | The contract owner or supervising agent certifies the defects certificate in accordance with the provisions of the contract<br>The contract owner certifies final completion in accordance with the provisions of the contract<br>Contract owner accepts the close out report |

## 5 CONTROL FRAMEWORK FOR INFRASTRUCTURE PROCUREMENT

1) The responsibilities for taking the key actions associated with the formation and conclusion of contracts including framework agreements above the quotation threshold shall be as stated in Table 2.

2) The responsibilities for taking the key actions associated with the quotation procedure and the negotiation procedure where the value of the contract is less than the threshold set for the quotation procedure shall be as follows:

[1] The terms "approve" and "accept" have the meanings "officially agree to" and "receive as adequate, valid, or suitable give an affirmative answer to a proposal", respectively. Approvals will typically take place at a senior management level whilst acceptances can be made at a lower level. Approvals and acceptances can be granted by individuals or committees. Where a municipality or municipal entity implements a project on behalf of an organ of state, acceptance / approval of end of stage deliverables may have to be granted in consultation with such an organisation. Alternatively it may be assigned to a party to an agency agreement developed in accordance with the provisions of clauses 5.2 of the standard. As a result, Table 1 may have to differentiate between own infrastructure and client institution's infrastructure. It may also have to differentiate between the value and type of projects.

a) the relevant Director shall grant approval for the issuing of the procurement documents, based on the contents of a documentation review report developed in accordance with the provisions of the standard;

b) the authorised person may award the contract if satisfied with the recommendations contained in the evaluation report prepared in accordance with the provisions of the standard.

3) The responsibilities for taking the key actions associated with the issuing of an order in terms of a framework agreement shall be as stated in Table 3.

## 6 INFRASTRUCTURE DELIVERY MANAGEMENT REQUIREMENTS

### 1) Institutional arrangements

#### a) Committee system for procurement[2]

##### (i) General

(a) A committee system comprising the bid specification committee, bid evaluation committee and bid adjudication committee shall be applied to all procurement procedures where the estimated value of the procurement exceeds the financial threshold for quotations and to the putting in place of framework agreements.

(b) The bid evaluation committee shall, where competition for the issuing of an order amongst framework contractors takes place and the value of the order exceeds the financial threshold for quotations, evaluate the quotations received.

(c) The persons appointed in writing as technical advisors and subject matter experts may attend any committee meeting.

(d) No person who is a political officer bearer, a public office bearer including any councillor of a municipality, a political advisor or a person appointed in terms of section 12A of the Public Service Act of 1994 or who has a conflict of interest shall be appointed to a bid specification, evaluation or bid adjudication committee.

(e) Committee decisions shall as far as possible be based on the consensus principle i.e. the general agreement characterised by the lack of sustained opposition to substantial issues. Committees shall record their decisions in writing. Such decisions shall be kept in a secured environment for a period of not less than five years after the completion or cancellation of the contract unless otherwise determined in terms of the National Archives and Record Services Act of 1996.

(f) Committees may make decisions at meetings or, subject to the committee chairperson's approval, on the basis of responses to documents circulated to committee members provided that not less than sixty percent of the members are present or respond to the request for responses. Where the committee chairperson is absent from the meeting, the members of the committee who are present shall elect a chairperson from one of them to preside at the meeting.

##### (ii) Bid specification committee

(a) the Accounting Officer shall appoint in writing:

(i) the persons to review the procurement documents and to develop a procurement documentation review report in accordance with clause 4.2.2.1 of the standard; and

(ii) the members of the bid specification committee.

(b) The bid specification committee shall comprise one or more persons. The chairperson shall be an employee of the Municipality with requisite skills. Other members shall where relevant, include a representative of the end user or the department requiring infrastructure delivery.

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[2] SCM Regulation 26 of the MFMA requires that a committee system be established for procurement above the threshold for quotations. A municipality of a municipal entity may require that the bid adjudication committee also deal with quotations.
The principle of segregation (an internal control designed to prevent error and fraud by ensuring that at least two individuals are responsible for the separate parts of any task) is dealt with the committee system in the standard as follows:

- procurement gate 3: a technical evaluation of procurement documents and an approval of such documentation;
- procurement gate 5: a technical evaluation of submissions and an authorization to proceed with the next phase of a procurement process; and
- procurement gate 6: a tender evaluation and a recommendation to award a contract.

(c) No member of, or technical adviser or subject matter expert who participates in the work of any of the procurement committees or a family member or associate of such a member, may tender for any work associated with the tender, which is considered by these committees.

***Table 2: Procurement activities and gates associated with the formation and conclusion of contracts above the quotation threshold***

| Activity | | Sub-Activity (see Table 3 of the standard) | | Key action | Person assigned responsibility to perform key action |
|---|---|---|---|---|---|
| 1* | Establish what is to be procured | 1.3 PG1 | Obtain permission to start with the procurement process | Make a decision to proceed / not to proceed with the procurement based on the broad scope of work and the financial estimates. | Relevant Director |
| 2* | Decide on procurement strategy | 2.5 PG2 | Obtain approval for procurement strategies that are to be adopted including specific approvals to approach a confined market or the use of the negotiation procedure | Confirm selection of strategies so that tender offers can be solicited | Relevant Director |
| 3 | Solicit tender offers | 3.2 PG3 | Obtain approval for procurement documents | Grant approval for the issuing of the procurement documents | Relevant Director |
| | | 3.3 PG4 | Confirm that budgets are in place | Confirm that finance is available for the procurement to take place | "Contract owner in consultation with the budget office" |
| 4 | Evaluate tender offers | 4.2 PG5 | Obtain authorisation to proceed with next phase of tender process in the qualified, proposal or competitive negotiations procedure | Review evaluation report, ratify recommendations and authorise progression to the next stage of the tender process | Bid evaluation committee |
| | | 4.7 PG6 | Confirm recommendations contained in the tender evaluation report | Review recommendations of the bid evaluation committee and refer back to bid evaluation committee for reconsideration or make recommendation for award | Bid adjudication committee |
| 5 | Award contract | 5.3 PG7 | Award contract | Formally accept the tender offer in writing and issue the contractor with a signed copy of the contract | Authorised person |
| | | 5.5 GF1 | Upload data in financial management and payment system | Verify data and upload contractor's particulars and data associated with the contract or order | Database administrator |

* Applies only to goods and services not addressed in a procurement strategy developed during stage 2 (strategic resourcing) of the control framework for infrastructure delivery management

***Table 2 (concluded)***

| Activity | | Sub-Activity | | Key action | Person assigned responsibility to perform key action |
|---|---|---|---|---|---|
| 6 | Administer contracts and confirm compliance with requirements | 6.4 PG8A | Obtain approval to waive penalties or low performance damages. | Approve waiver of penalties or low performance damages | Relevant Director |
| | | 6.5 PG8B | Obtain approval to notify and refer a dispute to an adjudicator | Grant permission for the referral of a dispute to an adjudicator or for final settlement to an arbitrator or court of law | Relevant Director |
| | | 6.6 PG8C | Obtain approval to increase the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at the award of a contract or the issuing of an order up to a specified percentage[3] | Approve amount of time and cost overruns up to the threshold | As per delegated authority |
| | | 6.7 PG8D | Obtain approval to exceed the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at award of a contract or the issuing of an order by more than 20% and 30%, respectively | Approve amount of time and cost overruns above a the threshold | As per delegated authority |
| | | 6.8 PG8E | Obtain approval to cancel or terminate a contract | Approve amount | Relevant Director |
| | | 6.9 PG8F | Obtain approval to amend a contract | Approve proposed amendment to contract | As per delegated authority |

***Table 3: Procurement activities and gates associated with the issuing of an order above the quotation threshold in terms of a framework agreement***

| Activity | | Key action | Person assigned responsibility to perform key action |
|---|---|---|---|
| 1 FG1 | Confirm justifiable reasons for selecting a framework contactor where there is more than one framework agreement covering the same scope of work | Confirm reasons submitted for not requiring competition amongst framework contractors or instruct that quotations be invited | Contract owner in consultation with Manager: Demand & Procurement Management |
| 3 FG2 | Obtain approval for procurement documents | Grant approval for the issuing of the procurement documents | Manager: Demand & Procurement Management |
| 4 FG3 | Confirm that budgets are in place | Confirm that finance is available so that the order may be issued | Contract owner in consultation with the budget office |
| 6 FG4 | Authorise the issuing of the order | If applicable, review evaluation report and confirm or reject recommendations. Formally accept the offer in writing and issue the contractor with a signed copy of the order | As per delegated authority |

[3] Stepped thresholds leading up to the 20% and 30% values given in PG8D may be necessary to manage cost and time overruns, respectively, the principle being that approval to exceed these percentages needs to be granted at a more senior level with each increase. For example, the increases for cost overruns could be as follows:

- ≤ 2,5 % - contract owner;
- 2,5 to 10% - project director
- 10% - appropriately delegated authority

**(iii) Bid evaluation committee**

(a) The accounting officer shall appoint in writing:

(i) the persons to prepare the evaluation and, where applicable, the quality evaluations, in accordance with clauses 4.2.3.2 and 4.2.3.4 of the standard, respectively; and

(ii) the members of the bid evaluation committee.

(b) A bid evaluation committee must as far as possible be composed of-

(i) the budget holder and other officials from departments requiring the goods or services

(c) at least one delegated supply chain management practitioner[4].

(d) The bid evaluation committee shall review the evaluation reports prepared in accordance with sub clause 4.2.3 of the standard and as a minimum verify the following in respect of the recommended tenderer:

(i) the capability and capacity of a tenderer to perform the contract;

(ii) the tenderer's tax and municipal rates and taxes compliance status;

(iii) confirm that the tenderer's municipal rates and taxes and municipal service charges are not in arrears;

(iv) the Compulsory Declaration has been completed; and

(v) the tenderer is not listed in the National Treasury's Register for Tender Defaulters or the List of Restricted Suppliers.

(e) No tender submitted by a member of, or technical adviser or subject matter expert who participates in the work of the bid specification committee or a family member or associate of such a member, may be considered by the bid evaluation committee.

(f) The chairperson of the bid evaluation committee shall promptly notify the accounting officer or chief financial officer or designation of delegate of any respondent or tenderer who is disqualified for having engaged in fraudulent or corrupt practices during the tender process.

**(iv) Bid adjudication committee**

(a) The bid adjudication committee must be composed of at least four directors of the municipality which must include –

(i) the Chief Financial Officer or, if the Chief Financial Officer is not available, another manager reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer; and

(ii) a senior supply chain management practitioner.

(b) No member of the bid evaluation committee may serve on the bid adjudication committee. A member of a bid evaluation committee may, however, participate in the deliberations of a bid adjudication committee as a technical advisor or a subject matter expert.

(c) The bid adjudication committee shall:

(i) consider the report and recommendations of the bid evaluation committee and:

1. verify that the procurement process which was followed complies with the provisions of this document;

2. confirm that the report is complete and addresses all considerations necessary to make an award or a recommendation;

3. confirm the validity and reasonableness of reasons provided for the elimination of tenderers; and

[4] A supply chain management practitioner in the context of infrastructure delivery includes a built environment professional

4. consider commercial risks and identify any risks that have been overlooked or fall outside of the scope of the report which warrant investigation prior to taking a final decision; and

(ii) refer the report back to the bid evaluation committee for their reconsideration or make an award or a recommendation to the Accounting Officer on the award of a tender, with or without conditions, together with reasons for such recommendation.

(d) The bid adjudication committee shall consider proposals regarding the cancellation, amendment, extension or transfer of contracts that have been awarded and make a recommendation to the authorised person on the course of action which should be taken.

(e) The bid adjudication committee shall consider the merits of an unsolicited offer and make a recommendation to the Accounting Officer.

(f) The bid adjudication committee shall report to the Accounting Officer any recommendation made to award a contract to a tenderer other than the tenderer recommended by the bid evaluation committee, giving reasons for making such a recommendation.

(g) The bid adjudication committee shall not make a recommendation for an award of a contract or order if the recommended tenderer or framework contractor has:

(i) made a misrepresentation or submitted false documents in competing for the contract or order; or

(ii) been convicted of a corrupt or fraudulent act in competing for any contract during the past five years.

(h) The bid adjudication committee may on justifiable grounds and after following due process, disregard the submission of any tenderer if that tenderer or any of its directors, members or trustees or partners has abused the delivery management system or has committed fraud, corruption or any other improper conduct in relation to such system. The National Treasury and the Western Cape Provincial Treasury shall be informed where such tenderers are disregarded.

**b) Actions of an authorised person relating to the award of a contract or an order.**

**(i) Award of a contract**

(a) The authorised person shall, if the value of the contract inclusive of VAT, is within his or her delegation, consider the report(s) and recommendations of the bid adjudication committee, or in the case of the awards for contracts below the quotation threshold, the recommendation of the bid evaluation committee, and either:

(i) award the contract after confirming that the report is complete and addresses all considerations necessary to make a recommendation and budgetary provisions are in place; or

(ii) decide not to proceed or to start afresh with the process.

(b) The authorised person shall immediately notify the Head: Supply Chain Management if a tender other than the recommended tender is awarded, save where the recommendation is changed to rectify an irregularity. Such person shall, within 10 business days, notify in writing the Auditor-General, the National Treasury and the Western Cape Provincial Treasury of the reasons for deviating from such recommendation.

**(ii) Issuing of an order**

(a) The authorised person shall, if the value of an order issued in terms of a framework contract, is within his or her delegation, consider the recommendation of the bid evaluation committee or the delegated authority, as relevant, and either:

(i) authorise the issuing of an order in accordance with the provisions of clause 4.2.5 of the standard by

1. confirming that the required goods or services, or any combination thereof, are within the scope of the work associated with the relevant framework

2. considering the recommendations of the evaluation report where competition amongst framework contracts takes place or a significant proportion of the total of the prices is negotiated, based on the financial parameter contained in the framework contract, and either confirm the reasonableness of such recommendations and sign the acceptance of the order, refer the evaluation report and recommendation back to those who prepared it; or

(ii) decide not to proceed or to start afresh with the process.

**c) Conduct of those engaged in infrastructure delivery**

**(i) General requirements**

(a) All personnel and agents of the Municipality shall comply with the requirements of the CIDB Code of Conduct for all Parties engaged in Construction Procurement. They shall:

(i) behave equitably, honestly and transparently;

(ii) discharge duties and obligations timeously and with integrity;

(iii) comply with all applicable legislation and associated regulations;

(iv) satisfy all relevant requirements established in procurement documents;

(v) avoid conflicts of interest; and

(vi) not maliciously or recklessly injure or attempt to injure the reputation of another party.

(b) All personnel and agents engaged in the Municipality's infrastructure delivery management system shall:

(i) not perform any duties to unlawfully gain any form of compensation, payment or gratification from any person for themselves or a family member or an associate;

(ii) perform their duties efficiently, effectively and with integrity and may not use their position for private gain or to improperly benefit another person;

(iii) strive to be familiar with and abide by all statutory and other instructions applicable to their duties;

(iv) furnish information in the course of their duties that is complete, true and fair and not intended to mislead;

(v) ensure that resources are administered responsibly;

(vi) be fair and impartial in the performance of their functions;

(vii) at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual;

(viii) not abuse the power vested in them;

(ix) not place themselves under any financial or other obligation to external individuals or firms that might seek to influence them in the performance of their duties;

(x) assist the Municipality in combating corruption and fraud within the infrastructure procurement and delivery management system;

(xi) not disclose information obtained in connection with a project except when necessary to carry out assigned duties;

(xii) not make false or misleading entries in reports or accounting systems; and

(xiii) keep matters of a confidential nature in their possession confidential unless legislation, the performance of duty or the provision of the law require otherwise.

(c) An employee or agent of the Municipality may not amend or tamper with any submission, tender or contract in any manner whatsoever.

**(ii) Conflicts of interest**

(a) The employees and agents of the Municipality who are connected in any way to procurement and delivery management activities which are subject to this policy, shall:

(i) disclose in writing to the employee of the Municipality to whom they report, or to the person responsible for managing their contract, if they have, or a family member or associate has, any conflicts of interest; and

(ii) not participate in any activities that might lead to the disclosure of the Municipality proprietary information.

(b) The employees and agents of the Municipality shall declare and address any perceived or known conflict of interest, indicating the nature of such conflict to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to a procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

(c) Agents who prepare a part of a procurement document may in exceptional circumstances, where it is in the Municipality's interest to do so, submit a tender for work associated with such documents provided that:

(i) the Municipality states in the tender data that such an agent is a potential tenderer;

(ii) all the information which was made available to, and the advice provided by that agent which is relevant to the tender, is equally made available to all potential tenderers upon request, if not already included in the scope of work; and

(iii) the bid specification committee is satisfied that the procurement document is objective and unbiased having regard to the role and recommendations of that agent.

(iii) Evaluation of submissions received from respondents and tenderers

(a) The confidentiality of the outcome of the processes associated with the calling for expressions of interest, quotations or tenders shall be preserved. Those engaged in the evaluation process shall:

(i) not have any conflict between their duties as an employee or an agent and their private interest;

(ii) may not be influenced by a gift or consideration (including acceptance of hospitality) to show favour or disfavour to any person;

(iii) deal with respondents and tenderers in an equitable and even-handed manner at all times; and

(iv) not use any confidential information obtained for personal gain and may not discuss with, or disclose to outsiders, prices which have been quoted or charged to the Municipality.

(b) The evaluation process shall be free of conflicts of interest and any perception of bias. Any connections between the employees and agents of the Municipality and a tenderer or respondent shall be disclosed and recorded in the bid adjudication evaluation report.

(c) the Municipality's personnel and their agents shall immediately withdraw from participating in any manner whatsoever in a procurement process in which they, or any close family member, partner or associate, has any private or business interest.

**(iv) Non-disclosure agreements**

Confidentiality agreements in the form of non-disclosure agreements shall, where appropriate, be entered into with agents and potential contractors to protect the Municipality's confidential information and interests.

**(v) Gratifications, hospitality and gifts**

(a) The employees and agents of the Municipality shall not, directly or indirectly, accept or agree or offer to accept any gratification from any other person including a commission, whether for the benefit of themselves or for the benefit of another person, as an inducement to improperly influence in any way a procurement process, procedure or decision.

(b) The employees and agents of the Municipality as well as their family members or associates shall not receive any of the following from any tenderer, respondent or contractor or any potential contractor:

(i) money, loans, equity, personal favours, benefits or services;

(ii) overseas trips; or

(iii) any gifts or hospitality irrespective of value from tenderers or respondents prior to the conclusion of the processes associated with a call for an expression of interest or a tender.

(c) The employees and agents of the Municipality shall not purchase any items at artificially low prices from any tenderer, respondent or contractor or any potential contractor at artificially low prices which are not available to the public.

(d) All employees and agents of the Municipality may for the purpose of fostering interpersonal business relations accept the following:

(i) meals and entertainment, but excluding the cost of transport and accommodation;

(ii) promotional material of small intrinsic value such as pens, paper-knives, diaries, calendars, etc;

(iii) incidental business hospitality such as business lunches or dinners, which the employee is prepared to reciprocate;

(iv) complimentary tickets to sports meetings and other public events, but excluding the cost of transport and accommodation, provided that such tickets are not of a recurrent nature; and

(v) gifts in kind other than those listed in a) to d) which have an intrinsic value greater than R350 unless they have not declared them to the Accounting Officer or delegated official.

(e) Under no circumstances shall gifts be accepted from prospective contractors during the evaluation of calls for expressions of interest, quotations or tenders that could be perceived as undue and improper influence of such processes.

(f) Employees and agents of the Municipality shall without delay report to the Accounting Officer or appropriately delegated authority any incidences of a respondent, tenderer or contractor who directly or indirectly offers a gratification to them or any other person to improperly influence in any way a procurement process, procedure or decision.

**(vi) Reporting of breaches**

Employees and agents of the Municipality shall promptly report to the Accounting Officer or chief financial officer or appropriately delegated authority any alleged improper conduct which they may become aware of, including any alleged fraud or corruption.

**d) Measures to prevent abuse of the infrastructure delivery system**

(i) The Accounting Officer or chief financial officer or appropriately delegated authority shall investigate all allegations of corruption, improper conduct or failure to comply with the requirements of this policy against an employee or an agent, a contractor or other role player and, where justified:

(a) take steps against an employee or role player and inform the National Treasury and the Western Cape Provincial Treasury of those steps;

(b) report to the South African Police Service any conduct that may constitute a criminal offence;

(c) lodge complaints with the Construction Industry Development Board or any other relevant statutory council where a breach of such council's code of conduct or rules of conduct are considered to have been breached;

(d) cancel a contract if:

(i) it comes to light that the contractor has made a misrepresentation, submitted falsified documents or has been convicted of a corrupt or fraudulent act in competing for a particular contract or during the execution of that contract; or

(ii) an employee or other role player committed any corrupt or fraudulent act during the tender process or during the execution of that contract.

**e) Awards to persons in the service of the state**

(i) Any submissions made by a respondent or tenderer who declares in the Compulsory Declaration that a principal is one of the following shall be rejected:

(a) a member of any municipal council, any provincial legislature, or the National Assembly or the National Council of Provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

(ii) The notes to the annual financial statements of the Municipality shall disclose particulars of an award of more than R 2000 to a person who is a family member of a person identified who is in the service of the state or who has been in the previous 12 months. Such notes shall include the name of the person, the capacity in which such person served and the amount of the award.

**f) Collusive tendering**

(i) Any submissions made by a respondent or tenderer who fails to declare in the Compulsory Declaration that the tendering entity:

(ii) is not associated, linked or involved with any other tendering entity submitting tender offers; or

(iii) has not engaged in any prohibited restrictive horizontal practices including consultation, communication, agreement, or arrangement with any competing or potential tendering entity regarding prices, geographical areas in which goods and services will be rendered, approaches to determining prices or pricing parameters, intentions to submit a tender or not, the content of the submission (specification, timing, conditions of contract etc.) or intention to not win a tender

shall be rejected.

**g) Placing of contractors under restrictions**

(i) If any tenderer which has submitted a tender offer or a contractor which has concluded a contract has, as relevant:

(a) withdrawn such tender or quotation after the advertised closing date and time for the receipt of submissions;

(b) after having been notified of the acceptance of his tender, failed or refused to commence the contract;

(c) had their contract terminated for reasons within their control without reasonable cause;

(d) offered, promised or given a bribe in relation to the obtaining or the execution of such contract;

(e) acted in a fraudulent, collusive or anti-competitive or improper manner or in bad faith towards the Municipality; or

(f) made any incorrect statement in any affidavit or declaration with regard to a preference claimed and is unable to prove to the satisfaction of the Municipality that the statement

was made in good faith or reasonable steps were taken to confirm the correctness of the statements,

(g) the Manager: Contract Management & Logistics shall prepare a report on the matter and make a recommendation to the Accounting Officer for placing the contractor or any of its principals under restrictions from doing business with the Municipality.

(ii) The Accounting Officer may, as appropriate, upon the receipt of a recommendation made in terms of 6(1)(g)(i)(g) and after notifying the contractor of such intention in writing and giving written reasons for such action, suspend a contractor or any principal of that contractor from submitting a tender offer to the Municipality for a period of time.

(iii) The Contract Management office shall:

(a) record the names of those placed under restrictions in an internal register which shall be accessible to employees and agents of the Municipality who are engaged in procurement processes; and

(b) notify the National Treasury and Western Cape Provincial Treasury and, if relevant, the Construction Industry Development Board, of such decision and provide them with the details associated therewith.

**h) Complaints**

(i) All complaints regarding the Municipality's infrastructure delivery management system shall be addressed to the Head: Supply Chain Management. Such complaints shall be in writing.

(ii) The relevant user department shall investigate all complaints regarding the infrastructure procurement and delivery management system and report on actions taken to the Head: Supply Chain Management who will decide on what action to take.

**2) ACQUISITION MANAGEMENT**

**a) Unsolicited proposal**

(i) The Municipality is not obliged to consider unsolicited offers received outside a normal procurement process but may consider such an offer only if:

(a) the goods, services or any combination thereof that is offered is a demonstrably or proven unique innovative concept;

(b) proof of ownership of design, manufacturing, intellectual property, copyright or any other proprietary right of ownership or entitlement is vested in the person who made the offer;

(c) the offer presents a value proposition which demonstrates a clear, measurable and foreseeable benefit for the Municipality;

(d) the offer is in writing and clearly sets out the proposed cost;

(e) the person who made the offer is the sole provider of the goods or service; and

(f) the Accounting Officer finds the reasons for not going through a normal tender processes to be sound.

(ii) The Accounting Officer may only accept an unsolicited offer and enter into a contract after considering the recommendations of the bid adjudication committee if:

(a) the intention to consider an unsolicited proposal has been made known in accordance with Section 21A of the Municipal Systems Act of 2000 together with the reasons why such a proposal should not be open to other competitors, an explanation of the potential benefits for the Municipality and an invitation to the public or other potential suppliers and providers to submit their comments within 30 days after the notice;

(b) the Municipality has obtained comments and recommendations on the offer from the National Treasury and the Western Cape Provincial Treasury;

(c) the bid adjudication committee meeting which makes recommendations to accept an unsolicited proposal was open to the public and took into account any public comments that were received and any comments and recommendations received from the National Treasury and the Western Cape Provincial Treasury; and

(d) the provisions of 6(2)(a)(iii) are complied with.

(iii) The Accounting Officer shall, within 5 business days after the decision to award the unsolicited offer is taken, submit the reasons for rejecting or not following the recommendations to the National Treasury, the Western Cape Provincial Treasury and Auditor General. A contract shall in such circumstances not be entered into or signed within 22 business days of such submission.

**b) Tax and rates compliance**

**(i) SARS tax clearance**

(a) No contract may be awarded or an order issued where the value of such transaction exceeds R 30 000, whose tax matters have been declared by the South African Revenue Service to be in order or if not domiciled in the Republic of South Africa and the SARS has confirmed that such a tenderer is not required to prove their tax compliance status.

(b) In the case of a partnership, each partner shall comply with the requirements of 6(2)(b)(i)(a).

(c) No payment shall be made to a contractor who does not satisfy the requirements of 6(2)(b)(i)(a). An employee of the Municipality shall upon detecting that a tenderer or contractor is not tax compliant, immediately notify such person of such status.

(d) Notwithstanding the requirements of 6(2)(b)(i) and 6(2)(b)(ii) the following shall apply, unless a person who is not tax compliant indicates to the Head: Supply Chain Management or his delegate that it intends challenging its tax compliance status with SARS,

(i) a contract may be awarded to a non-compliant tenderer if such a tenderer is able to remedy its tax compliance status within a period not exceeding 10 business days after being duly notified of its non-compliant status;

(ii) an order may be awarded to a non-compliant contractor if such a contractor is able to remedy its tax compliance status within a period not exceeding 10 business days after being duly notified of its non-compliant status;

(iii) a non-compliant contractor shall be issued with a first warning that payments in future amounts due in terms of the contract may be withheld, before the authorising of any payment due to such contractor;

(iv) before authorising a further payment due to a non-compliant contractor who has failed to remedy its tax compliance status after receiving a first warning, a second and final warning shall be issued to such contractor;

(v) no payments may be released for any amounts due in terms of the contract due to a non-compliant contractor if, after a period of 30 calendar days have lapsed since the second warning was issued, the non-compliant contractor has failed to remedy its tax compliance status.

(e) The Municipality may cancel a contract with a non-compliant contractor if such a contractor fails to remedy its tax compliance status after a period of 30 calendar days have lapsed since the second warning was issued in terms of 6(2)(b)(i)(d)(v).

**(ii) Municipal rates and taxes**

No contract may be awarded to a tenderer who, or the principals of that tenderer, owes municipal rates and taxes or municipal service charges to any municipality or a municipal entity and are in arrears for more than 3 months.

**c) Declarations of interest**

(i) Tenders and respondents making submissions in response to an invitation to submit a tender or a call for an expression of interest, respectively shall declare in the Compulsory Declaration whether or not any of the principals:

(a) are an employee of the Municipality or in the employ of the state; or

(b) have a family member or a business relation with a person who is in the employ of the state.

**d) Invitations to submit expressions of interest or tender offers**

(i) All invitations to submit tenders where the estimated value of the contract exceeds R200,000 including VAT, except where a confined tender process is followed, and expressions of interest shall be advertised on the Municipality's website and on the National Treasury e-Tender Publication Portal.

(ii) Advertisements relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Board Act of 2000 shall in addition to the requirements of 6(2)(d)(i) be advertised on the CIDB website.

(iii) Where deemed appropriate by the bid specification committee an invitation to tender and a call for an expression of interest shall be advertised in suitable local and national newspapers and the Government Tender Bulletin as directed by such person.

(iv) Such advertisements shall be advertised for a period of at least 22 business days before closure, except in urgent cases when the advertisement period may be shortened as determined by the Accounting Officer.

(v) Invitations to submit expressions of interest or tender offers shall be issued not less than 10 business days before the closing date for tenders and at least 5 business days before any compulsory clarification meeting. Procurement documents shall be made available not less than 5 business days before the closing time for submissions.

**e) Publication of submissions received and the award of contracts**

(i) The names of all tenderers that made submissions shall be published within 10 business days of the closure of any advertised call for an expression of interest or an invitation to tender where the estimated value of the contract exceeds R200,000 including VAT on the Municipality's website, and if practical or applicable, the total of the prices and the preferences claimed. Such information shall remain on the website for at least 22 business days.

(ii) The following information will be published on the Municipality's website within 7 business days of the award of a contract:

(a) the contract number;

(b) contract title;

(c) brief description of the goods, services or works;

(d) the total of the prices, if practical;

(e) the names of successful tenderers and their B-BBEE status level of contribution;

(f) duration of the contract; and

(g) brand names, if applicable.

(iii) The information regarding the successful and unsuccessful tenders required by National Treasury shall be submitted within 7 business days of the award of a contract on the National Treasury e-Tender Publication Portal.

(iv) The award of contracts relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Board Act of 2000 shall in addition to the requirements of 6(2)(e)(iii) be notified on the CIDB website.

**f) Disposal committee**

(i) The Accounting Officer shall appoint on a disposal by disposal basis in writing the members of the disposal committee to decide on how best to undertake disposals in accordance with the provisions of clause 10 of the standard.

(ii) The disposal panel shall comprise not less than three people. The chairperson shall be an employee of the Municipality.

(iii) The disposal committee shall make recommendations to the Accounting Officer who shall approve the recommendations, refer the disposal strategy back to the disposal committee for their reconsideration and decide not to proceed or to start afresh with the process.

### 3) REPORTING OF INFRASTRUCTURE DELIVERY MANAGEMENT INFORMATION

The Head: Supply Chain Management or his delegate shall submit any reports required in terms of the standard to the National Treasury or the Western Cape Provincial Treasury.

## 7 INFRASTRUCTURE PROCUREMENT

### 1) Procurement documents

a) The forms of contract that may be used are as follows:

| Form of contract | Code | Usage |
|---|---|---|
| **Construction Industry Development Board (CIDB)** | | |
| CIDB Standard Professional Service Contract | SPSC | Professional services |
| CIDB General Conditions of Purchase | - | An order form type of contract for low-value goods without any incidental work or services on or before a specified date being required. |
| CIDB Contract for the Supply and Delivery of Goods | - | Simple, regional purchase of readily available materials or commodities which require almost no management of the buying and delivery process, minimal testing, installation and commissioning on delivery. |
| CIDB General Conditions of Service | - | An order form type of contract where low-value services on or before a specified date are required. |
| **International Federation of Consulting Engineers (FIDIC)** | | |
| FIDIC Short Form of Contract | Green Book | Building or engineering works of relatively small capital value, or for relatively simple or repetitive work, or for work of short duration. Use for design by employer- or contractor-designed works. |
| FIDIC Conditions of Contract for Construction for Building and Engineering Works designed by the Employer | Red Book | Building or engineering works designed by the employer. (The works may include some elements of contractor-designed works.) |
| FIDIC Conditions of Contract for plant and design-build for electrical and mechanical plant, and for building and engineering works, designed by the contractor | Yellow Book | The provision of electrical or mechanical plant and the design and construction of building or engineering works. |
| FIDIC Conditions of Contract for EPC Turnkey Projects | Silver Book | The provision on a design and construct (turnkey) basis of a process or power plant, of a factory or similar facility, or an infrastructure project or other type of development. |
| FIDIC Conditions of Contract for Design, Build and Operate Projects | Gold Book | "Green field" building or engineering works which are delivered in terms of a traditional design, build and operate sequence with a 20-year operation period. (The contractor has no responsibility for the financing of the project/package or its ultimate commercial success.) |
| **South African Institution of Civil Engineering (SAICE)** | | |
| SAICE General Conditions of Contract for Construction Works | GCC | Engineering and construction, including any level of design responsibility. |
| **Joint Building Contracts Committee (JBCC)** | | |
| JBCC Principal Building Agreement | PBA | Buildings and related site works designed by the employer. |
| JBCC Minor Works Agreement | MWA | Buildings and related site works of simple content designed by the employer. |
| **Institution of Civil Engineers (ICE)** | | |
| NEC3 Engineering and Construction Contract | ECC | Engineering and construction including any level of design responsibility. |
| NEC3 Engineering and Construction Short Contract | ECSC | Engineering and construction which do not require sophisticated management techniques, comprise straight forward work and impose only low risks on both the employer and contractor. |
| NEC3 Professional Services Contract | PSC | Professional services, such as engineering, design or consultancy advice. |
| NEC3 Professional Services Short Contract | PSCC | Professional services which do not require sophisticated management techniques, comprise straightforward work and impose only low risks on both the client and consultant. |
| NEC3 Term Service Contract | TSC | Manage and provide a service over a period of time. |

| Form of contract | Code | Usage |
|---|---|---|
| NEC3 Term Service Short Contract | TSSC | Manage and provide a service over a period of time, or provide a service which does not require sophisticated management techniques, comprises straightforward work and imposes only low risks on both the employer and contractor. |
| NEC3 Supply Contract | SC | Local and international procurement of high-value goods and related services, including design. |
| NEC3 Supply Short Contract | SSC | Local and international procurement of goods under a single order or on a batch order basis and is suitable for use with contracts which do not require sophisticated management techniques, and impose only low risks on both the purchaser and the supplier. |

(i) The Municipality's preapproved templates for Part C1 (Agreements and contract data) of procurement documents shall be utilised to obviate the need for legal review prior to the awarding of a contract. All modifications to the standard templates shall be approved by the Specification Committee prior to being issued for tender purposes.

(ii) Disputes arising from the performance of a contract shall be finally settled in a South African court of law.

(iii) The Municipal Declaration and returnable documents contained in the standard shall be included in all tenders for:

(a) consultancy services; and

(b) goods and services or any combination thereof where the total of the prices is expected to exceed R10 m including VAT.

**2) Developmental procurement policy**

**a) The following specific goals shall be proposed:**

Refer to the Emerging contractor development policy.

**3) Payment of contractors**

The Municipality will settle all accounts within 30 days after receipt of an invoice and statement for the month in question, detailing all invoices during that month and reflecting the total amount due by the Municipality, unless specified differently in the contract. In exceptional circumstances the Municipality may, at its discretion, deviate from the above.

**4) Approval to utilise specific procurement procedures**

a) Prior approval shall be obtained for the following procurement procedures from the following persons, unless such a procedure is already provided for in the approved procurement strategy:

(i) The CFO or Accounting Officer shall authorise the use of the negotiated procedure above the thresholds provided in the standard.

(ii) The Accounting Officer shall authorise the approaching of a confined market except where a rapid response is required in the presence of, or the imminent risk of, an extreme or emergency situation arising from the conditions set out in the standard and which can be dealt with or the risks relating thereto arrested within 48 hours; and

(iii) The proposal procedure using the two-envelope system, the proposal procedure using the two-stage system or the competitive negotiations procedure

b) The person authorised to pursue a negotiated procedure in an emergency is the Accounting Officer.

**5) Receipt and safeguarding of submissions**

a) A dedicated and clearly marked tender box shall be made available to receive all submissions made.

b) The tender box shall be fitted with two locks and the keys kept separately by two SCM practitioners. Such personnel shall be present when the box is opened on the stipulated closing date for submissions.

**6) Opening of submissions**

a) Submissions shall be opened by an opening panel comprising two people SCM practitioners who have declared their interest or confirmed that they have no interest in the submissions that are to be opened.

b) The opening panel shall open the tender box at the stipulated closing time and:

(i) sort through the submissions of all tenders that has closed that day;

(ii) return submissions unopened and suitably annotated where:

(a) submissions are received late,
(b) submissions were submitted by a method other than the stated method,
(c) submissions were withdrawn in accordance with the procedures contained in SANS 10845-3; and.
(d) only one tender submission is received and it is decided not to open it and to call for fresh tender submissions;
(e) record in the register submissions that were returned unopened;
(f) open submissions if received in sealed envelopes and annotated with the required particulars and read out the name of and record in the register the name of the tenderer or respondent and, if relevant, the total of prices including VAT where this is possible;
(g) record in the register the name of any submissions that is returned with the reasons for doing so;
(h) record the names of the tenderer's representatives that attend the public opening;
(i) sign the entries into the register; and
(j) stamp each returnable document in each tender submission.

c) Each member of the opening panel shall initial the front cover of the submission and all pages that are stamped in accordance with the requirements of 7.7.2h).

d) Respondents and tenderers whose submissions are to be returned shall be afforded the opportunity to collect their submissions.

e) Submissions shall be safeguarded from the time of receipt until the conclusion of the procurement process.

**7) Use of another organ of state's framework agreement**

The Municipality may make use of another organ of state's framework contract which has been put in place by means of a competitive tender process and there are demonstrable benefits for doing so. The Accounting Officer or delegated official shall make the necessary application to that organ of state to do so.

**8) Insurances**

a) Contractors shall be required to take out all insurances required in terms of the contract.

b) The insurance cover in engineering and construction contracts for loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract shall in general not be less than the value stated in Table 4, unless otherwise directed by relevant Director.

c) Lateral earth support insurance in addition to such insurance shall be taken out on a case by case basis.

***Table 4: Minimum insurance cover***

| Type of insurance | Value |
|---|---|
| Engineering and construction contracts - loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract | Not less than R20 million |

| Type of insurance | Value |
|---|---|
| Professional services and service contracts - death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract or damage to property | Not less than R10 million |
| Professional indemnity insurance | Geotechnical, civil and structural engineering: R5,0 million<br>Electrical, mechanical & engineering: R3,0million<br>Architectural: R5,0 million<br>Other R3,0 million |

d) The insurance cover in professional services and service contracts for damage to property or death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract shall not be less than the value stated in Table 4 for any one event unless otherwise directed by relevant Director.

e) SASRIA Special Risk Insurance in respect of riot and associated risk of damage to the works, Plant and Materials shall be taken out on all engineering and construction works.

f) Professional service appointments shall as a general rule be subject to proof of current professional indemnity insurance being submitted by the contractor in an amount not less than the value stated in Table 4 in respect of each claim, without limit to the number of claims, unless otherwise directed by the relevant Director in relation to the nature of the service that they provide.

g) The Municipality shall take out professional indemnity insurance cover where it is deemed necessary to have such insurance at a level higher than the levels of insurance commonly carried by contractors.

h) Where payment is to be made in multiple currencies, either the contractor or the Municipality should be required to take out forward cover. Alternatively, the prices for the imported content should be fixed as soon as possible after the starting date for the contract.

**9) Written reasons for actions taken**

a) Written reasons for actions taken shall be provided by a contract owner.

b) The written reasons for actions taken shall be as brief as possible and shall as far as is possible, and where relevant, be framed around the clauses in the:

(i) SANS 10845-3, Construction procurement - Part 3: Standard conditions of tender, and, giving rise to the reason why a respondent was not short listed, prequalified or admitted to a data base; or

(ii) SANS 10845-4, Construction procurement - Part 4: Standard conditions for the calling for expressions of interest;

as to why a tenderer was not considered for the award of a contract or not awarded a contract.

c) Requests for written reasons for actions taken need to be brief and to the point and may not divulge information which is not in the public interest or any information which is considered to prejudice the legitimate commercial interests of others or might prejudice fair competition between tenderers.

**10) Request for access to information**

a) Should an application be received in terms of Promotion of Access to Information Act of 2000 (Act 2 of 2000), the “requestor” should be referred to the Municipality’s Information Manual which establishes the procedures to be followed and the criteria that have to be met for the “requester” to request access to records in the possession or under the control of the Municipality.

**b)** Access to technical and commercial information such as a comprehensive programme which links resources and prices to such programme should be refused as such information provides the order and timing of operations, provisions for time risk allowances and statements as to how the contractor plans to do the work which identifies principal equipment and other resources which he plans to use. Access to a bill of quantities and rates should be provided in terms of the Act.

## 11) SHORT TITLE AND COMMENCEMENT

This part of the policy is called the SCM Policy for Infrastructure Procurement and Delivery Management of the Overstrand Municipality.

This policy will come into effect on **1 July 2021** and will be reviewed at least annually by way of a Council resolution.

| | | | |
|---|---|---|---|
| **POLICY SECTION:** | **HEAD: SUPPLY CHAIN MANAGEMENT** | | |
| **CURRENT UPDATE** | 2021/05/26 | **PREVIOUS REVIEW:** | 2018/05/30 |
| **PREVIOUS REVIEW:** | 2020/05/27 | **PREVIOUS REVIEW:** | 2017/11/29 |
| **PREVIOUS REVIEW:** | 2019/06/26 | **PREVIOUS REVIEW:** | 2017/05/31 |
| **PREVIOUS REVIEW:** | 2019/05/29 | | |
| | | | |

**OVERSTRAND**
**MUNICIPALITY**




# PART C
# PREFERENTIAL PROCUREMENT POLICY

## PART C

**PREFERENTIAL PROCUREMENT POLICY** adopted in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 and the Preferential Procurement Regulations, 2017

## PREAMBLE

**WHEREAS** the Overstrand Municipality aims to improve the quality of life of the local community and to free the potential of each person within a framework of facilitating service delivery, through effective governance and the Council takes into account the need for transparent procedures that give the effect to the principle of preferential procurement;

**AND WHEREAS** local economic development plays a crucial role in creating a prosperous, equitable, stable and democratic society and the overall national vision of economic development is one of decent work and living standards for all in the context of qualitative improved equality in ownership, skills and access to opportunities;

**NOW THEREFORE** the Council of the Overstrand Municipality resolves in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 that the principles embodied in the Preferential Procurement Regulations, 2017 are herewith integrated into the Overstrand Municipality's Supply Chain Management Policy to form the basis of the evaluation criteria for quotations and competitive tenders.

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## 1 Definitions

In this policy, unless the context indicates otherwise, a word or expression to which a meaning has been assigned in the Act bears the same meaning, and:

| | |
|---|---|
| ***"all applicable taxes"*** | includes Value-Added Tax, Pay-as-you-Earn, Income Tax, Unemployment Insurance Fund Contributions and Skills Development Levies; |
| ***"B-BBEE"*** | means Broad-Based Black Economic Empowerment as defined in Section 1 of the Broad-Based Black Economic Empowerment Act; |
| ***"B-BBEE status level of contributor"*** | means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act; |
| **"black designated groups"** | has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act; |
| **"black people"** | has the meaning assigned to it in section 1 of the Broad-Based Black Economic Empowerment Act; |
| ***"Broad-Based Black Economic Empowerment Act" (B-BBEEA)*** | means the Broad-Based Black Economic Empowerment Act, 2003 (Act No.53 of 2003); |
| **"co-operative"** | means a co-operative registered in terms of section 7 of the Cooperatives Act, 2005 (Act No. 14 of 2005); |
| ***"Comparative price"*** | means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration; |
| ***"Consortium or Joint Venture"*** | means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract; |
| ***"Contract"*** | means the agreement that results from the acceptance of a tender by the Overstrand Municipality; |
| **"designated group"** | means-<br>(a) black designated groups;<br>(b) black people;<br>(c) women;<br>(d) people with disabilities; or<br>(e) small enterprises, as defined in section 1 of the National Small Enterprise Act, 1996 (Act No. 102 of 1996); |
| ***"designated sector"*** | means a sector, sub-sector or industry or product designated in terms of **[clause]** paragraph 8(1)(a); |
| **"EME"** | means an exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act; |
| ***"Firm price"*** | is the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of a law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract; |
| ***"Functionality"*** | means the measurement according to predetermined norms, as set out in the tender documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a tenderer; |
| ***"imported content"*** | means that portion of the tender price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad, plus freight and direct importation costs, such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African port of entry; |
| ***"local content"*** | means that portion of the tender price which is not included in the imported content, provided that local manufacture does take place; |
| **"military veteran"** | has the meaning assigned to it in section 1 of the Military Veterans Act, 2011 (Act No. 18 of 2011); |
| **"Municipality"** | The Overstrand Municipality; |
| **"National Treasury"** | has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999); |
| ***"Non-firm prices"*** | means all prices other than "firm" prices; |
| **"organ of state"** | The definition of organ of state in section 1 of the Act in paragraph (a) to (e) includes- |

| | |
|---|---|
| | • a national or provincial department as defined in the Public Finance Management Act, 1999;<br>• a municipality as contemplated in the Constitution;<br>• a constitutional institution as defined in the Public Finance Management Act;<br>• Parliament;<br>• a provincial legislature.<br>Paragraph (f) of the definition of organ of state in section 1 of the Act includes any other institution or category of institutions included in the definition of "organ of state" in section 239 of the Constitution and recognised by the Minister by notice in the Government Gazette as an institution or category of institutions to which the Act applies. Government Notice R. 501 of 8 June 2011 recognises, with effect from 7 December 2011, all public entities listed in Schedules 2 and 3 to the Public Finance Management Act, 1999, as institutions to which the Act applies. Note should be taken of notices issued from time to time in terms of paragraph (f) of this definition. The application of these Regulations is also subject to applicable exemptions approved in terms of section 3 of the Act. |
| ***"Person"*** | includes reference to a juristic person; |
| **"people with disabilities"** | has the meaning assigned to it in section 1 of the Employment Equity Act, 1998 (Act No. 55 of 1998); |
| **"Policy"** | Means the Preferential Procurement Policy of the Overstrand Municipality |
| **"price"** | includes all applicable taxes less all unconditional discounts; |
| **"proof of B-BBEE status level of contributor"** | means-<br>(a) the B-BBEE status level certificate issued by an authorised body or person;<br>(b) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or<br>(c) any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act; |
| **"QSE"** | means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act; |
| ***"Rand value"*** | means the total estimated value of a contract in Rand, calculated at the time of the tender invitation; |
| **"rural area"** | means-<br>(a) a sparsely populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area; or<br>(b) an area including a large settlement which depends on migratory labour and remittances and government social grants for survival, and may have a traditional land tenure system; |
| ***"stipulated minimum threshold"*** | means the minimum threshold stipulated in terms of **[clause]** paragraph 8(1)(b); |
| ***"Sub-Contract"*** | means the primary contractor's assigning or leasing or making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract; |
| ***"Tender"*** | means a written offer in a prescribed or stipulated form in response to an invitation by the Overstrand Municipality for the provision of services, works or goods, through price quotations, advertised competitive tender processes or proposals; |
| ***"the Act"*** | means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000); |
| ***"Total revenue"*** | bears the same meaning assigned to this expression as in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act, 2003 and promulgated in the Government Gazette on 9 February 2007; |
| **"township"** | means an urban living area that any time from the late 19th century until 27 April 1994, was reserved for black people, including areas developed for historically disadvantaged individuals post 27 April 1994; |
| **"treasury"** | has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999); and |
| ***"Trust"*** | means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and |
| ***"Trustee"*** | means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person. |
| **"youth"** | has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008). |

**2 Application**

These Regulations apply to organs of state as envisaged in the definition of organ of state in section 1 of the Act.

**3 Identification of preference point system, designated sector, pre-qualification criteria, objective criteria and subcontracting**

1) The Municipality must-

   a) determine and stipulate in the tender documents-

      i) the preference point system applicable to the tender as envisaged in **[clause]** paragraph 6 or 7; or

      ii) if it is unclear which preference point system will be applicable, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system;

   b) determine whether pre-qualification criteria are applicable to the tender as envisaged in **[clause]** paragraph 4;

   c) determine whether the goods or services for which a tender is to be invited, are in a designated sector for local production and content as envisaged in **[clause]** paragraph 8;

   d) determine whether compulsory subcontracting is applicable to the tender as envisaged in **[clause]** paragraph 9; and

   e) determine whether objective criteria are applicable to the tender as envisaged in **[clause]** paragraph 11.

**4 Pre-qualification criteria for preferential procurement**

1) If the Municipality decides to apply pre-qualifying criteria to advance certain designated groups, then the tender must be advertised with a specific tendering condition that only one or more of the following tenderers may respond-

   a) a tenderer having a stipulated minimum B-BBEE status level of contributor;

   b) an EME or QSE;

   c) a tenderer subcontracting a minimum of 30% to-

      i) an EME or QSE which is at least 51% owned by black people;

      ii) an EME or QSE which is at least 51% owned by black people who are youth;

      iii) an EME or QSE which is at least 51% owned by black people who are women;

      iv) an EME or QSE which is at least 51% owned by black people with disabilities;

      v) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;

      vi) a cooperative which is at least 51% owned by black people;

      vii) an EME or QSE which is at least 51% owned by black people who are military veterans

      viii) an EME or QSE.

2) A tender that fails to meet any pre-qualifying criteria stipulated in the tender documents is an unacceptable tender.

**5 Tenders to be evaluated on functionality**

1) The Municipality must indicate in the tender documents if the tender will be evaluated on functionality;

2) The evaluation criteria for measuring functionality must be objective.

3) The tender documents must specify-

   a) evaluation criteria for measuring functionality;

   b) the points for each criteria and, if any, each sub-criterion; and

c) minimum qualifying score for functionality,

4) The minimum qualifying score for functionality for a tender to be considered further-

a) must be determined separately for each tender; and

b) may not be so-

i) low that it may jeopardise the quality of the required goods or services; or

ii) high that it is unreasonably restrictive.

5) Points scored for functionality must be rounded off to the nearest two decimal places.

6) A tender that fails to obtain the minimum qualifying score for functionality as indicated in the tender documents is not an acceptable tender.

7) Each tender that obtained the minimum qualifying score for functionality must be evaluated further in terms of price and the preference point system and any objective criteria envisaged in **[clause]** paragraph 11.

## 6 80/20 preference point system for acquisition of goods or services for Rand value equal to or above R30 000 and up to R50 million

1) The following formula must be used to calculate the points out of 80 for price in respect of a tender (including price quotations) with a Rand value equal to, or above R 30 000 and up to a Rand value of R50 million inclusive of all applicable taxes:

$$Ps = 80 \left(1 - \frac{(Pt - Pmin)}{Pmin}\right)$$

*Where;*

*Ps = Points scored for price of tender under consideration;*
*Pt = Price of tender under consideration; and*
*Pmin = Price of lowest acceptable tender.*

2) The following table must be used to calculate the score out of 20 for BBBEE:

| B-BBEE Status Level of Contributor | Number of Points |
|---|---|
| 1 | 20 |
| 2 | 18 |
| 3 | 14 |
| 4 | 12 |
| 5 | 8 |
| 6 | 6 |
| 7 | 4 |
| 8 | 2 |
| Non-compliant contributor | 0 |

3) A tenderer must submit proof of its B-BBEE status level of contributor.

4) A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified, but-

a) may only score points out of 80 for price; and

b) scores 0 points out of 20 for B-BBEE.

5) A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended subcontractor is an EME that has the capability to execute the subcontract.

6) The points scored by a tenderer for B-BBEE in terms of sub-**[clause]**paragraph (2) must be added to the points scored for price under sub-**[clause]**paragraph (1).

7) The points scored must be rounded off to the nearest two decimal places.

8) Subject to sub-**[clause]**paragraph (9) and **[clause]** paragraph 11, the contract must be awarded to the tenderer scoring the highest points.

9) If the price offered by a tenderer scoring the highest points is not market-related, the Municipality may not award the contract to that tenderer.

a) The Municipality may-

i) negotiate a market-related price with the tenderer scoring the highest points or cancel the tender;

ii) if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender;

iii) if the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points or cancel the tender.

b) If a market-related price is not agreed as envisaged in paragraph (a)(iii), the Municipality must cancel the tender.

**7 90/10 preference point system for acquisition of goods or services for Rand value above R50 million.**

1) The following formula must be used to calculate the points out of 90 for price in respect of a tender with a Rand value above R50 million, inclusive of all applicable taxes:

a) $Ps = 90\left(1 - \frac{(Pt - Pmin)}{Pmin}\right)$

*Where*

*Ps = Points scored for price of tender under consideration;*
*Pt = Price of tender under consideration; and*
*Pmin = Price of lowest acceptable tender*

2) The following table must be used to calculate the score out of 10 for BBBEE:

| B-BBEE Status Level of Contributor | Number of Points |
|---|---|
| 1 | 10 |
| 2 | 9 |
| 3 | 6 |
| 4 | 5 |
| 5 | 4 |
| 6 | 3 |
| 7 | 2 |
| 8 | 1 |
| Non-compliant contributor | 0 |

3) A tenderer must submit proof of its B-BBEE status level of contributor.

4) A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified, but-

a) may only score points out of 90 for price; and

b) scores 0 points out of 10 for B-BBEE.

5) A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended subcontractor is an EME that has the capability to execute the subcontract.

6) The points scored by a tenderer for B-BBEE in terms of sub-**[clause]**paragraph (2) must be added to the points scored for price under sub-**[clause]**paragraph (1).

7) The points scored must be rounded off to the nearest two decimal places.

8) Subject to sub-**[clause]**paragraph (9) and **[clause]** paragraph 11, the contract must be awarded to the tenderer scoring the highest points.

9) If the price offered by a tenderer scoring the highest points is not market-related, the Municipality may not award the contract to that tenderer.

   a) The Municipality may-

      i) negotiate a market-related price with the tenderer scoring the highest points or cancel the tender;

      ii) if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender;

      iii) if the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points or cancel the tender.

   b) If a market-related price is not agreed as envisaged in paragraph (a)(iii), the Municipality must cancel the tender.

## 8 Local Production and Content

1) The Department of Trade and Industry may, in consultation with the National Treasury-

   a) designate a sector, sub-sector or industry or product in accordance with national development and industrial policies for local production and content, where only locally produced services or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content, taking into account economic and other relevant factors; and

   b) stipulate a minimum threshold for local production and content.

2) The Municipality must, in the case of a designated sector, advertise the invitation to tender with a specific condition that only locally produced goods or locally manufactured goods, meeting the stipulated minimum threshold for local production and content, will be considered.

3) The National Treasury must inform organs of state of any designation made in terms of regulation 8(1) through a circular.

4a. If there is no designated sector, the Municipality may include, as a specific condition of the tender, that only locally produced services or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.

4b. The threshold referred to in paragraph (a) must be in accordance with the standards determined by the Department of Trade and Industry in consultation with the National Treasury.

5. A tender that fails to meet the minimum stipulated threshold for local production and content is an unacceptable tender.

## 9 Subcontracting as a condition of tender

1. If feasible to subcontract for a contract above R30 million, the Municipality must apply subcontracting to advance designated groups.

2. If the Municipality applies subcontracting as contemplated in sub-**[clause]**paragraph (1), the Municipality must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to-

   a) an EME or QSE;

   b) an EME or QSE which is at least 51% owned by black people;

   c) an EME or QSE which is at least 51% owned by black people who are youth;

   d) an EME or QSE which is at least 51% owned by black people who are women;

   e) an EME or QSE which is at least 51% owned by black people with disabilities;

   f) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;

   g) a cooperative which is at least 51% owned by black people;

h) an EME or QSE which is at least 51% owned by black people who are military veterans

i) more than one of the categories referred to in sub-**[clauses]**paragraphs (a) to (h).

3. The Municipality must make available the list of all suppliers registered on a database approved by the National Treasury to provide the required goods or services in respect of the applicable designated groups mentioned in sub-**[clause]**paragraph (2) from which the tenderer must select a supplier.

**10 Criteria for breaking deadlock in scoring**

1. If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for B-BBEE.
2. If functionality is part of the evaluation process and two or more tenderers score equal total points and equal preference points for B-BBEE, the contract must be awarded to the tenderer that scored the highest points for functionality.
3. If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

**11 Award of contracts to tenderers not scoring highest points**

1. A contract may be awarded to a tenderer that did not score the highest points only in accordance with section 2(1)(f) of the Act.
2. If an organ of state intends to apply objective criteria in terms of section 2(1)(f) of the Act, the organ of state must stipulate the objective criteria in the tender documents.

**12 Subcontracting after award of tender**

1. A person awarded a contract may only enter into a subcontracting arrangement with the approval of the organ of state.
2. A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
3. A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

**13 Cancellation of tender**

1. The Municipality may, before the award of a tender, cancel a tender invitation if-
   a) due to changed circumstances, there is no longer a need for the goods or services specified in the invitation;
   b) funds are no longer available to cover the total envisaged expenditure;
   c) no acceptable tender is received; or
   d) there is a material irregularity in the tender process.
2. The decision to cancel a tender invitation in terms of sub-**[clause]**paragraph (1) must be published in the same manner in which the original tender invitation was advertised.
3. The Municipality may only with the prior approval of the relevant treasury cancel a tender invitation for the second time.

**14 Remedies**

1. Upon detecting that a tenderer submitted false information regarding its B-BBBEE status level of contributor, local production and content, or any other matter required in terms of this policy which will affect or has affected the evaluation of a tender, or where a tenderer has failed to declare any subcontracting arrangements, the Municipality must-
   a) inform the tenderer accordingly;
   b) give the tenderer an opportunity to make representations within 14 days as to why-

i) the tender submitted should not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part;

ii) if the successful tenderer subcontracted a portion of the tender to another person without disclosing it, the tenderer should not be penalised up to 10 percent of the value of the contract; and

iii) the tenderer should not be restricted by the National Treasury from conducting any business for a period not exceeding 10 years with any organ of state; and

c) if it concludes, after considering the representations referred to in sub-**[clause]**paragraph (1)(b), that-

i) such false information was submitted by the tenderer-

a) disqualify the tenderer or terminate the contract in whole or in part; and

b) if applicable, claim damages from the tenderer; or

ii) the successful tenderer subcontracted a portion of the tender to another person without disclosing, penalise the tenderer up to 10 percent of the value of the contract.

2a. An organ of state must-

i) inform the National Treasury, in writing, of any actions taken in terms of sub-**[clause]**paragraph (1);

ii) provide written submissions as to whether the tenderer should be restricted from conducting business with any organ of state; and

iii) submit written representations from the tenderer as to why that tenderer should not be restricted from conducting business with any organ of state.

2b. The National Treasury may request an organ of state to submit further information pertaining to sub-**[clause]**paragraph (1) within a specified period.

3. The National Treasury must-

a) after considering the representations of the tenderer and any other relevant information, decide whether to restrict the tenderer from doing business with any organ of state for a period not exceeding 10 years; and

b) maintain and publish on its official website a list of restricted suppliers.

## 15 Circulars and guidelines

1. The National Treasury may issue-

a) a circular to inform organs of state of any matter pertaining to this policy; or

b) a guideline to assist organs of state with the implementation of any provision of this policy.

## 16 SHORT TITLE AND COMMENCEMENT

This part of the policy is called the Preferential Procurement Policy of the Overstrand Municipality.

This policy will come into effect on **1 July 2021** and will be reviewed at least annually by way of a Council resolution.

| POLICY SECTION: | HEAD: SUPPLY CHAIN MANAGEMENT | | | | |
|---|---|---|---|---|---|
| CURRENT REVIEW | 2021/05/26 | PREVIOUS REVIEW: | 2017/03/29 | | 2012/06/26 |
| PREVIOUS REVIEW | 2020/05/27 | PREVIOUS REVIEW: | 2016/05/25 | : PREVIOUS REVIEW: | 2012/05/30 |
| PREVIOUS REVIEW | 2019/06/26 | PREVIOUS REVIEW: | 2016/02/24 | PREVIOUS REVIEW: | 2011/11/30 |
| PREVIOUS REVIEW | 2019/05/29 | PREVIOUS REVIEW | 2015/05/28 | PREVIOUS REVIEW: | 2011/05/04 |
| PREVIOUS REVIEW: | 2018/05/30 | PREVIOUS REVIEW: | 2014/05/28 | PREVIOUS REVIEW: | 2010/05/26 |
| PREVIOUS REVIEW: | 2017/11/29 | PREVIOUS REVIEW: | 2013/05/29 | PREVIOUS REVIEW: | 2009/05/27 |
| PREVIOUS REVIEW: | 2017/05/31 | PREVIOUS REVIEW: | 2012/11/28 | APPROVAL | 2008/06/25 |

| DELEGATION OF POWERS AND DUTIES [CLAUSE] PARAGRAPH 4.2.81 | | |
|---|---|---|
| **As far as contractual obligations are concerned:** Personnel to be nominated in writing by the Municipal Manager, and Directors, subject to the under-mentioned criteria, and further subject to the municipality's Supply Chain Management Policy, financial regulations and council resolutions where applicable. | | |
| **4.2.81.1.** | ***APPROVAL / AWARD / CANCELLATION* OF QUOTATIONS, FORMAL QUOTATIONS AND TENDERS** | |
| **RAND VALUE (VAT inclusive)** | **LEVEL OF APPROVAL** (With due regard to proper segregation of duties) | **QUOTATIONS / TENDERS PROCESS FOLLOWED** |
| Up to R2 000 | Level of approval as delegated by relevant director | Petty cash Purchases in terms of the Petty Cash Policy AND / OR One (1) written quotation |
| R2 000.01 – R30 000.00 | Post level T12 and higher | Three (3) written price quotations in terms of Paragraph 17(1)(a) of the SCM Policy |
| R30 000.01 – R200 000.00 | Head: Supply Chain Management | Formal written price quotations in terms of Paragraph 18(b) of the SCM Policy |
| R200 000.01 – R10 million | Bid Adjudication Committee | Competitive Bidding – committee system |
| > R10 million | Municipal Manager after recommendation from the Bid Adjudication Committee | Competitive Bidding – committee system |
| **4.2.81.2** | ***APPROVAL OF DEVIATIONS*** | |
| **RAND VALUE (VAT inclusive)** | **LEVEL OF APPROVAL** | |
| **IN TERMS OF [CLAUSE] PARAGRAPH 36 ((1)(a)(v)(b) TO (i))** | | |
| R0 – R200 000.00 | Directors | |
| >R200 000.00 | Accounting Officer | |
| 36(1)(a)(v)(c) & (d) | Level of approval as delegated by relevant director | |
| **IN TERMS OF [CLAUSE] PARAGRAPH 36 ((1)(a)(i) TO (v)(a)** | | |
| R0 – R70 000.00 | Head: Supply Chain Management | |
| R70 000.01 – R200 000.00 | Chief Financial Officer (Director: Finance) after consultation with, and recommendation by, the Head: Supply Chain Management | |
| >R200 000.00 | Accounting Officer | |
| **4.2.81.3** | ***APPROVAL OF REQUESTS* FOR PURCHASE ORDERS & MUNICIPAL STORE ISSUES** | |
| Up to R2 000 | Level of approval as delegated by relevant director | |
| R2 000.01 – R30 000.00 | Post level T12 and higher | |
| R30 000.01 – R70 000.00 | Post level T13 and higher | |
| > R70 000.00 | Post level T16 and higher | |
| **4.2.81.4** | ***CERTIFICATION AND AUTHORISATION OF ALL PAYMENTS* inclusive of where an official order has been issued in terms of sub-paragraph 4.2.81.3 above** | |
| **RAND VALUE (VAT inclusive)** | **LEVEL OF APPROVAL (With due regard to proper segregation of duties)** | |
| R0 – R70 000.00 | Post Level 13 and Higher | |
| R70 000.01 – R500 000.00 | Post Level 16 and Higher | |
| > R 500 000.00 | Municipal Manager & Directors | |
| Eskom Bulk Electricity Purchases | Senior Manager: Electro-technical Services | |
| **4.2.81.5** | ***APPROVAL OF SPECIFICATIONS* FOR COMPETITIVE BIDS, in terms of [Clause] Paragraph 27(2)(g) of the SCM Policy** | |
| **Cryptic description of Power or Duty** | **Sub-delegated to** | **Remarks, Limitations or Conditions** |
| Specifications for Competitive Bids must be approved prior to the publication of the invitation for bids in terms of **[clause]** paragraph 22 of the SCM Policy. | All Directors | This delegation applies in so far as each director's responsibility for managing the respective votes of the municipality and to whom powers and duties for this purpose have been delegated in terms of Section 79 of the MFMA (Act 56 of 2003). |
| **4.2.81.6** | ***APPROVAL OF COMMUNICATION* WITH PROSPECTIVE BIDDERS** | |
| **Cryptic description of Power or Duty** | **Sub-delegated to** | **Remarks, Limitations or Conditions** |
| The budget holder must approach the bid specification committee to consider authorising communication with bidders prior to the closing date of tenders in terms of **[clause]** paragraph 22(6)(a) of the SCM Policy | Bid Specification Committee | This delegation applies in so far as the tender to which the communication relates and the members of the committee as appointed by the accounting officer |
| The budget holder must approach the bid evaluation committee to consider authorising communication with bidders after the closing of tenders in terms of **[clause]** paragraph 24(3)(c) of the SCM Policy | Bid Evaluation Committee | This delegation applies in so far as the tender to which the communication relates and the members of the committee as appointed by the accounting officer |
| **4.2.81.7** | **APPROVAL OF EXPANSIONS / VARIATIONS / AMENDMENTS IN THE CONTRACT SUM OR PERIOD** | |
| **RAND VALUE (VAT inclusive)** | **LEVEL OF APPROVAL** | **PROCESS FOLLOWED** |
| R0 – R200 000.00 (total inclusive of amendment) | Head: Supply Chain Management | Circular 62 Expansion / Variation |
| R200 000.01 – R10 million (total inclusive of amendment) | Bid Adjudication Committee | Circular 62 Expansion / Variation |
| R0 - unlimited | Municipal Manager with consent from Council | S116(3) Amendments |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **POLICY SECTION:** | HEAD: SUPPLY CHAIN MANAGEMENT | | | **PREVIOUS REVIEW:** | 2016/05/25 | **PREVIOUS REVIEW:** | 2012/11/28 | **PREVIOUS REVIEW:** | 2010/05/26 |
| **CURRENT UPDATE:** | 2021/05/26 | | | **PREVIOUS REVIEW:** | 2016/02/24 | **PREVIOUS REVIEW:** | 2012/07/26 | **PREVIOUS REVIEW:** | 2009/05/27 |
| **PREVIOUS REVIEW:** | 2020/05/27 | **PREVIOUS REVIEW:** | 2018/05/31 | **PREVIOUS REVIEW:** | 2015/05/28 | **PREVIOUS REVIEW:** | 2012/05/30 | **APPROVAL BY COUNCIL:** | 2008/05/25 |
| **PREVIOUS REVIEW:** | 2019/06/26 | **PREVIOUS REVIEW:** | 2017/11/29 | **PREVIOUS REVIEW:** | 2014/05/28 | **PREVIOUS REVIEW:** | 2011/11/30 | | |
| **PREVIOUS REVIEW:** | 2019/05/29 | **PREVIOUS REVIEW:** | 2017/05/31 | **PREVIOUS REVIEW:** | 2013/05/29 | **PREVIOUS REVIEW:** | 2011/05/04 | | |

## CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND OTHER ROLE PLAYERS

The **purpose** of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

### 1. General Principles

1) The Municipality commits itself to a policy of fair dealing and integrity in the conducting of its business. Officials and other role players involved in supply chain management (SCM) are in a position of trust, implying a duty to act in the public interest. Officials and other role players should not perform their duties to unlawfully gain any form of compensation, payment or gratuities from any person, or provider/contractor for themselves, their family or their friends.

2) Officials and other role players involved in SCM should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation, policies and guidelines. They should ensure that public resources are administered responsibly.

3) Officials and other role players involved in SCM should be fair and impartial in the performance of their functions. They should at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. They should not abuse the power and authority vested in them.

**Conflict of interest**

4) An official or other role player involved with supply chain management –

   a) must treat all providers and potential providers equitably;

   b) may not use his or her position for private gain or to improperly benefit another person;

   c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;

   d) must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;

   e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by the Municipality;

   f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;

   g) must declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest;

   h) should not place him/herself under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties; and

   i) should not take improper advantage of their previous office after leaving their official position.

**Accountability**

5) Practitioners are accountable for their decisions and actions to the public.

6) Practitioners should use public property scrupulously.

7) Only accounting officers or their delegates have the authority to commit the Municipality to any transaction for the procurement of goods and / or services.

8) All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.

9) Practitioners must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system.

10) Practitioners must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including

    a) any alleged fraud, corruption, favouritism or unfair conduct;

    b) any alleged contravention of the policy on inducements, rewards, gifts and favours to municipalities or municipal entities, officials or other role players; and

    c) any alleged breach of this code of conduct.

11) Any declarations made must be recorded in a register which the accounting officer must keep for this purpose. Any declarations made by the accounting officer must be made to the **mayor** who must ensure that such declaration is recorded in the register.

**Openness**

12) Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

**Confidentiality**

13) Any information that is the property of the Municipality or its providers should be protected at all times. No information regarding any bid / contract / bidder / contractor may be revealed if such an action will infringe on the relevant bidder's / contractor's personal rights.

14) Matters of confidential nature in the possession of officials and other role players involved in SCM should be kept confidential unless legislation, the performance of duty or the provisions of law requires otherwise. Such restrictions also apply to officials and other role players involved in SCM after separation from service**.**

## 2. Bid Specification / Evaluation / Adjudication Committees

1) Bid specification, evaluation and adjudication committees should implement supply chain management on behalf of the Municipality in an honest, fair, impartial, transparent, cost-effective and accountable manner.

2) Bid evaluation / adjudication committees should be familiar with and adhere to the prescribed legislation, directives and procedures in respect of supply chain management in order to perform effectively and efficiently.

3) All members of bid adjudication committees should be cleared by the accounting officer at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually.

4) No person should-

    a) interfere with the supply chain management system of the Municipality; or

    b) amend or tamper with any price quotation / bid after its submission.

## 3. Combative Practices

1) Combative practices are unethical and illegal and should be avoided at all cost. They include but are not limited to:

    a) Suggestions to fictitious lower quotations;

    b) Reference to non-existent competition;

    c) Exploiting errors in price quotations / bids;

    d) Soliciting price quotations / bids from bidders / contractors whose names appear on the Register for Tender Defaulters.

# OVERSTRAND MUNICIPALITY




# 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** ***(in relation to a municipality)*** | 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** ***(in relation to a duty)*** | 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** **(*In relation to a municipality)*** | means:<br>• an employee of a municipality;<br>• a person seconded to a municipality to work as a member of the staff of the municipality; or<br>• 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. ABREVIATIONS:

| | |
|---|---|
| **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.

5.6.8 All expansions, variations or amendments to the contract sum or contract period must be approved by the delegated authority prior to implementation thereof.

## 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 2021**;

This policy will be reviewed at least annually or when required by way of a Council resolution.

| POLICY SECTION: | MANAGER: CONTRACTS & LOGISTICTS |
|---|---|
| CURRENT UPDATE | 27 MAY 2021 |
| PREVIOUS REVIEW | 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 | 08 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<br>b) to whom the Chief Financial Officer has delegated a power, function or duty in respective 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:-<br>a) acting in such position; and<br>b) to whom the Municipal Manager has delegated a power, function or duty in respective 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

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);

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, :

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*

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]**a negative outlook in terms of the current Fitch Grading).

7.4 Short-term investments should be made with an institution with at least a minimum 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 Grading) 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

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.

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

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 2021** 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:** | 26 May 2021 |
| **PREVIOUS REVIEW:** | 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:** | 4 MAY 2011 |
| **PREVIOUS REVIEW:** | 26 MAY 2010 |
| **APPROVAL BY COUNCIL:** | 27 MAY 2009 |

# OVERSTRAND MUNICIPALITY




# BUDGET POLICY

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# 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 2019** 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

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 2019**, 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 2019**, 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 2019** 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 2019**, 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 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)

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.

### 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. |

| | |
|---|---|
| **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-subsidiary 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. |

| | |
|---|---|
| **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). |

| | |
|---|---|
| **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 Major 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

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.

### 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 2021** 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:** | 26 MAY 2021 |
| **PREVIOUS REVIEW:** | 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**<br>**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

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).

(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 2021** 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:** | 26 MAY 2021 |
| **PREVIOUS UPDATE:** | 27 MAY 2020 |
| **PREVIOUS UPDATE:** | 29 MAY 2019 |
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| **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 |
|---|---|
| **Community and Social Services** | **Finance and Administration** |
| Aged Care, Home Assistance and Transport Facilities | Administrative and Corporate Support |
| Animal Care and Diseases | Asset Management |
| Cemeteries, Funeral Parlours and Crematoriums | Finance |
| Child Care Facilities | Fleet Management |
| Community Halls and Facilities | Human Resources |
| Libraries and Archives | Information Technology |
| Literacy Programmes | Legal Services |
| Museums and Art Galleries | Marketing, Customer Relations, Publicity and Media Co-ordination |
| Theatres | Property Services |
| Zoo's | Risk Management |
| | Security Services |
| **Electricity and Gas** | Supply Chain Management |
| Electricity | Valuation Service |
| Street Lighting and Signal Systems | |
| | **Health** |
| **Environmental Protection** | Health Services |
| Biodiversity and Landscape | Laboratory Services |
| Coastal Protection | |
| Indigenous Forests | **Housing** |
| Nature Conservation | |
| Pollution Control | Housing |
| Soil Conservation | |
| **Executive and Council** | Informal Settlements |
| Mayor and Council | |
| Municipal Manager, Town Secretary and Chief Executive | **Internal Audit** |
| | Governance Function |
| **Other** | |
| Abattoirs | **Road Transport** |
| Air Transport | Public Transport |
| Forestry | Roads & Traffic Regulation |
| Licensing and Regulation | Roads |
| Markets | Taxi Ranks |
| Tourism | |

## 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 |
|---|---|---|
| | **Council & Mayor's Office** | 1 |
| **0010** | COUNCIL'S GENERAL | |
| **0050** | MAYORS OFFICE | |
| **0060** | PENSIONERS & CONTINUED MEMBERS | |
| | **MM & Internal Audit** | 2 |
| **0100** | MUNICIPAL MANAGER | |
| **0140** | INTERNAL AUDIT | |
| **0070** | RISK MANAGEMENT | |
| | **Management Services** | 3 |
| **0080** | MUNICIPAL COURT | |
| **0090** | COMMUNICATION | |
| **0110** | DIRECTOR: MANAGEMENT SERVICES | |
| **0120** | LEGAL SERVICES | |
| **0130** | STRATEGIC SERVICES | |
| **0650** | HUMAN RESOURCES | |
| **0660** | INFO & COMMUNICATION TECHNOLGY | |
| **0670** | COUNCIL SUPPORT SERVICES | |
| | **Finance** | 4 |
| **0150** | FINANCE: DIRECTOR | |
| **0160** | FINANCE: DEPUTY DIRECTOR | |
| **0180** | FINANCE: ACCOUNTING SERVICES | |
| **0190** | FINANCE: EXPENDITURE & ASSETS | |
| **0200** | FINANCE: REVENUE | |
| **0210** | FINANCE: SUPPLY CHAIN MANAGEMEMT | |
| **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 | |

| DEPT | DIRECTORATE | CODE |
|---|---|---|
| **1460** | STREETLIGHTS: KLEINMOND | |
| **1470** | STREETLIGHTS: HERMANUS | |
| **1480** | STREETLIGHTS: STANFORD | |
| **1490** | STREETLIGHTS: GANSBAAI | |
| **4200** | ELECTRICITY(ADMIN) HM/KM | |
| **4210** | ELECTRICITY(ADMIN) GB&ST | |
| **4250** | ELECTRICITY (DISTR): KLEINMOND | |
| **4260** | ELECTRICITY (DISTR): HERMANUS | |
| **4270** | ELECTRICITY (DISTR): STANFORD | |
| **4280** | ELECTRICITY (DISTR): GANSBAAI | |
| **4350** | ELECT (PURCH/SALES): KLEINMOND | |
| **4360** | ELECT (PURCH/SALES): HERMANUS | |
| **4370** | ELECT (PURCH/SALES): STANFORD | |
| **4380** | ELECT (PURCH/SALES): GANSBAAI | |
| **4400** | ELECTRICITY INCOME | |
| **4430** | ELECT (SERV & CON): KLEINMOND | |
| **4440** | ELECT (SERV & CON): HERMANUS | |
| **4450** | ELECT (SERV & CON): STANFORD | |
| **4460** | ELECT (SERV & CON): GANSBAAI | |
| **3640** | OVERSTRAND: SOLID WASTE DISP. | |
| | **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 |
|---|---|---|
| | **Community Services** | 8 |
| **0500** | DIRECTOR:COMMUNITY SERVICES | |
| **0510** | DEPUTY DIR:OPERATIONAL SERVICE | |
| **0530** | AREA MANAGER: KLEINMOND | |
| **0540** | AREA MANAGER: HERMANUS | |
| **0550** | AREA MANAGER: STANFORD | |
| **0560** | AREA MANAGER: GANSBAAI | |
| **0610** | CONTROL ROOM | |
| **0620** | FLEET MANAGEMENT | |
| **0630** | SPORTS & RECREATION | |
| **0640** | MANAGER: CORPORATE PROJECTS | |
| **0950** | LIBRARY: BETTY'S BAY | |
| **0960** | LIBRARY: KLEINMOND | |
| **0970** | LIBRARY: HAWSTON | |
| **0980** | LIBRARY: MOUNT PLEASANT | |
| **0990** | LIBRARY: ZWELIHLE | |
| **1000** | LIBRARY: HERMANUS | |
| **1010** | LIBRARY: STANFORD | |
| **1020** | LIBRARY: GANSBAAI | |
| **1100** | POST OFFICE AGENCY: STANFORD | |
| **1300** | OPERATIONAL MANAGER: KLEINMOND | |
| **1310** | OPERATIONAL MANAGER: HERMANUS | |
| **1320** | OPERATIONAL MANAGER: STANFORD | |
| **1330** | OPERATIONAL MANAGER: GANSBAAI | |
| **1600** | BEACHES: KLEINMOND | |
| **1610** | BEACHES: HERMANUS | |
| **1620** | BEACHES: GANSBAAI | |
| **1360** | STREETS: PROVINCIAL MAIN ROAD | |
| **1400** | STREETS: KLEINMOND | |
| **1410** | STREETS: HERMANUS | |
| **1430** | STREETS: STANFORD | |
| **1440** | STREETS: GANSBAAI | |
| **1450** | OVERSTRAND: ROADS | |
| **1640** | PARKS & TOWNLANDS (KLEINMOND) | |
| **1650** | PARKS & TOWNLANDS (HERMANUS) | |
| **1660** | PARKS & TOWNLANDS (STANFORD) | |
| **1670** | PARKS & TOWNLANDS (GANSBAAI) | |
| **1800** | COMMUNITY BUILDINGS KM | |
| **1810** | COMMUNITY BUILDINGS HM | |
| **1820** | COMMUNITY BUILDINGS ST | |
| **1830** | COMMUNITY BUILDINGS GB | |
| **1840** | AUDITORIUM & BANQUETING HALL | |
| **1900** | OFFICE BUILDINGS KM | |
| **1910** | OFFICE BUILDINGS HM | |
| **1920** | OFFICE BUILDINGS ST | |
| **1930** | OFFICE BUILDINGS GB | |
| **1940** | CORPORATE BUILDING (HM) | |
| **1990** | SWIMMING POOL: HAWSTON | |
| **2100** | SPORTSGROUNDS: KLEINMOND | |
| **2110** | SPORTGROUNDS: HERMANUS | |
| **2120** | SPORTGROUNDS: STANFORD | |
| **2130** | SPORTGROUNDS: GANSBAAI | |
| **2140** | SWIMMING POOL: HERMANUS | |
| **2150** | SLIPWAY (KLEINBAAI) | |
| **2160** | STONY POINT (BETTY'S BAY) | |
| **2170** | SLIPWAY KLEINMOND | |
| **2500** | CEMETERIES: KLEINMOND | |
| **2510** | CEMETERIES: HERMANUS | |
| **2520** | CEMETERIES: STANFORD | |
| **2530** | CEMETERIES: GANSBAAI | |
| **2600** | CARAVAN PARK: PALMIETCAMP | |
| **2610** | CARAVANPARK: KLEINMOND | |
| **2620** | CAMPING SITE: HAWSTON | |
| **2630** | CARAVAN PARK: ONRUS | |
| **2660** | CARAVAN PARK: GANSBAAI | |
| **2900** | HOUSING & SOCIAL UPLIFTMENT | |
| **2910** | HOUSING ALL SCHEMES | |
| **4560** | WATER (TREAT): KLEINMOND | |
| **4590** | WATER (TREAT): DE BOS/PREEKSTO | |
| **4600** | WATER (TREATMENT) STANFORD | |
| **4620** | WATER (TREAT): GANSBAAI/FRANSK | |
| **4800** | WATER (DISTRIBUTION): KLEINMON | |
| **4810** | WATER (DISTRIBUTION): HERMANUS | |
| **4820** | WATER (DISTRIBUTION): STANFORD | |
| **4830** | WATER (DISTRIBUTION): GANSBAAI | |
| **4850** | OVERSTRAND: WATER | |
| **4890** | WATER INCOME | |
| **4900** | WATER (SERV & CON): KLEINMOND | |
| **4910** | WATER (SERV & CON): HERMANUS | |
| **4920** | WATER (SERV & CON): STANFORD | |
| **4930** | WATER (SERV & CON): GANSBAAI | |
| **4970** | WATER (RAW WAT DAMS): GANSBAAI | |
| **1500** | STORMWATER: KLEINMOND | |
| **1510** | STORMWATER: HERMANUS | |
| **1530** | STORMWATER: STANFORD | |
| **1540** | STORMWATER: GANSBAAI | |
| **3200** | PUBLIC TOILETS (HERMANUS) | |
| **3750** | SEWERAGE (DISTRIBU): KLEINMOND | |
| **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.

# 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.

### 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.

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

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 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.

## 19 IMPLEMENTATION AND REVIEW PROCESS

This policy shall be implemented on **1 July 2021** 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** | 26 May 2021 |
| **PREVIOUS REVIEW:** | 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.

## 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 Subsides 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.
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 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.

**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 that 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.

### 2.8.9 BORROWING AS A PERCENTAGE OF CAPITAL EXPENDITURE

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 that 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 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.

### 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 2021** 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:** | 26 May 2021 |
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# OVERSTRAND MUNICIPALITY




# LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

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**OVERSTRAND MUNICIPALITY**

**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;

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);

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

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 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 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 2021** and shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives and with legislation.

## OVERSTRAND MUNICIPALITY

## LONG TERM FINANCIAL PLANNING AND IMPLEMENTATION POLICY

| | |
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# OVERSTRAND MUNICIPALITY

# UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE POLICY

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## 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. 56 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, No. 117 of 1998 **[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:** | 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;<br>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;<br>c) expenditure incurred by the OM in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act;;<br>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<br>e) excludes expenditure by the OM which falls within the definition of "unauthorised expenditure". |
| **"Official", in relation to OM, means:** | a) an employee of OM;<br>b) a person seconded to OM to work as a member of the staff of the OM; or<br>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 operational or capital expenditure, as the case may be;<br>b) In relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or<br>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. |
| **"Political Office Bearer" in relation to a municipality, means-** | 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<br>b) a councillor referred to in section 57(1) of the MFMA; |
| **"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:** | any expenditure incurred by the OM otherwise than in accordance with section 15 or 11(3) od the MFMA, and includes-<br>a) overspending of the total amount appropriated in the municipality's approved budget;<br>b) overspending of the total amount appropriated for a vote in the approved budget;<br>c) expenditure from a vote unrelated to the department or functional area covered by the vote;<br>d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;<br>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<br>f) a grant by OM otherwise than in accordance with the MFMA. |
| **"Vote" means:** | 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<br>b) which specifies the total amount that is appropriated for the purposes of the directorate or functional area concerned. |

## 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:

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 **[confidentially]**.

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. If during the preliminary investigation, the disciplinary board determines that the allegation is frivolous, vexatious, speculative or obviously unfounded, the investigation must be terminated.

12.3 If the disciplinary board determines that the allegation is founded, a full investigation must be conducted by-

12.3.1 the disciplinary board

12.3.2 the Provincial Treasury or the National Treasury, but only if the conditions in regulation 19 apply.

12.4 After completion of a full investigation, the investigator must-

12.4.1 compile a report on the investigation

12.4.2 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

12.4.3 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.

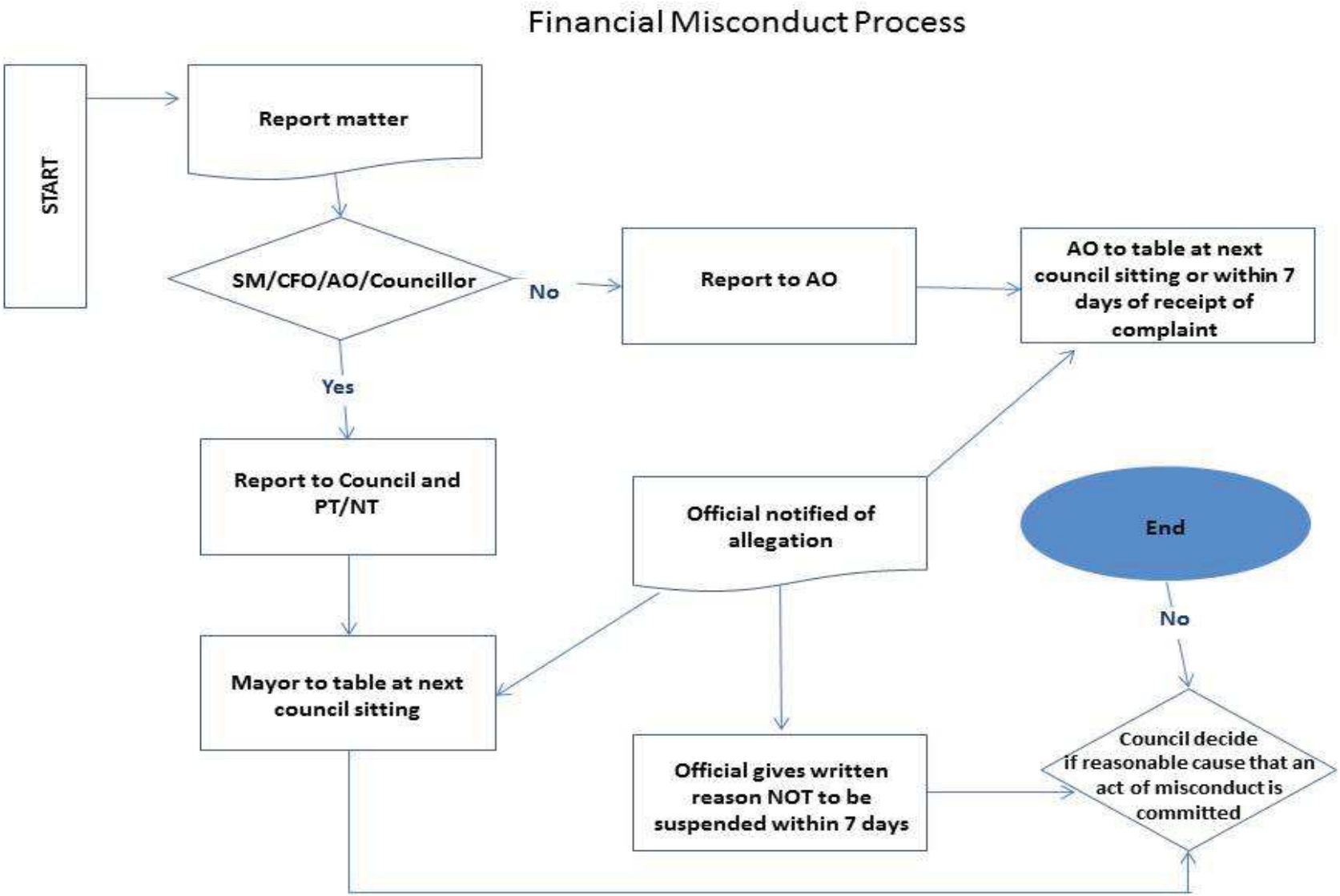
15.3 Where the nature of the threats warrants such action, the threats should be reported to the SAPS by the official with the assistance of the MM, Executive Mayor or Speaker, as the case may be.

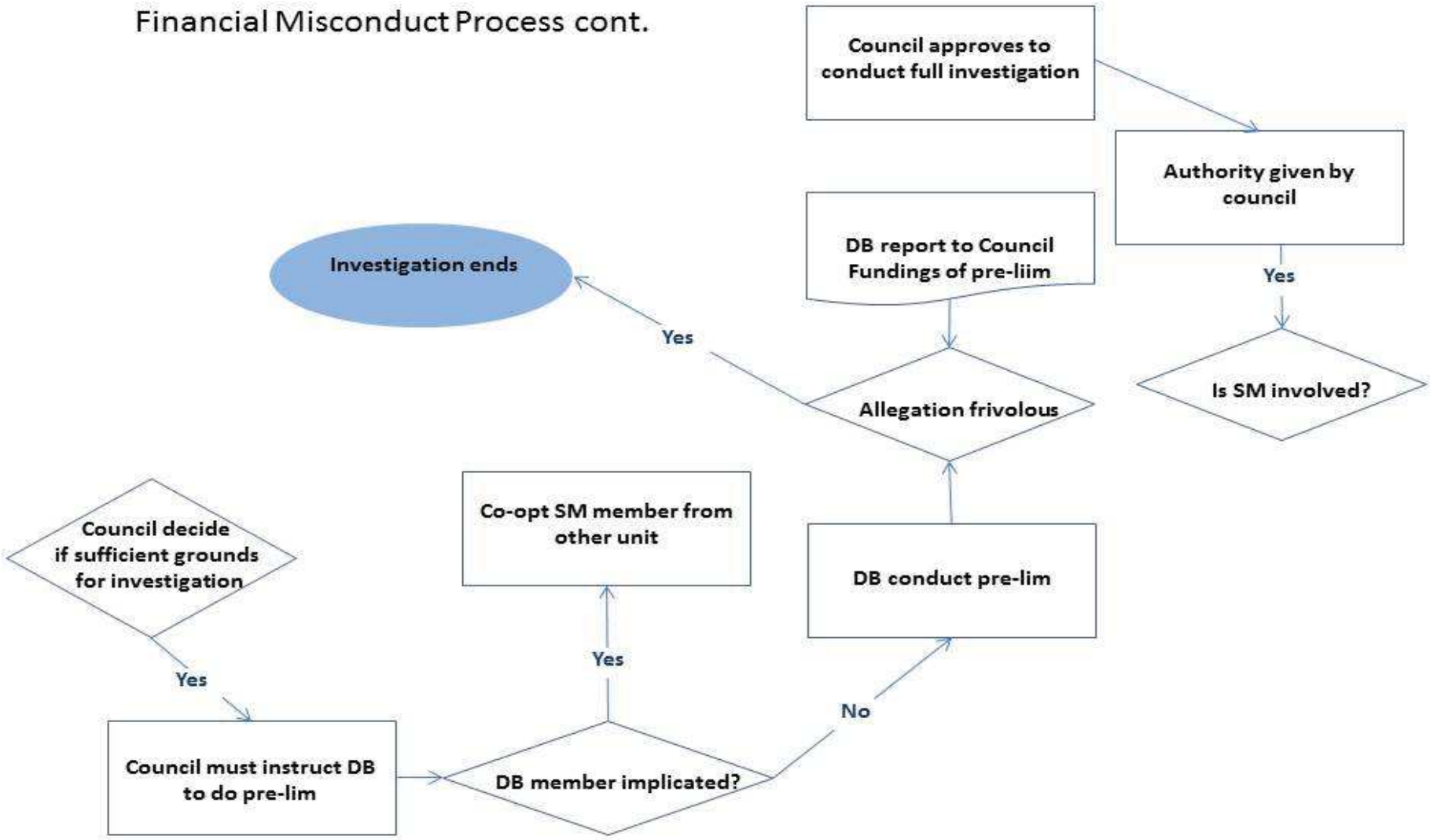
## 16 SHORT TITLE AND COMMENCEMENT

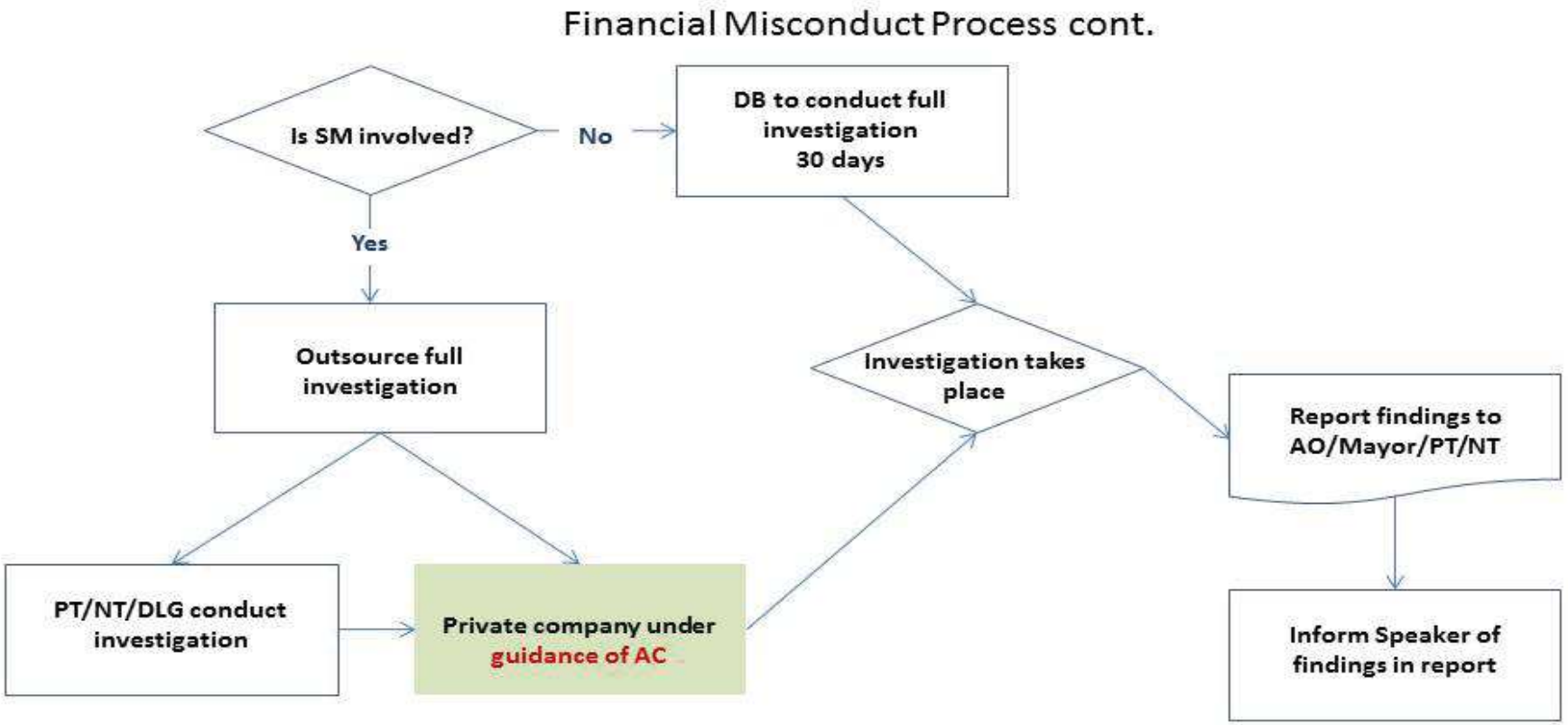
This policy is called the Overstrand Municipality's Unauthorised, Irregular or Fruitless and Wasteful Expenditure Policy.

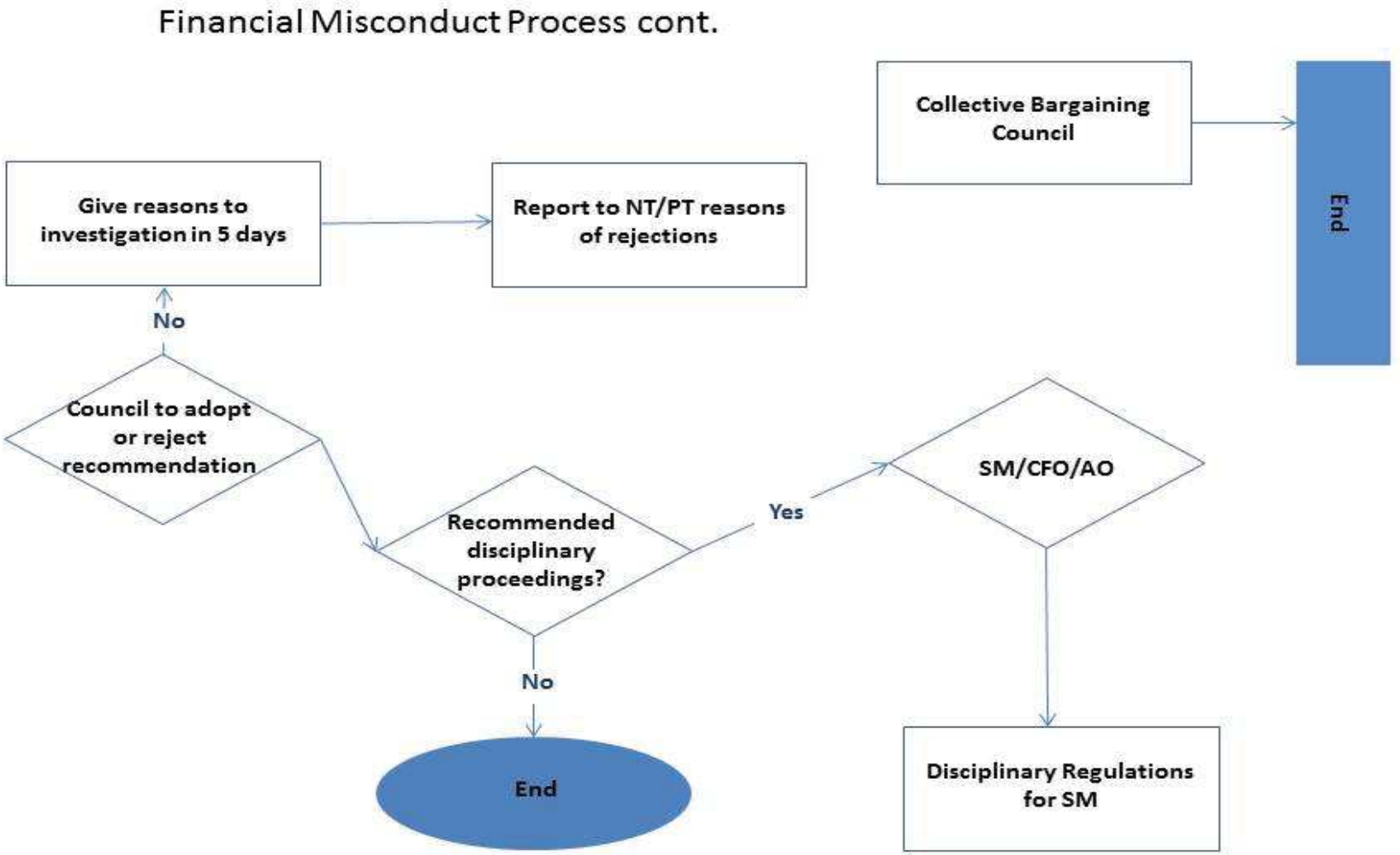
This policy will come into effect on **1 July 2021** and will be reviewed at least annually by way of a Council resolution.

| | |
|---|---|
| **POLICY SECTION:** | **HEAD: SUPPLY CHAIN MANAGEMENT** |
| **CURRENT UPDATE** | **26 MAY 2021** |
| **PREVIOUS REVIEW:** | **27 MAY 2020** |
| **PREVIOUS REVIEW:** | **29 MAY 2019** |
| **APPROVAL BY COUNCIL** | **30 MAY 2018** |

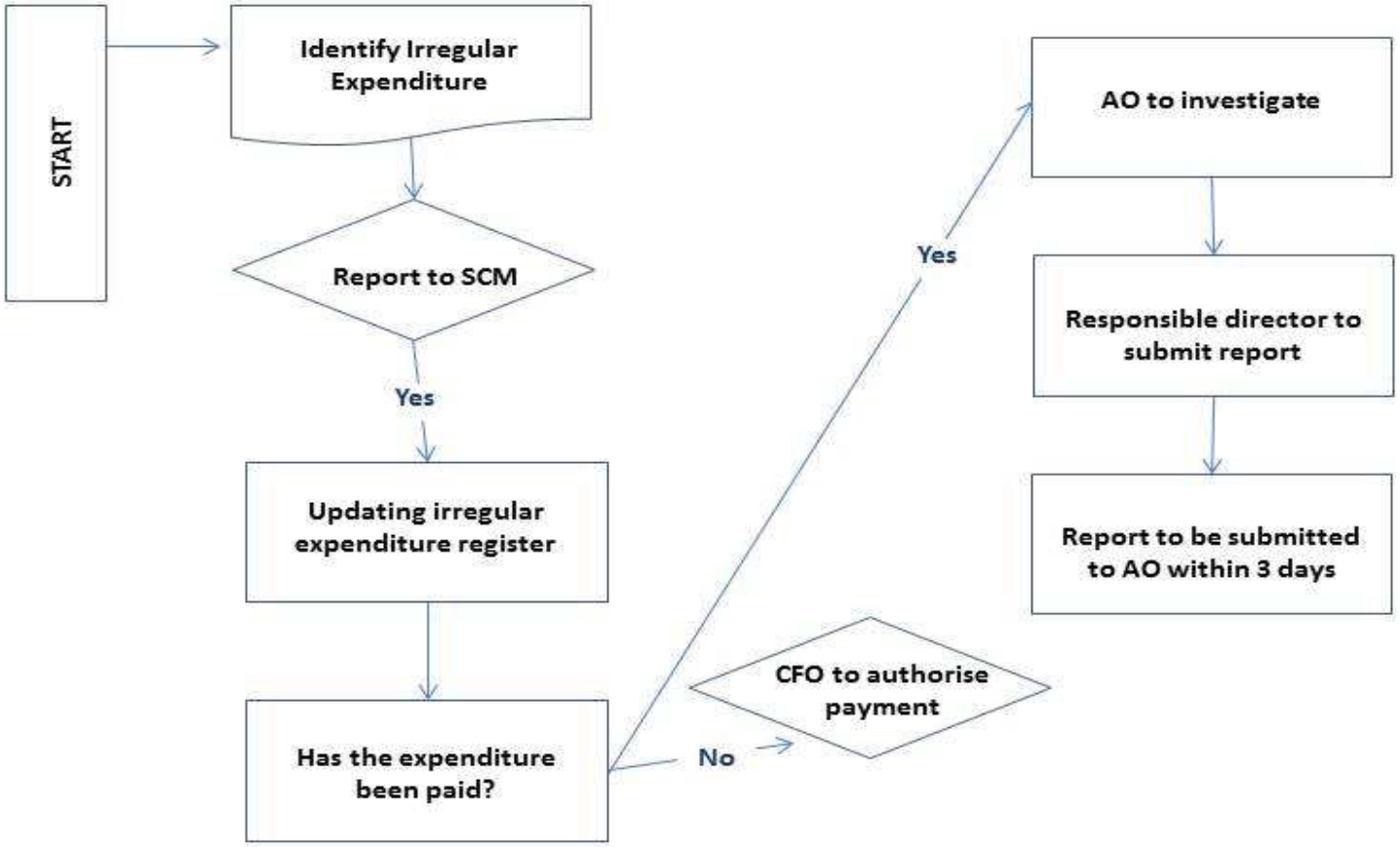

Financial Misconduct Process
START
Report matter
SM/CFO/AO/Councillor
No
Report to AO
AO to table at next council sitting or within 7 days of receipt of complaint
Yes
Report to Council and PT/NT
Official notified of allegation
End
No
Mayor to table at next council sitting
Official gives written reason NOT to be suspended within 7 days
Council decide if reasonable cause that an act of misconduct is committed


Financial Misconduct Process cont.
Council approves to conduct full investigation
Authority given by council
Yes
Is SM involved?
DB report to Council Fundings of pre-liim
Investigation ends
Yes
Allegation frivolous
DB conduct pre-lim
Co-opt SM member from other unit
Council decide if sufficient grounds for investigation
Yes
Yes
No
Council must instruct DB to do pre-lim
DB member implicated?

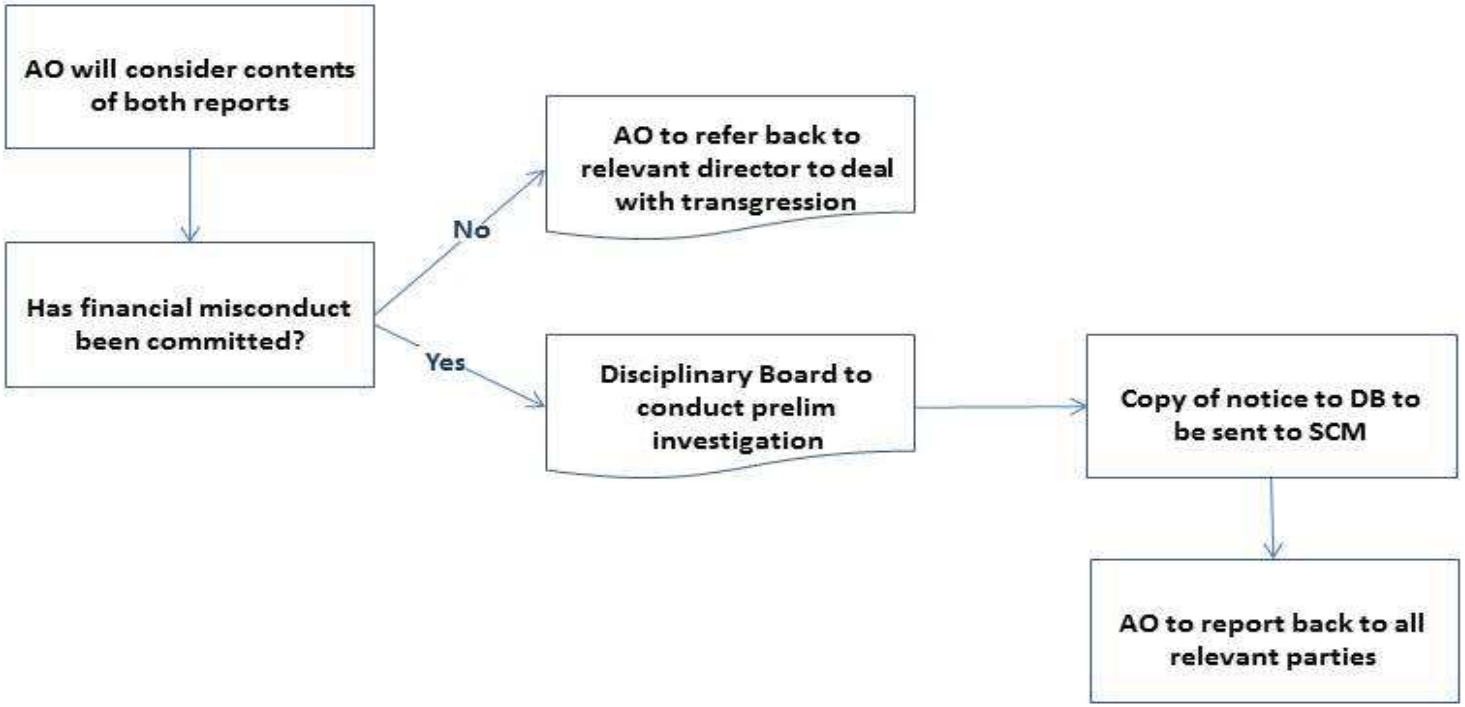

Financial Misconduct Process cont.
Is SM involved?
No
DB to conduct full investigation 30 days
Yes
Outsource full investigation
Investigation takes place
Report findings to AO/Mayor/PT/NT
PT/NT/DLG conduct investigation
Private company under guidance of AC
Inform Speaker of findings in report


Financial Misconduct Process cont.
Collective Bargaining Council
End
Give reasons to investigation in 5 days
Report to NT/PT reasons of rejections
No
Council to adopt or reject recommendation
Recommended disciplinary proceedings?
Yes
SM/CFO/AO
No
End
Disciplinary Regulations for SM

# Irregular Expenditure Process



# Irregular Expenditure Process cont.



# OVERSTRAND
# MUNICIPALITY




# COST CONTAINMENT POLICY

# OVERSTRAND MUNICIPALITY – COST CONTAINMENT POLICY

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**3. Application of 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]** paragraph 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**

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.

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.

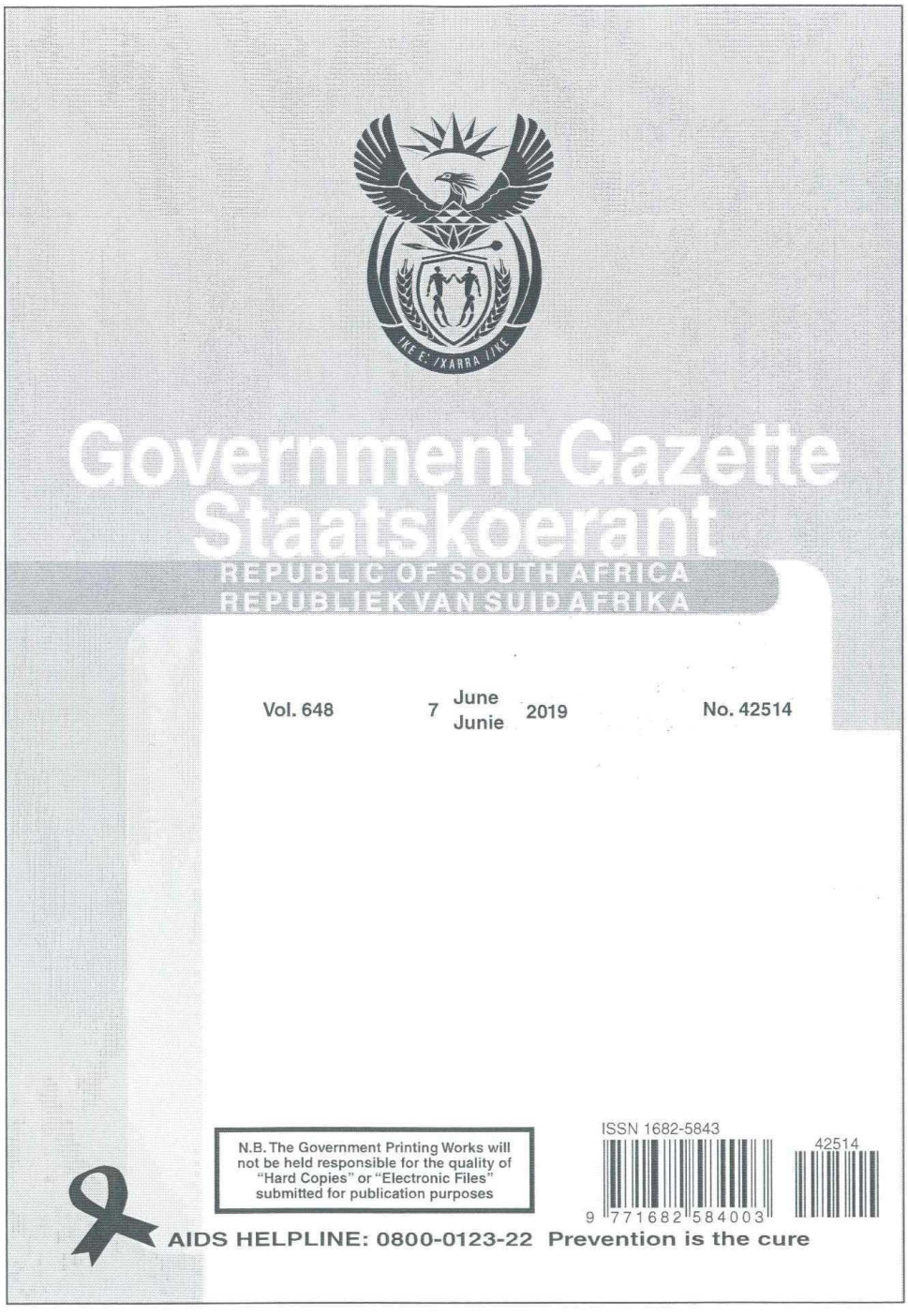
4) The reports referred to in sub -regulation (2) must be copied to the National Treasury and the relevant provincial treasury within seven calendar days after the report is submitted to municipal council.

**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 2021**.

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:** | 26 MAY 2021 |
| **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.

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## SCHEDULE

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13. Other related expenditure items
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.

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**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.

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(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

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(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 officer 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.

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(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.

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**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.

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