OVERSTRAND MUNICIPALITY

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND

BUDGET REPORT 2019/2020

2019/20 TO 2021/22
MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

Copies of this document can be viewed:

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table of Contents

PART 1 – ANNUAL BUDGET 1

1.1 MAYOR'S REPORT 1
1.2 COUNCIL RESOLUTION 1
1.3 EXECUTIVE SUMMARY 2
1.4 OPERATING REVENUE FRAMEWORK 5
1.5 OPERATING EXPENDITURE FRAMEWORK 19
1.6 CAPITAL EXPENDITURE 24
1.7 ANNUAL BUDGET TABLES 25

2 PART 2 – SUPPORTING DOCUMENTATION 48

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS 48
2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP 51
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS 54
2.4 OVERVIEW OF BUDGET RELATED-POLICIES 62
2.5 OVERVIEW OF BUDGET ASSUMPTIONS 64
2.6 OVERVIEW OF BUDGET FUNDING 65
2.7 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS 77
2.8 COUNCILLOR AND EMPLOYEE BENEFITS 79
2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW .../ 81
2.10 ANNUAL BUDGETS AND SDBIP 88
2.11 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS 88
2.12 CAPITAL EXPENDITURE DETAILS 88
2.13 LEGISLATION COMPLIANCE STATUS 99
2.14 OTHER SUPPORTING DOCUMENTS 100
2.15 MUNICIPAL MANAGER'S QUALITY CERTIFICATE 114

List of Tables

Table 1 Consolidated Overview of the 2019/20 MTREF 4
Table 2 Summary of revenue classified by main revenue source 6
Table 3 Percentage growth in revenue by main revenue source 7
Table 4 Operating Transfers and Grant Receipts 8
Table 5 Costing of services 9
Table 6 Comparison of proposed rates to be levied for the 2019/20 financial year 12
Table 7 Comparison between current water charges and increases (Domestic) 13
Table 8 Comparison between current electricity charges and increases (Domestic) 14
Table 9 Comparison between current sanitation charges and increases (Domestic) 15
Table 10 Comparison between current waste removal fees and increases (Domestic) 16
Table 11 MBRR Table SA14 – Household bills 18
Table 12 Summary of operating expenditure by functional classification item 19
Table 13 Operational repairs and maintenance 22
Table 14 Repairs and maintenance per asset class 22
Table 15 MBRR Table SA21 – Transfers and grants made by the municipality 23
Table 16 2019/20 Medium-term capital budget per vote 24
Table 17 MBRR Table A1 - Budget Summary 26
Table 18 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by functional classification) 28

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 19 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote) 30
Table 20 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure) 32
Table 21 MBRR Table A5 - Budgeted Capital Expenditure by vote, functional classification and funding source 34
Table 22 MBRR Table A6 - Budgeted Financial Position 36
Table 23 MBRR Table A7 - Budgeted Cash Flow Statement 38
Table 24 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation 40
Table 25 MBRR Table A9 - Asset Management 42
Table 26 MBRR Table A10 - Basic Service Delivery Measurement 46
Table 27 IDP Strategic Objectives 52
Table 28 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue ... 54
Table 29 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure 54
Table 30 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure 54
Table 31 MBRR Table SA7 - Measurable performance objectives 56
Table 32 MBRR Table SA8 - Performance indicators and benchmarks 59
Table 33 Breakdown of the operating revenue over the medium-term 66
Table 34 Proposed tariff increases for 2019/2020 67
Table 35 MBRR SA15 – Detail Investment Information 68
Table 36 MBRR SA16 – Investment particulars by maturity 68
Table 37 Sources of capital revenue over the MTREF 68
Table 38 MBRR Table SA18 - Capital transfers and grant receipts 69
Table 39 MBRR Table SA17 - Detail of borrowings 70
Table 40 MBRR Table A7 - Budgeted cash flow statement 71
Table 41 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation 72
Table 42 MBRR SA10 – Funding compliance measurement 74
Table 43 MBRR SA19 - Expenditure on transfers and grant programmes 77
Table 44 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds 78
Table 45 MBRR SA22 - Summary of councillor and staff benefits 79
Table 46 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior managers) 80
Table 47 MBRR SA24 – Summary of personnel numbers 81
Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure 82
Table 49 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote) 83
Table 50 MBRR SA27 - Budgeted monthly revenue and expenditure (functional classification) 84
Table 51 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote) 85
Table 52 MBRR SA29 - Budgeted monthly capital expenditure (functional classification) 86
Table 53 MBRR SA30 - Budgeted monthly cash flow 87
Table 54 MBRR SA 34a - Capital expenditure on new assets by asset class 89
Table 55 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class 90
Table 56 MBRR SA34c - Repairs and maintenance expenditure by asset class 91
Table 57 MBRR SA34d – Depreciation by asset class 92
Table 58 MBRR SA34e - Capital expenditure on the upgrading of existing assets by asset class 93
Table 59 MBRR SA35 - Future financial implications of the capital budget 93
Table 60 MBRR SA36 - Detailed capital budget per municipal vote 94
Table 61 MBRR SA37 - Projects delayed from previous financial year 98

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 62 MBRR Table SA1 - Supporting detail to budgeted financial performance 100
Table 63 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department) 103
Table 64 MBRR Table SA3 – Supporting detail to Statement of Financial Position 104
Table 65 MBRR Table SA9 – Social, economic and demographic statistics and assumptions 105
Table 66 MBRR SA11 – Property rates summary 106
Table 67 MBRR SA12a – Property rates by category (current year) 107
Table 68 MBRR SA12b – Property rates by category (budget year) 108
Table 69 MBRR SA13a – Service tariffs by category 109
Table 70 MBRR SA13b – Service tariffs by category (explanatory) 110
Table 71 MBRR SA32 – List of external mechanisms 111
Table 72 MBRR SA38 – Consolidated detailed operational projects 112
Table 73 MBRR SA33 – Contracts having future budgetary implications 113

List of Figures

Figure 1 Main operational expenditure categories for the 2019/20 financial year 21
Figure 2 Capital Infrastructure Programme 25
Figure 3 Expenditure by major type 33
Figure 4 Depreciation in relation to repairs and maintenance over the MTREF 45
Figure 5 Planning, budgeting and reporting cycle 55
Figure 6 Definition of performance information concepts 56
Figure 7 Breakdown of operating revenue over the 2019/20 MTREF 66
Figure 8 Sources of capital revenue for the 2019/20 financial year 69
Figure 9 Growth in outstanding borrowing (long-term liabilities) 70
Figure 10 Cash and cash equivalents / Cash backed reserves and accumulated funds 73

List of Annexures

Annexure A Amendments to Tabled Draft Budget
Annexure B A1 Schedule mSCOA Version 6.3 (30 Jan 2019) & A2 Budget regulation charts
Annexure C Tariffs
Annexure D Basket of tariffs
Annexure E Capital projects, Ward Specific Projects & Housing Programme
Annexure F Service Delivery Standards
Annexure G Water Quality
Annexure H NT Budget Circular 93 & 94, PT Circular 7 of 2019, Cost Containment Measures and NT Financial ratios and norms
Annexure I mSCOA Regulations & Implementation
Annexure J Draft Procurement Plan
Annexure K Budget Comments and Responses
Annexure L Provincial Treasury – LG MTEC 3 Assessment and Overstrand Municipality's Response

OVERSTRAND MUNISIPALITEIT
2019 -05- 2 3
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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 second 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 2019/2020:

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 2019/20 to 2021/22 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 2019/20;

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 2019/20;

4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the 2nd draw down of the proposed three year borrowing programme for external loans amounting to R54 million per year, as well as for the loan of R20.3m for the Hermanus Waste Management Facility;

5. that the following schedules be noted:

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

6. that **cognisance be taken** of the letters of comment received from the community and the LG MTEC 3 Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexure K & L respectively of the budget report; and

7. that **cognisance be taken** of the 2019/2020 Budget Report.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

Important to note that the context of the 2019/20 budget must be considered in view of a considerable challenging 2018/19 year with regard to provision of emergency housing and related basic service rendering in this regard, as well as providing for expenditure related to the devastating wild fires experienced during January 2019. Both these instances were addressed from a budgetary provision perspective in tabling adjustments budgets for unforeseen and unavoidable expenditure as announced by the Executive Mayor in Council on the two respective occasions.

A Provincial Disaster Management Grant allocation of R5m in support, to some extent for certain expenditure incurred, has been included as Revenue, with the appropriation of funds on the capital budget for 2019/2020, for a fire truck destroyed during the fires as well as operational expenditure incurred in this regard.

The municipality has expanded on the implementation of Repairs and Maintenance allocated as projects in terms of the mSCOA version 6.3, which distorted the year-on-year comparative figures. This is also applicable on Contracted Services. These allocations are guided by the respective owner departments.

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The segments classification consists of the following:

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

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

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

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

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

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

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

Overstrand municipality was identified as one of the official national pilot sites to early implement mSCOA and to pilot the Bytes SAMRAS system. This was first implemented for the 2015/2016 financial year and continued in 2016/17. The piloting stage ended 30 June 2017. A report regarding the status of implementation of mSCOA can be found in Annexure I of the budget documentation.

National Treasury issued MFMA Budget Circulars No. 93 & 94 for guidance for the compilation of the 2019/20 MTREF. A revised A Schedule – mSCOA Version 6.3 (Municipal annual budgets and MTREF & supporting tables) (28 March 2019) was also issued.

MFMA Circular No. 82 (updated November 2016) relating to direction and guidance regarding Cost Containment Measures was issued. National Treasury has since published Draft Regulations on Cost Containment Measures and the closing date for comments was 30 March 2018. The circular and draft regulations as well as the status relating to cost containment measures are included in Annexure H to this report.

The Western Cape Provincial Treasury has issued Circular No. 7 of 2019 regarding budget related matters and the proposed LG MTEC Budget & IDP engagements.

The main challenges experienced during the compilation of the 2019/20 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Ever aging water, roads, sewage and electricity infrastructure;
- Sustainable refuse disposal;
- The need to reprioritise projects and expenditure within the existing resource envelope;
- The cost of bulk electricity;
- Revenue recovery from cost reflective core municipal services;

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- 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 2019/20 MTREF process;
- Maintaining a positive cash flow; and
- Ensuring financial sustainability.

The following budget principles and guidelines directly informed the compilation of the 2019/20 MTREF:

- The 2018/2019 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 2019/20 annual budget;
- Comments and representations received during the Community Consultation Process were considered by the Budget Steering Committee;
- 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.
  - Cost containment measures referred to in Circular 82 of 30 March 2016 (updated in November 2016) are reported in Annexure H (Budget Circulars)

In view of the aforementioned, the following table is a consolidated overview of the proposed 2019/20 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2019/20 MTREF

(a) Total Revenue (including capital grants)

R thousand	Budget Year 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22			
Revenue	1 149 370	1 243 711	1 317 920	1 469 281	8.2%	6.0%	11.5%
Expenditure	1 154 476	1 249 963	1 342 887	1 433 511	8.3%	7.4%	6.7%
Surplus / (Deficit)	(5 106)	(6 252)	(24 967)	35 771			
Capital	174 748	261 677	148 464	154 324	49.7%	-43.3%	3.9%

(b) Total Revenue (excluding capital grants)

R thousand	Budget Year 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22			
Revenue	1 083 298	1 173 517	1 275 756	1 400 289	8.3%	8.7%	9.8%
Expenditure	1 154 476	1 249 963	1 342 887	1 433 511	8.3%	7.4%	6.7%
Surplus / (Deficit)	(71 179)	(76 446)	(67 131)	(33 222)			
Capital	174 748	261 677	148 464	154 324	49.7%	-43.3%	3.9%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Total revenue (including capital grants) to expenditure (Table 1a) indicates varying surplus/deficits over the 2019/20 MTREF due to fluctuations in capital grant funding.

Total operating revenue (Table 1a) indicates an increase in revenue of 8,3 per cent for the 2019/20 financial year when compared to the 2018/2019 Adjustments Budget. For the two outer years, operational revenue will increase by 8,7 and 9,8 per cent respectively. The fluctuations of revenue in Table 1(a) are informed mainly by the allocation of the Housing grant between operating (top structures) and capital (infrastructure) in the respective financial years.

Total operating expenditure for the 2019/20 financial year has been appropriated at R1,250bn and translates into a budgeted deficit of R76,4m (excluding capital grants) and a deficit of R6,3m (including capital grants). When compared to the 2018/2019 Adjustments Budget, operating expenditure has increased by 8,3 per cent in the 2019/20 budget and increases by 7,4 and 6,7 per cent for each of the respective outer years of the MTREF.

It should be noted that although the 2019/2020 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 R5,5 billion, which relates to substantially high depreciation charges. Although accurately reflecting asset value, the cost of a substantial portion of these assets had been fully redeemed previously, but the useful life of assets were extended as well as ever increasing assets funded by grants. The replacement thereof can thus not be recouped via current tariffs as this would lead to taxation in advance of need and no reserves may be established for these purposes. The principle of recovering actual cash costs during each financial period is adhered to.

The capital budget of R261,7m for 2019/20 is 49,7 per cent more when compared to the 2018/2019 Budget. The increase is mainly due to roll-over projects amounting to R61m from the 2018/19 adjustments budget and the year-on-year fluctuation and allocation of the Housing grant between operating (top structures) and capital (services infrastructure). The increased own funding from surplus is due to cash generated from operations, which includes a further portion from land sales. Further projects from the proceeds of land sales were prioritised, subject to maintaining minimum financial sustainability levels. The capital programme decreases to R148,5m and increases to R154,3m in the outer years, which is above the estimated minimum of R100m required annually to sustain capital infrastructure. Own funding (new borrowings) is anticipated at R64m. New borrowings contribute to 36,3 % of the funding over the 2019/20 MTREF. Internally generated funds contributes 31,6 % and capital grants 32,1%. The balance relates to various sources of funded roll-over projects.

The Municipality had reached its planned outer borrowing limit of 60% of operational revenue in 2012. This was a result of much needed investment in infrastructure during the period from 2009 to 2012, after which the municipality embarked on a strategy to manage this rate down by at least 10% over a ten year period. In January 2014 National Treasury published the first norms and standards circular in which it recommended an upper limit of 45% to revenue. It is estimated that this rate would be at 44% and at the end of the 2019/20. The repayment of capital and interest (debt services costs) remains within the NT acceptable norm band. Consequently, the capital budget reflects an increase compared to the previous three years.

1.4 Operating Revenue Framework

For Overstrand to continue delivering and improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that we are faced with an increasing population (7th highest growth nationally as per the 2011 census), development backlogs and increasing poverty levels. The expenditure required to address these

OVERSTRAND MUNICIPALITY 2019 -05- 23

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 77,5% of the total operating revenue mix for 2019/20. For the 2018/2019 financial year, revenue from rates and services charges totals R859,7m. This increases to R918,5m, R1,010bn and R1,119bn in the respective financial years of the MTREF.

The following table is a summary of the 2019/20 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source									
Property rates	164 486	197 104	214 845	234 998	234 998	234 998	242 150	256 689	273 473
Service charges - electricity revenue	324 599	334 765	349 380	362 784	362 784	362 784	398 868	457 297	525 637
Service charges - water revenue	114 179	115 070	111 010	116 781	124 781	124 781	127 320	133 984	142 023
Service charges - sanitation revenue	72 651	66 890	72 064	73 164	76 164	76 164	80 020	82 489	87 439
Service charges - refuse revenue	61 689	54 389	57 741	60 990	60 990	60 990	70 122	79 415	89 946
Rental of facilities and equipment	9 915	11 613	12 324	3 679	3 679	3 679	3 562	3 744	3 949
Interest earned - external investments	12 209	20 347	30 285	21 001	29 201	29 201	28 010	29 690	31 471
Interest earned - outstanding debtors	2 735	2 671	3 022	3 700	3 705	3 705	4 151	4 400	4 664
Fines, penalties and forfeits	21 682	38 715	32 500	34 965	30 165	30 165	32 552	34 517	36 569
Licences and permits	2 423	2 525	2 527	2 447	2 447	2 447	2 462	2 580	2 627
Agency services	3 211	3 480	4 149	3 726	4 526	4 526	4 700	4 982	5 281
Transfers and subsidies	103 629	114 411	116 421	130 566	118 186	118 186	152 183	157 143	166 217
Other revenue	29 653	34 706	38 895	31 427	31 672	31 672	27 416	28 848	28 993
Gains on disposal of PPE	7 631	6 242	28 077						
Total Revenue (excluding capital transfers and contributions)	930 691	1 002 928	1 073 241	1 080 228	1 083 298	1 083 298	1 173 517	1 275 756	1 400 289

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 3 Percentage growth in revenue by main revenue source

Description R thousand	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework					
		Budget Year 2019/20		Budget Year +1 2020/21		Budget Year +2 2021/22	
Revenue By Source							
Property rates	234 998	242 160	3.04%	256 669	6.00%	273 473	6.55%
Service charges - electricity revenue	362 784	398 868	9.95%	457 297	14.65%	525 637	14.94%
Service charges - water revenue	124 781	127 320	2.04%	133 984	5.23%	142 023	6.00%
Service charges - sanitation revenue	76 164	80 020	5.06%	82 489	3.09%	87 439	6.00%
Service charges - refuse revenue	60 990	70 122	14.97%	79 415	13.25%	89 946	13.26%
Service charges - other							
Rental of facilities and equipment	3 679	3 562	-3.19%	3 744	5.10%	3 949	5.47%
Interest earned - external investments	29 201	28 010	-4.08%	29 690	6.00%	31 471	6.00%
Interest earned - outstanding debtors	3 705	4 151	12.03%	4 400	6.00%	4 664	6.00%
Fines	30 165	32 552	7.91%	34 517	6.04%	36 569	5.95%
Licences and permits	2 447	2 462	0.63%	2 580	4.80%	2 627	1.81%
Agency services	4 526	4 700	3.84%	4 982	6.00%	5 281	6.00%
Transfers recognised - operational	118 186	152 183	28.77%	157 143	3.26%	168 217	7.05%
Other revenue	31 672	27 416	-13.44%	28 846	5.22%	28 993	0.51%
Gains on disposal of PPE							
Total Revenue (excluding capital transfers and contributions)	**1 083 298**	**1 173 517**	8.33%	**1 275 756**	8.71%	**1 400 289**	9.76%

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 2018/19 and the subsequent adjustments budget and further reclassifications of revenue categories relating to mSCOA. The determination of proposed revenue for 2019/20 has been based on the current statistics available, limited growth and a conservative approach.

After collective service charges, property rates are the second largest revenue source. The third largest source is operational grants from national and provincial government, which is showing growth over the MTREF. This is followed by fines, interest on investments and 'other revenue' which consists of various items such as revenue received from permits and licenses, building plan fees, connection fees, advertisement fees etc. 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 R152,2m in the 2019/20 financial year. This increases in the outer years to R157,1 in 2020/21 and R168,2 in 2021/22 respectively, of the MTREF. Fluctuations may occur due to housing grant allocations and the splitting thereof between operating and capital budgets. The housing allocation for the building of top structures for housing development amounts to R79,6m over the MTREF. Equitable share increases over the 3 year MTREF period, from the current 2018/19 adjustments budget by 35% 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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:									
Operating Transfers and Grants									
National Government:	67 709	76 347	88 073	99 544	99 544	99 544	110 882	119 084	131 278
Local Government Equitable Share	64 598	72 950	84 223	96 068	96 068	96 068	106 697	117 534	129 728
Finance Management	1 450	1 475	1 550	1 550	1 550	1 550	1 550	1 550	1 550
EPWP Incentive	1 661	1 922	2 300	1 926	1 926	1 926	2 635		
Provincial Government:	35 118	41 312	38 766	30 731	12 429	12 429	38 392	38 059	36 939
Human Settlements Development Grant	29 425	35 101	31 171	23 633	5 133	5 133	25 061	28 213	26 360
Library Services Grant	5 307	5 869	7 006	6 147	6 147	6 147	7 287	7 502	7 915
Financial Management Capacity Building Grant			240	360	360	360	380		
Community Development Workers Operational Support Grant	72	75	74	74	–	–			
Maintenance & Constuction of Transport Infrastructure	114	137	139	137	137	137	126	144	144
Western Cape Financial Management Support Grant				280	280	280	280		
Local Government Internship Grant		60	66		72	72			
Greenest Municipality Competition		50	70						
Municipal Service Delivery & Capacity Building Grant					200	200			
Thusong Service Centre	200			100	100	100	100		100
Resourcing Funding for Establishment &Support of a K9 Unit							2 000	2 200	2 420
Disaster Management Grant							3 157		
Total Operating Transfers and Grants	102 827	117 659	126 839	130 275	111 973	111 973	149 274	157 143	168 217

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 (current inflation expectations for 2019 still indicated above 5 per cent - Bureau of Economic Research), with an increase in inflation over the 2019/20 MTREF. Municipalities should justify increases in excess of the 5,6 per cent projected inflation target as indicated in Municipal Budget Circular 93. 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 5,7%. Property rates increases were below inflation over previous years before 2014/15. In the eight years prior to 2014/2015, the property rates tariff had only on two occasions challenged the annual inflation rate. Furthermore, average increases in water and sewage service charges are also set at 5,7%, with the exception of electricity and refuse tariffs and the first 6kl or water.

The percentage increase of Eskom bulk tariffs charged to municipalities has been set at 15,63% by NERSA. The revised overall tariff increases for municipal electricity tariffs are based on the latest guideline tariffs of 13,07%, for the electricity basket, as published in the NERSA guidelines for municipal tariff increases.

The following table sets out the costing of services.

It should be noted that the revised budget presentation for the costing of services relating to FBS, in comparison with previous years' revenue accrual of subsidies for basic services to indigents, are now reflected as a reduction of revenue. The portion of the Equitable Share equal to the cost and revenue cost of FBS to indigents has since 1 July 2017 been reflected as revenue to the relevant

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

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 2018/2019	Original Budget 2019/2020
Service : ELECTRICITY		
Bulk Purchases	232 288 349	275 879 707
Contracted Services	2 499 915	3 516 647
Depreciation and Amortisation	25 315 495	25 389 635
Employee Related Cost	23 294 076	25 335 720
Interest, Dividends and Rent on Land	16 504 720	16 888 399
Inventory Consumed	4 467 397	5 387 015
Operational Cost	651 980	11 295 091
Costing: Overheads (Dept charges)	51 510 666	54 240 731
TOTAL EXPENDITURE	**356 532 598**	**418 081 345**
** INCOME		
** Ex Rev: Service Charges	-363 350 100	-396 272 716
** Ex Rev: Sales Goods Services	-2 355 800	-2 485 000
** Non-Ex Rev: Fine Penlt Forft	-160000	-130 000
** Cost Free Basic Services	-27 864 163	-31 587 861
TOTAL INCOME	-393 730 063	-430 475 577
(SURPLUS)/DEFICIT	-37 197 465	-12 394 232
	9.45%	**2.88%**
Service : WATER		
Contracted Services	45 089 861	48 761 354
Depreciation and Amortisation	27 481 426	27 518 895
Employee Related Cost	11 154 648	10 957 224
Interest, Dividends and Rent on Land	18 045 930	19 582 115
Inventory Consumed	3 189 722	3 480 924
Operational Cost	5 034 539	6 534 529
Debt Impairment & Bad Debt		148 400
Costing: Overheads (Dept charges)	15 166 410	15 955 064
TOTAL EXPENDITURE	**125 162 536**	**132 938 505**
** INCOME		
** Ex Rev: Service Charges	-115 330 600	-126 000 000
** Ex Rev: Sales Goods Services	-900 300	-870 100
** Non-Ex Rev: Fine Penlt Forft	-150 000	-75 000
** Cost Free Basic Services	-14 031 701	-13 650 111
TOTAL INCOME	-130 412 601	-140 595 211
(SURPLUS)/DEFICIT	-5 250 065	-7 656 706
	4.03%	**5.45%**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

COSTING OF SERVICES	Original Budget 2018/2019	Original Budget 2019/2020
Service : WASTE WATER MANAGEMENT		
Contracted Services	17 843 042	21 149 359
Depreciation and Amortisation	16 302 296	16 475 336
Employee Related Cost	15 915 840	17 381 388
Interest, Dividends and Rent on Land	10 201 330	11 400 824
Inventory Consumed	3 837 423	4 069 819
Operational Cost	1 165 997	1 275 041
Costing: Overheads (Dept charges)	15 296 745	16 092 176
TOTAL EXPENDITURE	**80 562 673**	**87 992 343**
** INCOME		
** Ex Rev: Service Charges	-73 164 000	-80 000 000
** Cost Free Basic Services	-13 386 311	-17 202 168
TOTAL INCOME	**-86 550 311**	**-97 222 168**
(SURPLUS)/DEFICIT	**-5 987 638**	**-9 229 825**
	6.92%	**9.49%**
Service : WASTE MANAGEMENT		
Contracted Services	24 149 649	28 811 275
Depreciation and Amortisation	4 771 153	2 259 397
Employee Related Cost	28 804 080	31 198 620
Interest, Dividends and Rent on Land	788 070	1 687 926
Inventory Consumed	2 799 827	2 879 025
Operational Cost	4 506 221	631 831
Debt Impairment & Bad Debt		148 400
		3 913 572
Costing: Overheads (Dept charges)	10 015 410	10 536 207
TOTAL EXPENDITURE	**75 834 410**	**82 066 253**
** INCOME		
** Ex Rev: Service Charges	-59 843 300	-68 720 400
** Ex Rev: Sales Goods Services	-1 156 800	-27 000
** Non-Ex Rev: Transfers Subsidy	-16 578 054	-17 472 080
TOTAL INCOME	**-77 578 154**	**-86 219 480**
(SURPLUS)/DEFICIT	**-1 743 744**	**-4 153 227**
	2.25%	**4.82%**

Notes:
1. The Secondary costs (overheads) are consistent with previous allocations plus 5,3% inflation

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

1.4.1 Property Rates

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

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

The following stipulations in the Property Rates Policy are highlighted:

TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	No exemptions. Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the difference between Bus and Res. rate: 1 -2 X lettable room: 100% 3 X lettable rooms: 75% 4 X lettable rooms: 50% 5 X lettable rooms: 25%
BUSO	General Tax: Tourism and recreational resorts outside the municipal urban areas	Hotels, Guest Houses, Cottages, Caravan parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas.
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes, small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax. A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued and an additional rebate of 20% of the levy calculated on such properties, is granted. Rebate to qualifying property owners as indicated under "*Other Rebate*"
RESO	General Tax: Residential properties outside the municipal urban area	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes	50% of the tax applicable on residential property in urban areas. Rebate to qualifying property owners as indicated under "Other Rebate"

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

FARMS	General Tax: Farming Properties	Smallholdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of a property for the purpose of ecotourism or for the trading in or hunting of game.
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes.	Not rateable in terms of section 17(1)(e) of the act.
PR100 PR050 PR040	Other Rebates	Single residential properties, Group Housing, Retirement Villages, Flats, Sectional Schemes	- Property zoned single residential must be occupied permanently by the applicant; - The applicant must be the registered owner; - Applicant may not be the registered owner of more than one property • A rebate of 100% to approved applicants, in terms of the **Property Rates** Policy, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month; • A rebate of 50% to approved applicants, in terms of the **Property Rates** Policy, who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month; • A rebate of 40% to approved applicants, in terms of the **Property Rates**, who are older than 60 with a gross monthly household income of more than four times (4X) but less than eight times (8X) of state funded social pensions per month.

The following table sets out the categories of rateable properties for purposes of levying rates and the proposed rates for the 2019/20 financial year, to increase from 1 July 2019:

Table 6 Comparison of proposed rates to be levied for the 2019/20 financial year

RATES TARIFFS

Tariff Code	Detail	2019/2020		2018/2019		1.0570
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2015					
RATE1*	Commercial Land with Improvements	0.008639	0.008639	0.008173	0.008173	5.7000%
RATE2*	Residential Land with Improvements	0.005703	0.005703	0.005395	0.005395	5.7000%
	** 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	0.000000	0.000000	0.000000	0.000000	
RATE5	~~Improvement District Surcharge (IPP) on total rates payable on approved Improvement District~~	0.000000	0.000000	0.100000	0.100000	-100.0000%
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)	0.001426	0.001426	0.001349	0.001349	5.6804%
RATE8	Undeveloped erven	0.007809	0.007809	0.007388	0.007388	5.7000%
RATE9	Government Properties: Commercial	0.008639	0.008639	0.008173	0.008173	5.7000%
RATE10	Government Properties: Residential	0.005703	0.005703	0.005395	0.005395	5.7000%
	PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES					

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

1.4.2 Sale of Water and Impact of Tariff Increases

Evermore South Africa faces challenges with regard to potable water supply, since demand growth outstrips supply, coupled with the possible impact of climate change, where the Western Cape is experiencing the worst drought since 1933. Due to water source and infrastructure investment in the previous few years, made by Overstrand municipality, a water crisis could up till now, be averted. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

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

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

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

Tariff increases as from 1 July 2019 are indicated in the list of tariffs in Annexure C. The 6 kℓ free water per 30-day period has since 2014 only been granted to registered indigents. The third level of phasing in the increases in the 0 – 6 kℓ category as implemented during 2013/14, to recover minimum cost of the production of water, further postponed in 2014/15, has been further phased-in. This is the reason for the higher than 6% collective increase in this category of the tariffs.

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

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

Tariff Code	Detail	2019/2020		2018/2019		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
W1	**BASIC CHARGE**					
W1A1	Basic Monthly Charge per erf/unit per	136.50	156.98	129.14	148.51	5.70%
W1A3A	Fixed Infrastructure Basic Charge per erf/unit per month	15.45	17.77	15.45	17.77	0.00%
W1A3B	Fixed Infrastructure Basic Charge per erf/unit per month	8.41	9.67	8.41	9.67	0.00%
W1A3C	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households	8.41	9.67	8.41	9.67	0.00%
W1B	**CONSUMPTION - HOUSEHOLDS**					
	Normal Tariff					
W1B1	0 - 6 kl per kl	5.60	6.44	5.02	5.77	11.50%
W1B2	7 - 18 kl per kl	11.47	13.19	10.85	12.48	5.70%
W1B3	19 - 30 kl per kl	18.61	21.41	17.61	20.25	5.70%
W1B4	31 - 45 kl per kl	28.66	32.95	27.11	31.18	5.70%
W1B5	46 - 60 kl per kl	37.22	42.80	35.21	40.49	5.70%
W1B6	>60kl per kl	49.64	57.08	46.96	54.00	5.70%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA announced a revised bulk electricity pricing structure at 15.63% increase in the Eskom bulk electricity tariffs to municipalities, effective from 1 July 2019. The revised tariff increases that were factored into the final budget are based on the guideline increases applicable on municipal electricity tariffs to consumers, as published by NERSA. The guideline increase was set at 13,07%.

The estimated increase in basic charges of 17,5%, as tabled in the Draft Budget in March 2019, has since been revised and an increase of 15% in basic charges are now proposed. The basic charge increase for households is to further mitigate the disparity between fixed and variable costs.

The revised increases for the respective brackets of the Inclining Block Tariffs (0-350 kWh, 351-600kWh, and >600kWh), are also now proposed at 12%, 12,6% and 12,7% respectively. This is to mitigate the increase in basic charges and it should be noted that the basket (household account) for electricity would thus still average 13,07%.

Furthermore, Local Government has been urged in discussions at various forum meetings and workshops to address the disparity in recovery of costs in relation to basic charges versus unit cost charges with regard to fixed costs and variable costs respectively. The municipality is revisiting cost allocation in terms of before-mentioned on an annual basis in order to ensure parity.

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		2019/2020		2018/2019		
			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	335.34	385.64	291.60	335.34	15.00%
	kWH Unit cost						
E1A2	IBT BLOCK 1 0 - 350 kWh	c	128.67	147.97	114.88	132.11	12.00%
E1A3	IBT BLOCK 2 351 - 600 kWh	c	188.97	217.31	167.82	192.99	12.60%
E1A4	IBT BLOCK 3 > 600 kWh	c	232.18	267.01	206.02	236.92	12.70%
E1B	**Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)**						
E1B1	Basic Monthly charge per meter	R	335.34	385.64	291.60	335.34	15.00%
	kWH Unit cost						
E1B2	IBT BLOCK 1 0 - 350 kWh	c	118.85	136.68	106.12	122.03	12.00%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	178.07	204.78	158.14	181.86	12.60%
E1B4	IBT BLOCK 3 > 600 kWh	c	223.18	256.66	198.03	227.73	12.70%

The IBT for electricity, as previously proposed by NERSA has continued. As mentioned above, with the latest recommendations, the tariff increases in the inclining block tariff for the electricity consumption tariffs has been set at 12%, 12,6% and 12,7% for the respective inclining blocks. The reduced tariffs for prepaid meters, compared to conventional meters, will continue as in the past.

The full proposed tariffs are included in Annexure C.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 5,7 per cent for sanitation (basic & consumption) is proposed from 1 July 2019.

This is based on tariff increases related to inflation increases as mentioned earlier in this report.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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	2019/2020		2018/2019		
		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.	13.70	15.76	12.96	14.90	5.71%
SE8	BASIC CHARGE					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	121.65	139.90	115.09	132.35	5.70%

The full proposed tariffs are included in Annexure C.

1.4.5 Waste Removal and Impact of Tariff Increases

The operation of the Karwyderskraal waste disposal site for cell 3 by Overstrand municipality, re-opened during 2015/16, was to improve operational efficiencies regarding solid waste disposal from Hermanus and Kleinmond, which is channelled to this site. The Theewaterskloof municipality previously disposed of solid waste at Karwyderskraal when it was operated by the District municipality. Theewaterskloof municipality also utilised the service operated by Overstrand municipality, who operated Cell 3 of the site till the end of March 2019.

The Overberg District municipality officially re-launched the Karwyderskraal waste disposal on 29 March 2019, as it was in a position to construct a new Cell 4 and resumed operations at the site from 1 April 2019.

A tariff increase of 12,86% is proposed for 2019/20, in view of the increased costs to be incurred by Overstrand Municipality in dumping waste at the newly constructed Cell 4, with another contributing cost for the relocating of the Hermanus Waste Management Facility, for will borrowing will be incurred. Refer to the Top 10 Capital Projects.

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 2019:

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Tariff Code	Detail	2019/2020		2018/2019		
		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)	185.49	213.31	164.35	189.00	12.86%

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

High Consumption with prepaid elect meter			2018/2019	2019/2020	Amount	%
Valuation	R3 500 000					
Rates			1 240.85	1 311.58	70.73	5.70
Sewer	**SE7A1+SE8A**		568.69	601.15	32.46	5.71
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	**1X Per Week**		164.35	185.49	21.14	12.86
Water	50 kl		1 083.48	1 146.99	63.51	5.86
VAT		0.15	280.51	298.07	17.57	6.26
SUB TOTAL			**3 391.42**	**3 596.81**	**205.39**	**6.06**
Electricity Cred	1500 kWh		2 840.62	3 205.09	364.47	12.83
VAT		0.15	426.09	480.76	54.67	12.83
TOTAL			**6 658.13**	**7 282.67**	**624.54**	**9.38**
HPP if applicable			*124.09*	*0.00*	*-124.09*	*-100.00*

Medium Consumption with prepaid elect meter			2018/2019	2019/2020	Amount	%
Valuation	R2 500 000					
Rates			881.18	931.41	50.23	5.70
Sewer	**SE7A1+SE8A**		341.89	361.40	19.51	5.71
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	**1X Per Week**		164.35	185.49	21.14	12.86
Water	25 kl		412.73	438.00	25.27	6.12
VAT		0.15	145.88	155.76	9.89	6.78
SUB TOTAL			**1 999.57**	**2 125.60**	**126.03**	**6.30**
Electricity Prep	800 kWh		1 454.41	1 642.83	188.42	12.96
VAT		0.15	218.16	246.43	28.26	12.96
TOTAL			**3 672.14**	**4 014.86**	**342.72**	**9.33**
HPP if applicable			*88.12*	*0.00*	*-88.12*	*-100.00*

Low Consumption with prepaid elect meter			2018/2019	2019/2020	Amount	%
Valuation	R1 000 000					
Rates			341.68	361.16	19.48	5.70
Sewer	**SE7A1+SE8A**		251.17	265.50	14.33	5.71
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	**1X Per Week**		164.35	185.49	21.14	12.86
Water	15 kl		256.91	273.30	16.39	6.38
VAT		0.15	108.90	116.67	7.78	7.14
TOTAL			**1 176.55**	**1 255.66**	**79.11**	**6.72**
Electricity Prep	600 kWh		1 058.35	1 196.47	138.12	13.05
VAT		0.15	158.75	179.47	20.72	13.05
			2 393.65	**2 631.61**	**237.95**	**9.94**
HPP if applicable			*34.17*	*0.00*	*-34.17*	*-100.00*

Life-Line Consumption (ONE PART) (Indigent)			2017/2018	2018/2019	Amount	%
Valuation	R50 000					
Rates			0.00	0.00	0.00	0.00
Sewer	**SE7A1**		18.14	19.18	1.04	5.71
Infrastructure Basic Charge Water, Electricity & Sewer			53.54	41.70	-11.84	-22.11
Refuse	**1X Per Week**		0.00	0.00	0.00	0.00
Water	8 kl		21.70	22.94	1.24	5.70
VAT		0.15	14.01	12.57	-1.44	-10.24
SUB TOTAL			**107.39**	**96.39**	**-11.00**	**-10.24**
Electricity Pre-I	300 kWh		321.84	360.46	38.62	12.00
VAT		0.15	48.28	54.07	5.79	12.00
TOTAL			**477.51**	**510.92**	**33.41**	**7.00**

OVERSTRAND MUNICIPALITY
2019 -05- 23

Table 11 MBRR Table SA14 – Household bills

WC032 Overstrand - Supporting Table SA14 Household bills

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
Rand/cent	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20 % incr.	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	191.53	205.32	220.57	233.78	233.78	233.78	5.7%	247.13	261.96	277.68
Electricity: Basic levy	216.83	254.78	267.52	291.60	291.60	291.60	15.0%	335.34	355.46	376.79
Electricity: Consumption	1 367.73	1 445.42	1 464.97	1 558.89	1 558.89	1 558.89	12.5%	1 753.87	1 859.10	1 970.65
Water: Basic levy	108.42	114.93	121.83	129.14	129.14	129.14	5.7%	136.50	144.69	153.37
Water: Consumption	313.77	333.62	354.92	377.69	377.69	377.69	6.2%	400.93	424.99	450.48
Sanitation	325.09	344.53	365.16	387.25	387.25	387.25	5.7%	409.35	433.91	459.95
Refuse removal	137.99	146.26	155.04	164.35	164.35	164.35	12.9%	185.49	196.62	208.42
Other	41.70	41.70	53.54	56.97	56.97	56.97	-	56.97	56.97	56.97
sub-total	2 703.06	2 886.56	3 003.55	3 199.67	3 199.67	3 199.67	10.2%	3 525.58	3 733.70	3 954.30
VAT on Services	351.61	375.37	396.57	444.88	444.88	444.88		491.77	520.76	551.49
Total large household bill:	3 054.67	3 261.93	3 400.12	3 644.55	3 644.55	3 644.55	10.2%	4 017.35	4 254.46	4 505.79
% increase/-decrease		6.8%	4.2%	7.2%	-	-		10.2%	5.9%	5.9%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	132.60	142.15	152.70	161.85	161.85	161.85	5.7%	171.09	181.36	192.24
Electricity: Basic levy	216.83	254.78	267.52	291.60	291.60	291.60	15.0%	335.34	355.46	376.79
Electricity: Consumption	554.27	571.30	574.61	608.63	608.63	608.63	12.2%	683.08	724.06	767.51
Water: Basic levy	108.42	114.93	121.83	129.14	129.14	129.14	5.7%	136.50	144.69	153.37
Water: Consumption	236.54	251.79	268.19	285.74	285.74	285.74	6.3%	303.75	321.98	341.29
Sanitation	287.01	304.18	322.39	341.89	341.89	341.89	5.7%	361.40	383.08	406.07
Refuse removal	137.99	146.26	155.04	164.35	164.35	164.35	12.9%	185.49	196.62	208.42
Other	41.70	41.70	53.54	56.97	56.97	56.97	-	56.97	56.97	56.97
sub-total	1 715.36	1 827.09	1 915.82	2 040.17	2 040.17	2 040.17	9.5%	2 233.62	2 364.22	2 502.65
VAT on Services	221.59	235.89	251.24	281.75	281.75	281.75		309.38	327.43	346.56
Total small household bill:	1 936.95	2 062.98	2 167.06	2 321.92	2 321.92	2 321.92	9.5%	2 543.00	2 691.65	2 849.22
% increase/-decrease		6.5%	5.0%	7.1%	-	-		9.5%	5.8%	5.9%
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates	73.67	78.97	84.83	89.92	89.92	89.92	5.7%	95.05	100.75	106.80
Electricity: Basic levy	216.83	254.78	267.52	291.60	291.60	291.60	15.0%	335.34	355.46	376.79
Electricity: Consumption	348.08	351.58	351.05	371.42	371.42	371.42	12.0%	415.98	440.94	467.40
Water: Basic levy	108.42	114.93	121.83	129.14	129.14	129.14	5.7%	136.50	144.69	153.37
Water: Consumption	162.59	173.44	185.14	197.69	197.69	197.69	6.6%	210.70	223.34	236.74
Sanitation	248.93	263.82	279.62	296.53	296.53	296.53	5.7%	313.45	332.26	352.19
Refuse removal	137.99	146.26	155.04	164.35	164.35	164.35	12.9%	185.49	196.62	208.42
Other	(635.29)	(701.43)	(727.86)	(792.66)	(792.66)	(792.66)		(884.39)	(952.37)	(1 025.57)
sub-total	661.22	682.35	717.17	747.99	747.99	747.99	8.0%	808.12	841.69	876.13
VAT on Services	76.42	78.64	90.11	98.71	98.71	98.71		106.96	111.14	115.40
Total small household bill:	737.64	760.99	807.28	846.70	846.70	846.70	8.1%	915.08	952.83	991.53
% increase/-decrease		3.2%	6.1%	4.9%	-	-		8.1%	4.1%	4.1%

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2019/20 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 2019/20 budget and MTREF (classified per main type of operating expenditure):

Table 12 Summary of operating expenditure by functional classification item

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
Expenditure By Type									
Employee related costs	274 564	302 363	296 536	367 024	374 114	374 114	399 804	421 616	446 460
Remuneration of councillors	8 566	9 265	10 138	10 972	10 972	10 972	11 383	11 878	12 397
Debt impairment	13 785	22 221	18 013	23 492	23 492	23 492	24 902	26 396	27 979
Depreciation & asset impairment	122 909	132 532	134 400	130 362	130 362	130 362	131 285	130 830	130 222
Finance charges	46 207	45 913	46 129	47 834	47 834	47 834	51 549	54 249	56 058
Bulk purchases	194 620	217 523	225 844	238 588	238 588	238 588	275 880	319 000	368 859
Other materials	19 605	48 818	38 054	57 602	52 031	52 031	63 675	71 299	71 581
Contracted services	112 447	155 726	167 065	193 637	207 243	207 243	207 536	229 784	237 280
Transfers and subsidies	51 090	1 898	1 800	500	500	500	500	525	551
Other expenditure	93 542	50 631	55 475	64 232	69 339	69 339	83 450	77 311	82 123
Loss on disposal of PPE	392	8 133							
Total Expenditure	**937 727**	**995 023**	**993 453**	**1 134 245**	**1 154 476**	**1 154 476**	**1 249 963**	**1 342 887**	**1 433 511**

The budgeted allocation for employee related costs and remuneration of councillors for the 2019/20 financial year totals R411,2m which equals 32,9 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 R14,8m of which the majority of the amount is a long term liability (post-retirement benefits) and therefore not cash remuneration.

The current three year collective SALGBC salary agreement came into operation on 1 July 2018. Salary increases, according to the principles of the agreement, were estimated at 6,25 % for the 2019/20 financial year, based on the average inflation for the period February 2018 to January 2019, with a minimum inflation rate of 5% plus 1,5% for the second year of the agreement.

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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 2019/2020. 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 2018/2019 increases was published during January 2019. No indication for 2019/20 has been received to date and therefore remuneration of councillors has been factored into the 2019/20 budget at the same rate as the 2018/2019 determination.

The provision of debt impairment and write-off of bad debts for consumer accounts has been determined based on an annual collection rate of close to 100 per cent and the Debt Write-off Policy of the Municipality. For the 2019/20 financial year this amount equates to R0,7m. Impairment for traffic fines, resulting from the implementation of IGRAP1, has been budgeted according to the trends from the three previous financial years and amounts to R24,2m.

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 R131,3m for the 2019/20 financial year and equates to 10,5 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 4,1 per cent of operating expenditure. The gearing ratio of borrowing to revenue is expected to be 44 per cent for 2019/20, which is below the outer proposed limit of National Treasury.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The proposals from the NERSA determination for Eskom, for a 15.63% bulk price increase to municipalities from 1 July 2019 has been factored into the budget appropriations and also directly informs tariff increase.

Other materials, now classified as Inventory in mSCOA, comprise amongst others the purchase of materials for maintenance, cleaning materials, fuel, printing and stationary, top structures for housing projects etc. The expenditure on top structures relating to Housing Projects funded through the Human Settlement Grant that fluctuates from year to year causes major discrepancies in the trend for this type of expenditure.

In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the Municipality's infrastructure. The introduction of further reclassification resulting from mSCOA caused a shift in expenditure budgeted under Repairs and maintenance as well as Contracted Services, in relation to previous years' figures.

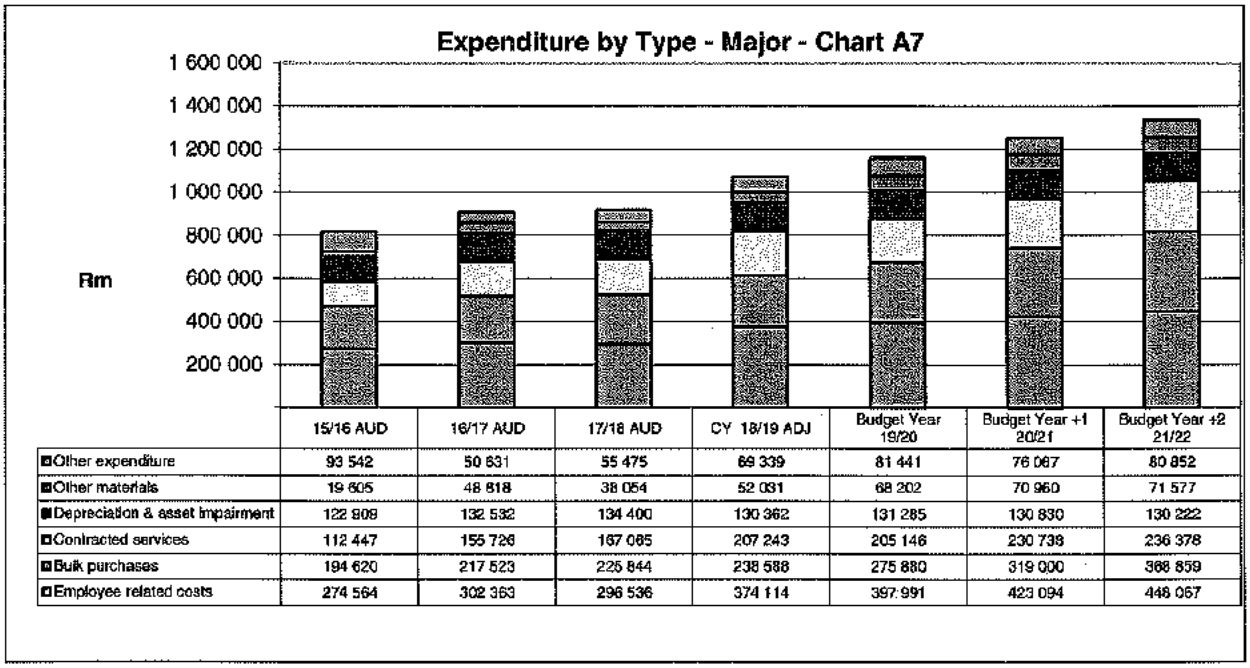
Contracted services have been identified as an area for the municipality to implement efficiencies. As part of the compilation of the 2019/20 MTREF this group of expenditure was critically evaluated and operational efficiencies are being enforced. In the 2019/20 financial year, this group of

OVERSTRAND MUNISIPALITEIT 2019 -05- 23 OVERSTRAND MUNICIPALITY

expenditure totals R207,5m. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses. Further details relating to contracted services can be seen in Table 62 MBRR SA1 (see page 100).

Other Expenditure, now classified as Operational Costs in mSCOA, comprises of various line items relating to the daily operations of the municipality. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses to Inventory (materials) and contracted services. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Further details relating to other expenditure can be seen in Table 62 MBRR SA1 (see page 100). It is highlighted that the NT A Schedules, although revised, does not sufficiently reflect all mSCOA classifications relating to all types of expenditure.

The following table gives a breakdown of the major expenditure categories for the 2019/20 financial year.



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Other expenditure	93 542	50 631	55 475	69 339	81 441	76 067	80 852
Other materials	19 605	48 818	38 054	52 031	68 202	70 960	71 577
Depreciation & asset impairment	122 909	132 532	134 400	130 362	131 285	130 830	130 222
Contracted services	112 447	155 726	167 065	207 243	205 146	230 738	236 378
Bulk purchases	194 620	217 523	225 844	238 588	275 880	319 000	368 859
Employee related costs	274 564	302 363	296 536	374 114	397 991	423 094	448 067

Figure 1 Main operational expenditure categories for the 2019/20 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 2019/20 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 13 Operational repairs and maintenance

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Repairs and maintenance by Expenditure Item									
Employee related costs	38 175	50 261	53 689	100 740	100 740	100 740	97 024	102 797	109 320
Other materials	14 541	3 500	30 000	16 024	16 154	16 154	13 845	17 054	18 055
Contracted Services	30 494	36 145	67 791	82 917	86 649	86 649	69 331	78 933	83 434
Other Expenditure	26 167	30 890	8 555	25 531	28 416	28 416	18 990	9 992	10 576
Total Repairs and Maintenance Expenditure	109 377	120 795	160 036	225 212	231 959	231 959	199 189	208 776	221 386

During the compilation of the 2019/20 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. As part of the 2019/20 MTREF this strategic imperative remains a priority. In relation to the total operating expenditure, repairs and maintenance comprises on average 15,63 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 6.3, 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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	99 836	110 392	117 901	149 680	153 082	153 082	139 955	141 872	150 995
Roads Infrastructure	45 521	55 545	53 229	63 374	63 890	63 890	65 331	72 339	76 660
Storm water Infrastructure	5 260	6 392	6 017	6 786	6 786	6 786	6 800	7 890	8 335
Electrical Infrastructure	16 972	17 747	17 645	23 747	23 747	23 747	37 099	28 942	30 506
Water Supply Infrastructure	18 056	18 489	15 014	19 104	19 104	19 104	16 935	17 994	19 901
Sanitation Infrastructure	11 512	11 672	13 051	13 642	15 442	15 442	11 541	11 865	12 580
Solid Waste Infrastructure	2 516	2 546	12 946	23 038	24 113	24 113	2 220	2 690	2 747
Promenades							189	210	222
Information and Communication Infrastructure	–	–	–	–	–	–	40	42	44
Community Assets	–	4 867	12 289	41 017	41 387	41 387	40 198	45 273	48 840
Community Facilities	–	4 867	12 289	27 714	28 033	28 033	34 241	39 414	41 580
Sport and Recreation Facilities	–	–	–	13 304	13 354	13 354	5 957	5 859	7 261
Other assets	9 541	–	–	12 497	12 597	12 597	2 217	3 094	3 272
Intangible Assets	–	–	–	–	–	–	5 653	5 978	6 323
Computer Equipment	–	5 536	5 207	5 387	5 387	5 387	1 193	1 260	1 330
Furniture and Office Equipment	–	–	17 919	16 622	19 507	19 507	431	458	486
Machinery and Equipment	–	–	6 719	–	–	–	–	–	–
Machinery and Equipment			6 719				–	–	–
Transport Assets	–	–	–	–	–	–	9 542	9 841	10 140
Transport Assets							9 542	9 841	10 140
Total Repairs and Maintenance Expenditure	109 377	120 795	160 036	225 212	231 959	231 959	199 189	208 776	221 386

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

For the 2019/20 financial year, 15,9 per cent or R199,2m of the total budget will be spent on repairs and maintenance, of which R140m is for infrastructure. Roads infrastructure has received a significant proportion of the infrastructure allocation totalling 32,8 per cent (R65,3m), followed by community assets at 20,2 per cent (R40,2m) and electricity at 18,6 per cent (R37m).

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 2019/20 is estimated at 7 850 and will be reviewed monthly.

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

Details relating to free services and basic service delivery measurement is contained in Table 26 MBRR A10 (Basic Service Delivery Measurement) on page 46.

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

The policy for Grants-in-aid to organisations has been reviewed and approved by Council. Advertisements requested interested parties to submit applications for grant-in-aid for the 2019/2020 financial year. The table below reflects the allocation for 2019/2020.

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash Transfers to Organisations									
Mayor's Charity Fund	348			132	132	132	100	105	110
National Sea Rescue Institute (Hermanus Station)				30	30	30			
Hermanus Night Shelter				12	12	12			
Recycle Swop Shop				20	20	20			
Franskraal Bowling Club				10	10	10			
Child Welfare Kleinmond				20	20	20			
Sustainable Futures Trust				30	30	30			
Overstrand Hospice				18	18	18			
Camphill Farm Community				18	18	18			
Stanford Conservation				20	20	20			
Overberg Aquatic Club				25	25	25			
Hermanus Botanical Society				7	7	7			
Child Welfare Hermanus				30	30	30			
Pearly Beach Conservancy				18	18	18			
BADISA				25	25	25			
Overstrand Association for People with Disabilities (OAPD)				20	20	20			
Narrative Foundation				20	20	20			
Hermanus Hooking Group				12	12	12			
Overberg Wheelchair Association				15	15	15			
Kids at the Centre				20	20	20			
Recycle swop shop							29	420	441
Pearly Beach Conservancy							30		
Hermanus Botanical Society							7		
OAPD							35		
Whale Coast Conservation							30		
Dyer Island Conservation Trust							50		
Franskraal Bowling Club							21		
Camphill Farm Community Hermanus							50		
Child Welfare South Africa Kleinmond							50		
Camphill School							30		
Child Welfare South Africa Hermanus							40		
Stanford Conservation Trust							28		
Tourism Buro's	1 508								

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

1.6 Capital expenditure

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

Table 16 2019/20 Medium-term capital budget per vote

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional									
Governance and administration	**4 809**	**957**	**6 346**	**6 331**	**7 472**	**7 472**	**4 105**	**30 000**	**30 000**
Executive and council		72		20	572	572	10	–	–
Finance and administration	4 809	885	6 346	6 311	6 900	6 900	4 095	30 000	30 000
Internal audit									
Community and public safety	**32 729**	**14 135**	**44 053**	**57 710**	**54 084**	**54 084**	**64 760**	**14 128**	**39 480**
Community and social services	3 169	644	1 929	4 999	5 249	5 249	3 280	–	–
Sport and recreation	3 311	1 837	5 427	8 057	8 007	8 007	18 770	–	–
Public safety	264	996	2 517	9 186	6 556	6 556	16 271	841	–
Housing	25 985	10 658	34 180	35 467	34 271	34 271	26 439	13 287	39 480
Health									
Economic and environmental services	**13 226**	**13 279**	**12 023**	**18 821**	**14 551**	**14 551**	**30 410**	**–**	**8 000**
Planning and development		1 540		5 725	1 720	1 720	8 899	–	–
Road transport	13 226	11 739	12 023	13 096	12 831	12 831	21 510	–	8 000
Environmental protection									
Trading services	**44 369**	**63 498**	**42 786**	**111 375**	**98 642**	**98 642**	**162 402**	**104 336**	**76 844**
Energy sources	18 237	30 496	16 268	24 772	20 456	20 456	34 124	32 000	30 000
Water management	14 232	15 772	3 257	30 077	21 945	21 945	48 504	40 075	13 481
Waste water management	11 875	17 217	21 523	54 987	54 744	54 744	62 843	21 961	33 363
Waste management	25	12	1 739	1 540	1 497	1 497	16 931	10 300	–
Other									
Total Capital Expenditure - Functional	**95 133**	**91 868**	**105 207**	**194 237**	**174 748**	**174 748**	**261 677**	**148 464**	**154 324**

For 2019/20 an amount of R162,4m has been appropriated for the development of basic services infrastructure which represents 66,1 per cent of the total capital budget of R261,7m. In the outer years this amount totals R104,3m, 70,2 per cent and R76,8m, 50 per cent respectively for each of these financial years. Waste water infrastructure has the highest allocation at R62,8m in 2019/20 which equates to 38,7 per cent of the basic services infrastructure allocation, followed by water management at 29,9 per cent, R48,5 million and then electricity 20,1 per cent, R34,1m. Over the MTREF the capital housing grant expenditure relating to housing infrastructure provision amounts to R79,2 million.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 25 MBRR A9 (Asset Management) on page 42. 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 91). Some of the salient projects to be undertaken during 2019/2020 includes, amongst others:

Top 10 Capital Projects

Project Description	Ward	Amount
WATER MASTER PLAN IMPLEMENTATION	Overstrand	16 286 360
UPGRADE HAWSTON SPORT COMPLEX	Ward 08	15 577 530
MASAKHANE IRDP(296)	Ward 01	11 113 300
HERMANUS NEW WASTE MANAGEMENT FACILITY	Overstrand	10 000 000
NEW RESERVOIR FOR PRINGLE BAY	Ward 10	9 175 105
HERMANUS:MV & LV UPGRADE/REPLACEMENT	Ward 03	8 871 500
CBD REGENERATION PROGRAM	Ward 03	7 644 182
BLOMPARK HOUSING PROJECT BULK STORMWATER	Ward 02	7 485 744
NEW 4ML RESERVOIR	Ward 02	7 098 256
GANSBAAI CBD SEWER NETWORK EXTENSION	Ward 02	6 574 574

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Furthermore, pages 94 to 97 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.

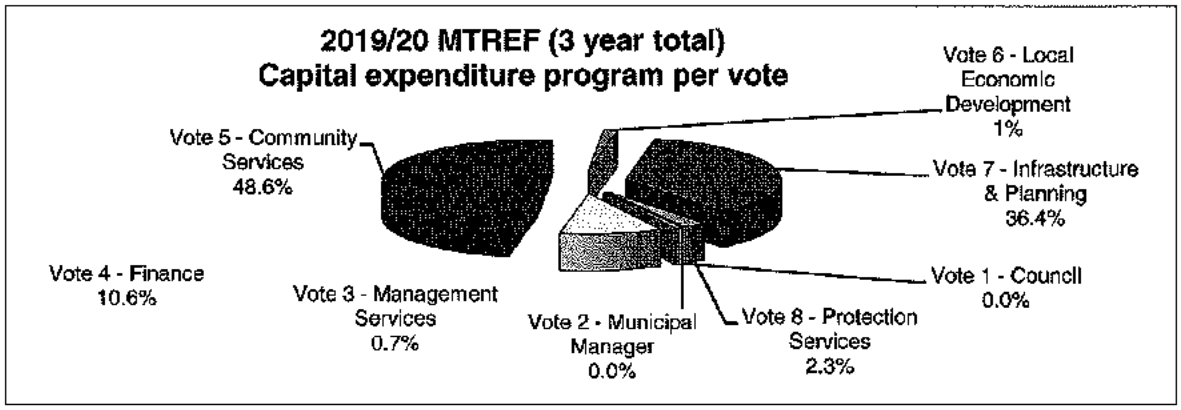


Figure 2 Capital Infrastructure Programme

Further capital projects have been considered and prioritised for the 2019/2020 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 2019/20 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 2019/20 final budget and MTREF to be approved and/or noted by the Council. Each table is accompanied by *explanatory notes* on the facing page.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 17 MBRR Table A1 - Budget Summary

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Performance									
Property rates	164 486	197 104	214 845	234 998	234 998	234 998	242 150	256 669	273 473
Service charges	573 118	571 114	590 194	613 718	624 718	624 718	676 330	753 185	845 045
Investment revenue	12 209	20 347	30 285	21 001	29 201	29 201	28 010	29 690	31 471
Transfers recognised - operational	103 629	114 411	116 421	130 566	118 186	118 186	152 183	157 143	168 217
Other own revenue	77 249	99 952	121 494	79 944	76 194	76 194	74 844	79 070	82 083
Total Revenue (excluding capital transfers and contributions)	930 691	1 002 928	1 073 241	1 080 228	1 083 298	1 083 298	1 173 517	1 275 756	1 400 289
Employee costs	274 564	302 363	296 536	367 024	374 114	374 114	399 804	421 616	446 460
Remuneration of councillors	8 566	9 265	10 138	10 972	10 972	10 972	11 383	11 878	12 397
Depreciation & asset impairment	122 909	132 532	134 400	130 362	130 362	130 362	131 285	130 830	130 222
Finance charges	46 207	45 913	46 129	47 834	47 834	47 834	51 549	54 249	56 058
Materials and bulk purchases	214 224	266 341	263 898	296 190	290 619	290 619	339 554	390 299	440 440
Transfers and grants	51 090	1 898	1 800	500	500	500	500	525	551
Other expenditure	220 166	236 710	240 552	281 361	300 074	300 074	315 888	333 490	347 383
Total Expenditure	937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	1 249 963	1 342 887	1 433 511
Surplus/(Deficit)	(7 036)	7 906	79 788	(54 017)	(71 179)	(71 179)	(76 446)	(67 131)	(33 222)
Transfers and subsidies - capital (monetary alloc	60 651	33 681	64 248	61 968	66 072	66 072	70 194	42 164	68 993
Contributions recognised - capital & contributed as	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(6 252)	(24 967)	35 771
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(6 252)	(24 967)	35 771
Capital expenditure & funds sources									
Capital expenditure	95 133	91 868	105 207	194 237	174 748	174 748	261 677	148 464	154 324
Transfers recognised - capital	61 394	43 214	68 640	62 068	66 172	66 172	70 194	42 164	68 993
Borrowing	27 189	35 550	19 199	66 650	53 624	53 624	90 501	64 300	50 000
Internally generated funds	6 549	13 104	17 369	63 519	54 952	54 952	100 981	42 000	35 331
Total sources of capital funds	95 133	91 868	105 207	194 237	174 748	174 748	261 677	148 464	154 324
Financial position									
Total current assets	307 820	404 764	641 418	523 717	656 395	656 395	583 535	562 125	575 701
Total non current assets	3 731 761	3 702 225	3 635 627	3 718 075	3 685 955	3 685 955	3 823 679	3 848 864	3 880 716
Total current liabilities	169 587	180 206	220 580	215 151	214 102	214 102	234 096	241 218	225 682
Total non current liabilities	611 666	629 633	613 708	673 454	644 964	644 964	694 547	715 177	739 540
Community wealth/Equity	3 258 328	3 297 149	3 442 758	3 353 187	3 483 283	3 483 283	3 478 571	3 454 614	3 491 195
Cash flows									
Net cash from (used) operating	160 551	175 289	242 445	175 190	173 153	173 153	165 492	114 938	149 550
Net cash from (used) investing	(99 253)	(86 528)	(28 747)	(201 351)	(180 689)	(180 689)	(269 006)	(156 032)	(162 052)
Net cash from (used) financing	8 496	(3 727)	1 455	23 944	21 583	21 583	58 619	16 410	7 876
Cash/cash equivalents at the year end	174 780	259 815	474 967	380 242	489 014	489 014	444 120	419 436	414 811
Cash backing/surplus reconciliation									
Cash and investments available	204 521	297 796	519 562	430 789	539 560	539 560	502 005	484 896	487 801
Application of cash and investments	1 281	20 541	63 312	16 883	39 184	39 184	75 671	51 044	39 983
Balance - surplus (shortfall)	203 239	277 256	456 250	413 906	500 376	500 376	426 333	433 852	447 818
Asset management									
Asset register summary (WDV)	3 701 981	3 664 217	3 601 891	3 667 519	3 635 398	3 635 398	3 765 790	3 783 423	3 807 526
Depreciation	122 909	132 463	130 034	130 362	130 362	130 362	131 285	130 830	130 222
Renewal and Upgrading of Existing Assets	15 884	34 479	29 644	–	–	–	46 770	11 361	32 488
Repairs and Maintenance	109 377	120 795	160 036	225 212	231 959	231 959	199 189	208 776	221 386
Free services									
Cost of Free Basic Services provided	3 535	5 174	6 813	79 256	79 256	79 256	84 049	111 366	122 286
Revenue cost of free services provided	41 738	50 566	51 711	52 080	52 080	52 080	54 292	57 535	60 800
Households below minimum service level									
Water:	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Explanatory notes to MBRR Table A1 - Budget Summary

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



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

Standard Classification Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional									
Governance and administration	273 519	315 876	330 663	296 029	306 903	306 903	317 773	314 089	333 801
Executive and council	64 991	74 405	21 599	25 110	27 337	27 337	31 168	11 092	12 718
Finance and administration	208 528	227 951	258 247	270 868	279 443	279 443	286 569	302 997	321 083
Internal audit	–	13 521	50 817	51	122	122	36	–	–
Community and public safety	70 859	98 690	109 158	81 447	67 241	67 241	132 968	107 082	134 447
Community and social services	3 184	3 609	4 149	7 413	8 142	8 142	8 073	8 063	8 597
Sport and recreation	9 743	10 591	8 218	13 000	12 200	12 200	24 825	11 955	12 583
Public safety	1 437	44 357	40 605	1 272	1 272	1 272	47 393	45 139	46 977
Housing	56 496	40 333	56 186	59 762	45 626	45 626	52 676	41 924	66 290
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	51 914	24 142	23 251	58 097	54 750	54 750	14 270	10 075	20 022
Planning and development	13 627	13 713	14 259	11 449	11 449	11 449	10 019	7 803	8 246
Road transport	38 278	10 419	8 970	46 648	43 301	43 301	4 206	2 224	11 724
Environmental protection	9	9	22	0	0	0	45	48	51
Trading services	595 050	597 702	674 417	706 624	720 477	720 477	778 700	886 674	981 012
Energy sources	334 747	342 621	381 333	395 354	394 982	394 982	438 026	505 792	579 180
Water management	118 583	128 186	125 375	133 327	140 647	140 647	147 953	166 917	167 674
Waste water management	79 988	72 399	95 070	101 333	108 884	108 884	105 084	111 417	119 076
Waste management	61 733	54 503	72 639	76 610	75 963	75 963	87 637	102 549	115 082
Other	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	991 343	1 036 610	1 137 488	1 142 196	1 149 370	1 149 370	1 243 711	1 317 920	1 469 281
Expenditure - Functional									
Governance and administration	233 036	177 829	183 059	221 753	221 637	221 637	247 061	263 478	272 479
Executive and council	95 246	56 510	24 780	55 867	57 792	57 792	59 731	62 194	65 618
Finance and administration	137 790	47 972	68 161	162 952	160 834	160 834	184 233	198 049	203 440
Internal audit	–	73 347	90 118	2 944	3 011	3 011	3 097	3 234	3 421
Community and public safety	84 724	127 660	138 037	144 344	153 451	153 451	197 962	219 024	226 645
Community and social services	30 985	31 538	33 856	16 752	17 668	17 668	17 929	20 436	21 608
Sport and recreation	13 956	15 886	18 307	58 238	59 193	59 193	51 814	59 120	62 473
Public safety	24 608	72 088	73 266	38 381	48 775	48 775	94 795	103 442	107 930
Housing	15 175	8 148	12 589	30 974	27 815	27 815	33 424	36 027	34 634
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	185 614	173 813	182 017	196 571	199 282	199 282	162 841	166 423	172 318
Planning and development	63 258	78 356	85 115	40 059	39 854	39 854	44 429	42 882	44 370
Road transport	117 597	90 054	91 197	147 972	151 082	151 082	106 751	113 446	117 400
Environmental protection	4 758	5 402	5 705	8 540	8 346	8 346	11 661	10 096	10 547
Trading services	434 352	515 721	490 339	568 159	576 723	576 723	639 154	690 998	758 999
Energy sources	261 110	313 992	295 386	311 806	311 253	311 253	363 841	399 647	451 928
Water management	67 325	65 931	66 052	110 285	111 238	111 238	116 983	123 154	129 909
Waste water management	57 091	63 101	64 937	78 918	81 781	81 781	85 886	90 967	95 810
Waste management	48 826	72 697	63 964	67 150	72 451	72 451	72 444	77 230	81 351
Other	–	–	–	3 408	3 383	3 383	2 945	2 964	3 071
Total Expenditure - Functional	937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	1 249 963	1 342 887	1 433 511
Surplus/(Deficit) for the year	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(6 252)	(24 967)	35 771

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote									
Vote 1 - Council	64 991	73 145	21 399	24 988	27 215	27 215	31 083	11 004	12 705
Vote 2 - Municipal Manager	–	12	64	51	122	122	36	–	–
Vote 3 - Management Services	3 065	2 031	821	584	584	584	844	848	851
Vote 4 - Finance	189 358	231 209	258 911	269 683	277 883	277 883	284 914	301 310	319 349
Vote 5 - Community Services	293 898	290 348	323 102	338 690	354 790	354 790	379 676	404 292	435 886
Vote 6 - Economic and Social Development & To	3 471	3 556	2 788	2 226	2 226	2 226	2 635	–	–
Vote 7 - Infrastructure & Planning	409 632	393 923	489 799	464 077	448 453	448 453	497 130	555 328	653 514
Vote 8 - Protection Services	26 927	42 387	40 665	41 896	38 096	38 096	47 393	45 139	46 977
Total Revenue by Vote	991 343	1 036 610	1 137 488	1 142 196	1 149 370	1 149 370	1 243 711	1 317 920	1 469 281
Expenditure by Vote to be appropriated									
Vote 1 - Council	74 562	42 588	4 303	33 049	37 662	37 662	36 077	36 966	38 936
Vote 2 - Municipal Manager	4 094	3 922	4 542	5 467	5 534	5 534	5 797	5 874	6 209
Vote 3 - Management Services	38 242	40 697	43 809	52 776	52 695	52 695	56 900	59 269	63 217
Vote 4 - Finance	63 843	64 984	68 187	78 645	77 345	77 345	75 077	84 505	82 925
Vote 5 - Community Services	335 658	328 315	374 350	409 514	410 785	410 785	439 679	469 634	490 612
Vote 6 - Local Economic Development	8 905	10 220	10 558	11 752	11 533	11 533	13 291	10 831	11 336
Vote 7 - Infrastructure & Planning	356 481	432 211	414 432	456 531	460 506	460 506	527 994	572 279	631 962
Vote 8 - Protection Services	55 942	72 087	73 272	86 511	98 417	98 417	95 150	103 529	108 315
Total Expenditure by Vote	937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	1 249 963	1 342 887	1 433 511
Surplus/(Deficit) for the year	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(6 252)	(24 967)	35 771

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

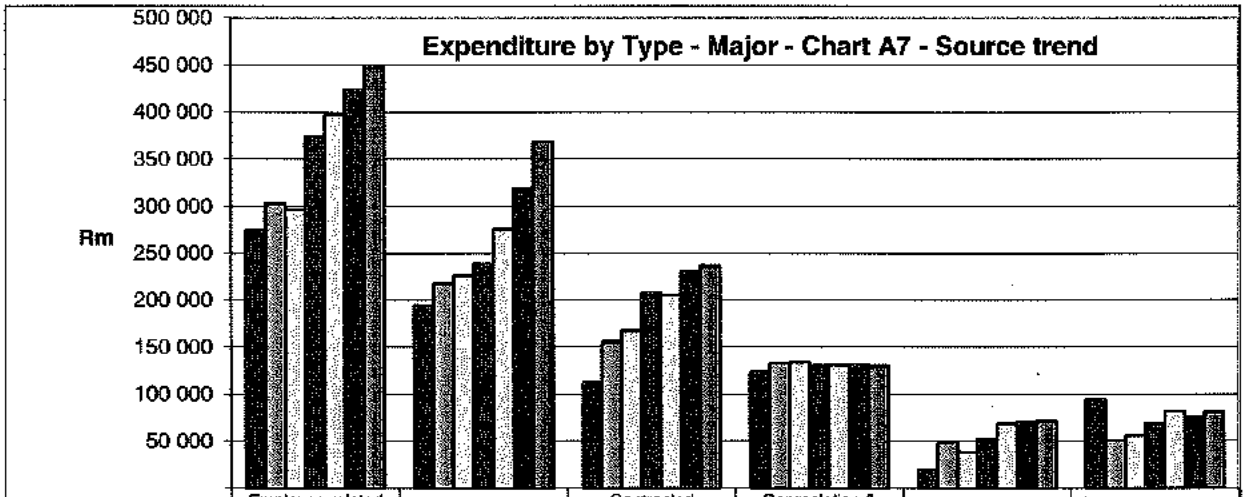
Table 20 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source									
Property rates	164 486	197 104	214 845	234 998	234 998	234 998	242 150	256 669	273 473
Service charges - electricity revenue	324 599	334 765	349 380	362 784	362 784	362 784	398 868	457 297	525 637
Service charges - water revenue	114 179	115 070	111 010	116 781	124 781	124 781	127 320	133 984	142 023
Service charges - sanitation revenue	72 651	66 890	72 064	73 164	76 164	76 164	80 020	82 489	87 439
Service charges - refuse revenue	61 689	54 389	57 741	60 990	60 990	60 990	70 122	79 415	89 946
Rental of facilities and equipment	9 915	11 613	12 324	3 679	3 679	3 679	3 562	3 744	3 949
Interest earned - external investments	12 209	20 347	30 285	21 001	29 201	29 201	28 010	29 690	31 471
Interest earned - outstanding debtors	2 735	2 671	3 022	3 700	3 705	3 705	4 151	4 400	4 664
Dividends received							–	–	–
Fines, penalties and forfeits	21 682	38 715	32 500	34 965	30 165	30 165	32 552	34 517	36 569
Licences and permits	2 423	2 525	2 527	2 447	2 447	2 447	2 462	2 580	2 627
Agency services	3 211	3 480	4 149	3 726	4 526	4 526	4 700	4 982	5 281
Transfers and subsidies	103 629	114 411	116 421	130 566	118 186	118 186	152 183	157 143	168 217
Other revenue	29 653	34 706	38 895	31 427	31 672	31 672	27 416	28 846	28 993
Gains on disposal of PPE	7 631	6 242	28 077						
Total Revenue (excluding capital transfers and contributions)	**930 691**	**1 002 928**	**1 073 241**	**1 080 228**	**1 083 298**	**1 083 298**	**1 173 517**	**1 275 756**	**1 400 289**
Expenditure By Type									
Employee related costs	274 564	302 363	296 536	367 024	374 114	374 114	399 804	421 616	446 460
Remuneration of councillors	8 566	9 265	10 138	10 972	10 972	10 972	11 383	11 878	12 397
Debt impairment	13 785	22 221	18 013	23 492	23 492	23 492	24 902	26 396	27 979
Depreciation & asset impairment	122 909	132 532	134 400	130 362	130 362	130 362	131 285	130 830	130 222
Finance charges	46 207	45 913	46 129	47 834	47 834	47 834	51 549	54 249	56 058
Bulk purchases	194 620	217 523	225 844	238 588	238 588	238 588	275 880	319 000	368 859
Other materials	19 605	48 818	38 054	57 602	52 031	52 031	63 675	71 299	71 581
Contracted services	112 447	155 726	167 065	193 637	207 243	207 243	207 536	229 784	237 280
Transfers and subsidies	51 090	1 898	1 800	500	500	500	500	525	551
Other expenditure	93 542	50 631	55 475	64 232	69 339	69 339	83 450	77 311	82 123
Loss on disposal of PPE	392	8 133							
Total Expenditure	**937 727**	**995 023**	**993 453**	**1 134 245**	**1 154 476**	**1 154 476**	**1 249 963**	**1 342 887**	**1 433 511**
Surplus/(Deficit)	**(7 036)**	**7 906**	**79 788**	**(54 017)**	**(71 179)**	**(71 179)**	**(76 446)**	**(67 131)**	**(33 222)**
Transfers and subsidies - capital (monetary all	60 651	33 681	64 248	61 968	66 072	66 072	70 194	42 164	68 993
Transfers and subsidies - capital (monetary all	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)									
Surplus/(Deficit) after capital transfers & contributions	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**35 771**
Taxation									
Surplus/(Deficit) after taxation	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**35 771**
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**35 771**
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**35 771**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

1. Total operating revenue is R1,083 billion in 2018/2019 and indicates an increase to R1,174 billion in 2019/20.
2. Revenue to be generated from property rates is R235 million in the 2018/2019 financial year and increases to R242,1 million by 2019/20 which represents 20,6 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 R624,7 million for the 2018/2019 financial year and indicates an increase to R676,3 million by 2019/20. For the 2019/20 financial year services charges amount to 57,6 per cent of the operating revenue base.
4. Transfers recognised – operating grants includes the local government equitable share and other operating grants from national and provincial government.
5. The following graph illustrates the major expenditure items per type.



	Employee related costs	Bulk purchases	Contracted services	Depreciation & asset impairment	Other materials	Other expenditure
15/16 AUD	274 564	194 620	112 447	122 909	19 605	93 542
16/17 AUD	302 363	217 523	155 726	132 532	48 818	50 631
17/18 AUD	296 536	225 844	167 065	134 400	38 054	55 475
CY 18/19 ADJ	374 114	238 588	207 243	130 362	62 031	69 339
Budget Year 19/20	397 991	275 880	205 146	131 285	68 202	81 441
Budget Year +1 20/21	423 094	319 000	230 738	130 830	70 960	76 087
Budget Year +2 21/22	448 067	368 859	236 378	130 222	71 677	80 852

Figure 3 Expenditure by major type

6. Bulk purchases have significantly increased over the 2015/16 to 2021/22 period escalating from R194,6 million to R368,8 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Council	–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager	–	–	–	–	–	–	–	–	–
Vote 3 - Management Services	–	–	–	–	–	–	–	–	–
Vote 4 - Finance	–	–	–	–	–	–	–	30 000	30 000
Vote 5 - Community Services	17 900	53 713	–	64 797	55 774	55 774	54 583	44 236	44 119
Vote 6 - Economic and Social Development & To	–	–	–	–	–	–	–	–	–
Vote 7 - Infrastructure & Planning	8 501	30 496	–	58 239	54 027	54 027	40 128	39 287	63 480
Vote 8 - Protection Services	–	–	–	500	500	500	5 588	841	–
Capital multi-year expenditure sub-total	**26 401**	**84 209**	**–**	**123 536**	**110 301**	**110 301**	**100 298**	**114 364**	**137 599**
Single-year expenditure to be appropriated									
Vote 1 - Council	–	–	–	20	572	572	–	–	–
Vote 2 - Municipal Manager	–	–	–	–	–	–	–	–	–
Vote 3 - Management Services	3 848	72	6 346	4 086	4 086	4 086	3 975	–	–
Vote 4 - Finance	–	885	–	30	619	619	30	–	–
Vote 5 - Community Services	54 342	4 167	80 077	52 403	53 044	53 044	97 601	22 950	10 725
Vote 6 - Economic and Social Development & To	–	–	–	5 625	1 620	1 620	7 906	–	–
Vote 7 - Infrastructure & Planning	10 246	1 540	16 268	1 100	3 800	3 800	45 186	11 150	6 000
Vote 8 - Protection Services	295	996	2 517	7 436	706	706	6 680	–	–
Capital single-year expenditure sub-total	**68 732**	**7 659**	**105 207**	**70 701**	**64 447**	**64 447**	**161 378**	**34 100**	**16 725**
Total Capital Expenditure - Vote	**95 133**	**91 868**	**105 207**	**194 237**	**174 748**	**174 748**	**261 677**	**148 464**	**154 324**
Capital Expenditure - Functional									
Governance and administration	**4 809**	**957**	**6 346**	**6 331**	**7 472**	**7 472**	**4 105**	**30 000**	**30 000**
Executive and council		72		20	572	572	10	–	–
Finance and administration	4 809	885	6 346	6 311	6 900	6 900	4 095	30 000	30 000
Internal audit									
Community and public safety	**32 729**	**14 135**	**44 053**	**57 710**	**54 084**	**54 084**	**64 760**	**14 128**	**39 480**
Community and social services	3 169	644	1 929	4 999	5 249	5 249	3 280	–	–
Sport and recreation	3 311	1 837	5 427	8 057	8 007	8 007	18 770	–	–
Public safety	264	996	2 517	9 186	6 556	6 556	16 271	841	–
Housing	25 985	10 658	34 180	35 467	34 271	34 271	26 439	13 287	39 480
Health									
Economic and environmental services	**13 226**	**13 279**	**12 023**	**18 821**	**14 551**	**14 551**	**30 410**	**–**	**8 000**
Planning and development		1 540		5 725	1 720	1 720	8 899	–	–
Road transport	13 226	11 739	12 023	13 096	12 831	12 831	21 510	–	8 000
Environmental protection									
Trading services	**44 369**	**63 498**	**42 786**	**111 375**	**98 642**	**98 642**	**162 402**	**104 336**	**76 844**
Energy sources	18 237	30 496	16 268	24 772	20 456	20 456	34 124	32 000	30 000
Water management	14 232	15 772	3 257	30 077	21 945	21 945	48 504	40 075	13 481
Waste water management	11 875	17 217	21 523	54 987	54 744	54 744	62 843	21 961	33 363
Waste management	25	12	1 739	1 540	1 497	1 497	16 931	10 300	–
Other									
Total Capital Expenditure - Functional	**95 133**	**91 868**	**105 207**	**194 237**	**174 748**	**174 748**	**261 677**	**148 464**	**154 324**
Funded by:									
National Government	31 647	25 530	21 786	25 901	30 445	30 445	39 010	28 036	29 513
Provincial Government	29 004	7 681	42 481	36 067	35 628	35 628	31 184	14 128	39 480
District Municipality					–	–			
Other transfers and grants	743	10 002	4 372	100	100	100			
Transfers recognised - capital	**61 394**	**43 214**	**68 640**	**62 068**	**66 172**	**66 172**	**70 194**	**42 164**	**68 993**
Borrowing	27 189	35 550	19 199	68 650	53 624	53 624	90 501	64 300	50 000
Internally generated funds	6 549	13 104	17 369	63 519	54 952	54 952	100 981	42 000	35 331
Total Capital Funding	**95 133**	**91 868**	**105 207**	**194 237**	**174 748**	**174 748**	**261 677**	**148 464**	**154 324**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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 R261,7 million in 2019/20.
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 2019/20, capital transfers total R70,2 million. Borrowing has been provided at R90,5 million, finance leases (nil) and internally generated funding totaling R101 million. These funding sources are further discussed in detail in paragraph 2.6 (Overview of Budget Funding).
5. Rolled over borrowing amounts to R26,5m.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 22 MBRR Table A6 - Budgeted Financial Position

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
ASSETS									
Current assets									
Cash	73 518	89 087	94 453	390 242	489 014	489 014	124 120	89 436	74 611
Call investment deposits	101 263	170 728	380 514	–	–	–	320 000	330 000	340 000
Consumer debtors	57 820	62 129	63 126	78 188	68 994	68 994	73 134	77 522	82 173
Other debtors	46 519	47 370	53 220	49 845	53 645	53 645	35 523	33 672	31 630
Current portion of long-term receivables	14	12	10	10	10	10	7	3	1
Inventory	28 688	35 438	50 095	15 432	44 732	44 732	30 752	31 492	47 287
Total current assets	**307 820**	**404 764**	**641 418**	**523 717**	**656 395**	**656 395**	**583 535**	**562 125**	**575 701**
Non current assets									
Long-term receivables	40	27	20	10	10	10	4	1	–
Investments	29 740	37 982	44 585	50 546	50 546	50 546	57 885	65 460	73 191
Investment property	153 892	156 269	114 846	101 865	114 846	114 846	114 846	114 846	114 846
Investment in Associate									
Property, plant and equipment	3 541 376	3 502 661	3 469 468	3 559 712	3 514 506	3 514 506	3 645 621	3 663 891	3 688 516
Biological									
Intangible	6 713	6 287	6 699	5 942	6 046	6 046	5 323	4 687	4 163
Other non-current assets									
Total non current assets	**3 731 761**	**3 702 225**	**3 635 627**	**3 718 075**	**3 685 955**	**3 685 955**	**3 823 679**	**3 848 884**	**3 880 716**
TOTAL ASSETS	**4 039 581**	**4 106 989**	**4 277 045**	**4 241 792**	**4 342 350**	**4 342 350**	**4 407 214**	**4 411 009**	**4 456 417**
LIABILITIES									
Current liabilities									
Bank overdraft									
Borrowing	26 492	29 580	33 448	38 428	38 428	38 428	42 244	47 697	41 512
Consumer deposits	43 943	37 039	38 462	53 152	40 046	40 046	63 074	67 728	72 411
Trade and other payables	72 707	85 793	118 879	87 052	103 958	103 958	95 207	90 208	74 039
Provisions	26 444	27 795	29 790	36 518	31 670	31 670	33 570	35 584	37 720
Total current liabilities	**169 587**	**180 206**	**220 580**	**215 151**	**214 102**	**214 102**	**234 096**	**241 218**	**225 682**
Non current liabilities									
Borrowing	412 402	412 495	408 658	423 677	423 677	423 677	455 453	461 756	470 934
Provisions	199 265	217 138	205 051	249 777	221 287	221 287	239 095	253 421	268 607
Total non current liabilities	**611 666**	**629 633**	**613 708**	**673 454**	**644 964**	**644 964**	**694 547**	**715 177**	**739 540**
TOTAL LIABILITIES	**781 253**	**809 839**	**834 288**	**888 605**	**859 066**	**859 066**	**928 643**	**956 394**	**965 222**
NET ASSETS	**3 258 328**	**3 297 149**	**3 442 758**	**3 353 187**	**3 483 283**	**3 483 283**	**3 478 571**	**3 454 614**	**3 491 195**
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	3 256 152	3 293 898	3 439 499	3 349 887	3 479 983	3 479 983	3 475 231	3 451 264	3 487 825
Reserves	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
TOTAL COMMUNITY WEALTH/EQUITY	**3 258 328**	**3 297 149**	**3 442 758**	**3 353 187**	**3 483 283**	**3 483 283**	**3 478 571**	**3 454 614**	**3 491 195**

VERSTRAND MUNISIPALITEIT
2018 -05- 23

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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	163 442	195 733	213 851	233 454	233 401	233 401	241 063	255 558	272 340
Service charges	570 606	568 538	589 413	609 686	620 473	620 473	673 293	749 924	841 543
Other revenue	65 164	73 850	75 919	56 317	51 287	51 287	66 179	51 905	53 110
Government - operating	103 190	119 507	131 819	130 566	118 186	118 186	152 183	157 143	168 217
Government - capital	60 394	33 681	64 248	61 958	66 072	66 072	70 194	42 164	68 993
Interest	14 944	23 018	33 308	24 701	32 906	32 906	32 161	34 090	36 135
Dividends							-	-	-
Payments									
Suppliers and employees	(719 905)	(791 231)	(818 184)	(893 168)	(900 839)	(900 839)	(1 017 533)	(1 121 072)	(1 234 178)
Finance charges	(46 193)	(45 910)	(46 129)	(47 834)	(47 834)	(47 834)	(51 549)	(54 249)	(56 958)
Transfers and Grants	(51 090)	(1 898)	(1 800)	(500)	(500)	(500)	(500)	(525)	(551)
NET CASH FROM/(USED) OPERATING ACTIVIT	160 551	175 288	242 445	175 190	173 153	173 153	165 492	114 938	149 550
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	845	2 943	81 432	-	-	-	-	-	-
Decrease (increase) in non-current debtors				-	-	-	-	-	-
Decrease (increase) other non-current receivables	15	15	8	10	10	10	10	7	3
Decrease (increase) in non-current investments	(4 980)	(4 980)	(4 980)	(7 124)	(5 952)	(5 952)	(7 339)	(7 575)	(7 730)
Payments									
Capital assets	(95 133)	(84 505)	(105 207)	(194 237)	(174 748)	(174 748)	(261 677)	(148 464)	(154 324)
NET CASH FROM/(USED) INVESTING ACTIVITI	(99 253)	(86 528)	(28 747)	(201 351)	(180 689)	(180 689)	(269 006)	(156 032)	(162 052)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							-	-	-
Borrowing long term/refinancing	30 000	30 000	30 000	54 000	54 000	54 000	74 300	54 000	50 000
Increase (decrease) in consumer deposits	2 200	(6 904)	1 423	3 937	1 584	1 584	23 028	4 654	4 682
Payments									
Repayment of borrowing	(23 704)	(26 822)	(29 969)	(33 993)	(34 001)	(34 001)	(36 709)	(42 244)	(47 007)
NET CASH FROM/(USED) FINANCING ACTIVITI	8 496	(3 727)	1 455	23 944	21 583	21 583	58 619	16 410	7 676
NET INCREASE/ (DECREASE) IN CASH HELD	69 794	85 034	215 153	(2 217)	14 047	14 047	(44 895)	(24 684)	(4 825)
Cash/cash equivalents at the year begin:	104 987	174 780	259 815	382 460	474 967	474 967	489 014	444 120	419 436
Cash/cash equivalents at the year end:	174 780	259 815	474 967	380 242	489 014	489 014	444 120	419 436	414 611

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the expected cash levels of the Municipality indicates a slight decrease over the 2019/20 to 2021/22 period.
4. The 2019/20 MTREF has been informed by the planning principle of ensuring adequate cash over the medium-term.
5. Cash and cash equivalents totals R444,1 million as at the end of the 2019/20 financial year and is estimated to decrease to R414,6 million by 2021/22.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and investments available									
Cash/cash equivalents at the year end	174 780	259 815	474 987	380 242	489 014	489 014	444 120	419 436	414 611
Other current investments > 90 days	–	–	0	(0)	(0)	(0)	(0)	0	0
Non current assets - Investments	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Cash and investments available:	**204 521**	**297 796**	**519 582**	**430 789**	**539 560**	**539 560**	**502 005**	**484 896**	**487 801**
Application of cash and investments									
Unspent conditional transfers	1 380	6 474	21 872	–	3 800	3 800	5 636	–	–
Unspent borrowing	–	15	10 450	–	–	–	26 501	–	–
Statutory requirements									
Other working capital requirements	(32 015)	(27 181)	(16 863)	(36 964)	(18 462)	(18 462)	(17 691)	(17 766)	(36 578)
Other provisions									
Long term investments committed	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Reserves to be backed by cash/investments	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
Total Application of cash and investments:	**1 281**	**20 541**	**63 312**	**16 883**	**39 184**	**39 184**	**75 671**	**51 044**	**39 983**
Surplus(shortfall)	**203 239**	**277 256**	**456 250**	**413 905**	**500 376**	**500 376**	**426 333**	**433 852**	**447 818**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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 2019/20 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 25 MBRR Table A9 - Asset Management

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CAPITAL EXPENDITURE									
Total New Assets	79 249	57 389	75 563	194 237	174 748	174 748	214 907	137 103	121 836
Roads Infrastructure	16 352	2 260	10 003	12 506	12 241	12 241	19 683	–	8 000
Storm water Infrastructure	–	–	255	11 723	14 136	14 136	23 841	4 000	6 506
Electrical Infrastructure	18 237	30 496	15 449	22 772	18 456	18 456	23 801	32 000	26 000
Water Supply Infrastructure	3 772	5 276	627	30 077	21 945	21 945	42 344	37 175	6 700
Sanitation Infrastructure	6 217	5 718	–	34 973	30 777	30 777	24 093	9 500	5 150
Solid Waste Infrastructure	25	8 930	105	–	1 497	1 497	10 000	10 300	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	**44 603**	**52 681**	**26 438**	**112 050**	**99 051**	**99 051**	**143 762**	**92 975**	**52 356**
Community Facilities	29 837	2 212	3 229	16 380	9 995	9 995	12 420	–	–
Sport and Recreation Facilities	–	–	5 427	7 657	7 607	7 607	380	–	–
Community Assets	**29 837**	**2 212**	**8 656**	**24 037**	**17 602**	**17 602**	**12 800**	**–**	**–**
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	4 809	2 497	4 372	1 421	2 009	2 009	9 034	–	–
Housing	–	–	34 180	35 467	34 271	34 271	26 439	13 287	39 480
Other Assets	**4 809**	**2 497**	**38 552**	**36 888**	**36 281**	**36 281**	**35 472**	**13 287**	**39 480**
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	1 593	4 136	4 136	4 136	4 200	–	–
Furniture and Office Equipment	–	–	205	215	215	215	280	–	–
Machinery and Equipment	–	–	119	1 566	1 566	1 566	900	–	–
Transport Assets	–	–	–	15 345	15 897	15 897	17 493	30 841	30 000
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	15 884	34 479	29 644	–	–	–	6 570	4 900	9 781
Roads Infrastructure	–	11 809	2 020	–	–	–	10	–	–
Storm water Infrastructure	–	–	10 677	–	–	–	–	–	–
Electrical Infrastructure	–	–	819	–	–	–	–	–	–
Water Supply Infrastructure	10 460	10 496	2 629	–	–	–	2 560	2 900	6 781
Sanitation Infrastructure	2 531	9 169	10 591	–	–	–	4 000	2 000	3 000
Solid Waste Infrastructure	–	1 740	1 634	–	–	–	–	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	**12 992**	**33 214**	**28 370**	**–**	**–**	**–**	**6 570**	**4 900**	**9 781**
Community Facilities	2 893	1 265	1 217	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Community Assets	**2 893**	**1 265**	**1 217**	**–**	**–**	**–**	**–**	**–**	**–**
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	57	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Upgrading of Existing Assets	–	–	–	–	–	–	40 200	6 461	22 707
Roads Infrastructure	–	–	–	–	–	–	–	–	–
Storm water Infrastructure	–	–	–	–	–	–	3 160	–	–
Electrical Infrastructure	–	–	–	–	–	–	9 750	–	4 000
Water Supply Infrastructure	–	–	–	–	–	–	3 600	–	–
Sanitation Infrastructure	–	–	–	–	–	–	5 662	6 461	18 707
Solid Waste Infrastructure	–	–	–	–	–	–	1 000	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	–	–	–	–	–	–	*23 172*	*6 461*	*22 707*
Community Facilities	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	16 928	–	–
Community Assets	–	–	–	–	–	–	*16 928*	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	100	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	–	–	–	–	–	–	*100*	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Capital Expenditure	95 133	91 868	105 207	194 237	174 748	174 748	261 677	148 464	154 324
Roads Infrastructure	16 352	14 069	12 023	12 506	12 241	12 241	19 693	–	8 000
Storm water Infrastructure	–	–	10 932	11 723	14 136	14 136	27 001	4 000	6 506
Electrical Infrastructure	18 237	30 496	16 268	22 772	18 456	18 456	33 551	32 000	30 000
Water Supply Infrastructure	14 232	15 772	3 257	30 077	21 945	21 945	48 504	40 075	13 481
Sanitation Infrastructure	8 748	14 887	10 591	34 973	30 777	30 777	33 755	17 961	26 857
Solid Waste Infrastructure	25	10 670	1 739	–	1 497	1 497	11 000	10 300	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	*57 595*	*85 895*	*54 809*	*112 050*	*99 051*	*99 051*	*173 504*	*104 336*	*84 844*
Community Facilities	32 729	3 477	4 446	16 380	9 995	9 995	12 420	–	–
Sport and Recreation Facilities	–	–	5 427	7 657	7 607	7 607	17 308	–	–
Community Assets	*32 729*	*3 477*	*9 873*	*24 037*	*17 602*	*17 602*	*29 728*	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	4 809	2 497	4 372	1 421	2 009	2 009	9 134	–	–
Housing	–	–	34 180	35 467	34 271	34 271	26 439	13 287	39 480
Other Assets	*4 809*	*2 497*	*38 552*	*36 888*	*36 281*	*36 281*	*35 572*	*13 287*	*39 480*
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	1 593	4 136	4 136	4 136	4 200	–	–
Furniture and Office Equipment	–	–	205	215	215	215	280	–	–
Machinery and Equipment	–	–	176	1 566	1 566	1 566	900	–	–
Transport Assets	–	–	–	15 345	15 897	15 897	17 493	30 841	30 000
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	95 133	91 868	105 207	194 237	174 748	174 748	261 677	148 464	154 324

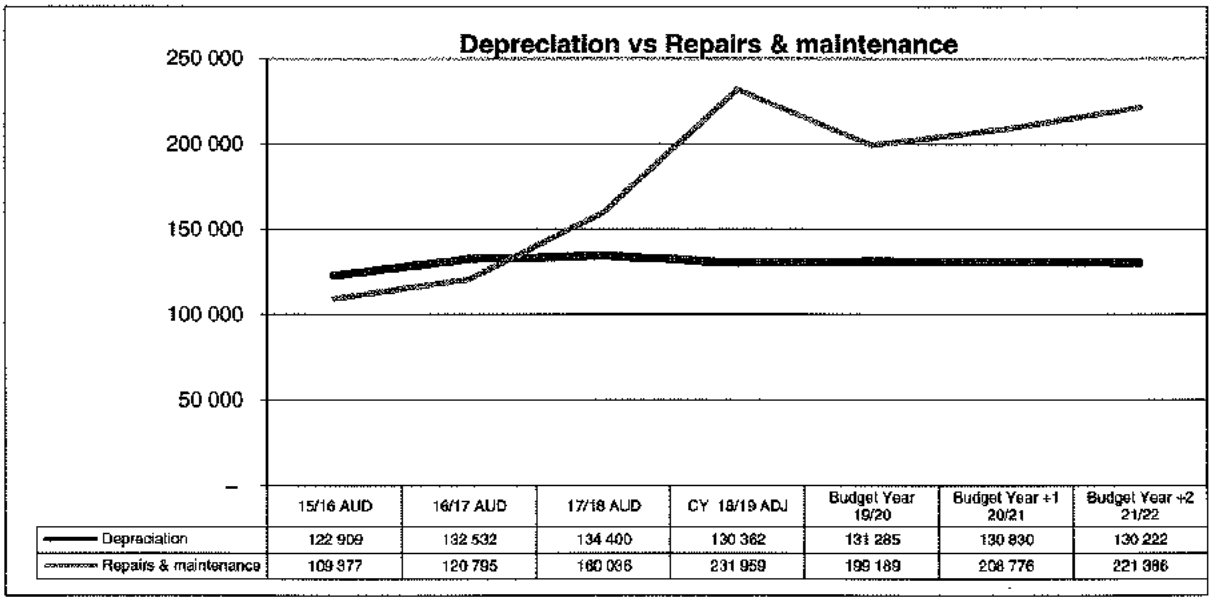
OVERSTRAND MUNISIPALITEIT
2019 -05- 22
OVERSTRAND MUNICIPALITY

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
ASSET REGISTER SUMMARY - PPE (WDV)	3 701 981	3 664 217	3 601 891	3 667 519	3 635 398	3 635 398	3 765 790	3 783 423	3 807 526
Roads Infrastructure	1 267 105	1 239 685	1 256 188	1 211 279	1 033 700	1 033 700	1 019 303	985 594	960 326
Storm water Infrastructure	29 766	46 217	30 324		210 095	210 095	231 052	229 014	229 489
Electrical Infrastructure	533 176	534 751	523 456	522 493	516 762	516 762	525 147	531 988	536 836
Water Supply Infrastructure	518 431	505 838	481 367	491 635	475 850	475 850	496 853	509 727	496 167
Sanitation Infrastructure	378 863	376 119	367 433	399 436	383 450	383 450	400 735	402 292	412 946
Solid Waste Infrastructure				27 169	25 518	25 518	34 270	42 373	40 190
Rail Infrastructure					–	–			
Coastal Infrastructure					–	–			
Information and Communication Infrastructure					–	–			
Infrastructure	***2 727 341***	***2 702 611***	***2 658 767***	***2 652 012***	***2 645 375***	***2 645 375***	***2 707 359***	***2 700 988***	***2 675 955***
Community Assets		***617 193***	***627 042***						
Heritage Assets	124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182
Investment properties	***153 892***	***155 269***	***114 846***	***101 865***	***114 846***	***114 846***	***114 846***	***114 846***	***114 846***
Other Assets	***689 853***	***58 676***	***70 355***	***709 652***	***666 561***	***666 561***	***719 198***	***720 017***	***747 307***
Biological or Cultivated Assets									
Intangible Assets	***6 713***	***6 287***	***6 699***	***5 942***	***6 046***	***6 046***	***5 323***	***4 687***	***4 163***
Computer Equipment									
Furniture and Office Equipment				10 265	11 294	11 294	14 190	12 811	11 658
Machinery and Equipment				6 778	4 487	4 487	4 671	4 074	3 623
Transport Assets				56 822	62 607	62 607	76 020	101 819	125 791
Land									
Zoo's, Marine and Non-biological Animals									
TOTAL ASSET REGISTER SUMMARY - PPE (WDV	3 701 981	3 664 217	3 601 891	3 667 519	3 635 398	3 635 398	3 765 790	3 783 423	3 807 526
EXPENDITURE OTHER ITEMS	**232 287**	**253 258**	**290 070**	**355 575**	**362 321**	**362 321**	**330 474**	**339 606**	**351 608**
Depreciation	122 909	132 463	130 034	130 362	130 362	130 362	131 285	130 830	130 222
Repairs and Maintenance by Asset Class	**109 377**	**120 795**	**160 036**	**225 212**	**231 959**	**231 959**	**199 189**	**208 776**	**221 386**
Roads Infrastructure	45 521	55 545	53 229	63 374	63 890	63 890	65 331	72 339	76 660
Storm water Infrastructure	5 260	6 392	6 017	6 786	6 786	6 786	6 600	7 890	8 335
Electrical Infrastructure	16 972	17 747	17 645	23 747	23 747	23 747	37 099	28 942	30 506
Water Supply Infrastructure	18 056	16 489	15 014	19 104	19 104	19 104	16 935	17 994	19 901
Sanitation Infrastructure	11 512	11 872	13 051	13 642	15 442	15 442	11 541	11 865	12 580
Solid Waste Infrastructure	2 516	2 546	12 946	23 038	24 113	24 113	2 220	2 590	2 747
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	189	210	222
Information and Communication Infrastructure	–	–	–	–	–	–	40	42	44
Infrastructure	***99 836***	***110 392***	***117 901***	***149 690***	***153 082***	***153 082***	***139 955***	***141 872***	***150 995***
Community Facilities	–	4 867	12 289	27 714	28 033	28 033	34 241	39 414	41 580
Sport and Recreation Facilities	–	–	–	13 304	13 354	13 354	5 957	6 859	7 261
Community Assets	–	***4 867***	***12 289***	***41 017***	***41 387***	***41 387***	***40 198***	***46 273***	***48 840***
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	9 541	–	–	12 497	12 597	12 597	2 217	3 094	3 272
Housing	–	–	–	–	–	–	–	–	–
Other Assets	***9 541***	–	–	***12 497***	***12 597***	***12 597***	***2 217***	***3 094***	***3 272***
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	5 653	5 978	6 323
Intangible Assets	–	–	–	–	–	–	***5 653***	***5 978***	***6 323***
Computer Equipment	–	5 536	5 207	5 387	5 387	5 387	1 193	1 260	1 330
Furniture and Office Equipment	–	–	17 919	16 622	19 507	19 507	431	458	486
Machinery and Equipment	–	–	6 719	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	9 542	9 841	10 140
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS	232 287	253 258	290 070	355 575	362 321	362 321	330 474	339 606	351 608
Renewal and upgrading of Existing Assets as %	*16.7%*	*37.5%*	*28.2%*	*0.0%*	*0.0%*	*0.0%*	*17.9%*	*7.7%*	*21.1%*
Renewal and upgrading of Existing Assets as %	*12.9%*	*26.0%*	*22.8%*	*0.0%*	*0.0%*	*0.0%*	*35.6%*	*8.7%*	*24.9%*
R&M as a % of PPE	*3.1%*	*3.4%*	*4.6%*	*6.3%*	*6.6%*	*6.6%*	*5.5%*	*5.7%*	*6.0%*
Renewal and upgrading and R&M as a % of PPE	*3.0%*	*4.0%*	*5.0%*	*6.0%*	*6.0%*	*6.0%*	*7.0%*	*6.0%*	*7.0%*

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Depreciation	122 909	132 532	134 400	130 362	131 285	130 830	130 222
Repairs & maintenance	109 977	120 795	160 086	231 959	199 189	208 776	221 386

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 26 MBRR Table A10 - Basic Service Delivery Measurement

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets									
Water:									
Piped water inside dwelling	32 544	34 449	29 174	30 209	30 209	30 209	29 174	30 049	30 950
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	3 106	3 067	3 052	2 817	2 817	2 817	3 052	3 144	3 238
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	35 650	37 516	32 226	33 026	33 026	33 026	32 226	33 193	34 188
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	35 650	37 516	32 226	33 026	33 026	33 026	32 226	33 193	34 188
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	28 183	28 841	29 165	29 706	29 706	29 706	29 165	30 040	30 941
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
Chemical toilet	–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)	–	–	3 052	–	–	–	–	–	–
Minimum Service Level and Above sub-total	28 183	28 841	32 217	29 706	29 706	29 706	29 165	30 040	30 941
Bucket toilet	–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
Total number of households	28 183	28 841	32 217	29 706	29 706	29 706	29 165	30 040	30 941
Energy:									
Electricity (at least min.service level)	6 585	8 356	3 878	5 370	5 370	5 370	5 624	6 380	5 136
Electricity - prepaid (min.service level)	17 810	18 530	21 048	22 191	22 191	22 191	20 867	21 232	21 606
Minimum Service Level and Above sub-total	24 375	24 886	24 926	27 561	27 561	27 561	26 491	26 612	26 742
Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
Total number of households	24 375	24 886	24 926	27 561	27 561	27 561	26 491	26 612	26 742
Refuse:									
Removed at least once a week	31 132	32 029	32 695	32 990	32 990	32 990	32 695	33 676	34 686
Minimum Service Level and Above sub-total	31 132	32 029	32 695	32 990	32 990	32 990	32 695	33 676	34 686
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	31 132	32 029	32 695	32 990	32 990	32 990	32 695	33 676	34 686
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	7 512	7 418	7 385	7 400	7 400	7 400	7 450	9 786	10 034
Sanitation (free minimum level service)	7 512	7 418	7 385	7 400	7 400	7 400	7 450	9 786	10 034
Electricity/other energy (50kwh per household per month)	7 512	7 418	7 385	7 400	7 400	7 400	7 450	9 786	10 034
Refuse (removed at least once a week)	7 512	7 418	7 385	7 400	7 400	7 400	7 450	9 788	10 034
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	1 320	1 726	2 132	14 612	14 612	14 612	14 234	18 503	20 145
Sanitation (free sanitation service to indigent households)	–	–	–	15 697	15 697	15 697	17 938	23 495	25 498
Electricity/other energy (50kwh per indigent household per month)	2 215	3 448	4 681	33 723	33 723	33 723	33 658	45 379	50 690
Refuse (removed once a week for indigent households)	–	–	–	15 223	15 223	15 223	18 220	23 890	25 952
Cost of Free Basic Services provided - Informal Formal Settlements (R	–	–	–	–	–	–	–	–	–
Total cost of FBS provided	3 535	5 174	6 813	79 256	79 256	79 256	84 049	111 366	122 286
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)	65	69	73	78	78	78	82	87	92
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)	1 947	2 135							
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	39 791	48 431	51 711	50 983	50 983	50 983	54 042	57 285	60 550
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	779	779	779	250	250	250
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	318	318	318	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per m	–	–	–	–	–	–	–	–	–
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	41 738	50 566	51 711	52 080	52 080	52 080	54 292	57 535	60 800

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. Good progress is being made with the eradication of current services backlogs. Housing remains a challenge.
    a. Electricity services – the current backlog has provisionally been eliminated.
3. The budget provides for 7 850 households to be registered as indigent in 2019/20, 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 R84 million in 2019/20. 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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 2018) 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 29 August 2018. Key dates applicable to the process are as follows:

- **August 2018** – Budget Office submits current 3 year Capital Budget to the Strategic Office. Review status of Samras Budget Portal functionality and MTREF budget information;
- **August 2018** – Ward Committee meetings to review current needs on the wish list;
- **October 2018** – Mayoral strategic session with Councillors and Senior Management to determine Strategic direction for the 2019/20 IDP review;
- **August-October 2018** – Ward Committees met to review their ward priorities for 2019/2020;
- **12 October 2018** – Top management meeting to discuss budget proposals and affordability;
- **31 October 2018** – Mayoral directional IDP/Budget speech;
- **October/December 2018** – Various Budget Steering Committee and Management meetings relating to draft Capex and Opex budgets;
- **November 2018** – Submission of tariff proposals and tariff workshops;
- **November 2018** – Workshop on tariffs and tariff related policies;
- **November/December 2018** – Review of all budget related policies;
- **December 2018** – Mid-year review by the BSC of the 2018/2019 progress and review of 2019-2022 draft operational expenditure including financial forecasting and scenario considerations;
- **January 2019** – Tariff finalisation, consider budget related policies changes and overview of draft 2019/20 Capex & Opex;
- **22 January 2019** - Council considered the 2018/2019 Mid-year Review;
- **31 January 2019** – Final tariffs and adjustments budget review;
- **11 February 2019** – BSC review/finalises draft Capex/Opex;

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- **11-22 February 2019** – Finalisation of adjustments budget;
- **28 February 2019 –** OMAF Consultation & Budget Proposals;
- **March 2019** – Budget office finalises budget report;
- **27 March 2019** - Tabling in Council of the draft 2019/20 IDP, SDBIP and 2019/20 MTREF for public consultation;
- **28 March – 30 April 2019** – Draft Budget available to the public and any other stakeholders for perusal and the submission of comments and representations;
- **01-04 April 2019** – Mini OMAF's;
- **30 April 2019** - Closing date for written comments;
- **3 May 2019 –** BSC considered all comments received and amendments to the Draft Budget;
- **6 May 2019** – LG MTEC3 engagement;
- **6-15 May 2019** – finalisation of the 2019/20 IDP and 2019/20 MTREF, taking into consideration comments received from the public, comments from NT & PT and updated information from the most recent DoRA and financial framework;
- **16-22 May 2019 –** Budget Office compiles final report and schedules and final review of budget report and schedules ;
- **23 May 2019** – Final budget distribution; and
- **29 May 2019** - Tabling of the 2019/20 MTREF in Council for consideration and approval.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

This is the second review of the latest new generation IDP (2018/2022) to be considered and adopted by Council in May 2019. The draft IDP process started in September 2018 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2019/20 MTREF in August 2018.

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 2019/20 MTREF, based on the approved 2018/2019 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 2019/20 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 2018/2019 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 2019/20 MTREF include the undertaking of extensive financial modelling to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2019/20 MTREF:

OVERSTRAND MUNICIPALITY
2019 -05- 23

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate (trends, inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2017/2018 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 93 & 94 was taken into consideration in the planning and prioritisation process.

Emphasis is again placed on the following two aspects:
The importance of the context of the 2019/20 budget to be considered in view of a considerable challenging 2018/19 year with regard to provision of emergency housing and related basic service rendering in this regard, as well as providing for expenditure related to the devastating wild fires experienced during January 2019. Both these instances were addressed from a budgetary provision perspective in tabling adjustments budgets for unforeseen and unavoidable expenditure as announced by the Executive Mayor in Council on the two respective occasions.

The municipality has expanded on the implementation of Repairs and Maintenance allocated as projects in terms of the mSCOA version 6.3, which distorted the year-on-year comparative figures. This is also applicable on Contracted Services. These allocations are guided by the respective owner departments.

Cost containment has already been implemented across the organisation over the past three years.

2.1.4 Community Consultation on the Draft Budget

The draft 2019/20 MTREF, was tabled in Council on 27 March 2019 and made available to the community as follows:

Copies of the document could be viewed:

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

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

A delegation of the municipality, consisting of the Executive Mayor, MMC for Finance, other full time Councillors, Municipal Manager and Area Managers, all Directors and officials from the Budget Office and Strategic Planning Office, engaged the community at the Mini OMAF's with ward committees from the respective administration areas to present the draft budget. These engagements will took place from 1 to 4 April 2019. Further engagements with the community were also scheduled.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Submissions received during the community consultation process and additional information regarding revenue and expenditure and capital projects was considered by the Budget Steering Committee at a meeting held on 3 May 2019 for the finalisation of the 2019/2020 Budget.

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

2.2 Overview of alignment of annual budget with IDP

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

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

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

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2019/20 MTREF and further planning refinements that have directly informed the compilation of the budget:

OVERSTRAND MUNICIPALITY
2019 -05- 23

Table 27 IDP Strategic Objectives

2019/20 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:

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Promote sound governance through:

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

Ensure financial sustainability through:

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

Optimal institutional transformation to ensure capacity to achieve set objectives

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

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

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

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

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

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the new IDP of the 2018/2022 cycle, including:

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

The 2019/20 MTREF has therefore been directly informed by the 1st 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Strategic Objective	Goal	Goal Code	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
The provision of democratic, accountable and ethical governance	Good Governance	1	334 121	315 623	330 663	296 029	306 903	306 903	317 773	314 089	333 601
The provision and maintenance of municipal services	Basic Service Delivery	2	597 907	600 303	674 417	706 624	720 477	720 477	778 700	886 674	981 012
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	37 676	54 775	52 972	81 447	67 241	67 241	85 575	61 943	87 470
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	21 639	65 909	79 437	58 097	54 750	54 750	61 663	55 214	66 999
			991 343	1 036 610	1 137 488	1 142 196	1 149 370	1 149 370	1 243 711	1 317 920	1 469 281

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

Strategic Objective	Goal	Goal Code	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
The provision of democratic, accountable and ethical governance	Good Governance	1	324 575	177 829	181 573	221 763	221 637	221 637	247 061	263 478	272 479
The provision and maintenance of municipal services	Basic Service Delivery	2	384 960	515 721	490 339	568 159	576 723	576 723	639 154	690 998	758 998
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	1 835	1 793	1 486	1 270	1 250	1 250	1 085		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	71 285	102 799	125 449	144 344	153 451	153 451	164 538	182 997	192 011
The promotion of tourism, economic and social development	Economic Development and	5	155 072	196 881	194 606	198 708	201 415	201 415	198 125	205 415	210 022
Total Expenditure			937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	1 249 963	1 342 887	1 433 511

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

Strategic Objective	Goal	Goal Code	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
The provision of democratic, accountable and ethical governance	Good Governance	1	4 929	957	6 346	6 331	7 472	7 472	4 105	30 000	30 000
The provision and maintenance of municipal services	Basic Service Delivery	2	57 595	63 498	42 786	111 375	98 642	98 642	162 402	104 336	76 844
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	6 480	3 729	41 536	5 250	7 063	7 063	48 469	13 287	39 480
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	264	10 406	2 517	52 460	47 021	47 021	16 271	841	-
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	25 865	13 279	12 023	18 821	14 551	14 551	30 410	-	8 000
Total Capital Expenditure			95 133	91 868	105 207	194 237	174 748	174 748	261 677	148 464	154 324

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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:

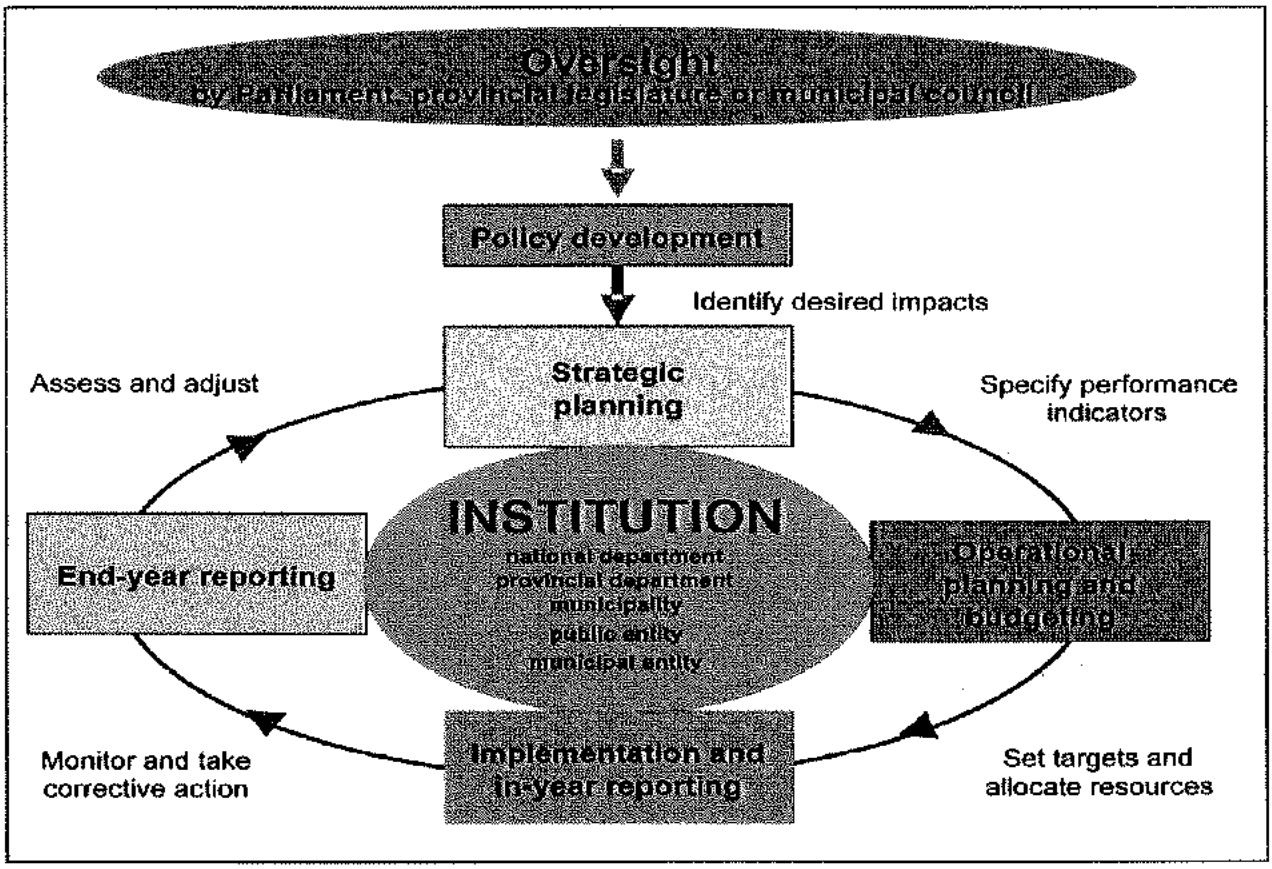


Figure 5 Planning, budgeting and reporting cycle

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:

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

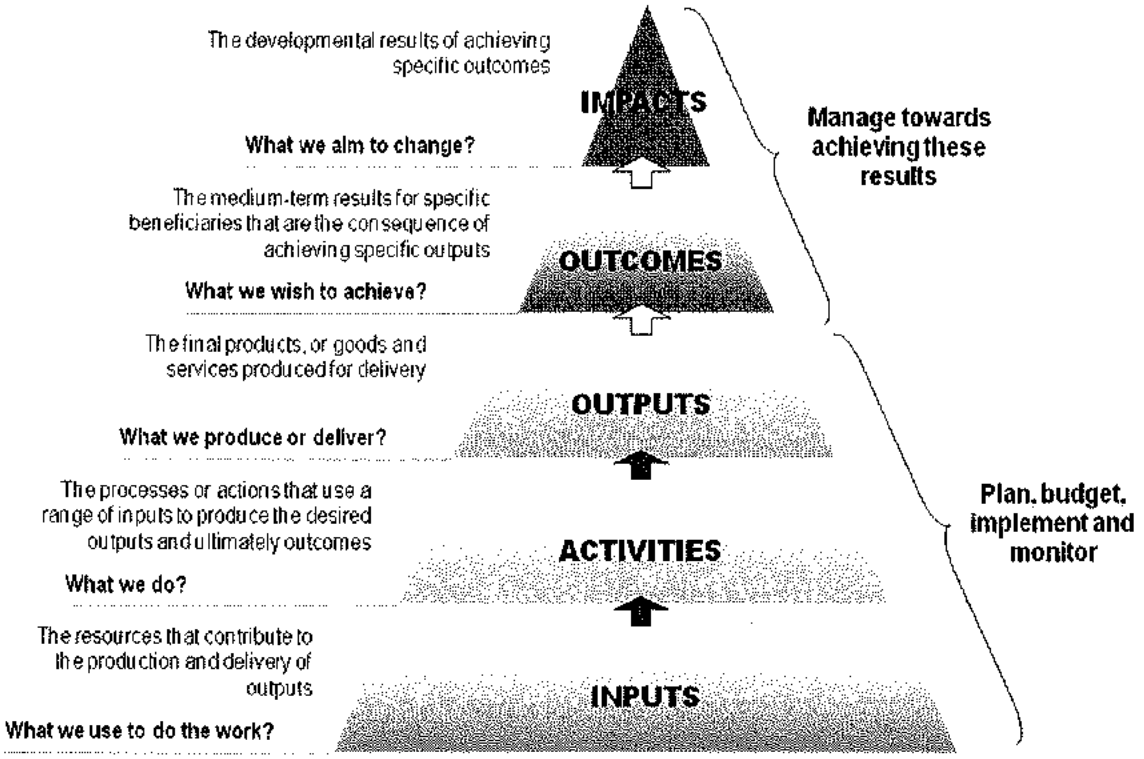


Figure 6 Definition of performance information concepts

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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Vote 1 - vote name										
Council and Municipal Manager										
Municipal Manager										
Percentage of a municipality's capital budget actually spent on capital projects identified for the financial year in terms of the municipality's IDP ((Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects)X100)	% of capital budget spent	92.0%	98.0%	90.13%	95.0%		95.0%	95.0%	95.0%	95.0%
Sign section 56 performance agreements with all directors by the end of July	Number of agreements signed	no kpi set	6	6	6		6	6	6	6
Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit quarterly progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	no kpi set	4	5	4		4	4	4	4
Bi-annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2019 to be completed by Sept 2019 and the current period October to December 2019 to be completed by February 2020.	Number of appraisals	no kpi set	12	12	12		12	12	12	12
Submit the final Annual report and oversight report to Council before 31 March	Final Annual report and oversight report submitted	no kpi set	1	1	1		1	1	1	1
Prepare the final IDP for submission to Council by the end of May	Final IDP submitted	no kpi set	1	1	1		1	1	1	1
Draft the annual report and submit to the Auditor-General by the end of August	Draft Annual report submitted	no kpi set	1	1	1		1	1	1	1
Submit the Final MTREF budget by the end of May	Budget submitted	no kpi set	1	1	1		1	1	1	1

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Description	Unit of measurement	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Management Services										
Director: Management Services										
Human Resources										
92% of the approved and funded organogram filled ((actual number of posts filled ofved by the funded posts budgeted) x 100)	% filled	92.6%	89.0%	93.4%	92%		92.0%	92.0%	92.0%	92.0%
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	The number of people from EE target groups employed	62	63	70.0%	66		66	67	67	67
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan	% of the training budget spent on implementation of the WSP	100.0%	99.5%	99.9%	100%		100%	100.0%	100.0%	100.0%
Review the Municipal Organisational Staff Structure by the end of June	Structure reviewed	1	1	1	1		1	1	1	1
Corporate Support Services										
Revise the Section 14 Access to Information Manual by the end of June to ensure compliant and up to date policies	Manual revised	1	1	1	1		1	1	1	1
Risk Management										
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	4	3	4	4		4	4	4	4
Finance										
Director: Finance										
Director: Finance										
Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	Ratio achieved	3.84	5.16%	6.56	1.5	3	3	3	3	3
Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (%)	Ratio achieved	17.77%	20.09%	19.96%	15.0%	12%	12.0%	12.0%	12.0%	12.0%
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved	10.34%	9.66%	10.52%	12.2		12.2%	12.2%	12.2%	12.2%
Submit a reviewed long term financial plan to the CFO by the end of October	Reviewed long term financial plan submitted	1	1	1.0%	1		1	1	1	1
Financial statements submitted to the Auditor General by 31 August	Financial statements submitted	1	1	1	1		1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements	Number of indigent households	7512	7418	7385	7500	7 400	7400	7450	9788	10094
Achieve a debt recovery rate not less than 95% (Receipts/total billed for 12 months period x 100)	% Recovered	97.9%	99.44%	99.35%	96%		95%	95%	95%	95%
Community Services										
Director: Community Services										
Director: Community Services										
98% of the operational conditional grant (Libraries) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries)	100.0%	86.07%	93.0%	98%		98.0%	98.0%	98.0%	98.0%
m² of roads patched and resealed according to approved Pavement Management System within available budget	m² of roads patched and resealed	171681	135288	122932	100000		100 000	100 000	100 000	100 000
Limit unaccounted water to less than 20% ((Number of kilolitre water purified - Number of kilolitre water sold)/Number of kilolitre purified x 100))	% of water unaccounted for	20.86%	19.14%	16.82%	19%		19.0%	19%	19%	19%
Ward committee meetings held to facilate consistent and regular communication with residents	No of ward committee meetings per ward per annum (UOM revised in 2018/19 - Number of ward committees per annum)	8	9	8	104	117	117	117	117	117
Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded state owned land and private land)	198	252	253	119	239	239	253	253	253
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	32976	34449	29174	33132	30 209	30209	29174	30049	30950
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS))	Number of formal households for which refuse is removed at least once a week	31132	32629	32695	31754	32 990	32990	32595	33676	34688
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week	Number of weekly removal of refuse in informal households (once per week = 52 weeks per annum)	52	52	52	52		52	52	52	52

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Description	Unit of measurement	2016/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilets to 5 households (MPPMR Reg 10 (a))	The number of toilets provided in relation to the number of informal households (excluding invaded state owned land and private land)	724	794	794	593	794	794	794	794	794
Provision of sanitation services to formal residential households (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS)	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	29193	28841	29165	32872	29 841	29841	29165	30040	30841
Provision of water to informal households on invaded land with available funding ("Land invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of taps installed for informal households on invaded land with available funding	no kpi set	no kpi set	no kpi set	no kpi set	84	84	84	84	84
The provision of sanitation services to informal households on invaded land with available funding ("Land invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or	The number of toilets provided for informal households on invaded land with available funding	no kpi set	no kpi set	no kpi set	no kpi set	120	120	120	120	120
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	87.26%	92.93%	93.5%	90%		90.0%	90.0%	90.0%	90.0%
Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	99.0%	99.0%	99.0%	95%		95.0%	95.0%	95.0%	95.0%
Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	1	1	1	1		1	1	1	1
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	6.34%	7.37%	5.12%	7.5%		7.5%	7.5%	7.5%	7.5%
Provision of Electricity: Number of metered electrical connections in formal area (Eskom Areas excluded) (Definition: refers to residential households (RE) and premises (PR) per MIG)	Number of formal household that meet agreed service standards	20467	20916	21048	20700		20700	21048	21232	21606
100% of the Municipal Infrastructure Grant (MIG) spent by 30 June (Actual MIG expenditure/Allocation received)	% Expenditure of allocated funds	100.0%	100.0%	79.70%	100.0%		100.0%	100.0%	100.0%	100.0%
Protection Services										
Director Protection Services										
Protection Services										
Arrange public awareness sessions on Protection Services	Number of sessions held	58	88	84	90		90	100	100	100
Collect R16 500 000 Public Safety income by 30 June (Actual revenue, excluding the fine investment amount)	R-value of public safety collected income (excluding fine investment amount)	R 34,949,821	R46,367,315	R 20 167 767	16,000,000	16,000,000	16,000,000	16 500 000	16 500 000	16 500 000
Review Community Safety Plan in three Year cycle by end of June of the third	Plan reviewed	100.0%	100.0%	no kpi set	no kpi set	no kpi set	no kpi set	100.0%	0.0%	0.0%
Disaster and Fire Management										
Annually review and submit Disaster	Reviewed plan submitted	100.0%	100.0%	100.0%	100.0%		100.0%	100.0%	100.0%	100.0%
Local Economic Development, Social										
Director LED										
LED, Social Development and Tourism										
Provide four progress reports on LED, Social Development and Tourism initiatives to Council by end June 2020 (Refers to the 4th quarter report of previous financial year and three	Number of progress reports on LED, Social Development & Tourism initiatives	1	3	3	3		3	4	4	4
Provide a schedule of funded events to the Executive Mayor for sign off by end of July 2019	Number of schedules submitted	1	1	1	1		1	1	1	1
Support 120 SMME's in terms of the SMME Development Programme by 30 June	Number of SMME's supported	50	92	92	120		120	120	120	120
Support 50 Emerging Contractors in terms of the Emerging Contractor Development Programme by 30 June	Number of emerging contractors supported	no kpi set	48	43	50		50	50	50	50
Report on projects/ initiatives in collaboration with other stakeholders for local economic development, social development and tourism	Number of projects / initiatives collaborated on	no kpi set	no kpi set	no kpi set	no kpi set		kpi covered			
The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 1020	Number of temporary jobs created	564	828	994	1000		1000	1020	1020	1020

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The following table sets out the municipalities main performance objectives and benchmarks for the 2019/20 MTREF.

Table 32 MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Borrowing Management										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	7.5%	7.3%	7.7%	7.2%	7.1%	7.1%	7.2%	7.2%	7.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	8.5%	8.2%	8.0%	8.6%	8.5%	8.5%	8.8%	8.6%	8.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	88.9%	61.7%	82.0%	40.9%	49.7%	49.7%	38.8%	50.8%	58.6%
Safety of Capital										
Gearing	Long Term Borrowing/ Funds &	18944.5%	12687.3%	12540.1%	12838.7%	12838.7%	12838.7%	13636.3%	13783.8%	13974.3%
Liquidity										
Current Ratio	Current assets/current liabilities	1.8	2.2	2.9	2.4	3.1	3.1	2.5	2.3	2.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.8	2.2	2.9	2.4	3.1	3.1	2.5	2.3	2.6
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	1.4	2.2	1.8	2.3	2.3	1.9	1.7	1.8
Revenue Management										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		99.5%	99.5%	99.8%	99.3%	99.3%	0.0%	99.6%	99.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		99.5%	99.5%	99.6%	99.3%	99.3%	99.3%	99.6%	99.6%	99.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.2%	10.9%	10.8%	11.9%	11.3%	11.3%	9.3%	8.7%	8.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	97.2%	97.2%	0.0%	0.0%	0.0%	0.0%			
Creditors Management										
Creditors System Efficiency	% of Creditors Paid Within Terms (within'MFMA' s 65(e))	98.0%	99.5%	100.0%	99.0%	99.0%	99.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		40.8%	30.5%	20.4%	22.9%	20.5%	20.5%	20.2%	21.5%	17.9%
Other Indicators										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	15046015	18113084	12858011	19375560	19375560	19375560	14613426	15031215	15511930
	Total Cost of Losses (Rand '000)	9	4	0	5	5	5	1	1	2
	% Volume (units purchased and generated less units sold)/units purchased and generated	6.3%	7.4%	5.1%	7.5%	7.5%	7.5%	5.5%	5.6%	5.6%
Water Distribution Losses (2)	Total Volume Losses (kℓ)	1 491	1 444	1 112	1 368	1 368	1 368	1 159	1 181	1 203
	Total Cost of Losses (Rand '000)	5449	2210.719	1786	5700	5700	5700	1969.065	2067.51825	2170.894163
	% Volume (units purchased and generated less units sold)/units purchased and generated	20.9%	21.3%	18.8%	19.69%	19.69%	19.69%	18.3%	18.0%	17.7%
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.5%	30.1%	27.6%	34.0%	34.5%	34.5%	34.1%	33.0%	31.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	30.4%	31.0%	28.6%	35.0%	35.5%	35.5%	35.0%	34.0%	32.8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	11.8%	12.0%	14.9%	20.8%	21.4%	21.4%	17.0%	16.4%	15.8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	18.2%	17.8%	16.8%	16.5%	16.4%	16.4%	15.6%	14.5%	13.3%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	16.6	14.0	16.3	14.2	14.2	14.2	13.4	13.5	14.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	14.0%	14.0%	14.2%	15.0%	14.2%	14.2%	11.8%	11.0%	10.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.7	3.8	6.9	4.7	5.9	5.9	4.3	4.3	4.0

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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 2016/2017 and 2017/2018 audit outcomes. This, and information relating to the current financial year (2018/2019) and all three years of the 2019/20 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 2019/20 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 36,3 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 2019/20 budget year is estimated to end on 44%.

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 2019/20 MTREF the current ratio is 2,40 increasing to 2,55

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

by 2021/2022. 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 2,3 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 5,57 per cent over the MTREF. This includes measureable technical losses, which further reduces the percentage of losses. The initiatives to ensure these targets are achieved include managing illegal connections, regular meter audits and managing theft of electricity by rolling out smart metering systems, including prepaid meters. It should be noted that technical losses range between 3 – 5 per cent over the Overstrand area. When taking this into consideration it is evident that distribution losses are well managed.

- The water distribution losses have been significantly reduced from 27,4 per cent in 2009/10 to 17,98 per cent over the 2019/20 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 29
OVERSTRAND MUNICIPALITY

For the 2019/20 financial year 7 850 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 46.

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

2.3.3 Providing clean water and managing waste water

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

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

The following is briefly the challenges facing the municipality:

- Some infrastructure is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult;

2.4 Overview of budget related-policies

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

2.4.1 Customer Care, Credit Control and Debt Collection Policy

The 2019/20 MTREF has been prepared on the basis of achieving an average debtors' collection rate in excess of 99 per cent on current billings. The current collection rate is in excess of 99 per cent. In addition the collection of debt in excess of 90 days has been prioritised, as well as debt older than two years, where interest could be waived, subject to a signed agreement for the remainder of the debt.

2.4.2 Asset Management Policy

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

2.5 Overview of budget assumptions

2.5.1 External factors

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

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2019/20 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and fuel; and
- The increase in the cost of remuneration. Employee related costs comprise 32,9 per cent of total operating expenditure in the 2019/20 MTREF and therefore increases above inflation places a disproportionate upward pressure on the expenditure budget

2.5.3 Interest rates for borrowing and investment of funds

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

2.5.4 Collection rate for revenue services

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

The revenue collection rate is currently expressed as a percentage (99,9%) of annual billings. Cash flow is assumed to be 99,9 per cent of billings from an increased collection of arrear debt.

2.5.5 Growth or decline in tax base of the municipality

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

2.5.6 Salary increases

The current three year collective SALGBC salary agreement came into operation on 1 July 2018. Salary increases, according to the principles of the agreement, were estimated at 6,25 % for the 2019/20 financial year, based on the average inflation for the period February 2018 to January 2019, with a minimum inflation rate of 5% plus 1,5% for the second year of the agreement.

2.5.7 Impact of national, provincial and local policies

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

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

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

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

It is estimated that a spending rate of 99 per cent could be achieved on operating expenditure and 95 per cent on the capital programme for the 2019/20 MTREF.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

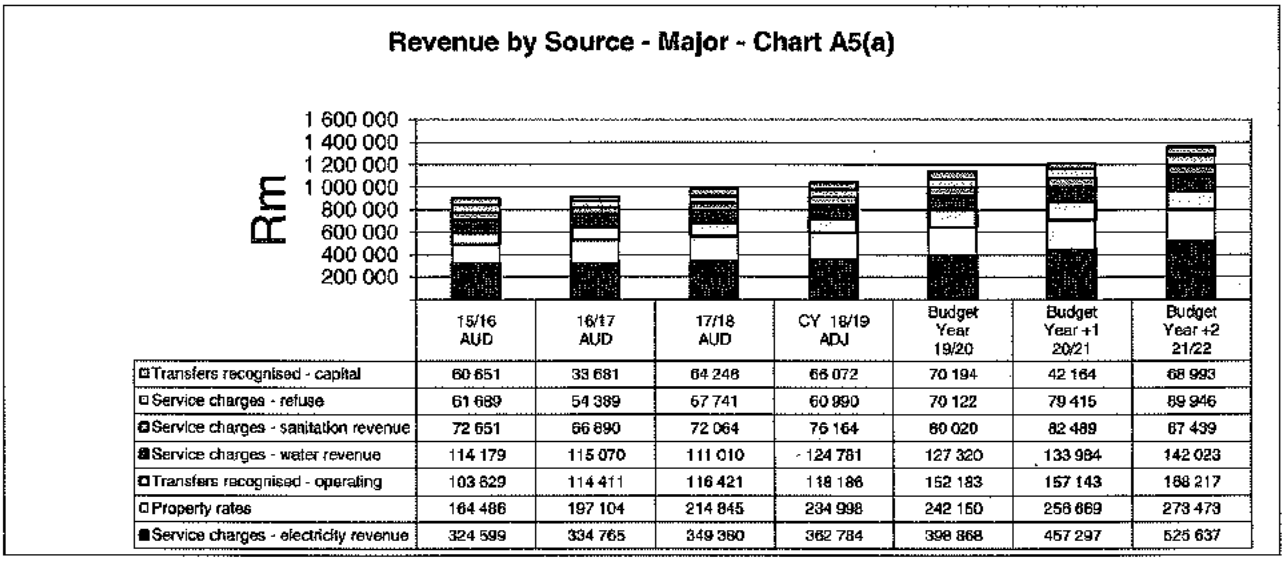
The following table is a breakdown of the operating revenue over the medium-term:

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description R thousand	2019/20 Medium Term Revenue & Expenditure Framework Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source			
Property rates	242 150	256 669	273 473
Service charges	676 330	753 185	845 045
Rental of facilities and equipment	3 562	3 744	3 949
Interest earned	32 161	34 090	36 135
Transfers recognised - operational	152 183	157 143	168 217
Other revenue	67 131	70 926	73 470
Total Revenue (excluding capital transfers and contributions)	**1 173 517**	**1 275 756**	**1 400 289**

The following graph is a breakdown of the operational revenue per main category for the 2019/20 financial year.



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Transfers recognised - capital	60 651	33 681	64 246	66 072	70 194	42 164	68 993
Service charges - refuse	61 689	54 389	67 741	60 990	70 122	79 415	89 946
Service charges - sanitation revenue	72 651	66 890	72 064	76 164	80 020	82 489	87 439
Service charges - water revenue	114 179	115 070	111 010	124 781	127 320	133 984	142 023
Transfers recognised - operating	103 629	114 411	116 421	118 186	152 183	157 143	168 217
Property rates	164 486	197 104	214 845	234 998	242 150	256 669	273 473
Service charges - electricity revenue	324 599	334 765	349 360	362 784	398 868	457 297	525 637

Figure 7 Breakdown of operating revenue over the 2019/20 MTREF

The following grants have been published in the DORA:

2019/2020 - 2021/2022 DORA & PROVINCIAL ALLOCATIONS			
NATIONAL	**2019/2020**	**2020/21**	**2021/2022**
EQUITABLE SHARE	106 697 000	117 534 000	129 728 000
FMG	1 550 000	1 550 000	1 550 000
EPWP	2 635 000	0	0
MIG	32 010 000	23 036 000	24 513 000
INEP	7 000 000	5 000 000	5 000 000
	149 892 000	**147 120 000**	**160 791 000**
PROVINCIAL			
Provincial Library Service Grant	7 287 000	7 502 000	7 915 000
Maintenance & construction of transport infrastructure	126 000	144 000	144 000
Human Settlements Development Grant	51 500 000	41 500 000	65 840 000
Financial Management Capacity Building Grant	380 000	0	0
Financial Management Support Grant	280 000	0	0
Thusong Services Centres Grant	100 000		100 000
Fire Service Capacity Building Grant		841 000	
Resource funding for estasblish & support of K9 Unit	2 000 000	2 200 000	2 420 000
Disaster Management Grant	5 000 000		
	66 673 000	**52 187 000**	**76 419 000**
TOTAL GRANTS	**216 565 000**	**199 307 000**	**237 210 000**

Tariff setting plays a major role in ensuring desired levels of revenue. Getting the right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

revenue from the provision of goods and services such as water, electricity, sanitation, solid waste removal, property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

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

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

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

Table 34 Proposed tariff increases for 2019/2020

Description Rand/cent	Current Year 2018/19	Budget Year 2019/20 % Incr.	Budget Year 2019/20
Monthly Account for Household - 'Affordable Range'			
Rates and services charges:			
Property rates	161.85	5.7%	171.09
Electricity: Basic levy	291.60	15.0%	335.34
Electricity: Consumption	608.63	12.2%	683.08
Water: Basic levy	129.14	5.7%	136.50
Water: Consumption	285.74	6.3%	303.75
Sanitation	341.89	5.7%	361.40
Refuse removal	164.35	12.9%	185.49
Other	56.97	–	56.97
sub-total	**2 040.17**	**9.5%**	**2 233.62**
VAT on Services	281.75		309.38
Total small household bill:	**2 321.92**	**9.5%**	**2 543.00**
% increase/-decrease	–		**9.5%**

Refer to Annexure C for Tariffs increases

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

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

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

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

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 35 MBRR SA15 – Detail Investment Information

Investment type R thousand	2015/16 Audited Outcome	2016/17 Audited Outcome	2017/18 Audited Outcome	Current Year 2018/19 Original Budget	 Adjusted Budget	 Full Year Forecast	2019/20 Medium Term Revenue & Expenditure Framework Budget Year 2019/20	 Budget Year +1 2020/21	 Budget Year +2 2021/22
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	101 263	170 728	380 514				320 000	330 000	340 000
Deposits - Public Investment Commissioners									
Guaranteed Endowment Policies (sinking)	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Municipal Bonds									
Consolidated total:	131 003	208 709	425 109	50 546	50 546	50 546	377 885	395 460	413 191

Table 36 MBRR SA16 – Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 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	POLICY	Yes	Variable	Fair Value Adjustment			01/09/2025	15 309	975		1 500	17 783
LIBERTY 21196964	14	POLICY	Yes	Variable	Fair Value Adjustment			01/09/2025	25 374	1 137		3 120	29 631
MOMENTUM 3853776	15	POLICY	Yes	Variable	Fair Value Adjustment			01/07/2026	2 739	33		360	3 132
													-
TOTAL INVESTMENTS AND INTEREST									43 422		-	4 980	50 546

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 2019/20 medium-term capital programme:

Table 37 Sources of capital revenue over the MTREF

Vote Description R thousand	2019/20 Medium Term Revenue & Expenditure Framework Budget Year 2019/20	 Budget Year +1 2020/21	 Budget Year +2 2021/22
Funded by:			
National Government	39 010	28 036	29 513
Provincial Government	31 184	14 128	39 480
District Municipality			
Other transfers and grants			
Transfers recognised - capital	**70 194**	**42 164**	**68 993**
Borrowing	90 501	64 300	50 000
Internally generated funds	100 981	42 000	35 331
Total Capital Funding	**261 677**	**148 464**	**154 324**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

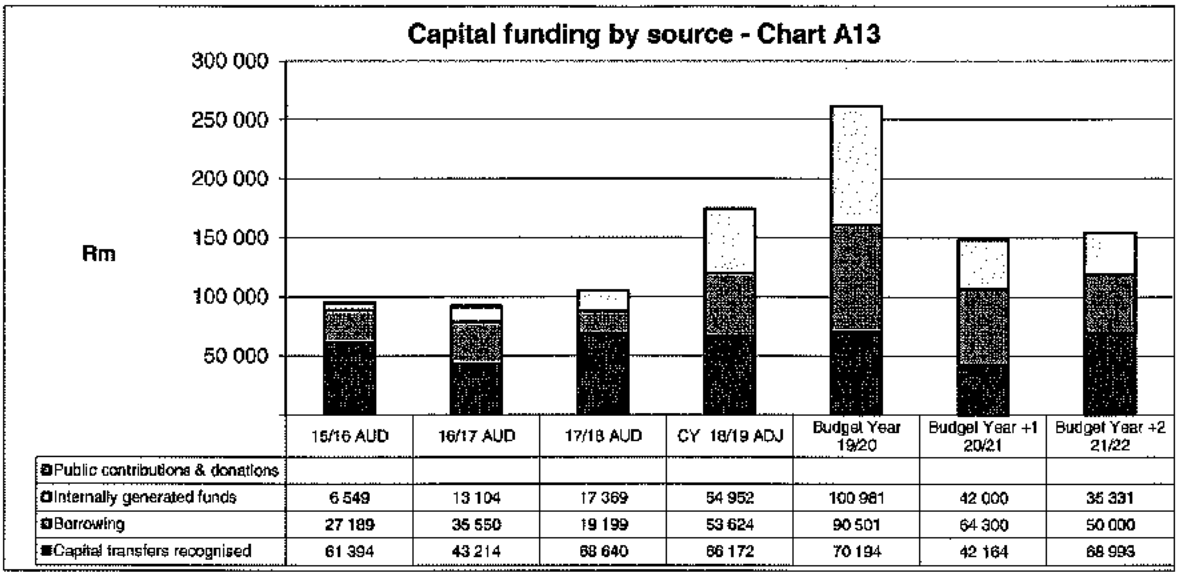


Figure 8 Sources of capital revenue for the 2019/20 financial year

Capital grants and receipts equates to 26,8 per cent of the total funding source which represents R70,2 million for the 2019/20 financial year.

Table 38 MBRR Table SA18 - Capital transfers and grant receipts

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:									
Capital Transfers and Grants									
National Government:	31 647	25 030	26 330	25 901	25 901	25 901	39 010	28 036	29 513
Municipal Infrastructure Grant (MIG)	21 417	21 030	22 330	21 639	21 639	21 639	32 010	23 036	24 513
INEP	8 000	5 000	4 000	4 262	4 262	4 262	7 000	5 000	5 000
Finance Management	1 300								
Municipal Systems Improvement	930								
Provincial Government:	29 110	10 490	42 992	36 067	38 567	38 567	28 281	14 128	39 480
Human Settlements Development Grant	26 080	8 290	36 661	35 467	33 967	33 967	26 439	13 287	39 480
Library Services Grant	3 031	1 000		600	600	600			
Resourcing Funding for Establishment &Support of a K9 Unit					4 000	4 000			
Public Transport Non-Motorised Infrastructure Grant			4 000						
Fire Service Capacity Building Grant			800					841	
Municipal Service Delivery & Capacity Building Grant			360						
Disaster Management Grant							1 843		
Development of Sport and Recreation Facilities		1 200	1 171						
Total Capital Transfers and Grants	60 757	36 520	69 322	61 968	64 468	64 468	67 291	42 164	68 993

Borrowing still remains a significant funding source (one-third) for the own capital programme over the medium-term with an estimated R178,3 million new borrowing.

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 39 MBRR Table SA17 - Detail of borrowings

Borrowing - Categorised by type	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Annuity and Bullet Loans	312 402	312 495	308 658	323 677	323 677	323 677	355 453	361 756	370 934
Long-Term Loans (non-annuity)	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Instalment Credit									
Financial Leases	-								
Total Borrowing	412 402	412 495	408 658	423 677	423 677	423 677	455 453	461 756	470 934

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 R101 million in 2019/20.

It should be noted that the level of borrowings decreases over the MTREF, from R64m in 2019/2020 to R50m in 2021/2022.

The following graph illustrates the growth in outstanding borrowing for the 2015/16 to 2021/22 period.

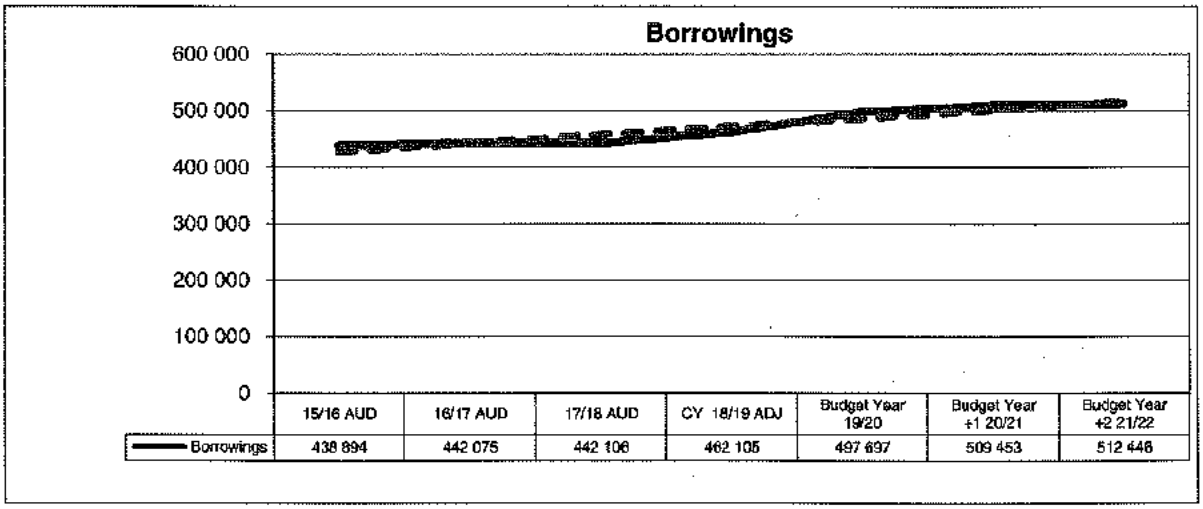


Figure 9 Growth in outstanding borrowing (long-term liabilities)

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 40 MBRR Table A7 - Budgeted cash flow statement

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	163 442	195 733	213 851	233 454	233 401	233 401	241 063	255 558	272 340
Service charges	570 606	568 538	589 413	609 686	620 473	620 473	673 293	749 924	841 543
Other revenue	65 164	73 850	75 919	56 317	51 287	51 287	66 179	51 905	53 110
Government - operating	103 190	119 507	131 819	130 566	118 186	118 186	152 183	157 143	168 217
Government - capital	60 394	33 681	64 248	61 966	66 072	66 072	70 194	42 164	68 993
Interest	14 944	23 018	33 308	24 701	32 906	32 906	32 161	34 090	36 135
Dividends							–	–	–
Payments									
Suppliers and employees	(719 905)	(791 231)	(818 184)	(893 168)	(900 839)	(900 839)	(1 017 533)	(1 121 072)	(1 234 178)
Finance charges	(46 193)	(45 910)	(46 129)	(47 834)	(47 834)	(47 834)	(51 549)	(54 249)	(56 058)
Transfers and Grants	(51 090)	(1 899)	(1 800)	(500)	(500)	(500)	(500)	(525)	(551)
NET CASH FROM/(USED) OPERATING ACTIVIT	160 551	175 288	242 445	175 190	173 153	173 153	165 492	114 938	149 550
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	845	2 943	61 432	–	–	–	–	–	–
Decrease (increase) in non-current debtors				–	–	–	–	–	–
Decrease (increase) other non-current receivables	15	15	8	10	10	10	10	7	3
Decrease (increase) in non-current investments	(4 980)	(4 980)	(4 980)	(7 124)	(5 952)	(5 952)	(7 339)	(7 575)	(7 730)
Payments									
Capital assets	(95 133)	(84 505)	(105 207)	(194 237)	(174 748)	(174 748)	(261 677)	(148 464)	(154 324)
NET CASH FROM/(USED) INVESTING ACTIVITIE	(99 253)	(86 528)	(28 747)	(201 351)	(180 689)	(180 689)	(269 006)	(156 032)	(162 052)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							–	–	–
Borrowing long term/refinancing	30 000	30 000	30 000	54 000	54 000	54 000	74 300	54 000	50 000
Increase (decrease) in consumer deposits	2 200	(6 904)	1 423	3 937	1 584	1 584	23 028	4 654	4 682
Payments									
Repayment of borrowing	(23 704)	(26 822)	(29 968)	(33 993)	(34 001)	(34 001)	(38 709)	(42 244)	(47 007)
NET CASH FROM/(USED) FINANCING ACTIVITI	8 496	(3 727)	1 455	23 944	21 583	21 583	58 619	16 410	7 676
NET INCREASE/ (DECREASE) IN CASH HELD	69 794	85 034	215 153	(2 217)	14 047	14 047	(44 895)	(24 684)	(4 825)
Cash/cash equivalents at the year begin:	104 987	174 780	259 815	382 460	474 967	474 967	489 014	444 120	419 436
Cash/cash equivalents at the year end:	174 780	259 815	474 967	380 242	489 014	489 014	444 120	419 436	414 611

The above table shows that cash and cash equivalents of the Municipality reflects steady growth from the 2015/2016 to 2018/2019 financial years. For the 2019/20 MTREF the budget has been prepared to ensure sustained levels of cash and cash equivalents over the medium-term with cash levels anticipated to remain stable.

2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

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

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

A surplus would indicate the cash-backed accumulated surplus that is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded' It is also important to analyse trends to understand the consequences. Cash surpluses have been realised over the past three years, which is inevitably utilised to finance capital. The working capital has to be optimally managed.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and investments available									
Cash/cash equivalents at the year end	174 780	259 815	474 967	380 242	489 014	489 014	444 120	419 436	414 611
Other current investments > 90 days	–	–	0	(0)	(0)	(0)	(0)	0	0
Non current assets - Investments	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Cash and investments available:	**204 521**	**297 796**	**519 562**	**430 789**	**539 560**	**539 560**	**502 005**	**484 896**	**487 801**
Application of cash and investments									
Unspent conditional transfers	1 380	6 474	21 872	–	3 800	3 800	5 636	–	–
Unspent borrowing	–	15	10 450	–	–	–	26 501	–	–
Statutory requirements									
Other working capital requirements	(32 015)	(27 181)	(16 863)	(36 964)	(18 462)	(18 462)	(17 691)	(17 766)	(36 578)
Other provisions									
Long term investments committed	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Reserves to be backed by cash/investments	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
Total Application of cash and investments:	**1 281**	**20 541**	**63 312**	**16 883**	**39 184**	**39 184**	**75 671**	**51 044**	**39 983**
Surplus(shortfall)	**203 239**	**277 256**	**456 250**	**413 906**	**500 376**	**500 376**	**426 333**	**433 852**	**447 818**

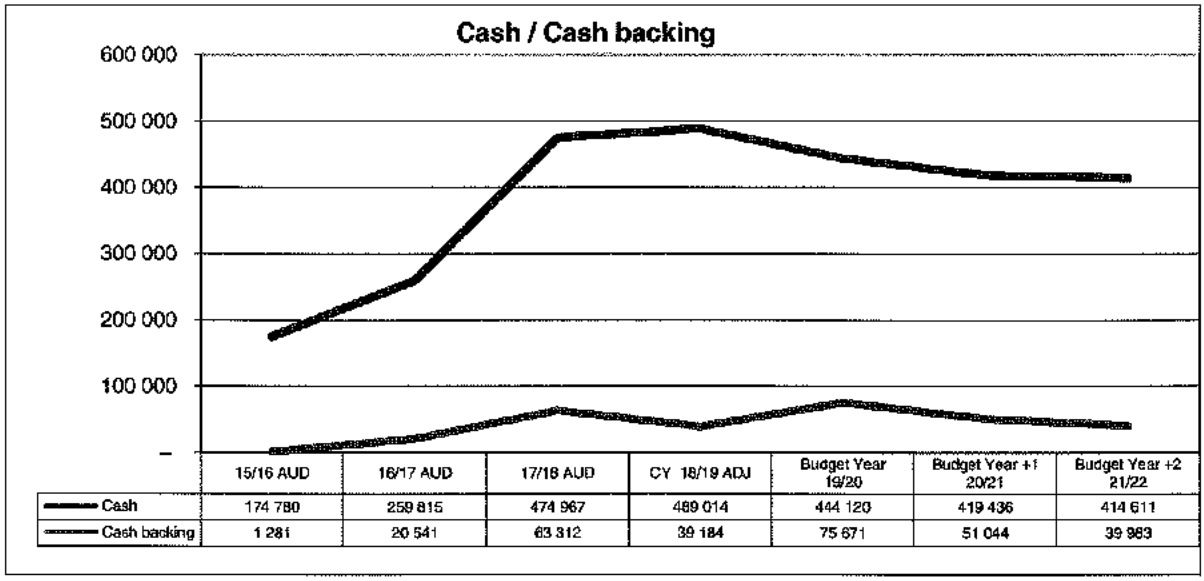
From the above table it can be seen that the cash and investments total R539,5 million in the 2018/2019 financial year and decrease to R502 million in 2019/20, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of 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 R26,5m 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 2019/20 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Cash	174 780	259 815	474 967	489 014	444 120	419 436	414 611
Cash backing	1 281	20 541	63 312	39 184	75 671	51 044	39 983

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 42 MBRR SA10 – Funding compliance measurement

Description	MFMA section	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funding measures										
Cash/cash equivalents at the year end - R'000	18(1)b	174 786	259 815	474 967	380 242	488 014	488 014	444 126	419 436	414 611
Cash + investments at the yr end less applications - R'000	18(1)b	203 239	277 256	456 250	413 906	500 376	500 376	426 333	433 852	447 818
Cash year end/monthly employee/supplier payments	18(1)b	2.7	3.8	6.9	4.7	5.9	5.9	4.9	4.3	4.0
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(6 252)	(24 967)	35 771
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	(1.8%)	(1.2%)	(0.6%)	(4.7%)	(6.0%)	0.8%	3.9%	4.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	99.0%	97.2%	97.9%	96.9%	96.7%	96.7%	98.7%	97.1%	97.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	1.9%	2.9%	2.2%	2.8%	2.7%	2.7%	2.7%	2.6%	2.5%
Capital payments % of capital expenditure	18(1)c;19	100.0%	92.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	88.9%	61.7%	82.0%	40.9%	49.7%	49.7%	38.8%	50.8%	58.6%
Grants % of Govt. legislated/gazetted allocations	18(1)a							102.7%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	4.9%	6.3%	10.0%	(9.2%)	0.0%	(11.4%)	2.3%	2.3%
Long term receivables % change - incr(decr)	18(1)a	N.A.	(33.8%)	(24.5%)	(49.1%)	0.0%	0.0%	(64.4%)	(84.7%)	(100.0%)
R&M % of Property Plant & Equipment	20(1)(vi)	3.1%	3.4%	4.6%	6.3%	6.6%	6.6%	5.5%	5.7%	6.0%
Asset renewal % of capital budget	20(1)(vi)	16.7%	37.5%	28.2%	0.0%	0.0%	0.0%	2.5%	3.3%	6.3%
Total Operating Revenue		930 691	1 002 928	1 073 241	1 080 228	1 083 298	1 083 298	1 173 517	1 275 756	1 400 289
Total Operating Expenditure		937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	1 249 963	1 342 887	1 433 511
Operating Performance Surplus/(Deficit)		(7 036)	7 906	79 788	(54 017)	(71 179)	(71 179)	(76 446)	(67 131)	(33 222)
Revenue										
% Increase in Total Operating Revenue			7.8%	7.0%	0.7%	0.3%	0.0%	8.3%	8.7%	9.8%
% Increase in Property Rates Revenue			19.8%	9.0%	9.4%	0.0%	0.0%	3.0%	6.0%	6.5%
% Increase in Electricity Revenue			3.1%	4.4%	3.8%	0.0%	0.0%	9.9%	14.6%	14.9%
% Increase in Property Rates & Services Charges			4.2%	4.8%	5.4%	1.3%	0.0%	6.8%	9.9%	10.8%
Expenditure										
% Increase in Total Operating Expenditure			6.1%	(0.2%)	14.2%	1.8%	0.0%	8.3%	7.4%	6.7%
% Increase in Employee Costs			10.1%	(1.9%)	23.8%	1.9%	0.0%	6.9%	5.5%	5.9%
% Increase in Electricity Bulk Purchases			11.8%	3.8%	5.8%	0.0%	0.0%	15.6%	15.6%	15.6%
R&M % of PPE		3.1%	3.4%	4.6%	6.3%	6.6%	6.6%	5.5%	5.7%	6.0%
Asset Renewal and R&M as a % of PPE		3.0%	4.0%	5.0%	6.0%	6.0%	6.0%	7.0%	6.0%	7.0%
Debt Impairment % of Total Billable Revenue		1.9%	2.9%	2.2%	2.8%	2.7%	2.7%	2.7%	2.6%	2.5%
Capital Revenue										
Internally Funded & Other (R'000)		6 549	13 104	17 369	63 519	54 952	54 952	100 981	42 000	35 331
Borrowing (R'000)		27 169	35 559	19 199	68 650	53 624	53 624	90 501	64 300	50 000
Grant Funding and Other (R'000)		61 394	43 214	68 640	62 068	66 172	66 172	70 194	42 164	68 993
Internally Generated funds % of Non Grant Funding		19.4%	26.9%	47.5%	48.1%	50.6%	50.6%	52.7%	39.5%	41.4%
Borrowing % of Non Grant Funding		80.6%	73.1%	52.5%	51.9%	49.4%	49.4%	47.3%	60.5%	58.6%
Grant Funding % of Total Funding		64.5%	47.0%	65.2%	32.0%	37.9%	37.9%	26.8%	28.4%	44.7%
Capital Expenditure										
Total Capital Programme (R'000)		95 133	91 868	105 207	194 237	174 748	174 748	261 677	148 464	154 324
Asset Renewal		15 884	34 479	29 644	–	–	–	46 770	11 361	32 488
Asset Renewal % of Total Capital Expenditure		16.7%	37.5%	28.2%	0.0%	0.0%	0.0%	17.9%	7.7%	21.1%
Cash										
Cash Receipts % of Rate Payer & Other		99.0%	97.2%	97.9%	96.9%	96.7%	96.7%	98.7%	97.1%	97.2%
Borrowing										
Capital Charges to Operating		7.5%	7.3%	7.7%	7.2%	7.1%	7.1%	7.2%	7.2%	7.2%
Borrowing Receipts % of Capital Expenditure		88.9%	61.7%	82.0%	40.9%	49.7%	49.7%	38.8%	50.8%	58.6%
Reserves										
Surplus/(Deficit)		203 239	277 256	456 250	413 906	500 376	500 376	426 333	433 852	447 818
Free Services										
Free Basic Services as a % of Equitable Share		5.5%	7.1%	8.1%	82.5%	82.5%	82.5%	78.8%	94.8%	94.3%
Free Services as a % of Operating Revenue (excl operational transfers)		5.0%	5.7%	5.4%	5.5%	5.4%	5.4%	5.3%	5.1%	4.9%
High Level Outcome of Funding Compliance										
Total Operating Revenue		930 691	1 002 928	1 073 241	1 080 228	1 083 298	1 083 298	1 173 517	1 275 756	1 400 289
Total Operating Expenditure		937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	1 249 963	1 342 887	1 433 511
Surplus/(Deficit) Budgeted Operating Statement		(7 036)	7 906	79 788	(54 017)	(71 179)	(71 179)	(76 446)	(67 131)	(33 222)
Surplus/(Deficit) Considering Reserves and Cash Backing		203 239	277 256	456 250	413 906	500 376	500 376	426 333	433 852	447 818
MTREF Funded (1) / Unfunded (0)		1	1	1	1	1	1	1	1	1
MTREF Funded ü / Unfunded û		✓	✓	✓	✓	✓	✓	✓	✓	✓

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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 2019/20 MTREF indicates R441,1 million, R419,4 million and R414,6 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 2019/20 MTREF.

2.6.4.4 Surplus/deficit excluding depreciation offsets

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

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

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

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is projected at 5,2 per cent). Refer to Annexure B for Rates, Tariffs and Service Charges.

2.6.4.6 Cash receipts as a percentage of ratepayer and other revenue

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

credibility of the budget assumptions contained in the budget. Given that the assumed collection rate was based on a 99,9 per cent performance target, the cash flow statement has been accurately determined. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

2.6.4.7 Debt impairment expense as a percentage of billable revenue

Overstrand Municipality has provided for adequate Debt impairment.

2.6.4.8 Capital payments percentage of capital expenditure

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

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

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 42, 60 and 58 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 90.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.7 Expenditure on grants and reconciliations of unspent funds

Table 43 MBRR SA19 - Expenditure on transfers and grant programmes

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2 2021/22
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	3 701	3 397	3 850	3 476	3 476	3 476	4 185	1 550	1 550
Local Government Equitable Share									
Finance Management	2 040	1 475	1 550	1 550	1 550	1 550	1 550	1 550	1 550
EPWP Incentive	1 661	1 922	2 300	1 926	1 926	1 926	2 635		
Provincial Government:	36 630	38 034	28 348	31 022	18 642	18 642	37 968	38 059	36 939
Human Settlements Development Grant	29 425	31 921	21 645	23 633	10 856	10 856	25 837	26 213	26 360
Library Services Grant	5 307	5 889	6 306	6 147	6 147	6 147	7 287	7 502	7 915
Financial Management Capacity Building Grant				600	600	600	980		
Community Development Workers Operational Supp	72	75	74	74	-	-			
Maintenance & Construction of Transport Infrastructu	114	137	139	137	137	137	126	144	144
Western Cape Financial Management Support Gran	1 513			280	280	280	560		
Local Government Internship Grant		12	64	51	122	122	36		
Greenest Municipality Competition			120						
Municipal Service Delivery & Capacity Building Grant					200	200	144		
Thusong Service Centre				100	100	100	100		100
Resourcing Funding for Establishment &Support of a	200				200	200	2 897	2 200	2 420
Disaster Management Grant									
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	176	-	-
Spaces for Sport							176		
Total operating expenditure of Transfers and Grant	40 331	41 431	32 198	34 498	22 118	22 118	42 329	39 609	38 489
Capital expenditure of Transfers and Grants									
National Government:	30 347	26 030	21 786	25 901	30 445	30 445	39 010	28 036	29 513
Municipal Infrastructure Grant (MIG)	21 417	21 030	17 786	21 639	26 183	26 183	32 010	23 036	24 513
INEP	8 000	5 000	4 000	4 262	4 262	4 262	7 000	5 000	5 000
Municipal Systems Improvement	930								
Provincial Government:	29 004	7 681	42 462	36 067	35 628	35 628	31 184	14 128	39 480
Human Settlements Development Grant	25 974	7 651	34 180	35 467	34 108	34 108	26 439	13 267	39 480
Library Services Grant	3 031	30	1 141	600	1 129	1 129			
Resourcing Funding for Establishment &Support of a K9 Unit							2 903		
Public Transport Non-Motorised Infrastructure Grant			3 610		390	390			
Fire Service Capacity Building Grant			2 000					841	
Municipal Service Delivery & Capacity Building Grant			360						
Disaster Management Grant							1 843		
Development of Sport and Recreation Facilities			1 171						
Total capital expenditure of Transfers and Grants	59 351	33 711	64 248	61 968	66 072	66 072	70 194	42 164	68 993
TOTAL EXPENDITURE OF TRANSFERS AND GRAN	99 683	75 143	96 446	96 466	88 190	88 190	112 523	81 773	107 482

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year	590								
Current year receipts	67 709	76 347	88 073	99 544	99 544	99 544	110 882	119 084	131 278
Conditions met - transferred to revenue	**68 299**	**76 347**	**88 073**	**99 544**	**99 544**	**99 544**	**110 882**	**119 084**	**131 278**
Conditions still to be met - transferred to liabilities									
Provincial Government:									
Balance unspent at beginning of the year	213	2 944	(10 418)	291	(16 057)	(16 057)			
Current year receipts	35 118	41 312	38 766	30 731	30 731	30 731	38 392	38 059	36 939
Conditions still to be met - transferred to liabilities		**6 192**			**(3 969)**	**(3 969)**	**(2 909)**		
District Municipality:									
Balance unspent at beginning of the year									
Conditions still to be met - transferred to liabilities									
Other grant providers:									
Balance unspent at beginning of the year									
Conditions met - transferred to revenue	–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities									
Total operating transfers and grants revenue	103 629	114 411	116 421	130 566	118 186	118 186	152 183	157 143	168 217
Total operating transfers and grants - CTBM	**–**	**6 192**	**–**	**–**	**(3 969)**	**(3 969)**	**(2 909)**	**–**	**–**
National Government:									
Balance unspent at beginning of the year					4 544	4 544	3 800		
Current year receipts	30 347	26 030	26 330	25 901	25 901	25 901	39 010	28 036	29 513
Conditions met - transferred to revenue	30 347	26 030	26 330	25 901	30 445	30 445	42 810	28 036	29 513
Provincial Government:									
Balance unspent at beginning of the year	743	1 440	(682)						
Current year receipts	**30 410**	**10 490**	**42 992**	**36 067**	**35 628**	**35 628**	**28 281**	**14 128**	**39 480**
Conditions met - transferred to revenue	31 047	11 930	42 310	36 067	35 628	35 628	27 384	14 128	39 480
Conditions still to be met - transferred to liabilities	106						897		
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue	–	–	–	–	–	–	–	–	–
Balance unspent at beginning of the year				100	100	100			
Current year receipts		5 254							
Conditions met - transferred to revenue	–	5 254	–	100	100	100	–	–	–
Conditions still to be met - transferred to liabilities									
Total capital transfers and grants revenue	61 394	43 214	68 640	62 068	66 172	66 172	70 194	42 164	68 993
Total capital transfers and grants - CTBM	**106**	–	–	–	–	–	**897**	–	–
TOTAL TRANSFERS AND GRANTS REVENUE	**165 024**	**157 626**	**185 061**	**192 634**	**184 358**	**184 358**	**222 377**	**199 307**	**237 210**
TOTAL TRANSFERS AND GRANTS - CTBM	**106**	**6 192**	–	–	**(3 969)**	**(3 969)**	**(2 012)**	–	–

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.8 Councillor and employee benefits

Table 45 MBRR SA22 - Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	7 961	8 608	9 056	9 862	9 862	9 862	10 317	10 812	11 332
Pension and UIF Contributions									
Medical Aid Contributions									
Motor Vehicle Allowance									
Cellphone Allowance	606	657	1 081	1 110	1 110	1 110	1 066	1 066	1 066
Housing Allowances									
Other benefits and allowances									
Sub Total - Councillors	**8 566**	**9 265**	**10 138**	**10 972**	**10 972**	**10 972**	**11 383**	**11 878**	**12 397**
Senior Managers of the Municipality									
Basic Salaries and Wages	9 543	9 944	10 489	10 954	10 954	10 954	11 292	11 998	12 748
Pension and UIF Contributions							–	–	–
Medical Aid Contributions							–	–	–
Overtime							–	–	–
Performance Bonus			103	210	210	210	109	109	109
Motor Vehicle Allowance							–	–	–
Cellphone Allowance	154	158	187	194	194	194	187	187	187
Housing Allowances									
Other benefits and allowances	32								
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Senior Managers of Municipality	**9 729**	**10 102**	**10 779**	**11 358**	**11 358**	**11 358**	**11 588**	**12 294**	**13 044**
Other Municipal Staff									
Basic Salaries and Wages	175 857	175 723	206 677	225 106	222 354	222 354	245 260	259 348	275 267
Pension and UIF Contributions	29 587	30 114	33 240	39 574	36 976	36 976	41 471	43 963	46 592
Medical Aid Contributions	9 829	10 523	11 195	13 679	12 091	12 091	14 459	15 536	16 597
Overtime	15 724	15 613	18 388	23 606	30 672	30 672	29 320	30 828	32 519
Performance Bonus							440	467	495
Motor Vehicle Allowance	7 222	7 602	7 850	8 203	8 203	8 203	7 947	7 819	7 822
Cellphone Allowance	1 119	1 483	2 013	2 049	2 049	2 049	2 067	2 042	2 042
Housing Allowances	4 608	5 064	5 482	2 542	2 542	2 542	2 567	2 687	2 855
Other benefits and allowances	10 248	26 398	14 069	26 983	29 329	29 329	30 363	31 455	33 139
Payments in lieu of leave	1 815	1 385	772	1 062	1 162	1 162	1 125	1 193	1 264
Long service awards	2 288	1 836	6 054	1 946	2 612	2 612	2 062	2 186	2 317
Post-retirement benefit obligations	6 539	16 076	(19 984)	10 916	14 766	14 766	11 131	11 799	12 507
Sub Total - Other Municipal Staff	**264 835**	**291 817**	**285 757**	**355 667**	**362 756**	**362 756**	**388 216**	**409 322**	**433 416**
Total Parent Municipality	**283 130**	**311 185**	**306 674**	**377 997**	**385 086**	**385 086**	**411 187**	**433 494**	**458 857**
TOTAL SALARY, ALLOWANCES & BENEFITS	**283 130**	**311 185**	**306 674**	**377 997**	**385 086**	**385 086**	**411 187**	**433 494**	**458 857**
TOTAL MANAGERS AND STAFF	**274 564**	**301 919**	**296 536**	**367 024**	**374 114**	**374 114**	**399 804**	**421 616**	**446 460**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Councillors							
Speaker	1	695 304		44 400			739 704
Chief Whip		–		–			–
Executive Mayor	1	913 559		44 400			957 959
Deputy Executive Mayor	1	695 304		44 400			739 704
Executive Committee	5	3 259 262		222 000			3 481 262
Total for all other councillors	17	4 753 778		710 400			5 464 178
Total Councillors	**25**	**10 317 207**	**–**	**1 065 600**			**11 382 807**
Senior Managers of the Municipality							
Municipal Manager (MM)	1	1 739 724		27 540	109 154		1 876 418
Chief Finance Officer	1	1 721 652		24 480			1 746 132
Dir : LED	1	1 520 100		24 480			1 544 580
Dir : Community Services	1	1 564 992		27 540			1 592 532
Dir : Infrastructure and Planning	1	1 730 616		27 540			1 758 156
Dir Protection Services	1	1 475 832		27 540			1 503 372
Dir : Management Services	1	1 539 492	–	27 540			1 567 032
Total Senior Managers of the Municipality	**7**	**11 292 408**	**–**	**186 660**	**109 154**		**11 588 222**
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	**32**	**21 609 615**	**–**	**1 252 260**	**109 154**		**22 971 029**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 47 MBRR SA24 – Summary of personnel numbers

Summary of Personnel Numbers	2017/18			Current Year 2018/19			Budget Year 2019/20		
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	55	53		56	54		54	50	
Professionals	23	19	–	23	21	–	26	25	–
Finance	20	16		20	18		21	20	
Spatial/town planning							2	2	
Information Technology	1	1		1	1		1	1	
Roads									
Electricity									
Water									
Sanitation									
Refuse									
Other	2	2		2	2		2	2	
Technicians	190	167	–	188	167	–	195	174	–
Finance									
Spatial/town planning	13	12		13	12		11	10	
Information Technology	5	3		5	3		5	4	
Roads	9	9		9	8		9	9	
Electricity	30	25		30	24		31	27	
Water	20	16		19	18		21	18	
Sanitation	2	2		2	2		2	2	
Refuse	5	5		4	4		5	5	
Other	106	95		106	96		111	99	
Clerks (Clerical and administrative)	263	232		262	234		277	241	
Service and sales workers	128	96		104	95		115	92	
Skilled agricultural and fishery workers	–	–		–	–		–	–	
Craft and related trades	–	–		–	–		–	–	
Plant and Machine Operators	63	54		59	55		61	57	
Elementary Occupations	418	400		423	405		430	410	
TOTAL PERSONNEL NUMBERS	**1 172**	**1 035**	**–**	**1 147**	**1 045**	**–**	**1 190**	**1 063**	**–**
% increase				(2.1%)	1.0%	–	3.7%	1.7%	–
Total municipal employees headcount	**1 147**	**1 028**		**1 122**	**1 038**		**1 165**	**1 056**	
Finance personnel headcount	**113**	**103**		**113**	**100**		**113**	**104**	
Human Resources personnel headcount	**18**	**17**		**18**	**18**		**18**	**18**	

2.9 Monthly targets for revenue, expenditure and cash flow

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source															
Property rates	19 896	19 896	19 896	19 896	19 896	21 596	19 896	19 896	19 896	19 896	19 896	21 596	242 150	256 669	273 473
Service charges - electricity revenue	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	398 868	457 297	525 637
Service charges - water revenue	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	127 320	133 984	142 023
Service charges - sanitation revenue	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	80 020	82 489	87 439
Service charges - refuse revenue	5 843	5 843	5 843	5 843	5 843	5 844	5 843	5 843	5 843	5 843	5 843	5 844	70 122	79 415	89 946
	-	-	-	-	-	-	-	-	-	-	-				
Rental of facilities and equipment	291	291	307	291	291	308	291	291	307	291	291	309	3 562	3 744	3 949
Interest earned - external investments	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	28 010	29 690	31 471
Interest earned - outstanding debtors	346	346	346	346	346	346	346	346	346	346	346	346	4 151	4 400	4 664
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2 709	2 709	2 713	2 709	2 709	2 714	2 709	2 709	2 713	2 709	2 709	2 744	32 552	34 517	36 589
Licences and permits	204	204	206	204	204	207	204	204	206	204	204	207	2 462	2 580	2 627
Agency services	392	392	392	392	392	392	392	392	392	392	392	392	4 700	4 982	5 281
Transfers and subsidies	11 707	11 707	14 600	11 707	11 707	14 600	11 707	11 707	14 600	11 707	11 707	14 726	152 183	157 143	166 217
Other revenue	2 099	2 099	2 147	2 099	2 099	2 156	2 099	2 099	2 147	2 099	2 099	4 172	27 416	28 846	28 993
Gains on disposal of PPE												-	-	-	-
Total Revenue (excluding capital transfers and	**96 339**	**96 339**	**99 302**	**96 339**	**96 339**	**101 014**	**96 339**	**96 339**	**99 302**	**96 339**	**96 339**	**103 187**	**1 173 517**	**1 275 756**	**1 400 289**
Expenditure By Type															
Employee related costs	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 425	399 804	421 616	446 460
Remuneration of councillors	949	949	949	949	949	949	949	949	949	949	949	949	11 383	11 878	12 397
Debt impairment	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	24 902	26 396	27 979
Depreciation & asset impairment	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	131 285	130 830	130 222
Finance charges	1 055	-	3 459	4 198	1 139	14 818	988	-	3 311	3 806	1 063	17 711	51 549	54 249	56 058
Bulk purchases	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	275 880	319 000	368 059
Other materials	3 708	4 980	7 194	4 980	3 708	7 257	3 708	4 980	7 194	3 708	3 708	8 550	63 675	71 299	71 581
Contracted services	3 428	25 454	22 599	26 004	3 428	22 772	3 428	25 454	22 561	3 466	3 428	45 517	207 536	229 784	237 260
Transfers and subsidies	-	-	-	-	-	400	-	-	-	-	-	100	500	525	551
Other expenditure	3 961	3 343	11 211	4 586	2 719	11 503	2 719	3 343	12 453	2 719	2 719	22 176	83 450	77 311	82 123
Loss on disposal of PPE												-	-	-	-
Total Expenditure	**82 413**	**104 038**	**114 724**	**110 028**	**81 254**	**127 011**	**81 104**	**104 038**	**115 781**	**83 960**	**81 178**	**164 433**	**1 249 963**	**1 342 887**	**1 433 591**
Surplus/(Deficit)	**13 926**	**(7 699)**	**(15 422)**	**(13 689)**	**15 084**	**(25 997)**	**15 235**	**(7 699)**	**(16 479)**	**12 379**	**15 161**	**(61 246)**	**(76 446)**	**(67 131)**	**(33 222)**
Transfers and subsidies - capital (monetary alloc	3 233	3 233	11 083	3 233	3 233	11 083	3 233	3 233	11 083	3 233	3 233	11 083	70 194	42 164	68 993
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)												-	-	-	-
Transfers and subsidies - capital (in-kind - all)												-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	**17 159**	**(4 466)**	**(4 340)**	**(10 456)**	**18 317**	**(14 914)**	**18 468**	**(4 466)**	**(5 396)**	**15 612**	**18 394**	**(50 163)**	**(6 252)**	**(24 967)**	**35 771**
Surplus/(Deficit)	**17 159**	**(4 466)**	**(4 340)**	**(10 456)**	**18 317**	**(14 914)**	**18 468**	**(4 466)**	**(5 396)**	**15 612**	**18 394**	**(50 163)**	**(6 252)**	**(24 967)**	**35 771**

OVERSTRAND MUNICIPALITY

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

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote															
Vote 1 - Council	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	31 083	11 004	12 705
Vote 2 - Municipal Manager	3	3	3	3	3	3	3	3	3	3	3	3	36	–	–
Vote 3 - Management Services	70	70	70	70	70	70	70	70	70	70	70	70	844	848	851
Vote 4 - Finance	23 158	23 158	23 548	23 158	23 158	25 253	23 158	23 158	23 548	23 158	23 158	27 299	284 914	301 310	319 349
Vote 5 - Community Services	28 958	28 958	36 968	28 958	28 958	36 973	28 958	28 958	36 968	28 958	28 958	37 101	379 876	404 292	435 885
Vote 6 - Economic and Social Developmer	–	–	659	–	–	659	–	–	659	–	–	659	2 635	–	–
Vote 7 - Infrastructure & Planning	40 844	40 844	42 594	40 844	40 844	42 595	40 844	40 844	42 594	40 844	40 844	42 595	497 130	555 328	653 514
Vote 8 - Protection Services	3 948	3 948	3 953	3 948	3 948	3 953	3 948	3 948	3 953	3 948	3 948	3 953	47 393	45 139	46 977
Total Revenue by Vote	**99 572**	**99 572**	**110 384**	**99 572**	**99 572**	**112 097**	**99 572**	**99 572**	**110 384**	**99 572**	**99 572**	**114 270**	**1 243 711**	**1 317 920**	**1 469 281**
Expenditure by Vote to be appropriated															
Vote 1 - Council	3 868	2 626	2 711	3 868	2 626	3 111	2 626	2 626	3 954	2 626	2 626	2 811	36 077	36 966	38 935
Vote 2 - Municipal Manager	452	452	508	452	452	525	452	452	508	452	452	639	5 797	5 874	6 209
Vote 3 - Management Services	3 751	3 751	6 666	3 751	3 751	6 763	3 751	3 751	6 628	3 789	3 751	6 796	56 900	59 269	63 217
Vote 4 - Finance	4 151	4 151	10 188	4 193	4 151	10 602	4 151	4 151	10 188	4 190	4 151	10 812	75 077	84 505	82 925
Vote 5 - Community Services	27 192	26 426	50 507	29 083	27 197	58 467	27 143	26 426	50 429	28 833	27 138	60 837	439 679	469 634	490 612
Vote 6 - Economic and Social Developmer	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	13 291	10 831	11 336
Vote 7 - Infrastructure & Planning	33 963	57 596	35 106	59 645	34 042	38 505	33 945	57 596	35 037	35 034	34 024	73 501	527 994	572 279	631 962
Vote 8 - Protection Services	7 565	7 565	7 565	7 565	7 565	7 565	7 565	7 565	7 565	7 565	7 565	11 934	95 150	103 529	108 315
Total Expenditure by Vote	**82 049**	**103 674**	**114 360**	**109 664**	**80 890**	**126 647**	**80 739**	**103 674**	**115 416**	**83 596**	**80 814**	**168 438**	**1 249 963**	**1 342 887**	**1 433 511**
Surplus/(Deficit) before assoc.	**17 523**	**(4 102)**	**(3 976)**	**(10 092)**	**18 682**	**(14 550)**	**18 832**	**(4 102)**	**(5 032)**	**15 976**	**18 758**	**(54 168)**	**(6 252)**	**(24 967)**	**35 771**
Surplus/(Deficit)	**17 523**	**(4 102)**	**(3 976)**	**(10 092)**	**18 682**	**(14 550)**	**18 832**	**(4 102)**	**(5 032)**	**15 976**	**18 758**	**(54 168)**	**(6 252)**	**(24 967)**	**35 771**

OVERSTRAND MUNICIPALITY
OVERSTRAND MUNISIPALITEIT
2019 -05- 23

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

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional															
Governance and administration	25 894	25 894	26 290	25 894	25 894	27 998	25 894	25 894	26 290	25 894	25 894	30 043	317 773	314 089	333 601
Executive and council	2 595	2 595	2 602	2 595	2 595	2 604	2 595	2 595	2 602	2 595	2 595	2 604	31 168	11 092	12 718
Finance and administration	23 296	23 296	23 686	23 296	23 296	25 391	23 296	23 296	23 686	23 296	23 296	27 437	286 569	302 997	321 063
Internal audit	3	3	3	3	3	3	3	3	3	3	3	3	36	–	–
Community and public safety	9 344	9 344	14 552	9 344	9 344	14 555	9 344	9 344	14 552	9 344	9 344	14 556	132 968	107 082	134 447
Community and social services	53	53	1 911	53	53	1 914	53	53	1 911	53	53	1 915	8 073	8 053	8 597
Sport and recreation	954	954	4 298	954	954	4 299	954	954	4 298	954	954	4 299	24 625	11 955	12 583
Public safety	3 948	3 948	3 953	3 948	3 948	3 953	3 948	3 948	3 953	3 948	3 948	3 953	47 393	45 139	46 977
Housing	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	52 678	41 924	66 290
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	626	626	2 284	626	626	2 286	626	626	2 284	626	626	2 412	14 270	10 075	20 022
Planning and development	615	615	1 274	615	615	1 275	615	615	1 274	615	615	1 275	10 019	7 803	8 248
Road transport	7	7	1 007	7	7	1 007	7	7	1 007	7	7	1 133	4 208	2 224	11 724
Environmental protection	4	4	4	4	4	4	4	4	4	4	4	4	45	48	51
Trading services	63 708	63 708	67 258	63 708	63 708	67 258	63 708	63 708	67 258	63 708	63 708	67 258	778 700	886 874	981 012
Energy sources	35 919	35 919	37 669	35 919	35 919	37 669	35 919	35 919	37 669	35 919	35 919	37 669	438 028	505 792	579 180
Water management	11 738	11 738	13 512	11 738	11 738	13 513	11 738	11 738	13 512	11 738	11 738	13 513	147 953	166 917	187 874
Waste water management	8 749	8 749	8 774	8 749	8 749	8 774	8 749	8 749	8 774	8 749	8 749	8 774	105 084	111 417	119 076
Waste management	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	87 637	102 549	115 082
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	99 572	99 572	110 384	99 572	99 572	112 097	99 572	99 572	110 384	99 572	99 572	114 270	1 243 711	1 317 920	1 469 281
Expenditure - Functional															
Governance and administration	17 296	16 088	28 196	17 372	16 054	29 122	16 054	16 088	29 400	16 131	16 054	29 207	247 061	263 478	272 479
Executive and council	5 183	3 941	5 966	5 183	3 941	6 366	3 941	3 941	7 208	3 941	3 941	6 179	59 731	62 194	65 618
Finance and administration	11 860	11 894	21 971	11 936	11 860	22 480	11 860	11 894	21 933	11 937	11 860	22 751	184 233	198 049	203 440
Internal audit	253	253	260	253	253	277	253	253	260	253	253	277	3 097	3 234	3 421
Community and public safety	14 828	14 828	19 734	15 033	14 828	19 736	14 828	14 828	19 734	15 019	14 828	19 736	197 962	219 024	226 645
Community and social services	1 256	1 256	1 969	1 256	1 256	1 971	1 256	1 256	1 969	1 256	1 256	1 971	17 929	20 436	21 608
Sport and recreation	3 204	3 204	6 446	3 410	3 204	6 446	3 204	3 204	6 446	3 395	3 204	6 446	51 814	59 120	62 473
Public safety	7 875	7 875	7 948	7 875	7 875	7 948	7 875	7 875	7 948	7 875	7 875	7 949	94 795	103 442	107 930
Housing	2 492	2 492	3 371	2 492	2 492	3 371	2 492	2 492	3 371	2 492	2 492	3 371	33 424	36 027	34 634
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	9 865	11 732	18 758	12 121	9 865	19 106	9 865	11 732	18 758	10 227	9 865	20 947	162 841	166 423	172 318
Planning and development	3 332	4 441	3 332	4 441	3 332	3 335	3 332	4 441	3 332	3 332	3 332	4 448	44 429	42 882	44 370
Road transport	5 815	5 815	14 706	6 204	5 815	15 051	5 815	5 815	14 706	6 177	5 815	15 020	106 751	113 446	117 400
Environmental protection	718	1 477	720	1 477	718	720	718	1 477	720	718	718	1 479	11 661	10 096	10 547
Trading services	40 179	61 145	47 790	65 256	40 263	58 801	40 112	61 145	47 643	42 337	40 186	94 298	639 154	690 998	758 999
Energy sources	27 725	29 368	28 742	30 868	27 803	32 266	27 706	29 368	28 694	28 795	27 785	44 723	383 841	399 647	451 928
Water management	4 346	14 943	6 871	16 507	4 452	11 102	4 314	14 943	6 823	5 233	4 423	23 026	116 983	123 154	129 909
Waste water management	4 537	7 170	7 849	7 605	4 387	11 201	4 520	7 170	7 824	4 679	4 382	14 569	85 889	90 967	95 810
Waste management	3 571	9 664	4 328	10 276	3 621	4 232	3 571	9 664	4 301	3 631	3 597	11 986	72 444	77 230	81 351
Other	245	245	245	245	245	245	245	245	245	245	245	245	2 945	2 964	3 071
Total Expenditure - Functional	82 413	104 038	114 724	110 028	81 254	127 011	81 104	104 038	115 781	83 960	81 178	164 433	1 249 963	1 342 887	1 433 511
Surplus/(Deficit)	17 159	(4 466)	(4 340)	(10 456)	18 317	(14 914)	18 468	(4 466)	(5 398)	15 612	18 394	(50 163)	(6 252)	(24 967)	35 771

OVERSTRAND MUNICIPALITY
RECEIVED
2019 -06- 13

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

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Multi-year expenditure to be appropriated															
Vote 1 - Council												–	–	–	–
Vote 2 - Municipal Manager												–	–	–	–
Vote 3 - Management Services												–	–	–	–
Vote 4 - Finance												–	–	30 000	30 000
Vote 5 - Community Services	975	2 030	2 280	3 660	4 947	2 750	3 450	5 895	5 393	5 498	3 535	14 173	54 583	44 236	44 119
Vote 6 - Economic and Social Development & To	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Infrastructure & Planning	526	1 026	765	976	1 876	1 876	1 526	4 426	4 126	3 526	3 339	16 145	40 128	39 287	63 480
Vote 8 - Protection Services	312	312	312	312	312	312	312	312	312	312	312	2 155	5 588	841	–
Capital multi-year expenditure sub-total	1 812	3 367	3 356	4 947	7 134	4 937	5 287	10 632	9 831	9 335	7 186	32 472	100 298	114 364	137 599
Single-year expenditure to be appropriated															
Vote 1 - Council												–	–	–	–
Vote 2 - Municipal Manager												–	–	–	–
Vote 3 - Management Services	–	–	–	110	150	450	–	100	15	–	–	3 150	3 975	–	–
Vote 4 - Finance	–	–	8	–	–	–	8	–	–	15	–	–	30	–	–
Vote 5 - Community Services	1 786	1 861	2 441	3 016	4 246	3 512	4 488	5 598	5 840	6 583	5 884	52 345	97 601	22 950	10 725
Vote 6 - Economic and Social Development & To	406	406	406	406	406	966	406	406	506	656	2 506	431	7 906	–	–
Vote 7 - Infrastructure & Planning	815	715	1 598	1 315	4 469	2 715	5 815	3 361	3 817	8 265	2 635	9 663	45 186	11 150	6 000
Vote 8 - Protection Services	125	125	125	725	625	125	125	125	1 352	1 332	1 102	795	6 680	–	–
Capital single-year expenditure sub-total	3 132	3 107	4 578	5 572	9 896	7 769	10 842	9 590	11 529	16 850	12 127	66 384	161 378	34 100	16 725
Total Capital Expenditure	4 945	6 475	7 934	10 520	17 031	12 706	16 129	20 223	21 360	26 186	19 313	98 856	261 677	148 464	154 324

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

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

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

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional															
Governance and administration	–	–	38	140	170	450	28	100	15	15	–	3 150	4 105	30 000	30 000
Executive and council	–	–	–	10	–	–	–	–	–	–	–	–	10	–	–
Finance and administration	–	–	38	130	170	450	28	100	15	15	–	3 150	4 095	30 000	30 000
Internal audit	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety	1 834	1 234	1 484	3 034	3 418	2 610	2 584	3 860	5 591	7 941	6 324	24 842	64 760	14 128	39 480
Community and social services	–	–	250	350	500	500	–	30	250	250	200	950	3 280	–	–
Sport and recreation	657	57	57	807	991	883	1 257	1 353	1 637	4 007	1 707	5 562	18 770	–	–
Public safety	652	652	652	1 252	1 302	802	802	852	2 079	2 059	1 829	3 335	16 271	841	–
Housing	526	526	526	626	626	626	526	1 626	1 626	1 626	2 589	14 995	26 439	13 287	39 480
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	724	1 104	1 197	2 459	2 656	2 535	2 629	3 149	2 969	2 906	2 984	5 097	30 410	–	8 000
Planning and development	406	406	499	506	506	1 066	506	506	656	906	2 506	431	8 899	–	–
Road transport	319	699	699	1 954	2 151	1 469	2 123	2 643	2 313	2 000	479	4 666	21 510	–	8 000
Environmental protection	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services	2 386	4 136	5 215	4 886	10 786	7 111	10 888	13 113	12 785	15 324	10 004	65 767	162 402	104 336	76 844
Energy sources	10	1 010	1 540	610	4 510	3 010	5 352	4 552	4 453	5 610	1 480	1 985	34 124	32 000	30 000
Water management	1 223	1 473	2 023	2 123	3 323	1 448	1 948	4 773	4 421	4 473	3 673	17 606	48 504	40 075	13 481
Waste water management	1 153	1 653	1 653	2 153	2 653	2 153	2 203	2 603	2 725	4 055	3 665	36 176	62 843	21 961	33 363
Waste management	–	–	–	–	300	500	1 386	1 186	1 186	1 186	1 186	10 000	16 931	10 300	–
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	4 945	6 475	7 934	10 520	17 031	12 706	16 129	20 223	21 360	26 186	19 313	98 856	261 677	148 464	154 324

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

Table 53 MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash Receipts By Source															
Property rates	19 806	19 806	19 806	19 806	19 806	21 501	19 806	19 806	19 806	19 806	19 806	21 501	241 063	255 556	272 340
Service charges - electricity revenue	33 089	33 089	33 089	33 089	33 089	33 093	33 089	33 089	33 089	33 089	33 089	33 093	397 077	455 317	523 459
Service charges - water revenue	10 562	10 562	10 562	10 562	10 562	10 563	10 562	10 562	10 562	10 562	10 562	10 563	126 748	133 404	141 435
Service charges - sanitation revenue	6 638	6 638	6 638	6 638	6 638	6 639	6 638	6 638	6 638	6 638	6 638	6 639	79 661	82 132	87 076
Service charges - refuse revenue	5 817	5 817	5 817	5 817	5 817	5 818	5 817	5 817	5 817	5 817	5 817	5 818	69 807	79 071	89 573
Rental of facilities and equipment	290	290	308	290	290	307	290	290	308	290	290	307	3 546	3 727	3 932
Interest earned - external investments	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	28 010	29 690	31 471
Interest earned - outstanding debtors	346	346	346	346	346	346	346	346	346	346	346	346	4 151	4 400	4 664
Fines, penalties and forfeits	695	695	699	695	695	700	695	695	699	695	695	730	8 393	8 908	9 424
Licences and permits	204	204	206	204	204	207	204	204	206	204	204	207	2 462	2 580	2 627
Agency services	392	392	392	392	392	392	392	392	392	392	392	392	4 700	4 982	5 281
Transfer receipts - operational	11 707	11 707	14 600	11 707	11 707	14 600	11 707	11 707	14 600	11 707	11 707	14 726	152 183	157 143	168 217
Other revenue	3 738	3 738	3 786	3 738	3 738	3 795	3 738	3 738	3 786	3 738	3 738	5 811	47 078	31 707	31 846
Cash Receipts by Source	**95 619**	**95 619**	**98 582**	**95 619**	**95 619**	**100 295**	**95 619**	**95 619**	**98 582**	**95 619**	**95 619**	**102 468**	**1 164 879**	**1 248 620**	**1 371 345**
Other Cash Flows by Source															
Transfer receipts - capital	3 233	3 233	11 083	3 233	3 233	11 083	3 233	3 233	11 083	3 233	3 233	11 083	70 194	42 164	68 993
Transfers and subsidies - capital (monetary alloc	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE												–	–		
Borrowing long term/refinancing	–	–	–	–	–	74 300	–	–	–	–	–	–	74 300	54 000	50 000
Increase (decrease) in consumer deposits	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	23 028	4 654	4 662
Decrease (increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivable	1	1	1	1	1	1	1	1	1	1	1	1	10	7	3
Decrease (increase) in non-current investments	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(7 339)	(7 575)	(7 730)
Total Cash Receipts by Source	**100 160**	**100 160**	**110 973**	**100 160**	**100 160**	**186 985**	**100 160**	**100 160**	**110 973**	**100 160**	**100 160**	**114 858**	**1 325 073**	**1 341 870**	**1 487 292**
Cash Payments by Type															
Employee related costs	32 342	32 342	32 342	32 342	32 342	32 342	32 342	32 342	32 342	32 342	32 342	32 460	388 224	414 152	438 547
Remuneration of councillors	949	949	949	949	949	949	949	949	949	949	949	949	11 383	11 878	12 397
Finance charges	1 055	–	3 459	4 198	1 139	14 818	988	–	3 311	3 806	1 063	17 711	51 549	54 249	56 058
Bulk purchases - Electricity	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	275 880	319 000	368 859
Bulk purchases - Water & Sewer												–	–		
Other materials	3 708	4 980	7 194	4 980	3 708	7 257	3 708	4 980	7 194	3 708	3 708	8 550	63 675	71 299	71 581
Contracted services	3 428	25 454	22 599	26 004	3 428	22 772	3 428	25 454	22 581	3 456	3 428	45 517	207 536	229 784	237 280
Transfers and grants - other municipalities												–	–		
Transfers and grants - other	–	–	–	–	–	400	–	–	–	–	–	100	500	525	551
Other expenditure	2 910	2 292	10 160	3 534	1 667	10 452	1 667	2 292	11 402	1 667	1 667	21 125	70 836	74 960	105 513
Cash Payments by Type	**67 382**	**89 006**	**99 692**	**94 995**	**66 223**	**111 980**	**66 072**	**89 006**	**100 749**	**68 928**	**66 147**	**149 402**	**1 069 582**	**1 175 846**	**1 290 787**
Other Cash Flows/Payments by Type															
Capital assets	4 945	6 475	7 934	10 520	17 091	12 706	16 129	20 223	21 360	26 186	19 313	98 856	261 677	148 464	154 324
Repayment of borrowing	1 613	–	2 195	7 336	1 482	5 830	1 680	–	2 342	7 727	1 558	6 948	38 709	42 244	47 007
Other Cash Flows/Payments												–	–		
Total Cash Payments by Type	**73 939**	**95 481**	**109 821**	**112 852**	**84 796**	**130 516**	**83 881**	**109 229**	**124 451**	**102 842**	**87 017**	**255 204**	**1 369 967**	**1 366 554**	**1 492 118**
NET INCREASE/(DECREASE) IN CASH HELD	**26 221**	**4 680**	**1 152**	**(12 692)**	**15 425**	**56 469**	**16 280**	**(9 068)**	**(13 478)**	**(2 681)**	**13 143**	**(140 345)**	**(44 895)**	**(24 684)**	**(4 825)**
Cash/cash equivalents at the month/year begin:	488 014	515 235	519 915	521 067	508 375	523 800	580 269	596 549	587 481	574 003	571 322	584 465	488 014	444 120	419 436
Cash/cash equivalents at the month/year end:	515 235	519 915	521 067	508 375	523 800	580 269	596 549	587 481	574 003	571 322	584 465	444 120	444 120	419 436	414 611

OVERSTRAND MUNICIPALITY
MUNISIPALITEIT
2019 -07- 23

2.10 Annual budgets and SDBIP

The draft SDBIP will be tabled as a separate item at the Council meeting to be held on 29 May 2019, where after the Executive Mayor has 28 days to approve the SDBIP for 2019/20.

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	**44 603**	**52 681**	**26 438**	**112 050**	**99 051**	**99 051**	**143 762**	**92 975**	**52 356**
Roads Infrastructure	16 352	2 260	10 003	12 506	12 241	12 241	19 683	–	8 000
Roads	16 352	2 260	10 003	12 506	12 241	12 241	19 683	–	8 000
Storm water Infrastructure	–	–	255	11 723	14 136	14 136	23 841	4 000	6 506
Drainage Collection									
Electrical Infrastructure	18 237	30 496	15 449	22 772	18 456	18 456	23 801	32 000	26 000
HV Transmission Conductors	18 237	30 496							
MV Substations				5 622	5 622	5 622	6 956	26 000	20 000
MV Networks			15 449	17 150	12 834	12 834	16 845	6 000	6 000
LV Networks									
Water Supply Infrastructure	3 772	5 276	627	30 077	21 945	21 945	42 344	37 175	6 700
Dams and Weirs							–	–	–
Boreholes							2 000	3 000	–
Reservoirs				16 363	7 691	7 691	16 273	16 075	–
Water Treatment Works	3 772	5 276	627	10 200	10 200	10 200	2 150	3 200	200
Bulk Mains					–	–	–	–	2 000
Distribution				3 514	4 054	4 054	21 921	14 900	4 500
Sanitation Infrastructure	6 217	5 718	–	34 973	30 777	30 777	24 093	9 500	5 150
Pump Station				1 925	1 925	1 925	300	300	325
Reticulation				435	435	435	14 358	4 000	4 000
Waste Water Treatment Works	6 217	5 718		21 062	18 406	18 406	9 435	5 200	825
Solid Waste Infrastructure	25	8 930	105	–	1 497	1 497	10 000	10 300	–
Waste Drop-off Points	25	8 930	105						
Community Assets	**29 837**	**2 212**	**8 656**	**24 037**	**17 602**	**17 602**	**12 800**	**–**	**–**
Community Facilities	29 837	2 212	3 229	16 380	9 995	9 995	12 420	–	–
Halls	29 837	2 212	437	3 664	3 385	3 385	–	–	–
Crèches			100	245	245	245	793	–	–
Fire/Ambulance Stations			2 440	5 576	2 846	2 846	–	–	–
Testing Stations					–	–	1 100	–	–
Libraries				600	1 129	1 129	–	–	–
Cemeteries/Crematoria			251	570	570	570	1 500	–	–
Parks							526	–	–
Public Open Space				5 725	1 820	1 820	5 321	–	–
Nature Reserves							2 300	–	–
Public Ablution Facilities							880	–	–
Capital Spares							–	–	–
Sport and Recreation Facilities	–	–	5 427	7 657	7 607	7 607	380	–	–
Indoor Facilities									
Outdoor Facilities			5 427	7 657	7 607	7 607	380	–	–
Investment properties	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating	–	–	–	–	–	–	–	–	–
Other assets	**4 809**	**2 497**	**38 552**	**36 888**	**36 281**	**36 281**	**35 472**	**13 287**	**39 480**
Operational Buildings	4 809	2 497	4 372	1 421	2 009	2 009	9 034	–	–
Municipal Offices	4 809	2 497	4 372	1 421	2 009	2 009	9 034	–	–
Housing	–	–	34 180	35 467	34 271	34 271	26 439	13 287	39 480
Social Housing			34 180	35 467	34 271	34 271	26 439	13 287	39 480
Computer Equipment	–	–	1 593	4 136	4 136	4 136	4 200	–	–
Computer Equipment			1 593	4 136	4 136	4 136	4 200	–	–
Furniture and Office Equipment	**–**	**–**	205	215	215	215	280	–	–
Furniture and Office Equipment			205	215	215	215	280	–	–
Machinery and Equipment			119	1 566	1 566	1 566	900	–	–
Transport Assets	–	–	–	15 345	15 897	15 897	17 493	30 841	30 000
Transport Assets				15 345	15 897	15 897	17 493	30 841	30 000
Total Capital Expenditure on new assets	**79 249**	**57 389**	**75 563**	**194 237**	**174 748**	**174 748**	**214 907**	**137 103**	**121 836**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	12 992	33 214	28 370	-	-	-	6 570	4 900	9 781
Roads Infrastructure	-	11 809	2 020	-	-	-	10	-	-
Roads		11 809	2 020				10		
Storm water Infrastructure	-	-	10 677	-	-	-	-	-	-
Storm water Conveyance									
Electrical Infrastructure	-	-	819	-	-	-	-	-	-
MV Networks			819						
Water Supply Infrastructure	10 460	10 496	2 629	-	-	-	2 560	2 900	6 781
Dams and Weirs									
Water Treatment Works	10 460	10 496							
Distribution			2 629				2 560	2 900	6 781
Sanitation Infrastructure	2 531	9 169	10 591	-	-	-	4 000	2 000	3 000
Waste Water Treatment Works	2 531	9 169	10 591						
Solid Waste Infrastructure	-	1 740	1 634	-	-	-	-	-	-
Waste Transfer Stations		1 740	1 634						
Community Assets	2 893	1 265	1 217	-	-	-	-	-	-
Community Facilities	2 893	1 265	1 217	-	-	-	-	-	-
Halls	2 893	1 265							
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	15 884	34 479	29 644	-	-	-	6 570	4 900	9 781
Renewal of Existing Assets as % of total capex	0.0%	16.7%	37.5%	11.6%	6.6%	6.6%	5.7%	5.2%	8.3%
Renewal of Existing Assets as % of deprecn"	26.7%	12.9%	26.0%	8.7%	5.9%	5.9%	5.0%	3.7%	7.2%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	**99 836**	**110 392**	**117 901**	**149 890**	**153 082**	**153 082**	**139 955**	**141 872**	**150 995**
Roads Infrastructure	45 521	55 545	53 229	63 374	63 890	63 890	65 331	72 339	76 660
Roads	45 521	55 545	53 229	63 374	63 890	63 890	62 398	67 351	71 372
Road Structures							2 933	4 988	5 288
Storm water Infrastructure	5 260	6 392	6 017	6 786	6 786	6 786	6 600	7 890	8 335
Drainage Collection							3 339	4 213	4 439
Storm water Conveyance	5 260	6 392	6 017	6 786	6 786	6 786	3 262	3 677	3 896
Electrical Infrastructure	16 972	17 747	17 645	23 747	23 747	23 747	37 099	28 942	30 506
Power Plants							12 895	3 067	3 201
HV Transmission Conductors	16 972	17 747	17 645	23 747	23 747	23 747	–	–	–
MV Networks							20 741	22 126	23 251
LV Networks							3 462	3 750	4 054
Water Supply Infrastructure	18 056	16 489	15 014	19 104	19 104	19 104	16 935	17 994	19 901
Water Treatment Works	18 056	16 489	15 014	19 104	19 104	19 104			
Sanitation Infrastructure	11 512	11 672	13 051	13 642	15 442	15 442	11 541	11 865	12 580
Reticulation							726	1 006	1 066
Waste Water Treatment Works	11 512	11 672	13 051	13 642	15 442	15 442	10 671	10 708	11 354
Outfall Sewers							143	152	160
Toilet Facilities									
Capital Spares									
Solid Waste Infrastructure	2 516	2 546	12 946	23 038	24 113	24 113	2 220	2 590	2 747
Waste Transfer Stations	2 516	2 546	12 946	23 038	24 113	24 113	427	519	550
Waste Processing Facilities							74	79	83
Waste Drop-off Points							1 433	1 519	1 610
Waste Separation Facilities							230	415	442
Capital Spares									
Coastal Infrastructure	–	–	–	–	–	–	189	210	222
Information and Communication Infrastructure	–	–	–	–	–	–	40	42	44
Community Assets	**–**	**4 867**	**12 289**	**41 017**	**41 387**	**41 387**	**40 198**	**46 273**	**48 840**
Community Facilities	–	4 867	12 289	27 714	28 033	28 033	34 241	39 414	41 580
Halls				3 712	4 031	4 031	3 875	5 311	5 500
Fire/Ambulance Stations							912	422	433
Testing Stations							13	14	14
Libraries				24	24	24	164	147	155
Cemeteries/Crematoria				842	842	842	978	1 491	1 581
Police							258	267	275
Parks							23 822	26 470	28 006
Public Open Space		4 867	12 289	23 136	23 136	23 136	4 219	5 293	5 615
Sport and Recreation Facilities	–	–	–	13 304	13 354	13 354	5 957	6 859	7 261
Outdoor Facilities				13 304	13 354	13 354	5 957	6 859	7 261
Other assets	**9 541**	**–**	**–**	**12 497**	**12 597**	**12 597**	**2 217**	**3 094**	**3 272**
Operational Buildings	9 541	–	–	12 497	12 597	12 597	2 217	3 094	3 272
Intangible Assets	–	–	–	–	–	–	5 653	5 978	6 323
Computer Equipment	**–**	**5 536**	**5 207**	**5 387**	**5 387**	**5 387**	**1 193**	**1 260**	**1 330**
Computer Equipment		5 536	5 207	5 387	5 387	5 387	1 193	1 260	1 330
Furniture and Office Equipment	**–**	**–**	**17 919**	**16 622**	**19 507**	**19 507**	**431**	**458**	**486**
Furniture and Office Equipment			17 919	16 622	19 507	19 507	431	458	486
Machinery and Equipment	**–**	**–**	**6 719**	**–**	**–**	**–**	**–**	**–**	**–**
Machinery and Equipment			6 719						–
Transport Assets	**–**	**–**	**–**	**–**	**–**	**–**	**9 542**	**9 841**	**10 440**
Transport Assets							9 542	9 841	10 440
Total Repairs and Maintenance Expenditure	**109 377**	**120 795**	**160 039**	**225 212**	**231 959**	**231 959**	**199 189**	**208 776**	**221 388**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 57 MBRR SA34d – Depreciation by asset class

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Depreciation by Asset Class/Sub-class									
Infrastructure	**106 893**	**115 226**	**111 952**	**112 443**	**112 443**	**112 443**	**104 946**	**104 134**	**103 304**
Roads Infrastructure	31 216	31 811	32 761	32 858	32 858	32 858	34 090	33 709	33 267
Roads	31 216	31 811	32 761	32 858	32 858	32 858	34 090	33 709	33 267
Storm water Infrastructure	5 500	5 741	5 822	5 912	5 912	5 912	6 044	6 038	6 031
Storm water Conveyance	5 500	5 741	5 822	5 912	5 912	5 912			
Electrical Infrastructure	24 084	27 997	24 862	25 149	25 149	25 149	25 166	25 159	25 152
HV Transmission Conductors	24 084	27 997	24 862	25 149	25 149	25 149			
Water Supply Infrastructure	26 570	28 338	27 417	27 462	27 462	27 462	27 501	27 201	27 041
Water Treatment Works	26 570	28 338	27 417	27 462	27 462	27 462			
Distribution							27 501	27 201	27 041
Sanitation Infrastructure	15 609	17 631	16 353	16 299	16 299	16 299	9 897	9 831	9 630
Reticulation	15 609	17 631	16 353	16 299	16 299	16 299			
Waste Water Treatment Works							9 897	9 831	9 630
Solid Waste Infrastructure	3 915	3 709	4 747	4 763	4 763	4 763	2 248	2 197	2 183
Landfill Sites							2 248	2 197	2 183
Waste Transfer Stations	3 915	3 709	4 747	4 763	4 763	4 763			
Community Assets	**–**	**2 452**	**–**	**3 029**	**3 029**	**3 029**	**–**	**–**	**–**
Sport and Recreation Facilities	–	2 452	–	3 029	3 029	3 029	–	–	–
Indoor Facilities									
Other assets	**10 489**	**8 201**	**11 861**	**8 818**	**8 818**	**8 818**	**12 662**	**12 468**	**12 190**
Operational Buildings	10 489	8 201	11 861	8 818	8 818	8 818	12 662	12 468	12 190
Municipal Offices	10 489	8 201	11 861	8 818	8 818	8 818	12 662	12 468	12 190
Intangible Assets	**214**	**448**	**659**	**653**	**653**	**653**	**723**	**636**	**523**
Servitudes									
Licences and Rights	214	448	659	653	653	653	723	636	523
Computer Software and Applications	214	448	659	653	653	653	723	636	523
Unspecified									
Computer Equipment	**–**	**1 416**	**–**	**1 347**	**1 347**	**1 347**	**–**	**–**	**–**
Computer Equipment		1 416		1 347	1 347	1 347			
Furniture and Office Equipment	**2 176**	**904**	**2 006**	**609**	**609**	**609**	**8 137**	**7 936**	**7 712**
Furniture and Office Equipment	2 176	904	2 006	609	609	609	8 137	7 936	7 712
Machinery and Equipment	**781**	**694**	**724**	**687**	**687**	**687**	**736**	**614**	**464**
Machinery and Equipment	781	694	724	687	687	687	736	614	464
Transport Assets	**2 356**	**3 122**	**2 823**	**2 777**	**2 777**	**2 777**	**4 081**	**5 041**	**6 028**
Transport Assets	2 356	3 122	2 823	2 777	2 777	2 777	4 081	5 041	6 028
Total Depreciation	**122 909**	**132 463**	**130 034**	**130 362**	**130 362**	**130 362**	**131 285**	**130 830**	**130 222**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure	–	–	–	–	–	–	23 172	6 461	22 707
Roads Infrastructure	–	–	–	–	–	–	–	–	–
Storm water Infrastructure	–	–	–	–	–	–	3 160	–	–
Drainage Collection									
Storm water Conveyance							3 160	–	–
Attenuation									
Electrical Infrastructure	–	–	–	–	–	–	9 750	–	4 000
MV Networks							9 750	–	4 000
Water Supply Infrastructure	–	–	–	–	–	–	3 600	–	–
Distribution							3 600	–	–
Sanitation Infrastructure	–	–	–	–	–	–	5 662	6 461	18 707
Pump Station									
Reticulation							5 662	6 461	18 707
Capital Spares									
Solid Waste Infrastructure	–	–	–	–	–	–	1 000	–	–
Landfill Sites									
Waste Transfer Stations							1 000	–	–
Waste Processing Facilities									
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Community Assets	–	–	–	–	–	–	16 928	–	–
Community Facilities	–	–	–	–	–	–	–	–	–
Halls									
Fire/Ambulance Stations									
Libraries									
Sport and Recreation Facilities	–	–	–	–	–	–	16 928	–	–
Outdoor Facilities							16 928	–	–
Other assets	–	–	–	–	–	–	100	–	–
Operational Buildings	–	–	–	–	–	–	100	–	–
Municipal Offices									
Total Capital Expenditure on upgrading of existing a	–	–	–	–	–	–	40 200	6 461	22 707

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

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

Vote Description	2019/20 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Present value
Capital expenditure							
Vote 1 - Council	–	–	–				
Vote 2 - Municipal Manager	–	–	–				
Vote 3 - Management Services	3 975	–	–				
Vote 4 - Finance	30	30 000	30 000				
Vote 5 - Community Services	152 184	67 186	54 844	37 500	40 000	35 000	
Vote 6 - Economic and Social Development & To	7 906	–	–				
Vote 7 - Infrastructure & Planning	85 313	50 437	69 480	25 000	17 000	30 000	
Vote 8 - Protection Services	12 268	841	–				
Total Capital Expenditure	261 677	148 464	154 324	62 500	57 000	65 000	–
Future operational costs by vote							
Vote 1 - Council	36 077	36 986	38 935				
Vote 2 - Municipal Manager	5 797	5 874	6 209				
Vote 3 - Management Services	48 950	59 289	83 217				
Vote 4 - Finance	75 017	24 505	22 925				
Vote 5 - Community Services	135 310	335 262	380 923	12 065	12 627	13 188	164 147
Vote 6 - Economic and Social Development & To	(2 522)	10 831	11 336				
Vote 7 - Infrastructure & Planning	357 367	471 406	493 002	18 032	18 870	19 709	245 316
Vote 8 - Protection Services	66 246	97 212	103 134				
Total future operational costs	722 240	1 041 325	1 119 681	30 097	31 497	32 897	409 463
Future revenue by source							
Property rates	242 150	256 669	273 473				
Service charges - electricity revenue	398 868	457 297	525 637				
Service charges - water revenue	127 320	133 984	142 023				
Service charges - sanitation revenue	80 020	82 489	87 439				
Service charges - refuse revenue	70 122	79 415	89 946				
Rental of facilities and equipment	3 562	3 744	3 949				
Interest earned - external investments	28 010	29 690	31 471				
Interest earned - outstanding debtors	4 151	4 400	4 664				
Dividends received	–	–	–				
Fines, penalties and forfeits	32 652	34 617	36 669				
Licences and permits	2 462	2 580	2 827				
Agency services	4 700	4 982	5 281				
Transfers and subsidies	152 183	157 143	168 217				
Other revenue	27 416	28 846	28 993				
Transfers and subsidies - capital (monetary alloca	70 194	42 164	68 993				
Total future revenue	1 243 711	1 317 920	1 469 281	–	–	–	
Net Financial Implications	(259 794)	(128 131)	(195 276)	92 597	88 497	97 897	409 463

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 60 MBRR SA36 - Detailed capital budget per municipal vote

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

R thousand	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	2019/20 Medium Term Revenue & Expenditure Framework Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Function																
EXECUTIVE & COUNCIL																
	MINOR ASSETS - COUNCIL		New	Responsive, accountable, effective and efficient local government	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide	-	572	10		
FINANCE AND ADMINISTRATION												6 346	6 990			
	ICT -WI-FI PROJECTS TO SEE THE VIABILITY OF OFFERING SER		New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			250		
	ONRUS DISASTER RECOVERY SITE FIRE DETECTION FACILITIE		New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.412684, 19.172642	-34.412684, 19.172642			200		
	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS UPG		New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.413470, 19.221698	-34.413470, 19.221698			500		
	MICROSOFT EXCHANGE AND LICENSES		New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			2 300		
	REPLACEMENT OF UPS HIGHSITE		New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.413470, 19.221698	-34.413470, 19.221698			150		
	FIREWALL MANAGEMENT SOFTWARE		New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			250		
	MINOR ASSETS -FINANCE		New	Responsive, accountable, effective and efficient local government	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			30		
	MINOR ASSETS- MANAGEMENT SERVICES		New	Responsive, accountable, effective and efficient local government	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			15		
	MINOR ASSETS-ICT- ORGANIZATION WIDE		New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			300		
	UPGRADING OF WORK YARD		Upgrading	Responsive, accountable, effective and efficient local government	Governance	1	Operational Buildings	Yards	Ward 02	-34.582618, 19.353971	-34.582618, 19.353971			100		
	SURPLUS		New	Responsive, accountable, effective and efficient local government	Governance	1	Transport Assets	Other	Overstrand	Overstrand	Overstrand				15 000	15 000
PUBLIC SAFETY												2 617	6 566			
	LAW ENFORCEMENT FACILITIES (K9 UNIT)		New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Ward 04	-34.402 19.211	-34.402 19.211			2 563		
	BUILDING RENOVATIONS FARM 565/3		New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Ward 04	19.212 -34.400 Degrees	19.212 -34.400 Degrees			1 421		
	UPGRADING OF FACILITIES - FIRE SERVICES BUILDING		New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Overstrand	34.4219°S,	34.4219°S,			2 860		
	ESTABLISHING OF A K9 TEST STATION :KLEINMOND		New	All people in South Africa are and feel safe	Governance	4	Community Facilities	Testing Stations	Overstrand	34.4294° S, 19.2259° E	34.4294° S, 19.2259° E			660		
	ESTABLISHING OF A K9 TEST STATION :GANSBAAI		New	All people in South Africa are and feel safe	Governance	4	Community Facilities	Testing Stations	Overstrand	34.4294° S, 19.2259° E	34.4294° S, 19.2259° E			560		
	MINOR ASSETS -PROTECTION SERVICES		New	All people in South Africa are and feel safe	Governance	4	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand			360		
	VEHICLES-PUBLIC SAFETY		New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			3 192	841	
	VEHICLES-PUBLIC SAFETY		New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			643		
	VEHICLES-PUBLIC SAFETY		New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			1 843		
	ACCESS CONTROL MUNICIPAL MAIN BUILDING		New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Other	Overstrand	Overstrand	Overstrand			100		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 01	19356;-34592	19356;-34592			100		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 02	19349;-34597	19349;-34597			50		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 02	19.343 -34.595 Degrees	19.343 -34.595 Degrees			50		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 02	19.343 -34.595 Degrees	19.343 -34.595 Degrees			50		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 08	19°12'50"E 34°39'40"S	19°12'50"E 34°39'40"S			100		
	SAFETY CAMERAS AT ENTRANCES OF TOWN		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 09	19°02'08"E 34°20'23"S	19°02'08"E 34°20'23"S			100		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 11	19448;-34456	19448;-34456			100		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 11	19448;-34457	19448;-34457			30		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 11	19448;-34459	19448;-34459			50		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Overstrand	Overstrand	Overstrand			1 500		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment		Ward 04	19°21'70"E 34°42'00"S	19°21'70"E 34°42'00"S			250		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment									
PLANNING & DEVELOPMENT												-	1 220			
	MINOR ASSETS -LED		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			25		
	HAWSTON INDUSTRIAL(BUSINESS) HUB		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Community Facilities	Public Open Space	Ward 08	19.134 -34.396 Degrees	19.134 -34.396 Degrees			4 821		
	ICC CENTRE ESTABLISHMENT		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Community Facilities	Cricket	Overstrand	Overstrand	Overstrand			793		
	VEHICLES-PLANNING & DEVELOPMENT		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Transport Assets	Other	Overstrand	Overstrand	Overstrand			560		
	HAWSTON TLANG ERVEN: TRANSFERS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Community Facilities	Public Open Space	Ward 08	19°12'50"E 34°39'40"S	19°12'50"E 34°39'40"S			150		
	FERNKLOOF NATURE RESERVE FACILITIES		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Community Facilities	Nature Reserves	Ward 03	4°23'52.81"S 19°15'56.13"E	34°23'52.81"S 19°15'56.13"E			2 100		
	FERNKLOOF FACILITY UPGRADE – PARKING AND OTHER SMAL		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Community Facilities	Nature Reserves	Ward 03	19.266 -34.386	19.266 -34.386			200		
	MINOR ASSETS- INFRASTRUCTURE & PLANNING		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			200		
COMMUNITY AND SOCIAL SERVICES												1 929	5 249			
	MINOR ASSETS- COMMUNITY SERVICES		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	3	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand			600		
	DISABLED TOILET - PRINGLE BAY PUBLIC TOILETS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	3	Community Facilities	Public Ablution Facilities	Ward 10	34°20'55.3"S 18°49'12.0"E	34°20'55.3"S 18°49'12.0"E			80		

OVERSTRAND MUNICIPALITY
2019 -05- 23

Detailed capital budget per municipal vote (continued)

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
	ABLUTION FACILITIES - JOCK'S BAY & SILVERSANDS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	3	Community Facilities	Public Ablution Facilities	Ward 10	19°90'59,2"E 34°20'24.7"S	19°90'59,2"E 34°20'24.7"S			50		
	DAWE'S POOL - PARKING AND STORMWATER		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	3	Community Facilities	Public Open Space	Ward 13	19.166 -34.417	19.166 -34.417			100		
	ABLUTION FACILITIES - ONRUS SWIMMING BEACH		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	3	Community Facilities	Public Open Space	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S			750		
	SHELTER FOR COMMUNITIES ,TAXI RANK		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	3	Community Facilities	Public Open Space	Ward 03	19°26'40"E 34°41'80"S	19°26'40"E 34°41'80"S			200		
	CEMETERY INFRASTRUCTURE		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	3	Community Facilities	Cemeteries/Crematoria	Ward 10	-34 33 64 64 °18 98 49 66	-34 33 64 64 °18 98 49 66			1 500		
SPORT & RECREATION												5 427	8 097			
	UPGRADE HAWSTON SPORT COMPLEX		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.126 -34.384 Degrees	19.126 -34.384 Degrees			15 578		
	UPGRADING OF MOUNT PLEASANT SPORTSGROUND FLOODLI		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 04	19°21'70"E 34°42'00"S	19°21'70"E 34°42'00"S			1 200		
	EXTENTION OF SITTING PAVILION		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.127 -34.383	19.127 -34.383			200		
	FURNITURE SPORT CLUB HOUSE		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 01	-34.691801, 19.358348	-34.691801, 19.358348			30		
	PURCHASING & INSTALLATION OF PLAY PARK EQUIPMENT		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Community Facilities	Parks	Ward 05	19°21'80"E 34°42'80"S	19°21'80"E 34°42'80"S			500		
	OUTDOOR GYM OPPOSITE ZWELIHLE SPORT GROUND		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 06	19°21'70"E 34°43'20"S	19°21'70"E 34°43'20"S			100		
	RUGBY FIELD LIGHTS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	34°20'25.6"S-18°01'06.6"E	34°20'25.6"S-18°01'06.6"E			50		
	NETBALL CLUBHOUSE EXTENSION (CHANGE ROOMS)		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	34°20'25,6"S-18°01'06,6"E	34°20'25,6"S-18°01'06,6"E			150		
	PLAYPARK EQUIPMENT		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Community Facilities	Parks	Ward 09	34°20'09.6"S-19°02'38.4"E	34°20'09.6"S-19°02'38.4"E			25		
	VEHICLES-BEACHES		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			80		
	VEHICLES-PARKS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			852		
HOUSING												34 180	34 273			
	MASAKHANE IRDP(295)		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 01	19.358 & -34.426	19.358 & -34.426			11 113		
	MASAKHANE IRDP(1173)		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 01	19.361 & -34.694	19.361 & -34.694				4 051	12 660
	BLOMPARK PROJECT		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 02	19348; -34566	19349; -34596			1 818		
	ZWELIHLE PROJECT-TRANSIT CAMP(156)		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 05	19.218 & -34.426	19.218 & -34.426			1 500	3 240	
	ZWELIHLE-TAMBO SQUARE PROJECT		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 06	19.218 & -34.429	19.218 & -34.428					
	TAMBO SQUARE & NEW CAMP (82)		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 06	19.218 & -34.429	19.218 & -34.429					4 920
	MANDELA SQUARE -GARDEN SITE		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 06	-34.42919.21	-34.42919.21			1 752		
	TSEPE-TSEPE & SERVICED SITES(90)		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 04 & 06	19.217 & -34.431	19.217 & -34.431					5 400
	MOUNT PLEASANT IRDP INFILL		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 04	19.212 & -34.414	19.212 & -34.414			883	1 600	5 000
	BUFFELJAGSBAAI		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 11	19.609 & -34.761	19.609 & -34.761				57	140
	HAWSTON PROJECT-IRDP		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 08	-34.38919.139	-34.38919.139			3 592		
	KLEINMOND IRDP		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Wards 05 & 10	19.012 & -34.429	19.012 & -34.429				115	280
	KLEINMOND OVERHILLS UISP		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Wards 05 & 10	19.008 & -34.335	19.008 & -34.336				115	280
	STANFORD IRDP(183)		New	Sustainable human settlements and improved quality of household li	Spatial integration	4	Housing	Social Housing	Ward 11	19.448 & -34.449	19.448 & -34.449			6 000	4 708	10 800
ROADS												12 023	12 831			
	REHABILITATE ROADS - BLOMPARK		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 02	19.349 -34.597 Degrees	19.349 -34.597 Degrees			2 000		
	REHABILITATE ROADS - STANFORD		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 11	19.447 -34.455 Degrees	19.447 -34.455 Degrees			2 000		
	CBD REGENERATION PROGRAM		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 03	19°26'52"E 34°419"S	19°26'51"E 34°419"S			2 644		
	VEHICLES-ROADS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Overstrand	Overstrand	Overstrand			1 817		
	EXTENTION OF PLEIN STREET		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 08	19.129 -34.382	19.129 -34.382			500		
	GANSBAAI TARRING OF ROAD TO WASTE DISPOSAL SITE		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 02	19.351 -34.590 Degrees	19.351 -34.590 Degrees			2 780		
	STANFORD TARRING DE BRUYN STREET		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 11	34.448248 & 19.448291	34.448248 & 19.448291			2 500		
	SIDEWALKS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 02	-34.593026, 19.349430	-34.593026, 19.349430			100		
	NORMALISED PARKING AND DROP OFF AREAS NEAR HERMANU		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 03	19.210 -34.418	19.210 -34.418			200		
	MOUNT PLEASANT SIDEWALKS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 04	19.233 -34.425	19.233 -34.425			200		
	WEST CLIFF:SPEED CALMING:		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 04	19°25'20"E 34°42'50"S	19°25'20"E 34°42'50"S			175		
	WARD 6 -SIDEWALKS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 06	19°21'00"E 34°43'10"S	19°21'00"E 34°43'10"S			200		
	NEW STREETS, SIDEWALKS & PARKING AREAS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 07	19.125 -34.356	19.125 -34.356			500		
	WALKWAY		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 08	19.134 -34.386 Degrees	19.134 -34.386 Degrees			120		
	CURBING AND TARRING OF SIDEWALKS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 06	19°19'50"E 34°38'30"S	19°19'50"E 34°38'30"S			140		
	PAVING OF ERF 1257, HAWSTON		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 06	19.135 -34.384	19.135 -34.384			70		
	TRAFFIC CALMING		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 06	19°12'50"E 34°35'60"S	19°12'50"E 34°35'60"S			40		

OVERSTRAND MUNICIPALITY
2019 -05- 23

Detailed capital budget per municipal vote (continued)

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

R thousand													2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
	LOW IMPACT BRIDGE UNDER R44 LEADING TO DAY CAMP		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 09	34°20'09.6"S	19°02'38.4"E			50		
	ROADS & SPEED BUMPS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 09	34°20'25.5"S	19°01'06.6"E			74		
	PAVING OF ROADS - ROOIELS		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 10	S34.336437° / E19.006527°	S34.336437° / E19.006527°			150		
	STREET NAMES		Renewal	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 10	19°00'59.2"E	34°20'24.7"S	19°00'59.2"E	34°20'24.7"S	10		
	RIVER FRONT AND WANDELPAD ENHANCEMENT - MILLSTREA		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 11	34°39'08.21"S	19°29'18.51"E	34°39'08.21"S	19°29'18.51"E	50		
	ATLANTIC DRIVE		new	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 13	19.175 -34.420		19.175 -34.420		270		
	BLOMPARK HOUSING PROJECT BUS ROUTE		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 02	34°35'54.86"S	19°20'49.51"E	34°35'54.86"S	19°20'49.51"E			2 000
	STANFORD HOUSING PROJECT BUS ROUTE		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 11	34.449248 & 19.448291		34.449248 & 19.448291				3 000
	MASAKHANE HOUSING PROJECT BUS ROUTE		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 01	19°21'39"E	34°35'30"S	19°21'39"E	34°35'30"S			3 000
	HAWSTON HOUSING PROJECT BUS ROUTE		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	5	Roads Infrastructure	Roads	Ward 08	34.356799 & 19.139269		34.356799 & 19.139269				
ELECTRICITY												19 268	20 458			
	FRANSKRAAL,KLEINBAAI & BIRKENHEAD: MVLV & MINISUB UPG		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 01	W 19.349978, NS -34.618		W 19.349978, NS -34.618		2 250		
	FRANSKRAAL,KLEINBAAI & BIRKENHEAD: NEW 66/11KV SUBSTATION		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 01&02	W 19.326437, NS -34.61261		W 19.326437, NS -34.612617			14 000	14 669
	FRANSKRAAL,KLEINBAAI & BIRKENHEAD: NEW 66/11KV SUBSTATION		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 01&02	W 19.326437, NS -34.61261		W 19.326437, NS -34.612617		2 000	12 000	5 331
	ELECTRIFICATION OF LOW COST HOUSING AREAS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward proj in HH	34°25'37.76"S	19°07'07.91"E	34°25'37.76"S	19°07'07.91"E	5 000		
	ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP)		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Overstrand	34°23'06.89"S	19°06'20.49"E	34°23'06.89"S	19°06'20.49"E	7 000	5 000	5 000
	STREETLIGHTS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 08	34°21'43.69"S	19° 7'45.60"E	34°21'43.69"S	19° 7'45.60"E	20		
	ZITHANDE STREET LIGHTS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 12	34°25'26.27"S	19°12'31.21"E	34°25'26.27"S	19°12'31.21"E	400		
	STREET LIGHTS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 13	34°24'40.14"S	19°24'06.69"E	34°24'40.14"S	19°24'06.69"E	30		
	STANFORD:MV UPGRADE		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 11	W 19.452482, NS -34.4464		W 19.452482, NS -34.446421		750		
	VEHICLES-ELECTRICITY		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand		Overstrand		574		
	HERMANUS:MV & LV UPGRADE/REPLACEMENT		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 03	34°25'16.83"S	19°13'00.62"E	34°25'16.83"S	19°13'00.62"E	5 000		4 000
	HERMANUS:MV & LV UPGRADE/REPLACEMENT		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 03	34°25'07.04"S	19°13'40.04"E	34°25'07.04"S	19°13'40.04"E	3 872		
	KLEINMOND: MV & LV NETWORK UPGRADE		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 09	34°20'18.35"S	19°01'35.31"E	34°20'18.35"S	19°01'35.31"E	2 000		
	KLEINMOND: MV & LV NETWORK UPGRADE		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 09	34°20'05.08"S	19°01'45.26"E	34°20'05.08"S	19°01'45.26"E	439		
	HAWSTON: MV & LV UPGRADE/REPLACEMENT		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 08	34°23'09.91"S	19°07'56.01"E	34°23'09.91"S	19°07'56.01"E	2 000		
	HAWSTON: MV & LV UPGRADE/REPLACEMENT		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Ward 08	34°23'05.02"S	19°08'01.09"E	34°23'05.02"S	19°08'01.09"E	1 540		
	BASIC SERVICES FOR EMERGENCY HOUSING		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand		Overstrand		250		
	ELECTRICITY TRANSFORMERS(CAPITAL REPLACEMENT CONT		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand		Overstrand		1 000	1 000	1 000
WATER												3 257	21 945			
	WATER MASTER PLAN IMPLEMENTATION		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand		Overstrand		10 000	10 000	
	WATER MASTER PLAN IMPLEMENTATION		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand		Overstrand		6 286		
	REFURBISHMENT OF BULK WATER PIPELINES		Renewal	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand		Overstrand		350	900	
	FENCING AT WATER INSTALLATIONS		Renewal	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand		Overstrand		700	700	
	FENCING AT WATER INSTALLATIONS		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Overstrand	19.217° / -34.435°		19.217° / -34.435°		900		
	REPLACEMENT OF OVERSTRAND WATER PIPES		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand		Overstrand		2 500		
	BUFFELS RIVER AND DE BOS DAM INTAKE STRUCTURES AND		Renewal	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Bulk Water Serv Infra	Overstrand		Overstrand		1 300		
	WATER FACILITIES (CONTINGENCY)		Renewal	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand		Overstrand		300	400	400
	NEW 6ML RESERVOIR		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Reservoirs	Ward 01 & 02	19.366 -34.584 Degrees		19.366 -34.584 Degrees		7 058	65 675	
	UPGRADE WATER LINES		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Ward 01	34°35'54.86"S	19°20'49.51"E	34°35'54.86"S	19°20'49.51"E		2 000	2 200
	NEW BOOSTER PUMPSTATION & VALVES		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Ward 01	19°21'39"E	34°35'30"S	19°21'39"E	34°35'30"S		2 000	2 100
	UPGRADE BULK WATER		Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Ward 11	34.449248 & 19.448291		34.449248 & 19.448291				2 000
	UPGRADE HERMANUS WELL FIELDS PHASE 1		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Ward 04	19.223° / -34.418°		19.223° / -34.418°		4 000	8 000	
	WATER STABILIZATION PLANT FOR STANFORD		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Ward 11	19.252° / -34.460°		19.252° / -34.460°		2 500		
	WATER STABILIZATION PLANT FOR STANFORD		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Ward 11	19.252° / -34.460°		19.252° / -34.460°		1 384		
	NEW RESERVOIR FOR PRINGLE BAY		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° / -34.349°		18.848° / -34.349°		3 640		
	NEW RESERVOIR FOR PRINGLE BAY		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° / -34.349°		18.848° / -34.349°		5 535		
	BASIC SERVICES FOR EMERGENCY HOUSING		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Reservoirs	Overstrand	Overstrand		Overstrand		800		
	BASIC SERVICES FOR EMERGENCY HOUSING		New	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Reservoirs	Ward 04	34°19'9.03" S 19° 21'34.70" E		34°19'9.03" S 19° 21'34.70" E		100		
	KLEINMOND PALMIET PUMP STATION AND BULK PIPELINE REF		Renewal	Responsive, accountable, effective and efficient local government	Inclusion and acce	2	Water Supply Infrastructure	Distribution	Ward 09	19.090° / -34.329°		19.090° / -34.329°		800	2 000	6 781

OVERSTRAND MUNICIPALITY
OVERSTRAND MUNISIPALITEIT
2019 -05- 23

Detailed capital budget per municipal vote (continued)

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
SEWERAGE												21 523	44 895			
	SEWERAGE FACILITIES (CONTINGENCY)		Renewal	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Pump Station	Overstrand	Overstrand	Overstrand			600	500	650
	KLEINMOND - SEWER NETWORK EXTENSION		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 09	19.026° / -34.336°	19.026° / -34.338°			5 000	4 400	
	UPGRADING OF KIDBROOKE PIPELINE		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 13	S34°24.610' / E19°10.001	S34°24.610' / E19°10.001			3 070		
	WWTW UPGRADE - STANFORD		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	te Water Treatment W	Ward 11	S34.446248° / E19.448281	S34.446248° / E19.448281°			1 800		
	WWTW UPGRADE - STANFORD		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	te Water Treatment W	Ward 11	S34.446248° / E19.448281	S34.446248° / E19.448281°					
	PROVISION OF BULK SEWER SUPPLY		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 02	19°20'50"E 34°35'50"S	19°20'50"E 34°35'50"S			126		
	KLEINMOND WWTW REFURBISH & UPGRADE		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 10	20'21.16"S 19°01' 34.39	34°20'21.16"S 19°01' 34.39"E				2 500	15 000
	UPGRADE LINK SEWER SUPPLY		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 01	-34,59319,362	-34,59319,362				1 961	
	UPGRADE BULK SEWER		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 01	-34,59319,362	-34,59319,362				3 000	3 087
	UPGRADE BULK SEWER		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 11	19.447407 ; -34,440390	19.447407 ; -34.440390					620
	UPGRADE ZWELIHLE SEWER		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S					
	UPGRADE ZWELIHLE SEWER		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S					
	REHABILITATE MAIN BULK SEWER TO WWTW PH1		Renewal	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Pump Stations	Ward 09	34°20'24.0"S-19°02'13.2"E	34°20'24.0"S-19°02'13.2"E			4 000	2 000	3 000
	FENCING AT SEWERAGE INSTALLATIONS		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			800	500	500
	GANSBAAI CBD SEWER NETWORK EXTENSION		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 02	19°20'51"E 34°35'43"S	19°20'51"E 34°35'43"S			6 676	4 000	
	SEWERAGE NETWORK EXTENSION AND REPLACEMENT		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand					4 000
	VEHICLES-SEWERAGE		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand			2 087		
	BASIC SERVICES FOR EMERGENCY HOUSING		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Multi-area	Overstrand	Overstrand			1 400		
	ZWELIHLE SEWER		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 5,6,12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S			4 723		
	BASIC SERVICES FOR EMERGENCY HOUSING		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 04	°41'99,03" S 19° 21'34.70	°41'99,03" S 19° 21'34.70" E			162		
	SEWERAGE-BYPASS IN SIPUMELELO CORRIDOR		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 06	34. 427 19.217 Degrees	34. 427 19.217 Degrees			1 000		
	SEWERAGE -PEACH HOUSE PRECINT UPGRADE		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 06	34. 431 19. 215 Degrees	34. 431 19. 215 Degrees			3 000		
	SEWERAGE-BYPASS IN SIPUMELELO CORRIDOR		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Sanitation Infrastructure	Reticulation	Ward 12	34. 424 19. 212 Degrees	34. 424 19. 212 Degrees			1 500		
STORMWATER													9 748			
	BLOMPARK HOUSING PROJECT BULK STORMWATER		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 02	19.343 -34.595 Degrees	19.343 -34.595 Degrees			7 486	–	
	MASAKHANE HOUSING PROJECT BULK STORMWATER		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	-34,59319,362	-34,59319,362				2 000	3 500
	STORMWATER - PHASE 1-INDUSTRIAL AREA		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 04	19.225 -34.422 Degrees	19.225 -34.422 Degrees			3 457		
	STORMWATER - MAIN RD & HIGH STREET		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 03	19.244 -34.418 Degrees	19.244 -34.418 Degrees			6 258		
	STORMWATER - OVERHILLS		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	19.006 -34.337 Degrees	19.006 -34.337 Degrees			2 400		
	STORMWATER NETWORK		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°21'28.5"S-18°54'15.7"E	34°21'28.5"S-18°54'15.7"E			2 500		
	UPGRADE STORMWATER NETWORK		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Multi-area HM	24'13.34"S 19° 16' 07.01	24'13.34"S 19°16' 07.01"E			386		
	UPGRADE STORMWATER NETWORK		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 08	34. 431 19. 215 Degrees	34. 431 19. 215 Degrees			428		
	UPGRADE STORMWATER NETWORK		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Multi-area GB	-34.593026, 19.349430	-34.593026, 19.349430			500		
	STORMWATER (AD HOC)		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	-34,605289, 19,397659	-34,605289, 19,397659			120		
	STORMWATER (AD HOC)		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	-34.591601, 19.358348	-34.591601, 19.358348			70		
	STORMWATER (AD HOC)		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 02	-34.593026, 19.349430	-34.593026, 19.349430			150		
	STORMWATER CHANNELS		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°21'28.5"S-18°54'15.7"E	34°21'28.5"S-18°54'15.7"E			80		
	STORMWATER CHANNELS		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	S34.338437° / E19.006527°	S34.338437° / E19.006527°			50		
	STORMWATER CHANNELS - RDOIELS		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°18'05.8"S-18°48'58.0"E	34°18'05.8"S-18°48'58.0"E			30		
	WARD 12-STORM WATER DRAINS		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S			100		
	STORMWATER-LIBRARY LINK & SIPUMELELO CORRIDOR UPGR		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 05	34. 427 19.217 Degrees	34. 427 19.217 Degrees			1 500		
	STORMWATER-TAXI RANK TO SIPUMELELO CORRIDOR UPGRA		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 08	34. 431 19. 215 Degrees	34. 431 19. 215 Degrees			500		
	STORMWATER-AMANDLA STREET LINK TO SIPUMELELO CO		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 12	34. 424 19. 212 Degrees	34. 424 19. 212 Degrees			1 000		
	STANFORD HOUSING PROJECT BULK STORMWATER		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	19,447407 ; -34.440390	19.447407 ; -34.440390				2 000	3 006
WASTE MANAGEMENT												1 739	1 497			
	VEHICLES-WASTE MANAGEMENT		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand			5 931		
	HIGH RISK FENCING SOLID WASTE TRANSFER STATION		Upgrading	Responsive, accountable, effective and efficient local government	lusion and acce	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 10	20'21.16"S 19°01' 34.39	34°20'21.16"S 19°01' 34.39"E			1 000		
	HERMANUS NEW WASTE MANAGEMENT FACILITY		New	Responsive, accountable, effective and efficient local government	lusion and acce	2	Solid Waste Infrastructure	aste Processing Facilit	Overstrand	19.207° / -34.425°	19.207° / -34.425°			10 000	10 300	
FINANCE AND ADMINISTRATION																
	SURPLUS -NON TARIFF INFRASTRUCTURE		New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide				15 000	15 000
Parent Capital expenditure												105 207	174 748	261 677	148 464	154 324

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 61 MBRR SA37 - Projects delayed from previous financial year

R thousand												Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project name	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude		Original Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality:																
PUBLIC SAFETY	LAW ENFORCEMENT FACILITIES (K9 UNIT)	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offic	Ward 04	-34.402 19.211	-34.402 19.211				2 583		
PUBLIC SAFETY	BUILDING RENOVATIONS FARM 585/3	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offic	Ward 04	19.212 -34.400 Deg	19.212 -34.400 Degrees		1 421	-	1 421		
PUBLIC SAFETY	UPGRADING OF FACILITIES - FIRE SERVICES BUILDIN	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offic	Overstrand	34.4219°S,	34.4219°S,		2 480	-	2 800		
PUBLIC SAFETY	ACCESS CONTROL MUNICIPAL MAIN BUILDING	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offic	Overstrand	Overstrand	Overstrand		-	100	100		
PUBLIC SAFETY	VEHICLES - PUBLIC SAFETY	New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand		3 200	4 321	5 568		
PUBLIC SAFETY	CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Machinery and Equipment	Public Open Sp	Overstrand	Overstrand	Overstrand		500	500	508		
PLANNING & DEVELOPMENT	HAWSTON INDUSTRIAL (BUSINESS) HUB	New	An efficient, effective and development-oriented public service	Governance	5	Community Facilities	Public Open Sp	Ward 08	19.134 -34.396 Deg	19.134 -34.396 Degrees		5 000	500	4 871		
SPORT & RECREATION	VEHICLES-PARKS	New	An efficient, effective and development-oriented public service	Governance	5	Transport Assets	Other	Overstrand	Overstrand	Overstrand		400	970	738		
ROADS	CBD REGENERATION PROGRAM	New	A skilled and capable workforce to support an inclusive growth path	Inclusion and access	2	Roads Infrastructure	Roads	Ward 03	19°26'53"E 34°419"	19°26'53"E 34°419"S		3 000	1 000	7 644		
ELECTRICITY	HERMANUS: MV & LV UPGRADE/REPLACEMENT	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 03	34°25'07.04"S	19°-34°25'07.04"S	19°19'40.04"	10 156	6 279	9 572		
ELECTRICITY	KLEINMOND: MV & LV NETWORK UPGRADE	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 09	34°20'05.05"S	19°(34°20'05.05"S	19°01'45.26"	1 750	1 311	439		
ELECTRICITY	HAWSTON: MV & LV UPGRADE/REPLACEMENT	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 08	34°23'05.02"S	19°(34°23'05.02"S	19°08'01.09"	1 750	210	1 540		
WATER	WATER MASTER PLAN IMPLEMENTATION	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand		10 000	5 000	16 296		
WATER	NEW RESERVOIR FOR PRINGLE BAY	New	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° / -34.348°	18.848° / -34.349°		5 883	2 000	9 175		
WATER	WATER STABILIZATION PLANT FOR STANFORD	New	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	19.252° / -34.460°	19.252° / -34.460°		1 500	1 500	3 864		
SEWERAGE	UPGRADE OF KIDBROOKE PIPELINE	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Sanitation Infrastructure	Waste Water Tr	Ward 11	S34°24.810' / E19	S34°24.810' / E19°10.001'		4 020	4 020	3 970		
SEWERAGE	WWTW UPGRADE - STANFORD	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Sanitation Infrastructure	Waste Water Tr	Ward 11	S34.446248° / E19.	S34.446248° / E19.446291°		16 177	16 177	1 800		
SEWERAGE	ZWELIHLE SEWER	New	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Sanitation Infrastructure	Waste Water Tr	Ward 5, 6, 12	19°20'56"E 34°429	19°20'56"E 34°42'00"S		-	-	4 728		
SEWERAGE	GANSBAAI CBD SEWER NETWORK EXTENSION	New	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Sanitation Infrastructure	Waste Water Tr	Ward 02	19°20'51"E 34°35'4	19°20'51"E 34°35'43"S		-	-	5 575		
STORMWATER	STORMWATER - PHASE 1-INDUSTRIAL AREA	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Storm water Infrastructure	Storm water Ch	Ward 04	19.225 -34.422 Deg	19.225 -34.422 Degrees		3 800	1 200	3 457		
STORMWATER	STORMWATER - MAIN RD & HIGH STREET	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Storm water Infrastructure	Storm water Ch	Ward 03	19.244 -34.418 Deg	19.244 -34.418 Degrees		4 000	2 109	6 258		
STORMWATER	STORMWATER - OVERHILLS	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	2	Storm water Infrastructure	Storm water Ch	Ward 10	19.006 -34.337 Deg	19.006 -34.337 Degrees		3 000	-	2 400		

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

2.13 Legislation compliance status

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

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

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

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

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

5. Service Delivery and Implementation Plan
   A draft SDBIP document was tabled in council on 27 March 2019 as part of the draft IDP.

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

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

8. Policies
   All budget related policies have been reviewed and were tabled in Council on 27 March 2019.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.14 Other supporting documents

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
REVENUE ITEMS:									
Property rates									
Total Property Rates	204 277	245 535	266 556	285 982	285 982	285 982	296 192	313 954	334 023
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	39 791	48 431	51 711	50 983	50 983	50 983	54 042	57 285	60 550
Net Property Rates	**164 486**	**197 104**	**214 845**	**234 998**	**234 998**	**234 998**	**242 150**	**256 669**	**273 473**
Service charges - electricity revenue									
Total Service charges - electricity revenue	326 815	338 213	354 061	396 507	396 507	396 507	432 524	502 676	576 327
less Revenue Foregone (in excess of 50 kwh per indigent household per month)									
less Cost of Free Basis Services (50 kwh per indigent household per month)	2 215	3 448	4 681	33 723	33 723	33 723	33 656	45 379	50 690
Net Service charges - electricity revenue	**324 599**	**334 765**	**349 380**	**362 784**	**362 784**	**362 784**	**398 868**	**457 297**	**525 637**
Service charges - water revenue									
Total Service charges - water revenue	**115 499**	**116 796**	**113 142**	**132 172**	**140 172**	**140 172**	**141 804**	**152 837**	**162 419**
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)				**779**	**779**	**779**	**250**	**250**	**250**
less Cost of Free Basis Services (6 kilolitres per indigent household per month)	1 320	1 726	2 132	14 612	14 612	14 612	14 234	18 603	20 145
Net Service charges - water revenue	**114 179**	**115 070**	**111 010**	**116 781**	**124 781**	**124 781**	**127 320**	**133 984**	**142 023**
Service charges - sanitation revenue									
Total Service charges - sanitation revenue	**72 651**	**66 890**	72 064	**89 179**	**92 179**	**92 179**	97 959	105 984	112 937
less Revenue Foregone (in excess of free sanitation service to indigent households)				**318**	**318**	**318**			
less Cost of Free Basis Services (free sanitation service to indigent households)	–	–	–	15 697	15 697	15 697	17 938	23 495	25 498
Net Service charges - sanitation revenue	**72 651**	**66 890**	**72 064**	**73 164**	**76 164**	**76 164**	**80 020**	**82 489**	**87 439**
Service charges - refuse revenue									
Total refuse removal revenue	61 689	54 389	57 741	76 212	76 212	76 212	88 342	103 305	115 898
Total landfill revenue									
less Revenue Foregone (in excess of one removal a week to indigent households)									
less Cost of Free Basis Services (removed once a week to indigent households)	–	–	–	15 223	15 223	15 223	18 220	23 890	25 952
Net Service charges - refuse revenue	**61 689**	**54 389**	**57 741**	**60 990**	**60 990**	**60 990**	**70 122**	**79 415**	**89 946**
Other Revenue by source									
Building Plan Approval	8 057			8 668	8 668	8 668			
Camping Fees				6 473	6 473	6 473			
Gains				2 000	2 000	2 000			
Collection Charges	2 811			3 800	3 800	3 800			
Development Charges	7 486			2 475	2 475	2 475			
Parking Fees				420	420	420			
Management Fees				976	976	976			
Registration Fees				697	697	697			
Clearance Certificates	484			500	500	500			
Fire Services				1 000	1 000	1 000			
Administrative Handling Fees				250	250	250			
OTHER	10 814	34 706	38 895	4 169	4 413	4 413	27 416	28 846	28 993
Total 'Other' Revenue	**29 653**	**34 706**	**38 895**	**31 427**	**31 672**	**31 672**	**27 416**	**28 846**	**28 993**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Supporting detail to budgeted financial performance (Continued)

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	183 952	302 363	296 536	236 060	233 308	233 308	385 044	405 971	429 876
Pension and UIF Contributions	29 587			39 574	36 976	36 976			
Medical Aid Contributions	9 829			13 679	12 091	12 091			
Overtime	15 732			23 606	30 672	30 672			
Performance Bonus				210	210	210			
Motor Vehicle Allowance	7 222			8 203	8 203	8 203			
Cellphone Allowance	1 582			2 243	2 243	2 243			
Housing Allowances	4 606			2 542	2 542	2 542			
Other benefits and allowances	11 569			28 983	29 329	29 329			
Payments In lieu of leave	1 815			1 062	1 162	1 162	1 125	1 193	1 264
Long service awards	2 268			1 946	2 612	2 612	2 062	2 186	2 317
Post-retirement benefit obligations	6 381			10 916	14 766	14 766	11 571	12 266	13 002
sub-total	274 564	302 363	296 536	367 024	374 114	374 114	399 804	421 616	446 460
Less: Employee costs capitalised to PPE									
Total Employee related costs	274 564	302 363	296 536	367 024	374 114	374 114	399 804	421 616	446 460
Contributions recognised - capital									
List contributions by contract									
Total Contributions recognised - capital	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	122 909	132 532	134 400	130 362	130 362	130 362	130 562	130 194	129 699
Lease amortisation							723	636	523
Capital asset impairment									
Depreciation resulting from revaluation of PPE									
Total Depreciation & asset impairment	122 909	132 532	134 400	130 362	130 362	130 362	131 285	130 830	130 222
Bulk purchases									
Electricity Bulk Purchases	194 620	217 523	225 844	238 588	238 588	238 588	275 880	319 000	368 859
Water Bulk Purchases									
Total bulk purchases	194 620	217 523	225 844	238 588	238 588	238 588	275 880	319 000	368 859
Transfers and grants									
Cash transfers and grants	50 757	1 898	1 800	500	500	500	500	525	551
Non-cash transfers and grants	333	–	–	–	–	–	–	–	–
Total transfers and grants	51 090	1 898	1 800	500	500	500	500	525	551
Contracted services									
Sewerage Services	23 944			47 972	47 972	47 972			
Maintenance of Unspecified Assets	15 105			40 038	40 038	40 038			
Infrastructure and Planning	6 892			13 413	13 413	13 413			
Maintenance of Buildings and Facilities	14 014			12 199	12 199	12 199			
Business and Advisory	2 313			1 641	1 926	1 926			
Haulage	5 021			7 855	7 855	7 855			
Litter Picking and Street Cleaning	6 652			7 370	7 370	7 370			
Mini Dumping Sites	2 494			6 342	6 342	6 342			
Legal Cost	5 477			3 189	4 305	4 305			
Security Services	4 349			7 089	7 089	7 089			
Traffic Fines Management	2 130			4 419	4 419	4 419			
Safeguard and Security	4 990			5 639	5 639	5 639			
Chipping	2 301			3 355	3 355	3 355			
Meter Management	4 033			2 430	2 430	2 430			
Maintenance of Equipment	2 474			2 258	2 258	2 258			
Management of Informal Settlements				2 169	2 169	2 169			
Laboratory Services	1 653			2 141	2 141	2 141			
Cleaning and Grass Cutting Services				1 803	1 803	1 803			
Swimming Supervision				1 562	1 562	1 562			
Refuse Removal				1 012	1 012	1 012			
Event Promoters				632	632	632			
Connection/Dis-connection				716	716	716			
Outsourced Services				861	861	861	87 702	94 254	98 914
Consultants and Professional Services				664	664	664	28 071	35 812	31 397
Contractors	7 605	155 726	167 085	14 869	27 074	27 074	91 763	99 718	106 969
Total contracted services	112 447	155 726	167 085	193 637	207 243	207 243	207 536	229 784	237 280

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Supporting detail to budgeted financial performance (Continued)

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Other Expenditure By Type									
Collection costs					–	–	6 289	6 716	7 171
Contributions to 'other' provisions					–	–	3 914	4 148	4 397
Consultant fees					–	–			
Audit fees	4 277			5 088	5 088	5 088	7 098	6 622	6 971
General expenses	83 873	50 631	55 475	61	(2 345)	(2 345)	52 636	45 886	49 018
External Computer Service				8 962	8 962	8 962	8 898	9 398	9 930
Municipal Services				6 022	6 022	6 022			
Commission	1 019			5 764	5 764	5 764			
Communicaiton				6 213	6 193	6 193			
Professional Bodies, Membership and Subscription				3 639	3 639	3 639			
Insurance Underwriting	2 088			3 400	3 400	3 400			
Contribution to Provisions				3 714	11 267	11 267			
Uniform and Protective Clothing				3 082	3 082	3 082			
Advertising, Publicity and Marketing	2 284			2 712	2 712	2 712			
Skills Development Fund Levy				2 941	2 941	2 941	3 190	3 349	3 374
OPERATING LEASES				1 385	1 351	1 351	1 427	1 193	1 261
Workmen's Compensation Fund				1 791	1 791	1 791			
Bank Charges, Facility and Card Fees				1 446	1 446	1 446			
Travel and Subsistence				1 265	1 264	1 264			
Assets less than the Capitalisation Threshold				932	927	927			
Vehicle Tracking				1 021	1 021	1 021			
Bursaries (Employees)				1 301	1 301	1 301			
Printing, Publications and Books				896	896	896			
Levies Paid - Water Resource Management Charges				992	992	992			
Remuneration to Ward Committees				668	668	668			
Hire Charges				565	565	565			
Wet Fuel				371	371	371			
Total 'Other' Expenditure	93 542	50 631	55 475	64 232	69 339	69 339	83 450	77 311	82 123
Repairs and Maintenance by Expenditure Item									
Employee related costs	38 175	50 261	53 689	100 740	100 740	100 740	97 024	102 797	108 320
Other materials	14 541	3 500	30 000	16 024	16 154	16 154	13 845	17 054	18 059
Contracted Services	30 494	36 145	67 791	82 917	86 649	86 649	69 331	78 933	83 434
Other Expenditure	26 167	30 890	8 555	25 531	28 416	28 416	18 990	9 992	10 576
Total Repairs and Maintenance Expenditure	109 377	120 795	160 036	225 212	231 959	231 959	199 189	208 776	221 386

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description R thousand	Vote 1 - Council	Vote 2 - Municipal Manager	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Community Services	Vote 6 - Local Economic Development	Vote 7 - Infrastructure & Planning	Vote 8 - Protection Services	Total
Revenue By Source									
Property rates	–	–	–	242 150	–	–	–	–	**242 150**
Service charges - electricity revenue	–	–	–	130	–	–	398 738	–	**398 868**
Service charges - water revenue	–	–	–	450	126 870	–	–	–	**127 320**
Service charges - sanitation revenue	–	–	–	–	80 020	–	–	0	**80 020**
Service charges - refuse revenue	–	–	–	–	70 122	–	–	–	**70 122**
	–	–	–	–	–	–	–	–	
Rental of facilities and equipment	–	–	–	–	3 562	–	0	–	**3 562**
Interest earned - external investments	–	–	–	28 010	–	–	–	–	**28 010**
Interest earned - outstanding debtors	–	–	–	4 151	0	–	–	–	**4 151**
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	30	140	–	132	32 251	**32 552**
Licences and permits	–	–	–	–	458	–	–	2 005	**2 462**
Agency services	–	–	–	–	–	–	–	4 700	**4 700**
Other revenue	161	–	844	7 883	9 561	–	8 172	795	**27 416**
Transfers and subsidies	30 922	36	–	2 110	56 934	2 635	56 649	2 897	**152 183**
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**31 083**	**36**	**844**	**284 914**	**347 666**	**2 635**	**463 691**	**42 647**	**1 173 517**
Expenditure By Type									
Employee related costs	15 995	5 059	27 799	46 637	176 903	10 021	62 822	54 567	**399 804**
Remuneration of councillors	11 383	–	–	–	–	–	–	–	**11 383**
Debt impairment	–	–	–	148	445	–	148	24 160	**24 902**
Depreciation & asset impairment	3	11	1 565	128	103 663	23	25 590	301	**131 285**
Finance charges	–	–	–	82	34 349	–	17 118	–	**51 549**
Bulk purchases	–	–	–	–	–	–	275 880	–	**275 880**
Other materials	43	30	628	446	31 050	951	30 173	326	**63 646**
Contracted services	314	444	8 516	6 572	86 066	1 172	91 228	13 324	**207 636**
Transfers and subsidies	500	–	–	–	–	–	–	–	**500**
Other expenditure	7 839	252	18 391	21 063	7 203	1 124	25 035	2 472	**83 379**
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Expenditure	**36 077**	**5 797**	**56 900**	**75 077**	**439 679**	**13 291**	**527 994**	**95 150**	**1 249 963**
Surplus/(Deficit)	**(4 994)**	**(5 761)**	**(56 056)**	**209 838**	**(92 013)**	**(10 656)**	**(64 303)**	**(52 502)**	**(76 446)**
Transfers and subsidies - capital (monetary alloc	–	–	–	–	**32 010**	–	**33 439**	**4 746**	**70 194**
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)									–
Transfers and subsidies - capital (in-kind - all)									–
Surplus/(Deficit) after capital transfers & contributions	**(4 994)**	**(5 761)**	**(56 056)**	**209 838**	**(60 003)**	**(10 656)**	**(30 864)**	**(47 757)**	**(6 252)**

KUNGWINI MUNICIPALITY
RECEIVED
13 SEP 2013
PRIVATE BAG X1069
BRANDFORT
MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
ASSETS									
Call investment deposits									
Call deposits	101 263	170 728	380 514				320 000	330 000	340 000
Other current investments									
Total Call investment deposits	101 263	170 728	380 514	–	–	–	320 000	330 000	340 000
Consumer debtors									
Consumer debtors	76 918	82 722	84 900	99 188	89 994	89 994	95 394	101 117	107 184
Less: Provision for debt impairment	(19 098)	(20 593)	(21 774)	(21 000)	(21 000)	(21 000)	(22 260)	(23 596)	(25 011)
Total Consumer debtors	57 820	62 129	63 126	78 188	68 994	68 994	73 134	77 522	82 173
Debt impairment provision									
Balance at the beginning of the year	16 972	19 098	20 593	19 000	19 000	19 000	21 000	22 260	23 596
Contributions to the provision	2 785	2 616	1 983	2 500	2 500	2 500	1 760	1 836	1 916
Bad debts written off	(658)	(1 121)	(803)	(500)	(500)	(500)	(500)	(500)	(500)
Balance at end of year	19 098	20 593	21 774	21 000	21 000	21 000	22 260	23 596	25 011
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)	5 459 595	5 536 674	5 629 375	5 871 132	5 804 123	5 804 123	6 065 800	6 214 264	6 368 588
Leases recognised as PPE				–	–	–			
Less: Accumulated depreciation	1 918 219	2 034 013	2 159 908	2 311 420	2 289 617	2 289 617	2 420 179	2 550 373	2 680 072
Total Property, plant and equipment (PPE)	3 541 376	3 502 661	3 469 468	3 559 712	3 514 506	3 514 506	3 645 621	3 663 891	3 688 516
LIABILITIES									
Current liabilities - Borrowing									
Short term loans (other than bank overdraft)									
Current portion of long-term liabilities	26 492	29 580	33 448	38 428	38 428	38 428	42 244	47 697	41 512
Total Current liabilities - Borrowing	26 492	29 580	33 448	38 428	38 428	38 428	42 244	47 697	41 512
Trade and other payables									
Trade Payables	71 328	79 319	97 007	87 052	100 158	100 158	89 571	90 208	74 039
Other creditors									
Unspent conditional transfers	1 380	6 474	21 872	–	3 800	3 800	5 636	–	–
VAT									
Total Trade and other payables	72 707	85 793	118 879	87 052	103 958	103 958	95 207	90 208	74 039
Non current liabilities - Borrowing									
Borrowing	412 402	412 495	408 658	423 677	423 677	423 677	455 453	461 756	470 934
Finance leases (including PPP asset element)									
Total Non current liabilities - Borrowing	412 402	412 495	408 658	423 677	423 677	423 677	455 453	461 756	470 934
Provisions - non-current									
Retirement benefits	110 245	122 588	98 747	141 638	108 914	108 914	120 259	127 475	135 123
List other major provision items									
Refuse landfill site rehabilitation	79 158	84 877	92 013	96 947	97 533	97 533	103 385	109 588	116 164
Other	9 861	9 673	14 291	11 192	14 840	14 840	15 450	16 358	17 320
Total Provisions - non-current	199 265	217 138	205 051	249 777	221 287	221 287	239 095	253 421	268 607
CHANGES IN NET ASSETS									
Accumulated Surplus/(Deficit)									
Accumulated Surplus/(Deficit) - opening balance	3 217 225	3 256 152	3 297 200	3 339 936	3 439 499	3 439 499	3 479 983	3 475 231	3 451 264
GRAP adjustments	(15 890)	(5 775)	(3 302)						
Restated balance	3 201 335	3 250 376	3 293 898	3 339 936	3 439 499	3 439 499	3 479 983	3 475 231	3 451 264
Surplus/(Deficit)	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(6 252)	(24 967)	35 771
Appropriations to Reserves									
Transfers from Reserves	1 201	1 935	1 565	2 000	2 000	2 000	1 500	1 000	790
Depreciation offsets									
Other adjustments					43 591	43 591			
Accumulated Surplus/(Deficit)	3 256 152	3 293 898	3 439 499	3 349 887	3 479 983	3 479 983	3 475 231	3 451 264	3 487 825
Reserves									
Housing Development Fund	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
Revaluation									
Total Reserves	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
TOTAL COMMUNITY WEALTH/EQUITY	3 258 328	3 297 149	3 442 758	3 353 187	3 483 283	3 483 283	3 478 571	3 455 614	3 491 195

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Estimate	Estimate	Estimate
Demographics											
Population		55 012	74 546	80 432	90 176	93 466	96 177	98 966	101 836	104 789	114 102
Females aged 5 - 14		2 770	5 837	5 226	5 861	6 031	7 280	7 491	7 709	7 932	8 893
Males aged 5 - 14		2 818	5 892	5 278	5 917	6 089	6 935	7 136	7 343	7 556	8 471
Females aged 15 - 34		5 561	11 567	13 139	14 731	15 159	15 386	15 832	16 292	16 764	18 795
Males aged 15 - 34		6 029	11 235	13 648	15 301	15 745	15 217	15 658	16 112	16 580	18 586
Unemployment		5 165	8 099	4 237	4 750	4 888	5 030	5 176	5 326	5 480	12 292
Monthly household income (no. of households)											
No income		2 226	770	4 585	5 290	5 443	5 601	5 763	5 930	6 102	6 285
R1 - R1 600		6 149	5 307	5 328	6 144	6 323	6 506	6 695	6 889	7 089	7 272
R1 601 - R3 200		3 742	3 177	4 878	5 626	5 791	5 959	6 131	6 309	6 492	6 675
R3 201 - R6 400		3 344	3 789	4 362	5 032	5 178	5 328	5 483	5 642	5 805	5 988
R6 401 - R12 800		2 303	2 759	3 830	4 419	4 547	4 678	4 814	4 954	5 097	5 280
R12 801 - R25 600		929	1 947	2 896	3 341	3 438	3 536	3 640	3 746	3 854	4 037
R25 601 - R51 200		227	1 066	1 456	1 680	1 728	1 779	1 830	1 883	1 938	2 121
R52 201 - R102 400		77	184	486	561	577	594	611	629	647	830
R102 401 - R204 800		44	176	109	126	129	133	137	141	145	328
R204 801 - R409 600				81	93	96	99	102	105	108	291
R409 601 - R819 200											
> R819 200											
Poverty profiles (no. of households)											
< R2 060 per household per month					11 514	11 949	12 397	12 868	13 254	13 652	14 062
Insert description											
Household/demographics (000)											
Number of people in municipal area		55 012	74 546	80 432	90 176	93 466	93 407	98 966			
Number of poor people in municipal area							36 565				
Number of households in municipal area		19 032	19 166	28 609	32 314	33 259	33 535	35 206			
Number of poor households in municipal area							22 603				
Definition of poor household (R per month)							6 529				
Housing statistics											
Formal					29 152	30 173	30 256	31 098	32 964	34 942	37 038
Informal								3 160	4 764	4 764	4 764
Total number of households		-	-	-	29 152	30 173	30 256	34 258	37 728	39 706	41 802
Dwellings provided by municipality					220	341		100			
Dwellings provided by province/s											
Dwellings provided by private sector					382	391	401	410			
Total new housing dwellings		-	-	-	602	732	401	510	-	-	-
Economic											
Inflation/inflation outlook (CPIX)					6,2%	6,8%	6,4%	4,7%	5,2%	5,4%	5,4%
Interest rate - borrowing					11,5%	11,75%	10,7%	10,5%	10,7%	10,8%	10,9%
Interest rate - investment					7,24%	7,45%	7,7%	7,6%	8,2%	8,3%	8,4%
Remuneration increases					7,0%	6,0%	7,4%	6,0%	6,3%	6,5%	6,5%
Consumption growth (electricity)					0,1%	0,1%	0,0%	1,0%	2,0%	3,0%	5,0%
Consumption growth (water)					4,4%	4,0%	2,2%	2,4%	3,0%	4,0%	5,0%
Collection rates											
Property tax/service charges					99,3%	99,3%	99,4%	99,5%	99,8%	99,8%	99,8%
Rental of facilities & equipment					99,8%	99,8%	99,7%	99,8%	99,8%	99,8%	99,8%
Interest - external investments					100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Interest - debtors					99,8%	99,8%	99,7%	99,8%	99,8%	99,8%	99,8%
Revenue from agency services					100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%



Table 66 MBRR SA11 – Property rates summary

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Valuation:									
Date of valuation:	02/07/2012	02/07/2016	02/07/2016	02/07/2016					
Financial year valuation used	2012/2013	2016/2017	2016/2017	2016/2017			2016/2017		
Municipal by-laws s6 in place? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)	No	No	No	No	No	No	No	No	No
No. of assistant valuers (FTE)	2	2	2	2	2	2	2	2	2
No. of data collectors (FTE)	6	6	6	6	6	6	6	6	6
No. of internal valuers (FTE)	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	3	3	3	3	3	3	3	3
No. of additional valuers (FTE)	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)	12	60	60	48			12		
No. of properties	42 264	42 494	42 494	42 823	42 823	42 823	42 823	42 823	42 823
No. of sectional title values	2 686	2 555	2 560	2 210	2 210	2 210	2 210	2 210	2 210
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	1	1	2	2	2	2	2	2
No. of valuation roll amendments	-	6	12	27	27	27	27	27	27
No. of objections by rate payers	8	7	12	11	11	11	11	11	11
No. of appeals by rate payers	-	3	1	2	2	2	2	2	2
No. of successful objections	-	3	1	6	6	6	6	6	6
No. of successful objections > 10%	-	1	1	1	1	1	1	1	1
Supplementary valuation	2 323	2 322	2 500	2 566	2 566	2 566	2 566	2 566	2 566
Public service infrastructure value (Rm)	98	98	82	84	84	84	84	84	84
Municipality owned property value (Rm)	721	739	905	924	924	924	980	980	980
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	98	98	98	84	84	84	89	89	89
Valuation reductions-nature reserves/park (Rm)	–	–	368	368	368	368	390	390	390
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	442	445	450	476	476	476	504	504	504
Valuation reductions-public worship (Rm)	150	151	158	175	175	175	185	185	185
Valuation reductions-other (Rm)	1 937	1 947	1 946	2 860	2 860	2 860	3 032	3 032	3 032
Total valuation reductions:	**2 627**	**2 641**	**3 020**	**3 963**	**3 963**	**3 963**	**4 201**	**4 201**	**4 201**
Total value used for rating (Rm)	42 093	42 303	43 689	46 907	46 907	46 907	49 721	49 721	49 721
Total land value (Rm)	22 143	22 249	21 274	22 595	22 595	22 595	23 950	23 950	23 950
Total value of improvements (Rm)	21 409	21 516	25 585	27 770	27 770	27 770	29 436	29 436	29 436
Total market value (Rm)	43 552	43 765	46 859	50 364	50 364	50 364	53 386	53 386	53 386
Rating:									
Residential rate used to determine rate for other categories? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)	No	No	No	No			No		
Special rating area used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)				No			No		
Rates policy accompanying budget? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)	100	220	220	220			220		
Non-residential prescribed ratio s19? (%)	51.4%	51.6%	51.5%	51.5%					
Rate revenue:									
Rate revenue budget (R '000)	164 448	197 140	214 975	226 314	226 314	226 314	239 470	253 838	269 068
Rate revenue expected to collect (R'000)	164 448	197 140	214 975	226 314	226 314	226 314	239 470	253 838	269 068
Expected cash collection rate (%)	99.2%	98.3%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	5 294	6 863	7 494	8 200	8 200	8 200	8 667	9 187	9 739
Rebates, exemptions - indigent (R'000)									
Rebates, exemptions - pensioners (R'000)	520000	604000							
Rebates, exemptions - bona fide farm. (R'000)	85 000	99 000							
Rebates, exemptions - other (R'000)	4 642 000	5 390 000							
Phase-in reductions/discounts (R'000)									
Total rebates,exemptns,reductns,discs (R'000)	**5 247**	**6 093**	–	–	–	–	–	–	–



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

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service Infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Current Year 2018/19																
Valuation:																
No. of properties	37 661	-	1 137	291	144	1 252	773	-	-	-	-	-	184	-	156	-
No. of sectional title property values	2 242	-	288	-	-	-	-	-	-	-	-	-	-	-	-	-
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 914	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
No. of objections by rate-payers	IN PROCESS															
No. of appeals by rate-payers	IN PROCESS															
No. of appeals by rate-payers finalised	IN PROCESS															
No. of successful objections	IN PROCESS															
No. of successful objections > 10%	IN PROCESS															
Estimated no. of properties not valued	100 TOTAL															
Years since last valuation (select)	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	84	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	389	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	476	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	175	-
Valuation reductions-other (Rm)	1 090	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	41 721	-	3 801	913	472	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	19 283	-	1 526	662	239	401	74	-	-	-	-	-	268	-	141	-
Total value of improvements (Rm)	24 017	-	2 344	251	233	231	10	-	-	-	233	-	100	-	350	-
Total market value (Rm)	43 300		3 870	913	472	633	84	-	-	-	472	-	368	-	492	-
Rating:																
Average rate	0.005395		0.008173	0.001349	0.008173				0.005395							
Rate revenue budget (R '000)	187 100		35 195	734	3 285											
Rate revenue expected to collect (R'000)	187 100		35 195	734	3 285											
Expected cash collection rate (%)	100.0%		100.0%	100.0%	100.0%											
Special rating areas (R'000)	6 779		1 275	27	119											
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)																

EERSTRAND MUNICIPALITY
2019-05-23
MUNICIPALITY

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 2019/20																
Valuation:																
No. of properties	37 661	-	1 137	291	144	1 252	773	-	-	-	-	-	164	-	156	-
No. of sectional title property values	2 242	-	288	-	-	-	-	-	-	-	-	-	-	-	-	-
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)	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	89	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	391	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	504	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	185	-
Valuation reductions-other (Rm)	1 155	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	44 224	-	4 029	968	500	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	20 440	-	1 617	702	254	425	78	-	-	-	-	-	284	-	150	-
Total value of improvements (Rm)	25 458	-	2 485	266	247	245	11	-	-	-	-	-	247	-	106	-
Total market value (Rm)	**45 898**	**-**	**4 102**	**968**	**500**	**671**	**89**	**-**	**-**	**-**	**-**	**-**	**531**	**-**	**256**	**-**
Rating:																
Average rate	0.005703		0.008639	0.001426	0.008639				0.005703							
Rate revenue budget (R '000)	198 000		37 300	770	3 400											
Rate revenue expected to collect (R'000)	198 000		37 300	770	3 400											
Expected cash collection rate (%)	100.0%		100.0%	100.0%	100.0%											
Special rating areas (R'000)	7 166		1 348	28	126											
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)																

STRAND MUNICIPALITY
OVERBERG DISTRICT

Table 69 MBRR SA13a – Service tariffs by category

Description	Provide description of tariff structure where appropriate	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
						Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Property rates (rate in the Rand)								
Residential properties		0.0044	0.0047	0.0051	0.0054	0.0057	0.0060	0.0064
Residential properties - vacant land		0.0061	0.0065	0.0070	0.0074	0.0078	0.0083	0.0088
Formal/informal settlements								
Small holdings								
Farm properties - used		0.0011	0.0012	0.0013	0.0013	0.0014	0.0015	0.0016
Farm properties - not used								
Industrial properties								
Business and commercial properties		0.0067	0.0072	0.0077	0.0082	0.0086	0.0092	0.0097
Communal land - residential								
Communal land - small holdings								
Communal land - farm property								
Communal land - business and commercial								
Communal land - other								
State-owned properties		0.0067	0.0072	0.0077	0.0082	0.0086	0.0092	0.0097
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)		108	115	122	129	137	145	153
Service point - vacant land (Rands/month)		108	115	122	129	137	145	153
Water usage - flat rate tariff (c/kl)	0 - 6 kl	362	404	450	502	560	594	629
Water usage - life line tariff	7 - 18 kl	912	966	1 024	1 085	1 147	1 216	1 289
Water usage - Block 1 (c/kl)	19 - 30 kl	1 479	1 567	1 661	1 761	1 861	1 973	2 091
Water usage - Block 2 (c/kl)	31 - 45 kl	2 276	2 413	2 567	2 711	2 866	3 038	3 220
Water usage - Block 3 (c/kl)	46 - 60 kl	2 957	3 134	3 322	3 521	3 722	3 945	4 182
Water usage - Block 4 (c/kl)	> 60 kl	3 943	4 179	4 430	4 696	4 964	5 262	5 578
Other								
Waste water tariffs								
Domestic								
Basic charge/fixed fee (Rands/month)		97	102	109	115	122	129	137
Service point - vacant land (Rands/month)		116	123	109	115	122	129	137
Waste water - flat rate tariff (c/kl)		1 088	1 153	1 222	1 296	1 370	1 452	1 539
Volumetric charge - Block 1 (c/kl)	Basic charge pumps	65	69	73	78	82	87	92
Volumetric charge - Block 2 (c/kl)	Service per pump	444	471	499	529	560	593	629
Volumetric charge - Block 3 (c/kl)								
Volumetric charge - Block 4 (c/kl)								
Other								
Electricity tariffs								
Domestic								
Basic charge/fixed fee (Rands/month)		217	255	268	292	335	355	377
Service point - vacant land (Rands/month)		217	255	268	292	335	355	377
FBE	(how is this targeted?)							
Life-line tariff - meter	(describe structure)							
Life-line tariff - prepaid	(describe structure)	99	100	101	107	120	127	135
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	107.7	108.7	108.6	114.9	128.7	136.4	144.6
Meter - IBT Block 3 (c/kwh)	351 - 600 kWh	145.9	155.5	158.2	167.8	189.0	200.3	212.3
Meter - IBT Block 4 (c/kwh)	> 600 kWh	175.8	189.3	192.8	206.0	232.2	246.1	260.9
Meter - IBT Block 5 (c/kwh)	Prepaid Meter							
Prepaid - IBT Block 1 (c/kwh)	0 - 350 kWh	99.5	100.5	100.3	106.1	118.9	126.0	133.5
Prepaid - IBT Block 2 (c/kwh)	351 - 600 kWh	137.5	146.5	149.0	158.1	178.1	188.8	200.1
Prepaid - IBT Block 3 (c/kwh)	> 600 kWh	169.0	181.9	185.3	198.0	223.2	236.6	250.8
Prepaid - IBT Block 4 (c/kwh)	(fill in thresholds)							
Prepaid - IBT Block 5 (c/kwh)	(fill in thresholds)							
Other								
Waste management tariffs								
Domestic								
Street cleaning charge								
Basic charge/fixed fee		138	146	155	164	185	197	209
80l bin - once a week								
250l bin - once a week		138	146	155	164	185	197	209

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	Provide description of tariff structure where appropriate	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
						Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Exemptions, reductions and rebates (Rands)								
[Insert lines as applicable]								
Water tariffs	Basic charge	108	115	122	129	137	145	153
[Insert blocks as applicable]	Basic charge	108	115	122	129	137	145	153
	0 - 6 kl	362	404	450	502	560	594	629
	7 - 18 kl	912	966	1 024	1 085	1 147	1 216	1 289
	19 - 30 kl	1 479	1 567	1 661	1 761	1 861	1 973	2 091
	31 - 45 kl	2 276	2 413	2 557	2 711	2 866	3 038	3 220
	46 - 60 kl	2 957	3 134	3 322	3 521	3 722	3 945	4 182
	> 60 kl	3 943	4 179	4 430	4 696	4 964	5 262	5 578
Waste water tariffs	Basic charge	97	102	109	115	122	129	137
[Insert blocks as applicable]	Basic charge	116	123	109	115	122	129	137
	Tariff per kl (c/kl)	1 088	1 153	1 222	1 296	1 370	1 452	1 539
	Basic charge - pumps	65	69	73	78	82	87	92
	Service per pump	444	471	499	529	560	593	629
Electricity tariffs	Basic charge/fixed fee	217	255	268	292	335	363	385
[Insert blocks as applicable]	Basic - Vacant Land	217	255	268	292	335	363	385
	Flat rate prepaid (c/kWh)	99	100	101	107	120	130	137
	Credit Meter							
	0 - 350 kWh	108	109	109	115	129	139	147
	351 - 600 kWh	145.9	155.5	158.2	167.8	189.0	203.7	215.9
	> 600 kWh	175.8	189.3	192.8	206.0	232.2	251.1	266.2
	Prepaid Meter							
	0 - 350 kWh	99.5	100.5	100.3	106.1	118.9	128.2	135.9
	351 - 600 kWh	137.5	146.5	149.0	158.1	178.1	191.9	203.5
	> 600 kWh	169.0	181.9	185.3	198.0	223.2	241.4	255.9

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 71 MBRR SA32 – List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2. R thousand
Outsourcing of sub function water and waste water	Yrs	15	Outsourcing of sub function water and waste water	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					

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 72 MBRR SA38 – Consolidated detailed operational projects

R thousand						Prior year outcomes		2017/18 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Audited	Current Year 2017/18	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Municipality:										
List all operational projects grouped by Municipal Vote										
Vote 1 - Council	Municipal Running Cost		9	4	1			36 214	37 782	42 234
	Typical Work Streams : Functions and Events : Special Events and Fu	Work st	9	4	1			143	–	–
Vote 2 - Municipal Manag	Municipal Running Cost		9	4	1			5 925	6 138	6 660
Vote 3 - Management Se	Corrective Maintenance : Emergency : Computer Equipment	Correcti	9	4	1			609	642	668
	Corrective Maintenance : Planned : Furniture and Office Equipment	Correcti	9	4	1			9	10	11
	Information and Communication Infrastructure : Data Centres : Building	Preventi	9	4	1			42	43	46
	Intangible Assets : Licences and Rights : Computer Software and Applications		9	4	1			4 642	4 881	5 380
	Municipal Running Cost		9	4	1			51 054	53 333	57 654
	Preventative Maintenance : Interval Based : Computer Equipment	Preventi	9	4	1			633	925	695
	Preventative Maintenance : Interval Based : Transport Assets	Preventi	9	4	1			7	8	8
	Typical Work Streams : Capacity Building Training and Development : S	Work st	9	4	1			3	3	3
	Typical Work Streams : Capacity Building Training and Development : L	Work st	9	4	1			1	1	1
	Typical Work Streams : Capacity Building Training and Development : V	Work st	9	4	1			2 220	2 205	2 297
	Typical Work Streams : Community Development : Gender Developmer	Work st	9	4	1			22	22	24
	Typical Work Streams : Human Resources : Employee Assistance Pro	Work st	9	4	1			569	505	526
	Typical Work Streams : Junior Council	Work st	9	4	1			69	71	75
	Typical Work Streams : Strategic Management and Governance : IDP I	Work st	9	4	1			200	219	251
Vote 4 - Finance	Corrective Maintenance : Emergency : Furniture and Office Equipment	Correcti	9	4	1			62	64	69
	Municipal Running Cost		9	4	1			84 821	94 097	98 368
	Operational Buildings : Stores : Buildings	Preventi	9	4	1			42	42	43
	Preventative Maintenance : Interval Based : Transport Assets	Preventi	9	4	1			69	71	77
	Typical Work Streams : Financial Management Grant : Financial Statem	Work st	9	4	1			578	574	–
	Typical Work Streams : Financial Management Grant : Interns Compen	Work st	9	4	1			6	547	–
	Typical Work Streams : Financial Management Grant : Supply Chain Ma	Work st	9	4	1			578	574	–
	Typical Work Streams : Financial Management Grant : Financial Syster	Work st	9	4	1			308	306	–
Vote 5 - Community Servi	Coastal Infrastructure : Promenades : Civil Structures	Preventi	6	3	2			210	219	239
	Community Facilities : Cemeteries/Crematoria : Land	Preventi	6	3	2			48	62	66
	Community Facilities : Parks : Land	Preventi	2	3	2			600	630	698
	Municipal Running Cost		9	3	2			387 916	400 324	433 968
	Operational Buildings : Municipal Offices : Land	Preventi	9	3	2			991	1 044	1 152
	Preventative Maintenance : Interval Based : Transport Assets	Preventi	9	3	2			6 126	6 299	6 790
	Roads Infrastructure : Roads : Pavements	Preventi	6	3	2			36 890	39 574	42 689
	Sanitation Infrastructure : Outfall Sewers : Civil Structures	Preventi	6	3	2			663	698	770
	Sanitation Infrastructure : Reticulation : Municipal Service Connection	Preventi	6	3	2			3 567	3 758	4 147
	Solid Waste Disposal : Landfill Sites : Buildings	Preventi	6	3	2			44	46	51
	Solid Waste Disposal : Waste Drop-off Points : Buildings	Preventi	6	3	2			51	53	59
	Solid Waste Disposal : Waste Drop-off Points : Service Connections o	Preventi	6	3	2			1 428	1 504	1 660
	Solid Waste Disposal : Waste Processing Facilities : Buildings	Preventi	6	3	2			77	81	90
	Sport and Recreation Facilities : Outdoor Facilities : Buildings	Preventi	2	3	2			126	132	146
	Storm water Infrastructure : Storm water Conveyance : Civil Structure	Preventi	6	3	2			386	406	448
	Storm water Infrastructure : Storm water Conveyance : Drainage	Preventi	6	3	2			2 904	3 058	3 376
	Typical Work Streams : Community Development : Community Initiatives	Work st	2	3	2			81	81	84
	Typical Work Streams : Sport Development : Marathons, Sport and Re	Work st	2	3	2			284	307	339
	Typical Work Streams : Ward Committees : Ward Initiatives	Work st	2	3	2			1 320	–	–
	Water Supply Infrastructure : Distribution : Municipal Service Connecti	Preventi	6	3	2			5 905	6 219	6 866
	Water Supply Infrastructure : Distribution : Pipe Work	Preventi	6	3	2			1 366	1 441	1 574
Vote 6 - Local Economic	Community Development : Youth Projects : Youth Projects	Work st	4	2	5			17	18	20
	Municipal Running Cost		4	2	5			8 365	8 900	9 689
	Preventative Maintenance : Interval Based : Transport Assets	Preventi	4	2	5			15	16	17
	Typical Work Streams : Capacity Building Training and Development : V	Work st	4	2	5			23	25	26
	Typical Work Streams : Local Economic Development : Project Impleme	Work st	4	2	5			547	576	620
	Typical Work Streams : Local Economic Development : Training	Work st	4	2	5			62	65	70
	Typical Work Streams : Tourism : Tourism Development	Work st	4	2	5			134	141	152
Vote 7 - Infrastructure &	Electrical Infrastructure : LV Networks : Municipal Service Connection	Preventi	6	3	2			1 499	1 552	1 714
	Electrical Infrastructure : LV Networks : Public Lighting	Preventi	6	3	2			924	973	115
	Electrical Infrastructure : Power Plants : Electrical Equipment	Preventi	6	3	2			3 023	3 150	3 477
	Municipal Running Cost		6	3	2			472 567	500 141	565 147
	Preventative Maintenance : Interval Based : Transport Assets	Preventi	6	3	2			706	726	528
	Solid Waste Disposal : Waste Separation Facilities : Mechanical Equipr	Preventi	6	3	2			372	392	–
	Typical Work Streams : Community Development : Housing Projects	Work st	8	1	2			26 771	56 466	26 279
Vote 8 - Protection Servic	Municipal Running Cost		3	4	4			93 [illegible]	99 [illegible]	105 355
	Preventative Maintenance : Interval Based : Transport Assets	Preventi	3	3	4			1 385	1 426	
	Typical Work Streams : Public Protection and Safety	Work st	3	1	4			52	55	
	Typical Work Streams : Ward Committees : Ward Initiatives	Work st	3	1	4			77	–	
Total Operational expenditure								1 [illegible] 663	1 [illegible] 887	1 433 51

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 73 MBRR SA33 – Contracts having future budgetary implications

Description	Preceding Years	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework			Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Total Contract Value
R thousand	Total	Original Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	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.		39 739	43 847	47 112	50 630	54 421	58 507	62 911	67 658	72 778	78 299	84 254	660 156
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		1 563	4 976	5 278	5 600	5 943	6 324	6 703	7 127	7 588	8 066	8 576	67 744
Total Operating Expenditure Implication	-	41 302	48 823	52 390	56 230	60 364	64 831	69 614	74 785	80 366	86 365	92 830	727 900
Capital Expenditure Obligation By Contract													
Contract 1													-
Contract 2													-
Contract 3 etc													-
Total Capital Expenditure Implication	-	-	-	-	-	-	-	-	-	-	-	-	-

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

2.15 Municipal manager's quality certificate

I, CC GROENEWALD, the municipal manager of **Overstrand Municipality**, hereby certify that the annual budget and supporting documentation for the **2019/2020 MTREF** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: CC GROENEWALD

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

Signature: Groenewald.

Date: 23.05.2019

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

ANNEXURE A

PROPOSED AMENDMENTS TO DRAFT BUDGET AND TARIFFS

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

PROPOSED 2019/2020 FINAL BUDGET CHANGES

	DEPT FROM	DEPT TO	Draft 2019/2020	Draft 2020/2021	Draft 2021/2022	Change 2019/2020	Change 2020/2021	Change 2021/2022	Final 2019/2020	Final 2020/2021	Final 2021/2022	Comments
OPEX												
1 SALARIES												
Basic Salary:Total for All Other Councillors		0010	5 028 828	5 280 264	5 544 276	-275 050	-275 050	-275 050	4 753 778	5 005 214	5 269 226	Additional Mayco member salary- reallocation
Cellphone Allowance: Total for All Other Councillors		0010	754 800	754 800	754 800	-44 400	-44 400	-44 400	710 400	710 400	710 400	Additional Mayco member salary- reallocation
Basic Salary:Executive Committee		0010	0	0	0	275 050	275 050	275 050	275 050	275 050	275 050	Additional Mayco member salary- reallocation
Basic Salary:Executive Committee		0010	2 607 408	2 737 776	2 874 672	376 804	376 804	376 804	2 984 212	3 114 580	3 251 476	Additional Mayco member salary- reallocation
Cellphone Allowance: Total for All Other Councillors		0010	177 600	177 600	177 600	44 400	44 400	44 400	222 000	222 000	222 000	Additional Mayco member salary- reallocation
Bargaining Council		0010	0	0	0	16 416	16 416	16 416	16 416	16 416	16 416	Updated Bargaining Council calculation as per Circular 2/2019
Basic Salaries & Wages -Safeguarding (EPWP -After hours Car Watch)		1110	0	0	0	200 000			200 000	0	0	Create Typical Workstream Project
2 GRANTS												
Basic Salaries & Wages (K9 Unit)		0710	2 000 000	2 200 000	2 420 000	197 000			2 197 000	2 200 000	2 420 000	Re-allocation of K9 Unit Grant Funds
Contracted Serv: Project Management (K9 Unit)		0740	0			80 000			80 000	0	0	Re-allocation of K9 Unit Grant Funds
Contracted Serv: Maintenance of Buildings (K9 Unit)		0740	0			500 000			500 000	0	0	Re-allocation of K9 Unit Grant Funds
Assets less Capital Threshold (K9 Unit)		0740	0			100 000			100 000	0	0	Re-allocation of K9 Unit Grant Funds
Branding of kennels (K9 Unit)		0710	0			10 000			10 000	0	0	Re-allocation of K9 Unit Grant Funds
Uniforms & Protective Clothing (K9 Unit)		0710	0			10 000			10 000	0	0	Re-allocation of K9 Unit Grant Funds
Bursaries (FMCBG)		0650	380 000	0	0	-380 000			0	0	0	Re-allocation of FMCBG Funds
Bursaries (FMCBG)		0100	0	0	0	380 000			380 000	0	0	Re-allocation of FMCBG Funds
Basic Salaries & Wages (EPWP)		1110	1 926 000	0	0	656 300			2 582 300	0	0	EPWP Exp to equal Grant Allocation
Staff:Unimployment Insurance Fund (EPWP)		1110	19 260	0	0	7 090			26 350	0	0	EPWP Exp to equal Grant Allocation
Operational Cos:Skills Develop (EPWP)		1110	19 260	0	0	7 090			26 350	0	0	EPWP Exp to equal Grant Allocation
Basic Salaries & Wages (FMG)		0160	0	0	0	495 000	495 000	495 000	495 000	495 000	495 000	FMG Related Exp
Staff:Unimployment Insurance Fund (FMG)		0160	0	0	0	2 000	2 000	2 000	2 000	2 000	2 000	FMG Related Exp
Operational Cos:Skills Develop (FMG)		0160	0	0	0	3 000	3 000	3 000	3 000	3 000	3 000	FMG Related Exp
Basic Salaries & Wages (FMG)		0180	0	0	0	75 000	75 000	75 000	75 000	75 000	75 000	FMG Related Exp
Business & Advisory (FMG)		0160	770 000	770 000	770 000	-770 000	-770 000	-770 000	0	0	0	FMG Related Exp
Specialized Computer Services -Information systems (FMG)		0160	0	0	0	450 000	450 000	450 000	450 000	450 000	450 000	FMG Related Exp
Bursaries (FMG)		0650	0	0	0	525 000	525 000	525 000	525 000	525 000	525 000	FMG Related Exp
Inventory: Finished Goods (EHP)		2990	200 000	0	0	-200 000	0	0	0	0	0	Re-allocation of Housing Grant Funds
Inventory: Finished Goods (Hawston TS (378))		2990	23 170 946	14 263 700	9 623 398	-2 109 778	0	0	21 061 168	14 263 700	9 623 398	Re-allocation of Housing Grant Funds
Inventory: Finished Goods (Blompark TS)		2990	3 000 000	3 804 420	10 396 152	-1 000 000	0	0	2 000 000	3 804 420	10 396 152	Re-allocation of Housing Grant Funds
Inventory: Finished Goods (Swartdamweg Site C1 TS (150)		2990	3 804 420	10 145 120	6 340 700	-1 804 420	0	0	2 000 000	10 145 120	6 340 700	Re-allocation of Housing Grant Funds
Staff:Unimployment Insurance Fund (EPWP)		1110		20 460	21 732		-20 460	-21 732		0	0	EPWP Allocation only for 1 year
Basic Salaries & Wages (EPWP)		1110		2 046 372	2 174 268		-2 046 372	-2 174 268		0	0	EPWP Allocation only for 1 year
Operational Cos:Skills Develop (EPWP)		1110		20 460	21 732		-20 460	-21 732		0	0	EPWP Allocation only for 1 year
Roll-over Grants												
Basic Salaries & Wages (LG Internship Graduation Grant)		0140	0	0	0	35 000	0	0	35 000	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Staff:Bargaining Council (LG Internship Graduation Grant)		0140	0	0	0	100	0	0	100	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Staff:Unimployment Insurance Fund (LG Internship Graduation Grant)		0140	0	0	0	400	0	0	400	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Operational Cos:Skills Develop (LG Internship Graduation Grant)		0140	0	0	0	500	0	0	500	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Bursaries (FMCBG)		0100	0	0	0	600 000	0	0	600 000	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Housing -Title Deeds (Legal & Litigation)		2900	0	0	0	776 039	0	0	776 039	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Basic Salaries & Wages (Mun Service Del & Capacity Build Grant)		1750	0	0	0	128 200	0	0	128 200	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Materials & Supplies (Mun Service Del & Capacity Build Grant)		1750	0	0	0	9 130	0	0	9 130	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Telephone, Fax, Telegraph and Telex (Mun Service Del & Capacity Build Grant)		1750	0	0	0	3 000	0	0	3 000	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Travel and Subsistence Public Trans (Mun Service Del & Capacity Build Grant)		1750	0	0	0	800	0	0	800	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Project Management (Mun Service Del & Capacity Build Grant)		1750	0	0	0	3 200	0	0	3 200	0	0	Unspent 2018/2019 Grant funds- Related Expenditure
Contracted Serv:Consultants and Business & Advisory (FMSG)		0160	0	0	0	280 000	0	0	280 000	0	0	Unspent 2018/2019 Grant funds- Related Expenditure

121

	DEPT FROM	DEPT TO	Draft 2019/2020	Draft 2020/2021	Draft 2021/2022	Change 2019/2020	Change 2020/2021	Change 2021/2022	Final 2019/2020	Final 2020/2021	Final 2021/2022	Comments
3 OTHER												
Maintenance of Unspecified Assets	Ward 05	1310	0			400 000			400 000	0	0	REPAIR BENCHINGS ,INSTALL LOCKABLE COVERS
Materials & Supplies	Ward 05	1310				100 000			100 000	0	0	
Maintenance of Unspecified Assets	Ward 06	1310	0			400 000			400 000	0	0	SEWERAGE-REPAIR BENCHINGS ,INSTALL LOCKABLE COVERS
Materials & Supplies	Ward 06	1310				100 000			100 000	0	0	
Maintenance of Unspecified Assets	Ward 12	1310	0			400 000			400 000	0	0	REPAIR BENCHINGS ,INSTALL LOCKABLE COVERS
Materials & Supplies	Ward 12	1310				100 000			100 000	0	0	
Maintenance of Unspecified Assets		1310	0			100 000			100 000	0	0	NOTICE BOARD HERMANUS CBD
OMBUDSMAN- Professional Services		0100	0			200 000			200 000	0	0	Ombudsman Services
ENVIRONMENTAL SERVICES (Project Management)		2300	0			2 000 000			2 000 000	0	0	Baboon Project
HARDWARE (Access Control)		0740	0			280 000			280 000	0	0	Unspent Access Control Funding
Maintenance of Unspecified Assets (S4S)		2130	0			176 000			176 000	0	0	Balance of Spaces for Sports allocation
Maintenance of Unspecified Assets		1640	130 000	224 720	238 203	-30 000	-31 800	-33 708	100 000	192 920	204 495	Re-allocation of expenditures for tender requirements
Clearing & Grass Cutting (For Tenders)		1640	0	0	0	30 000	31 800	33 708	30 000	31 800	33 708	Re-allocation of expenditures for tender requirements
Postage/Stamps/Franking Machine		2260	5 200	5 400	5 600	-200	-200	-200	5 000	5 200	5 400	Re-allocation of expenditures for tender requirements
Assets less Capital Threshold		2260	0	0	0	200	200	200	200	200	200	Re-allocation of expenditures for tender requirements
Corporate & Mun Activities (For Tenders)		0900	420 550	435 992	435 992	-120 000	-120 000	-138 000	300 550	315 992	297 992	Re-allocation of expenditures for tender requirements
Oper Cost: Specialised Computer Services (For Tenders)		0900	0	0	0	120 000	120 000	138 000	120 000	120 000	138 000	Re-allocation of expenditures for tender requirements
Buildings (For Tenders)		2170	53 035	0	0	-24 860	0	0	28 175	0	0	Re-allocation of expenditures for tender requirements
Oper Cost: Hire Charges (For Tenders)		2170	0	0	0	24 860			24 860	0	0	Re-allocation of expenditures for tender requirements
Corporate & Mun Activities (For Tenders)		1120	74 200	78 652	81 248	-62 900	-62 900	-68 000	11 300	15 752	13 248	Re-allocation of expenditures for tender requirements
Oper Cost: Specialised Computer Services (For Tenders)		1120	0	0	0	62 900	62 900	68 000	62 900	62 900	68 000	Re-allocation of expenditures for tender requirements
Litter & Street Cleaning (For Tenders)		0530			0			1 550 607	0	0	1 550 607	Re-allocation of expenditures for tender requirements
Oper Lease: Other Assets (For Tenders)		1110			0		321 488	340 777	0	321 488	340 777	Re-allocation of expenditures for tender requirements
Maintenance of Unspecified Assets (Dust Control)		0510	3 000 000	3 201 276	3 393 353	500 000			3 500 000	3 201 276	3 393 353	Additional R500 000 for Dust Control
Maintenance of Buildings		0530	0			100 000	100 000	100 000	100 000	100 000	100 000	Correction- Omission on Draft Budget- Datatstring
Maintenance of Unspecified Assets		062	210 000			-210 000			0			Amounts duplicated on the Draft Budget
Maintenance of Unspecified Assets		062	515 000			-515 000			0			Amounts duplicated on the Draft Budget
Maintenance of Unspecified Assets		062	1 732 000			-1 732 000			0			Amounts duplicated on the Draft Budget
4 WARDS												
Maintenance of Unspecified Assets (WSP ECD- Land & Serv Masakhane)		1330	50 000			-50 000			0	0	0	Re-allocation of Ward Opex funding as per Memo from Ward Committee
Materials & Supplies (WSP ECD- Land & Serv Masakhane)		1330	50 000			-50 000			0	0	0	Re-allocation of Ward Opex funding as per Memo from Ward Committee
OperCost:Drivers Licences&Permits (WSP Drivers Licence Training)		1330	0			100 000			100 000	0	0	Re-allocation of Ward Opex funding as per Memo from Ward Committee
TOTAL EXPENDITURE			**50 098 507**	**46 167 012**	**45 273 726**	**2 061 871**	**-492 584**	**946 872**	**52 160 378**	**45 674 428**	**46 220 598**	
REVENUE												
1 GRANTS												
DISASTER MANAGEMENT GRANT	0100		-5 000 000			1 842 553	0	0	-3 157 447	0	0	Re-allocation for Fire Engine out of Disaster Funds
DISASTER MANAGEMENT GRANT		0740	0			-1 842 553	0	0	-1 842 553	0	0	Re-allocation for Fire Engine out of Disaster Funds
Fin Man Capacity Building Grant		0650	-380 000			380 000	0	0	0	0	0	Re-allocation of Grant to Council instead of Human resources
Fin Man Capacity Building Grant		0100	0			-380 000	0	0	-380 000	0	0	Re-allocation of Grant to Council instead of Human resources
Monetary Allocations : National Government : MIG		1540	-7 611 744			126 000	0	0	-7 485 744	0	0	Re-allocation of MIG funding as per request
Monetary Allocations : National Government : MIG		3780	0			-126 000	0	0	-126 000	0	0	Re-allocation of MIG funding as per request
Housing Grant - Opex		2990	-30 175 366	-28 213 240	-26 360 250	5 114 198	0	0	-25 061 168	-28 213 240	-26 360 250	Re-allocation of Housing funding as per request
Housing Grant - Capex		2990	-21 324 634	-13 286 760	-39 479 750	-5 114 198	0	0	-26 438 832	-13 286 760	-39 479 750	Re-allocation of Housing funding as per request
Equitable Share - Water		4890	-14 234 391	-18 602 819	-20 145 460	584 280	623 477	665 418	-13 650 111	-17 979 342	-19 480 042	Re-allocation of Equitable Share Allocation between Services
Equitable Share - Sewer		4100	-17 938 492	-23 494 726	-25 498 080	736 324	787 430	842 219	-17 202 168	-22 707 296	-24 655 861	Re-allocation of Equitable Share Allocation between Services
Equitable Share - Refuse		3650	-18 219 957	-23 890 003	-25 951 779	747 877	800 676	857 205	-17 472 080	-23 089 327	-25 094 574	Re-allocation of Equitable Share Allocation between Services
Equitable Share - Electricity		4400	-33 656 038	-45 378 746	-50 690 204	2 068 177	2 454 023	2 717 225	-31 587 861	-42 924 723	-47 972 979	Re-allocation of Equitable Share Allocation between Services
Equitable Share - Council		0100	-22 648 122	-6 167 706	-7 442 477	-4 136 658	-4 665 606	-5 082 067	-26 784 780	-10 833 312	-12 524 544	Re-allocation of Equitable Share Allocation
Roll-over Grants												

OVERSTRAND MUNISIPALITEIT
05 23
MUNICIPALITY

	DEPT FROM	DEPT TO	Draft 2019/2020	Draft 2020/2021	Draft 2021/2022	Change 2019/2020	Change 2020/2021	Change 2021/2022	Final 2019/2020	Final 2020/2021	Final 2021/2022	Comments
Resource funding for the establishment & support of K9 Unit (Operational)		0710	0	0	0	-217 000			-217 000	0	0	Unspent 2018/2019 Grant funds- Related Grant Revenue
Resource funding for the establishment & support of K9 Unit (Operational)		0740	0	0	0	-680 000	0	0	-680 000	0	0	Unspent 2018/2019 Grant funds- Related Grant Revenue
Resource funding for the establishment & support of K9 Unit (Capital)		0740				-320 000	0	0	-320 000	0	0	Unspent 2018/2019 Grant funds- Related Grant Revenue
Resource funding for the establishment & support of K9 Unit (Capital)		0710	0	0	0	-2 583 000	0	0	-2 583 000	0	0	Unspent 2018/2019 Grant funds- Related Grant Revenue
Local Govt Graduate Internship Grant		0140	0	0	0	-36 000	0	0	-36 000	0	0	Unspent 2018/2019 Grant funds- Related Grant Revenue
Fin Man Capacity Building Grant		0010	0	0	0	-600 000	0	0	-600 000	0	0	Unspent 2018/2019 Grant funds- Related Grant Revenue
Housing - Title Deeds		2900	0	0	0	-776 039	0	0	-776 039	0	0	Unspent 2018/2019 Grant funds- Related Grant Revenue
OperMonetr:WC-Capacity Building (Mun Service Del & Capacity Build Grant)		1750				-144 330	0	0	-144 330	0	0	Unspent 2018/2019 Grant funds- Related Grant Revenue
OperMonetr:WC-Other WC-FMGSG		0160	0	0	0	-280 000	0	0	-280 000	0	0	Unspent 2018/2019 Grant funds- Related Grant Revenue
2 OTHER												
Operational Revenue S4S		2130	0			-176 000			-176 000	0	0	Updating of Revenue budgets
Ops Rev:Adm Handling Fees		0010	0	0	0	-31 000	-32 860	-34 832	-31 000	-32 860	-34 832	Updating of Revenue budgets
Interets:Deemed Interest		0190	-100	-100	0	-9 900	-9 900	-10 000	-10 000	-10 000	-10 000	Updating of Revenue budgets
Ops Rev:Adm Handling Fees		0200	-150 000	-159 000	-168 540	-50 000	-53 000	-56 180	-200 000	-212 000	-224 720	Updating of Revenue budgets
OpsRev:Incidental Cash Surpluses		0200	-400 000	-424 000	-449 440	-200 000	-212 000	-224 720	-600 000	-636 000	-674 160	Updating of Revenue budgets
Ops Rev:Adm Handling Fees		0226	-150 000	-159 000	-168 540	-25 000	-26 500	-28 090	-175 000	-185 500	-196 630	Updating of Revenue budgets
ServChrg:Sales:Licences or Permits:Boa		0530	-20 000	-21 200	-22 472	-15 000	-15 900	-16 854	-35 000	-37 100	-39 326	Updating of Revenue budgets
SalesServices:Advertisements		0540	-15 000	-15 000	-15 000	14 900	14 900	14 900	-100	-100	-100	Updating of Revenue budgets
ServChrg:Sales:Lic or Permit:Filming F		0540	-6 000	-6 000	-6 000	-9 000	-9 900	-10 854	-15 000	-15 900	-16 854	Updating of Revenue budgets
ServChrg:Sales:Lic or Permit:Filming F		0560	-100	-100	-100	-2 400	-2 400	-2 400	-2 500	-2 500	-2 500	Updating of Revenue budgets
SalesServices:Formal Training		0650	-25 000	-25 000	-25 000	-25 000	-25 000	-25 000	-50 000	-50 000	-50 000	Updating of Revenue budgets
SalesServices:Management Fees		0650	-170 000	-170 000	-170 000	-30 000	-30 000	-30 000	-200 000	-200 000	-200 000	Updating of Revenue budgets
ServChrg:Sales:Lic or Permit:Act on Pu		0700	-73 000	-77 380	-82 023	-7 000	-2 620	2 023	-80 000	-80 000	-80 000	Updating of Revenue budgets
Fines:Law Enforcement		0710	-25 000	-25 000	-25 000	-50 000	-50 000	-50 000	-75 000	-75 000	-75 000	Updating of Revenue budgets
SalesServices:Cleaning&Removals		0740	-10 000	-10 000	-10 570	-45 000	-45 000	-44 430	-55 000	-55 000	-55 000	Updating of Revenue budgets
SalesServices:Fire Services		0740	-100 000	-100 000	-100 000	-20 000	-20 000	-20 000	-120 000	-120 000	-120 000	Updating of Revenue budgets
SalesServices:Management Fees		0960	-5 000	-5 000	-5 000	-8 000	-8 000	-8 000	-13 000	-13 000	-13 000	Updating of Revenue budgets
SalesServices:Photocopies&Faxes		0960	-1 500	-1 500	-1 500	-200	-200	-200	-1 700	-1 700	-1 700	Updating of Revenue budgets
Market Related:Libraries		0970	0	0	0	-500	-500	-500	-500	-500	-500	Updating of Revenue budgets
SalesServices:Photocopies&Faxes		0970	0	0	0	-1 000	-1 000	-1 000	-1 000	-1 000	-1 000	Updating of Revenue budgets
Non-exchange Re:Fines, Penalti		0970	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets
Property Plant and Equipment : Straight-lined Operating : Libraries		0970	-100	-100	-100	100	100	100	0	0	0	Updating of Revenue budgets
SalesServices:Management Fees		0980	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets
SalesServices:Photocopies&Faxes		0980	-1 500	-1 500	-1 500	-500	-500	-500	-2 000	-2 000	-2 000	Updating of Revenue budgets
SalesServices:Sale-Publications - Book		0980	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets
Non-exchange Re:Fines, Penalti		0980	-1 200	-1 200	-1 200	-800	-800	-800	-2 000	-2 000	-2 000	Updating of Revenue budgets
SalesServices:Management Fees		0990	0	0	0	0	0	0	0	0	0	Updating of Revenue budgets
SalesServices:Photocopies&Faxes		0990	-500	-500	-500	400	400	400	-100	-100	-100	Updating of Revenue budgets
SalesServices:Sale-Publications - Book		0990	0	0	0	0	0	0	0	0	0	Updating of Revenue budgets
Non-exchange Re:Fines, Penalti		0990	0	0	0	0	0	0	0	0	0	Updating of Revenue budgets
SalesServices:Management Fees		1000	-9 000	-9 000	-9 000	-3 000	-3 000	-3 000	-12 000	-12 000	-12 000	Updating of Revenue budgets
SalesServices:Photocopies&Faxes		1000	-2 000	-2 000	-2 000	-500	-500	-500	-2 500	-2 500	-2 500	Updating of Revenue budgets
SalesServices:Sale-Publications - Book		1000	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets
SalesServices:Photocopies&Faxes		1010	0	0	0	-1 000	-1 000	-1 000	-1 000	-1 000	-1 000	Updating of Revenue budgets
SalesServices:Photocopies&Faxes		1020	-6 000	-6 000	-6 000	-1 000	-1 000	-1 000	-7 000	-7 000	-7 000	Updating of Revenue budgets
SalesServices:Parking fees		1130	-100 000	-106 000	-112 360	0	6 000	12 360	-100 000	-100 000	-100 000	Updating of Revenue budgets
SalesServices:Management Fees		1400	-500	-500	-500	200	200	200	-300	-300	-300	Updating of Revenue budgets
Rent on Land:Land - Undeveloped Land		1610	-660 000	-660 000	-660 000	60 000	60 000	60 000	-600 000	-600 000	-600 000	Updating of Revenue budgets
Non-market Related:Community Assets		1640	-100	0	0	0	-100	-100	-100	-100	-100	Updating of Revenue budgets
Non-market Related:Community Assets		1650	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets
Exchange Revenue : Sales of Goods and Rendering of Services : Management Fees		1650	-100	-100	-100	100	100	100	0	0	0	Updating of Revenue budgets
Exchange Revenu:Rental from F		1650	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets
SalesServices:Stree Markets Informal		1650	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets
Non-market Related:Community Assets		1670	-10 000	-10 000	-10 000	-2 000	-2 000	-2 000	-12 000	-12 000	-12 000	Updating of Revenue budgets
SalesServices:Management Fees		1750	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets

	DEPT FROM	DEPT TO	Draft 2019/2020	Draft 2020/2021	Draft 2021/2022	Change 2019/2020	Change 2020/2021	Change 2021/2022	Final 2019/2020	Final 2020/2021	Final 2021/2022	Comments
Operational:Thusong Centre		1750	-5 000	-5 000	-5 000	3 000	3 000	3 000	-2 000	-2 000	-2 000	Updating of Revenue budgets
RentNon-Mrkt:PPE:Adhoc:Community Asset		1830	-30 000	-31 800	-33 708	-5 000	-3 200	-1 292	-35 000	-35 000	-35 000	Updating of Revenue budgets
Market Related:Community Assets		1910	-25 000	-26 500	-28 090	-5 000	-3 500	-1 910	-30 000	-30 000	-30 000	Updating of Revenue budgets
Market Related:Community Assets		1920	-21 000	-22 260	-23 596	-9 000	-7 740	-6 404	-30 000	-30 000	-30 000	Updating of Revenue budgets
Exchange Revenu:Rental from Fi		1930	-167 000	-167 000	-176 519	0	0	9 519	-167 000	-167 000	-167 000	Updating of Revenue budgets
SalesServices:Entrance Fees		1990	-35 000	-37 100	-39 326	-5 000	-2 900	-674	-40 000	-40 000	-40 000	Updating of Revenue budgets
Interest:Sporting&Other Bodies		2100	-100	0	0	0	-100	-100	-100	-100	-100	Updating of Revenue budgets
ServChrg:Sales:Licences or Permits:Boa		2150	-300 000	-300 000	-300 000	-100 000	-100 000	-100 000	-400 000	-400 000	-400 000	Updating of Revenue budgets
SalesServices:Management Fees		2200	-850 000	-901 000	-955 060	-20 000	-21 200	-22 472	-870 000	-922 200	-977 532	Updating of Revenue budgets
SalesServices:Plan&Dev-Building Plans		2200	-400 000	-400 000	-400 000	100 000	100 000	100 000	-300 000	-300 000	-300 000	Updating of Revenue budgets
OpsRev:Plan Printing&Duplicates		2250	-40 000	-42 400	-44 944	-15 000	-12 600	-10 056	-55 000	-55 000	-55 000	Updating of Revenue budgets
SalesServices:Plan&Dev-Building Plans		2250	-7 400 000	-7 844 000	-8 314 640	1 400 000	1 484 000	1 573 040	-6 000 000	-6 360 000	-6 741 600	Updating of Revenue budgets
SalesServices:Plan&Dev-TownPlan&Servit		2250	-52 850	-56 021	-59 382	6 850	10 021	13 382	-46 000	-46 000	-46 000	Updating of Revenue budgets
SalesServices:Sale-Prints		2250	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets
SalesServices:Entrance Fees		2300	-20 000	-21 200	-22 472	-25 000	-26 500	-28 090	-45 000	-47 700	-50 562	Updating of Revenue budgets
RentMrktRel:InvProp-Straight-Lined Ope		2510	0	0	0	-100	-100	-100	-100	-100	-100	Updating of Revenue budgets
SalesServices:Cemetries&Burials		2510	-100 000	-106 000	-112 360	-30 000	-31 800	-33 708	-130 000	-137 800	-146 068	Updating of Revenue budgets
SalesServices:Cemetries&Burials		2520	-26 000	-27 560	-29 214	-14 000	-14 840	-15 730	-40 000	-42 400	-44 944	Updating of Revenue budgets
SalesServices:Camping Fees		2600	-1 400 000	-1 484 000	-1 573 040	-100 000	-106 000	-112 360	-1 500 000	-1 590 000	-1 685 400	Updating of Revenue budgets
SalesServices:Camping Fees		2610	-380 000	-402 800	-426 968	-20 000	-21 200	-22 472	-400 000	-424 000	-449 440	Updating of Revenue budgets
SalesServices:Camping Fees		2620	-237 000	-251 220	-266 293	-13 000	-13 780	0	-250 000	-265 000	-266 293	Updating of Revenue budgets
SalesServices:Cleaning&Removals		3310	-21 100	-22 366	-23 708	-5 900	-6 254	0	-27 000	-28 620	-23 708	Updating of Revenue budgets
SalesServices:Development Charges		3310	-10 500	-11 130	-11 798	-5 500	-5 830	-6 180	-16 000	-16 960	-17 978	Updating of Revenue budgets
SalesServices:Development Charges		4100	-100 000	-106 000	-112 360	-50 000	-53 000	-56 180	-150 000	-159 000	-168 540	Updating of Revenue budgets
SalesServices:Development Charges		4400	-500 000	-500 000	-500 000	-50 000	-50 000	-50 000	-550 000	-550 000	-550 000	Updating of Revenue budgets
Sale of Goods:Materials and Equipment		4400	-10 000	-10 000	-10 000	-10 000	-10 000	-10 000	-20 000	-20 000	-20 000	Updating of Revenue budgets
SalesServices:Development Charges		4890	-420 000	-445 200	-471 912	160 000	169 600	179 776	-260 000	-275 600	-292 136	Updating of Revenue budgets
Fines:Illegal Connections - Electricit		4890	-50 000	-53 000	-56 180	-25 000	-26 500	-28 090	-75 000	-79 500	-84 270	Updating of Revenue budgets
Road & Transport		0700	-580 184	-577 675	-575 135	-39 816	-42 325	-44 865	-620 000	-620 000	-620 000	Correction- Omission on Draft Budget- Datatstring
Fines		0700	-27 000 000	-28 620 000	-30 337 200	-5 159 520	-5 489 090	-5 808 436	-32 159 520	-34 109 090	-36 145 636	Updating of Revenue budgets
3 RATES & SERVICES												
Rates:Business&Commercial		0250	-37 300 000	-39 538 000	-41 910 280	-1 200 000	-1 272 000	-1 348 320	-38 500 000	-40 810 000	-43 258 600	Updating of Revenue budgets
Rates:Farms-Agricultural Purposes		0250	-770 000	-816 200	-865 172	120 000	127 200	134 832	-650 000	-689 000	-730 340	Updating of Revenue budgets
Rates:Residential-Vacant Land		0250	-23 000 000	-24 380 000	-25 842 800	-1 000 000	-1 060 000	-1 123 600	-24 000 000	-25 440 000	-26 966 400	Updating of Revenue budgets
ServChrg:Refuse-Refuse Removal		3500	-100	-100	-100	-1 400	-1 400	-1 400	-1 500	-1 500	-1 500	Updating of Revenue budgets
ServChrg:Sewer-Sanitation Charges		3860	-10 000	-10 600	-11 236	-10 000	-10 600	-11 236	-20 000	-21 200	-22 472	Updating of Revenue budgets
Sewerage Income Availability		4100	-5 681 153	-6 022 022	-6 383 343	-18 847	0	0	-5 700 000	-6 022 022	-6 383 343	Updating of Revenue budgets
ServChrg:Sewer-Sanitation Charges		4100	-72 118 847	-76 445 978	-81 032 737	-2 181 153	0	0	-74 300 000	-76 445 978	-81 032 737	Updating of Revenue budgets
ServChrg:Elec-Serv Inod To Energy Sale		4360	-540 000	-572 400	-606 744	-460 000	-487 600	-516 856	-1 000 000	-1 060 000	-1 123 600	Updating of Revenue budgets
ServChrg:Elec-Disconnect/Recon Fees		4430	-130 000	-137 800	-146 068	-5 000	-5 300	-5 618	-135 000	-143 100	-151 686	Updating of Revenue budgets
ServChrg:Elec-Disconnect/Recon Fees		4460	-275 000	-291 500	-308 990	-125 000	-132 500	-140 450	-400 000	-424 000	-449 440	Updating of Revenue budgets
ServChrg:Water-Sale Conventional		4890	-117 521 708	-124 573 010	-132 047 391	-478 292	0	0	-118 000 000	-124 573 010	-132 047 391	Updating of Revenue budgets
Water Income Availability		4890	-7 558 292	-8 011 790	-8 492 497	-441 708	0	0	-8 000 000	-8 011 790	-8 492 497	Updating of Revenue budgets
TOTAL REVENUE			-478 216 278	-484 299 812	-540 176 708	-16 113 755	-7 596 918	-7 975 827	-494 330 033	-491 896 730	-548 152 535	
BOTTOMLINE ON OPEX			-428 117 771	-438 132 800	-494 902 982	-14 051 884	-8 089 502	-7 028 955	-442 169 655	-446 222 302	-501 931 937	

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

	DEPT FROM	DEPT TO	Draft 2019/2020	Draft 2020/2021	Draft 2021/2022	Change 2019/2020	Change 2020/2021	Change 2021/2022	Final 2019/2020	Final 2020/2021	Final 2021/2022	Comments
CAPEX												
	Ward	Funding										
1 WARDS												
FENCING OF ZWELIHLE TAXI RANK	Ward 05	perating Cash-WS	300 000			-300 000			0	0	0	AMENDMENT TO WARD ALLOCATION AS PER WARD REQUEST.
PURCHASING & INSTALLATION OF PLAY PARK EQUIPMENT	Ward 05	perating Cash-WS	200 000			300 000			500 000	0	0	AMENDMENT TO WARD ALLOCATION AS PER WARD REQUEST.
2 MIG AMENDMENTS												
UPGRADE HAWSTON SPORT COMPLEX	Ward 08	MIG	13 300 000			0			13 300 000	0	0	PROJECT NAME CHANGE FROM UPGRADE HAWSTON SPORT GROUNDS (SRSA)
BLOMPARK HOUSING PROJECT BULK STORMWATER	Ward 02	MIG	7 611 744			-126 000			7 485 744	0	0	MIG AMENDMENTS AS IDENTIFIED BY MIG PMU
PROVISION OF BULK SEWER SUPPLY	Ward 02	MIG	0			126 000			126 000	0	0	MIG AMENDMENTS AS IDENTIFIED BY MIG PMU
3 ROLL OVERS												
STORMWATER - MAIN RD & HIGH STREET	Ward 03	and Sales-R/ove	4 500 000			1 757 665			6 257 665	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
CBD REGENERATION PROGRAM	Ward 03	and Sales-R/ove	7 000 000			644 182			7 644 182	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
STORMWATER - PHASE 1-INDUSTRIAL AREA	Ward 03	and Sales-R/ove	2 600 000			857 185			3 457 185	0	0	PROJECT MANAGER REQUEST
HAWSTON INDUSTRIAL(BUSINESS) HUB	Ward 08	and Sales-R/ove	4 500 000			371 000			4 871 000	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
WATER MASTER PLAN IMPLEMENTATION	Overstrand	-Infra Levy-R/Ov	15 000 000	10 000 000		1 286 360			16 286 360	10 000 000	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
WATER STABILIZATION PLANT FOR STANFORD	Ward 11	EL 19 R/over	2 500 000			1 384 199			3 884 199	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
NEW RESERVOIR FOR PRINGLE BAY	Ward 10	EL 19 R/over	7 502 505			1 672 600			9 175 105	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
UPGRADING OF KIDBROOKE PIPELINE	Ward 13	EL 19 R/over	0			3 070 000			3 070 000	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
WWTW UPGRADE - STANFORD	Ward 11	EL 19 R/over	0			1 800 240			1 800 240	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
ZWELIHLE SEWER	Ward 12	and Sales-R/ove	3 000 000			1 722 500			4 722 500	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
GANSBAAI CBD SEWER NETWORK EXTENSION	Ward 02	L Infra Levy19-R	4 000 000			2 574 574			6 574 574	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
ACCESS CONTROL MUNICIPAL MAIN BUILDING	Overstrand	Surplus-R/Over	0			100 000			100 000	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
UPGRADING OF FACILITIES - FIRE SERVICES BUILDING	Overstrand	SG-K9 Unit-R/Ov	0			300 000			300 000	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
LICENCE SET UP FOR CAD- COMPUTER AIDED DISPATCH SYSTEM	Overstrand	SG-K9 Unit-R/Ov	0			20 000			20 000	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
VEHICLES-PARKS	Overstrand	Surplus-R/Over	0			137 512			137 512	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
VEHICLES-PUBLIC SAFETY	Overstrand	Surplus-R/Over	0			643 382			643 382	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
CCTV CAMERAS	Overstrand	and Sales-R/ove	0			500 000			500 000	0	0	PROJECT IDENTIFIED TO ROLL OVER AS PER PROJECT MANAGER REQUEST
4 ADDITIONAL PROJECTS												
CCTV CAMERAS SYSTEM	Ward 04	Land Sales	0			250 000			250 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
ABLUTION FACILITIES ,ONRUS SWIMMING BEACH	Ward 13	Land Sales	0			750 000			750 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
SHELTER FOR COMMUNITIES ,TAXI RANK	Ward 03	Land Sales	0			200 000			200 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
UPGRADING OF MOUNT PLEASANT SPORTSGROUND FLOODLIGHTS	Ward 04	Land Sales	0			1 200 000			1 200 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
EMERGENCY HOUSING SERVICES- ELECTRICITY- Mount Pleasant	Ward 04	Land Sales	0			250 000			250 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
EMERGENCY HOUSING SERVICES- WATER- Mount Pleasant	Ward 04	Land Sales	0			100 000			100 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
EMERGENCY HOUSING SERVICES- SEWER- Mount Pleasant	Ward 04	Land Sales	0			162 000			162 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.

OVERSTRAND MUNICIPALITY
2019-05-28
SERVICES

	DEPT FROM	DEPT TO	Draft 2019/2020	Draft 2020/2021	Draft 2021/2022	Change 2019/2020	Change 2020/2021	Change 2021/2022	Final 2019/2020	Final 2020/2021	Final 2021/2022	Comments
EMERGENCY HOUSING SERVICES-WATER- Overstrand wide	Overstrand	Land Sales	0			600 000			600 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
EMERGENCY HOUSING SERVICES-SEWER- Overstrand wide	Overstrand	Land Sales	1 000 000			400 000			1 400 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
SEWERAGE-BYPASS IN SIPUMELELO CORRIDOR	Ward 05	Land Sales	0			1 000 000			1 000 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
SEWERAGE -PEACH HOUSE PRECINT UPGRADE	Ward 06	Land Sales	0			3 000 000			3 000 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
SEWERAGE-BYPASS IN SIPUMELELO CORRIDOR	Ward 12	Land Sales	0			1 500 000			1 500 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
STORMWATER-LIBRARY LINK & SIPUMELELO CORRIDOR UPGRADE	Ward 05	Land Sales	0			1 500 000			1 500 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
STORMWATER-TAXI RANK TO SIPUMELELO CORRIDOR UPGRADE	Ward 06	Land Sales	0			500 000			500 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
STORMWATER-AMANDLA STREET LINK TO SIPUMELELELO CORRIDOR	Ward 12	Land Sales	0			1 000 000			1 000 000	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM LAND SALES AS PER BSC.
FIRE ENGINE	Overstrand	w-Fire & Disaste	0			1 842 553			1 842 553	0	0	ADDITIONAL PROJECTS TO CAPITAL BUDGET FUNDED FROM PROVINCIAL DISASTER GRANT
5 CHANGES & RE-ALLOCATIONS												
HERMANUS NEW WASTE MANAGEMENT FACILITY	Overstrand	xternal Loan - 20	20 300 000	0		-10 300 000	10 300 000		10 000 000	10 300 000	0	REALLOCATION OF BUDGET FOR PROJECT BETWEEN 19-20 & 20-21 BUDGET YEARS
ESTABLISHING OF A K53 TEST STATION :KLEINMOND	Overstrand	Land Sales	600 000			0			600 000	0	0	PROJECT NAME CHANGE FROM ROADWORTHY STATION- NEW ELECTRONIC ROLLERDOORS
ESTABLISHING OF A K53 TEST STATION :GANSBAAI	Overstrand	Land Sales	500 000			0			500 000	0	0	PROJECT NAME CHANGE FROM ROADWORTHY STATION- SUPPLY & INSTALLATION OF ROOF
CCTV CAMERAS SYSTEM	Overstrand	Land Sales	500 000			500 000			1 000 000	0	0	BUDGET CHANGE FOR CCTV PROJECT AS PER REQUEST
UPGRADE HAWSTON SPORT COMPLEX	Ward 08	Land Sales	0			2 277 530			2 277 530	0	0	COUNCIL FUNDED PORTION FOR HAWSTON SPORTS COMPLEX PROJECT
UPGRADE STORMWATER NETWORK	Multi-ward HA	Surplus -Non tarif	800000			-420 000			380 000	0	0	SPILT BETWEEN WARDS FOR PROJECT AS REQUESTED BY COMMUNTY SERVICES
UPGRADE STORMWATER NETWORK	Ward 06	Surplus -Non tariff				420 000			420 000	0	0	SPILT BETWEEN WARDS FOR PROJECT AS REQUESTED BY COMMUNTY SERVICES
MASAKHANE IRDP(296)	Ward 01	Prov-Housing	6 540 082			4 573 218			11 113 300	0	0	REALLOCATION OF HOUSING PROJECTS AS REQUESTED BY INFRASTRUCTURE & PLANNING
MASAKHANE IRDP(1179)	Ward 01	Prov-Housing	5 121 370	4 051 120	12 659 750	-5 121 370			0	4 051 120	12 659 750	REALLOCATION OF HOUSING PROJECTS AS REQUESTED BY INFRASTRUCTURE & PLANNING
BLOMPARK (544)	Ward 02	Prov-Housing	0	0	0	1 818 048			1 818 048	0	0	REALLOCATION OF HOUSING PROJECTS AS REQUESTED BY INFRASTRUCTURE & PLANNING
HAWSTON IRDP	Ward 08	Prov-Housing	0	0	0	3 592 302			3 592 302	0	0	REALLOCATION OF HOUSING PROJECTS AS REQUESTED BY INFRASTRUCTURE & PLANNING
MANDELA SQUARE-GARDEN SITE	Ward 06	Prov-Housing	0	0	0	1 752 000			1 752 000	0	0	REALLOCATION OF HOUSING PROJECTS AS REQUESTED BY INFRASTRUCTURE & PLANNING
ZWELIHLE PROJECT-TRANSIT CAMP(164)	Ward 05	Prov-Housing	3 000 000	3 240 000	0	-1 500 000			1 500 000	3 240 000	0	REALLOCATION OF HOUSING PROJECTS AS REQUESTED BY INFRASTRUCTURE & PLANNING
LAW ENFORCEMENT FACILITIES (K9 UNIT)	Overstrand	ESG-K9 Unit	3 800 000			-3 800 000			0	0	0	REALLOCATION OF K9 UNIT BUDGET AS REQUESTED BY PROTECTION SERVICES
PROCUREMENT OF DOGS (K9 UNIT)	Ward 04	ESG-K9 Unit	0			880 000			880 000	0	0	REALLOCATION OF K9 UNIT BUDGET AS REQUESTED BY PROTECTION SERVICES
VEHICLES (K9 UNIT)	Overstrand	ESG-K9 Unit	0			1 530 000			1 530 000	0	0	REALLOCATION OF K9 UNIT BUDGET AS REQUESTED BY PROTECTION SERVICES
FIREARMS (K9 UNIT)	Overstrand	ESG-K9 Unit	0			173 000			173 000	0	0	REALLOCATION OF K9 UNIT BUDGET AS REQUESTED BY PROTECTION SERVICES
ELECTRIFICATION OF HOUSING IN OVERSTRAND AREA	Multi-ward	INEP	7 000 000	5 000 000	5 000 000	0	0	0	7 000 000	5 000 000	5 000 000	PROJECT NAME CHANGE FROM ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP
BOTTOMLINE ON CAPEX			121 175 701	22 291 120	17 659 750	29 470 680	10 300 000	0	150 646 381	32 591 120	17 659 750	

OVERSTRAND MUNICIPALITY
2016-05-27

DEPT FROM	DEPT TO	Draft 2019/2020	Draft 2020/2021	Draft 2021/2022	Change 2019/2020	Change 2020/2021	Change 2021/2022	Final 2019/2020	Final 2020/2021	Final 2021/2022	Comments

SUMMARY OF CHANGES ON 2019 - 2022 BUDGET	DRAFT BUDGET			CHANGE			FINAL BUDGET		
	2019/2020	2020/2021	2021/2022	2019/2020	2020/2021	2021/2022	2019/2020	2020/2021	2021/2022
EXPENDITURE	1 247 901 018	1 343 379 674	1 432 563 884	2 061 871	-492 584	946 872	1 249 962 889	1 342 887 090	1 433 510 756
REVENUE	-1 227 597 150	-1 310 323 271	-1 461 305 591	-16 113 755	-7 596 918	-7 975 827	-1 243 710 905	-1 317 920 189	-1 469 281 418
OPERATIONAL- Surplus/Deficit	20 303 868	33 056 403	-28 741 707	-14 051 884	-8 089 502	-7 028 955	6 251 984	24 966 901	-35 770 662
CAPITAL	232 206 240	138 163 760	154 324 119	29 470 680	10 300 000	0	261 676 920	148 463 760	154 324 119

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

127

OVERSTRAND MUNICIPALITY: LISTING OF CHANGES after Public Participation

REFUSE (SOLID WASTE) TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2019/2020		2018/2019		
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
SAN3	**WEIGH BRIDGE - GANSBAAI LANDFILL (rounding applicable)**					
SAN3A	Up to 1 ton load weighed ~~at Gansbaai landfil~~	no Charge	no vat	no Charge	no vat	
SAN3B	Above 1 ton load weighed at ~~Gansbaai Landfill~~: per ton load weighed	213.32	245.32	119.31	137.20	
~~SAN3C~~	~~Karwyderskraal Landfill: per ton load weighed, excluding builders rubble~~	~~213.32~~	~~245.32~~	~~new~~	~~new~~	
SAN3D	Clean builders rubble (<250mm) and sand ~~at Gansbaai and Karwyderskraal Landfill~~	no Charge	no vat	new	new	
~~SAN3E~~	~~Clean builders rubble (>250mm) at Karwyderskraal Landfill per ton weighed~~	~~100.00~~	~~115.00~~	~~new~~	~~new~~	
SAN5C	Asbestos Sheet - per unit *(Limited to **max 10 sheets**)*	0.00	0.00	62.26	71.60	
S23	**FIRE SERVICES & DISASTER MANAGEMENT**					
~~S23F4~~	~~Building Plan Scrutiny~~	~~186.09~~	~~214.00~~	~~175.65~~	~~202.00~~	5.94%
S2	**BUILDING CONTROL**					
S2F1	Plan Scrutiny Fees - < 200 m²	~~519.13~~	~~597.00~~	491.30	565.00	5.66%
S2F1	Plan Scrutiny Fees - < 200 m²	539.13	620.00	491.30	565.00	9.74%

OVERSTRAND MUNISIPALITEIT / OVERSTRAND MUNICIPALITY
2019 -05- 23

ANNEXURE B

A1 SCHEDULE & A2 BUDGET CHARTS

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Municipal annual budgets and MTREF & supporting tables

mSCOA

Accountability

Click for Instructions!

Information & service delivery

national treasury
Department
National Treasury
REPUBLIC OF SOUTH AFRICA

Contact details:

Elsabé Rossouw
National Treasury
Tel: (012) 315-5534
Electronic submissions:
LG Upload Portal

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Municipality Name:	WC032 Overstrand
CFO Name:	SANTIE REYNEKE-NAUDE
Tel:	028 3138040
Fax:	028 3138128
E-Mail:	cfo@overstrand.gov.za
Budget for MTREF starting:	2019
Budget Year:	2019/2
Does this municipality have Entities?	No

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Organisational Structure Votes			Complete Votes & Sub-Votes
Vote 2 - Municipal Manager	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 - Community Services	Vote 2	**Municipal Manager**	
Vote 6 - Economic and Social Development & Tourism	2.1	Municipal Manager	2.1 - Municipal Manager
Vote 7 - Infrastructure & Planning	2.2	Internal Audit	2.2 - Internal Audit
Vote 8 - Protection Services	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	Director: Finance	4.1 - Director: Finance
	4.2	Deputy Director: Finance	4.2 - Deputy Director: Finance
	4.3	Accounting Services	4.3 - Accounting Services
	4.4	Expenditure & Asset Management	4.4 - Expenditure & Asset Management
	4.5	Revenue	4.5 - Revenue
	4.6	Supply Chain Management	4.6 - Supply Chain Management
	4.7	Data Control	4.7 - Data Control
	4.8	Assessment Rates	4.8 - Assessment Rates
	Vote 5	**Community Services**	
	5.1	Director & Administration	5.1 - Director & Administration
	5.2	Offices & Community Buildings	5.2 - Offices & Community Buildings
	5.3	Parks & Townlands, Cemetries	5.3 - Parks & Townlands, Cemetries
	5.4	Libraries	5.4 - Libraries
	5.5	Sport & Recreation	5.5 - Sport & Recreation
	5.6	Housing & Social Upliftment	5.6 - Housing & Social Upliftment
	5.7	Roads & Stormwater	5.7 - Roads & Stormwater
	5.8	Water	5.8 - Water
	5.9	Sewerage	5.9 - Sewerage
	5.10	Refuse	5.10 - Refuse
	Vote 6	**Economic and Social Development & Tourism**	
	6.1	Director: Economic Development & Planning	6.1 - Director: Economic Development & Planning
	6.2	Tourism	6.2 - Tourism
	6.3	Parking Services	6.3 - Parking Services
	6.4	EPWP	6.4 - EPWP
	6.5	Social Development	6.5 - Social Development
	Vote 7	**Infrastructure & Planning**	
	7.1	Director: Infrastructure & Planning	7.1 - Director: Infrastructure & Planning
	7.2	Deputy Director:Engineering Planning	7.2 - Deputy Director:Engineering Planning
	7.3	Engineering Services & Housing Development	7.3 - Engineering Services & Housing Development
	7.4	Town Planning	7.4 - Town Planning
	7.5	Geographical Info System (GIS)	7.5 - Geographical Info System (GIS)
	7.6	Building Control Services	7.6 - Building Control Services
	7.7	Environmental Management Services	7.7 - Environmental Management Services
	7.8	Electricity	7.8 - Electricity
	7.9	Solid Waste Planning & Solid Waste Disposal	7.9 - Solid Waste Planning & Solid Waste Disposal
	7.10	Property Administration	7.10 - Property Administration
	Vote 8	**Protection Services**	
	8.1	Director: Protection Services	8.1 - Director: Protection Services
	8.2	Traffic	8.2 - Traffic
	8.3	Law Enforcement	8.3 - Law Enforcement
	8.4	Vehicle testing	8.4 - Vehicle testing
	8.5	Fire Brigade	8.5 - Fire Brigade
	8.6	Vehicle Licensing	8.6 - Vehicle Licensing
	8.7	Special Task Team Unit	8.7 - Special Task Team Unit
	8.8	Disaster Management	8.8 - Disaster Management
	8.9	Security Services	8.9 - Security Services
	8.10	[Name of sub-vote]	

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

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

C. POLITICAL LEADERSHIP			
Speaker:		**Secretary/PA to the Speaker:**	
ID Number	600826 5162 08 8	ID Number	
Title	Mr	Title	
Name	ANTON COETSEE	Name	
Telephone number	028 3164454	Telephone number	
Cell number	083 2835 237	Cell number	
Fax number	086 603 6114	Fax number	
E-mail address	antoncoetsee@hermanus.co.za	E-mail address	
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 3138016	Telephone number	028 3138052
Cell number	082 5744 404	Cell number	060 8368 895
Fax number	028 313 8067	Fax number	028 3138067
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	880922 0040 08 9
Title	Mrs	Title	Mrs
Name	Elnora Gillion	Name	MADELEINE de VILLIERS
Telephone number	028 313 8016	Telephone number	028 313 8002
Cell number	0606520214	Cell number	074 777 7640
Fax number		Fax number	
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	5510065096086	ID Number	5904010048088
Title	Mr	Title	Mrs
Name	COENIE GROENEWALD	Name	RENTIA PRETORIUS
Telephone number	028 3138003	Telephone number	028 3138909
Cell number	082 5529 555	Cell number	
Fax number	0865689726	Fax number	865689726
E-mail address	cgroenewald@overstrand.gov.za	E-mail address	rpretorius@overstrand.gov.za
Chief Financial Officer		**Secretary/PA to the Chief Financial Officer**	
ID Number	6407080098081	ID Number	5612020062086
Title	Mrs	Title	Mrs
Name	SANTIE REYNEKE-NAUDE	Name	RITA LE ROUX
Telephone number	028 3138040	Telephone number	028 313 8074
Cell number	082 551 4499	Cell number	
Fax number	028 3138128	Fax number	028 313 8128
E-mail address	cfo@overstrand.gov.za	E-mail address	rleroux@overstrand.gov.za
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number		ID Number	
Title	Mr	Title	Ms
Name	BERNARD KING	Name	VERONICA ALLEN
Telephone number	028 3138154	Telephone number	028 3138131
Cell number		Cell number	
Fax number	028 313 8128	Fax number	028 313 8128
E-mail address	bking@overstrand.gov.za	E-mail address	vallen@overstrand.gov.za
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number		ID Number	
Title	Mrs	Title	Ms
Name	GEORGIA BUCCHIANERI	Name	KELLY JEPTHA
Telephone number	028 3138813	Telephone number	028 3138138
Cell number		Cell number	
Fax number	028 313 8128	Fax number	028 313 8128
E-mail address	gbucchianeri@overstrand.gov.za	E-mail address	kjeptha@overstrand.gov.za

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Table A1 Budget Summary

Description	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Performance										
Property rates	164 486	197 104	214 845	234 998	234 998	234 998	–	242 150	256 669	273 473
Service charges	573 116	571 114	590 194	613 718	624 718	624 718	–	676 330	753 185	845 045
Investment revenue	12 209	20 347	30 285	21 001	29 201	29 201	–	28 010	29 690	31 471
Transfers recognised - operational	103 629	114 411	116 421	130 566	118 186	118 186	–	152 183	157 143	168 217
Other own revenue	77 249	99 952	121 494	79 944	76 194	76 194	–	74 844	79 070	82 083
Total Revenue (excluding capital transfers and contributions)	930 691	1 002 928	1 073 241	1 080 228	1 083 298	1 083 298	–	1 173 517	1 275 756	1 400 289
Employee costs	274 564	302 363	296 536	367 024	374 114	374 114	–	399 804	421 616	446 460
Remuneration of councillors	8 566	9 265	10 138	10 972	10 972	10 972	–	11 383	11 878	12 397
Depreciation & asset impairment	122 909	132 532	134 400	130 362	130 362	130 362	–	131 285	130 830	130 222
Finance charges	46 207	45 913	46 129	47 834	47 834	47 834	–	51 549	54 249	56 058
Materials and bulk purchases	214 224	266 341	263 898	296 190	290 619	290 619	–	339 554	390 299	440 440
Transfers and grants	51 090	1 898	1 800	500	500	500	–	500	525	551
Other expenditure	220 166	236 710	240 552	281 361	300 074	300 074	–	315 888	333 490	347 383
Total Expenditure	937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	–	1 249 963	1 342 887	1 433 511
Surplus/(Deficit)	(7 036)	7 906	79 788	(54 017)	(71 179)	(71 179)	–	(76 446)	(67 131)	(33 222)
Transfers and subsidies - capital (monetary allocations) (N	60 651	33 681	64 248	61 968	66 072	66 072	–	70 194	42 164	68 993
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	53 616	41 587	144 036	7 951	(5 106)	(5 106)	–	(6 252)	(24 967)	35 771
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	53 616	41 587	144 036	7 951	(5 106)	(5 106)	–	(6 252)	(24 967)	35 771
Capital expenditure & funds sources										
Capital expenditure	95 133	91 868	105 207	194 237	174 748	174 748	–	261 677	148 464	154 324
Transfers recognised - capital	61 394	43 214	68 640	62 068	66 172	66 172	–	70 194	42 164	68 993
Borrowing	27 189	35 550	19 199	68 650	53 624	53 624	–	90 501	64 300	50 000
Internally generated funds	6 549	13 104	17 369	63 519	54 952	54 952	–	100 981	42 000	35 331
Total sources of capital funds	95 133	91 868	105 207	194 237	174 748	174 748	–	261 677	148 464	154 324
Financial position										
Total current assets	307 820	404 764	641 418	523 717	656 395	656 395	–	583 535	562 125	575 701
Total non current assets	3 731 761	3 702 225	3 635 627	3 718 075	3 685 955	3 685 955	–	3 823 679	3 848 884	3 880 716
Total current liabilities	169 587	180 206	220 580	215 151	214 102	214 102	–	234 096	241 218	225 682
Total non current liabilities	611 666	629 633	613 706	673 454	644 964	644 964	–	694 547	715 177	739 540
Community wealth/Equity	3 258 328	3 297 149	3 442 759	3 353 187	3 483 283	3 483 283	–	3 478 571	3 454 614	3 491 195
Cash flows										
Net cash from (used) operating	160 551	175 288	242 445	175 190	173 153	173 153	–	165 492	114 938	149 550
Net cash from (used) investing	(99 253)	(86 528)	(28 747)	(201 351)	(180 689)	(180 689)	–	(269 006)	(156 032)	(162 052)
Net cash from (used) financing	8 496	(3 727)	1 455	23 944	21 583	21 583	–	58 619	16 410	7 676
Cash/cash equivalents at the year end	174 780	269 815	474 967	380 242	489 014	489 014	–	444 120	419 436	414 611
Cash backing/surplus reconciliation										
Cash and investments available	204 521	297 796	519 562	430 789	539 560	539 560	–	502 005	484 896	487 803
Application of cash and investments	1 281	20 541	63 312	16 883	39 184	39 184	–	75 671	51 044	39 983
Balance - surplus (shortfall)	203 239	277 256	456 250	413 906	500 376	500 376	–	426 333	433 852	447 818
Asset management										
Asset register summary (WDV)	3 701 981	3 664 217	3 601 891	3 667 519	3 635 398	3 635 398	3 635 398	3 765 790	3 783 423	3 807 526
Depreciation	122 909	132 463	130 034	130 362	130 362	130 362	130 362	131 285	130 830	130 222
Renewal and Upgrading of Existing Assets	15 884	34 479	29 644	–	–	–	–	46 770	11 361	32 488
Repairs and Maintenance	109 377	120 795	160 036	225 212	231 959	231 959	231 959	199 189	208 776	221 386
Free services										
Cost of Free Basic Services provided	3 535	5 174	6 813	79 256	79 256	79 256	84 049	84 049	111 366	122 286
Revenue cost of free services provided	41 738	50 566	51 711	52 080	52 080	52 080	54 292	54 292	57 535	60 800
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Functional Classification Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional									
Governance and administration	273 519	315 876	330 663	296 029	306 903	306 903	317 773	314 089	333 801
Executive and council	64 991	74 405	21 599	25 110	27 337	27 337	31 168	11 092	12 718
Finance and administration	208 528	227 951	258 247	270 868	279 443	279 443	286 569	302 997	321 083
Internal audit	–	13 521	50 817	51	122	122	36	–	–
Community and public safety	70 859	98 890	109 156	81 447	67 241	67 241	132 968	107 082	134 447
Community and social services	3 184	3 609	4 149	7 413	8 142	8 142	8 073	8 063	8 597
Sport and recreation	9 743	10 591	8 218	13 000	12 200	12 200	24 825	11 955	12 583
Public safety	1 437	44 357	40 605	1 272	1 272	1 272	47 393	45 139	46 977
Housing	56 496	40 333	56 186	59 762	45 626	45 626	52 676	41 924	66 290
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	51 914	24 142	23 251	58 097	54 750	54 750	14 270	10 075	29 022
Planning and development	13 627	13 713	14 259	11 449	11 449	11 449	10 019	7 803	8 246
Road transport	38 278	10 419	8 970	46 648	43 301	43 301	4 206	2 224	11 724
Environmental protection	9	9	22	0	0	0	45	48	51
Trading services	595 050	597 702	674 417	706 624	720 477	720 477	778 700	886 674	981 012
Energy sources	334 747	342 621	381 333	395 354	394 982	394 982	438 026	505 792	579 180
Water management	118 583	128 180	125 375	133 327	140 647	140 647	147 953	166 917	167 674
Waste water management	79 988	72 399	95 070	101 333	108 884	108 884	105 084	111 417	119 076
Waste management	61 733	54 503	72 639	76 610	75 963	75 963	87 637	102 549	115 082
Other	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	991 343	1 036 610	1 137 488	1 142 196	1 149 370	1 149 370	1 243 711	1 317 920	1 469 281
Expenditure - Functional									
Governance and administration	233 036	177 828	183 059	221 763	221 637	221 637	247 961	263 478	272 479
Executive and council	95 246	56 510	24 780	55 867	57 792	57 792	59 731	62 194	65 618
Finance and administration	137 790	47 972	68 161	162 952	160 834	160 834	184 233	198 049	203 440
Internal audit	–	73 347	90 118	2 944	3 011	3 011	3 097	3 234	3 421
Community and public safety	94 724	127 660	138 037	144 344	153 451	153 451	197 962	219 024	226 645
Community and social services	30 985	31 538	33 856	16 752	17 668	17 668	17 929	20 436	21 608
Sport and recreation	13 956	15 886	18 307	58 238	59 193	59 193	51 814	59 120	62 473
Public safety	24 608	72 088	73 286	38 381	48 775	48 775	94 795	103 442	107 930
Housing	15 175	8 148	12 589	30 974	27 815	27 815	33 424	36 027	34 634
Health	–	–	–	–	–	–	–	–	–
Economic and environmental services	185 614	173 813	182 017	196 571	199 282	199 282	162 841	166 423	172 318
Planning and development	63 258	78 356	85 115	40 059	39 854	39 854	44 429	42 882	44 370
Road transport	117 597	90 054	91 197	147 972	151 082	151 082	106 751	113 446	117 400
Environmental protection	4 758	5 402	5 705	8 540	8 346	8 346	11 661	10 096	10 547
Trading services	434 352	515 721	490 339	568 159	576 723	576 723	839 154	690 998	758 999
Energy sources	261 110	313 992	295 386	311 806	311 253	311 253	363 841	399 647	451 928
Water management	67 325	65 931	66 052	110 285	111 238	111 238	116 983	123 154	129 909
Waste water management	57 091	63 101	64 937	78 918	81 781	81 781	85 886	90 967	95 810
Waste management	48 826	72 697	63 964	67 150	72 451	72 451	72 444	77 230	81 351
Other	–	–	–	3 408	3 383	3 383	2 945	2 984	3 071
Total Expenditure - Functional	937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	1 249 963	1 342 887	1 433 511
Surplus/(Deficit) for the year	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(6 252)	(24 967)	35 771

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Functional Classification Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional									
Municipal governance and administration	**273 519**	**315 876**	**330 863**	**296 029**	**306 903**	**306 903**	**317 773**	**314 089**	**333 901**
Executive and council	64 991	74 405	21 599	25 110	27 337	27 337	31 188	11 092	12 718
Mayor and Council	64 991	73 145	21 399	24 989	27 215	27 215	31 083	11 004	12 705
Municipal Manager, Town Secretary and Chief Executive		1 260	200	122	122	122	85	88	12
Finance and administration	208 528	227 951	258 247	270 868	279 443	279 443	286 589	302 997	321 083
Administrative and Corporate Support	17 593	7 014		363	739	739	231	229	239
Asset Management				-	-	-	-	-	-
Finance	187 870	214 443	258 247	269 619	277 818	277 818	284 758	301 143	319 171
Fleet Management				0	0	0	0	0	0
Human Resources	835	865		240	240	240	780	780	780
Information Technology	2 230	(5)			-	-	-	-	-
Legal Services					-	-	-	-	-
Marketing, Customer Relations, Publicity and Media Co-ordination					-	-	-	-	-
Property Services		5 633		482	482	482	486	493	519
Risk Management							-	-	-
Security Services							-	-	-
Supply Chain Management				66	65	65	168	168	178
Valuation Service		(0)		100	100	100	175	186	197
Internal audit	-	13 521	50 817	51	122	122	36	-	-
Governance Function		13 521	50 817	51	122	122	36	-	-
Community and public safety	**70 859**	**98 890**	**109 158**	**81 447**	**87 241**	**87 241**	**132 968**	**107 062**	**134 447**
Community and social services	3 184	3 609	4 149	7 413	8 142	8 142	8 073	8 063	8 597
Aged Care							-	-	-
Agricultural							-	-	-
Animal Care and Diseases							-	-	-
Cemeteries, Funeral Parlours and Crematoriums	235	212	260	198	198	198	216	229	243
Child Care Facilities			30	-	-	-	-	-	-
Community Halls and Facilities	2 820	3 255	3 677	334	534	534	442	284	311
Consumer Protection							-	-	-
Cultural Matters							-	-	-
Disaster Management							-	-	-
Education							-	-	-
Indigenous and Customary Law							-	-	-
Industrial Promotion							-	-	-
Language Policy							-	-	-
Libraries and Archives	129	142	162	6 881	7 410	7 410	7 415	7 630	8 043
Literacy Programmes							-	-	-
Media Services							-	-	-
Museums and Art Galleries							-	-	-
Population Development							-	-	-
Provincial Cultural Matters							-	-	-
Theatres							-	-	-
Zoo's							-	-	-
Sport and recreation	9 743	10 591	8 218	13 000	12 200	12 200	24 825	11 955	12 503
Beaches and Jetties				682	682	682	665	665	695
Casinos, Racing, Gambling, Wagering				-	-	-	-	-	-
Community Parks (including Nurseries)			8 218	3 804	3 804	3 804	3 856	4 096	4 331
Recreational Facilities	9 743	10 591		6 993	6 993	6 993	6 790	7 165	7 548
Sports Grounds and Stadiums				1 520	720	720	13 514	39	39
Public safety	1 437	44 357	40 605	1 272	1 272	1 272	47 393	45 139	46 977
Civil Defence	289						5 800	2 200	2 420
Cleansing							-	-	-
Control of Public Nuisances							-	-	-
Fencing and Fences							-	-	-
Fire Fighting and Protection	1 147	44 357	40 605	1 040	1 040	1 040	2 018	1 016	175
Licensing and Control of Animals				232	232	232	300	313	327
Police Forces, Traffic and Street Parking Control							39 276	41 610	44 055
Pounds							-	-	-
Housing	56 496	40 333	56 186	59 762	45 626	45 626	52 676	41 924	66 290
Housing	56 496	40 333	56 186	59 762	45 626	45 626	52 676	41 924	66 290
Informal Settlements									
Health	-	-	-	-	-	-	-	-	-
Ambulance									
Health Services									
Laboratory Services									
Food Control									
Health Surveillance and Prevention of Communicable Diseases									
Vector Control									
Chemical Safety									
Economic and environmental services	**51 914**	**24 142**	**23 261**	**58 097**	**54 750**	**54 750**	**14 270**	**10 075**	**20 022**
Planning and development	13 627	13 713	14 259	11 449	11 449	11 449	10 019	7 803	8 246
Billboards					-	-	-	-	-
Corporate Wide Strategic Planning (IDPs, LEDs)					-	-	-	-	-
Central City Improvement District					-	-	-	-	-
Development Facilitation					-	-	-	-	-
Economic Development/Planning	3 977	12 155		1 926	1 926	1 926	2 735	106	112
Regional Planning and Development					-	-	-	-	-
Town Planning, Building Regulations and Enforcement, and City	9 650	1 558	14 259	9 472	9 472	9 472	7 284	7 696	8 134
Project Management Unit				50	50	50	-	-	-
Provincial Planning							-	-	-
Support to Local Municipalities							-	-	-
Road transport	38 278	10 419	8 970	46 648	43 301	43 301	4 206	2 224	11 724
Public Transport				40 924	36 924	36 924	-	-	-
Road and Traffic Regulation							-	-	-
Roads	38 278	10 419	8 970	5 724	6 377	6 377	4 206	2 224	11 724
Taxi Ranks							-	-	-
Environmental protection	9	9	22	0	0	0	45	48	51
Biodiversity and Landscape	9	9	22	0	0	0	45	48	51
Coastal Protection									
Indigenous Forests									
Nature Conservation									
Pollution Control									
Soil Conservation									

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Functional Classification Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Trading services	595 050	597 702	674 417	706 624	720 477	720 477	776 700	886 674	991 612
Energy sources	334 747	342 621	381 333	395 354	394 982	394 982	438 026	505 792	579 180
Electricity	334 747	342 621	381 333	395 354	394 782	394 782	438 026	505 792	579 180
Street Lighting and Signal Systems					200	200			
Nonelectric Energy									
Water management	118 583	128 180	125 375	133 327	140 647	140 647	147 953	166 917	167 674
Water Treatment									
Water Distribution	118 583	128 180	125 375	133 327	140 647	140 647	147 953	166 917	167 674
Water Storage									
Waste water management	79 968	72 399	95 070	101 333	108 884	108 884	105 084	111 417	119 076
Public Toilets							–	–	–
Sewerage	77 211	70 005	84 128	100 840	103 266	103 266	97 498	109 316	115 970
Storm Water Management	2 777	2 394	10 942	393	5 618	5 618	7 586	2 100	3 106
Waste Water Treatment							–	–	–
Waste management	61 733	54 503	72 639	76 610	76 963	75 963	87 637	102 549	115 082
Recycling							–	–	–
Solid Waste Disposal (Landfill Sites)				1 146	500	500	1 402	1 486	1 575
Solid Waste Removal	61 733	54 503	72 639	75 464	75 464	75 464	86 235	101 064	113 508
Street Cleaning									
Other	–	–	–	–	–	–	–	–	–
Abattoirs									
Air Transport									
Forestry									
Licensing and Regulation									
Markets									
Tourism									
Total Revenue - Functional	**991 343**	**1 036 610**	**1 137 488**	**1 142 166**	**1 149 370**	**1 149 370**	**1 243 711**	**1 317 920**	**1 469 281**
Expenditure - Functional									
Municipal governance and administration	233 036	177 829	193 059	221 763	221 637	221 637	247 051	263 478	272 478
Executive and council	95 246	56 510	24 780	55 867	57 792	57 792	59 731	62 194	65 618
Mayor and Council	93 119	36 186	4 303	33 048	37 661	37 661	36 076	36 966	38 954
Municipal Manager, Town Secretary and Chief Executive	2 127	20 324	20 476	22 819	20 131	20 131	23 654	25 228	26 664
Finance and administration	137 790	47 972	68 161	162 952	160 834	160 834	184 233	198 049	203 440
Administrative and Corporate Support	41 929	–		32 239	31 952	31 952	33 748	33 839	36 594
Asset Management				–	–	–	–	–	–
Finance	63 826	47 972	68 161	68 740	67 892	67 892	64 840	73 727	71 575
Fleet Management				7 130	7 043	7 043	8 547	9 823	11 078
Human Resources	8 665			12 294	12 293	12 293	13 699	14 620	15 445
Information Technology	11 530			20 476	20 478	20 478	22 174	23 170	24 243
Legal Services				4 737	4 723	4 723	5 049	5 312	5 609
Marketing, Customer Relations, Publicity and Media Co-ordination				2 877	2 676	2 676	2 912	3 048	3 162
Property Services	11 840			4 621	4 351	4 351	18 453	16 890	18 974
Risk Management							–	–	–
Security Services							4 369	4 634	5 182
Supply Chain Management				9 905	9 426	9 426	10 443	10 994	11 578
Valuation Service				–	–	–	–	–	–
Internal audit	–	73 347	90 118	2 944	3 011	3 011	3 097	3 234	3 421
Governance Function		73 347	90 118	2 944	3 011	3 011	3 097	3 234	3 421
Community and public safety	94 724	127 880	138 037	144 344	153 451	153 451	197 962	219 024	228 845
Community and social services	30 985	31 538	33 856	16 752	17 668	17 668	17 929	20 436	21 608
Aged Care				1	1	1	1	1	1
Agricultural							–	–	–
Animal Care and Diseases							–	–	–
Cemeteries, Funeral Parlours and Crematoriums	441	502	512	842	842	842	1 044	1 608	1 705
Child Care Facilities			241	722	722	722	–	–	–
Community Halls and Facilities	23 746	23 886	25 542	6 436	7 589	7 589	7 495	8 927	9 400
Consumer Protection							–	–	–
Cultural Matters							–	–	–
Disaster Management							–	–	–
Education							–	–	–
Indigenous and Customary Law							–	–	–
Industrial Promotion							–	–	–
Language Policy							–	–	–
Libraries and Archives	6 797	7 150	7 560	8 751	8 514	8 514	9 389	9 901	10 502
Literacy Programmes									
Media Services									
Museums and Art Galleries									
Population Development									
Provincial Cultural Matters									
Theatres									
Zoo's									
Sport and recreation	13 956	15 886	18 307	58 239	58 193	58 193	51 814	59 120	62 473
Beaches and Jetties				5 160	7 408	7 408	6 001	7 882	8 360
Casinos, Racing, Gambling, Wagering				–	–	–	–	–	–
Community Parks (including Nurseries)	13 956		18 307	24 362	23 312	23 312	27 413	30 570	32 239
Recreational Facilities		15 886		11 458	11 699	11 699	12 463	14 136	14 967
Sports Grounds and Stadiums				17 257	16 774	16 774	5 938	6 532	6 913
Public safety	24 608	72 056	73 286	38 381	48 775	48 775	94 795	103 442	107 930
Civil Defence	11 254		37 733	2 907	2 795	2 795	5 570	5 772	6 202
Cleansing							–	–	–
Control of Public Nuisances		10 415	13 812	13 064	14 066	14 066	16 948	17 734	18 573
Fencing and Fences							–	–	–
Fire Fighting and Protection	13 354	24 078	21 741	22 410	31 611	31 611	22 349	22 464	23 824
Licensing and Control of Animals				–	304	304	–	–	–
Police Forces, Traffic and Street Parking Control		37 594					49 929	57 471	59 332
Pounds									–
Housing	15 175	8 148	12 589	30 974	27 815	27 815	31 424	36 027	36 854
Housing	15 175	8 148	12 589	30 974	27 815	27 815	33 424	36 027	36 854
Informal Settlements									
Health	–	–	–	–	–	–	–	–	–
Ambulance									
Health Services									
Laboratory Services									
Food Control									
Chemical Safety									

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

Functional Classification Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Economic and environmental services	185 614	173 813	182 017	196 571	199 282	199 282	182 841	166 423	172 318
Planning and development	63 258	78 356	85 115	40 069	39 854	39 854	44 429	42 882	44 370
Billboards					–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)				4 039	4 039	4 039	4 297	4 496	4 724
Central City Improvement District					–	–	–	–	–
Development Facilitation				1 456	1 456	1 456	1 087	1 084	1 102
Economic Development/Planning	48 398	69 456	75 662	6 881	6 686	6 686	9 307	6 832	7 216
Regional Planning and Development				–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City	14 861	8 901	9 453	20 344	20 123	20 123	21 178	22 918	23 388
Project Management Unit				7 349	7 549	7 549	8 561	7 552	7 942
Provincial Planning							–	–	–
Support to Local Municipalities							–	–	–
Road transport	117 597	90 054	91 197	147 972	151 082	151 082	105 751	113 446	117 400
Public Transport				47 484	48 674	48 674	–	–	–
Road and Traffic Regulation					1 110	1 110	1 248	1 322	1 405
Roads	117 597	90 054	91 197	100 488	101 298	101 298	105 504	112 124	115 995
Taxi Ranks							–	–	–
Environmental protection	4 758	5 402	5 705	8 540	8 346	8 346	11 661	10 086	10 547
Biodiversity and Landscape	4 758		5 705	8 540	8 228	8 228	11 421	9 836	10 287
Coastal Protection							–	–	–
Indigenous Forests							–	–	–
Nature Conservation		5 402			118	118	240	250	260
Pollution Control							–	–	–
Soil Conservation							–	–	–
Trading services	434 352	515 721	490 339	568 159	576 723	576 723	639 154	699 998	759 999
Energy sources	261 110	313 992	295 386	311 806	311 253	311 253	363 641	399 647	451 928
Electricity	261 110	313 992	295 386	310 966	309 759	309 759	361 670	397 476	449 638
Street Lighting and Signal Systems				840	1 494	1 494	1 970	2 172	2 290
Nonelectric Energy							–	–	–
Water management	67 325	65 931	66 052	110 285	111 238	111 238	116 983	123 154	129 909
Water Treatment				56 388	53 656	53 656	58 982	59 783	62 865
Water Distribution	67 325	65 931	66 052	49 485	53 170	53 170	54 408	56 579	59 473
Water Storage				4 412	4 412	4 412	5 594	6 791	7 572
Waste water management	57 091	63 101	64 937	79 918	81 781	81 781	85 885	90 967	95 810
Public Toilets	265	320	350	483	683	683	487	517	549
Sewerage	48 544	51 256	52 578	44 858	48 047	48 047	48 425	51 373	54 971
Storm Water Management	8 282	11 524	12 009	12 823	12 305	12 305	13 498	14 796	15 249
Waste Water Treatment				20 752	20 737	20 737	23 475	24 280	25 040
Waste management	48 826	72 697	63 964	67 150	72 451	72 451	72 444	77 230	81 351
Recycling				338	227	227	230	415	442
Solid Waste Disposal (Landfill Sites)				30 300	32 757	32 757	34 307	36 000	40 339
Solid Waste Removal	48 826	72 697	63 964	35 651	38 615	38 615	36 993	37 839	39 535
Street Cleaning	0	(0)		861	851	851	914	976	1 034
Other	–	–	–	3 408	3 383	3 383	2 945	2 984	3 071
Abattoirs							–	–	–
Air Transport							–	–	–
Forestry							–	–	–
Licensing and Regulation							–	–	–
Markets							–	–	–
Tourism				3 408	3 383	3 383	2 945	2 984	3 071
Total Expenditure - Functional	937 727	995 023	983 453	1 134 245	1 154 476	1 154 476	1 249 963	1 342 887	1 433 511
Surplus/(Deficit) for the year	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(6 252)	(24 967)	35 771

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote									
Vote 1 - Council	64 991	73 145	21 399	24 988	27 215	27 215	31 083	11 004	12 705
Vote 2 - Municipal Manager	–	12	64	51	122	122	36	–	–
Vote 3 - Management Services	3 086	2 031	821	584	584	584	844	848	851
Vote 4 - Finance	189 358	231 209	258 911	269 683	277 883	277 883	284 914	301 310	319 349
Vote 5 - Community Services	293 898	290 348	323 102	338 690	354 790	354 790	379 676	404 292	435 885
Vote 6 - Economic and Social Development & Tourism	3 471	3 556	2 788	2 226	2 226	2 226	2 635	–	–
Vote 7 - Infrastructure & Planning	409 632	393 923	489 799	464 077	448 453	448 453	497 130	555 328	653 514
Vote 8 - Protection Services	26 927	42 387	40 605	41 896	38 096	38 096	47 393	45 139	46 977
Total Revenue by Vote	**991 343**	**1 036 610**	**1 137 488**	**1 142 196**	**1 149 370**	**1 149 370**	**1 243 711**	**1 317 920**	**1 469 281**
Expenditure by Vote *to be appropriated*									
Vote 1 - Council	74 562	42 588	4 303	33 049	37 662	37 662	36 077	36 966	38 935
Vote 2 - Municipal Manager	4 094	3 922	4 542	5 467	5 534	5 534	5 797	5 874	6 209
Vote 3 - Management Services	38 242	40 697	43 809	52 776	52 695	52 695	56 900	59 269	63 217
Vote 4 - Finance	63 843	64 994	68 187	78 645	77 345	77 345	75 077	84 505	82 925
Vote 5 - Community Services	335 658	328 315	374 350	409 514	410 785	410 785	439 679	469 634	490 612
Vote 6 - Economic and Social Development & Tourism	8 905	10 220	10 558	11 752	11 533	11 533	13 291	10 831	11 336
Vote 7 - Infrastructure & Planning	356 481	432 211	414 432	456 531	460 506	460 506	527 994	572 279	631 962
Vote 8 - Protection Services	55 942	72 087	73 272	86 511	98 417	98 417	95 150	103 529	108 315
Total Expenditure by Vote	**937 727**	**985 023**	**993 453**	**1 134 245**	**1 154 476**	**1 154 476**	**1 249 963**	**1 342 887**	**1 433 511**
Surplus/(Deficit) for the year	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**35 771**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote									
Vote 1 - Council	64 991	73 145	21 399	24 988	27 215	27 215	31 083	11 004	12 705
1.1 - Council General	64 991	73 145	21 399	24 988	27 215	27 215	31 083	11 004	12 705
1.2 - Mayor's Office									
1.3 - Pensioners & Continued Members									
Vote 2 - Municipal Manager	–	12	64	51	122	122	36	–	–
2.1 - Municipal Manager		12							
2.2 - Internal Audit			64	51	122	122	36	–	–
Vote 3 - Management Services	3 065	2 031	821	584	584	584	844	848	851
3.1 - Director: Management Services		1 164	73	60	60	60	60	64	67
3.2 - Communication							–	–	–
3.3 - Legal Services							–	–	–
3.4 - Strategic Services							–	–	–
3.5 - Human Resources	835	865	747	520	520	520	780	780	780
3.6 - Info & Communication Technology	2 230						–	–	–
3.7 - Council Support Services	0	2		4	4	4	4	4	4
3.8 - Social Development									
3.9 - Municipal Court									
Vote 4 - Finance	189 358	231 209	258 911	269 683	277 883	277 883	284 914	301 310	319 349
4.1 - Director: Finance	–			–	–	–	–	–	–
4.2 - Deputy Director: Finance	1 042	1 475	1 550	1 830	1 830	1 830	2 110	1 550	1 550
4.3 - Accounting Services	13 791	23 580	31 989	23 000	31 200	31 200	30 001	31 801	33 709
4.4 - Expenditure & Asset Management	1 363	289	50	29	29	29	35	35	35
4.5 - Revenue	8 500	8 708	10 385	9 760	9 760	9 760	10 460	11 088	10 405
4.6 - Supply Chain Management	106	110	91	65	65	65	158	168	178
4.7 - Data Control	–			–	–	–	–	–	–
4.8 - Assessment Rates	164 554	197 047	214 845	234 998	234 998	234 998	242 150	256 669	273 473
#REF!									
#REF!									
Vote 5 - Community Services	293 898	290 348	323 102	336 690	354 790	354 790	379 676	404 292	435 885
5.1 - Director & Administration	7 462	7 464	8 086	170	346	346	59	62	(14)
5.2 - Offices & Community Buildings	1 182	1 012	896	1 067	1 267	1 267	1 103	884	1 023
5.3 - Parks & Townlands, Cemetries	2 572	3 115	3 728	4 002	4 002	4 002	4 072	4 315	4 573
5.4 - Libraries	129	142	162	6 881	7 410	7 410	7 415	7 630	8 043
5.5 - Sport & Recreation	9 743	10 370	7 942	9 196	8 396	8 396	20 970	7 869	8 253
5.6 - Housing & Social Upliftment	414	350	385	382	1 498	1 498	1 176	424	450
5.7 - Roads & Stormwater	14 847	12 813	19 912	6 117	11 995	11 995	11 792	4 325	14 831
5.8 - Water	118 583	128 180	125 312	133 326	140 647	140 647	147 953	166 917	167 674
5.9 - Sewerage	77 211	72 399	84 128	100 940	103 266	103 266	97 498	109 316	115 970
5.10 - Refuse	61 733	54 503	72 552	76 610	75 963	75 963	87 637	102 549	115 082
Vote 6 - Economic and Social Development & Tou	3 471	3 556	2 788	2 226	2 226	2 226	2 635	–	–
6.1 - Director: Economic Development & Planning							2 635	–	–
6.2 - Tourism			29						
6.3 - Parking Services	2 292	1 634	458	300	300	300			
6.4 - EPWP	1 179	1 922	2 300	1 926	1 926	1 926			
6.5 - Social Development									
Vote 7 - Infrastructure & Planning	409 632	393 923	489 799	464 077	448 453	448 453	497 130	555 328	653 514
7.1 - Director: Infrastructure & Planning				–	–	–	100	106	112
7.2 - Deputy Director:Engineering Planning	506	571	120	50	50	50	0	0	0
7.3 - Engineering Services & Housing Development	56 081	41 634	56 973	59 100	43 848	43 848	51 500	41 500	65 840
7.4 - Town Planning	1 480	1 558	2 154	1 089	1 089	1 089	1 170	1 223	1 278
7.5 - Geographical Info System (GIS)				–	–	–	–	–	–
7.6 - Building Control Services	8 170	7 498	8 026	8 383	8 383	8 383	6 113	6 474	6 856
7.7 - Environmental Management Services	9	9	22	0	0	0	45	48	51
7.8 - Electricity	334 747	342 621	380 758	395 354	394 982	394 982	438 026	505 792	579 180
7.9 - Solid Waste Planning & Solid Waste Disposal				–	–	–	–	–	–
7.10 - Property Administration	8 639	32	41 746	100	100	100	175	186	197
Vote 8 - Protection Services	26 927	42 387	40 605	41 896	38 096	38 096	47 393	45 139	46 977
8.1 - Director: Protection Services				–	200	200	–	–	–
8.2 - Traffic	25 490	41 480	37 450	40 624	36 624	36 624	39 276	41 610	44 055
8.3 - Law Enforcement	289	288	278	232	232	232	5 100	2 513	2 747
8.4 - Vehicle testing				–	–	–	–	–	–
8.5 - Fire Brigade	1 147	619	2 877	1 040	1 040	1 040	3 018	1 016	175
8.6 - Vehicle Licensing									
8.7 - Special Task Team Unit									
8.8 - Disaster Management									
8.9 - Security Services									
Total Revenue by Vote	991 343	1 036 610	1 137 488	1 142 198	1 149 370	1 149 370	1 243 711	1 317 920	1 469 281

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure by Vote									
Vote 1 - Council	**74 562**	**42 588**	**4 393**	**33 049**	**37 662**	**37 662**	**36 077**	**36 968**	**38 935**
1.1 - Council General	73 737	41 529	3 601	31 585	36 380	36 380	33 610	34 379	36 222
1.2 - Mayor's Office	817	1 057	792	1 463	1 281	1 281	2 467	2 587	2 712
1.3 - Pensioners & Continued Members	8	1	0	1	1	1	1	1	1
Vote 2 - Municipal Manager	**4 094**	**3 922**	**4 542**	**5 467**	**5 534**	**5 534**	**5 797**	**5 874**	**6 209**
2.1 - Municipal Manager	2 127	2 021	2 282	2 523	2 523	2 523	2 699	2 640	2 788
2.2 - Internal Audit	1 967	1 901	2 260	2 944	3 011	3 011	3 097	3 234	3 421
Vote 3 - Management Services	**38 242**	**40 697**	**43 899**	**52 776**	**52 695**	**52 695**	**56 900**	**59 269**	**63 217**
3.1 - Director: Management Services	7 323	6 278	7 231	5 468	5 581	5 581	6 263	5 966	6 308
3.2 - Communication	2 099	2 406	1 982	2 877	2 676	2 676	2 912	3 048	3 162
3.3 - Legal Services	2 401	3 260	2 193	2 445	2 438	2 438	2 612	2 754	2 905
3.4 - Strategic Services	1 429	1 550	1 692	1 889	1 889	1 889	2 072	2 162	2 295
3.5 - Human Resources	8 665	9 897	10 435	12 234	12 293	12 293	13 663	14 582	15 405
3.6 - Info & Communication Technology	11 530	12 182	13 762	20 476	20 478	20 478	22 174	23 170	24 243
3.7 - Council Support Services	3 331	3 595	4 411	5 096	5 055	5 055	4 766	5 029	6 195
3.8 - Social Development	469	905							
3.9 - Municipal Court	995	623	2 103	2 292	2 285	2 285	2 436	2 557	2 704
Vote 4 - Finance	**63 843**	**64 984**	**68 187**	**78 645**	**77 345**	**77 345**	**75 077**	**84 505**	**82 925**
4.1 - Director: Finance	2 034	2 100	2 138	2 289	2 289	2 289	2 490	2 479	2 624
4.2 - Deputy Director: Finance	5 868	6 277	7 049	7 947	7 947	7 947	8 453	8 306	8 717
4.3 - Accounting Services	5 486	5 309	6 025	6 202	6 262	6 262	6 465	6 812	7 224
4.4 - Expenditure & Asset Management	10 808	10 497	10 951	12 737	12 126	12 126	13 318	14 012	14 769
4.5 - Revenue	22 849	23 569	25 625	28 586	28 266	28 266	29 935	31 698	33 648
4.6 - Supply Chain Management	7 760	7 702	7 207	9 905	9 426	9 426	10 376	10 924	11 504
4.7 - Data Control	599	612	580	1 382	1 432	1 432	1 407	1 445	1 486
4.8 - Assessment Rates	8 438	8 920	8 612	9 596	9 596	9 596	2 632	8 830	2 953
Vote 5 - Community Services	**335 658**	**328 315**	**374 350**	**409 514**	**410 785**	**410 785**	**439 679**	**469 634**	**490 612**
5.1 - Director & Administration	44 762	25 305	51 158	55 011	51 794	51 794	84 286	87 057	92 491
5.2 - Offices & Community Buildings	5 724	6 232	21 957	7 832	8 707	8 707	21 283	23 637	24 000
5.3 - Parks & Townlands, Cemetries	19 431	19 913	20 888	25 934	25 034	25 034	26 909	30 646	32 316
5.4 - Libraries	6 797	7 150	7 560	8 751	8 243	8 243	9 073	9 568	10 152
5.5 - Sport & Recreation	12 881	15 685	17 038	32 934	34 939	34 939	23 211	27 288	28 910
5.6 - Housing & Social Upliftment	4 165	4 556	4 972	6 642	7 375	7 375	8 209	7 653	8 104
5.7 - Roads & Stormwater	94 871	83 052	102 282	109 166	110 603	110 603	111 555	119 585	123 521
5.8 - Water	67 335	65 931	58 870	68 493	64 677	64 677	64 836	66 918	69 213
5.9 - Sewerage	48 810	51 577	52 928	55 261	57 548	57 548	53 381	57 428	60 485
5.10 - Refuse	30 882	48 713	36 698	39 491	41 865	41 865	36 935	39 855	41 421
Vote 6 - Economic and Social Development & Tou	**8 905**	**10 229**	**10 558**	**11 752**	**11 533**	**11 533**	**13 291**	**10 831**	**11 336**
6.1 - Director: Economic Development & Planning	2 922	3 182	3 936	4 955	4 760	4 760	9 260	6 783	7 163
6.2 - Tourism	2 691	3 012	2 848	3 406	3 383	3 383	2 945	2 964	3 071
6.3 - Parking Services	2 074	2 092	428	8	–	–			
6.4 - EPWP	1 219	1 934	2 300	1 926	1 926	1 926	–	–	–
6.5 - Social Development			1 045	1 456	1 463	1 463	1 087	1 084	1 102
Vote 7 - Infrastructure & Planning	**356 481**	**432 211**	**414 432**	**456 531**	**460 506**	**460 506**	**527 994**	**572 279**	**631 962**
7.1 - Director: Infrastructure & Planning	2 348	2 427	2 611	2 664	2 664	2 664	2 759	2 883	2 994
7.2 - Deputy Director:Engineering Planning	32 384	47 283	52 523	56 036	62 111	62 111	66 757	71 971	77 655
7.3 - Engineering Services & Housing Development	13 969	11 147	10 909	27 947	24 054	24 054	29 592	31 536	29 844
7.4 - Town Planning	10 323	8 860	9 453	12 160	12 061	12 061	12 866	13 504	14 154
7.5 - Geographical Info System (GIS)	1 392	1 654	2 257	1 916	1 916	1 916	2 073	2 844	2 321
7.6 - Building Control Services	4 537	4 902	5 435	6 268	6 146	6 146	6 239	6 570	6 912
7.7 - Environmental Management Services	4 756	5 402	5 705	8 540	8 346	8 346	11 448	9 870	10 308
7.8 - Electricity	261 042	313 992	296 310	311 841	311 088	311 088	362 087	397 825	450 034
7.9 - Solid Waste Planning & Solid Waste Disposal	13 779	23 984	27 266	26 728	29 665	29 665	30 810	32 441	34 755
7.10 - Property Administration	11 950	12 559	1 963	2 630	2 454	2 454	3 362	2 834	2 984
Vote 8 - Protection Services	**55 942**	**72 087**	**73 272**	**86 511**	**98 417**	**98 417**	**95 150**	**103 529**	**108 315**
8.1 - Director: Protection Services	2 049	2 061	2 217	2 414	2 620	2 620	2 623	2 452	2 578
8.2 - Traffic	28 030	41 226	37 733	47 202	48 477	48 477	48 292	55 752	57 525
8.3 - Law Enforcement	11 254	12 938	9 881	12 690	13 996	13 996	17 670	18 401	19 373
8.4 - Vehicle testing	370	330	420	416	395	395	491	496	526
8.5 - Fire Brigade	13 354	14 310	21 483	18 000	27 294	27 294	19 895	19 882	21 111
8.6 - Vehicle Licensing	884	935	1 005	1 104	1 089	1 089	1 203	1 275	1 357
8.7 - Special Task Team Unit		288	287	275	189	189	292	301	311
8.8 - Disaster Management			246	298	244	244	316	334	353
8.9 - Security Services				4 113	4 113	4 113	4 396	4 624	5 182
Total Expenditure by Vote	**937 727**	**995 023**	**993 453**	**1 134 245**	**1 154 476**	**1 154 476**	**1 249 983**	**1 342 887**	**1 433 511**
Surplus/(Deficit) for the year	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**65 771**

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source									
Property rates	164 486	197 104	214 845	234 998	234 998	234 998	242 150	256 669	273 473
Service charges - electricity revenue	324 599	334 765	349 380	362 784	362 784	362 784	398 868	457 297	525 637
Service charges - water revenue	114 179	115 070	111 010	116 781	124 781	124 781	127 320	133 984	142 023
Service charges - sanitation revenue	72 651	66 890	72 064	73 164	76 164	76 164	80 020	82 489	87 439
Service charges - refuse revenue	61 689	54 389	57 741	60 990	60 990	60 990	70 122	79 415	89 946
Rental of facilities and equipment	9 915	11 613	12 324	3 679	3 679	3 679	3 562	3 744	3 949
Interest earned - external investments	12 209	20 347	30 285	21 001	29 201	29 201	28 010	29 690	31 471
Interest earned - outstanding debtors	2 735	2 671	3 022	3 700	3 705	3 705	4 151	4 400	4 664
Dividends received							–	–	–
Fines, penalties and forfeits	21 682	38 715	32 500	34 965	30 165	30 165	32 552	34 517	36 569
Licences and permits	2 423	2 525	2 527	2 447	2 447	2 447	2 462	2 580	2 627
Agency services	3 211	3 480	4 149	3 726	4 526	4 526	4 700	4 982	5 281
Transfers and subsidies	103 629	114 411	116 421	130 566	118 186	118 186	152 183	157 143	168 217
Other revenue	29 653	34 706	38 895	31 427	31 672	31 672	27 416	28 846	28 993
Gains on disposal of PPE	7 631	6 242	28 077						
Total Revenue (excluding capital transfers and contributions)	**930 691**	**1 002 928**	**1 073 241**	**1 080 228**	**1 083 298**	**1 083 298**	**1 173 517**	**1 275 756**	**1 400 289**
Expenditure By Type									
Employee related costs	274 564	302 363	296 536	367 024	374 114	374 114	399 804	421 616	446 460
Remuneration of councillors	8 566	9 265	10 138	10 972	10 972	10 972	11 383	11 878	12 397
Debt impairment	13 785	22 221	18 013	23 492	23 492	23 492	24 902	26 396	27 979
Depreciation & asset impairment	122 909	132 532	134 400	130 362	130 362	130 362	131 285	130 830	130 222
Finance charges	46 207	45 913	46 129	47 834	47 834	47 834	51 549	54 249	56 058
Bulk purchases	194 620	217 523	225 844	238 588	238 588	238 588	275 880	319 000	368 859
Other materials	19 605	48 818	38 054	57 602	52 031	52 031	63 675	71 299	71 581
Contracted services	112 447	155 726	167 065	193 637	207 243	207 243	207 538	229 784	237 280
Transfers and subsidies	51 090	1 898	1 800	500	500	500	500	525	551
Other expenditure	93 542	50 631	55 475	64 232	69 339	69 339	83 450	77 311	82 123
Loss on disposal of PPE	392	8 133							
Total Expenditure	**937 727**	**995 023**	**993 453**	**1 134 245**	**1 154 476**	**1 154 478**	**1 249 963**	**1 342 887**	**1 433 511**
Surplus/(Deficit)	**(7 036)**	**7 906**	**79 788**	**(54 017)**	**(71 179)**	**(71 179)**	**(76 446)**	**(67 131)**	**(33 222)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	60 651	33 681	64 248	61 968	66 072	66 072	70 194	42 164	68 993
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)									
Surplus/(Deficit) after capital transfers & contributions	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**35 771**
Taxation									
Surplus/(Deficit) after taxation	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**35 771**
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**35 771**
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	**53 616**	**41 587**	**144 036**	**7 951**	**(5 106)**	**(5 106)**	**(6 252)**	**(24 967)**	**35 771**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure - Vote									
Multi-year expenditure *to be appropriated*									
Vote 1 - Council	–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager	–	–	–	–	–	–	–	–	–
Vote 3 - Management Services	–	–	–	–	–	–	–	–	–
Vote 4 - Finance	–	–	–	–	–	–	–	30 000	30 000
Vote 5 - Community Services	17 900	53 713	–	64 797	55 774	55 774	54 583	44 236	44 119
Vote 6 - Economic and Social Development & Tourism	–	–	–	–	–	–	–	–	–
Vote 7 - Infrastructure & Planning	8 501	30 496	–	58 239	54 027	54 027	40 128	39 287	63 480
Vote 8 - Protection Services	–	–	–	500	500	500	5 588	841	–
Capital multi-year expenditure sub-total	**26 401**	**84 209**	**–**	**123 536**	**110 301**	**110 301**	**100 298**	**114 364**	**137 599**
Single-year expenditure *to be appropriated*									
Vote 1 - Council	–	–	–	20	572	572	–	–	–
Vote 2 - Municipal Manager	–	–	–	–	–	–	–	–	–
Vote 3 - Management Services	3 848	72	6 346	4 086	4 086	4 086	3 975	–	–
Vote 4 - Finance	–	885	–	30	619	619	30	–	–
Vote 5 - Community Services	54 342	4 167	80 077	52 403	53 044	53 044	97 601	22 950	10 725
Vote 6 - Economic and Social Development & Tourism	–	–	–	5 625	1 620	1 620	7 906	–	–
Vote 7 - Infrastructure & Planning	10 246	1 540	16 268	1 100	3 800	3 800	45 186	11 150	6 000
Vote 8 - Protection Services	295	996	2 517	7 436	706	706	6 680	–	–
Capital single-year expenditure sub-total	**68 732**	**7 659**	**105 207**	**70 701**	**64 447**	**64 447**	**161 378**	**34 100**	**16 725**
Total Capital Expenditure - Vote	**95 133**	**91 868**	**105 207**	**194 237**	**174 748**	**174 748**	**261 677**	**148 464**	**154 324**
Capital Expenditure - Functional									
Governance and administration	**4 809**	**957**	**6 346**	**6 331**	**7 472**	**7 472**	**4 105**	**30 000**	**30 000**
Executive and council		72		20	572	572	10	–	–
Finance and administration	4 809	885	6 346	6 311	6 900	6 900	4 095	30 000	30 000
Internal audit									
Community and public safety	**32 729**	**14 135**	**44 053**	**57 710**	**54 084**	**54 084**	**64 760**	**14 128**	**39 480**
Community and social services	3 169	644	1 929	4 999	5 249	5 249	3 280	–	–
Sport and recreation	3 311	1 837	5 427	8 057	8 007	8 007	18 770	–	–
Public safety	264	996	2 517	9 186	6 556	6 556	16 271	841	–
Housing	25 985	10 658	34 180	35 467	34 271	34 271	26 439	13 287	39 480
Health									
Economic and environmental services	**13 226**	**13 279**	**12 023**	**18 821**	**14 551**	**14 551**	**30 410**	**–**	**8 000**
Planning and development		1 540		5 725	1 720	1 720	8 899	–	–
Road transport	13 226	11 739	12 023	13 096	12 831	12 831	21 510	–	8 000
Environmental protection									
Trading services	**44 369**	**63 498**	**42 786**	**111 375**	**98 642**	**98 642**	**162 402**	**104 336**	**76 844**
Energy sources	18 237	30 496	16 268	24 772	20 456	20 456	34 124	32 000	30 000
Water management	14 232	15 772	3 257	30 077	21 945	21 945	48 504	40 075	13 481
Waste water management	11 875	17 217	21 523	54 987	54 744	54 744	62 843	21 961	33 363
Waste management	25	12	1 739	1 540	1 497	1 497	16 931	10 300	–
Other									
Total Capital Expenditure - Functional	**95 133**	**91 868**	**105 207**	**194 237**	**174 748**	**174 748**	**261 677**	**148 464**	**154 324**
Funded by:									
National Government	31 647	25 530	21 786	25 901	30 445	30 445	39 010	28 036	29 513
Provincial Government	29 004	7 681	42 481	36 067	35 628	35 628	31 184	14 128	39 480
District Municipality					–	–			
Other transfers and grants	743	10 002	4 372	100	100	100			
Transfers recognised - capital	**61 394**	**43 214**	**68 640**	**62 068**	**66 172**	**66 172**	**70 194**	**42 164**	**68 993**
Borrowing	27 189	35 550	19 199	68 650	53 624	53 624	90 501	64 300	50 000
Internally generated funds	6 549	13 104	17 369	63 519	54 952	54 952	100 981	42 000	35 331
Total Capital Funding	**95 133**	**91 868**	**105 207**	**194 237**	**174 748**	**174 748**	**261 677**	**148 464**	**154 324**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure - Municipal Vote									
Multi-year expenditure appropriation									
Vote 1 - Council	–	–	–	–	–	–	–	–	–
1.1 - Council General							–	–	–
1.2 - Mayor's Office							–	–	–
1.3 - Pensioners & Continued Members							–	–	–
Vote 2 - Municipal Manager	–	–	–	–	–	–	–	–	–
2.1 - Municipal Manager							–	–	–
2.2 - Internal Audit							–	–	–
Vote 3 - Management Services	–	–	–	–	–	–	–	–	–
3.1 - Director: Management Services							–	–	–
3.2 - Communication							–	–	–
3.3 - Legal Services							–	–	–
3.4 - Strategic Services							–	–	–
3.5 - Human Resources							–	–	–
3.6 - Info & Communication Technology							–	–	–
3.7 - Council Support Services							–	–	–
3.8 - Social Development							–	–	–
3.9 - Municipal Court							–	–	–
Vote 4 - Finance	–	–	–	–	–	–	–	30 000	30 000
4.1 - Director: Finance							–	30 000	30 000
4.2 - Deputy Director: Finance							–	–	–
4.3 - Accounting Services							–	–	–
4.4 - Expenditure & Asset Management							–	–	–
4.5 - Revenue							–	–	–
4.6 - Supply Chain Management							–	–	–
4.7 - Data Control							–	–	–
4.8 - Assessment Rates							–	–	–
Vote 5 - Community Services	17 900	53 713	–	64 797	55 774	55 774	54 583	44 236	44 119
5.1 - Director & Administration		644		11 150	11 150	11 150	–	–	–
5.2 - Offices & Community Buildings				–	–	–	–	–	–
5.3 - Parks & Townlands, Cemetries				500	500	500	–	–	–
5.4 - Libraries	3 031			–	529	529	–	–	–
5.5 - Sport & Recreation	3 314			4 017	4 017	4 017	–	–	–
5.6 - Housing & Social Upliftment		10 658		–	–	–	–	–	–
5.7 - Roads & Stormwater		11 739		10 034	14 169	14 169	19 409	2 000	11 006
5.8 - Water	10 594	15 772		22 700	14 029	14 029	19 173	25 075	11 081
5.9 - Sewerage	962	14 887		16 396	11 380	11 380	16 001	17 161	22 032
5.10 - Refuse		12					–	–	–
Vote 6 - Economic and Social Development & Touri	–	–	–	–	–	–	–	–	–
6.1 - Director: Economic Development & Planning							–	–	–
6.2 - Tourism							–	–	–
6.3 - Parking Services							–	–	–
6.4 - EPWP							–	–	–
6.5 - Social Development							–	–	–
Vote 7 - Infrastructure & Planning	8 501	30 496	–	58 239	54 027	54 027	40 128	39 287	63 480
7.1 - Director: Infrastructure & Planning					–	–	–	–	–
7.2 - Deputy Director:Engineering Planning				–	–	–	–	–	–
7.3 - Engineering Services & Housing Development				35 467	35 771	35 771	26 439	13 287	39 480
7.4 - Town Planning					–	–	–	–	–
7.5 - Geographical Info System (GIS)					–	–	–	–	–
7.6 - Building Control Services					–	–	–	–	–
7.7 - Environmental Management Services	8 501			–	–	–	–	–	–
7.8 - Electricity		30 496		22 772	18 256	18 256	13 689	26 000	24 000
7.9 - Solid Waste Planning & Solid Waste Disposal							–	–	–
7.10 - Property Administration							–	–	–
Vote 8 - Protection Services	–	–	–	500	500	500	5 588	841	–
8.1 - Director: Protection Services							–	–	–
8.2 - Traffic							–	–	–
8.3 - Law Enforcement							–	–	–
8.4 - Vehicle testing							–	–	–
8.5 - Fire Brigade				500	500	500	5 588	841	–
8.6 - Vehicle Licensing							–	–	–
8.7 - Special Task Team Unit							–	–	–
8.8 - Disaster Management							–	–	–
8.9 - Security Services							–	–	–
Capital multi-year expenditure sub-total	26 401	84 209	–	123 536	110 301	110 301	100 298	114 364	137 599

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Vote Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure - Municipal Vote									
Single-year expenditure appropriation									
Vote 1 - Council	–	–	–	20	572	572	–	–	–
1.1 - Council General							–		
1.2 - Mayor's Office				20	572	572			
1.3 - Pensioners & Continued Members									
Vote 2 - Municipal Manager	–	–	–	–	–	–	–	–	–
2.1 - Municipal Manager									
2.2 - Internal Audit									
Vote 3 - Management Services	3 848	72	6 346	4 086	4 086	4 086	3 975	–	–
3.1 - Director: Management Services		72		20	20	20	25		
3.2 - Communication				–	–	–	–		
3.3 - Legal Services				–	–	–	–		
3.4 - Strategic Services				–	–	–	–		
3.5 - Human Resources				–	–	–	–		
3.6 - Info & Communication Technology	3 848		6 346	4 066	4 066	4 066	3 950		
3.7 - Council Support Services									
3.8 - Social Development									
3.9 - Municipal Court									
Vote 4 - Finance	–	885	–	30	619	619	30	–	–
4.1 - Director: Finance		885		30	619	619	30		
4.2 - Deputy Director: Finance									
4.3 - Accounting Services									
4.4 - Expenditure & Asset Management									
4.5 - Revenue									
4.6 - Supply Chain Management									
4.7 - Data Control									
4.8 - Assessment Rates									
Vote 5 - Community Services	54 342	4 167	80 077	52 403	53 044	53 044	97 601	22 950	10 725
5.1 - Director & Administration	2 982		1 929	6 329	6 050	6 050	19 093	–	–
5.2 - Offices & Community Buildings				165	165	165	–	–	–
5.3 - Parks & Townlands, Cemetries				–	–	–	–	–	–
5.4 - Libraries				–	–	–	–	–	–
5.5 - Sport & Recreation	6	1 837	5 427	2 500	2 450	2 450	–	–	–
5.6 - Housing & Social Upliftment	25 974		34 180	–	–	–	–	–	–
5.7 - Roads & Stormwater	17 297	2 330	12 023	14 195	12 265	12 265	27 285	2 000	3 500
5.8 - Water	3 639		3 257	7 377	7 917	7 917	33 631	20 150	2 400
5.9 - Sewerage	4 432		21 523	21 838	24 198	24 198	17 593	800	4 825
5.10 - Refuse	13		1 739	–	–	–			
Vote 6 - Economic and Social Development & Touri	–	–	–	5 625	1 620	1 620	7 906	–	–
6.1 - Director: Economic Development & Planning				5 625	1 620	1 620	7 906	–	–
6.2 - Tourism									
6.3 - Parking Services									
6.4 - EPWP									
6.5 - Social Development									
Vote 7 - Infrastructure & Planning	10 246	1 540	16 268	1 100	3 600	3 600	45 186	11 150	6 000
7.1 - Director: Infrastructure & Planning		1 540		100	100	100	993	–	–
7.2 - Deputy Director:Engineering Planning							–	–	–
7.3 - Engineering Services & Housing Development				1 000	3 500	3 500	19 581	–	–
7.4 - Town Planning							–	–	–
7.5 - Geographical Info System (GIS)							–	–	–
7.6 - Building Control Services							–	–	–
7.7 - Environmental Management Services							–	–	–
7.8 - Electricity	9 734		16 268		200	200	19 612	6 000	6 000
7.9 - Solid Waste Planning & Solid Waste Disposal							5 000	5 150	–
7.10 - Property Administration	512								
Vote 8 - Protection Services	295	998	2 517	7 436	706	706	6 680	–	–
8.1 - Director: Protection Services	295			316	316	316	300	–	–
8.2 - Traffic				–	–	–	1 100	–	–
8.3 - Law Enforcement				641	391	391	2 380	–	–
8.4 - Vehicle testing				–	–	–	–	–	–
8.5 - Fire Brigade		998	2 517	6 480			2 900	–	–
8.6 - Vehicle Licensing									
8.7 - Special Task Team Unit									
8.8 - Disaster Management									
8.9 - Security Services									
Capital single-year expenditure sub-total	68 732	7 659	105 207	70 701	64 447	64 447	161 378	34 100	16 725
Total Capital Expenditure	95 133	91 868	105 207	194 237	174 748	174 748	161 378	34 100	16 725

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Table A6 Budgeted Financial Position

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
ASSETS									
Current assets									
Cash	73 518	89 087	94 453	380 242	489 014	489 014	124 120	89 436	74 611
Call investment deposits	101 263	170 728	380 514	–	–	–	320 000	330 000	340 000
Consumer debtors	57 820	62 129	63 126	78 188	68 994	68 994	73 134	77 522	82 173
Other debtors	46 519	47 370	53 220	49 845	53 645	53 645	35 523	33 672	31 630
Current portion of long-term receivables	14	12	10	10	10	10	7	3	1
Inventory	28 688	35 438	50 095	15 432	44 732	44 732	30 752	31 492	47 287
Total current assets	**307 820**	**404 764**	**641 418**	**523 717**	**656 395**	**656 395**	**583 535**	**562 125**	**575 701**
Non current assets									
Long-term receivables	40	27	20	10	10	10	4	1	–
Investments	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Investment property	153 892	155 269	114 846	101 865	114 846	114 846	114 846	114 846	114 846
Investment in Associate									
Property, plant and equipment	3 541 376	3 502 661	3 469 468	3 559 712	3 514 506	3 514 506	3 645 621	3 663 891	3 688 516
Biological									
Intangible	6 713	6 287	6 699	5 942	6 046	6 046	5 323	4 687	4 163
Other non-current assets									
Total non current assets	**3 731 761**	**3 702 225**	**3 635 627**	**3 718 075**	**3 685 955**	**3 685 955**	**3 823 679**	**3 848 884**	**3 880 716**
TOTAL ASSETS	**4 039 581**	**4 106 989**	**4 277 045**	**4 241 792**	**4 342 350**	**4 342 350**	**4 407 214**	**4 411 009**	**4 456 417**
LIABILITIES									
Current liabilities									
Bank overdraft									
Borrowing	26 492	29 580	33 448	38 428	38 428	38 428	42 244	47 697	41 512
Consumer deposits	43 943	37 039	38 462	53 152	40 046	40 046	63 074	67 728	72 411
Trade and other payables	72 707	85 793	118 879	87 052	103 958	103 958	95 207	90 208	74 039
Provisions	26 444	27 795	29 790	36 518	31 670	31 670	33 570	35 584	37 720
Total current liabilities	**169 587**	**180 206**	**220 580**	**215 151**	**214 102**	**214 102**	**234 096**	**241 218**	**225 682**
Non current liabilities									
Borrowing	412 402	412 495	408 658	423 677	423 677	423 677	455 453	461 756	470 934
Provisions	199 265	217 138	205 051	249 777	221 287	221 287	239 095	253 421	268 607
Total non current liabilities	**611 666**	**629 633**	**613 708**	**673 454**	**644 964**	**644 964**	**694 547**	**715 177**	**739 540**
TOTAL LIABILITIES	**781 253**	**809 839**	**834 288**	**888 605**	**859 066**	**859 066**	**928 643**	**956 394**	**965 222**
NET ASSETS	**3 258 328**	**3 297 149**	**3 442 758**	**3 353 187**	**3 483 283**	**3 483 283**	**3 478 571**	**3 454 614**	**3 491 195**
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	3 256 152	3 293 898	3 439 499	3 349 887	3 479 983	3 479 983	3 475 231	3 451 264	3 487 825
Reserves	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
TOTAL COMMUNITY WEALTH/EQUITY	**3 258 328**	**3 297 149**	**3 442 758**	**3 353 187**	**3 483 283**	**3 483 283**	**3 478 571**	**3 454 614**	**3 491 195**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Table A7 Budgeted Cash Flows

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	163 442	195 733	213 851	233 454	233 401	233 401	241 063	255 558	272 340
Service charges	570 606	568 538	589 413	609 686	620 473	620 473	673 293	749 924	841 543
Other revenue	65 164	73 850	75 919	56 317	51 287	51 287	66 179	51 905	53 110
Government - operating	103 190	119 507	131 819	130 566	118 186	118 186	152 183	157 143	168 217
Government - capital	60 394	33 681	64 248	61 968	66 072	66 072	70 194	42 164	68 993
Interest	14 944	23 018	33 308	24 701	32 906	32 906	32 161	34 090	36 135
Dividends							–	–	–
Payments									
Suppliers and employees	(719 905)	(791 231)	(818 184)	(893 168)	(900 839)	(900 839)	(1 017 533)	(1 121 072)	(1 234 178)
Finance charges	(46 193)	(45 910)	(46 129)	(47 834)	(47 834)	(47 834)	(51 549)	(54 249)	(56 068)
Transfers and Grants	(51 090)	(1 898)	(1 800)	(500)	(500)	(500)	(500)	(525)	(551)
NET CASH FROM/(USED) OPERATING ACTIVITIES	160 551	175 288	242 445	175 190	173 153	173 153	165 492	114 938	149 550
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	845	2 943	81 432	–	–	–	–	–	–
Decrease (Increase) in non-current debtors				–	–	–	–	–	–
Decrease (increase) other non-current receivables	15	15	8	10	10	10	10	7	3
Decrease (increase) in non-current investments	(4 980)	(4 980)	(4 980)	(7 124)	(5 952)	(5 952)	(7 339)	(7 575)	(7 730)
Payments									
Capital assets	(95 133)	(84 505)	(105 207)	(194 237)	(174 748)	(174 748)	(261 677)	(148 464)	(154 324)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(99 253)	(86 528)	(28 747)	(201 351)	(180 689)	(180 689)	(269 006)	(156 032)	(162 052)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							–	–	–
Borrowing long term/refinancing	30 000	30 000	30 000	54 000	54 000	54 000	74 300	54 000	50 000
Increase (decrease) in consumer deposits	2 200	(6 904)	1 423	3 937	1 584	1 584	23 028	4 654	4 682
Payments									
Repayment of borrowing	(23 704)	(26 822)	(29 969)	(33 993)	(34 001)	(34 001)	(38 709)	(42 244)	(47 007)
NET CASH FROM/(USED) FINANCING ACTIVITIES	8 496	(3 727)	1 455	23 944	21 583	21 583	58 619	16 410	7 676
NET INCREASE/ (DECREASE) IN CASH HELD	69 794	85 034	215 153	(2 217)	14 047	14 047	(44 895)	(24 684)	(4 825)
Cash/cash equivalents at the year begin:	104 987	174 780	259 815	382 460	474 967	474 967	489 014	444 120	419 436
Cash/cash equivalents at the year end:	174 780	259 815	474 967	380 242	489 014	489 014	444 120	419 436	414 611

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and Investments available									
Cash/cash equivalents at the year end	174 780	269 815	474 967	380 242	489 014	489 014	444 120	419 436	414 611
Other current investments > 90 days	–	–	0	(0)	(0)	(0)	(0)	0	0
Non current assets - Investments	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Cash and Investments available:	204 521	297 796	519 562	430 789	539 560	539 560	502 005	484 896	487 801
Application of cash and investments									
Unspent conditional transfers	1 380	6 474	21 872	–	3 800	3 800	5 636	–	–
Unspent borrowing	–	15	10 450	–	–	–	26 501	–	–
Statutory requirements									
Other working capital requirements	(32 015)	(27 181)	(16 863)	(36 964)	(18 462)	(18 462)	(17 691)	(17 766)	(36 578)
Other provisions									
Long term investments committed	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Reserves to be backed by cash/investments	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
Total Application of cash and investments:	1 281	20 541	63 312	16 883	39 184	39 184	75 671	51 044	39 983
Surplus(shortfall)	203 239	277 256	456 250	413 906	500 376	500 376	426 333	433 852	447 818
Other working capital requirements									
Debtors	103 343	106 500	113 870	124 016	118 620	118 620	107 262	107 974	110 617
Creditors due	71 328	79 319	97 007	87 052	100 158	100 158	89 571	90 208	74 039
Total	32 015	27 181	16 863	36 964	18 462	18 462	17 691	17 766	36 578
Debtors collection assumptions									
Balance outstanding - debtors	104 378	109 526	116 366	128 043	122 649	122 649	108 661	111 195	113 802
Estimate of debtors collection rate	99.0%	97.2%	97.9%	96.9%	96.7%	96.7%	98.7%	97.1%	97.2%
Long term investments committed									
Balance *(Insert description; eg sinking fund)*	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Reserves to be backed by cash/investments									
Housing Development Fund	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
Capital replacement									
Self-insurance									
Other (list)									
	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Table A9 Asset Management

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CAPITAL EXPENDITURE									
Total New Assets	79 249	57 369	75 563	194 237	174 748	174 748	214 907	137 103	121 636
Roads Infrastructure	16 352	2 260	10 003	12 506	12 241	12 241	19 683	–	8 000
Storm water Infrastructure	–	–	255	11 723	14 136	14 136	23 841	4 000	6 506
Electrical Infrastructure	18 237	30 496	15 449	22 772	18 456	18 456	23 801	32 000	26 000
Water Supply Infrastructure	3 772	5 276	627	30 077	21 945	21 945	42 344	37 175	6 700
Sanitation Infrastructure	6 217	5 718	–	34 979	30 777	30 777	24 093	9 500	5 150
Solid Waste Infrastructure	25	8 930	105	–	1 497	1 497	10 000	10 300	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	***44 803***	***52 881***	***26 439***	***112 050***	***99 051***	***99 051***	***143 762***	***92 975***	***52 356***
Community Facilities	29 837	2 212	3 229	16 380	9 995	9 995	12 420	–	–
Sport and Recreation Facilities	–	–	5 427	7 657	7 607	7 607	380	–	–
Community Assets	***29 837***	***2 212***	***8 656***	***24 037***	***17 602***	***17 602***	***12 800***	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	4 809	2 497	4 372	1 421	2 009	2 009	9 034	–	–
Housing	–	–	34 180	35 467	34 271	34 271	26 439	13 287	39 460
Other Assets	***4 809***	***2 497***	***38 552***	***36 888***	***36 281***	***36 281***	***35 472***	***13 287***	***39 460***
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	1 593	4 136	4 136	4 136	4 200	–	–
Furniture and Office Equipment	–	–	205	215	215	215	280	–	–
Machinery and Equipment	–	–	119	1 566	1 566	1 566	900	–	–
Transport Assets	–	–	–	15 345	15 897	15 897	17 493	30 841	30 000
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	15 884	34 479	29 644	–	–	–	6 570	4 900	9 781
Roads Infrastructure	–	11 809	2 020	–	–	–	10	–	–
Storm water Infrastructure	–	–	10 677	–	–	–	–	–	–
Electrical Infrastructure	–	–	819	–	–	–	–	–	–
Water Supply Infrastructure	10 460	10 496	2 629	–	–	–	2 560	2 900	6 781
Sanitation Infrastructure	2 531	9 169	10 591	–	–	–	4 000	2 000	3 000
Solid Waste Infrastructure	–	1 740	1 634	–	–	–	–	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	***12 992***	***33 214***	***28 370***	–	–	–	***6 570***	***4 900***	***9 781***
Community Facilities	2 893	1 265	1 217	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Community Assets	***2 893***	***1 265***	***1 217***	–	–	–	–	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	57	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Total Upgrading of Existing Assets	–	–	–	–	–	–	40 200	6 461	22 707
Roads Infrastructure	–	–	–	–	–	–	–	–	–
Storm water Infrastructure	–	–	–	–	–	–	3 160	–	–
Electrical Infrastructure	–	–	–	–	–	–	9 750	–	4 000
Water Supply Infrastructure	–	–	–	–	–	–	3 600	–	–
Sanitation Infrastructure	–	–	–	–	–	–	5 662	6 461	18 707
Solid Waste Infrastructure	–	–	–	–	–	–	1 000	–	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	–	–	–	–	–	–	***23 172***	***6 461***	***22 707***
Community Facilities	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	16 928	–	–
Community Assets	–	–	–	–	–	–	***16 928***	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	100	–	–
Housing	–	–	–	–	–	–	–	–	–
Other Assets	–	–	–	–	–	–	***100***	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	–	–	–
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Total Capital Expenditure	95 133	91 868	105 207	194 237	174 748	174 748	261 677	148 464	154 324
Roads Infrastructure	16 352	14 069	12 023	12 506	12 241	12 241	19 693	–	8 000
Storm water Infrastructure	–	–	10 932	11 723	14 136	14 136	27 001	4 000	6 506
Electrical Infrastructure	18 237	30 496	16 268	22 772	18 456	18 456	33 551	32 000	30 000
Water Supply Infrastructure	14 232	15 772	3 257	30 077	21 945	21 945	48 504	40 075	13 481
Sanitation Infrastructure	8 748	14 887	10 591	34 973	30 777	30 777	33 755	17 961	26 857
Solid Waste Infrastructure	25	10 670	1 739	–	1 497	1 497	11 000	10 300	–
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	***57 595***	***85 895***	***54 809***	***112 050***	***99 051***	***99 051***	***173 504***	***104 336***	***84 844***
Community Facilities	32 729	3 477	4 446	16 360	9 995	9 995	12 420	–	–
Sport and Recreation Facilities	–	–	5 427	7 657	7 607	7 607	17 308	–	–
Community Assets	***32 729***	***3 477***	***9 873***	***24 017***	***17 602***	***17 602***	***29 728***	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	4 809	2 497	4 372	1 421	2 009	2 009	9 134	–	–
Housing	–	–	34 180	35 467	34 271	34 271	26 439	13 287	39 480
Other Assets	***4 809***	***2 497***	***38 552***	***36 888***	***36 281***	***36 281***	***35 572***	***13 287***	***39 480***
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	1 593	4 136	4 136	4 136	4 200	–	–
Furniture and Office Equipment	–	–	205	215	215	215	280	–	–
Machinery and Equipment	–	–	176	1 566	1 566	1 566	900	–	–
Transport Assets	–	–	–	15 345	15 897	15 897	17 493	30 841	30 000
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	**95 133**	**91 868**	**105 207**	**194 237**	**174 748**	**174 748**	**261 677**	**148 464**	**154 324**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

ASSET REGISTER SUMMARY - PPE (WDV)	3 701 981	3 664 217	3 601 891	3 667 519	3 635 398	3 635 398	3 765 790	3 783 423	3 807 526
Roads Infrastructure	1 267 105	1 239 685	1 256 188	1 211 279	1 033 700	1 033 700	1 019 303	985 594	960 326
Storm water Infrastructure	29 766	46 217	30 324		210 095	210 095	231 052	229 014	229 489
Electrical Infrastructure	533 176	534 751	523 456	522 493	516 762	516 762	525 147	531 988	536 836
Water Supply Infrastructure	516 431	505 838	481 367	491 635	475 850	475 850	496 853	509 727	496 167
Sanitation Infrastructure	378 863	376 119	367 433	399 436	383 450	383 450	400 735	402 292	412 946
Solid Waste Infrastructure				27 169	25 518	25 518	34 270	42 373	40 190
Rail Infrastructure					–	–			
Coastal Infrastructure					–	–			
Information and Communication Infrastructure					–	–			
Infrastructure	***2 727 341***	***2 702 611***	***2 658 767***	***2 652 012***	***2 645 375***	***2 645 375***	***2 707 359***	***2 700 988***	***2 675 955***
Community Assets		617 193	627 042						
Heritage Assets	124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182	124 182
Investment properties	163 892	155 269	114 846	101 865	114 846	114 846	114 846	114 846	114 846
Other Assets	689 853	58 676	70 355	709 652	666 561	666 561	719 198	720 017	747 307
Biological or Cultivated Assets									
Intangible Assets	6 713	6 287	6 699	5 942	6 046	6 046	5 323	4 687	4 163
Computer Equipment									
Furniture and Office Equipment				10 265	11 294	11 294	14 190	12 811	11 658
Machinery and Equipment				6 778	4 487	4 487	4 671	4 074	3 623
Transport Assets				56 822	62 607	62 607	76 020	101 819	125 791
Land									
Zoo's, Marine and Non-biological Animals									
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	3 701 981	3 664 217	3 601 891	3 667 519	3 635 398	3 635 398	3 765 790	3 783 423	3 807 526
EXPENDITURE OTHER ITEMS	**232 287**	**253 258**	**290 070**	**355 575**	**362 321**	**362 321**	**330 474**	**339 606**	**351 608**
Depreciation	122 909	132 463	130 034	130 362	130 362	130 362	131 285	130 830	130 222
Repairs and Maintenance by Asset Class	109 377	120 795	160 036	225 212	231 959	231 959	199 189	208 776	221 386
Roads Infrastructure	45 521	55 545	53 229	63 374	63 890	63 890	65 331	72 339	76 660
Storm water Infrastructure	5 260	6 392	6 017	6 786	6 786	6 786	6 600	7 890	8 335
Electrical Infrastructure	16 972	17 747	17 645	23 747	23 747	23 747	37 099	28 942	30 506
Water Supply Infrastructure	18 066	16 489	15 014	19 104	19 104	19 104	16 935	17 994	19 901
Sanitation Infrastructure	11 512	11 672	13 051	13 642	15 442	15 442	11 541	11 865	12 580
Solid Waste Infrastructure	2 516	2 546	12 946	23 038	24 113	24 113	2 220	2 590	2 747
Rail Infrastructure	–	–	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	189	210	222
Information and Communication Infrastructure	–	–	–	–	–	–	40	42	44
Infrastructure	***99 836***	***110 392***	***117 901***	***149 690***	***153 082***	***153 082***	***139 955***	***141 872***	***150 995***
Community Facilities	–	4 867	12 289	27 714	28 033	28 033	34 241	39 414	41 580
Sport and Recreation Facilities	–	–	–	13 304	13 354	13 354	5 957	6 859	7 261
Community Assets	–	***4 867***	***12 289***	***41 017***	***41 387***	***41 387***	***40 198***	***46 273***	***48 840***
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Operational Buildings	9 541	–	–	12 497	12 597	12 597	2 217	3 094	3 272
Housing	–	–	–	–	–	–	–	–	–
Other Assets	***9 541***	–	–	***12 497***	***12 597***	***12 597***	***2 217***	***3 094***	***3 272***
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	5 653	5 978	6 323
Intangible Assets	–	–	–	–	–	–	***5 653***	***5 978***	***6 323***
Computer Equipment	–	5 535	5 207	5 387	5 387	5 387	1 193	1 260	1 330
Furniture and Office Equipment	–	–	17 919	16 622	19 507	19 507	431	458	486
Machinery and Equipment	–	–	6 719	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–	9 542	9 841	10 140
Land	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS	232 287	253 258	290 070	355 575	362 321	362 321	330 474	339 606	351 608
Renewal and upgrading of Existing Assets as % of total capex	*16.7%*	*37.5%*	*28.2%*	*0.0%*	*0.0%*	*0.0%*	*17.9%*	*7.7%*	*21.1%*
Renewal and upgrading of Existing Assets as % of deprecn	*12.9%*	*26.0%*	*22.8%*	*0.0%*	*0.0%*	*0.0%*	*35.6%*	*8.7%*	*24.9%*
R&M as a % of PPE	*3.1%*	*3.4%*	*4.6%*	*6.3%*	*6.6%*	*6.6%*	*5.5%*	*5.7%*	*6.0%*
Renewal and upgrading and R&M as a % of PPE	*3.0%*	*4.0%*	*5.0%*	*6.0%*	*6.0%*	*6.0%*	*7.0%*	*6.0%*	*7.0%*

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Table A10 Basic service delivery measurement

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets									
Water:									
Piped water inside dwelling	32 544	34 449	29 174	30 209	30 209	30 209	29 174	30 049	30 950
Piped water inside yard (but not in dwelling)	–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	3 106	3 067	3 052	2 817	2 817	2 817	3 052	3 144	3 238
Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	35 650	37 516	32 226	33 026	33 026	33 026	32 226	33 193	34 188
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	**35 650**	**37 516**	**32 226**	**33 026**	**33 026**	**33 026**	**32 226**	**33 193**	**34 188**
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	26 183	26 841	29 166	29 706	29 706	29 706	29 166	30 040	30 941
Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
Chemical toilet	–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)	–	–	3 052	–	–	–	–	–	–
Minimum Service Level and Above sub-total	26 183	26 841	32 217	29 706	29 706	29 706	29 166	30 040	30 941
Bucket toilet	–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
No toilet provisions	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
Total number of households	**26 183**	**26 841**	**32 217**	**29 706**	**29 706**	**29 706**	**29 166**	**30 040**	**30 941**
Energy:									
Electricity (at least min.service level)	6 565	6 356	3 878	5 370	5 370	5 370	5 624	5 380	5 138
Electricity - prepaid (min.service level)	17 810	18 530	21 048	22 191	22 191	22 191	20 867	21 232	21 605
Minimum Service Level and Above sub-total	24 375	24 886	24 926	27 561	27 561	27 561	26 491	26 612	26 742
Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
Total number of households	**24 375**	**24 886**	**24 926**	**27 561**	**27 561**	**27 561**	**26 491**	**26 612**	**26 742**
Refuse:									
Removed at least once a week	31 132	32 029	32 695	32 990	32 990	32 990	32 695	33 676	34 686
Minimum Service Level and Above sub-total	31 132	32 029	32 695	32 990	32 990	32 990	32 695	33 676	34 686
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	**31 132**	**32 029**	**32 695**	**32 990**	**32 990**	**32 990**	**32 695**	**33 676**	**34 686**
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	7 512	7 418	7 385	7 400	7 400	7 400	7 450	9 786	10 034
Sanitation (free minimum level service)	7 512	7 418	7 385	7 400	7 400	7 400	7 450	9 786	10 034
Electricity/other energy (50kwh per household per month)	7 512	7 418	7 385	7 400	7 400	7 400	7 450	9 786	10 034
Refuse (removed at least once a week)	7 512	7 418	7 385	7 400	7 400	7 400	7 450	9 786	10 034
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	1 320	1 726	2 132	14 612	14 612	14 612	14 234	18 603	20 145
Sanitation (free sanitation service to indigent households)	–	–	–	15 697	15 697	15 697	17 938	23 495	25 498
Electricity/other energy (50kwh per indigent household per month)	2 215	3 448	4 681	33 723	33 723	33 723	33 656	45 379	50 690
Refuse (removed once a week for indigent households)	–	–	–	15 223	15 223	15 223	18 220	23 890	25 952
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	–	–	–	–	–	–	–	–	–
Total cost of FBS provided	3 535	5 174	6 813	79 256	79 256	79 256	84 049	111 368	122 286
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)	65	69	73	78	78	78	82	87	92
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)	1 947	2 135							
Property rates (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	39 791	48 431	51 711	50 983	50 983	50 983	54 042	57 285	60 550
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	779	779	779	250	250	250
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	318	318	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	41 738	50 566	51 711	52 080	52 080	52 080	54 292	57 535	60 800

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
REVENUE ITEMS:									
Property rates									
Total Property Rates	204 277	245 535	266 556	285 982	285 982	285 982	296 192	313 954	334 023
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	39 791	48 431	51 711	50 983	50 983	50 983	54 042	57 285	60 550
Net Property Rates	164 486	197 104	214 845	234 998	234 998	234 998	242 150	256 669	273 473
Service charges - electricity revenue									
Total Service charges - electricity revenue	326 815	338 213	354 061	396 507	396 507	396 507	432 524	502 676	576 327
less Revenue Foregone (in excess of 50 kwh per indigent household per month)									
less Cost of Free Basis Services (50 kwh per indigent household per month)	2 216	3 448	4 681	33 723	33 723	33 723	33 656	45 379	50 690
Net Service charges - electricity revenue	324 599	334 765	349 380	362 784	362 784	362 784	398 868	457 297	525 637
Service charges - water revenue									
Total Service charges - water revenue	115 499	116 796	113 142	132 172	140 172	140 172	141 804	152 837	162 419
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)				779	779	779	250	250	250
less Cost of Free Basis Services (6 kilolitres per indigent household per month)	1 320	1 726	2 132	14 612	14 612	14 612	14 234	18 603	20 145
Net Service charges - water revenue	114 179	115 070	111 010	116 781	124 781	124 781	127 320	133 984	142 023
Service charges - sanitation revenue									
Total Service charges - sanitation revenue	72 651	66 890	72 064	89 179	92 179	92 179	97 959	105 984	112 937
less Revenue Foregone (in excess of free sanitation service to indigent households)				318	318	318			
less Cost of Free Basis Services (free sanitation service to indigent households)	–	–	–	15 697	15 697	15 697	17 938	23 495	25 498
Net Service charges - sanitation revenue	72 651	66 890	72 064	73 164	76 164	76 164	80 020	82 489	87 439
Service charges - refuse revenue									
Total refuse removal revenue	61 689	54 389	57 741	76 212	76 212	76 212	88 342	103 305	115 898
Total landfill revenue									
less Revenue Foregone (in excess of one removal a week to indigent households)									
less Cost of Free Basis Services (removed once a week to indigent households)	–	–	–	15 223	15 223	15 223	18 220	23 890	25 952
Net Service charges - refuse revenue	61 689	54 389	57 741	60 990	60 990	60 990	70 122	79 415	89 946
Other Revenue by source									
Building Plan Approval	8 057			8 668	8 668	8 668			
Camping Fees				6 473	6 473	6 473			
Gains				2 000	2 000	2 000			
Collection Charges	2 811			3 800	3 800	3 800			
Development Charges	7 486			2 475	2 475	2 475			
Parking Fees				420	420	420			
Management Fees				976	976	976			
Registration Fees				697	697	697			
Clearance Certificates	484			500	500	500			
Fire Services				1 000	1 000	1 000			
Administrative Handling Fees				250	250	250			
OTHER	10 814	34 706	38 895	4 169	4 413	4 413	27 416	28 846	28 993
Total 'Other' Revenue	29 653	34 706	38 895	31 427	31 672	31 672	27 416	28 846	28 993
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	183 952	302 363	296 536	236 060	233 308	233 308	385 044	405 971	429 876
Pension and UIF Contributions	29 587			39 574	36 976	36 976			
Medical Aid Contributions	9 829			13 679	12 091	12 091			
Overtime	15 732			23 606	30 672	30 672			
Performance Bonus				210	210	210			
Motor Vehicle Allowance	7 222			8 203	8 203	8 203			
Cellphone Allowance	1 582			2 243	2 243	2 243			
Housing Allowances	4 608			2 542	2 542	2 542			
Other benefits and allowances	11 569			26 983	29 329	29 329			
Payments in lieu of leave	1 815			1 062	1 162	1 162	1 125	1 193	1 264
Long service awards	2 288			1 946	2 612	2 612	2 062	2 186	2 317
Post-retirement benefit obligations	6 381			10 916	14 766	14 766	11 573	12 266	13 002
sub-total	274 564	302 363	296 536	367 024	374 114	374 114	399 804	421 616	446 460
Less: Employees costs capitalised to PPE									
Total Employee related costs	274 564	302 363	296 536	367 024	374 114	374 114	399 804	421 616	446 460
Contributions recognised - capital									
List contributions by contract									
Total Contributions recognised - capital	–	–	–	–	–	–	–	–	–

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	122 909	132 532	134 400	130 362	130 362	130 362	130 562	130 194	129 698
Lease amortisation							723	636	523
Capital asset impairment									
Depreciation resulting from revaluation of PPE									
Total Depreciation & asset impairment	**122 909**	**132 532**	**134 400**	**130 362**	**130 362**	**130 362**	**131 285**	**130 830**	**130 222**
Bulk purchases									
Electricity Bulk Purchases	194 620	217 523	225 844	238 588	238 588	238 588	275 880	319 000	368 859
Water Bulk Purchases									
Total bulk purchases	**194 620**	**217 523**	**225 844**	**238 588**	**238 588**	**238 588**	**275 880**	**319 000**	**368 859**
Transfers and grants									
Cash transfers and grants	50 757	1 898	1 800	500	500	500	500	525	551
Non-cash transfers and grants	333	–	–	–	–	–	–	–	–
Total transfers and grants	**51 090**	**1 898**	**1 800**	**500**	**500**	**500**	**500**	**525**	**551**
Contracted services									
Sewerage Services	23 944			47 972	47 972	47 972			
Maintenance of Unspecified Assets	16 105			40 038	40 038	40 038			
Infrastructure and Planning	6 892			13 413	13 413	13 413			
Maintenance of Buildings and Facilities	14 014			12 199	12 199	12 199			
Business and Advisory	2 313			1 641	1 926	1 926			
Haulage	5 021			7 855	7 855	7 855			
Litter Picking and Street Cleaning	6 652			7 370	7 370	7 370			
Mini Dumping Sites	2 494			8 342	8 342	8 342			
Legal Cost	5 477			3 189	4 305	4 305			
Security Services	4 349			7 089	7 089	7 089			
Traffic Fines Management	2 130			4 419	4 419	4 419			
Safeguard and Security	4 990			5 639	5 639	5 639			
Chipping	2 301			3 355	3 355	3 355			
Meter Management	4 033			2 430	2 430	2 430			
Maintenance of Equipment	2 474			2 258	2 258	2 258			
Management of Informal Settlements				2 169	2 169	2 169			
Laboratory Services	1 653			2 141	2 141	2 141			
Cleaning and Grass Cutting Services				1 803	1 803	1 803			
Swimming Supervision				1 562	1 562	1 562			
Refuse Removal				1 012	1 012	1 012			
Event Promoters				632	632	632			
Connection/Dis-connection				716	716	716			
Outsourced Services				861	861	861	87 702	94 254	98 914
Consultants and Professional Services				664	664	664	28 071	35 812	31 397
Contractors	7 605	155 726	167 065	14 869	27 074	27 074	91 763	99 718	106 969
sub-total	**112 447**	**155 726**	**167 065**	**193 637**	**207 243**	**207 243**	**207 536**	**229 784**	**237 280**
Allocations to organs of state:									
Electricity									
Water									
Sanitation									
Other									
Total contracted services	**112 447**	**155 726**	**167 065**	**193 637**	**207 243**	**207 243**	**207 536**	**229 784**	**237 280**
Other Expenditure By Type									
Collection costs					–	–	6 289	6 716	7 171
Contributions to 'other' provisions					–	–	3 914	4 148	4 397
Consultant fees					–	–			
Audit fees	4 277			5 088	5 088	5 088	7 098	6 622	6 971
General expenses	83 873	50 631	55 475	61	(2 345)	(2 345)	52 636	45 886	49 018
External Computer Service				8 962	8 962	8 962	8 898	9 398	9 930
Municipal Services				6 022	6 022	6 022			
Commission	1 019			5 764	5 764	5 764			
Communication				6 213	6 193	6 193			
Professional Bodies, Membership and Subscription				3 639	3 639	3 639			
Insurance Underwriting	2 088			3 400	3 400	3 400			
Contribution to Provisions				3 714	11 267	11 267			
Uniform and Protective Clothing				3 082	3 082	3 082			
Advertising, Publicity and Marketing	2 284			2 712	2 712	2 712			
Skills Development Fund Levy				2 941	2 941	2 941	3 190	3 349	3 374
OPERATING LEASES				1 366	1 351	1 351	1 427	1 193	1 261
Workmen's Compensation Fund				1 791	1 791	1 791			
Bank Charges, Facility and Card Fees				1 446	1 446	1 446			
Travel and Subsistence				1 265	1 264	1 264			
Assets less than the Capitalisation Threshold				932	927	927			
Vehicle Tracking				1 021	1 021	1 021			
Bursaries (Employees)				1 301	1 301	1 301			
Printing, Publications and Books				896	896	896			
Levies Paid - Water Resource Management Charges				992	992	992			
Remuneration to Ward Committees				688	688	688			
Hire Charges				565	565	565			
Wet Fuel				371	371	371			
Total 'Other' Expenditure	**93 542**	**50 631**	**55 475**	**64 232**	**69 339**	**69 339**	**83 450**	**77 311**	**82 123**
by Expenditure Item									
Employee related costs	38 175	50 261	53 689	100 740	100 740	100 740	97 024	102 792	109 320
Other materials	14 541	3 500	30 000	16 024	16 154	16 154	13 845	17 054	18 056
Contracted Services	30 494	36 145	67 791	82 917	86 649	86 649	69 331	78 933	83 434
Other Expenditure	26 167	30 890	8 555	25 531	28 416	28 416	18 995	29 992	10 576
Total Repairs and Maintenance Expenditure	109 377	120 795	160 036	225 212	231 959	231 959	199 189	228 776	221 386

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description R thousand	Vote 1 - Council	Vote 2 - Municipal Manager	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Community Services	Vote 6 - Economic and Social Development & Tourism	Vote 7 - Infrastructure & Planning	Vote 8 - Protection Services	Total
Revenue By Source									
Property rates	–	–	–	242 150	–	–	–	–	242 150
Service charges - electricity revenue	–	–	–	130	–	–	398 738	–	398 868
Service charges - water revenue	–	–	–	450	126 870	–	–	–	127 320
Service charges - sanitation revenue	–	–	–	–	80 020	–	–	0	80 020
Service charges - refuse revenue	–	–	–	–	70 122	–	–	–	70 122
Rental of facilities and equipment	–	–	–	–	3 562	–	0	–	3 562
Interest earned - external investments	–	–	–	28 010	–	–	–	–	28 010
Interest earned - outstanding debtors	–	–	–	4 151	0	–	–	–	4 151
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	30	140	–	132	32 251	32 552
Licences and permits	–	–	–	–	458	–	–	2 005	2 462
Agency services	–	–	–	–	–	–	–	4 700	4 700
Other revenue	161	–	844	7 883	9 561	–	8 172	795	27 416
Transfers and subsidies	30 922	36	–	2 110	56 934	2 635	56 649	2 897	152 183
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contri	**31 083**	**36**	**844**	**284 914**	**347 666**	**2 635**	**463 691**	**42 647**	**1 173 517**
Expenditure By Type									
Employee related costs	15 995	5 059	27 799	46 637	176 903	10 021	62 822	54 567	399 804
Remuneration of councillors	11 383	–	–	–	–	–	–	–	11 383
Debt impairment	–	–	–	148	445	–	148	24 160	24 902
Depreciation & asset impairment	3	11	1 565	128	103 663	23	25 590	301	131 285
Finance charges	–	–	–	82	34 349	–	17 118	–	51 549
Bulk purchases	–	–	–	–	–	–	275 880	–	275 880
Other materials	43	30	628	446	31 050	951	30 173	326	63 646
Contracted services	314	444	8 516	6 572	86 066	1 172	91 228	13 324	207 636
Transfers and subsidies	500	–	–	–	–	–	–	–	500
Other expenditure	7 839	252	18 391	21 063	7 203	1 124	25 035	2 472	83 379
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–
Total Expenditure	**36 077**	**5 797**	**56 900**	**75 077**	**439 679**	**13 291**	**527 994**	**95 150**	**1 249 963**
Surplus/(Deficit)	**(4 994)**	**(5 761)**	**(56 056)**	**209 838**	**(92 013)**	**(10 656)**	**(64 303)**	**(52 502)**	**(76 446)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	32 010	–	33 439	4 746	70 194
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)									–
Surplus/(Deficit) after capital transfers & contributions	**(4 994)**	**(5 761)**	**(56 056)**	**209 838**	**(60 003)**	**(10 656)**	**(30 864)**	**(47 757)**	**(6 252)**

OVERSTRAND MUNISIPALITEIT
2009-05-
MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
ASSETS									
Call investment deposits									
Call deposits	101 263	170 728	380 514				320 000	330 000	340 000
Other current investments									
Total Call investment deposits	101 263	170 728	380 514	–	–	–	320 000	330 000	340 000
Consumer debtors									
Consumer debtors	76 918	82 722	84 900	99 188	89 994	89 994	95 394	101 117	107 184
Less: Provision for debt impairment	(19 098)	(20 593)	(21 774)	(21 000)	(21 000)	(21 000)	(22 260)	(23 596)	(25 011)
Total Consumer debtors	57 820	62 129	63 126	78 188	68 994	68 994	73 134	77 522	82 173
Debt impairment provision									
Balance at the beginning of the year	16 972	19 098	20 593	19 000	19 000	19 000	21 000	22 260	23 596
Contributions to the provision	2 785	2 616	1 983	2 500	2 500	2 500	1 760	1 836	1 916
Bad debts written off	(658)	(1 121)	(803)	(500)	(500)	(500)	(500)	(500)	(500)
Balance at end of year	19 098	20 593	21 774	21 000	21 000	21 000	22 260	23 596	25 011
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)	5 459 595	5 536 674	5 629 375	5 871 132	5 804 123	5 804 123	6 065 800	6 214 264	6 368 588
Leases recognised as PPE				–	–	–			
Less: Accumulated depreciation	1 918 219	2 034 013	2 159 908	2 311 420	2 289 617	2 289 617	2 420 179	2 550 373	2 680 072
Total Property, plant and equipment (PPE)	3 541 376	3 502 661	3 469 468	3 559 712	3 514 506	3 514 506	3 645 621	3 663 891	3 688 516
LIABILITIES									
Current liabilities - Borrowing									
Short term loans (other than bank overdraft)									
Current portion of long-term liabilities	26 492	29 580	33 448	38 428	38 428	38 428	42 244	47 697	41 512
Total Current liabilities - Borrowing	26 492	29 580	33 448	38 428	38 428	38 428	42 244	47 697	41 512
Trade and other payables									
Trade Payables	71 328	79 319	97 007	87 052	100 158	100 158	89 571	90 208	74 039
Other creditors									
Unspent conditional transfers	1 380	6 474	21 872	–	3 800	3 800	5 636	–	–
VAT									
Total Trade and other payables	72 707	85 793	118 879	87 052	103 958	103 958	95 207	90 208	74 039
Non current liabilities - Borrowing									
Borrowing	412 402	412 495	408 658	423 677	423 677	423 677	455 453	461 756	470 934
Finance leases (including PPP asset element)									
Total Non current liabilities - Borrowing	412 402	412 495	408 658	423 677	423 677	423 677	455 453	461 756	470 934
Provisions - non-current									
Retirement benefits	110 245	122 588	98 747	141 638	108 914	108 914	120 259	127 475	135 123
List other major provision items									
Refuse landfill site rehabilitation	79 158	84 877	92 013	96 947	97 533	97 533	103 385	109 588	116 164
Other	9 861	9 673	14 291	11 192	14 840	14 840	15 450	16 358	17 320
Total Provisions - non-current	199 265	217 138	205 051	249 777	221 287	221 287	239 095	253 421	268 607
CHANGES IN NET ASSETS									
Accumulated Surplus/(Deficit)									
Accumulated Surplus/(Deficit) - opening balance	3 217 225	3 256 152	3 297 200	3 339 936	3 439 499	3 439 499	3 479 983	3 475 231	3 451 264
GRAP adjustments	(15 890)	(5 775)	(3 302)						
Restated balance	3 201 335	3 250 376	3 293 898	3 339 936	3 439 499	3 439 499	3 479 983	3 475 231	3 451 264
Surplus/(Deficit)	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(6 252)	(24 967)	35 771
Appropriations to Reserves									
Transfers from Reserves	1 201	1 935	1 565	2 000	2 000	2 000	1 500	1 000	790
Depreciation offsets									
Other adjustments					43 591	43 591			
Accumulated Surplus/(Deficit)	3 256 152	3 293 898	3 439 499	3 349 887	3 479 983	3 479 983	3 475 231	3 451 264	3 487 825
Reserves									
Housing Development Fund	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
Capital replacement									
Self-insurance									
Other reserves									
Revaluation									
Total Reserves	2 177	3 251	3 259	3 300	3 300	3 300	3 340	3 350	3 370
TOTAL COMMUNITY WEALTH/EQUITY	3 258 328	3 297 149	3 442 758	3 353 187	3 483 283	3 483 283	3 478 571	3 454 614	3 491 195

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Strategic Objective	Goal	Goal Code	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
The provision of democratic, accountable and ethical governance	Good Governance	1	334 121	315 623	330 663	296 029	306 903	306 903	317 773	314 089	333 801
The provision and maintenance of municipal services	Basic Service Delivery	2	697 907	600 303	674 417	706 624	720 477	720 477	778 700	886 674	981 012
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	37 676	54 775	52 972	61 447	67 241	67 241	85 575	61 943	87 470
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	21 639	65 909	79 437	58 097	54 750	54 750	61 663	55 214	66 999
Allocations to other priorities											
Total Revenue (excluding capital transfers and contributions)			991 343	1 036 610	1 137 488	1 142 196	1 149 370	1 149 370	1 243 711	1 317 920	1 469 281

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Strategic Objective	Goal	Goal Code	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
The provision of democratic, accountable and ethical governance	Good Governance	1	324 575	177 829	181 573	221 763	221 637	221 637	247 061	263 476	272 479
The provision and maintenance of municipal services	Basic Service Delivery	2	384 960	515 721	490 339	568 159	576 723	576 723	639 154	690 998	758 999
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	1 835	1 793	1 486	1 270	1 250	1 250	1 085		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	71 285	102 799	125 449	144 344	153 451	153 451	164 538	182 997	192 011
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	155 072	196 881	194 606	198 708	201 415	201 415	198 125	205 415	210 022
Allocations to other priorities											
Total Expenditure			937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	1 249 963	1 342 887	1 433 511

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Strategic Objective	Goal	Goal Code	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
The provision of democratic, accountable and ethical governance	Good Governance	A	4 929	957	6 346	6 331	7 472	7 472	4 105	30 000	30 000
The provision and maintenance of municipal services	Basic Service Delivery	B	57 595	63 488	42 786	111 375	98 642	98 642	162 402	104 336	76 844
The encouragement of structured community participation in the matters of the municipality	Good Governance	C	6 480	3 729	41 536	5 250	7 063	7 063	48 489	13 287	39 480
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	D	264	10 406	2 517	52 460	47 021	47 021	16 271	841	-
The promotion of tourism, economic and social development	Economic Development and Social upliftment	E	25 865	13 279	12 023	18 821	14 551	14 551	30 410	-	8 000
Allocations to other priorities											
Total Capital Expenditure			95 133	91 868	105 267	194 237	174 748	174 748	261 677	148 464	154 324

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Vote 1 - vote name										
Council and Municipal Manager										
Municipal Manager										
Percentage of a municipality's capital budget actually spent on capital projects identified for the financial year in terms of the municipality's IDP ((Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects)X100)	% of capital budget spent	92.0%	98.0%	90.13%	95.0%		95.0%	95.0%	95.0%	95.0%
Sign section 56 performance agreements with all directors by the end of July	Number of agreements signed	no kpi set	6	6	6		6	6	6	6
Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit quarterly progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	no kpi set	4	5	4		4	4	4	4
Bi-annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2019 to be completed by Sept 2019 and the current period October to December 2019 to be completed by February 2020.	Number of appraisals	no kpi set	12	12	12		12	12	12	12
Submit the final Annual report and oversight report to Council before 31 March	Final Annual report and oversight report submitted	no kpi set	1	1	1		1	1	1	1
Prepare the final IDP for submission to Council by the end of May	Final IDP submitted	no kpi set	1	1	1		1	1	1	1
Draft the annual report and submit to the Auditor-General by the end of August	Draft Annual report submitted	no kpi set	1	1	1		1	1	1	1
Submit the Final MTREF budget by the end of May	Budget submitted	no kpi set	1	1	1		1	1	1	1
Management Services										
Director: Management Services										
Human Resources										
92% of the approved and funded organogram filled ((actual number of posts filled dived by the funded posts budgeted) x100)	% filled	92.8%	88.0%	93.4%	92%		92.0%	92.0%	92.0%	92.0%
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	The number of people from EE target groups employed	62	63	70.0%	66		66	67	67	67
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan	% of the training budget spent on implementation of the WSP	100.0%	99.5%	99.9%	100%		100%	100.0%	100.0%	100.0%
Review the Municipal Organisational Staff Structure by the end of June	Structure reviewed	1	1	1	1		1	1	1	1
Corporate Support Services										
Revise the Section 14 Access to Information Manual by the end of June to ensure compliant and up to date policies	Manual revised	1	1	1	1		1	1	1	1
Risk Management										
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	4	3	4	4		4	4	4	4
Finance										
Director Finance										
Director Finance										
Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	Ratio achieved	3.84	5.18%	6.56	1.5	3	3	3	3	3
Financial viability measured in terms of the municipality's ability to meet it's service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (%)	Ratio achieved	17.77%	20.09%	19.96%	15.0%	12%	12.0%	12.0%	12.0%	12.0%
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved	10.34%	9.86%	10.52%	12.2		12.2%	12.2%	12.2%	12.2%
Submit a reviewed long term financial plan to the CFO by the end of October	Reviewed long term financial plan submitted	1	1	1.0%	1		1	1	1	1
Financial statements submitted to the Auditor General by 31 August	Financial statements submitted	1	1	1	1		1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements	Number of indigent households	7512	7418	7385	7500	7 400	7400	7450	9766	10034
Achieve a debt recovery rate not less than 96% (Receipts/total billed for 12 months period x 100)	% Recovered	97.9%	98.44%	99.35%	96%		96%	96%	96%	96%
Community Services										
Director: Community Services										
Director: Community Services										
98% of the operational conditional grant (Libraries) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries)	100.0%	86.07%	93.0%	96%		98.0%	98.0%	98.0%	98.0%
m² of roads patched and resealed according to approved Pavement Management System within available budget	m² of roads patched and resealed	171681	135288	122932	100000		100 000	100 000	100 000	100 000
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	20.86%	19.14%	18.82%	19%		19.0%	19%	19%	19%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Description	Unit of measurement	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Ward committee meetings held to facilitate consistent and regular communication with residents	No of ward committee meetings per ward per annum (UOM revised in 2018/19 - Number of ward committees per annum)	8	9	8	104	117	117	117	117	117
Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded state owned land and private land)	198	252	253	119	239	239	253	253	253
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	32976	34449	29174	33132	30 209	30209	29174	30049	30950
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS)	Number of formal households for which refuse is removed at least once a week	31132	32029	32695	31754	32 999	32999	32695	33678	34688
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week	Number of weekly removal of refuse in informal households (once per week = 52 weeks per annum)	52	52	52	52		52	52	52	52
The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilets to 5 households (MPPMR Reg 10 (a))	The number of toilets provided in relation to the number of informal households (excluding invaded state owned land and private land)	724	794	794	593	794	794	794	794	794
Provision of sanitation services to formal residential households (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS)	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	28183	29841	29185	32872	29 841	29841	29185	30049	30941
Provision of water to informal households on invaded land with available funding ("Land invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of taps installed for informal households on invaded land with available funding	no kpi set	no kpi set	no kpi set	no kpi set	84	84	84	84	84
The provision of sanitation services to informal households on invaded land with available funding ("Land invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of toilets provided for informal households on invaded land with available funding	no kpi set	no kpi set	no kpi set	no kpi set	120	120	120	120	120
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	87.25%	92.93%	93.5%	90%		90.0%	90.0%	90.0%	90.0%
Quality of potable water comply 95% with SANS 241	% compliance with SANS 241	99.0%	99.0%	98.0%	95%		95.0%	95.0%	95.0%	95.0%
Report on the implementation of the Water Service Development plan annually by the end of October	Report submitted	1	1	1	1		1	1	1	1
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	6.34%	7.37%	5.12%	7.5%		7.5%	7.5%	7.5%	7.5%
Provision of Electricity: Number of metered electrical connections in formal area (Eskom Areas excluded) (Definition: refers to residential households (RE) and pensioners (PR) as per the Finance department's billed households)	Number of formal household that meet agreed service standards	20487	20916	21048	20700		20700	21048	21232	21606
MIG										
100% of the Municipal Infrastructure Grant (MIG) spent by 30 June (Actual MIG expenditure/Allocation received)	% Expenditure of allocated funds	100.0%	100.0%	79.70%	100.0%		100.0%	100.0%	100.0%	100.0%
Protection Services										
Director Protection Services										
Protection Services										
Arrange public awareness sessions on Protection Services	Number of sessions held	58	68	84	90		90	100	100	100
Collect R16 500 000 Public Safety income by 30 June (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income (excluding fines impairment amount) (Note KPI & target reviewed in 2017/18 mid-year assessment)	R 34,949,821	R40,357,315	R 20 167 767	15,000,000	15,000,000	15,000,000	16 500 000	16 500 000	16 500 000
Review Community Safety Plan in three year cycle by end of June of the third year in conjuction with the Department of Community Safety	Plan reviewed	100.0%	100.0%	no kpi set	no kpi set	no kpi set	no kpi set	100.0%	0.0%	0.0%
Disaster and Fire Management										

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Description	Unit of measurement	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Annually review and submit Disaster Management Plan to Council by the end of October	Reviewed plan submitted	100.0%	100.0%	100.0%	100.0%		100.0%	100.0%	100.0%	100.0%
Local Economic Development, Social Development & Tourism										
Director: LED										
LED, Social Development and Tourism										
Provide four progress reports on LED, Social Development and Tourism initiatives to Council by end June 2020 (Refers to the 4th quarter report of previous financial year and three progress reports for the 2019/20 financial year)	Number of progress reports on LED, Social Development & Tourism initiatives	1	3	3	3		3	4	4	4
Provide a schedule of funded events to the Executive Mayor for sign off by end of July 2019	Number of schedules submitted	1	1	1	1		1	1	1	1
Support 120 SMME's in terms of the SMME Development Programme by 30 June	Number of SMME's supported	59	92	92	120		120	120	120	120
Support 50 Emerging Contractors in terms of the Emerging Contractor Development Programme by 30 June	Number of emerging contractors supported	no kpi set	48	48	50		50	50	50	50
Report on projects/ initiatives in collaboration with other stakeholders for local economic development, social development and tourism	Number of projects / initiatives collaborated on	no kpi set	no kpi set	no kpi set	no kpi set		kpi reworded	12	12	12
The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 1020 work opportunities)	Number of temporary jobs created	564	828	994	1000		1000	1020	1020	1020

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Borrowing Management										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	7.5%	7.3%	7.7%	7.2%	7.1%	7.1%	7.2%	7.2%	7.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	8.5%	8.2%	8.0%	8.6%	8.5%	8.5%	8.8%	8.6%	8.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	88.9%	61.7%	62.0%	40.9%	49.7%	49.7%	38.8%	50.8%	58.6%
Safety of Capital										
Gearing	Long Term Borrowing/ Funds & Reserves	18944.5%	12687.3%	12540.1%	12838.7%	12838.7%	12838.7%	13636.3%	13783.8%	13974.3%
Liquidity										
Current Ratio	Current assets/current liabilities	1.8	2.2	2.9	2.4	3.1	3.1	2.5	2.3	2.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.8	2.2	2.9	2.4	3.1	3.1	2.5	2.3	2.6
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	1.4	2.2	1.8	2.3	2.3	1.9	1.7	1.8
Revenue Management										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		99.5%	99.5%	99.8%	99.3%	99.3%	0.0%	99.6%	99.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		99.5%	99.5%	99.8%	99.3%	99.3%	99.3%	99.6%	99.6%	99.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.2%	10.9%	10.8%	11.9%	11.3%	11.3%	9.3%	8.7%	8.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	97.2%	97.2%	0.0%	0.0%	0.0%	0.0%			
Creditors Management										
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))	98.0%	99.5%	100.0%	99.0%	99.0%	99.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		40.8%	39.5%	20.4%	22.9%	20.5%	20.5%	20.2%	21.5%	17.9%
Other Indicators										
Electricity Distribution Losses (2)	Total Volume Losses (kW)	15046015	18113084	12858011	19375560	19375560	19375560	14613426	15031215	15511930
	Total Cost of Losses (Rand '000)	9	4	0	5	5	5	1	1	2
	% Volume (units purchased and generated less units sold)/units purchased and generated	6.3%	7.4%	5.1%	7.5%	7.5%	7.5%	5.6%	5.6%	5.6%
Water Distribution Losses (2)	Total Volume Losses (kℓ)	1 491	1 444	1 112	1 368	1 368	1 368	1 159	1 181	1 203
	Total Cost of Losses (Rand '000)	5449	2210.719	1788	5700	5700	5700	1969.065	2087.51825	2170.894163
	% Volume (units purchased and generated less units sold)/units purchased and generated	20.9%	21.3%	18.8%	19.69%	19.69%	19.69%	18.3%	18.0%	17.7%
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.5%	30.1%	27.6%	34.0%	34.5%	34.5%	34.1%	33.0%	31.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	30.4%	31.0%	28.6%	35.0%	35.5%	35.5%	35.0%	34.0%	32.8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	11.6%	12.0%	14.9%	20.8%	21.4%	21.4%	17.0%	16.4%	15.8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	18.2%	17.8%	16.8%	16.5%	16.4%	16.4%	15.6%	14.5%	13.3%
IDP regulation financial viability indicators										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	16.6	14.0	16.3	14.2	14.2	14.2	13.4	13.5	14.8
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	14.0%	14.0%	14.2%	15.0%	14.2%	14.2%	11.8%	11.0%	10.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.7	3.8	6.9	4.7	5.9	5.9	4.9	4.3	4.0

Calculation data									
Debtors > 90 days									
Monthly fixed operational expenditure	65 866	68 961	69 090	80 824	82 509	82 509	89 997	97 464	104 690
Fixed operational expenditure % assumption	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Own capex	33 739	48 654	36 568	132 169	108 576	108 576	191 463	106 300	85 331
Borrowing	30 000	30 000	30 000	54 000	54 000	54 000	54 000	54 000	50 000

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics											
Population		55	75	80	90	93	96	99	102	105	114
Females aged 5 - 14		3	6	5	6	6	7	7	8	8	9
Males aged 5 - 14		3	6	5	6	6	7	7	7	8	8
Females aged 15 - 34		6	12	13	15	15	15	16	16	17	19
Males aged 15 - 34		6	11	14	15	16	15	16	16	17	19
Unemployment		5	8	4	5	6	5	5	5	5	12
Monthly household income (no. of households)											
No income		2 226	770	4 585	5 290	5 443	5 601	5 763	5 930	6 102	6 285
R1 - R1 600		6 149	5 307	5 326	6 144	6 323	6 506	6 695	6 889	7 089	7 272
R1 601 - R3 200		3 742	3 177	4 878	5 628	5 791	5 959	6 131	6 309	6 492	6 675
R3 201 - R6 400		3 344	3 789	4 362	5 032	5 178	5 328	5 483	5 642	5 805	5 988
R6 401 - R12 800		2 303	2 750	3 830	4 419	4 547	4 678	4 814	4 954	5 097	5 280
R12 801 - R25 600		920	1 947	2 896	3 341	3 438	3 538	3 640	3 746	3 854	4 037
R25 601 - R51 200		227	1 066	1 456	1 680	1 728	1 779	1 830	1 883	1 938	2 121
R52 201 - R102 400		77	184	486	561	577	594	611	629	647	830
R102 401 - R204 800		44	176	109	126	129	133	137	141	145	328
R204 801 - R409 600				81	93	96	99	102	105	108	291
R409 601 - R819 200											
> R819 200											
Poverty profiles (no. of households)											
< R2 060 per household per month					11513.50	11943.00	12397.00	12868.00	13254.00	13652.00	14062.00
Insert description											
Household/demographics (000)											
Number of people in municipal area		55 012	74 546	80 432	90	93	93	99			
Number of poor people in municipal area							37				
Number of households in municipal area		19 032	19 166	28 009	32	33	34	35			
Number of poor households in municipal area							23				
Definition of poor household (R per month)							6 529				
Housing statistics											
Formal					29 152	30 173	30 256	31 096	32 964	34 942	37 038
Informal								3 160	4 764	4 764	4 764
Total number of households		-	-	-	29 152	30 173	30 256	34 256	37 728	39 706	41 802
Dwellings provided by municipality					220	341		100			
Dwellings provided by province/s											
Dwellings provided by private sector					382	391	401	410			
Total new housing dwellings		-	-	-	602	732	401	510	-	-	-
Economic											
Inflation/inflation outlook (CPIX)					6,2%	6,6%	6.4%	4.7%	5.2%	5.4%	5.4%
Interest rate - borrowing					11,5%	11,75%	10.7%	10.5%	10.7%	10.8%	10.9%
Interest rate - investment					7,24%	7,45%	7.7%	7.6%	8.2%	8.3%	8.4%
Remuneration increases					7.0%	6.0%	7.4%	6.0%	6.3%	6.5%	6.5%
Consumption growth (electricity)					0.1%	0.1%	0.0%	1.0%	2.0%	3.0%	5.0%
Consumption growth (water)					4.4%	4.0%	2.2%	2.4%	3.0%	4.0%	5.0%
Collection rates											
Property tax/service charges					99.3%	99.3%	99.4%	99.9%	99.8%	99.8%	99.8%
Rental of facilities & equipment					99.8%	99.8%	99.7%	99.8%	99.8%	99.8%	99.8%
Interest - external investments					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors					99.8%	99.8%	99.7%	99.8%	99.8%	99.8%	99.8%
Revenue from agency services					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand Supporting Table SA10 Funding measurement

Description	MFMA section	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funding measures											
Cash/cash equivalents at the year end - R'000	18(1)b	174 780	258 815	474 967	380 242	489 014	489 014	–	444 120	418 436	414 611
Cash + investments at the yr end less applications - R'000	18(1)b	203 239	277 256	456 250	413 906	500 376	500 376	–	426 333	433 852	447 818
Cash year end/monthly employee/supplier payments	18(1)b	2.7	3.8	6.9	4.7	5.9	5.9	–	4.9	4.3	4.0
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	53 618	41 587	144 036	7 951	(5 106)	(5 106)	–	(6 252)	(24 967)	35 771
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	(1.6%)	(1.2%)	(0.5%)	(4.7%)	(6.0%)	(100.0%)	0.8%	3.9%	4.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	99.0%	97.2%	97.9%	96.9%	96.7%	96.7%	0.0%	98.7%	97.1%	97.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	1.9%	2.9%	2.2%	2.8%	2.7%	2.7%	0.0%	2.7%	2.6%	2.5%
Capital payments % of capital expenditure	18(1)c;19	100.0%	92.0%	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	66.9%	51.7%	62.0%	40.9%	49.7%	49.7%	0.0%	38.8%	50.8%	56.6%
Grants % of Govt. legislated/gazetted allocations	18(1)a								102.7%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	4.9%	6.3%	10.0%	(4.2%)	0.0%	(100.0%)	(11.8%)	2.3%	2.3%
Long term receivables % change - incr(decr)	18(1)a	N.A.	(33.6%)	(24.5%)	(49.1%)	0.0%	0.0%	(100.0%)	(64.3%)	(64.7%)	(100.0%)
R&M % of Property Plant & Equipment	20(1)(vi)	3.1%	3.4%	4.6%	6.3%	6.6%	6.6%	0.0%	5.5%	5.7%	6.0%
Asset renewal % of capital budget	20(1)(vi)	16.7%	37.5%	28.2%	0.0%	0.0%	0.0%	0.0%	2.5%	3.3%	6.3%
Supporting Indicators											
% incr *total service charges (incl prop rates)*	18(1)a		4.2%	4.8%	5.4%	1.3%	0.0%	(100.0%)	6.8%	9.9%	10.8%
% incr Property Tax	18(1)a		19.6%	9.0%	9.4%	0.0%	0.0%	(100.0%)	3.8%	6.0%	6.5%
% incr Service charges - electricity revenue	18(1)a		3.1%	4.4%	3.8%	0.0%	0.0%	(100.0%)	9.9%	14.6%	14.9%
% incr Service charges - water revenue	18(1)a		0.8%	(3.5%)	5.2%	6.8%	0.0%	(100.0%)	2.0%	5.2%	6.0%
% incr Service charges - sanitation revenue	18(1)a		(7.9%)	7.7%	1.5%	4.1%	0.0%	(100.0%)	5.1%	3.1%	6.0%
% incr Service charges - refuse revenue	18(1)a		(11.8%)	6.2%	5.6%	0.0%	0.0%	(100.0%)	15.0%	13.3%	13.3%
% incr in	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	737 604	768 218	805 040	848 717	859 717	859 717	–	918 480	1 009 854	1 118 517
Service charges		737 604	768 218	805 040	848 717	859 717	859 717	–	918 480	1 009 854	1 118 517
Property rates		164 486	197 104	214 845	234 998	234 998	234 998	–	242 150	256 669	273 473
Service charges - electricity revenue		324 599	334 765	349 380	362 784	362 784	362 784	–	398 868	457 297	525 637
Service charges - water revenue		114 179	115 070	111 010	116 781	124 781	124 781	–	127 320	133 984	142 023
Service charges - sanitation revenue		72 651	66 880	72 064	73 164	76 164	76 164	–	80 020	82 499	87 439
Service charges - refuse removal		61 689	54 389	57 741	60 990	60 990	60 990	–	70 122	79 415	89 946
Service charges - other		–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		9 915	11 613	12 324	3 679	3 679	3 679	–	3 562	3 744	3 949
Capital expenditure excluding capital grant funding		33 739	48 654	36 568	132 169	108 576	108 576	–	191 483	106 300	85 331
Cash receipts from ratepayers	18(1)a	799 211	838 121	879 184	899 458	905 161	905 161	–	980 535	1 057 387	1 166 993
Ratepayer & Other revenue	18(1)a	807 222	861 926	898 457	928 661	935 911	935 911	–	993 324	1 088 923	1 200 601
Change in consumer debtors (current and non-current)		25 964	5 146	6 839	11 676	6 283	6 283	(116 376)	(19 386)	2 530	2 605
Operating and Capital Grant Revenue	18(1)a	164 281	148 093	180 669	192 534	184 258	184 258	–	222 377	199 307	237 210
Capital expenditure - total	20(1)(vi)	95 133	91 868	105 207	194 237	174 748	174 748	–	261 677	149 484	154 324
Capital expenditure - renewal	20(1)(vi)	15 894	34 479	29 644	–	–	–		6 570	4 900	9 781
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									110 882	119 084	131 278
DoRA capital grants total MFY									39 010	28 036	29 513
Provincial operating grants									38 392	38 059	36 939
Provincial capital grants									28 281	14 128	39 480
District Municipality grants											
Total gazetted/advised national, provincial and district grants									216 565	199 307	237 210
Average annual collection rate (arrears inclusive)											
DoRA operating											
Local Government Equitable Share									105 697	117 534	129 728
Finance Management									1 550	1 550	1 550
EPWP Incentive									2 635		
									110 882	119 084	131 278
DoRA capital											
Municipal Infrastructure Grant (MIG)									32 010	23 036	24 513
INEP									7 000	5 000	5 000
									39 010	28 036	29 513

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Trend										
Change in consumer debtors (current and non-current)	25 964	5 146	6 839	(116 376)	(19 386)	2 530	2 605	–	–	–
Total Operating Revenue	930 691	1 002 928	1 073 241	1 080 228	1 083 298	1 083 298	–	1 173 517	1 275 756	1 400 289
Total Operating Expenditure	937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	–	1 249 963	1 342 887	1 433 511
Operating Performance Surplus/(Deficit)	(7 036)	7 906	79 788	(54 017)	(71 179)	(71 179)	–	(76 446)	(67 131)	(33 222)
Cash and Cash Equivalents (30 June 2012)								444 120		
Revenue										
% Increase in Total Operating Revenue		7.8%	7.0%	0.7%	0.3%	0.0%	(100.0%)	8.3%	8.7%	9.8%
% Increase in Property Rates Revenue		19.8%	9.0%	9.4%	0.0%	0.0%	(100.0%)	3.0%	6.0%	6.5%
% Increase in Electricity Revenue		3.1%	4.4%	3.8%	0.0%	0.0%	(100.0%)	9.9%	14.8%	14.9%
% Increase in Property Rates & Services Charges		4.2%	4.8%	5.4%	1.3%	0.0%	(100.0%)	6.8%	9.9%	10.8%
Expenditure										
% Increase in Total Operating Expenditure		6.1%	(0.2%)	14.2%	1.8%	0.0%	(100.0%)	8.3%	7.4%	6.7%
% Increase in Employee Costs		10.1%	(1.3%)	23.8%	1.9%	0.0%	(100.0%)	6.9%	5.9%	5.9%
% Increase in Electricity Bulk Purchases		11.8%	3.8%	5.6%	0.0%	0.0%	(100.0%)	15.6%	15.6%	15.6%
Average Cost Per Budgeted Employee Position (Remuneration)			293599.9782	327116.2807				343179.1674		
Average Cost Per Councillor (Remuneration)			405507.64	438890.4				455312.28		
R&M % of PPE	3.1%	3.4%	4.6%	6.3%	6.8%	6.8%		5.5%	5.7%	6.0%
Asset Renewal and R&M as a % of PPE	3.0%	4.0%	5.0%	6.0%	6.0%	6.0%		7.0%	6.0%	7.0%
Debt Impairment % of Total Billable Revenue	1.9%	2.9%	2.2%	2.8%	2.7%	2.7%	0.0%	2.7%	2.6%	2.5%
Capital Revenue										
Internally Funded & Other (R'000)	6 549	13 104	17 368	63 519	54 952	54 952	–	100 981	42 000	35 331
Borrowing (R'000)	27 189	35 550	19 199	68 650	53 624	53 624	–	90 501	64 300	50 000
Grant Funding and Other (R'000)	61 394	43 214	68 640	62 068	66 172	66 172	–	70 194	42 164	68 993
Internally Generated funds % of Non Grant Funding	19.4%	26.9%	47.5%	48.1%	50.6%	50.6%	0.0%	52.7%	39.5%	41.4%
Borrowing % of Non Grant Funding	80.6%	73.1%	52.5%	51.9%	49.4%	49.4%	0.0%	47.3%	60.5%	58.6%
Grant Funding % of Total Funding	64.5%	47.0%	65.2%	32.0%	37.9%	37.9%	0.0%	26.8%	28.4%	44.7%
Capital Expenditure										
Total Capital Programme (R'000)	95 133	91 868	105 207	194 237	174 748	174 748	–	261 677	148 464	154 324
Asset Renewal	15 884	34 479	28 644	–	–	–	–	46 779	11 361	32 468
Asset Renewal % of Total Capital Expenditure	16.7%	37.5%	28.2%	0.0%	0.0%	0.0%	0.0%	17.9%	7.7%	21.1%
Cash										
Cash Receipts % of Rate Payer & Other	99.0%	97.2%	97.9%	96.9%	96.7%	96.7%	0.0%	98.7%	97.1%	97.2%
Cash Coverage Ratio	0	0	0	0	0	0	–	0	0	0
Borrowing										
Credit Rating (2009/10)								0		
Capital Charges to Operating	7.5%	7.3%	7.7%	7.2%	7.1%	7.1%	0.0%	7.2%	7.2%	7.2%
Borrowing Receipts % of Capital Expenditure	88.9%	61.7%	82.0%	40.9%	49.7%	49.7%	0.0%	38.8%	50.8%	58.6%
Reserves										
Surplus/(Deficit)	203 239	277 256	456 250	413 906	500 376	500 376	–	426 333	433 852	447 818
Free Services										
Free Basic Services as a % of Equitable Share	6.5%	7.1%	8.1%	82.5%	82.5%	82.5%		78.8%	94.8%	94.3%
Free Services as a % of Operating Revenue (excl operational transfers)	5.0%	5.7%	5.4%	5.5%	5.4%	5.4%		5.3%	5.1%	4.9%
High Level Outcome of Funding Compliance										
Total Operating Revenue	930 691	1 002 928	1 073 241	1 080 228	1 083 298	1 083 298	–	1 173 517	1 275 756	1 400 289
Total Operating Expenditure	937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	–	1 249 963	1 342 887	1 433 511
Surplus/(Deficit) Budgeted Operating Statement	(7 036)	7 906	79 788	(54 017)	(71 179)	(71 179)	–	(76 446)	(67 131)	(33 222)
Surplus/(Deficit) Considering Reserves and Cash Backing	203 239	277 256	456 250	413 906	500 376	500 376	–	426 333	433 852	447 818
MTREF Funded (1) / Unfunded (0)	1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA11 Property rates summary

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Valuation:									
Date of valuation:	02/07/2012	02/07/2016	02/07/2016	02/07/2016					
Financial year valuation used	2012/2013	2016/2017	2016/2017	2016/2017			2016/2017		
Municipal by-laws s6 in place? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)	No	No	No	No	No	No	No	No	No
No. of assistant valuers (FTE)	2	2	2	2	2	2	2	2	2
No. of data collectors (FTE)	6	6	6	6	6	6	6	6	6
No. of internal valuers (FTE)	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	3	3	3	3	3	3	3	3
No. of additional valuers (FTE)	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)	12	60	60	48			12		
No. of properties	42 264	42 494	42 494	42 823	42 823	42 823	42 823	42 823	42 823
No. of sectional title values	2 686	2 555	2 560	2 210	2 210	2 210	2 210	2 210	2 210
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	1	1	2	2	2	2	2	2
No. of valuation roll amendments	-	6	12	27	27	27	27	27	27
No. of objections by rate payers	8	7	12	11	11	11	11	11	11
No. of appeals by rate payers	-	3	1	2	2	2	2	2	2
No. of successful objections	-	3	1	6	6	6	6	6	6
No. of successful objections > 10%	-	1	1	1	1	1	1	1	1
Supplementary valuation	2 323	2 322	2 500	2 566	2 566	2 566	2 566	2 566	2 566
Public service infrastructure value (Rm)	98	98	82	84	84	84	84	84	84
Municipality owned property value (Rm)	721	739	905	924	924	924	980	980	980
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	98	98	98	84	84	84	89	89	89
Valuation reductions-nature reserves/park (Rm)	–	–	368	368	368	368	390	390	390
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	442	445	450	476	476	476	504	504	504
Valuation reductions-public worship (Rm)	150	151	158	175	175	175	185	185	185
Valuation reductions-other (Rm)	1 937	1 947	1 946	2 860	2 860	2 860	3 032	3 032	3 032
Total valuation reductions:	2 627	2 641	3 020	3 963	3 963	3 963	4 201	4 201	4 201
Total value used for rating (Rm)	42 093	42 303	43 689	46 907	46 907	46 907	49 721	49 721	49 721
Total land value (Rm)	22 143	22 249	21 274	22 595	22 595	22 595	23 950	23 950	23 950
Total value of improvements (Rm)	21 409	21 516	25 585	27 770	27 770	27 770	29 436	29 436	29 436
Total market value (Rm)	43 552	43 765	46 859	50 364	50 364	50 364	53 386	53 386	53 386
Rating:									
Residential rate used to determine rate for other categories? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)	No	No	No	No			No		
Special rating area used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)				No			No		
Rates policy accompanying budget? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)	100	220	220	220			220		
Non-residential prescribed ratio s19? (%)	51.4%	51.6%	51.5%	51.5%					
Rate revenue:									
Rate revenue budget (R '000)	164 448	197 140	214 975	226 314	226 314	226 314	239 470	253 838	269 068
Rate revenue expected to collect (R'000)	164 448	197 140	214 975	226 314	226 314	226 314	239 470	253 838	269 068
Expected cash collection rate (%)	99.2%	98.3%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	5 294	6 863	7 494	8 200	8 200	8 200	8 667	9 187	9 739
Rebates, exemptions - indigent (R'000)									
Rebates, exemptions - pensioners (R'000)	520	604							
Rebates, exemptions - bona fide farm. (R'000)	85	99							
Rebates, exemptions - other (R'000)	4 642	5 390							
Phase-in reductions/discounts (R'000)									
Total rebates,exemptns,reductns,discs (R'000)	5 247	6 093	–	–	–	–	–	–	–

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table 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 2018/19																
Valuation:																
No. of properties	37 661	-	1 137	291	144	1 252	773	-	-	-	-	-	164	-	156	-
No. of sectional title property values	2 242	-	288	-	-	-	-	-	-	-	-	-	-	-	-	-
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 914	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
No. of objections by rate-payers	IN PROCESS															
No. of appeals by rate-payers	IN PROCESS															
No. of appeals by rate-payers finalised	IN PROCESS															
No. of successful objections	IN PROCESS															
No. of successful objections > 10%	IN PROCESS															
Estimated no. of properties not valued	100 TOTAL															
Years since last valuation **(select)**	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Frequency of valuation **(select)**	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Method of valuation used **(select)**	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation **(select)**	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	84	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	369	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	476	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	175	-
Valuation reductions-other (Rm)	1 090	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	41 721	-	3 801	913	472	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	19 283	-	1 526	662	239	401	74	-	-	-	-	-	268	-	141	-
Total value of Improvements (Rm)	24 017	-	2 344	251	233	231	10	-	-	-	233	-	100	-	350	-
Total market value (Rm)	**43 300**		**3 870**	**913**	**472**	**633**	**84**	-	-	-	**472**	-	**368**	-	**492**	-
Rating:																
Average rate	0.005395		0.008173	0.001349	0.008173				0.005395							
Rate revenue budget (R '000)	187 100		35 195	734	3 285											
Rate revenue expected to collect (R'000)	187 100		35 195	734	3 285											
Expected cash collection rate (%)	100.0%		100.0%	100.0%	100.0%											
Special rating areas (R'000)	6 779		1 275	27	119											
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)																

OVERSTRAND MUNICIPALITY
RECEIVED
2018-05-31

WC032 Overstrand - Supporting Table 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 2019/20																
Valuation:																
No. of properties	37 661	-	1 137	291	144	1 252	773	-	-	-	-	-	164	-	156	-
No. of sectional title property values	2 242	-	288	-	-	-	-	-	-	-	-	-	-	-	-	-
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)**	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Frequency of valuation **(select)**	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Method of valuation used **(select)**	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation **(select)**	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	89	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	391	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	504	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	185	-
Valuation reductions-other (Rm)	1 155	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	44 224	-	4 029	968	500	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	20 440	-	1 617	702	254	425	78	-	-	-	-	-	284	-	150	-
Total value of Improvements (Rm)	25 458	-	2 485	266	247	245	11	-	-	-	-	-	247	-	106	-
Total market value (Rm)	**45 898**	-	**4 102**	**968**	**500**	**671**	**89**	-	-	-	-	-	**531**	-	**256**	-
Rating:																
Average rate	0.005703		0.008639	0.001426	0.008639				0.005703							
Rate revenue budget (R '000)	198 000		37 300	770	3 400											
Rate revenue expected to collect (R'000)	198 000		37 300	770	3 400											
Expected cash collection rate (%)	100.0%		100.0%	100.0%	100.0%											
Special rating areas (R'000)	7 166		1 348	28	126											
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)																

OVERSTRAND MUNICIPALITY
MUNICIPAL MANAGER

WC032 Overstrand - Supporting Table SA13a Service Tariffs by category

Description	Provide description of tariff structure where appropriate	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
						Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Property rates *(rate in the Rand)*								
Residential properties		0.0044	0.0047	0.0051	0.0054	0.0057	0.0060	0.0064
Residential properties - vacant land		0.0061	0.0065	0.0070	0.0074	0.0078	0.0083	0.0088
Formal/informal settlements								
Small holdings								
Farm properties - used		0.0011	0.0012	0.0013	0.0013	0.0014	0.0015	0.0016
Farm properties - not used								
Industrial properties								
Business and commercial properties		0.0067	0.0072	0.0077	0.0082	0.0086	0.0092	0.0097
Communal land - residential								
Communal land - small holdings								
Communal land - farm property								
Communal land - business and commercial								
Communal land - other								
State-owned properties		0.0067	0.0072	0.0077	0.0082	0.0086	0.0092	0.0097
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)*		108	115	122	129	137	145	153
Service point - vacant land *(Rands/month)*		108	115	122	129	137	145	153
Water usage - flat rate tariff *(c/kl)*	0 - 6 kl	382	404	480	502	560	594	629
Water usage - life line tariff	7 - 18 kl	912	966	1 024	1 085	1 147	1 216	1 289
Water usage - Block 1 (c/kl)	19 - 30 kl	1 479	1 567	1 661	1 761	1 861	1 973	2 091
Water usage - Block 2 (c/kl)	31 - 45 kl	2 276	2 413	2 557	2 711	2 866	3 038	3 220
Water usage - Block 3 (c/kl)	46 - 60 kl	2 957	3 134	3 322	3 521	3 722	3 945	4 182
Water usage - Block 4 (c/kl)	> 60 kl	3 943	4 179	4 430	4 696	4 964	5 262	5 578
Other								
Waste water tariffs								
Domestic								
Basic charge/fixed fee *(Rands/month)*		97	102	109	115	122	129	137
Service point - vacant land *(Rands/month)*		116	123	109	115	122	129	137
Waste water - flat rate tariff *(c/kl)*		1 088	1 153	1 222	1 296	1 370	1 452	1 539
Volumetric charge - Block 1 (c/kl)	Basic charge pumps	65	69	73	78	82	87	92
Volumetric charge - Block 2 (c/kl)	Service per pump	444	471	499	529	560	593	629
Volumetric charge - Block 3 (c/kl)								
Volumetric charge - Block 4 (c/kl)								
Other								
Electricity tariffs								
Domestic								
Basic charge/fixed fee *(Rands/month)*		217	255	268	292	335	355	377
Service point - vacant land *(Rands/month)*		217	255	268	292	335	355	377
FBE	(how is this targeted?)							
Life-line tariff - meter	(describe structure)							
Life-line tariff - prepaid	(describe structure)	99	100	101	107	120	127	135
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	109	109	115	129	136	145
Meter - IBT Block 3 (c/kwh)	351 - 600 kWh	146	155	158	168	189	200	212
Meter - IBT Block 4 (c/kwh)	> 600 kWh	176	189	193	206	232	246	261
Meter - IBT Block 5 (c/kwh)	Prepaid Meter							
Prepaid - IBT Block 1 (c/kwh)	0 - 350 kWh	99	100	100	106	119	126	134
Prepaid - IBT Block 2 (c/kwh)	351 - 600 kWh	137	146	149	158	178	189	200
Prepaid - IBT Block 3 (c/kwh)	> 600 kWh	169	182	185	198	223	237	251
Prepaid - IBT Block 4 (c/kwh)	(fill in thresholds)							
Prepaid - IBT Block 5 (c/kwh)	(fill in thresholds)							
Other								
Waste management tariffs								
Domestic								
Street cleaning charge								
Basic charge/fixed fee		138	148	155	164	185	197	208
80l bin - once a week								
250l bin - once a week		138	148	155	164	185	197	208

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	Provide description of tariff structure where appropriate	2015/16	2016/17	2017/18	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
						Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Exemptions, reductions and rebates *(Rands)*								
{insert lines as applicable}								
Water tariffs								
{insert blocks as applicable}	Basic charge	108	115	122	129	137	145	153
	Basic charge	108	115	122	129	137	145	153
	0 - 6 kl	362	404	450	502	560	594	629
	7 - 18 kl	912	966	1 024	1 085	1 147	1 216	1 289
	19 - 30 kl	1 479	1 567	1 661	1 761	1 861	1 973	2 091
	31 - 45 kl	2 276	2 413	2 557	2 711	2 866	3 038	3 220
	46 - 60 kl	2 957	3 134	3 322	3 521	3 722	3 945	4 182
	> 60 kl	3 943	4 179	4 430	4 696	4 964	5 262	5 578
Waste water tariffs								
{insert blocks as applicable}	Basic charge	97	102	109	115	122	129	137
	Basic charge	116	123	109	115	122	129	137
	Tariff per kl (c/kl)	1 088	1 153	1 222	1 296	1 370	1 452	1 539
	Basic charge - pumps	65	69	73	78	82	87	92
	Service per pump	444	471	499	529	560	593	629
Electricity tariffs								
{insert blocks as applicable}	Basic charge/fixed fee	217	255	268	292	335	363	385
	Basic - Vacant Land	217	255	268	292	335	363	385
	Flat rate prepaid (c/kWh)	99	100	101	107	120	130	137
	Credit Meter							
	0 - 350 kWh	108	109	109	115	129	139	147
	351 - 600 kWh	146	155	158	168	189	204	216
	> 600 kWh	176	189	193	206	232	251	266
	Prepaid Meter							
	0 - 350 kWh	99	100	100	106	119	128	136
	351 - 600 kWh	137	146	149	158	178	192	203
	> 600 kWh	169	182	185	198	223	241	256



WC032 Overstrand - Supporting Table SA14 Household bills

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
Rand/cent	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20 % incr.	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	191.53	205.32	220.57	233.78	233.78	233.78	5.7%	247.13	261.96	277.68
Electricity: Basic levy	216.83	254.78	267.52	291.60	291.60	291.60	15.0%	335.34	355.46	376.79
Electricity: Consumption	1 367.73	1 445.42	1 464.97	1 558.89	1 558.89	1 558.89	12.5%	1 753.87	1 859.10	1 970.65
Water: Basic levy	108.42	114.93	121.83	129.14	129.14	129.14	5.7%	136.50	144.69	153.37
Water: Consumption	313.77	333.62	354.92	377.69	377.69	377.69	6.2%	400.93	424.99	450.48
Sanitation	325.09	344.53	365.16	387.25	387.25	387.25	5.7%	409.35	433.91	459.95
Refuse removal	137.99	146.26	155.04	164.35	164.35	164.35	12.9%	185.49	196.62	208.42
Other	41.70	41.70	53.54	56.97	56.97	56.97	-	56.97	56.97	56.97
sub-total	2 703.06	2 886.56	3 003.55	3 199.67	3 199.67	3 199.67	10.2%	3 525.58	3 733.70	3 954.30
VAT on Services	351.61	375.37	396.57	444.88	444.88	444.88		491.77	520.76	551.49
Total large household bill:	3 054.67	3 261.93	3 400.12	3 644.55	3 644.55	3 644.55	10.2%	4 017.35	4 254.46	4 505.79
% increase/-decrease		6.8%	4.2%	7.2%	-	-		10.2%	5.9%	5.9%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	132.60	142.15	152.70	161.85	161.85	161.85	5.7%	171.09	181.36	192.24
Electricity: Basic levy	216.83	254.78	267.52	291.60	291.60	291.60	15.0%	335.34	355.46	376.79
Electricity: Consumption	554.27	571.30	574.61	608.63	608.63	608.63	12.2%	683.08	724.06	767.51
Water: Basic levy	108.42	114.93	121.83	129.14	129.14	129.14	5.7%	136.50	144.69	153.37
Water: Consumption	236.54	251.79	268.19	285.74	285.74	285.74	6.3%	303.75	321.98	341.29
Sanitation	287.01	304.18	322.39	341.89	341.89	341.89	5.7%	361.40	383.08	406.07
Refuse removal	137.99	146.26	155.04	164.35	164.35	164.35	12.9%	185.49	196.62	208.42
Other	41.70	41.70	53.54	56.97	56.97	56.97	-	56.97	56.97	56.97
sub-total	1 715.36	1 827.09	1 915.82	2 040.17	2 040.17	2 040.17	9.5%	2 233.62	2 364.22	2 502.65
VAT on Services	221.59	235.89	251.24	281.75	281.75	281.75		309.38	327.43	346.56
Total small household bill:	1 936.95	2 062.98	2 167.06	2 321.92	2 321.92	2 321.92	9.5%	2 543.00	2 691.65	2 849.22
% increase/-decrease		6.5%	5.0%	7.1%	-	-		9.5%	5.8%	5.9%
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates	73.67	78.97	84.83	89.92	89.92	89.92	5.7%	95.05	100.75	106.80
Electricity: Basic levy	216.83	254.78	267.52	291.60	291.60	291.60	15.0%	335.34	355.46	376.79
Electricity: Consumption	348.08	351.58	351.05	371.42	371.42	371.42	12.0%	415.98	440.94	467.40
Water: Basic levy	108.42	114.93	121.83	129.14	129.14	129.14	5.7%	136.50	144.69	153.37
Water: Consumption	162.59	173.44	185.14	197.69	197.69	197.69	6.6%	210.70	223.34	236.74
Sanitation	248.93	263.82	279.62	296.53	296.53	296.53	5.7%	313.45	332.26	352.19
Refuse removal	137.99	146.26	155.04	164.35	164.35	164.35	12.9%	185.49	196.62	208.42
Other	(635.29)	(701.43)	(727.86)	(792.66)	(792.66)	(792.66)		(884.39)	(952.37)	(1 025.57)
sub-total	661.22	682.35	767.17	747.99	747.99	747.99	8.0%	808.12	841.69	876.13
VAT on Services	76.42	78.64	90.11	98.71	98.71	98.71		106.96	111.14	115.40
Total small household bill:	737.64	760.99	857.28	846.70	846.70	846.70	8.1%	915.08	952.83	991.53
% increase/-decrease		3.2%	6.1%	4.9%	-	-		8.1%	4.1%	4.1%

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA15 Investment particulars by type

Investment type	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	101 263	170 728	380 514				320 000	330 000	340 000
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)	29 740	37 982	44 595	50 546	50 546	50 546	57 885	65 460	73 191
Repurchase Agreements - Banks									
Municipal Bonds									
Municipality sub-total	**131 003**	**208 709**	**425 109**	**50 546**	**50 546**	**50 546**	**377 885**	**395 460**	**413 191**
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:	**131 003**	**208 709**	**425 109**	**50 546**	**50 546**	**50 546**	**377 885**	**395 460**	**413 191**

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 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	POLICY	Yes	Variable	Fair Value Adjustment			01/09/2025	15 309	975		1 500	17 783
LIBERTY 21196964	14	POLICY	Yes	Variable	Fair Value Adjustment			01/09/2025	25 374	1 137		3 120	29 631
MOMENTUM 3853776	15	POLICY	Yes	Variable	Fair Value Adjustment			01/07/2026	2 739	33		360	3 132
													-
													-
													-
TOTAL INVESTMENTS AND INTEREST									43 422		-	4 980	50 546

174

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality									
Annuity and Bullet Loans	312 402	312 495	308 658	323 677	323 677	323 677	355 453	361 756	370 934
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	**412 402**	**412 495**	**408 658**	**423 677**	**423 677**	**423 677**	**455 453**	**461 756**	**470 934**
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	–	–	–	–	–	–	–	–	–
Total Borrowing	**412 402**	**412 495**	**408 658**	**423 677**	**423 677**	**423 677**	**455 453**	**461 756**	**470 934**

Unspent Borrowing - Categorised by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)	–	15	10 450				26 501		
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	–	15	10 450	–	–	–	26 501	–	–
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	–	–	–	–	–	–	–	–	–
Total Unspent Borrowing	–	15	10 450	–	–	–	26 501	–	–

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA18 Transfers and grant receipts

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:									
Operating Transfers and Grants									
National Government:	**67 709**	**76 347**	**88 073**	**99 544**	**99 544**	**99 544**	**110 882**	**119 084**	**131 278**
Local Government Equitable Share	64 598	72 950	84 223	96 068	96 068	96 068	106 697	117 534	129 728
Finance Management	1 450	1 475	1 550	1 550	1 550	1 550	1 550	1 550	1 550
EPWP Incentive	1 661	1 922	2 300	1 926	1 926	1 926	2 635		
Other transfers/grants [insert description]									
Provincial Government:	**35 118**	**41 312**	**38 766**	**30 731**	**12 429**	**12 429**	**38 392**	**38 059**	**36 939**
Human Settlements Development Grant	29 425	35 101	31 171	23 633	5 133	5 133	25 061	28 213	26 360
Library Services Grant	5 307	5 889	7 006	6 147	6 147	6 147	7 287	7 502	7 915
Financial Management Capacity Building Grant			240	360	360	360	360		
Community Development Workers Operational Support Grant	72	75	74	74	–	–			
Maintenance & Construction of Transport Infrastructure	114	137	139	137	137	137	126	144	144
Western Cape Financial Management Support Grant				280	280	280	280		
Local Government Internship Grant		60	66		72	72			
Greenest Municipality Competition		50	70						
Municipal Service Delivery & Capacity Building Grant					200	200			
Thusong Service Centre	200			100	100	100	100		100
Resourcing Funding for Establishment &Support of a K9 Unit							2 000	2 200	2 420
Disaster Management Grant							3 157		
Other transfers/grants [insert description]									
District Municipality:	–	–	–	–	–	–	–	–	–
[insert description]									
Other grant providers:	–	–	–	–	–	–	–	–	–
[insert description]									
Total Operating Transfers and Grants	**102 827**	**117 659**	**126 839**	**130 275**	**111 973**	**111 973**	**149 274**	**157 143**	**168 217**
Capital Transfers and Grants									
National Government:	**31 647**	**26 030**	**26 330**	**25 901**	**25 901**	**25 901**	**39 010**	**28 036**	**29 513**
Municipal Infrastructure Grant (MIG)	21 417	21 030	22 330	21 639	21 639	21 639	32 010	23 036	24 513
INEP	8 000	5 000	4 000	4 262	4 262	4 262	7 000	5 000	5 000
Finance Management	1 300								
Municipal Systems Improvement	930								
Other capital transfers/grants [insert desc]									
Provincial Government:	**29 110**	**10 490**	**42 992**	**36 067**	**38 567**	**38 567**	**26 281**	**14 128**	**39 480**
Human Settlements Development Grant	26 060	8 290	36 661	35 467	33 967	33 967	26 439	13 287	39 480
Library Services Grant	3 031	1 000		600	600	600			
Resourcing Funding for Establishment &Support of a K9 Unit					4 000	4 000			
Public Transport Non-Motorised Infrastructure Grant			4 000						
Fire Service Capacity Building Grant			800					841	
Municipal Service Delivery & Capacity Building Grant			360						
Disaster Management Grant							1 843		
Development of Sport and Recreation Facilities		1 200	1 171						
District Municipality:	–	–	–	–	–	–	–	–	–
[insert description]									
Other grant providers:	–	–	–	–	–	–	–	–	–
[insert description]									
Total Capital Transfers and Grants	**60 757**	**36 520**	**69 322**	**61 968**	**64 468**	**64 468**	**67 291**	**42 164**	**68 993**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**163 584**	**154 179**	**196 161**	**192 243**	**176 441**	**176 441**	**216 565**	**199 307**	**237 210**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA18 Expenditure on transfers and grant programme

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	3 701	3 397	3 850	3 476	3 476	3 476	4 185	1 550	1 550
Local Government Equitable Share									
Finance Management	2 040	1 475	1 550	1 550	1 550	1 550	1 550	1 550	1 550
EPWP Incentive	1 661	1 922	2 300	1 926	1 926	1 926	2 635		
Other transfers/grants [insert description]									
Provincial Government:	36 630	38 034	28 348	31 022	18 642	18 642	37 968	38 059	35 939
Human Settlements Development Grant	29 425	31 921	21 645	23 633	10 856	10 856	25 837	28 213	26 360
Library Services Grant	5 307	5 889	6 306	6 147	6 147	6 147	7 287	7 502	7 915
Financial Management Capacity Building Grant				600	600	600	980		
Community Development Workers Operational Sup	72	75	74	74	–	–			
Maintenance & Construction of Transport Infrastruc	114	137	139	137	137	137	126	144	144
Western Cape Financial Management Support Gra	1 513			280	280	280	560		
Local Government Internship Grant		12	64	51	122	122	36		
Greenest Municipality Competition			120						
Municipal Service Delivery & Capacity Building Grant					200	200	144		
Thusong Service Centre				100	100	100	100		100
Resourcing Funding for Establishment &Support of	200				200	200	2 897	2 200	2 420
Disaster Management Grant									
Other transfers/grants [insert description]									
District Municipality:	–	–	–	–	–	–	–	–	–
[insert description]									
Other grant providers:	–	–	–	–	–	–	176	–	–
Spaces for Sport							176		
Total operating expenditure of Transfers and Grants:	40 331	41 431	32 198	34 498	22 118	22 118	42 329	39 609	38 489
Capital expenditure of Transfers and Grants									
National Government:	30 347	26 030	21 786	25 901	30 445	30 445	39 010	26 036	29 513
Municipal Infrastructure Grant (MIG)	21 417	21 030	17 786	21 639	26 183	26 183	32 010	23 036	24 513
INEP	8 000	5 000	4 000	4 262	4 262	4 262	7 000	5 000	5 000
Finance Management									
Municipal Systems Improvement	930								
Other capital transfers/grants [insert desc]									
Provincial Government:	29 004	7 681	42 462	36 067	35 628	35 628	31 184	14 128	39 480
Human Settlements Development Grant	25 974	7 651	34 180	35 467	34 108	34 108	26 439	13 287	39 480
Library Services Grant	3 031	30	1 141	600	1 129	1 129			
Resourcing Funding for Establishment &Support of a K9 Unit							2 903		
Public Transport Non-Motorised Infrastructure Grant			3 610		390	390			
Fire Service Capacity Building Grant			2 000					841	
Municipal Service Delivery & Capacity Building Grant			360						
Disaster Management Grant							1 843		
Development of Sport and Recreation Facilities			1 171						
District Municipality:									
[insert description]									
Other grant providers:	–	–	–	–	–	–	–	–	–
[insert description]									
Total capital expenditure of Transfers and Grants	59 351	33 711	64 248	61 968	66 072	65 072	70 194	42 164	68 993
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	99 683	75 143	96 446	96 466	88 190	88 190	112 523	81 773	107 482



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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year	580								
Current year receipts	67 709	76 347	88 073	99 544	99 544	99 544	110 882	119 084	131 276
Conditions met - transferred to revenue	**68 289**	**76 347**	**88 073**	**99 544**	**99 544**	**99 544**	**110 882**	**119 084**	**131 276**
Conditions still to be met - transferred to liabilities									
Provincial Government:									
Balance unspent at beginning of the year	213	2 944	(10 418)	291	(16 057)	(16 057)			
Current year receipts	35 118	41 312	38 766	30 731	30 731	30 731	38 392	38 059	36 939
Conditions met - transferred to revenue	**35 330**	**38 054**	**28 348**	**31 022**	**18 642**	**18 642**	**41 301**	**38 059**	**36 939**
Conditions still to be met - transferred to liabilities		6 192			(3 969)	(3 969)	(2 909)		
District Municipality:									
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities									
Other grant providers:									
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities									
Total operating transfers and grants revenue	**103 629**	**114 411**	**116 421**	**130 566**	**118 186**	**118 186**	**152 183**	**157 143**	**168 217**
Total operating transfers and grants - CTBM	-	**6 192**	-	-	**(3 969)**	**(3 969)**	**(2 909)**	-	-
Capital transfers and grants:									
National Government:									
Balance unspent at beginning of the year					4 544	4 544	3 800		
Current year receipts	30 347	26 030	26 330	25 901	25 901	25 901	39 010	28 036	29 513
Conditions met - transferred to revenue	**30 347**	**26 030**	**26 330**	**25 901**	**30 445**	**30 445**	**42 810**	**28 036**	**29 513**
Conditions still to be met - transferred to liabilities									
Provincial Government:									
Balance unspent at beginning of the year	743	1 440	(682)						
Current year receipts	30 410	10 490	42 992	36 057	35 628	35 628	28 281	14 128	39 480
Conditions met - transferred to revenue	**31 047**	**11 930**	**42 310**	**36 057**	**35 628**	**35 628**	**27 384**	**14 128**	**39 480**
Conditions still to be met - transferred to liabilities	106						897		
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				100	100	100			
Current year receipts		5 254							
Conditions met - transferred to revenue	-	5 254	-	100	100	100	-	-	-
Conditions still to be met - transferred to liabilities									
Total capital transfers and grants revenue	**61 394**	**43 214**	**68 640**	**62 058**	**66 172**	**66 172**	**70 194**	**42 164**	**68 993**
Total capital transfers and grants - CTBM	**106**	-	-	-	-	-	**897**	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	**165 024**	**157 626**	**185 061**	**192 624**	**184 358**	**184 358**	**222 377**	**199 307**	**237 210**
TOTAL TRANSFERS AND GRANTS - CTBM	**106**	**6 192**	-	-	**(3 969)**	**(3 969)**	**(2 012)**	-	-

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

179

Description	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash Transfers to other municipalities										
Insert description										
Total Cash Transfers To Municipalities:	–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms										
Insert description										
Total Cash Transfers To Entities/Ems'	–	–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State										
Insert description										
Total Cash Transfers To Other Organs Of State:	–	–	–	–	–	–	–	–	–	–
Cash Transfers to Organisations										
Mayor's Charity Fund	348			132	132	132		100	105	110
National Sea Rescue Institute (Hermanus Station)				30	30	30				
Hermanus Night Shelter				12	12	12				
Recycle Swop Shop				20	20	20				
Franskraal Bowling Club				10	10	10				
Child Welfare Kleinmond				20	20	20				
Sustainable Futures Trust				30	30	30				
Overstrand Hospice				18	18	18				
Camphill Farm Community				18	18	18				
Stanford Conservation				20	20	20				
Overberg Aquatic Club				25	25	25				
Hermanus Botanical Society				7	7	7				
Child Welfare Hermanus				30	30	30				
Pearly Beach Conservancy				16	16	16				
BADISA				25	25	25				
Overstrand Association for People with Disabilities (OAPD)				20	20	20				
Narrative Foundation				20	20	20				
Hermanus Hacking Group				12	12	12				
Overberg Wheelchair Association				15	15	15				
Kids at the Centre				20	20	20				
Recycle swop shop								29	420	441
Pearly Beach Conservancy								30		
Hermanus Botanical Society								7		
OAPD								35		
Whale Coast Conservation								30		
Dyer Island Conservation Trust								50		
Franskraal Bowling Club								21		
Camphill Farm Community Hermanus								50		
Child Welfare South Africa Kleinmond								50		
Camphill School								30		
Child Welfare South Africa Hermanus								40		
Stanford Conservation Trust								29		
Tourism Buro's	1 508									
Total Cash Transfers To Organisations	1 856	–	–	500	500	500	–	500	525	551
Cash Transfers to Groups of Individuals										
Insert description	48 900	1 898	1 800							
Total Cash Transfers To Groups Of Individuals:	**48 900**	**1 898**	1 800	–	–	–	–	–	–	–
TOTAL CASH TRANSFERS AND GRANTS	**50 757**	**1 898**	1 800	**500**	**500**	**500**	–	**500**	**525**	**551**
Non-Cash Transfers to other municipalities										
Insert description	333									
Total Non-Cash Transfers To Municipalities:	**333**	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Entities/Other External Mechanisms										
Insert description										
Total Non-Cash Transfers To Entities/Ems'	–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to other Organs of State										
Insert description										
Total Non-Cash Transfers To Other Organs Of State:	–	–	–	–	–	–	–	–	–	–
Non-Cash Grants to Organisations										
Insert description										
Total Non-Cash Grants To Organisations	–	–	–	–	–	–	–	–	–	–
Groups of Individuals										
Insert description										
Total Non-Cash Grants To Groups Of Individuals:	–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS	**333**	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	**51 090**	**1 898**	1 800	**500**	**500**	**500**	–	**500**	**525**	**551**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	7 961	8 608	9 056	9 862	9 862	9 862	10 317	10 812	11 332
Pension and UIF Contributions									
Medical Aid Contributions									
Motor Vehicle Allowance									
Cellphone Allowance	606	657	1 081	1 110	1 110	1 110	1 066	1 066	1 066
Housing Allowances									
Other benefits and allowances									
Sub Total - Councillors	**8 566**	**9 265**	**10 138**	**10 972**	**10 972**	**10 972**	**11 383**	**11 878**	**12 397**
% increase		8.2%	9.4%	8.2%	–	–	3.7%	4.3%	4.4%
Senior Managers of the Municipality									
Basic Salaries and Wages	9 543	9 944	10 489	10 954	10 954	10 954	11 292	11 998	12 748
Pension and UIF Contributions							–	–	–
Medical Aid Contributions							–	–	–
Overtime							–	–	–
Performance Bonus			103	210	210	210	109	109	109
Motor Vehicle Allowance							–	–	–
Cellphone Allowance	154	158	187	194	194	194	187	187	187
Housing Allowances									
Other benefits and allowances	32								
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Senior Managers of Municipality	**9 729**	**10 102**	**10 779**	**11 358**	**11 358**	**11 358**	**11 588**	**12 294**	**13 044**
% increase		3.8%	6.7%	5.4%	–	–	2.0%	6.1%	6.1%
Other Municipal Staff									
Basic Salaries and Wages	175 857	175 723	206 677	225 106	222 354	222 354	245 260	259 348	275 267
Pension and UIF Contributions	29 587	30 114	33 240	39 574	36 976	36 976	41 471	43 963	46 592
Medical Aid Contributions	9 829	10 523	11 195	13 679	12 091	12 091	14 458	15 536	16 597
Overtime	15 724	15 613	18 388	23 606	30 672	30 672	29 320	30 828	32 519
Performance Bonus							440	467	495
Motor Vehicle Allowance	7 222	7 602	7 850	8 203	8 203	8 203	7 947	7 819	7 822
Cellphone Allowance	1 119	1 483	2 013	2 049	2 049	2 049	2 067	2 042	2 042
Housing Allowances	4 608	5 064	5 482	2 542	2 542	2 542	2 567	2 687	2 855
Other benefits and allowances	10 248	26 398	14 069	26 983	29 329	29 329	30 363	31 455	33 139
Payments in lieu of leave	1 815	1 385	772	1 062	1 162	1 162	1 125	1 193	1 264
Long service awards	2 288	1 838	6 054	1 946	2 612	2 612	2 062	2 186	2 317
Post-retirement benefit obligations	6 539	16 076	(19 984)	10 916	14 766	14 766	11 131	11 799	12 507
Sub Total - Other Municipal Staff	**264 835**	**291 817**	**285 757**	**355 667**	**362 756**	**362 756**	**388 216**	**409 322**	**433 416**
% increase		10.2%	(2.1%)	24.5%	2.0%	–	7.0%	5.4%	5.9%
Total Parent Municipality	**283 130**	**311 185**	**306 674**	**377 997**	**385 086**	**385 086**	**411 187**	**433 494**	**458 857**
		9.9%	(1.4%)	23.3%	1.9%	–	6.8%	5.4%	5.9%
TOTAL SALARY, ALLOWANCES & BENEFITS	283 130	311 185	306 674	377 997	385 086	385 086	411 187	433 494	458 857
% increase		9.9%	(1.4%)	23.3%	1.9%	–	6.8%	5.4%	5.9%
TOTAL MANAGERS AND STAFF	274 564	301 919	296 536	367 024	374 114	374 114	399 804	421 816	446 460

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	No.	Salary 1.	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors							
Speaker	1	695 304		44 400			739 704
Chief Whip		–		–			–
Executive Mayor	1	913 559		44 400			957 959
Deputy Executive Mayor	1	695 304		44 400			739 704
Executive Committee	4	3 259 262		222 000			3 481 262
Total for all other councillors	18	4 753 778		710 400			5 464 178
Total Councillors	**25**	**10 317 207**	**–**	**1 065 600**			**11 382 807**
Senior Managers of the Municipality							
Municipal Manager (MM)	1	1 739 724		27 540	109 154		1 876 418
Chief Finance Officer	1	1 721 652		24 480			1 746 132
Dir : LED	1	1 520 100		24 480			1 544 580
Dir : Community Services	1	1 564 992		27 540			1 592 532
Dir : Infrastructure and Planning	1	1 730 616		27 540			1 758 156
Dir Protection Services	1	1 475 832		27 540			1 503 372
Dir : Management Services	1	1 539 492	–	27 540			1 567 032
							–
Total Senior Managers of the Municipality	**7**	**11 292 408**	**–**	**186 660**	**109 154**		**11 588 222**
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	**32**	**21 609 615**	**–**	**1 252 260**	**109 154**		**22 971 029**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA24 Summary of personnel numbers 182

Summary of Personnel Numbers	2017/18			Current Year 2018/19			Budget Year 2019/20		
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	55	53		56	54		54	50	
Professionals	23	19	–	23	21	–	26	25	–
Finance	20	16		20	18		21	20	
Spatial/town planning							2	2	
Information Technology	1	1		1	1		1	1	
Roads									
Electricity									
Water									
Sanitation									
Refuse									
Other	2	2		2	2		2	2	
Technicians	190	167	–	188	167	–	195	174	–
Finance									
Spatial/town planning	13	12		13	12		11	10	
Information Technology	5	3		5	3		5	4	
Roads	9	9		9	8		9	9	
Electricity	30	25		30	24		31	27	
Water	20	16		19	18		21	18	
Sanitation	2	2		2	2		2	2	
Refuse	5	5		4	4		5	5	
Other	106	95		106	96		111	99	
Clerks (Clerical and administrative)	263	232		262	234		277	241	
Service and sales workers	128	96		104	95		115	92	
Skilled agricultural and fishery workers	–	–		–	–		–	–	
Craft and related trades	–	–		–	–		–	–	
Plant and Machine Operators	63	54		59	55		61	57	
Elementary Occupations	416	400		423	405		430	410	
TOTAL PERSONNEL NUMBERS	1 172	1 035	–	1 147	1 045	–	1 190	1 053	–
% increase				(2.1%)	1.0%	–	3.7%	1.7%	–
Total municipal employees headcount	1 147	1 028		1 122	1 038		1 165	1 056	
Finance personnel headcount	113	103		113	100		113	104	
Human Resources personnel headcount	18	17		18	18		18	18	



WC032 Overstrand - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source															
Property rates	19 896	19 896	19 896	19 896	19 896	21 596	19 896	19 896	19 896	19 896	19 896	21 596	242 150	256 669	273 473
Service charges - electricity revenue	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	33 239	398 868	457 297	525 637
Service charges - water revenue	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	10 610	127 320	133 984	142 023
Service charges - sanitation revenue	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	6 668	80 020	82 489	87 439
Service charges - refuse revenue	5 843	5 843	5 843	5 843	5 843	5 844	5 843	5 843	5 843	5 843	5 843	5 844	70 122	79 415	89 946
Rental of facilities and equipment	291	291	307	291	291	308	291	291	307	291	291	309	3 562	3 744	3 949
Interest earned - external investments	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	28 010	29 690	31 471
Interest earned - outstanding debtors	346	346	346	346	346	346	346	346	346	346	346	346	4 151	4 400	4 664
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	2 709	2 709	2 713	2 709	2 709	2 714	2 709	2 709	2 713	2 709	2 709	2 744	32 552	34 517	36 569
Licences and permits	204	204	206	204	204	207	204	204	206	204	204	207	2 462	2 580	2 627
Agency services	392	392	392	392	392	392	392	392	392	392	392	392	4 700	4 982	5 281
Transfers and subsidies	11 707	11 707	14 600	11 707	11 707	14 600	11 707	11 707	14 600	11 707	11 707	14 726	152 183	157 143	168 217
Other revenue	2 099	2 099	2 147	2 099	2 099	2 156	2 099	2 099	2 147	2 099	2 099	4 172	27 416	28 846	28 993
Gains on disposal of PPE												–	–	–	–
Total Revenue (excluding capital transfers and contrib	**96 339**	**96 339**	**99 302**	**96 339**	**96 339**	**101 014**	**96 339**	**96 339**	**99 302**	**96 339**	**96 339**	**103 187**	**1 173 517**	**1 275 756**	**1 400 289**
Expenditure By Type															
Employee related costs	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 307	33 425	399 804	421 616	446 460
Remuneration of councillors	949	949	949	949	949	949	949	949	949	949	949	949	11 383	11 878	12 397
Debt impairment	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	24 902	26 396	27 979
Depreciation & asset impairment	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	10 940	131 285	130 830	130 222
Finance charges	1 055	–	3 459	4 198	1 139	14 818	988	–	3 311	3 806	1 063	17 711	51 549	54 249	56 058
Bulk purchases	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	275 880	319 000	368 859
Other materials	3 708	4 980	7 194	4 980	3 708	7 257	3 708	4 980	7 194	3 708	3 708	8 550	63 675	71 299	71 581
Contracted services	3 428	25 454	22 599	26 004	3 428	22 772	3 428	25 454	22 561	3 466	3 428	45 517	207 536	229 784	237 280
Transfers and subsidies	–	–	–	–	–	400	–	–	–	–	–	100	500	525	551
Other expenditure	3 961	3 343	11 211	4 586	2 719	11 503	2 719	3 343	12 453	2 719	2 719	22 176	83 450	77 311	82 123
Loss on disposal of PPE												–	–	–	–
Total Expenditure	**82 413**	**104 038**	**114 724**	**110 028**	**81 254**	**127 011**	**81 104**	**104 038**	**115 781**	**83 960**	**81 178**	**164 433**	**1 249 963**	**1 342 887**	**1 433 511**
Surplus/(Deficit)	**13 926**	**(7 699)**	**(15 422)**	**(13 689)**	**15 084**	**(25 997)**	**15 235**	**(7 699)**	**(16 479)**	**12 379**	**15 161**	**(61 246)**	**(76 446)**	**(67 131)**	**(33 222)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	3 233	3 233	11 083	3 233	3 233	11 083	3 233	3 233	11 083	3 233	3 233	11 083	70 194	42 164	68 993
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)												–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**17 159**	**(4 466)**	**(4 340)**	**(10 456)**	**18 317**	**(14 914)**	**18 468**	**(4 466)**	**(5 396)**	**15 612**	**18 394**	**(50 163)**	**(6 252)**	**(24 967)**	**35 771**
Taxation												–	–	–	–
Attributable to minorities												–	–	–	–
Share of surplus/ (deficit) of associate												–	–	–	–
Surplus/(Deficit)	**17 159**	**(4 466)**	**(4 340)**	**(10 456)**	**18 317**	**(14 914)**	**18 468**	**(4 466)**	**(5 396)**	**15 612**	**18 394**	**(50 163)**	**(6 252)**	**(24 967)**	**35 771**

MUNICIPALITY OVERSTRAND 2019 -03- 23 MUNICIPAL MANAGER

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

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote															
Vote 1 - Council	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	2 590	31 083	11 004	12 705
Vote 2 - Municipal Manager	3	3	3	3	3	3	3	3	3	3	3	3	36	–	–
Vote 3 - Management Services	70	70	70	70	70	70	70	70	70	70	70	70	844	848	851
Vote 4 - Finance	23 158	23 158	23 548	23 158	23 158	25 253	23 158	23 158	23 548	23 158	23 158	27 299	284 914	301 310	319 349
Vote 5 - Community Services	28 958	28 958	36 968	28 958	28 958	36 973	28 958	28 958	36 968	28 958	28 958	37 101	379 676	404 292	435 885
Vote 6 - Economic and Social Development & Tourism	–	–	659	–	–	659	–	–	659	–	–	659	2 635	–	–
Vote 7 - Infrastructure & Planning	40 844	40 844	42 594	40 844	40 844	42 595	40 844	40 844	42 594	40 844	40 844	42 595	497 130	555 328	653 514
Vote 8 - Protection Services	3 948	3 948	3 953	3 948	3 948	3 953	3 948	3 948	3 953	3 948	3 948	3 953	47 393	45 139	46 977
Total Revenue by Vote	**99 572**	**99 572**	**110 384**	**99 572**	**99 572**	**112 097**	**99 572**	**99 572**	**110 384**	**99 572**	**99 572**	**114 270**	**1 243 711**	**1 317 920**	**1 469 281**
Expenditure by Vote to be appropriated															
Vote 1 - Council	3 868	2 626	2 711	3 868	2 626	3 111	2 626	2 626	3 954	2 626	2 626	2 811	36 077	36 966	38 935
Vote 2 - Municipal Manager	452	452	508	452	452	525	452	452	508	452	452	639	5 797	5 874	6 209
Vote 3 - Management Services	3 751	3 751	6 666	3 751	3 751	6 753	3 751	3 751	6 628	3 789	3 751	6 796	56 900	59 269	63 217
Vote 4 - Finance	4 151	4 151	10 188	4 193	4 151	10 602	4 151	4 151	10 188	4 190	4 151	10 812	75 077	84 505	82 925
Vote 5 - Community Services	27 192	26 426	50 507	29 083	27 197	58 467	27 143	26 426	50 429	28 833	27 138	60 837	439 679	469 634	490 612
Vote 6 - Economic and Social Development & Tourism	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	1 108	13 291	10 831	11 336
Vote 7 - Infrastructure & Planning	33 963	57 596	35 106	59 645	34 042	38 505	33 945	57 596	35 037	35 034	34 024	73 501	527 994	572 279	631 962
Vote 8 - Protection Services	7 565	7 565	7 565	7 565	7 565	7 565	7 565	7 565	7 565	7 565	7 565	11 934	95 150	103 529	108 315
Total Expenditure by Vote	**82 049**	**103 674**	**114 360**	**109 664**	**80 890**	**126 647**	**80 739**	**103 674**	**115 416**	**83 596**	**80 814**	**168 438**	**1 249 963**	**1 342 887**	**1 433 511**
Surplus/(Deficit) before assoc.	**17 523**	**(4 102)**	**(3 976)**	**(10 092)**	**18 682**	**(14 550)**	**18 832**	**(4 102)**	**(5 032)**	**15 976**	**18 758**	**(54 168)**	**(6 252)**	**(24 967)**	**35 771**
Taxation												–	–	–	–
Attributable to minorities												–	–	–	–
Share of surplus/ (deficit) of associate												–	–	–	–
Surplus/(Deficit)	**17 523**	**(4 102)**	**(3 976)**	**(10 092)**	**18 682**	**(14 550)**	**18 832**	**(4 102)**	**(5 032)**	**15 976**	**18 758**	**(54 168)**	**(6 252)**	**(24 967)**	**35 771**

OVERSTRAND MUNISIPALITEIT OVERSTRAND MUNICIPALITY
2019 -05- 23

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

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional															
Governance and administration	25 894	25 894	26 290	25 894	25 894	27 998	25 894	25 894	26 290	25 894	25 894	39 043	317 773	314 089	333 801
Executive and council	2 595	2 595	2 602	2 595	2 595	2 604	2 595	2 595	2 602	2 595	2 595	2 604	31 168	11 092	12 718
Finance and administration	23 296	23 296	23 686	23 296	23 296	25 391	23 296	23 296	23 686	23 296	23 296	27 437	286 569	302 997	321 083
Internal audit	3	3	3	3	3	3	3	3	3	3	3	3	36	–	–
Community and public safety	9 344	9 344	14 552	9 344	9 344	14 555	9 344	9 344	14 552	9 344	9 344	14 556	132 968	107 082	134 447
Community and social services	53	53	1 911	53	53	1 914	53	53	1 911	53	53	1 915	8 073	8 063	8 597
Sport and recreation	954	954	4 298	954	954	4 299	954	954	4 298	954	954	4 299	24 825	11 955	12 583
Public safety	3 948	3 948	3 953	3 948	3 948	3 953	3 948	3 948	3 953	3 948	3 948	3 953	47 393	45 139	46 977
Housing	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	4 390	52 676	41 924	66 290
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	626	626	2 284	626	626	2 286	626	626	2 284	626	626	2 412	14 270	10 075	20 022
Planning and development	615	615	1 274	615	615	1 275	615	615	1 274	615	615	1 275	10 019	7 803	8 246
Road transport	7	7	1 007	7	7	1 007	7	7	1 007	7	7	1 133	4 206	2 224	11 724
Environmental protection	4	4	4	4	4	4	4	4	4	4	4	4	45	48	51
Trading services	63 708	63 708	67 258	63 708	63 708	67 258	63 708	63 708	67 258	63 708	63 708	67 258	778 700	886 874	981 012
Energy sources	35 919	35 919	37 669	35 919	35 919	37 669	35 919	35 919	37 669	35 919	35 919	37 669	438 026	505 792	579 180
Water management	11 738	11 738	13 512	11 738	11 738	13 513	11 738	11 738	13 512	11 738	11 738	13 513	147 953	166 917	167 674
Waste water management	8 749	8 749	8 774	8 749	8 749	8 774	8 749	8 749	8 774	8 749	8 749	8 774	105 084	111 417	119 076
Waste management	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	7 303	87 637	102 549	115 082
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	99 572	99 572	110 384	99 572	99 572	112 097	99 572	99 572	110 384	99 572	99 572	114 270	1 243 711	1 317 920	1 469 281
Expenditure - Functional															
Governance and administration	17 296	16 088	28 196	17 372	16 054	29 122	16 054	16 088	29 400	16 131	16 054	29 207	247 061	263 478	272 479
Executive and council	5 183	3 941	5 966	5 183	3 941	6 366	3 941	3 941	7 208	3 941	3 941	6 179	59 731	62 194	65 618
Finance and administration	11 860	11 894	21 971	11 936	11 860	22 480	11 860	11 894	21 933	11 937	11 860	22 751	184 233	198 049	203 440
Internal audit	253	253	260	253	253	277	253	253	260	253	253	277	3 097	3 234	3 421
Community and public safety	14 828	14 828	19 734	15 033	14 828	19 736	14 828	14 828	19 734	15 019	14 828	19 736	197 962	219 024	226 645
Community and social services	1 256	1 256	1 969	1 256	1 256	1 971	1 256	1 256	1 969	1 256	1 256	1 971	17 929	20 436	21 608
Sport and recreation	3 204	3 204	6 446	3 410	3 204	6 446	3 204	3 204	6 446	3 395	3 204	6 446	51 814	59 120	62 473
Public safety	7 875	7 875	7 948	7 875	7 875	7 948	7 875	7 875	7 948	7 875	7 875	7 949	94 795	103 442	107 930
Housing	2 492	2 492	3 371	2 492	2 492	3 371	2 492	2 492	3 371	2 492	2 492	3 371	33 424	36 027	34 634
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	9 865	11 732	18 758	12 121	9 865	19 106	9 865	11 732	18 758	10 227	9 865	20 947	162 841	166 423	172 318
Planning and development	3 332	4 441	3 332	4 441	3 332	3 335	3 332	4 441	3 332	3 332	3 332	4 448	44 429	42 882	44 370
Road transport	5 815	5 815	14 706	6 204	5 815	15 051	5 815	5 815	14 706	6 177	5 815	15 020	106 751	113 446	117 400
Environmental protection	718	1 477	720	1 477	718	720	718	1 477	720	718	718	1 479	11 661	10 096	10 547
Trading services	40 179	61 145	47 790	65 256	40 263	58 801	40 112	61 145	47 643	42 337	40 186	94 298	639 154	690 998	758 999
Energy sources	27 725	29 368	28 742	30 866	27 803	32 266	27 706	29 368	28 694	28 795	27 785	44 723	363 841	399 647	451 928
Water management	4 346	14 943	6 671	16 507	4 452	11 102	4 314	14 943	6 823	5 233	4 423	23 026	116 983	123 154	129 909
Waste water management	4 537	7 170	7 849	7 605	4 387	11 201	4 520	7 170	7 824	4 679	4 382	14 563	85 886	90 967	95 810
Waste management	3 571	9 664	4 328	10 278	3 621	4 232	3 571	9 664	4 301	3 631	3 597	11 986	72 444	77 230	81 351
Other	245	245	245	245	245	245	245	245	245	245	245	245	2 945	2 964	3 071
Total Expenditure - Functional	82 413	104 038	114 724	110 028	81 254	127 011	81 104	104 038	115 781	83 960	81 178	164 433	1 249 963	1 342 887	1 433 511
Surplus/(Deficit) before assoc.	17 159	(4 466)	(4 340)	(10 456)	18 317	(14 914)	18 468	(4 466)	(5 396)	15 612	18 394	(50 163)	(6 252)	(24 967)	35 771
Share of surplus/(deficit) of associate												–	–	–	–
Surplus/(Deficit)	17 159	(4 466)	(4 340)	(10 456)	18 317	(14 914)	18 468	(4 466)	(5 396)	15 612	18 394	(50 163)	(6 252)	(24 967)	35 771

OVERSTRAND MUNISIPALITEIT
2019 -05- 2
COMMUNITY SERVICES

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

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Multi-year expenditure *to be appropriated*															
Vote 1 - Council												–	–	–	–
Vote 2 - Municipal Manager												–	–	–	–
Vote 3 - Management Services												–	–	–	–
Vote 4 - Finance												–	–	30 000	30 000
Vote 5 - Community Services	975	2 030	2 280	3 660	4 947	2 750	3 450	5 895	5 393	5 498	3 535	14 173	54 583	44 236	44 119
Vote 6 - Economic and Social Development & Tourism	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Infrastructure & Planning	526	1 026	765	976	1 876	1 876	1 526	4 426	4 126	3 526	3 339	16 145	40 128	39 287	63 480
Vote 8 - Protection Services	312	312	312	312	312	312	312	312	312	312	312	2 155	5 588	841	–
Capital multi-year expenditure sub-total	**1 812**	**3 367**	**3 356**	**4 947**	**7 134**	**4 937**	**5 287**	**10 632**	**9 831**	**9 335**	**7 186**	**32 472**	**100 298**	**114 364**	**137 599**
Single-year expenditure *to be appropriated*															
Vote 1 - Council												–	–	–	–
Vote 2 - Municipal Manager												–	–	–	–
Vote 3 - Management Services	–	–	–	110	150	450	–	100	15	–	–	3 150	3 975	–	–
Vote 4 - Finance	–	–	8	–	–	–	8	–	–	15	–	–	30	–	–
Vote 5 - Community Services	1 786	1 861	2 441	3 016	4 246	3 512	4 488	5 598	5 840	6 583	5 884	52 345	97 601	22 950	10 725
Vote 6 - Economic and Social Development & Tourism	406	406	406	406	406	966	406	406	506	656	2 506	431	7 906	–	–
Vote 7 - Infrastructure & Planning	815	715	1 598	1 315	4 469	2 715	5 815	3 361	3 817	8 265	2 635	9 663	45 186	11 150	6 000
Vote 8 - Protection Services	125	125	125	725	625	125	125	125	1 352	1 332	1 102	795	6 680	–	–
Capital single-year expenditure sub-total	**3 132**	**3 107**	**4 578**	**5 572**	**9 896**	**7 769**	**10 842**	**9 590**	**11 529**	**16 850**	**12 127**	**66 384**	**161 378**	**34 100**	**16 725**
Total Capital Expenditure	**4 945**	**6 475**	**7 934**	**10 520**	**17 031**	**12 706**	**16 129**	**20 223**	**21 360**	**26 186**	**19 313**	**98 856**	**261 677**	**148 464**	**154 324**

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

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

Description	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional															
Governance and administration	–	–	38	140	170	450	28	100	15	15	–	3 150	4 105	30 000	30 000
Executive and council	–	–	–	10	–	–	–	–	–	–	–	–	10	–	–
Finance and administration	–	–	38	130	170	450	28	100	15	15	–	3 150	4 095	30 000	30 000
Internal audit	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety	1 834	1 234	1 484	3 034	3 418	2 610	2 584	3 860	5 591	7 941	6 324	24 842	64 760	14 128	39 480
Community and social services	–	–	250	350	500	500	–	30	250	250	200	950	3 280	–	–
Sport and recreation	657	57	57	807	991	683	1 257	1 353	1 637	4 007	1 707	5 562	18 770	–	–
Public safety	652	652	652	1 252	1 302	802	802	852	2 079	2 059	1 829	3 335	16 271	841	–
Housing	526	526	526	626	626	626	526	1 626	1 626	1 626	2 589	14 995	26 439	13 287	39 480
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	724	1 104	1 197	2 459	2 656	2 535	2 629	3 149	2 969	2 906	2 984	5 097	30 410	–	8 000
Planning and development	406	406	499	506	506	1 066	506	506	656	906	2 506	431	8 899	–	–
Road transport	319	699	699	1 954	2 151	1 469	2 123	2 643	2 313	2 000	479	4 666	21 510	–	8 000
Environmental protection	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services	2 386	4 136	5 215	4 886	10 786	7 111	10 888	13 113	12 785	15 324	10 004	65 767	162 402	104 336	76 844
Energy sources	10	1 010	1 540	610	4 510	3 010	5 362	4 552	4 453	5 610	1 480	1 985	34 124	32 000	30 000
Water management	1 223	1 473	2 023	2 123	3 323	1 448	1 948	4 773	4 421	4 473	3 673	17 606	48 504	40 075	13 481
Waste water management	1 153	1 653	1 653	2 153	2 653	2 153	2 203	2 603	2 725	4 055	3 666	36 176	62 843	21 961	33 363
Waste management	–	–	–	–	300	500	1 386	1 186	1 186	1 186	1 186	10 000	16 931	10 300	–
Other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	4 945	6 475	7 934	10 520	17 031	12 706	16 129	20 223	21 360	26 186	19 313	98 856	261 677	148 464	154 324
Funded by:															
National Government	1 224	874	1 124	2 674	4 490	1 524	4 224	3 770	3 922	9 512	2 924	2 750	39 010	28 036	29 513
Provincial Government	741	741	741	841	841	841	741	1 841	1 841	1 841	2 804	17 372	31 184	14 128	39 480
District Municipality	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	1 965	1 615	1 885	3 515	5 331	2 365	4 965	5 611	5 763	11 353	5 728	20 122	70 194	42 164	68 993
Borrowing	1 497	2 697	3 826	2 847	6 197	4 222	5 372	8 347	7 318	5 847	5 197	37 137	90 501	64 300	50 000
Internally generated funds	1 484	2 164	2 244	4 159	5 504	6 120	5 793	6 265	8 279	8 986	8 388	41 597	100 981	42 000	35 331
Total Capital Funding	4 945	6 475	7 934	10 520	17 031	12 706	16 129	20 223	21 360	26 186	19 313	98 856	261 677	148 464	154 324

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20											Medium Term Revenue and Expenditure Framework		
R thousand	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash Receipts By Source												1		
Property rates	19 806	19 806	19 806	19 806	21 501	19 806	19 806	19 806	19 806	19 806	21 501	241 063	256 556	272 340
Service charges - electricity revenue	33 089	33 089	33 089	33 089	33 093	33 089	33 089	33 089	33 089	33 089	33 093	397 077	455 317	523 459
Service charges - water revenue	10 562	10 562	10 562	10 562	10 563	10 562	10 562	10 562	10 562	10 562	10 563	126 748	139 404	141 435
Service charges - sanitation revenue	6 638	6 638	6 638	6 638	6 639	6 638	6 638	6 638	6 638	6 638	6 639	79 661	82 132	87 076
Service charges - refuse revenue	5 817	5 817	5 817	5 817	5 818	5 817	5 817	5 817	5 817	5 817	5 818	69 807	79 071	89 573
Rental of facilities and equipment	290	306	290	290	307	290	290	306	290	290	307	3 546	3 727	3 932
Interest earned - external investments	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	2 334	28 010	29 690	31 471
Interest earned - outstanding debtors	346	346	346	346	346	346	346	346	346	346	346	4 151	4 400	4 664
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	695	699	695	695	700	695	695	699	695	695	730	8 393	8 906	9 424
Licences and permits	204	206	204	204	207	204	204	206	204	204	207	2 462	2 580	2 627
Agency services	392	392	392	392	392	392	392	392	392	392	392	4 700	4 982	5 281
Transfer receipts - operational	11 707	14 600	11 707	11 707	14 600	11 707	11 707	14 600	11 707	11 707	14 726	152 183	157 143	168 217
Other revenue	3 738	3 786	3 738	3 738	3 795	3 738	3 738	3 786	3 738	3 738	5 811	47 078	31 707	31 846
Cash Receipts by Source	**95 619**	**98 582**	**95 619**	**95 619**	**100 295**	**95 619**	**95 619**	**98 582**	**95 619**	**95 619**	**102 465**	**1 164 879**	**1 248 620**	**1 371 345**
Other Cash Flows by Source														
Transfer receipts - capital	3 233	11 083	3 233	3 233	11 083	3 233	3 233	11 083	3 233	3 233	11 083	70 194	42 164	68 993
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE											–	–		
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	74 300	–	–	–	–	–	–	74 300	54 000	50 000
Increase (decrease) in consumer deposits	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	1 919	23 026	4 654	4 682
Decrease (increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	1	1	1	1	1	1	1	1	1	1	1	10	7	3
Decrease (increase) in non-current investments	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(612)	(7 339)	(7 575)	(7 730)
Total Cash Receipts by Source	**100 160**	**110 973**	**100 160**	**100 160**	**186 985**	**100 160**	**100 160**	**110 973**	**100 160**	**100 160**	**114 858**	**1 325 073**	**1 341 870**	**1 487 292**
Cash Payments by Type														
Employee related costs	32 342	32 342	32 342	32 342	32 342	32 342	32 342	32 342	32 342	32 342	32 460	388 224	414 152	438 547
Remuneration of councillors	949	949	949	949	949	949	949	949	949	949	949	11 383	11 878	12 397
Finance charges	–	3 469	4 198	1 139	14 818	986	–	3 311	3 806	1 063	17 711	51 549	54 249	56 058
Bulk purchases - Electricity	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	22 990	275 880	319 080	368 859
Bulk purchases - Water & Sewer											–	–		
Other materials	4 980	7 194	4 980	3 708	7 257	3 708	4 980	7 194	3 708	3 708	8 550	63 675	71 299	71 581
Contracted services	25 454	22 599	25 004	3 428	22 772	3 428	25 454	22 581	3 466	3 428	45 517	207 536	229 784	237 280
Transfers and grants - other municipalities											–	–		
Transfers and grants - other	–	–	–	–	400	–	–	–	–	–	100	500	525	551
Other expenditure	2 292	10 160	3 534	1 667	10 452	1 667	2 292	11 402	1 667	1 667	21 125	70 836	74 960	105 513
Cash Payments by Type	**89 006**	**99 692**	**94 996**	**66 223**	**111 980**	**66 072**	**89 006**	**100 749**	**68 926**	**68 147**	**149 402**	**1 069 582**	**1 175 846**	**1 290 787**
Other Cash Flows/Payments by Type														
Capital assets	6 475	7 934	10 520	17 031	12 706	16 129	20 223	21 360	26 186	19 313	98 856	261 677	148 464	154 324
Repayment of borrowing	–	2 195	7 336	1 482	6 830	1 680	–	2 342	7 727	1 558	6 946	38 709	42 244	47 007
Other Cash Flows/Payments											–	–		
Total Cash Payments by Type	**95 481**	**109 821**	**112 852**	**84 736**	**130 516**	**83 881**	**109 229**	**124 451**	**102 842**	**87 017**	**255 204**	**1 369 967**	**1 366 554**	**1 492 118**
NET INCREASE/(DECREASE) IN CASH HELD	**4 680**	**1 152**	**(12 692)**	**15 425**	**56 469**	**16 280**	**(9 068)**	**(13 478)**	**(2 681)**	**13 143**	**(140 345)**	**(44 895)**	**(24 684)**	**(4 825)**
Cash/cash equivalents at the month/year begin:	515 235	519 915	521 067	508 375	523 800	580 269	596 549	587 481	574 003	571 322	584 465	489 014	444 120	419 436
Cash/cash equivalents at the month/year end:	519 915	521 067	508 375	523 800	580 269	596 549	587 481	574 003	571 322	584 465	444 120	444 120	419 436	414 611

OVERSTRAND MUNISIPALITEIT
2019-05-13

WC032 Overstrand - Supporting Table SA32 List of external mechanisms

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



WC032 Overstrand - Supporting Table SA33 Contracts having future budgetary implications

Description	Preceding Years	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework			Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Total Contract Value
R thousand	Total	Original Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	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 OP		39 739	43 847	47 112	50 630	54 421	58 507	62 911	67 658	72 778	78 299	84 254	660 156
Contract 2: SC1892/2018: THE OPERATION OF THE GANSBAAI LAND		1 563	4 976	5 278	5 600	5 943	6 324	6 703	7 127	7 588	8 066	8 576	67 744
Contract 3 etc													-
Total Operating Expenditure Implication	-	41 302	48 823	52 390	56 230	60 364	64 831	69 614	74 785	80 366	86 365	92 830	727 900
Capital Expenditure Obligation By Contract													
Contract 1													-
Contract 2													-
Contract 3 etc													-
Total Capital Expenditure Implication	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication	-	41 302	48 823	52 390	56 230	60 364	64 831	69 614	74 785	80 366	86 365	92 830	727 900

190

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	44 603	52 681	26 438	112 050	99 051	99 051	143 762	92 975	52 356
Roads Infrastructure	16 352	2 260	10 003	12 508	12 241	12 241	19 683	–	8 000
Roads	16 352	2 260	10 003	12 508	12 241	12 241	19 683	–	8 000
Road Structures									
Road Furniture									
Capital Spares									
Storm water Infrastructure	–	–	255	11 723	14 136	14 136	23 841	4 000	6 506
Drainage Collection									
Storm water Conveyance			255	11 723	14 136	14 136	23 841	4 000	6 506
Attenuation									
Electrical Infrastructure	18 237	30 496	15 449	22 772	18 456	18 456	23 801	32 000	26 000
Power Plants									
HV Substations									
HV Switching Station									
HV Transmission Conductors	18 237	30 496							
MV Substations				5 622	5 622	5 622	6 956	26 000	20 000
MV Switching Stations				–	–	–	–	–	–
MV Networks			15 449	17 150	12 834	12 834	16 845	6 000	6 000
LV Networks									
Capital Spares									
Water Supply Infrastructure	3 772	5 276	627	30 077	21 945	21 945	42 344	37 175	6 700
Dams and Weirs							–	–	–
Boreholes							2 000	3 000	–
Reservoirs				16 383	7 691	7 691	16 273	16 075	–
Pump Stations				–	–	–	–	–	–
Water Treatment Works	3 772	5 276	627	10 200	10 200	10 200	2 150	3 200	200
Bulk Mains				–	–	–	–	–	2 000
Distribution				3 514	4 054	4 054	21 921	14 900	4 500
Distribution Points							–	–	–
PRV Stations							–	–	–
Capital Spares							–	–	–
Sanitation Infrastructure	6 217	5 719	–	34 973	30 777	30 777	24 093	9 500	5 150
Pump Station				1 925	1 925	1 925	300	300	325
Reticulation				435	435	435	14 358	4 000	4 000
Waste Water Treatment Works	6 217	5 719		21 062	18 406	18 406	9 435	5 200	825
Outfall Sewers				11 550	10 010	10 010			
Toilet Facilities									
Capital Spares									
Solid Waste Infrastructure	25	8 930	105	–	1 497	1 497	10 000	10 300	–
Landfill Sites					1 497	1 497	10 000	10 300	–
Waste Transfer Stations									
Waste Processing Facilities									
Waste Drop-off Points	25	8 930	105						
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	29 837	2 212	6 656	24 037	17 602	17 602	12 809	–	–
Community Facilities	29 837	2 212	3 229	16 380	9 995	9 995	12 420	–	–
Halls	29 837	2 212	437	3 664	3 385	3 385	–	–	–
Centres				–	–	–	–	–	–
Crèches			100	245	245	245	793	–	–
Clinics/Care Centres				–	–	–	–	–	–
Fire/Ambulance Stations			2 440	5 576	2 846	2 846	–	–	–
Testing Stations					–	–	1 100		
Museums					–	–	–		–
Galleries					–	–	–	–	–
Theatres					–	–	–	–	–
Libraries				600	1 129	1 129	–	–	–

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Cemeteries/Crematoria			251	570	570	570	1 500	–	–
Police							–	–	–
Parks							526	–	–
Public Open Space				5 726	1 820	1 820	5 321	–	–
Nature Reserves							2 300	–	–
Public Ablution Facilities							660	–	–
Markets							–	–	–
Stalls							–	–	–
Abattoirs							–	–	–
Airports							–	–	–
Taxi Ranks/Bus Terminals							–	–	–
Capital Spares							–	–	–
Sport and Recreation Facilities	–	–	5 427	7 657	7 607	7 607	380	–	–
Indoor Facilities									
Outdoor Facilities			5 427	7 657	7 607	7 607	380	–	–
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	**4 809**	**2 497**	**38 552**	**36 888**	**36 281**	**36 281**	**35 472**	**13 287**	**39 480**
Operational Buildings	4 809	2 497	4 372	1 421	2 009	2 009	9 034	–	–
Municipal Offices	4 809	2 497	4 372	1 421	2 009	2 009	9 034	–	–
Pay/Enquiry Points									
Building Plan Offices									
Workshops									
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares									
Housing	–	–	34 180	35 467	34 271	34 271	26 439	13 287	39 480
Staff Housing									
Social Housing			34 180	35 467	34 271	34 271	26 439	13 287	39 480
Capital Spares									
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets									
Intangible Assets	–	–	–	–	–	–	–	–	–
Servitudes									
Licences and Rights	–	–	–	–	–	–	–	–	–
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications									
Load Settlement Software Applications									
Unspecified									
Computer Equipment	–	–	1 593	4 136	4 136	4 136	4 200	–	–
Computer Equipment			1 593	4 136	4 136	4 136	4 200	–	–
Furniture and Office Equipment	–	–	205	215	215	215	280	–	–
Furniture and Office Equipment			205	215	215	215	280	–	–
Machinery and Equipment	–	–	119	1 566	1 566	1 566	900	–	–
Machinery and Equipment			119	1 566	1 566	1 566	900	–	–
Transport Assets	–	–	–	15 345	15 897	15 897	17 493	30 841	30 000
Transport Assets				15 345	15 897	15 897	17 493	30 841	30 000
Land	–	–	–	–	–	–	–	–	–
Land									
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals									
Total Capital Expenditure on new assets	**79 249**	**57 389**	**75 583**	**104 237**	**174 748**	**174 748**	**214 907**	**137 103**	**121 936**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	12 992	33 214	28 370	–	–	–	6 570	4 900	9 781
Roads Infrastructure	–	11 809	2 020	–	–	–	10	–	–
Roads		11 809	2 020				10		
Road Structures									
Road Furniture									
Capital Spares									
Storm water Infrastructure	–	–	10 677	–	–	–	–	–	–
Drainage Collection			10 677						
Storm water Conveyance									
Attenuation									
Electrical Infrastructure	–	–	819	–	–	–	–	–	–
Power Plants									
HV Substations									
HV Switching Station									
HV Transmission Conductors									
MV Substations									
MV Switching Stations									
MV Networks			819						
LV Networks									
Capital Spares									
Water Supply Infrastructure	10 460	10 496	2 629	–	–	–	2 560	2 900	6 781
Dams and Weirs									
Boreholes									
Reservoirs									
Pump Stations									
Water Treatment Works	10 460	10 496							
Bulk Mains									
Distribution			2 629				2 560	2 900	6 781
Distribution Points									
PRV Stations									
Capital Spares									
Sanitation Infrastructure	2 531	9 169	10 591	–	–	–	4 000	2 000	3 000
Pump Station							4 000	2 000	3 000
Reticulation									
Waste Water Treatment Works	2 531	9 169	10 591						
Outfall Sewers									
Toilet Facilities									
Capital Spares									
Solid Waste Infrastructure	–	1 740	1 634	–	–	–	–	–	–
Landfill Sites									
Waste Transfer Stations		1 740	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	2 893	1 265	1 217	–	–	–	–		
Community Facilities	2 893	1 265	1 217	–	–	–	–		–
Halls	2 893	1 265							
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations			76						
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries			1 141						

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Cemeteries/Crematonia									
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									
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 asset	**15 884**	**34 479**	**29 644**	**–**	**–**	**–**	**6 570**	**4 900**	**9 781**
Renewal of Existing Assets as % of total capex	*0.0%*	*37.5%*	*28.2%*	*0.0%*	*0.0%*	*0.0%*	*2.5%*	*3.3%*	*6.3%*
Renewal of Existing Assets as % of deprecn"	*12.9%*	*26.0%*	*22.8%*	*0.0%*	*0.0%*	*0.0%*	*5.0%*	*3.7%*	*7.5%*

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	99 636	110 392	117 901	149 690	153 082	153 082	139 958	141 872	150 995
Roads Infrastructure	45 521	55 545	53 229	63 374	63 890	63 890	65 331	72 339	76 660
Roads	45 521	55 545	53 229	63 374	63 890	63 890	62 398	67 351	71 372
Road Structures							2 933	4 988	5 288
Road Furniture									
Capital Spares									
Storm water Infrastructure	5 260	6 392	6 017	6 786	6 786	6 786	6 600	7 890	8 335
Drainage Collection							3 339	4 213	4 439
Storm water Conveyance	5 260	6 392	6 017	6 786	6 786	6 786	3 262	3 677	3 896
Attenuation									
Electrical Infrastructure	16 972	17 747	17 645	23 747	23 747	23 747	37 099	28 942	30 506
Power Plants							12 895	3 067	3 201
HV Substations							–	–	–
HV Switching Station							–	–	–
HV Transmission Conductors	16 972	17 747	17 645	23 747	23 747	23 747	–	–	–
MV Substations							–	–	–
MV Switching Stations							–	–	–
MV Networks							20 741	22 126	23 251
LV Networks							3 462	3 750	4 054
Capital Spares									
Water Supply Infrastructure	18 056	16 489	15 014	19 104	19 104	19 104	16 935	17 994	19 901
Dams and Weirs									
Boreholes									
Reservoirs									
Pump Stations									
Water Treatment Works	18 056	16 489	15 014	19 104	19 104	19 104			
Bulk Mains									
Distribution							16 935	17 994	19 901
Distribution Points									
PRV Stations									
Capital Spares									
Sanitation Infrastructure	11 512	11 672	13 051	13 642	15 442	15 442	11 541	11 865	12 580
Pump Station							–	–	–
Reticulation							726	1 006	1 066
Waste Water Treatment Works	11 512	11 672	13 051	13 642	15 442	15 442	10 671	10 708	11 354
Outfall Sewers							143	152	160
Toilet Facilities									
Capital Spares									
Solid Waste Infrastructure	2 516	2 546	12 946	23 038	24 113	24 113	2 220	2 590	2 747
Landfill Sites							55	58	62
Waste Transfer Stations	2 516	2 546	12 946	23 038	24 113	24 113	427	519	550
Waste Processing Facilities							74	79	83
Waste Drop-off Points							1 433	1 519	1 610
Waste Separation Facilities							230	415	442
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	–	–	–	–	–	–	189	210	222
Sand Pumps									
Piers									
Revetments									
Promenades							189	210	222
Capital Spares									
Information and Communication Infrastructure	–	–	–	–	–	–	40	42	44
Data Centres							40	42	44
Core Layers									
Distribution Layers									
Capital Spares									
Community Assets	–	4 867	12 289	41 017	41 387	41 387	40 198	46 273	48 840
Community Facilities	–	4 867	12 289	27 714	28 033	28 033	34 241	39 414	41 580
Halls				3 712	4 031	4 031	3 875	5 311	5 500
Centres							–	–	–
Crèches							–	–	–
Clinics/Care Centres							–	–	–
Fire/Ambulance Stations							912	412	433
Testing Stations							13	14	14
Museums							–	–	–
Galleries							–	–	–
Theatres							–	–	–
Libraries				24	24	24	164	167	155

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Cemeteries/Crematoria				842	842	842	978	1 491	1 581
Police							258	267	275
Parks							23 822	26 470	28 006
Public Open Space		4 867	12 269	23 136	23 136	23 136	4 219	5 293	5 615
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									
Sport and Recreation Facilities	–	–	–	13 304	13 354	13 354	5 957	6 859	7 261
Indoor Facilities									
Outdoor Facilities				13 304	13 354	13 354	5 957	6 859	7 261
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	**9 541**	–	–	**12 497**	**12 597**	**12 597**	**2 217**	**3 094**	**3 272**
Operational Buildings	9 541	–	–	12 497	12 597	12 597	2 217	3 094	3 272
Municipal Offices	9 541			12 497	12 597	12 597	2 074	2 946	3 119
Pay/Enquiry Points							–	–	–
Building Plan Offices							105	110	115
Workshops							–	–	–
Yards							–	–	–
Stores							38	38	38
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	–	–	–	–	–	–	5 653	5 978	6 323
Servitudes									
Licences and Rights	–	–	–	–	–	–	5 653	5 978	6 323
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications							5 653	5 978	6 323
Load Settlement Software Applications									
Unspecified									
Computer Equipment	–	5 536	5 207	5 387	5 387	5 387	1 193	1 260	1 330
Computer Equipment		5 536	5 207	5 387	5 387	5 387	1 193	1 260	1 330
Furniture and Office Equipment	–	–	17 919	16 622	19 507	19 507	431	458	486
Furniture and Office Equipment			17 919	16 622	19 507	19 507	431	458	486
Machinery and Equipment	–	–	6 719	–	–	–	–	–	–
Machinery and Equipment			6 719				–	–	–
Transport Assets	–	–	–	–	–	–	9 542	9 841	10 149
Transport Assets							9 542	9 841	10 149
Land	–	–	–	–	–	–	–	–	–
Land									
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals									
Total Repairs and Maintenance Expenditure	**109 377**	**120 795**	**160 036**	**225 212**	**231 959**	**231 959**	**199 189**	**206 776**	**221 386**
R&M as a % of PPE	*3.1%*	*3.4%*	*4.6%*	*6.3%*	*6.6%*	*6.6%*	*0.0%*	*5.7%*	*6.0%*
R&M as % Operating Expenditure	*11.7%*	*12.1%*	*16.1%*	*19.9%*	*20.1%*	*20.1%*	*0.0%*	*16.7%*	*16.6%*

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA34d Depreciation by asset class

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Depreciation by Asset Class/Sub-class									
Infrastructure	**106 893**	**115 226**	**111 962**	**112 443**	**112 443**	**112 443**	**104 946**	**104 134**	**103 304**
Roads Infrastructure	31 216	31 911	32 761	32 858	32 858	32 858	34 090	33 709	33 267
Roads	31 216	31 911	32 761	32 858	32 858	32 858	34 090	33 709	33 267
Road Structures									
Road Furniture									
Capital Spares									
Storm water Infrastructure	5 500	5 741	5 822	5 912	5 912	5 912	6 044	6 038	6 031
Drainage Collection							6 044	6 038	6 031
Storm water Conveyance	5 500	5 741	5 822	5 912	5 912	5 912			
Attenuation									
Electrical Infrastructure	24 984	27 997	24 862	25 149	25 149	25 149	25 166	25 159	25 152
Power Plants									
HV Substations									
HV Switching Station									
HV Transmission Conductors	24 984	27 997	24 862	25 149	25 149	25 149			
MV Substations									
MV Switching Stations									
MV Networks									
LV Networks							25 166	25 159	25 152
Capital Spares									
Water Supply Infrastructure	26 570	28 338	27 417	27 462	27 462	27 462	27 501	27 201	27 041
Dams and Weirs									
Boreholes									
Reservoirs									
Pump Stations									
Water Treatment Works	26 570	28 338	27 417	27 462	27 462	27 462			
Bulk Mains									
Distribution							27 501	27 201	27 041
Distribution Points									
PRV Stations									
Capital Spares									
Sanitation Infrastructure	15 609	17 631	16 353	16 299	16 299	16 299	9 697	9 631	9 630
Pump Station									
Reticulation	15 609	17 631	16 353	16 299	16 299	16 299			
Waste Water Treatment Works							9 697	9 631	9 630
Outfall Sewers									
Toilet Facilities									
Capital Spares									
Solid Waste Infrastructure	3 915	3 709	4 747	4 763	4 763	4 763	2 248	2 197	2 183
Landfill Sites							2 248	2 197	2 183
Waste Transfer Stations	3 915	3 709	4 747	4 763	4 763	4 763			
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	–	2 482	–	3 029	3 029	3 029	–	–	–
Community Facilities	–	–	–	–	–	–	–	–	–
Halls									
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations									
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries									

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Cemeteries/Crematoria									
Police									
Parks									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									
Sport and Recreation Facilities	–	2 452	–	3 029	3 029	3 029	–	–	–
Indoor Facilities									
Outdoor Facilities		2 452		3 029	3 029	3 029	–	–	–
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	10 489	8 201	11 861	8 818	8 818	8 818	12 662	12 468	12 190
Operational Buildings	10 489	8 201	11 861	8 818	8 818	8 818	12 662	12 468	12 190
Municipal Offices	10 489	8 201	11 861	8 818	8 818	8 818	12 662	12 468	12 190
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	214	448	659	653	653	653	723	636	523
Servitudes									
Licences and Rights	214	448	659	653	653	653	723	636	523
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications	214	448	659	653	653	653	723	636	523
Load Settlement Software Applications									
Unspecified									
Computer Equipment	–	1 416	–	1 347	1 347	1 347	–	–	–
Computer Equipment		1 416		1 347	1 347	1 347			
Furniture and Office Equipment	2 176	904	2 006	609	609	609	8 137	7 936	7 712
Furniture and Office Equipment	2 176	904	2 006	609	609	609	8 137	7 936	7 712
Machinery and Equipment	781	694	724	687	687	687	736	614	464
Machinery and Equipment	781	694	724	687	687	687	736	614	464
Transport Assets	2 356	3 122	2 823	2 777	2 777	2 777	4 081	5 041	6 028
Transport Assets	2 356	3 122	2 823	2 777	2 777	2 777	4 081	5 041	6 028
Land	–	–	–	–	–	–	–	–	–
Land									
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals									
Total Depreciation	122 809	132 463	130 034	130 362	130 362	130 362	131 285	130 830	130 222

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure	–	–	–	–	–	–	23 172	6 461	22 707
Roads Infrastructure	–	–	–	–	–	–	–	–	–
Roads									
Road Structures									
Road Furniture									
Capital Spares									
Storm water Infrastructure	–	–	–	–	–	–	3 160	–	–
Drainage Collection									
Storm water Conveyance							3 160	–	–
Attenuation									
Electrical Infrastructure	–	–	–	–	–	–	9 750	–	4 000
Power Plants									
HV Substations									
HV Switching Station									
HV Transmission Conductors									
MV Substations									
MV Switching Stations									
MV Networks							9 750	–	4 000
LV Networks									
Capital Spares									
Water Supply Infrastructure	–	–	–	–	–	–	3 600	–	–
Dams and Weirs									
Boreholes									
Reservoirs									
Pump Stations									
Water Treatment Works									
Bulk Mains									
Distribution							3 600	–	–
Distribution Points									
PRV Stations									
Capital Spares									
Sanitation Infrastructure	–	–	–	–	–	–	5 662	6 461	18 707
Pump Station									
Reticulation							5 662	6 461	18 707
Waste Water Treatment Works									
Outfall Sewers									
Toilet Facilities									
Capital Spares									
Solid Waste Infrastructure	–	–	–	–	–	–	1 000	–	–
Landfill Sites									
Waste Transfer Stations							1 000	–	–
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	–	–	–	–	–	–	16 926	–	–
Community Facilities	–	–	–	–	–	–	–	–	–
Halls									
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations									
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries									

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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	-	-	-	-	-	-	16 928	-	-
Indoor Facilities									
Outdoor Facilities							16 928	-	-
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	-	-	-	-	-	-	100	-	-
Operational Buildings	-	-	-	-	-	-	100	-	-
Municipal Offices									
Pay/Enquiry Points									
Building Plan Offices									
Workshops									
Yards							100	-	-
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares									
Housing	-	-	-	-	-	-	-	-	-
Staff Housing									
Social Housing									
Capital Spares									
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes									
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications									
Load Settlement Software Applications									
Unspecified									
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment									
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment									
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets									
Land	-	-	-	-	-	-	-	-	-
Land									
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals									
Total Capital Expenditure on upgrading of existing assets	-	-	-	-	-	-	40 200	6 461	22 707
Upgrading of Existing Assets as % of total capex	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	15.4%	4.4%	14.7%
Upgrading of Existing Assets as % of depreciation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	30.6%	4.9%	17.4%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Vote Description	2019/20 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Present value
Capital expenditure							
Vote 1 - Council	–	–	–				
Vote 2 - Municipal Manager	–	–	–				
Vote 3 - Management Services	3 975	–	–				
Vote 4 - Finance	30	30 000	30 000				
Vote 5 - Community Services	152 184	67 186	54 844	37 500	40 000	35 000	
Vote 6 - Economic and Social Development & Tourism	7 906	–	–				
Vote 7 - Infrastructure & Planning	85 313	50 437	69 480	25 000	17 000	30 000	
Vote 8 - Protection Services	12 268	841	–				
Total Capital Expenditure	**261 677**	**148 464**	**154 324**	**62 500**	**57 000**	**65 000**	**–**
Future operational costs by vote							
Vote 1 - Council	36 077	36 966	38 935				
Vote 2 - Municipal Manager	5 797	5 874	6 209				
Vote 3 - Management Services	48 950	59 269	63 217				
Vote 4 - Finance	75 017	24 505	22 925				
Vote 5 - Community Services	135 310	335 262	380 923	12 065	12 627	13 188	164 147
Vote 6 - Economic and Social Development & Tourism	(2 522)	10 831	11 336				
Vote 7 - Infrastructure & Planning	357 367	471 406	493 002	18 032	18 870	19 709	245 316
Vote 8 - Protection Services	66 246	97 212	103 134				
Total future operational costs	722 240	1 041 325	1 119 681	30 097	31 497	32 897	409 463
Future revenue by source							
Property rates	242 150	256 669	273 473				
Service charges - electricity revenue	398 868	457 297	525 637				
Service charges - water revenue	127 320	133 984	142 023				
Service charges - sanitation revenue	80 020	82 489	87 439				
Service charges - refuse revenue	70 122	79 415	89 946				
Rental of facilities and equipment	3 562	3 744	3 949				
Interest earned - external investments	28 010	29 690	31 471				
Interest earned - outstanding debtors	4 151	4 400	4 664				
Dividends received	–	–	–				
Fines, penalties and forfeits	32 552	34 517	36 569				
Licences and permits	2 462	2 580	2 627				
Agency services	4 700	4 982	5 281				
Transfers and subsidies	152 183	157 143	168 217				
Other revenue	27 416	28 846	28 993				
Transfers and subsidies - capital (monetary allocations	70 194	42 164	68 993				
Total future revenue	1 243 711	1 317 920	1 469 281	–	–	–	–
Net Financial Implications	**(259 794)**	**(128 131)**	**(195 276)**	**92 597**	**88 497**	**97 897**	**409 463**

OVERSTRAND MUNISIPALITEIT
2019 -05- 2 3
OVERSTRAND MUNICIPALITY

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

R thousand Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	2019/20 Medium Term Revenue & Expenditure Framework: Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
EXECUTIVE & COUNCIL																
	MINOR ASSETS - COUNCIL		New	ponsive, accountable, effective and efficient local governm	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide	–	572	10		
FINANCE AND ADMINISTRATION												6 345	6 800			
	ICT - WI-FI PROJECTS TO SEE THE VIABILITY OF OFFERING SERVICES		New	ponsive, accountable, effective and efficient local governm	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			250		
	ONRUS DISASTER RECOVERY SITE FIRE DETECTION FACILITIES		New	ponsive, accountable, effective and efficient local governm	Governance	1	Computer Equipment	Other	Overstrand	-34.412884, 19.172842	-34.412884, 19.172842			200		
	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS UPGRADE (HIGHSITES AND		New	ponsive, accountable, effective and efficient local governm	Governance	1	Computer Equipment	Other	Overstrand	-34.413470, 19.221698	-34.413470, 19.221698			500		
	MICROSOFT EXCHANGE AND LICENSES		New	ponsive, accountable, effective and efficient local governm	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			2 300		
	REPLACEMENT OF UPS HIGHSITE		New	ponsive, accountable, effective and efficient local governm	Governance	1	Computer Equipment	Other	Overstrand	-34.413470, 19.221698	-34.413470, 19.221698			150		
	FIREWALL MANAGEMENT SOFTWARE		New	ponsive, accountable, effective and efficient local governm	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			250		
	MINOR ASSETS - FINANCE		New	ponsive, accountable, effective and efficient local governm	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			30		
	MINOR ASSETS - MANAGEMENT SERVICES		New	ponsive, accountable, effective and efficient local governm	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			15		
	MINOR ASSETS - ICT - ORGANIZATION WIDE		New	ponsive, accountable, effective and efficient local governm	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			300		
	UPGRADING OF WORK YARD		Upgrading	ponsive, accountable, effective and efficient local governm	Governance	1	Operational Buildings	Yards	Ward 02	-34.582618, 19.353971	-34.582618, 19.353971			100		
	SURPLUS		New	ponsive, accountable, effective and efficient local governm	Governance	1	Transport Assets	Other	Overstrand	Overstrand	Overstrand				15 000	15 000
PUBLIC SAFETY												2 617	6 556			
	LAW ENFORCEMENT FACILITIES (K9 UNIT)		New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Ward 04	-34.402 19.211	-34.402 19.211			2 583		
	BUILDING RENOVATIONS FARM 58/3		New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Ward 04	19.212 -34.400 Degrees	19.212 -34.400 Degrees			1 421		
	UPGRADING OF FACILITIES - FIRE SERVICES BUILDING		New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Overstrand	34.4219°S,	34.4219°S,			2 800		
	ESTABLISHING OF A K53 TEST STATION (KLEINMOND)		New	All people in South Africa are and feel safe	Governance	4	Community Facilities	Testing Stations	Overstrand	34.4204° S, 19.2259° E	34.4204° S, 19.2259° E			600		
	ESTABLISHING OF A K53 TEST STATION (GANSBAAI)		New	All people in South Africa are and feel safe	Governance	4	Community Facilities	Testing Stations	Overstrand	34.4204° S, 19.2259° E	34.4204° S, 19.2259° E			500		
	MINOR ASSETS - PROTECTION SERVICES		New	All people in South Africa are and feel safe	Governance	4	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand			300		
	VEHICLES - PUBLIC SAFETY		New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			3 102	841	
	VEHICLES - PUBLIC SAFETY		New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			843		
	VEHICLES - PUBLIC SAFETY		New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			1 843		
	ACCESS CONTROL MUNICIPAL MAIN BUILDING		New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Other	Overstrand	Overstrand	Overstrand			100		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 01	19358;-34592	19358;-34592			100		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 02	19349;-34587	19349;-34587			50		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 02	19.343 -34.596 Degrees	19.343 -34.596 Degrees			50		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 02	19.343 -34.595 Degrees	19.343 -34.595 Degrees			50		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 09	19°12'70"E 34°39'70"S	19°12'70"E 34°39'70"S			100		
	SAFETY CAMERAS AT ENTRANCES OF TOWN		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 09	18°02'08"E 34°20'23"S	18°02'08"E 34°20'23"S			100		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 11	19448;-34455	19448;-34455			100		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 11	19448;-34457	19448;-34457			30		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 11	19448;-34453	19448;-34453			80		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Overstrand	Overstrand	Overstrand			1 500		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment		Ward 04	18°21'70"E 34°42'00"S	19°21'70"E 34°42'00"S			250		
	CCTV CAMERAS		New	All people in South Africa are and feel safe	Governance	4	Computer Equipment									
PLANNING & DEVELOPMENT												–	1 720			
	MINOR ASSETS - LED		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			25		
	HAWSTON INDUSTRIAL (BUSINESS) HUB		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Community Facilities	Public Open Space	Ward 08	19,134 -34.396 Degrees	19.134 -34.396 Degrees			4 871		
	ECD CENTRE ESTABLISMENT		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Community Facilities	Crèches	Overstrand	Overstrand	Overstrand			793		
	VEHICLES - PLANNING & DEVELOPMENT		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Transport Assets	Other	Overstrand	Overstrand	Overstrand			580		
	HAWSTON "LAND ERWE" - TRANSFERS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Community Facilities	Public Open Space	Ward 08	19°12'50"E 34°38'60"S	19°12'50"E 34°38'60"S			150		
	FERNKLOOF NATURE RESERVE FACILITIES		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Community Facilities	Nature Reserves	Ward 03	34°23'52.81"S 19°15'56.13"E	34°23'52.81"S 19°15'56.13"E			2 100		
	FERNKLOOF FACILITY UPGRADE - PARKING AND OTHER SMALLER PROJECTS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Community Facilities	Nature Reserves	Ward 03	19.266 -34.398	19.266 -34.398			200		
	MINOR ASSETS - INFRASTRUCTURE & PLANNING		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			200		
COMMUNITY AND SOCIAL SERVICES												1 929	5 249			
	MINOR ASSETS - COMMUNITY SERVICES		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	3	Machinery and Equipment	Other	Overstrand	Overstrand	Overstrand			850		
	DISABLED TOILET - PRINGLE BAY PUBLIC TOILETS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 10	34°20'55.8"S-18°49'12.0"E	34°20'55.8"S-18°49'12.0"E			80		
	ABLUTION FACILITIES - JOCK'S BAY & SILVERSANDS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 10	19°00'59.2"E 34°20'24.7"S	19°00'59.2"E 34°20'24.7"S			50		
	DAVIE'S POOL - PARKING AND STORMWATER		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	3	Community Facilities	Public Open Space	Ward 13	19.165 -34.417	19.165 -34.417			100		
	ABLUTION FACILITIES - ONRUS SWIMMING BEACH		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	3	Community Facilities	Public Open Space	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S			750		
	SHELTERS FOR COMMUNITIES, TAXI RANK		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	3	Community Facilities	Public Open Space	Ward 03	19°24'40"E 34°41'80"S	19°24'40"E 34°41'80"S			200		
	CEMETERY INFRASTRUCTURE		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	3	Community Facilities	Cemeteries/Crematoria	Ward 10	-34.33 64 64 *19.98 49 66	-34.33 64 64 *19.98 49 66			1 500		
SPORT & RECREATION												5 427	3 607			
	UPGRADE HAWSTON SPORT COMPLEX		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.126 -34.384 Degrees	19.126 -34.384 Degrees			15 578		
	UPGRADING OF MOUNT PLEASANT SPORTSGROUND FLOODLIGHTS		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 04	19°21'70"E 34°42'00"S	19°21'70"E 34°42'00"S			1 200		
	EXTENSION OF SITTING PAVILION		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19.127 -34.383	19.127 -34.383			200		
	FURNITURE SPORT CLUB HOUSE		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 01	-34.591601, 19.358348	-34.591601, 19.358348			30		
	PURCHASING & INSTALLATION OF PLAY PARK EQUIPMENT		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Community Facilities	Parks	Ward 05	19°21'80"E 34°42'60"S	19°21'80"E 34°42'60"S			500		
	OUTDOOR GYM OPPOSITE ZWELIHLE SPORT GROUND		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 06	19°21'70"E 34°43'20"S	19°21'70"E 34°43'20"S			100		
	RUGBY FIELD LIGHTS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 09	34°20'25.5"S-19°01'06.6"E	34°20'25.5"S-19°01'06.6"E			50		
	NETBALL CLUBHOUSE EXTENSION (CHANGE ROOMS)		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 09	34°20'25.5"S-19°01'06.6"E	34°20'25.5"S-19°01'06.6"E			150		
	PLAYPARK EQUIPMENT		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Community Facilities	Parks	Ward 09	34°20'08.8"S-19°02'38.4"E	34°20'08.8"S-19°02'38.4"E			28		
	VEHICLE - BEACHES		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			80		
	VEHICLES - PARKS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			657		

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

R thousand														2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
HOUSING												34 180	14 271			
	MASAKHANE IRDP(286)		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 01	19.358 & -34.420	19.358 & -34.420			11 113		
	MASAKHANE IRDP(1178)		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 01	19.361 & -34.594	19.361 & -34.594				4 051	12 660
	BLOMPARK PROJECT		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 02	19349;-34596	19349;-34596			1 818		
	ZWELIHLE PROJECT-TRANSIT CAMP(164)		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 05	19.218 & -34.426	19.218 & -34.426			1 590	3 240	
	ZWELIHLE TAMBO SQUARE PROJECT		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 06	19.218 & -34.429	19.218 & -34.429					
	TAMBO SQUARE & NEW CAMP (82)		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 06	19.218 & -34.429	19.218 & -34.429					4 920
	MANDELA SQUARE -GARDEN SITE		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 06	-34.42919.21	-34.42919.21			1 762		
	TSEPE-TSEPE & SERVICED SITE(80)		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 04 & 06	19.217 & -34.431	19.217 & -34.431					5 400
	MOUNT PLEASANT IRDP INFILL		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 04	19.212 & -34.414	19.212 & -34.414			663	1 000	5 000
	BUFFELJAGSBAAI		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 11	19.609 & -34.751	19.609 & -34.751				57	140
	HAWSTON PROJECT-IRDP		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 09	-34.38919.139	-34.38919.139			3 592		
	KLEINMOND IRDP		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Wards 09 & 10	19.012 & -34.429	19.012 & -34.429				115	280
	KLEINMOND OVERHILLS UISP		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Wards 09 & 10	19.008 & -34.336	19.008 & -34.336				115	280
	STANFORD IRDP(783)		New	able human settlements and improved quality of househ	Spatial integration	4	Housing	Social Housing	Ward 11	19.448 & -34.449	19.448 & -34.449			8 000	4 708	10 300
ROADS												12 423	12 631			
	REHABILITATE ROADS - BLOMPARK		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	19.349 -34.597 Degrees	19.349 -34.597 Degrees			2 000		
	REHABILITATE ROADS - STANFORD		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	19.447 -34.455 Degrees	19.447 -34.455 Degrees			2 000		
	CBD REGENERATION PROGRAM		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19°26'53"E 34°419"S	19°26'53"E 34°419"S			7 644		
	VEHICLES-ROADS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Overstrand	Overstrand	Overstrand			1 867		
	EXTENTION OF PLEIN STREET		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19.129 -34.382	19.129 -34.382			500		
	GANSBAAI TARRING OF ROAD TO WASTE DISPOSAL SITE		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	19.351 -34.590 Degrees	19.351 -34.590 Degrees			2 700		
	STANFORD TARRING DE BRUYN STREET		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34.446248 & 19.446291	34.446248 & 19.446291			2 500		
	SIDEWALKS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	-34.593028, 19.349430	-34.593028, 19.349430			100		
	FORMALISED PARKING AND DROP OFF AREAS NEAR HERMANUS SCHOOLS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19.210 -34.418	19.210 -34.418			200		
	MOUNT PLEASANT SIDEWALKS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19.233 -34.425	19.233 -34.426			200		
	WEST CLIFF:SPEED CALMING		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19°23'20"E 34°42'50"S	19°23'20"E 34°42'50"S			175		
	WARD 6 - SIDEWALKS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 06	19°21'00"E 34°43'10"S	19°21'00"E 34°43'10"S			200		
	NEW STREETS, SIDEWALKS & PARKING AREAS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 07	19.125 -34.356	19.125 -34.356			500		
	WALKWAY		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19.134 -34.396 Degrees	19.134 -34.396 Degrees			120		
	CURBING AND TARRING OF SIDEWALKS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19°13'50"E 34°38'30"S	19°13'50"E 34°38'30"S			140		
	PAVING OF ERF 1257, HAWSTON		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19.135 -34.384	19.135 -34.384			70		
	TRAFFIC CALMING		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19°12'50"E 34°36'00"S	19°12'50"E 34°36'00"S			40		
	LOW IMPACT BRIDGE UNDER R44 LEADING TO DAY CAMP		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 09	34°20'09.6"S-19°02'38.4"E	34°20'09.6"S-19°02'38.4"E			60		
	ROADS & SPEED BUMPS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 09	34°20'26.6"S-19°01'06.6"E	34°20'26.6"S-19°01'06.6"E			74		
	PAVING OF ROADS - ROOIELS		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 10	S34.336437° / E19.006527°	S34.336437° / E19.006527°			150		
	STREET NAMES		Renewal	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 10	19°00'59.2"E 34°20'24.7"S	19°00'59.2"E 34°20'24.7"S			60		
	RIVER FRONT AND WANDELPAD ENHANCEMENT – MILLSTREAM		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°39'09.21"S 19°29'18.51"E	34°39'09.21"S 19°29'18.51"E			50		
	ATLANTIC DRIVE		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	19.176 -34.420	19.176 -34.420			270		
	BLOMPARK HOUSING PROJECT BUS ROUTE		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	34°35'54.86"S 19°20'49.51"E	34°35'54.86"S 19°20'49.51"E					2 000
	STANFORD HOUSING PROJECT BUS ROUTE		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34.446248 & 19.446291	34.446248 & 19.446291					3 000
	MASAKHANE HOUSING PROJECT BUS ROUTE		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	19°21'38"E 34°35'30"S	19°21'38"E 34°35'30"S					3 000
	HAWSTON HOUSING PROJECT BUS ROUTE		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	34.388799 & 19.139259	34.388799 & 19.139259					
ELECTRICITY												18 208	20 454			
	FRANSKRAAL,KLEINBAAI & BIRKENHEAD: MV/LV & MINISUB UPGRADE		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 01	EW 19.348978, NS -34.61828	EW 19.348978, NS -34.61828			2 250		
	FKRAAL,KBAAI & BHEAD: NEW 66/11KV SUBSTATION		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 01&02	EW 19.326437, NS -34.612617	EW 19.326437, NS -34.612617				14 000	14 669
	FKRAAL,KBAAI & BHEAD: NEW 66/11KV SUBSTATION		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 01&02	EW 19.326437, NS -34.612617	EW 19.326437, NS -34.612617			2 000	12 000	5 331
	ELECTRIFICATION OF LOW COST HOUSING AREAS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	All-ward proj in HM A	34°25'37.78"S 19°13'07.91"E	34°25'37.78"S 19°13'07.91"E			5 000		
	ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP)		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	34°23'04.89"S 19°08'20.49"E	34°23'04.89"S 19°08'20.49"E			7 000	5 000	5 000
	STREETLIGHTS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 08	34°21'43.80"S 19° 7'45.60"E	34°21'43.80"S 19° 7'45.60"E			20		
	STHANDE STREET LIGHTS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 12	34°25'25.77"S 19°12'31.21"E	34°25'25.77"S 19°12'31.21"E			400		
	STREET LIGHTS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 13	34°24'40.14"S 19°10'06.69"E	34°24'40.14"S 19°10'06.69"E			30		
	[illegible]Y UPGRADE		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 11	EW 19.452482, NS -34.446421	EW 19.452482, NS -34.446421			750		
	VEHICLES ELECTRICITY		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand			574		
	HERMANUS: MV & LV UPGRADE/REPLACEMENT		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 03	34°25'16.83"S 19°13'00.62"E	34°25'16.83"S 19°13'00.62"E			5 000		4 000
	HERMANUS: MV & LV UPGRADE/REPLACEMENT		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 03	34°25'07.04"S 19°10'40.04"E	34°25'07.04"S 19°10'40.04"E			3 672		
	KLEINMOND: MV & LV NETWORK UPGRADE		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 09	34°20'18.35"S 19°01'35.31"E	34°20'18.35"S 19°01'35.31"E			2 000		
	KLEINMOND: MV & LV NETWORK UPGRADE		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 09	34°20'05.08"S 19°01'45.28"E	34°20'05.08"S 19°01'45.28"E			439		
	HAWSTON: [illegible]V UPGRADE/REPLACEMENT		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 08	34°23'09.91"S 19°07'56.01"E	34°23'09.91"S 19°07'56.01"E			2 000		
	HAWSTON: [illegible]V UPGRADE/REPLACEMENT		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Ward 08	34°23'05.02"S 19°08'01.09"E	34°23'05.02"S 19°08'01.09"E			1 640		
	BASIC SERVICES FOR EMERGENCY HOUSING		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand			250		
	ELECTRICITY TRANSFORMERS(CAPITAL REPLACEMENT CONTINGENCY)		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	Overstrand	Overstrand			1 000	1 000	1 000
WATER												3 257	21 945			
	WATER MASTER PLAN IMPLEMENTATION		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			10 000	10 000	
	WATER MASTER PLAN IMPLEMENTATION		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			8 285		
	REFURBISHMENT OF BULK WATER PIPELINES		Renewal	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			360	900	
	FENCING AT WATER INSTALLATIONS		Renewal	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			700	700	
	FENCING AT WATER INSTALLATIONS		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	19.217° / -34.436°	19.217° / -34.436°			900		
	REPLACEMENT OF OVERSTRAND WATER PIPES		Upgrading	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			2 900		
	[illegible] AND DE BOS DAM INTAKE STRUCTURES AND EQUIPMENT		Renewal	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	All-area Serv Infra P	Overstrand	Overstrand			1 300		
	WATER [illegible]TIES (CONTINGENCY)		Renewal	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			300	400	400
	NEW [illegible] RESERVOIR		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 01 & 02	19.366 -34.584 Degrees	19.366 -34.584 Degrees			7 088	15 075	
	UPGRADE WATER LINES		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 01	34°35'54.86"S 19°20'49.51"E	34°35'54.86"S 19°20'49.51"E				2 000	2 200
	NEW BOOSTER PUMPSTATION & VALVES		New	ponsive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 01	19°21'39"E 34°35'30"S	19°21'39"E 34°35'30"S				2 000	2 100

OVERSTRAND MUNICIPALITY
2019 -05- 23

R thousand Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	2019/20 Medium Term Revenue & Expenditure Framework Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
	UPGRADE BULK WATER		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	34.446248 & 19.448291	34.446248 & 19.448291					2 000
	UPGRADE HERMANUS WELL FIELDS PHASE 1		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 04	19.223° / -34.418°	19.223° / -34.418°			4 000	6 000	
	WATER STABILIZATION PLANT FOR STANFORD		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	19.252° / -34.460°	19.252° / -34.460°			2 500		
	WATER STABILIZATION PLANT FOR STANFORD		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	19.252° / -34.460°	19.252° / -34.460°			1 384		
	NEW RESERVOIR FOR PRINGLE BAY		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° / -34.349°	18.848° / -34.349°			3 640		
	NEW RESERVOIR FOR PRINGLE BAY		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° / -34.349°	18.848° / -34.349°			5 535		
	BASIC SERVICES FOR EMERGENCY HOUSING		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Overstrand	Overstrand	Overstrand			600		
	BASIC SERVICES FOR EMERGENCY HOUSING		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 04	34°41'99.03" S 19° 21'34.70"	34°41'99.03" S 19° 21'34.70" E			100		
	KLEINMOND PALMIET PUMP STATION AND BULK PIPELINE REFURBISH		Renewal	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 09	19.590° / -34.329°	19.590° / -34.329°			900	2 000	6 781
SEWERAGE												21 523	44 995			
	SEWERAGE FACILITIES (CONTINGENCY)		Renewal	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Pump Station	Overstrand	Overstrand	Overstrand			600	600	650
	KLEINMOND - SEWER NETWORK EXTENSION		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 09	19.025° / -34.338°	19.025° / -34.338°			6 000	4 400	
	UPGRADING OF KIDBROOKE PIPELINE		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 13	S34°24.810' / E19°10.001	S34°24.810' / E19°10.001			3 070		
	WWTW UPGRADE - STANFORD		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	ste Water Treatment Wo	Ward 11	S34.446248° / E19.448291°	S34.446248° / E19.448291°			1 800		
	WWTW UPGRADE - STANFORD		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	ste Water Treatment Wo	Ward 11	S34.446248° / E19.448291°	S34.446248° / E19.448291°					
	PROVISION OF BULK SEWER SUPPLY		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 02	19°20'50"E 34°35'50"S	19°20'50"E 34°35'50"S			126		
	KLEINMOND WWTW REFURBISH & UPGRADE		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 10	34°20'21.16"S 19° 01' 34.39"	34°20'21.16"S 19° 01' 34.39" E				2 500	15 000
	UPGRADE LINK SEWER SUPPLY		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 01	-34,59319,362	-34,59319,362				1 961	
	UPGRADE BULK SEWER		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 01	-34,59319,362	-34,59319,362				2 000	3 087
	UPGRADE BULK SEWER		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 11	19.447407 ; -34.440390	19.447407 ; -34.440390					620
	UPGRADE ZWELIHLE SEWER		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S					
	UPGRADE ZWELIHLE SEWER		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S					
	REHABILITATE MAIN BULK SEWER TO WWTW PH1		Renewal	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Pump Stations	Ward 09	34°20'24.0"S-19°02'13.2"E	34°20'24.0"S-19°02'13.2"E			4 000	2 000	3 000
	FENCING AT SEWERAGE INSTALLATIONS		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			800	500	500
	GANSBAAI CBD SEWER NETWORK EXTENSION		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 02	19°20'51"E 34°35'43"S	19°20'51"E 34°35'43"S			6 575	4 000	
	SEWERAGE NETWORK EXTENSION AND REPLACEMENT		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand					4 000
	VEHICLES-SEWERAGE		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand			2 087		
	BASIC SERVICES FOR EMERGENCY HOUSING		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Multi-area	Overstrand	Overstrand			1 400		
	ZWELIHLE SEWER		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 5,6,12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S			4 723		
	BASIC SERVICES FOR EMERGENCY HOUSING		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 04	34°41'99.03" S 19° 21'34.70"	34°41'99.03" S 19° 21'34.70" E			162		
	SEWERAGE-BYPASS IN SIPUMELELO CORRIDOR		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 05	34. 427 19.217 Degrees	34. 427 19.217 Degrees			1 000		
	SEWERAGE -PEACH HOUSE PRECINT UPGRADE		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 06	34. 431 19. 215 Degrees	34. 431 19. 215 Degrees			3 000		
	SEWERAGE-BYPASS IN SIPUMELELO CORRIDOR		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 12	34. 424 19. 212 Degrees	34. 424 19. 212 Degrees			1 500		
STORMWATER													9 749			
	BLOMPARK HOUSING PROJECT BULK STORMWATER		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 02	19.343 -34.595 Degrees	19.343 -34.595 Degrees			7 486	-	
	MASAKHANE HOUSING PROJECT BULK STORMWATER		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	-34,59319,362	-34,59319,362				2 000	3 500
	STORMWATER - PHASE II-INDUSTRIAL AREA		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 04	19.225 -34.422 Degrees	19.225 -34.422 Degrees			3 457		
	STORMWATER - MAIN RD & HIGH STREET		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 03	19.244 -34.418 Degrees	19.244 -34.418 Degrees			6 258		
	STORMWATER - OVERHILLS		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	19.006 -34.337 Degrees	19.006 -34.337 Degrees			2 400		
	STORMWATER NETWORK		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°21'28.5"S-18°54'15.7"E	34°21'28.5"S-18°54'15.7"E			2 500		
	UPGRADE STORMWATER NETWORK		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-area HM	34°24'13.34"S 19° 19' 07.01"	34°24'13.34"S 19° 19' 07.01" E			380		
	UPGRADE STORMWATER NETWORK		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 06	34. 431 19. 215 Degrees	34. 431 19. 215 Degrees			420		
	UPGRADE STORMWATER NETWORK		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-area CBI	-34,593026, 19,349430	-34,593026, 19,349430			500		
	STORMWATER (AD HOC)		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	-34,595289, 19,397659	-34,595289, 19,397659			120		
	STORMWATER (AD HOC)		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	-34,591601, 19,358348	-34,591601, 19,358348			70		
	STORMWATER (AD HOC)		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 02	-34,593026, 19,349430	-34,593026, 19,349430			150		
	STORMWATER CHANNELS		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°21'28.5"S-18°54'15.7"E	34°21'28.5"S-18°54'15.7"E			80		
	STORMWATER CHANNELS		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	S34.336437° / E19.006527°	S34.336437° / E19.006527°			50		
	STORMWATER CHANNELS - ROOIELS		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°18'05.8"S-18°48'58.0"E	34°18'05.8"S-18°48'58.0"E			30		
	WARD 12-STORM WATER DRAINS		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S			100		
	STORMWATER-LIBRARY LINK & SIPUMELELO CORRIDOR UPGRADE		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 05	34. 427 19.217 Degrees	34. 427 19.217 Degrees			1 500		
	STORMWATER-TAXI RANK TO SIPUMELELO CORRIDOR UPGRADE		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 06	34. 431 19. 215 Degrees	34. 431 19. 215 Degrees			500		
	STORMWATER-AMANDLA STREET LINK TO SIPUMELELELO CORRIDOR		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 12	34. 424 19. 212 Degrees	34. 424 19. 212 Degrees			1 000		
	STANFORD HOUSING PROJECT BULK STORMWATER		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	19.447407 ; -34.440390	19.447407 ; -34.440390				2 000	3 006
WASTE MANAGEMENT												1 739	1 497			
	VEHICLE-WASTE MANAGEMENT		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Transport Assets	Other	Overstrand	Overstrand	Overstrand			5 931		
	HERMANUS TRANSFER STATION FENCING SOLID WASTE TRANSFER STATION		Upgrading	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 10	34°20'21.16"S 19° 01' 34.39"	34°20'21.16"S 19° 01' 34.39" E			1 000		
	HERMANUS NEW WASTE MANAGEMENT FACILITY		New	Inclusive, accountable, effective and efficient local governm	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19.207° / -34.425°	19.207° / -34.425°			10 000	10 300	
FINANCE AND ADMINISTRATION																
	SURPLUS-NON-TARIFF INFRASTRUCTURE		New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide				15 000	15 000
Total Capital expenditure												105 207	174 748	261 677	148 494	154 324

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

R thousand Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
													Original Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality: *List all capital projects grouped by Function*																	
PUBLIC SAFETY	LAW ENFORCEMENT FACILITIES (K9 UNIT)		New	*All people in South Africa are and feel safe*	Governance	4	*Operational Buildings*	*Municipal Offices*	Ward 04	-34.402 19.211	-34.402 19.211				2 583		
PUBLIC SAFETY	BUILDING RENOVATIONS FARM 5853		New	*All people in South Africa are and feel safe*	Governance	4	*Operational Buildings*	*Municipal Offices*	Ward 04	19.212 -34.400 Degrees	19.212 -34.400 Degrees		1 421	–	1 421		
PUBLIC SAFETY	UPGRADING OF FACILITIES - FIRE SERVICES BUILDING		New	*All people in South Africa are and feel safe*	Governance	4	*Operational Buildings*	*Municipal Offices*	Overstrand	34.4219°S,	34.4219°S,		2 400	–	2 800		
PUBLIC SAFETY	ACCESS CONTROL MUNICIPAL MAIN BUILDING		New	*All people in South Africa are and feel safe*	Governance	4	*Operational Buildings*	*Municipal Offices*	Overstrand	Overstrand	Overstrand		–	100	100		
PUBLIC SAFETY	VEHICLES - PUBLIC SAFETY		New	*All people in South Africa are and feel safe*	Governance	4	*Transport Assets*	*Other*	Overstrand	Overstrand	Overstrand		3 200	4 321	5 586		
PUBLIC SAFETY	CCTV CAMERAS		New	*All people in South Africa are and feel safe*	Governance	4	*Machinery and Equipment*	*Public Open Space*	Overstrand	Overstrand	Overstrand		500	500	500		
PLANNING & DEVELOPMENT	HAWSTON INDUSTRIAL(BUSINESS) HUB		New	*An efficient, effective and development-oriented p*	Governance	5	*Community Facilities*	*Public Open Space*	Ward 08	19.134 -34.396 Degrees	19.134 -34.396 Degrees		5 000	500	4 871		
SPORT & RECREATION	VEHICLES-PARKS		New	*An efficient, effective and development-oriented p*	Governance	5	*Transport Assets*	*Other*	Overstrand	Overstrand	Overstrand		400	570	138		
ROADS	CBD REGENERATION PROGRAM		New	*A skilled and capable workforce to support an inc*	Inclusion and access	2	*Roads Infrastructure*	*Roads*	Ward 03	19°26'53"E 34°419"S	19°26'53"E 34°419"S		3 000	1 000	7 644		
ELECTRICITY	HERMANUS MV & LV UPGRADE/REPLACEMENT		Upgrading	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Electrical Infrastructure*	*MV Networks*	Ward 03	34°25'07.04"S 19°19'40.04"E	34°25'07.04"S 19°19'40.04"E		10 150	8 278	3 872		
ELECTRICITY	KLEINMOND: MV & LV NETWORK UPGRADE		Upgrading	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Electrical Infrastructure*	*MV Networks*	Ward 09	34°20'05.08"S 19°01'45.28"E	34°20'05.08"S 19°01'45.28"E		1 750	1 311	439		
ELECTRICITY	HAWSTON: MV & LV UPGRADE/REPLACEMENT		Upgrading	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Electrical Infrastructure*	*MV Networks*	Ward 08	34°23'05.02"S 19°08'01.09"E	34°23'05.02"S 19°08'01.09"E		1 750	210	1 540		
WATER	WATER MASTER PLAN IMPLEMENTATION		Upgrading	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Water Supply Infrastructure*	*Distribution*	Overstrand	Overstrand	Overstrand		10 000	5 000	15 286		
WATER	NEW RESERVOIR FOR PRINGLE BAY		New	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Water Supply Infrastructure*	*Reservoirs*	Ward 10	18.848° / -34.349°	18.848° / -34.349°		5 863	2 000	9 175		
WATER	WATER STABILIZATION PLANT FOR STANFORD		New	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Water Supply Infrastructure*	*Distribution*	Ward 11	19.252° / -34.450°	19.252° / -34.450°		1 500	1 500	3 884		
SEWERAGE	UPGRADE OF KIDBROOKE PIPELINE		Upgrading	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Sanitation Infrastructure*	*Waste Water Treatment Works*	Ward 11	S34°24.810' / E19°10.091	S34°24.810' / E19°10.091		4 020	4 020	3 870		
SEWERAGE	WWTW UPGRADE - STANFORD		Upgrading	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Sanitation Infrastructure*	*Waste Water Treatment Works*	Ward 11	S34.446248° / E19.448291°	S34.446248° / E19.448291°		18 177	18 177	1 600		
SEWERAGE	ZWELIHLE SEWER		New	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Sanitation Infrastructure*	*Waste Water Treatment Works*	Ward 5,6,12	19°20'90"E 34°42'00"S	19°20'90"E 34°42'00"S		–	–	4 723		
SEWERAGE	GANSBAAI CBD SEWER NETWORK EXTENSION		New	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Sanitation Infrastructure*	*Waste Water Treatment Works*	Ward 02	19°20'51"E 34°35'43"S	19°20'51"E 34°35'43"S		–	–	6 575		
STORMWATER	STORMWATER - PHASE II-INDUSTRIAL AREA		Upgrading	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Storm water Infrastructure*	*Storm water Conveyance*	Ward 04	19.225 -34.422 Degrees	19.225 -34.422 Degrees		3 800	1 200	3 457		
STORMWATER	STORMWATER - MAIN RD & HIGH STREET		Upgrading	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Storm water Infrastructure*	*Storm water Conveyance*	Ward 03	19.244 -34.418 Degrees	19.244 -34.418 Degrees		4 000	2 100	5 258		
STORMWATER	STORMWATER - OVERHILLS		Upgrading	*Responsive, accountable, effective and efficient I*	Inclusion and access	2	*Storm water Infrastructure*	*Storm water Conveyance*	Ward 10	19.006 -34.337 Degrees	19.006 -34.337 Degrees		3 000	–	2 400		

205

OVERSTRAND MUNICIPALITY
OVERSTRAND MUNISIPALITEIT
2019 -05- 23

WC032 Overstrand - Supporting Table SA38 Consolidated detailed operational projects

R thousand												Prior year outcomes		2019/20 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Parent municipality:																
List all operational projects grouped by Function																
Vote 1 - Council	Municipal Running Cost			9	4	1								36 214	37 782	42 234
	Typical Work Streams : Functions and Events : Special Events and Functions		Work streams	9	4	1								143	–	–
Vote 2 - Municipal Manager	Municipal Running Cost			9	4	1								5 925	6 138	6 660
Vote 3 - Management Services	Corrective Maintenance : Emergency : Computer Equipment		Corrective Maintenance	9	4	1								609	642	668
	Corrective Maintenance : Planned : Furniture and Office Equipment		Corrective Maintenance	9	4	1								9	10	11
	Information and Communication Infrastructure : Data Centres : Buildings		Preventative Maintenance	9	4	1								42	43	46
	Intangible Assets : Licences and Rights : Computer Software and Applications			9	4	1								4 642	4 881	5 380
	Municipal Running Cost			9	4	1								51 054	53 333	57 654
	Preventative Maintenance : Interval Based : Computer Equipment		Preventative Maintenance	9	4	1								633	925	695
	Preventative Maintenance : Interval Based : Transport Assets		Preventative Maintenance	9	4	1								7	8	8
	Typical Work Streams : Capacity Building Training and Development : Induction Programmes Ne		Work streams	9	4	1								3	3	3
	Typical Work Streams : Capacity Building Training and Development : Leadership Development		Work streams	9	4	1								1	1	1
	Typical Work Streams : Capacity Building Training and Development : Workshops, Seminars and		Work streams	9	4	1								2 220	2 205	2 297
	Typical Work Streams : Community Development : Gender Development		Work streams	9	4	1								22	22	24
	Typical Work Streams : Human Resources : Employee Assistance Programme		Work streams	9	4	1								609	505	526
	Typical Work Streams : Junior Council		Work streams	9	4	1								69	71	75
	Typical Work Streams : Strategic Management and Governance : IDP Implementation and Monito		Work streams	9	4	1								200	219	251
Vote 4 - Finance	Corrective Maintenance : Emergency : Furniture and Office Equipment		Corrective Maintenance	9	4	1								62	64	69
	Municipal Running Cost			9	4	1								84 821	94 037	96 358
	Operational Buildings : Stores : Buildings		Preventative Maintenance	9	4	1								42	42	43
	Preventative Maintenance : Interval Based : Transport Assets		Preventative Maintenance	9	4	1								69	71	77
	Typical Work Streams : Financial Management Grant : Financial Statements		Work streams	9	4	1								578	574	–
	Typical Work Streams : Financial Management Grant : Interns Compensation		Work streams	9	4	1								6	547	–
	Typical Work Streams : Financial Management Grant : Supply Chain Management, Internal Audit		Work streams	9	4	1								578	574	–
	Typical Work Streams : Financial Management Grant : Financial Systems		Work streams	9	4	1								308	306	–
Vote 5 - Community Services	Coastal Infrastructure : Promenades : Civil Structures		Preventative Maintenance	6	3	2								210	219	239
	Community Facilities : Cemeteries/Crematoria : Land		Preventative Maintenance	6	3	2								48	62	68
	Community Facilities : Parks : Land		Preventative Maintenance	2	3	2								600	630	698
	Municipal Running Cost			9	3	2								387 916	400 324	433 958
	Operational Buildings : Municipal Offices : Land		Preventative Maintenance	9	3	2								991	1 044	1 152
	Preventative Maintenance : Interval Based : Transport Assets		Preventative Maintenance	9	3	2								6 126	6 299	6 790
	Roads Infrastructure : Roads : Pavements		Preventative Maintenance	6	3	2								36 890	39 574	42 689
	Sanitation Infrastructure : Outfall Sewers : Civil Structures		Preventative Maintenance	6	3	2								663	698	770
	Sanitation Infrastructure : Reticulation : Municipal Service Connection		Preventative Maintenance	6	3	2								3 567	3 756	4 147
	Solid Waste Disposal : Landfill Sites : Buildings		Preventative Maintenance	6	3	2								44	46	51
	Solid Waste Disposal : Waste Drop-off Points : Buildings		Preventative Maintenance	6	3	2								51	53	59
	Solid Waste Disposal : Waste Drop-off Points : Service Connections on Site		Preventative Maintenance	6	3	2								1 428	1 504	1 660
	Solid Waste Disposal : Waste Processing Facilities : Buildings		Preventative Maintenance	6	3	2								77	81	90
	Sport and Recreation Facilities : Outdoor Facilities : Buildings		Preventative Maintenance	2	3	2								126	132	146
	Storm water Infrastructure : Storm water Conveyance : Civil Structures		Preventative Maintenance	6	3	2								386	406	448
	Storm water Infrastructure : Storm water Conveyance : Drainage		Preventative Maintenance	6	3	2								2 904	3 058	3 376
	Typical Work Streams : Community Development : Community Initiatives		Work streams	2	3	2								81	81	84
	Typical Work Streams : Sport Development : Marathons, Sport and Recreation		Work streams	2	3	2								284	307	339
	Typical Work Streams : Ward Committees : Ward Initiatives		Work streams	2	3	2								1 320	–	–
	Water Supply Infrastructure : Distribution : Municipal Service Connections		Preventative Maintenance	6	3	2								5 905	6 219	6 866
	Water Supply Infrastructure : Distribution : Pipe Work		Preventative Maintenance	6	3	2								1 368	1 441	1 574
Vote 6 - Local Economic Development	Community Development : Youth Projects : Youth Projects		Work streams	4	2	5								17	18	20
	Municipal Running Cost			4	2	5								8 365	8 900	9 689
	Preventative Maintenance : Interval Based : Transport Assets		Preventative Maintenance	4	2	5								15	16	17
	Typical Work Streams : Capacity Building Training and Development : Workshops, Seminars and		Work streams	4	2	5								23	25	26
	Typical Work Streams : Local Economic Development : Project Implementation		Work streams	4	2	5								547	576	620
	Typical Work Streams : Local Economic Development : Training		Work streams	4	2	5								62	65	70
	Typical Work Streams : Tourism : Tourism Development		Work streams	4	2	5								134	141	152
Vote 7 - Infrastructure & Planning	Electrical Infrastructure : LV Networks : Municipal Service Connections		Preventative Maintenance	6	3	2								1 499	1 552	1 714
	Electrical Infrastructure : LV Networks : Public Lighting		Preventative Maintenance	6	3	2								924	973	115
	Electrical Infrastructure : Power Plants : Electrical Equipment		Preventative Maintenance	6	3	2								3 023	3 159	3 477
	Municipal Running Cost			6	3	2								472 567	500 141	555 147
	Preventative Maintenance : Interval Based : Transport Assets		Preventative Maintenance	6	3	2								706	726	528
	Solid Waste Disposal : Waste Separation Facilities : Mechanical Equipment		Preventative Maintenance	6	3	2								372	392	–
	Typical Work Streams : Community Development : Housing Projects		Work streams	8	1	2								26 771	56 485	28 279
Vote 8 - Protection Services	Municipal Running Cost			3	4	4								93 673	99 333	105 355
	Preventative Maintenance : Interval Based : Transport Assets		Preventative Maintenance	3	3	4								1 385	1 424	–
	Typical Work Streams : Public Protection and Safety		Work streams	3	1	4								52	55	–
	Typical Work Streams : Ward Committees : Ward Initiatives		Work streams	2	1	4								77	–	–
Total Operational expenditure												–	–	1 249 963	1 342 887	1 433 511

OVERSTRAND MUNICIPALITY
RECEIVED
2019-05-23

902

2.15 Municipal manager's quality certificate

I, CC GROENEWALD, the municipal manager of **Overstrand Municipality**, hereby certify that the annual budget and supporting documentation for the **2019/2020 MTREF** has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: CC GROENEWALD

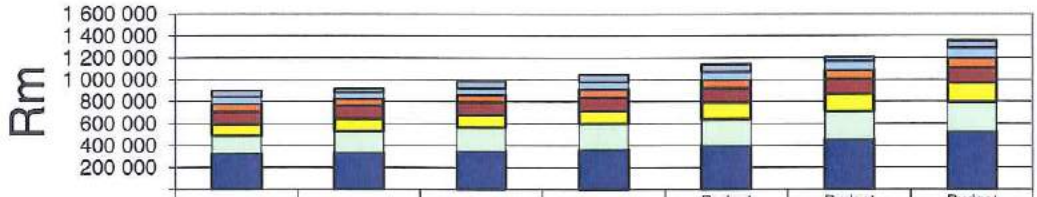
Municipal manager of **Overstrand Municipality (WC032)**

Signature: _____

Date: 23.05.2019

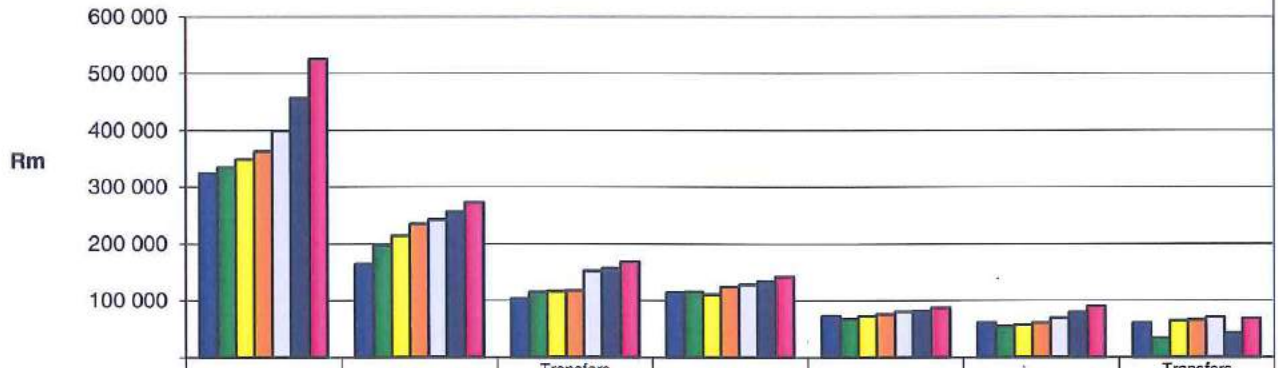
OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Revenue by Source - Major - Chart A5(a)



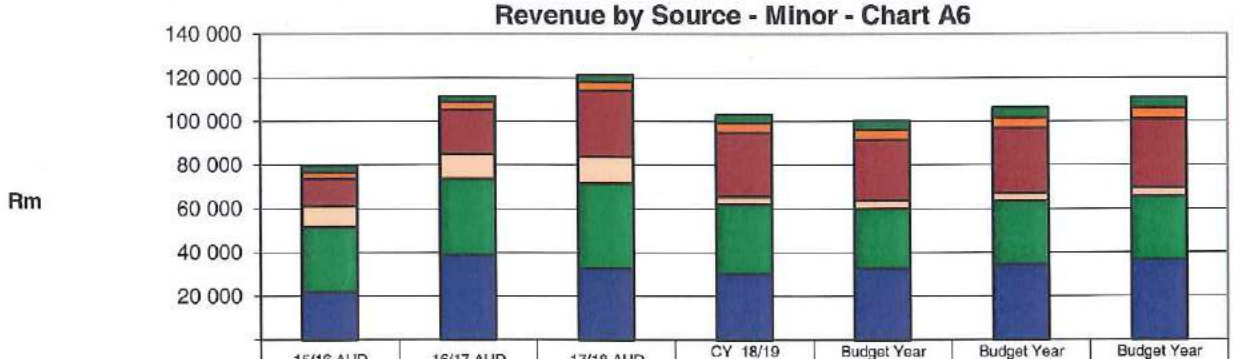
	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Transfers recognised - capital	60 651	33 681	64 248	66 072	70 194	42 164	68 993
Service charges - refuse	61 689	54 389	57 741	60 990	70 122	79 415	89 946
Service charges - sanitation revenue	72 651	66 890	72 064	76 164	80 020	82 489	87 439
Service charges - water revenue	114 179	115 070	111 010	124 781	127 320	133 984	142 023
Transfers recognised - operating	103 629	114 411	116 421	118 186	152 183	157 143	168 217
Property rates	164 486	197 104	214 845	234 998	242 150	256 669	273 473
Service charges - electricity revenue	324 599	334 765	349 380	362 784	398 868	457 297	525 637

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
15/16 AUD	324 599	164 486	103 629	114 179	72 651	61 689	60 651
16/17 AUD	334 765	197 104	114 411	115 070	66 890	54 389	33 681
17/18 AUD	349 380	214 845	116 421	111 010	72 064	57 741	64 248
CY 18/19 ADJ	362 784	234 998	118 186	124 781	76 164	60 990	66 072
Budget Year 19/20	398 868	242 150	152 183	127 320	80 020	70 122	70 194
Budget Year +1 20/21	457 297	256 669	157 143	133 984	82 489	79 415	42 164
Budget Year +2 21/22	525 637	273 473	168 217	142 023	87 439	89 946	68 993

Revenue by Source - Minor - Chart A6

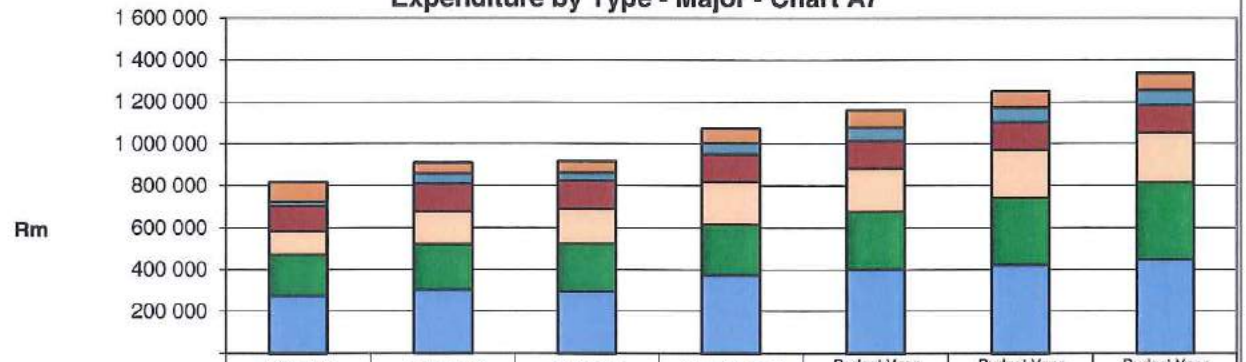


	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Service charges - other							
Contributed assets							
Dividends received							
Contributions							
Interest earned - outstanding debtors	2 735	2 671	3 022	3 705	4 151	4 400	4 664
Agency services	3 211	3 480	4 149	4 526	4 700	4 982	5 281
Interest earned - external investments	12 209	20 347	30 285	29 201	28 010	29 690	31 471
Rental of facilities and equipment	9 915	11 613	12 324	3 679	3 562	3 744	3 949
Other revenue	29 653	34 706	38 895	31 672	27 416	28 965	28 993
Fines	21 682	38 715	32 500	30 165	32 553	34 517	36 569

OVERSTRAND MUNISIPALITEIT
2019 -05- 21
OVERSTRAND MUNICIPALITY

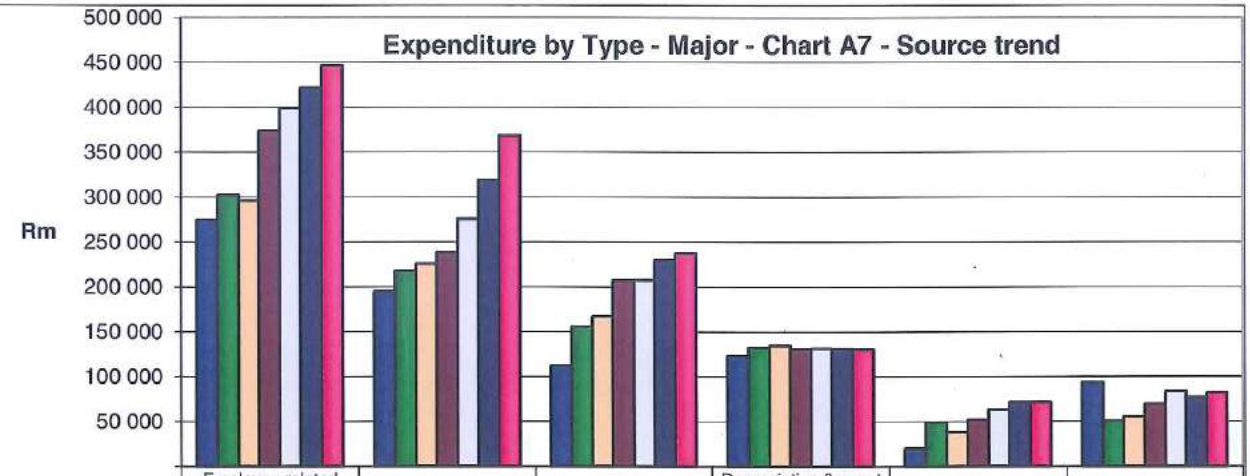
209

Expenditure by Type - Major - Chart A7



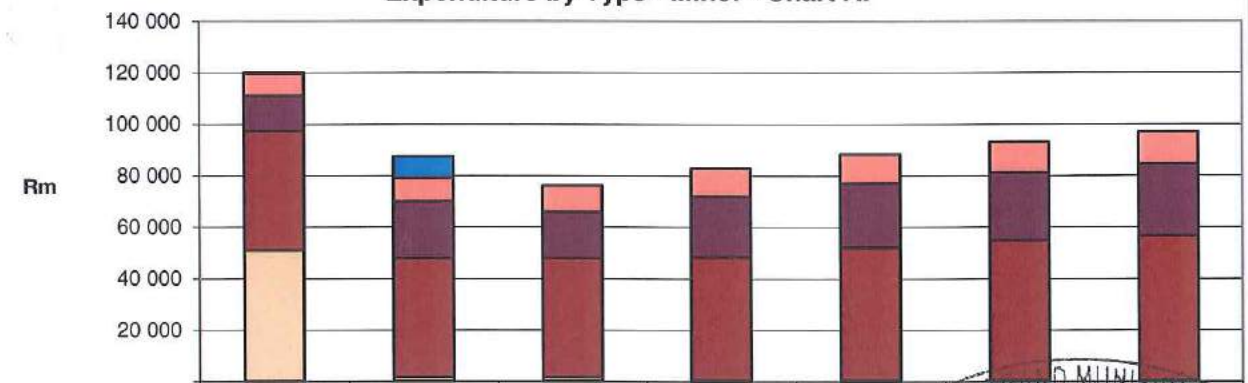
	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Other expenditure	93 542	50 631	55 475	69 339	83 450	77 311	82 123
Other materials	19 605	48 818	38 054	52 031	63 675	71 299	71 581
Depreciation & asset impairment	122 909	132 532	134 400	130 362	131 285	130 830	130 222
Contracted services	112 447	155 726	167 065	207 243	207 536	229 784	237 280
Bulk purchases	194 620	217 523	225 844	238 588	275 880	319 000	368 859
Employee related costs	274 564	302 363	296 536	374 114	399 804	421 616	446 460

Expenditure by Type - Major - Chart A7 - Source trend



	Employee related costs	Bulk purchases	Contracted services	Depreciation & asset impairment	Other materials	Other expenditure
15/16 AUD	274 564	194 620	112 447	122 909	19 605	93 542
16/17 AUD	302 363	217 523	155 726	132 532	48 818	50 631
17/18 AUD	296 536	225 844	167 065	134 400	38 054	55 475
CY 18/19 ADJ	374 114	238 588	207 243	130 362	52 031	69 339
Budget Year 19/20	399 804	275 880	207 536	131 285	63 675	83 450
Budget Year +1 20/21	421 616	319 000	229 784	130 830	71 299	77 311
Budget Year +2 21/22	446 460	368 859	237 280	130 222	71 581	82 123

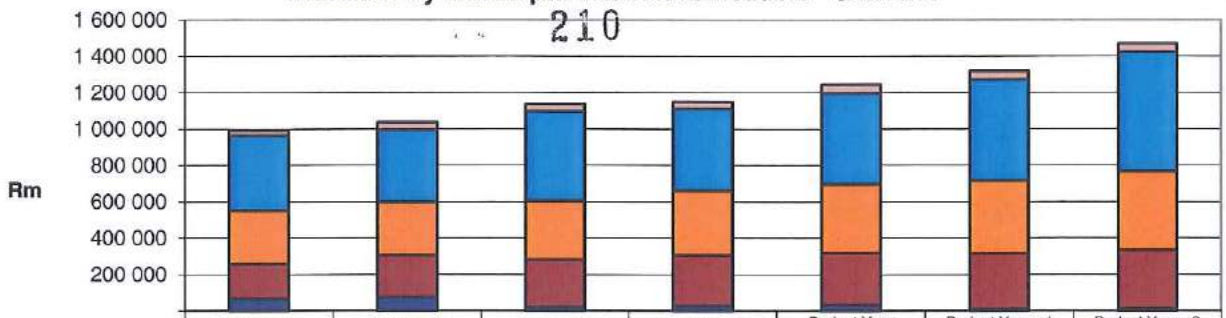
Expenditure by Type - Minor - Chart A7



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Loss on disposal of PPE	392	8 133					
Remuneration of councillors	8 566	9 265	10 138	10 972	11 883	11 878	12 397
Debt impairment	13 785	22 221	18 013	23 492	24 902	26 388	27 979
Finance charges	46 207	45 913	46 129	47 834	51 949	54 249	56 058
Grants and subsidies	51 090	1 898	1 800	500	500	525	551

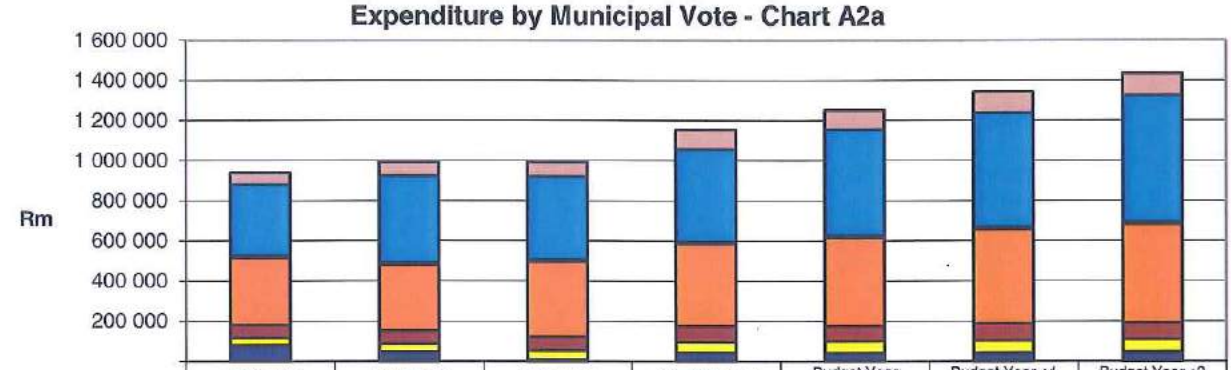
OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

Revenue by Municipal Vote classification - Chart A1



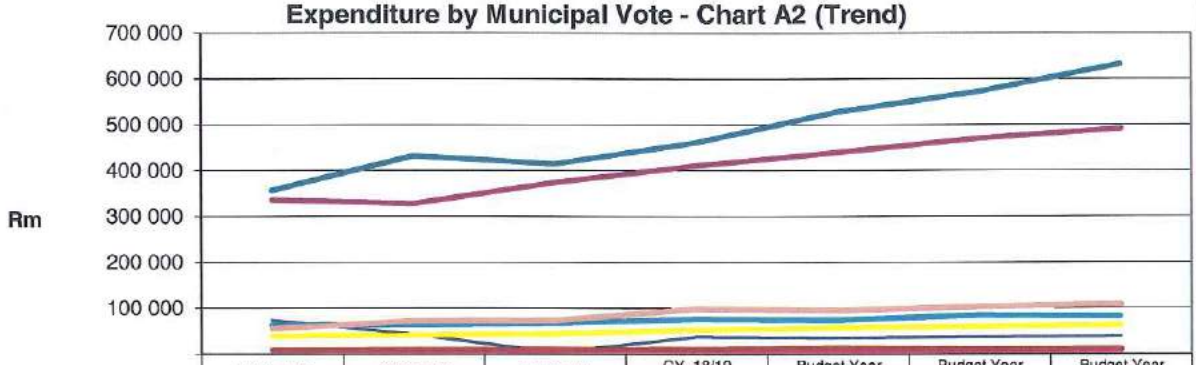
	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Protection Services	26 927	42 387	40 605	38 096	47 393	45 139	46 977
Infrastructure and Planning	409 632	393 923	489 799	448 453	497 130	555 328	653 514
Local Economic Development	3 471	3 556	2 788	2 226	2 635		
Community Services	293 898	290 348	323 102	354 790	379 676	404 292	435 885
Finance	189 358	231 209	258 911	277 883	284 914	301 310	319 349
Management Services	3 065	2 031	821	584	844	848	851
Municipal Manager		12	64	122	36		
Council	64 991	73 145	21 399	27 215	31 083	11 004	12 705

Expenditure by Municipal Vote - Chart A2a



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Protection Services	55 942	72 087	73 272	98 417	95 150	103 529	108 315
Infrastructure and Planning	356 481	432 211	414 432	460 506	527 994	572 279	631 962
Local Economic Development	8 905	10 220	10 558	11 533	13 291	10 831	11 336
Community Services	335 658	328 315	374 350	410 785	439 679	469 634	490 612
Finance	63 843	64 984	68 187	77 345	75 077	84 505	82 925
Management Services	38 242	40 697	43 809	52 695	56 900	59 269	63 217
Municipal Manager	4 094	3 922	4 542	5 534	5 797	5 874	6 209
Council	74 562	42 588	4 303	37 662	36 077	36 966	38 935

Expenditure by Municipal Vote - Chart A2 (Trend)

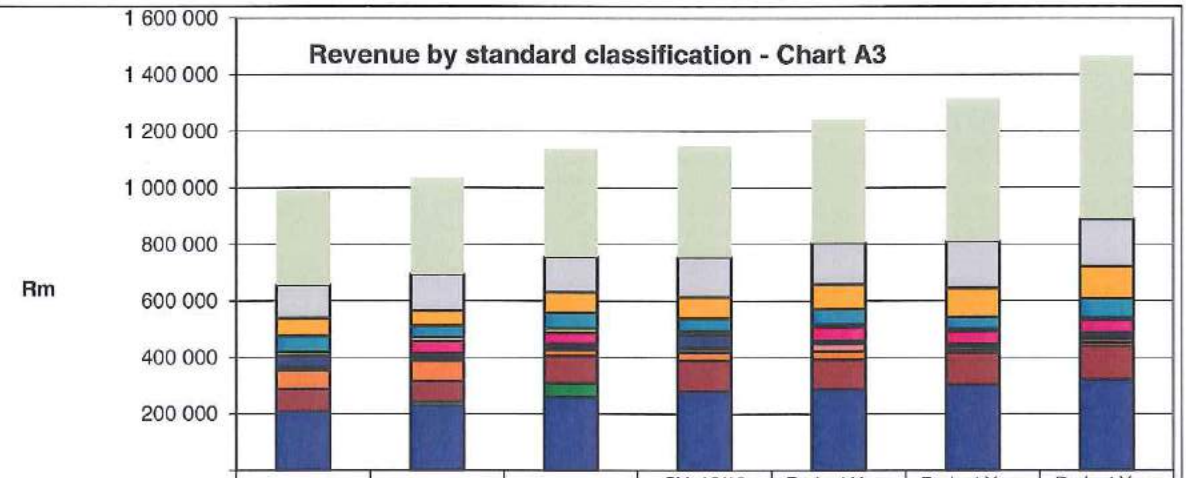


	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Council	74 562	42 588	4 303	37 662	36 077	36 966	38 935
Municipal Manager	4 094	3 922	4 542	5 534	5 797	5 874	6 209
Management Services	38 242	40 697	43 809	52 695	56 900	59 269	63 217
Finance	63 843	64 984	68 187	77 345	75 077	84 505	82 925
Community Services	335 658	328 315	374 350	410 785	439 679	469 634	490 612
Local Economic Development	8 905	10 220	10 558	11 533	13 291	10 831	11 336
Infrastructure and Planning	356 481	432 211	414 432	460 506	527 994	572 279	631 962
Protection Services	55 942	72 087	73 272	98 417	95 150	103 529	108 315

OVERSTRAND MUNISIPALITEIT
2019 -05- 21
OVERSTRAND MUNICIPALITY

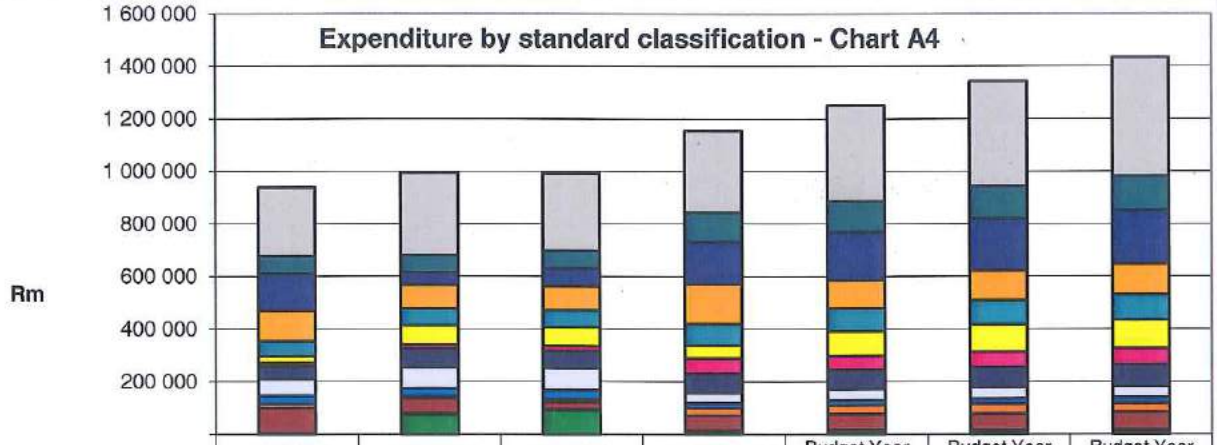
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

Revenue by standard classification - Chart A3



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Electricity	334 747	342 621	381 333	394 982	438 026	505 792	579 180
Water	118 583	128 180	125 375	140 647	147 953	166 917	167 674
Waste Management	61 733	54 503	72 639	75 963	87 637	102 549	115 082
Housing	56 496	40 333	56 186	45 626	52 676	41 924	66 290
Planning & Development	13 627	13 713	14 259	11 449	10 019	7 803	8 246
Public Safety	1 437	44 357	40 605	1 272	47 393	45 139	46 977
Road Transport	38 278	10 419	8 970	43 301	4 206	2 224	11 724
Community & Social Services	3 184	3 609	4 149	8 142	8 073	8 063	8 597
Health							
Sport and Recreation	9 743	10 591	8 218	12 200	24 825	11 955	12 583
Executive & Council	64 991	74 405	21 599	27 337	31 168	11 092	12 718
Waste Water Management	79 988	72 399	95 070	108 884	105 084	111 417	119 076
Environmental Protection	9	9	22		45	48	51
Internal audit		13 521	50 817	122	36		
Finance & Administration	208 528	227 951	258 247	279 443	286 569	302 997	321 083

Expenditure by standard classification - Chart A4

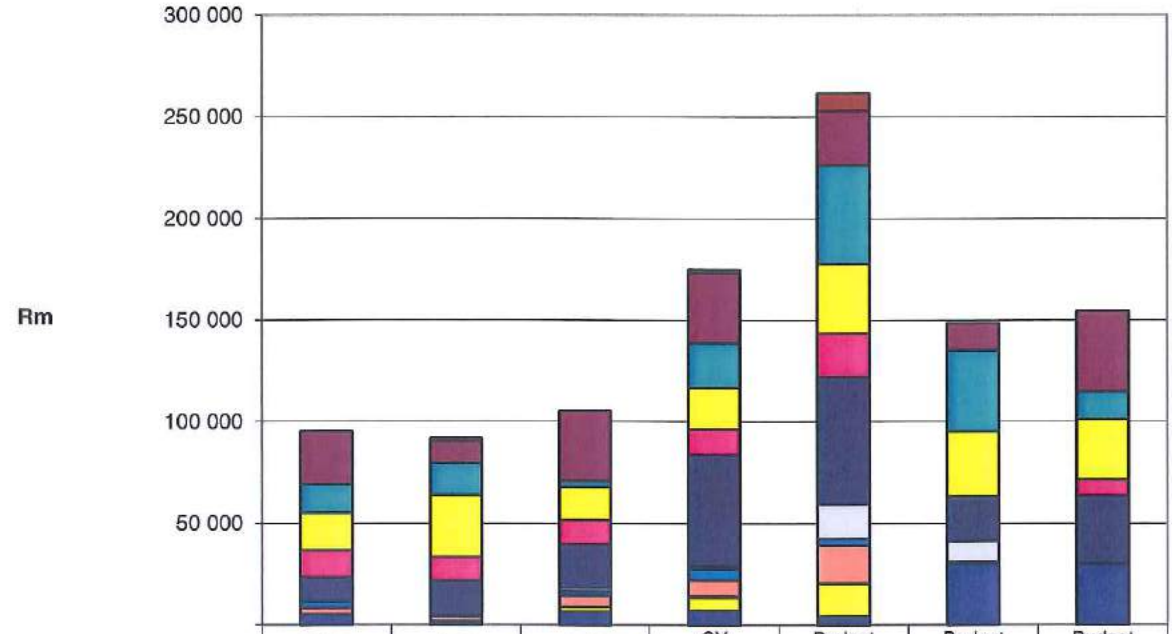


	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Electricity	261 110	313 992	295 386	311 253	363 841	399 647	451 928
Water	67 325	65 931	66 052	111 238	116 983	123 154	129 909
Finance & Administration	137 790	47 972	68 161	160 834	184 233	198 049	203 440
Road Transport	117 597	90 054	91 197	151 082	106 751	113 446	117 400
Waste Water Management	57 091	63 101	64 937	81 781	85 886	90 967	95 810
Public Safety	24 608	72 088	73 286	48 775	94 795	103 442	107 930
Sport and Recreation	13 956	15 886	18 307	59 193	51 814	59 120	62 473
Waste Management	48 826	72 697	63 964	72 451	72 444	77 230	81 351
Planning & Development	63 258	78 356	85 115	39 854	44 429	42 882	44 370
Community & Social Services	30 985	31 538	33 856	17 668	17 929	20 436	21 608
Health							
Housing	15 175	8 148	12 589	27 815	33 424	36 027	34 634
Executive & Council	95 246	56 510	24 780	57 792	59 731	62 194	65 618
Environmental Protection	4 758	5 402	5 705	8 346	11 661	10 096	30 647
Internal audit		73 347	90 118	3 011	3 097	3 234	3 421
Other				3 383	2 945	2 964	3 071

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

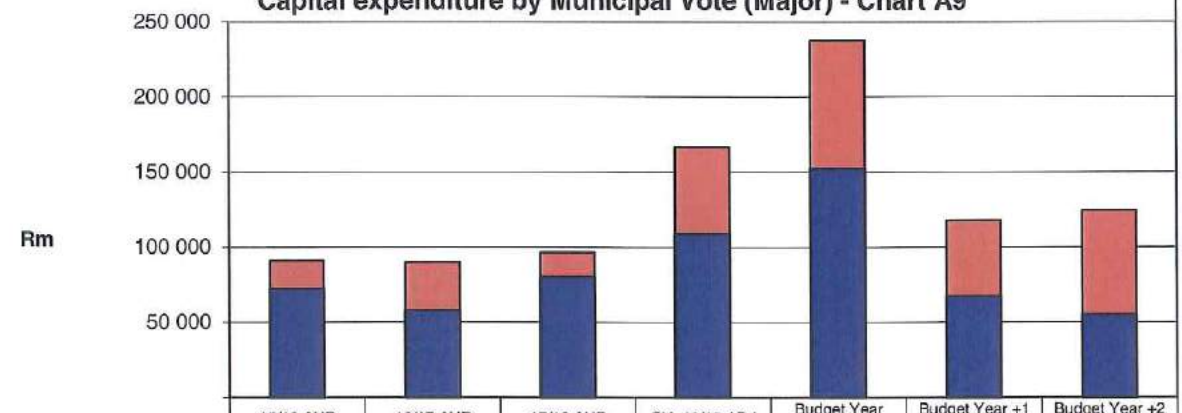
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

Capital expenditure by Standard Classification - Chart A11



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Planning & Development		1 540		1 720	8 899		
Housing	25 985	10 658	34 180	34 271	26 439	13 287	39 480
Water	14 232	15 772	3 257	21 945	48 504	40 075	13 481
Electricity	18 237	30 496	16 268	20 456	34 124	32 000	30 000
Road Transport	13 226	11 739	12 023	12 831	21 510		8 000
Waste Water Management	11 875	17 217	21 523	54 744	62 843	21 961	33 363
Waste Management	25	12	1 739	1 497	16 931	10 300	
Community & Social Services	3 169	644	1 929	5 249	3 280		
Sport and Recreation	3 311	1 837	5 427	8 007	18 770		
Health							
Executive & Council		72		572	10		
Public Safety	264	996	2 517	6 556	16 271	841	
Environmental Protection							
Finance & Administration	4 809	885	6 346	6 900	4 095	30 000	30 000

Capital expenditure by Municipal Vote (Major) - Chart A9

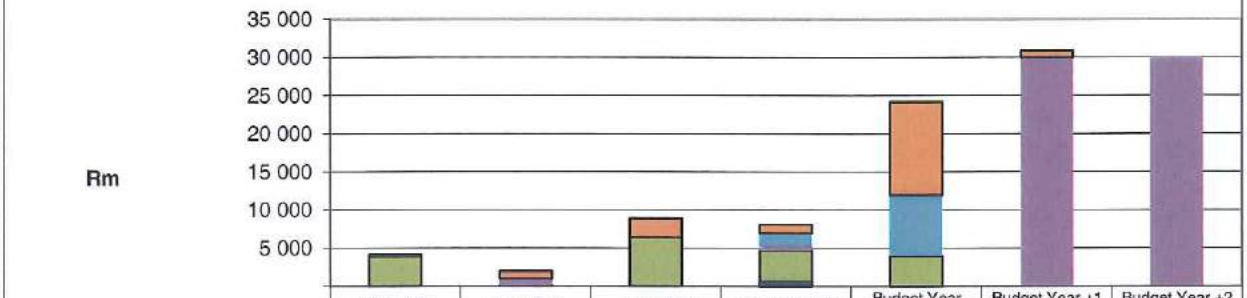


	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Vote 7 - Infrastructure & Planning	18 747	32 036	16 268	57 827	85 313	50 437	69 480
Vote 5 - Community Services	72 243	57 880	80 077	108 818	152 184	67 186	54 844

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

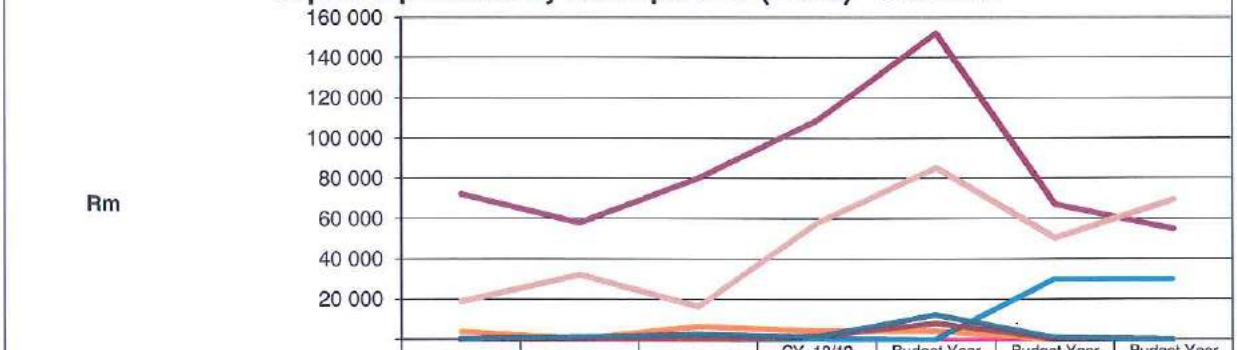
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

Capital expenditure by Municipal Vote (Minor) - Chart A10

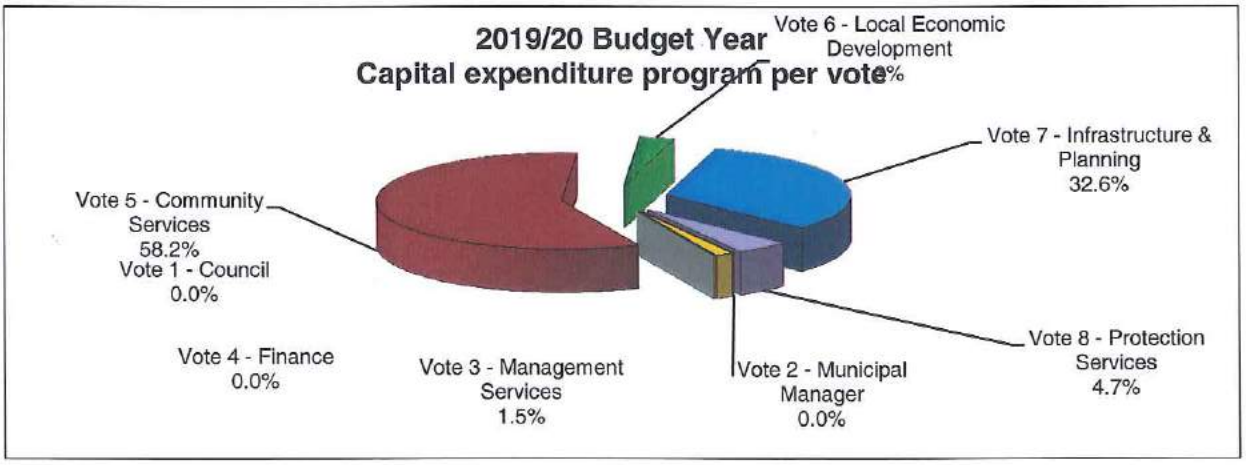


	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Vote 8 - Protection Services	295	996	2 517	1 206	12 268	841	
Vote 6 - Local Economic Development				1 620	7 906		
Vote 4 - Finance		885		619	30	30 000	30 000
Vote 3 - Management Services	3 848	72	6 346	4 086	3 975		
Vote 2 - Municipal Manager							
Vote 1 - Council				572			

Capital expenditure by Municipal Vote (Trend) - Chart A12

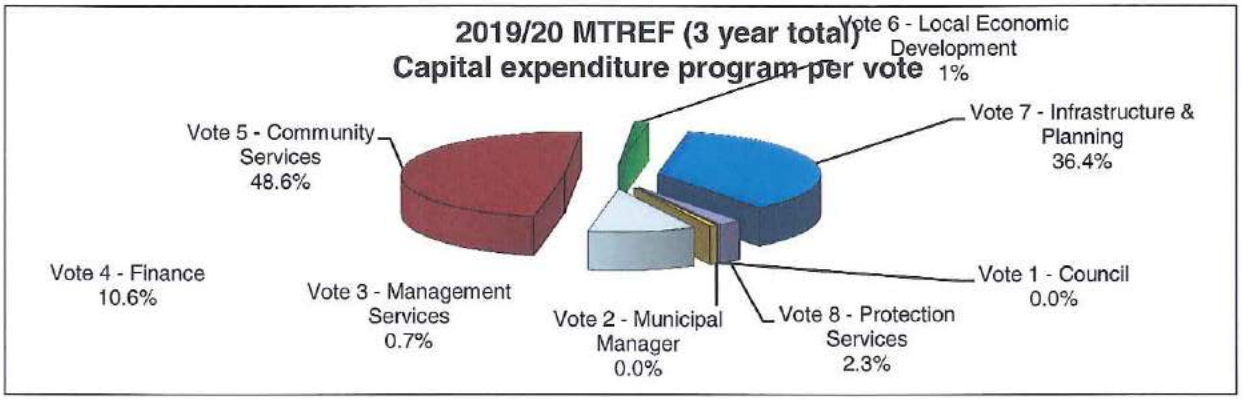


	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Vote 1 - Council				572			
Vote 2 - Municipal Manager							
Vote 3 - Management Services	3 848	72	6 346	4 086	3 975		
Vote 4 - Finance		885		619	30	30 000	30 000
Vote 5 - Community Services	72 243	57 880	80 077	108 818	152 184	67 186	54 844
Vote 6 - Local Economic Development				1 620	7 906		
Vote 8 - Protection Services	295	996	2 517	1 206	12 268	841	
Vote 7 - Infrastructure & Planning	18 747	32 036	16 268	57 827	85 313	50 437	69 480

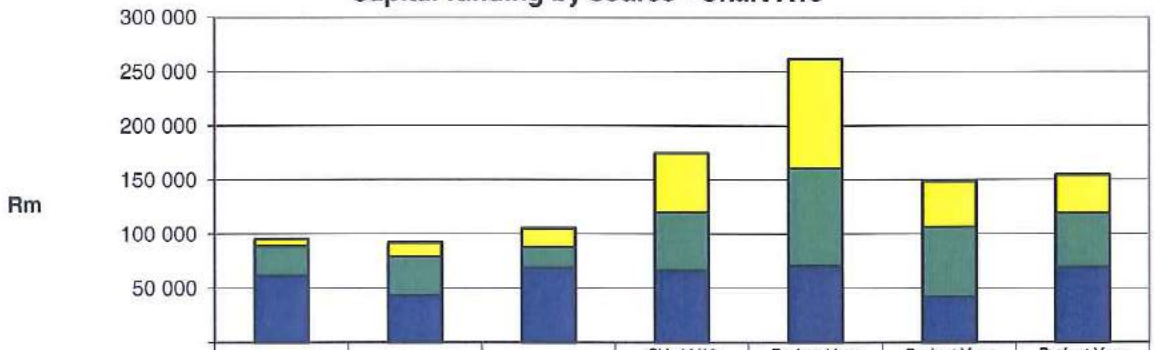


OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET



Capital funding by source - Chart A13

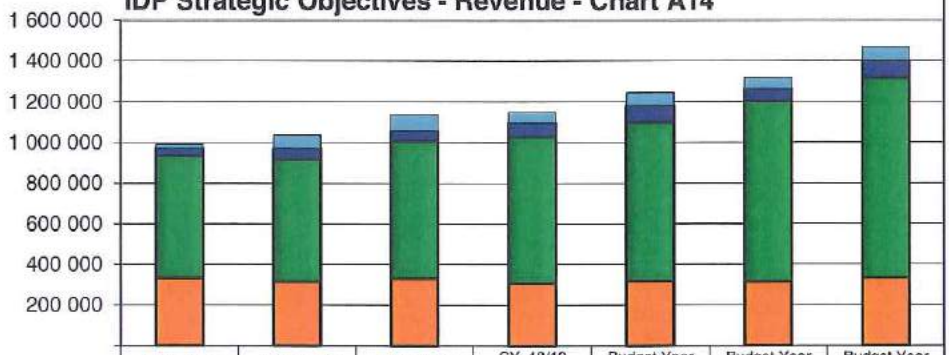


	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Public contributions & donations							
Internally generated funds	6 549	13 104	17 369	54 952	100 981	42 000	35 331
Borrowing	27 189	35 550	19 199	53 624	90 501	64 300	50 000
Capital transfers recognised	61 394	43 214	68 640	66 172	70 194	42 164	68 993

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

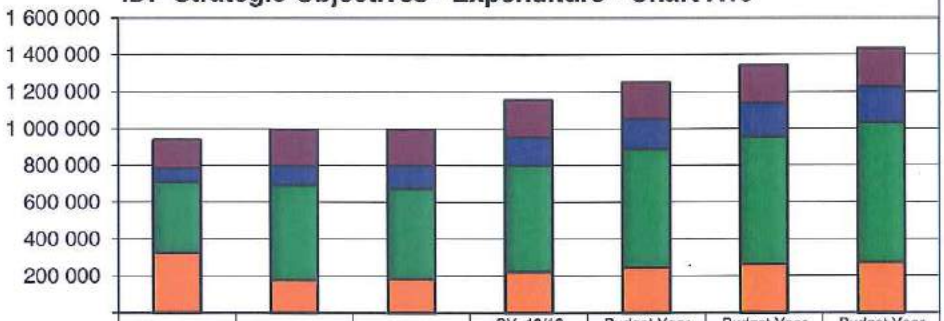
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

IDP Strategic Objectives - Revenue - Chart A14



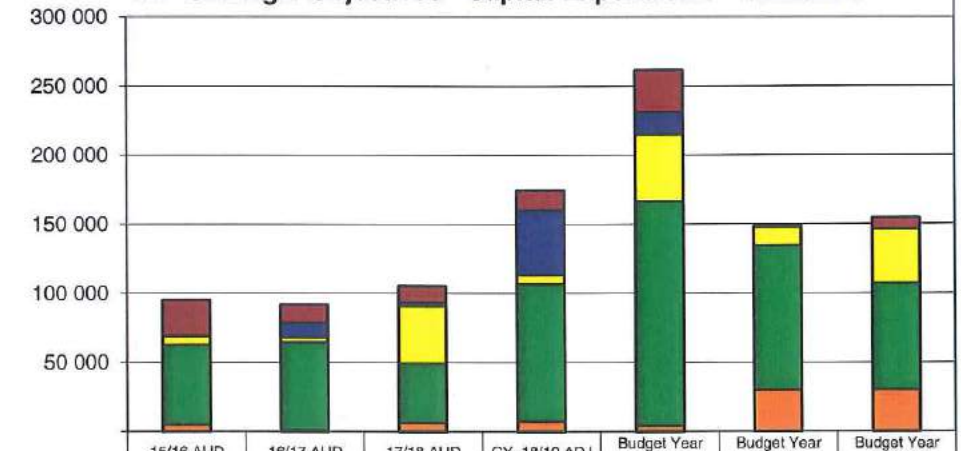
	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
The promotion of tourism, economic and social development	21 639	65 909	79 437	54 750	61 663	55 214	66 999
The creation and maintenance of a safe and healthy environment	37 676	54 775	52 972	67 241	85 575	61 943	87 470
The encouragement of structured community participation in the matters of the municipality							
Provision and maintenance of municipal services	597 907	600 303	674 417	720 477	778 700	886 674	981 012
Provision of democratic accountable and ethical governance	334 121	315 623	330 663	306 903	317 773	314 089	333 801

IDP Strategic Objectives - Expenditure - Chart A15



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
The promotion of tourism, economic and social development	155 072	196 881	194 606	201 415	198 125	205 415	210 022
The creation and maintenance of a safe and healthy environment	71 285	102 799	125 449	153 451	164 538	182 997	192 011
The encouragement of structured community participation in the matters of the municipality	1 835	1 793	1 486	1 250	1 085		
Provision and maintenance of municipal services	384 960	515 721	490 339	576 723	639 154	690 998	758 999
Provision of democratic accountable and ethical governance	324 575	177 829	181 573	221 637	247 061	263 478	272 479

IDP Strategic Objectives - Capital Expenditure - Chart A16

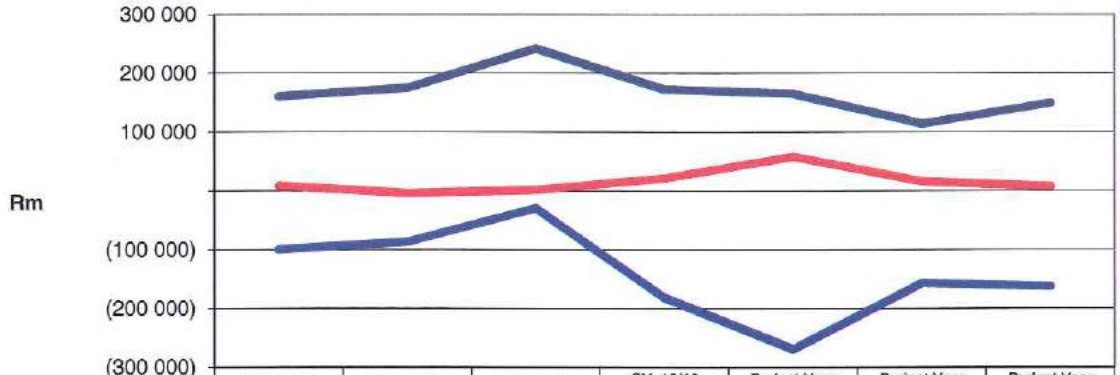


	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
The promotion of tourism, economic and social development	25 865	13 279	12 023	14 551	30 410		8 000
The creation and maintenance of a safe and healthy environment	264	10 406	2 517	47 021	16 271	841	
The encouragement of structured community participation in the matters of the municipality	6 480	3 729	41 536	7 063	48 489	18 267	39 480
Provision and maintenance of municipal services	57 595	63 498	42 786	98 642	162 402	104 336	76 644
Provision of democratic accountable and ethical governance	4 929	957	6 346	7 472	4 105	30 000	30 000

OVERSTRAND MUNICIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

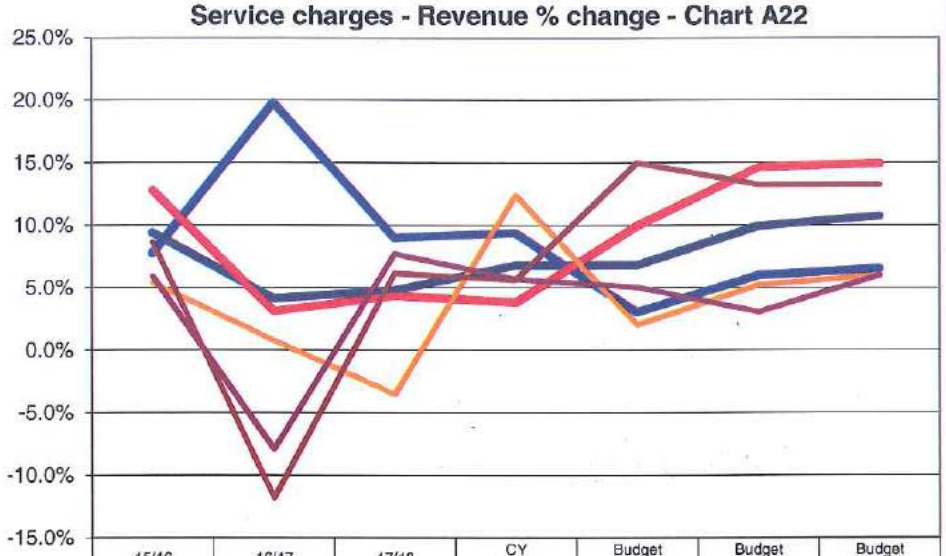
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

Cash flow trend - Chart A23



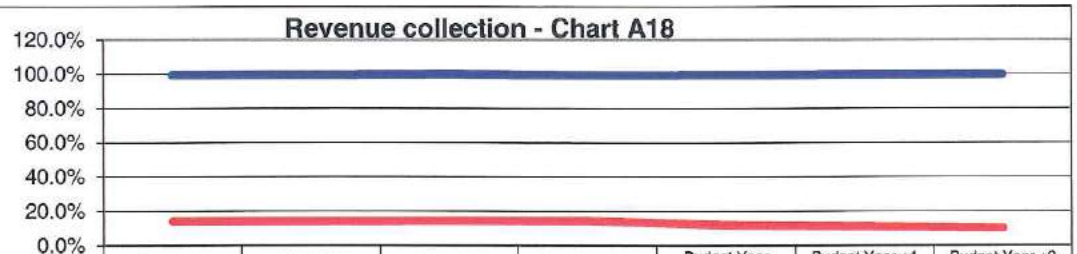
	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Cash Flow - Op. Activities	160 551	175 288	242 445	173 153	165 492	114 938	149 550
Cash Flow - Investing (used)	(99 253)	(86 528)	(28 747)	(180 689)	(269 006)	(156 032)	(162 052)
Cash Flow - Financing	8 496	(3 727)	1 455	21 583	58 619	16 410	7 676

Service charges - Revenue % change - Chart A22



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
% incr total service charges (incl prop rates)	9.4%	4.2%	4.8%	6.8%	6.8%	9.9%	10.8%
% incr Property Tax	7.8%	19.8%	9.0%	9.4%	3.0%	6.0%	6.5%
% incr Service charges - electricity revenue	12.8%	3.1%	4.4%	3.8%	9.9%	14.6%	14.9%
% incr Service charges - water revenue	5.4%	0.8%	-3.5%	12.4%	2.0%	5.2%	6.0%
% incr Service charges - sanitation revenue	5.9%	-7.9%	7.7%	5.7%	5.1%	3.1%	6.0%
% incr Service charges - refuse	8.7%	-11.8%	6.2%	5.6%	15.0%	13.3%	13.3%

Revenue collection - Chart A18

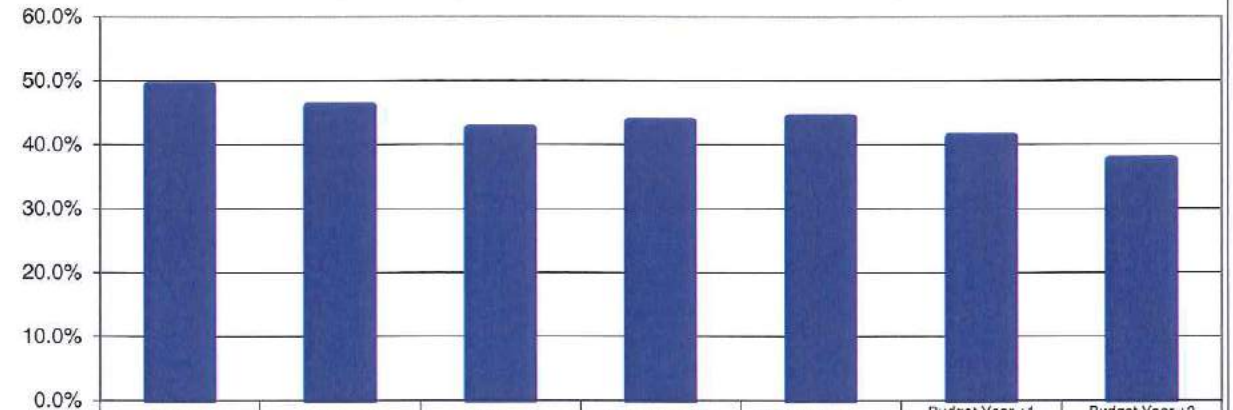


	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Annual Debtors Collection	99.5%	99.5%	99.6%	99.3%	99.6%	99.6%	99.6%
O/S Debtors to Revenue	14.0%	14.0%	14.2%	14.2%	11.8%	11.0%	10.1%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

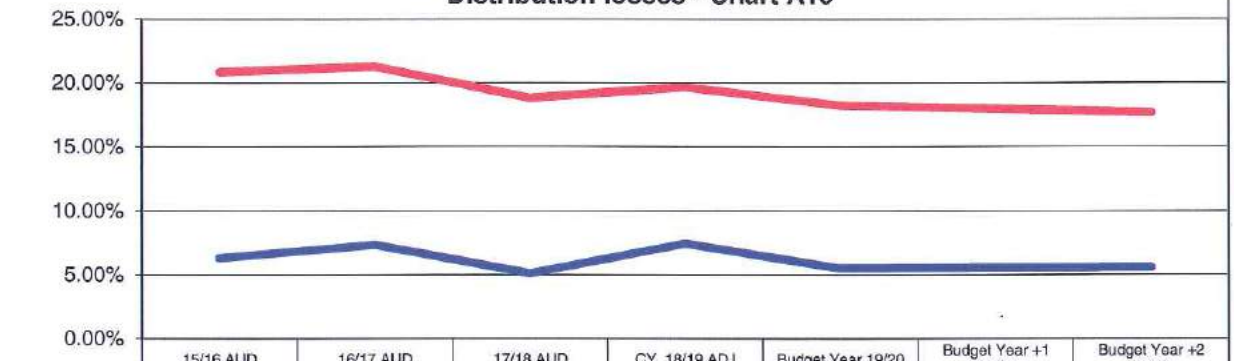
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET

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



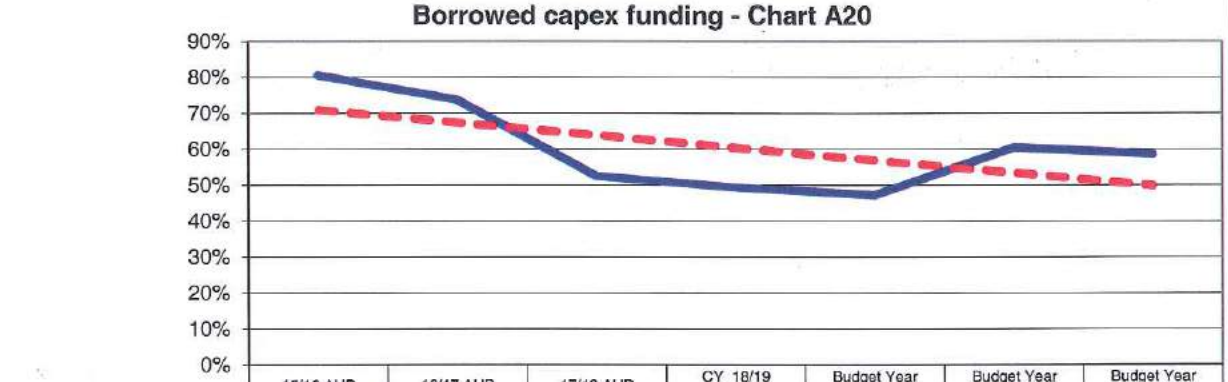
	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Borrowing	49.2%	46.0%	42.5%	43.5%	44.1%	41.2%	37.6%

Distribution losses - Chart A19



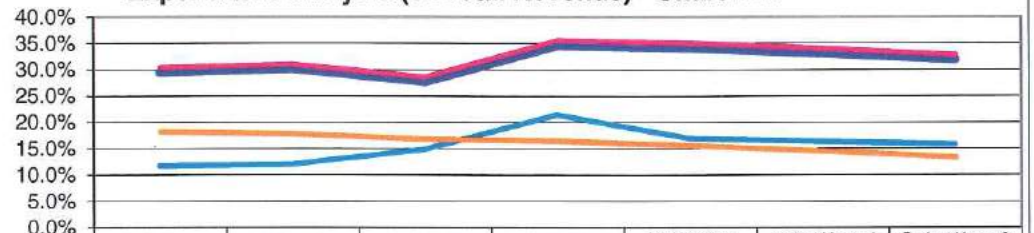
	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Electricity	6.34%	7.37%	5.12%	7.46%	5.54%	5.57%	5.61%
Water	20.86%	21.29%	18.82%	19.69%	18.26%	17.98%	17.70%

Borrowed capex funding - Chart A20



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Borrowed capex funding	81%	74%	52%	49%	47%	60%	59%

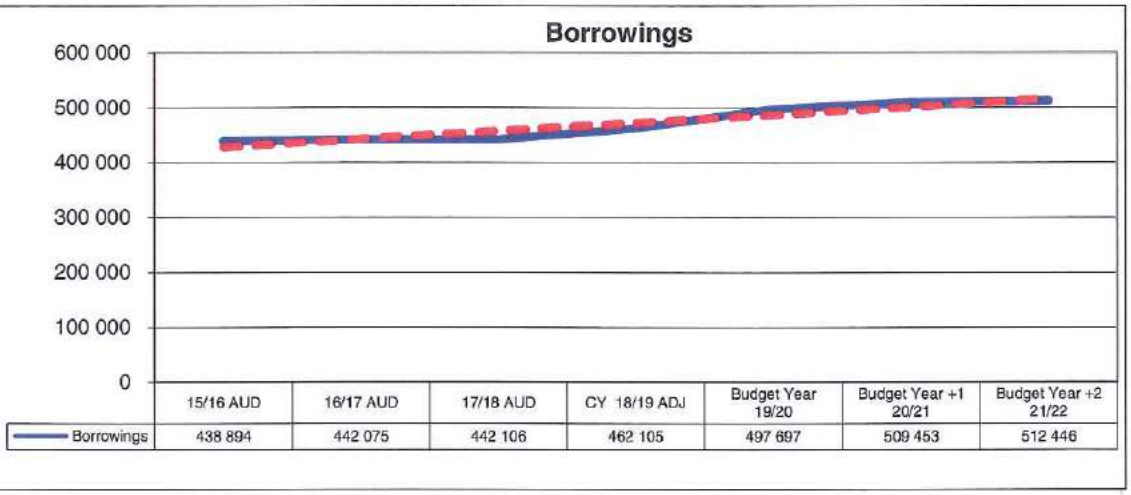
Expenditure analysis (of Total Revenue) - Chart A21



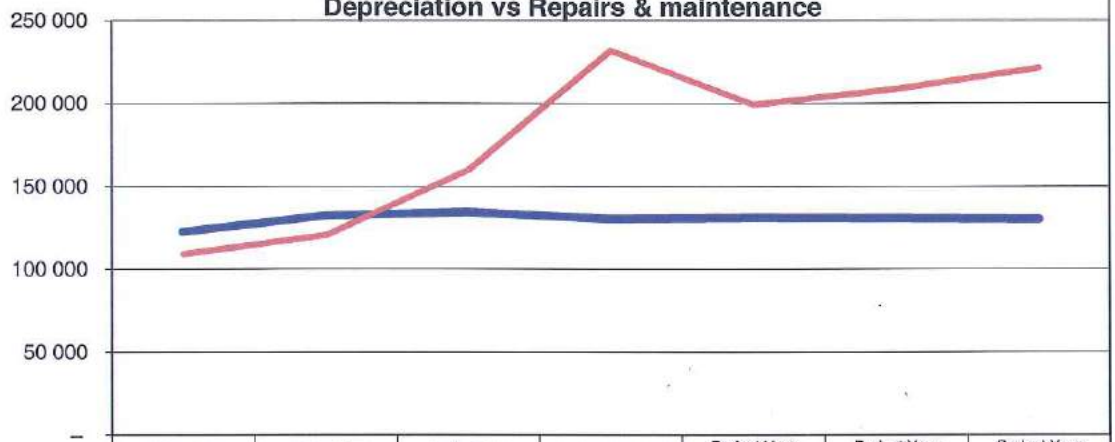
	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Employee costs	29.5%	30.1%	27.6%	34.5%	34.1%	33.0%	31.9%
Remuneration	30.4%	31.0%	28.6%	35.5%	35.0%	34.0%	32.8%
Repairs & Maintenance	11.8%	12.0%	14.9%	21.4%	17.0%	16.4%	15.8%
Finance charges & Depreciation	18.2%	17.8%	16.8%	16.4%	15.6%	14.5%	13.8%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

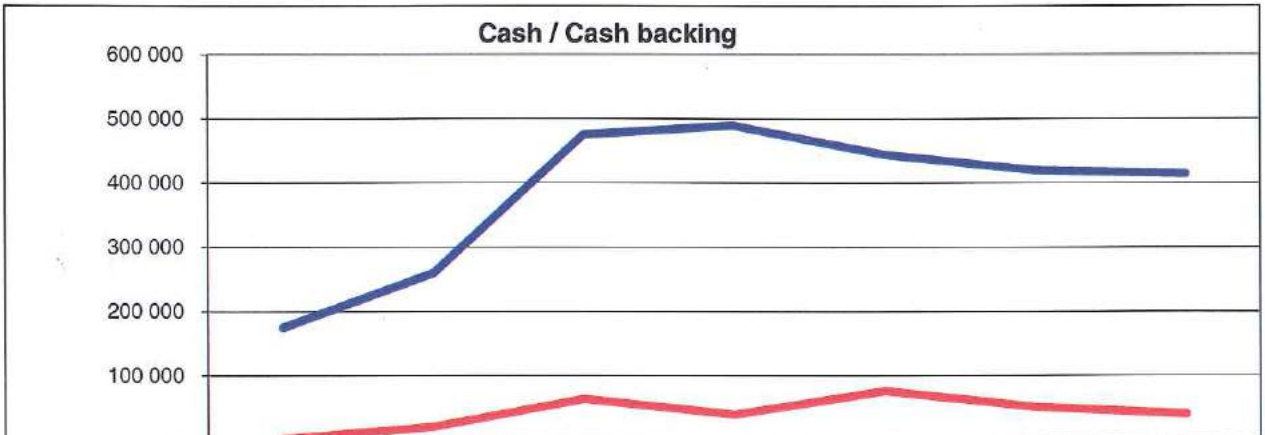
OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2017/2018 BUDGET



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Borrowings	438 894	442 075	442 106	462 105	497 697	509 453	512 446



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Depreciation	122 909	132 532	134 400	130 362	131 285	130 830	130 222
Repairs & maintenance	109 377	120 795	160 036	231 959	199 189	208 776	221 386



	15/16 AUD	16/17 AUD	17/18 AUD	CY 18/19 ADJ	Budget Year 19/20	Budget Year +1 20/21	Budget Year +2 21/22
Cash	174 780	259 815	474 967	489 014	444 120	419 436	414 611
Cash backing	1 281	20 541	63 312	39 184	75 671	51 044	39 983

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

ANNEXURE C

RATES AND TARIFFS

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

RATES TARIFFS

Tariff Code	Detail	2019/2020		2018/2019		1.0570
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
		c	c	c	c	
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2015					
RATE1*	Commercial Land with Improvements	0.008639	0.008639	0.008173	0.008173	5.7000%
RATE2*	Residential Land with Improvements	0.005703	0.005703	0.005395	0.005395	5.7000%
	** 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	0.000000	0.000000	0.000000	0.000000	
RATE6	Building Clause	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	
RATE7	Farm/Agriculture (Bona-fide)	0.001426	0.001426	0.001349	0.001349	5.6804%
RATE8	Undeveloped erven	0.007809	0.007809	0.007388	0.007388	5.7000%
RATE9	Government Properties: Commercial	0.008639	0.008639	0.008173	0.008173	5.7000%
RATE10	Government Properties: Residential	0.005703	0.005703	0.005395	0.005395	5.7000%
	PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES					

220

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

(Attachments to the Rates Tariff Schedule

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

OVERSTRAND MUNICIPALITY 2019 -05- 23

221

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.

222

OVERSTRAND MUNISIPALITEIT OVERSTRAND MUNICIPALITY 2019 -05- 23

SUNDRY TARIFF LIST (ROUNDING APPLICABLE)

Tariff Code	Detail	2019/2020		2018/2019		
		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	937.39	1 078.00	886.96	1 020.00	5.69%
S1J2A	Category B1: Shark-view operators/whale-watching (Incl on-site parking) pa	39 341.74	45 243.00	37 220.00	42 803.00	5.70%
S1J2B	Category B2: Shark-view operators/whale-watching (excl on-site parking) pm	3 011.30	3 463.00	2 848.70	3 276.00	5.71%
S1J2C	Category B2: Shark-view operators/whale-watching (excl on-site parking) pa	30 027.83	34 532.00	28 408.70	32 670.00	5.70%
S1J4A	Kelp Collectors pm	3 761.74	4 326.00	3 559.13	4 093.00	5.69%
S1J4B	Kelp Collectors pa	37 536.00	43 166.40	35 512.17	40 839.00	5.70%
S1J4C	Kelp Collectors per launch	243.48	280.00	230.44	265.00	5.66%
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	713.04	820.00	674.78	776.00	5.67%
S1J6C	Support Service per launch	94.78	109.00	89.57	103.00	5.82%
S1J7A1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	607.83	699.00	574.78	661.00	5.75%
S1J7A2	Recreational Fishing Vessels < 7m per Launch	71.30	82.00	67.83	78.00	5.12%
S1J7A3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	729.57	839.00	690.44	794.00	5.67%
S1J7A4	Recreational Fishing Vessels > 7m per Launch	94.78	109.00	89.57	103.00	5.82%
S1J7B1	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	662.61	762.00	626.96	721.00	5.69%
S1J7B2	Commercial Fishing Vessels > 7m pa	878.26	1 010.00	831.30	956.00	5.65%
S1J7B3	Commercial Fishing Vessels < 7m per launch	83.48	96.00	79.13	91.00	5.50%
S1J7B4	Commercial Fishing Vessels > 7m per launch	106.09	122.00	100.00	115.00	6.09%
S1J8A	Passenger Boats pm	1 502.61	1 728.00	1 421.74	1 635.00	5.69%
S1J8B	Passenger Boats per launch	145.22	167.00	137.39	158.00	5.70%
S1J9	Use of Tractor for Boat Launching per month	254.78	293.00	240.87	277.00	5.77%
S1J11	Formal Shop Rental / month	873.91	1 005.00	826.96	951.00	5.68%
S1J12	Informal Trader under cover rental / month	574.78	661.00	543.48	625.00	5.76%
S1M	**Kleinmond Slipway:**					
S1M1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	607.83	699.00	574.78	661.00	5.75%
S1M2	Recreational Fishing Vessels < 7m per Launch	71.30	82.00	67.83	78.00	5.12%
S1M3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	729.57	839.00	690.44	794.00	5.67%
S1M4	Recreational Fishing Vessels > 7m per Launch	94.78	109.00	89.57	103.00	5.82%
S1M5	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	662.61	762.00	626.96	721.00	5.69%
S1M6	Commercial Fishing Vessels > 7m pa	878.26	1 010.00	831.30	956.00	5.65%
S1M7	Commercial Fishing Vessels < 7m per launch	83.48	96.00	79.13	91.00	5.50%
S1M8	Commercial Fishing Vessels > 7m per launch	99.13	114.00	93.92	108.00	5.55%
S1M9	Passenger Boats pm	1 502.61	1 728.00	1 421.74	1 635.00	5.69%
S1M10	Passenger Boats per launch	145.22	167.00	137.39	158.00	5.70%
S1T	**Registered Launching Sites managed by the Overstrand Municipality (08:00-16:00) (Western Cape December School Holiday and when declared by Council)**					
S1T1	**Affiliated Members**					
S1T1A	Annually	221.74	255.00	209.57	241.00	5.81%
S1T1B	Monthly	133.04	153.00	126.09	145.00	5.51%

S1T1C	Weekly	66.96	77.00	63.48	73.00	5.48%
S1T1D	Daily	22.96	26.40	21.74	25.00	5.61%
S1T2	**Non- Affiliated Members**					
S1T2A	Annually	442.61	509.00	419.13	482.00	5.60%
S1T2B	Monthly	199.13	229.00	188.70	217.00	5.53%
S1T2C	Weekly	111.30	128.00	105.22	121.00	5.78%
S1T2D	Daily	33.91	39.00	32.17	37.00	5.41%
S2	**BUILDING CONTROL**					
S2A1	Building Plan Fees up to 100 m² (R/m²)	30.35	34.90	28.70	33.00	5.77%
S2A2	Building Plan Fees from 101 m² to 200 sq m (R/m²)	35.83	41.20	33.91	39.00	5.66%
S2A3	Building Plan Fees from 201 m² to 300 sq m (R/m²)	42.26	48.60	40.00	46.00	5.65%
S2A4	Building Plan Fees greater than 300 m² (R/m²)	46.96	54.00	44.35	51.00	5.89%
S2A5	Building Plan fees - Government Subsidized Housing Schemes (Standard Plan)< 80 m²	217.39	250.00	402.61	463.00	-46.00%
S2A6	Building Plan Fees - Government Subsidized Housing Schemes (verandas < 15 m²)	49.57	57.00	46.96	54.00	5.55%
S2B	Building Plan Fees 0 - 30 m² (S2A1 X 30)	909.57	1 046.00	860.87	990.00	5.66%
S2C	Building Plan fees related to other outbuildings (farm sheds, stables, etc) R/m²	20.17	23.20	19.13	22.00	5.44%
S2D1	Building Plan fees related to Industrial buildings R/m²	20.17	23.20	19.13	22.00	5.44%
S2D2	Building Plan Fees Related to Government Buildings (School etc) (R/m²)	20.17	23.20	19.13	22.00	5.44%
S2F1	Plan Scrutiny Fees - < 200 m²	539.13	620.00	491.30	565.00	9.74%
S2F2	Plan Scrutiny Fees - > 200 m² (R/m²)	4.61	5.30	4.35	5.00	5.98%
S2G	Demolition application	519.13	597.00	491.30	565.00	5.66%
S2H	Inspection & Re-inspection fees and Inspections on complaints, rates clearance etc.	309.57	356.00	293.04	337.00	5.64%
S2J1	Building Deposit - < 50m² or less or less than R150,000.00	920.00	no vat	870.00	no vat	5.75%
S2J2	Building Deposit - Recoverable 50m² to 200m² or more than R150,000.00	2 447.00	no vat	2 315.00	no vat	5.70%
S2J3	Building Deposit - Recoverable more than 200m²	6 711.00	no vat	6 349.00	no vat	5.70%
S2J4	Building Deposit - Sub economic Areas only (Not applicable to Additions)	no charge	no vat	no charge	no vat	
S2K	Administration / Viewing Fee	60.66	69.76	57.39	66.00	5.70%
S2L	Minor Building Works	243.57	280.11	230.44	265.00	5.70%
S2L1	Heritage Investigation Minor Alterations (no additions)	486.22	559.15	460.00	529.00	5.70%
S2L2	Heritage Investigation add and alt smaller than 30m² (2 X S2L1)	971.52	1 117.25	919.13	1 057.00	5.70%
S2L3	Heritage Investigation add and alt greater than 30m² (2 X S2L2)	1 942.12	2 233.44	1 837.39	2 113.00	5.70%
S3	**BUILDING CONTROL: PLAN PRINTING FEES**					
S3A1	Per sheet - Size A0 (Private copy)	63.48	73.00	63.48	73.00	0.00%
S3A2	Size A1 (Private copy)	49.57	57.00	49.57	57.00	0.00%
S3A3	Size A2 (Private copy)	36.52	42.00	36.52	42.00	0.00%
S3A4	Per sheet - Size A0 (Official copy)	49.57	57.00	49.57	57.00	0.00%
S3A5	- Size A1 (Official copy)	36.52	42.00	36.52	42.00	0.00%
S3A6	- Size A2 (Official copy)	26.09	30.00	26.09	30.00	0.00%
S3B1	Per sheet - Size A0 (Private copy) Colour	329.57	379.00	329.57	379.00	0.00%
S3B2	Size A1 (Private copy) Colour	251.30	289.00	251.30	289.00	0.00%
S3B3	Size A2 (Private copy) Colour	167.83	193.00	167.83	193.00	0.00%
S3B4	Per sheet - Size A0 (Official copy) Colour	167.83	193.00	167.83	193.00	0.00%
S3B5	- Size A1 (Official copy) Colour	125.22	144.00	125.22	144.00	0.00%
S3B6	- Size A2 (Official copy) Colour	84.35	97.00	84.35	97.00	0.00%
S5	**BUSINESS LICENSE**					
S5B1	Business Licence - Formal	771.30	887.00	729.57	839.00	5.72%

224

FINAL

S5B2	Business Licence - Informal	276.52	318.00	261.74	301.00	5.65%
S5B3	Re-inspection Fee	151.30	174.00	143.48	165.00	5.45%
S5B4	Duplicate Licence Fee	151.30	174.00	143.48	165.00	5.45%
S5B5	Application for extended Liquor Trading Hours for consumption after 02:00, per hour	869.57	1 000.00	new	new	
S15	**CEMETERY**					
	Residents (RES):					
S15A	**Plot Cost (Fixed)**					
Note	**Grave Depths** - Infill grave (between two existing graves) must have a soil coverage of not less than 1 meter; - Other single graves (not infill) must have a soil coverage of not less than 1.5 meters; - Double graves (in depth) must have a soil coverage of not less than 1.5 meters with a 300mm soil between the coffins; - Child grave must have a soil coverage of not less than 1 meter.					
S15A1	All cemeteries - single grave	598.26	688.00	566.09	651.00	5.68%
S15A2	All cemeteries - Doubble graves - depth for two coffins	927.83	1 067.00	877.39	1 009.00	5.75%
S15A3	Double grave next to each other	1 194.78	1 374.00	1 130.44	1 300.00	5.69%
S15A4	Children under 12years	448.70	516.00	424.35	488.00	5.74%
S15A5	Garden of Remembrance Fees	219.13	252.00	206.96	238.00	5.88%
S15B	**Indication of grave**					
S15B1	New graves (include inspection before and after funeral)	593.04	682.00	560.87	645.00	5.74%
S15B2	Existing graves	190.44	219.00	180.00	207.00	5.80%
S18	**COMMERCIAL FILMING/PHOTOGRAPHING**					
S18A	Large per day or part thereof ≥ 50 people	14 168.70	16 294.00	13 404.35	15 415.00	5.70%
S18B	Small per day or part thereof more than 10 but < 50 people	4 969.57	5 715.00	4 701.74	5 407.00	5.70%
S18C	Small per day or part thereof ≤ 10 people	1 425.22	1 639.00	1 348.70	1 551.00	5.67%
S18F	**Addition to Shoot**					
S18F1	Animals (per animal per day or part of a day)	177.39	204.00	167.83	193.00	5.70%
S18F2	Area required for production and catering (per m² per day or part of a day)	40.87	47.00	38.26	44.00	6.82%
S18F3	Cancellation Fee (per application at full permit fee)	15% of Fee	applicable vat	15% of Fee	applicable vat	
S18F4	Enviromental Control Officer: Fees per hour or part thereof	415.65	478.00	393.04	452.00	5.75%
S18F5	Vehicles off Public Roads per Parking Bay (per vehicle per day/part of a day)	149.57	172.00	141.74	163.00	5.52%
S20	**CREDIT CONTROL AND DEBT COLLECTION**					
S20A1	Admin fee on arrear accounts Notices	315.65	363.00	315.65	363.00	0.00%
S20A2	Admin fee on 24 hour Notices - Bulk users	315.65	363.00	315.65	363.00	0.00%
S20B	Admin fee on arrear accounts Disconnection and Reconnection Fee	530.44	610.00	530.44	610.00	0.00%
S20C	SMS admin fee on arrear accounts Notices	21.74	25.00	21.74	25.00	0.00%
S22	**DOG TAX**					
S22A	Licence per dog	75.30	86.60	71.30	82.00	5.61%
S22B	Social pensioner and registered indigent clients on application	no charge	no vat	no charge	no vat	
S23	**FIRE SERVICES & DISASTER MANAGEMENT**					
S23A	Plot Clearing	Actual Cost + R1 081.12 admin. Fee	applicable vat	Actual Cost + R1 022.82 admin. Fee	applicable vat	5.70%
S23B	Reinspection Fee under By-law	160.87	185.00	152.17	175.00	5.72%
S23C	**Extinghuising of Fires**					
S23C1	Extinguishing of structural fires per hour or part thereof per incident	R1 822.10 + add cost incurred	applicable vat	R1 723.84 PLUS add cost incurred	applicable vat	5.70%

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	R540.56 + add cost incurred	applicable vat	R511.41 PLUS add cost incurred	applicable vat	5.70%
S23C4	Extinguishing of vehicle/equipment fires per hour or part thereof	R463.60 + add cost incurred	applicable vat	R438.60 PLUS add cost incurred	applicable vat	5.70%
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	607.83	699.00	574.78	661.00	5.75%
S23E	**Fire Prevention Inspections**					
S23E1	Tank installation - per tank	343.48	395.00	325.22	374.00	5.61%
S23E2	LP Gas - per installation 48Kg and more incl bulk tanks	343.48	395.00	325.22	374.00	5.61%
S23F	**Fire Safety (excluding municipal buildings)**					
S23F1	1st compliance inspection per 20 minutes	140.00	161.00	132.17	152.00	5.92%
S23F2	2nd and continuing compliance inspection per 20 minutes	140.00	161.00	132.17	152.00	5.92%
S23F3	Rates Clearance Inspection	186.09	214.00	175.65	202.00	5.94%
S23F5	Fire Compliance Certificate	464.35	534.00	439.13	505.00	5.74%
S23G	**Events**					
S23G1	Inspection of location and issuing of Population Certificate	229.57	264.00	217.39	250.00	5.60%
S23G2	Standby at event per event per day or part thereof for vehicle and fire fighters	1 146.09	1 318.00	1 084.35	1 247.00	5.69%
S23H	**Burn Permits**					
S23H1	Burn Permit Inspection	286.96	330.00	271.30	312.00	5.77%
S23J	**Special Services**					
S23J1	Ad hoc services	625.22	719.00	591.30	680.00	5.74%
S23J2	Water Supply per hour, excluding water tariff as set out in the water tariff structure	625.22	719.00	591.30	680.00	5.74%
S25	**LAW ENFORCEMENT**					
S25C	**Impoundment of Hawkers Goods**					
S25C1	Per Impoundment	684.35	787.00	647.83	745.00	5.64%
S25C2	Removal of illegal structure per structure	2 805.22	3 226.00	2 653.91	3 052.00	5.70%
S25C3	Storage Fee per day	182.61	210.00	173.04	199.00	5.53%
S25D	**Pound fee: Dogs and Cats**					
S25D1	Impoundment of Dogs and Cats per animal	74.78	86.00	70.44	81.00	6.17%
S25D2	Pound fee: from day 2 per day per animal	47.83	55.00	45.22	52.00	5.77%
S25E	**Pound fee: Other Animals**					
S25E1	Impoundment fee per week per animal	735.65	846.00	695.65	800.00	5.75%
S25F	**Pound fee: Horses**					
S25F1	Impoundment of Horses per animal	741.74	853.00	701.74	807.00	5.70%
S25F2	Pound fee: per day per animal	186.09	214.00	175.65	202.00	5.94%
S25G	**Pound fee: Sheeps and Goats**					
S25G1	Impoundment of Sheep and Goats per animal	186.09	214.00	175.65	202.00	5.94%
S25G2	Pound fee: per day per animal	93.04	107.00	87.83	101.00	5.93%
S25H	**Pound fee: Cattle**					
S25H1	Impoundment of Cattle per animal	741.74	853.00	701.74	807.00	5.70%
S25H2	Pound fee: per day per animal	140.00	161.00	132.17	152.00	5.92%
S25I	**Pound fee: Pigs**					
S25I1	Impoundment of Sheeps and Goats per animal	371.30	427.00	351.30	404.00	5.69%
S25I2	Pound fee: per day per animal	140.00	161.00	132.17	152.00	5.92%

S25J	**Pound fee: Poultry**					
S25J1	Impoundment of Poultry per animal	93.04	107.00	87.83	101.00	5.93%
S25J2	Pound fee: per day per animal	19.13	22.00	18.26	21.00	4.76%
S25P	**Bylaw on Outdoor Advertising**					
S25P1	Impoundment of illegal Advertising/Agent boards (per board) - small <2400cm²	74.78	86.00	70.44	81.00	6.17%
S25P2	Impoundment of illegal Advertising/Agent boards (per board) - large >2400cm²	736.52	847.00	696.52	801.00	5.74%
S28	**LIBRARY**					
S28A1	Copies: A3 / Page	4.35	5.00	4.35	5.00	0.00%
S28A3	Copies: A3 page Colour	7.83	9.00	7.83	9.00	0.00%
S28A5	Copies: A4/Page	0.87	1.00	0.87	1.00	0.00%
S28A7	Copies: A4 page Colour	5.22	6.00	5.22	6.00	0.00%
S28B1	Deposit to person/s non-residents - Fiction & Non-Fiction	416.46	no vat	394.00	no vat	5.70%
S28C1	Fax per page - excluding 0865/6 numbers	5.04	5.80	4.78	5.50	5.44%
S28C2	Fax per page - 0865/6 numbers	8.26	9.50	7.83	9.00	5.49%
S28D1	Lost Cards: Laminated (R/card) first time	26.09	30.00	24.78	28.50	5.29%
S28D1a	Lost Cards: Laminated (R/card)(subsequent lost card)	52.17	60.00	49.57	57.00	5.26%
S28D2	Laminated Cost A3	6.44	7.40	6.09	7.00	5.67%
S28D3	Laminated Cost A4	3.65	4.20	3.48	4.00	4.89%
S28E1	Penalty per book per week	2.50	no vat	2.50	no vat	0.00%
S28E2	Penalty per record/CD per week	2.50	no vat	2.50	no vat	0.00%
S28E3	Penalty per video/DVD per day	4.50	no vat	4.50	no vat	0.00%
S28F1	Scanning of Document - Black & White	20.87	24.00	20.00	23.00	4.35%
S28F2	Scanning of Document - Colour	22.61	26.00	21.74	25.00	4.00%
S28G1	Special Requests - Hold per Book	5.22	6.00	5.22	6.00	0.00%
S28G2	Special Requests - ILL per Book	11.30	13.00	10.44	12.00	8.29%
S28H1	Subscriptions/ reader - Adults (Non residents)	156.52	180.00	147.83	170.00	5.88%
S28H2	Subscriptions/ reader - Children (Non residents)	99.13	114.00	93.92	108.00	5.55%
S28H3	Subscriptions/ reader - Family max 5 (Non residents)	386.09	444.00	365.22	420.00	5.71%
S28K	Visitor's fee - Handling charge / item	13.04	15.00	12.61	14.50	3.41%
S28L1	Hire of Library Hall per Hour - Fundraising event	151.30	174.00	143.48	165.00	5.45%
S28L2	Hire of Library Hall per Hour - NON- Fundraising event	29.57	34.00	27.83	32.00	6.23%
S28M1	Minor Damage to book (per book)	29.57	34.00	27.83	32.00	6.23%
S28M2	Damage or lost library material	As per System Price Rounded	applicable vat	As per System Price Rounded	applicable vat	
S30	**STONY POINT**					
S30A1	Visitors fee Stony Point Nature Reserve per day (persons 12 years and older)	19.13	22.00	19.13	22.00	0.00%
S30A2	Visitors fee Stony Point Nature Reserve per day (children under 12 years)	9.57	11.00	9.57	11.00	0.00%
S32	**PARKING FEE**					
	Metered parking (excluding public holidays)					
S32P	Parking Monthly Permit per vehicle	278.26	320.00	263.48	303.00	5.61%
S32Q	Per Quarter Hour or part of it - Monday to Friday 08:30 - 16:00	0.87	1.00	0.87	1.00	0.00%
S32R	Per Half Hour or part of it - Monday to Friday 08:30 - 16:00	1.74	2.00	1.74	2.00	0.00%
S32S	Per Hour Normal (Monday to Friday : 08:30 - 16:00)	3.48	4.00	3.48	4.00	0.00%
S32T	Per Hour Saturday (08:30 - 13:00)	3.48	4.00	3.48	4.00	0.00%
S33	**OPERATIONAL COST**					
S33A	Application fee for Installation of Street Signage (brown direction boards)	cost + 15%	applicable vat	cost + 15%	applicable vat	

227

FINAL

S34	PROPERTY ADMINISTRATION					
S34A	Application					
S34A1	Lease or purchase of/or encroachement on Municipal Property (excluding Sport Facilities/Stalls and organs of state)	2 673.04	3 074.00	2 528.70	2 908.00	5.71%
S34A2	Lease or purchase of Municipal Property - registered Social Care Institutions / Organisations / NPO's / PBO's/Community organisations	573.91	660.00	542.61	624.00	5.77%
S34A3	Tempory lease of Municipal Property for the storage of building materials next to building sites	573.91	660.00	542.61	624.00	5.77%
S34C	Encroachment Fee:					
S34C1	Veranda, Balcony, Sign, Signboards or similar structure (per annum) (Par. 64.2)	461.74	531.00	436.52	502.00	5.78%
S34C2	Encroachments onto Commonage, Public Open Spaces, or Conservation areas (per annum) (Par. 64.3)	461.74	531.00	436.52	502.00	5.78%
S34C3	Enclosure or exclusive use or portions of the Commonage, Public Open Spaces, Road Reserves or Public Thoroughfares for gardening purposes (per m² per month) (Par 64.4)	13.30	15.30	12.61	14.50	5.47%
S34G	Leases					
S34G1	Tempory use (<12months) of Municipal land for general purposes (per m² per month)	5.22	6.00	4.96	5.70	5.24%
S34G2	Use of Municipal land for outdoor seating adjoining a Restaurant (per m² per month) (Par 64.5)	29.57	34.00	27.83	32.00	6.23%
S34G3	Lease of Municipal land to registered Social Care Institutions / Organisations / NPO's/ PBO's/ Sport facilities/Community organisations R/month	147.83	170.00	140.00	161.00	5.59%
S34H	Radio Mast					
S34H1	Equipment on Mast - per month per mast	2 032.17	2 337.00	1 922.61	2 211.00	5.70%
S34H2	Space in building per m² - per month	534.78	615.00	506.09	582.00	5.67%
S34H3	Space outside the building per m² - per month	268.70	309.00	253.91	292.00	5.82%
S34H4	Land for mast per m² - per month	67.83	78.00	64.35	74.00	5.41%
S34J	Memorial Benches					
S34J1	Memorial Benches (installation and application)	3 340.87	3 842.00	3 160.87	3 635.00	5.69%
S34J2	Memorial Benches (per Annum)	268.70	309.00	253.91	292.00	5.82%
S36	PROPERTY INFORMATION					
S36A1	Clearance Certificate (R/certificate) - ELECTRONIC	101.74	117.00	96.52	111.00	5.41%
S36A2	Clearance Certificate (R/certificate) - MANUAL (no rounding)	309.57	356.01	293.04	337.00	5.64%
S36B1	Deeds office registrations with sales information (R/100 erven or part)	133.91	154.00	126.96	146.00	5.47%
S36B2	Deeds office registrations with sales information (R/erf)	34.78	40.00	33.04	38.00	5.27%
S36C	Extract from the Valuation Roll (R/page)	11.30	13.00	10.87	12.50	3.96%
S36F	Revaluation fee	1 911.30	2 198.00	1 807.83	2 079.00	5.72%
S36G1	Valuation Certificate (R/certificate) - ELECTRONIC (no rounding)	47.83	55.00	45.65	52.50	4.78%
S36G2	Valuation Certificate (R/certificate) - MANUAL (no rounding)	160.87	185.00	152.17	175.00	5.72%
S36H	Access of valuation roll information on CD	365.22	420.00	345.22	397.00	5.79%
S40	RENTAL: COMMUNITY HALLS					
S40[illegible]	All events hosted where the municipal council or administration is the official host	free of charge	no vat	free of charge	no vat	
S40[illegible]	Elections by the Electoral Commission	as per IEC policy	applicable vat	as per IEC policy	applicable vat	
S40[illegible]	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	1 900.00	no vat	1 800.00	no vat	5.56%
S40A2	Hire of Auditorium and Banqueting Hall per Hour or part of a hour	639.13	735.00	604.35	695.00	5.75%
S40A3	Hire of Auditorium per Hour or part of a hour	373.91	430.00	353.48	406.50	5.78%
S40A4	Hire of Banqueting Hall per Hour or part of a hour	373.91	430.00	353.48	406.50	5.78%

228

FINAL

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	486.09	559.00	460.00	529.00	5.67%
S40A6	Piano per event	Actual Tuning Cost + R359.71 admin. Fee	applicable vat	Actual Tuning Cost + R340.31 admin. Fee	applicable vat	5.70%
S40A7	Sound and/or Ligthing Equipment per event per hour	101.74	117.00	96.52	111.00	5.41%
S40A8	Use of Kitchen per day	667.83	768.00	632.17	727.00	5.64%
S40A9	Hire of Glasses or Cups, Saucers and teaspoons per event	196.52	226.00	186.09	214.00	5.60%
S40A10	Local NGO's and CBO's per hour per venue - all events	208.70	240.00	197.39	227.00	5.73%
S40A12	Preparation for event - per hour	133.04	153.00	126.09	145.00	5.51%
S40A13	Meetings: Government departments (private meetings), NGO's and CBO's from outside the municipal area, per hour (Banquet hall)	294.78	339.00	279.13	321.00	5.61%
S40A14	Meetings: Local CBO's & NGO's per hour (Banquet hall only)	28.70	33.00	26.96	31.00	6.44%
S40A15	Weddings, Birthdays and Special Occasions per day (including the Kitchen)	1 854.78	2 133.00	1 754.78	2 018.00	5.70%
S40A16	Festivals/Exhibitions/Events per day (max 14 days). Both venues, excluding extras - more than 14 days refer to general tariffs	639.13	735.00	604.35	695.00	5.75%
S40C	**Rental Units - Kleinmond**					
S40C1	Hire per room per month	45.22	52.00	42.61	49.00	6.13%
S40E	**Baardskeerdersbos / Betty's Bay / Blompark / Buffelsjags /Eluxolweni /Hawston Abalone *Hall* /Kleinmond Youth Centre / Kleinmond Club House / Masakane / Moffat Hall / Mooiuitsig / Overhills / Pringle Bay / Proteadorp / Stanford / Stanford Committee Room / Zwelihle**					
S40E4	Fundraising: (Karaoke) Per daytime *or* evening	294.78	339.00	278.93	320.77	5.68%
S40E5	Funeral Tea (three hours)	121.74	140.00	114.78	132.00	6.06%
S40E6	Local CBO's of vulnerable groups: one booking allowed 24 hours in advance of a social gathering to be scheduled only on week days between 08:00 - 16:30	no charge	no vat	new	new	
S40E7	Non-fundraising events for Schools, other training institutions and sport & recreation	243.48	280.00	230.44	265.00	5.66%
S40E8	Meetings: Local CBO's and NGO's per hour	28.70	33.00	26.96	31.00	6.44%
S40E9	Non-fundraising (parties) Per daytime *or* evening	147.83	170.00	140.00	161.00	5.59%
S40E10	Use of Kitchen - Fundraising events per event	268.70	309.00	253.91	292.00	5.82%
S40E11	Use of Kitchen - Non Fundraising	268.70	309.00	253.91	292.00	5.82%
Note	**Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)**					
S40J	**Kleinmond Hall, & Hawston Thusong Centre**					
S40J1	Deposit: (refundable) Government Imbizos & Government Meetings.	554.00	no vat	524.00	no vat	5.73%
S40J2	Deposit (refundable): Hawston Thusong Centre	1 000.00	no vat	1 304.00	no vat	-23.31%
S40J3	Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening	667.83	768.00	632.17	727.00	5.64%
S40J4	Church Services per day	93.04	107.00	87.83	101.00	5.93%
S40J5	Funeral Tea (three hours)	121.74	140.00	114.78	132.00	6.06%
S40J6	Government Imbizos (per day)	2 059.13	2 368.00	1 947.83	2 240.00	5.71%
S40J7	Non-fundraising events for Schools, other training institutions and sport & recreation	243.48	280.00	230.44	265.00	5.66%
S40J8	Meetings: Government Departments (private meetings) & CBO's outside Municipal area per hour	294.78	339.00	279.13	321.00	5.61%
S40J9	Meetings: Local CBO's, NGO's per hour (only large groups > 30) - (No Deposits)	28.70	33.00	26.96	31.00	6.44%
S40J10	Preparation for event - per hour	69.57	80.00	66.09	76.00	5.26%
S40J11	Non-fundraising: Parties, weddings, indoor sports, etc. per daytime or evening	334.78	385.00	316.52	364.00	5.77%
S40J12	Tariff for events continuing after midnight (24h00) per hour	204.35	235.00	193.04	222.00	5.86%
S40J13	Sound OR Ligthing Equipment per event (each item) per hour	102.61	118.00	97.39	112.00	5.36%

229

FINAL

S40J14	Use of kitchen (per event per day)	321.74	370.00	304.35	350.00	5.71%
S40J15	Use of kitchen for water jugs and glasses or tea cups & sauces (per event per day)	46.96	54.00	44.35	51.00	5.89%
Note	**Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge seperately)**					
S43	**RENTAL: HAWKERS' STALLS, OPEN SPACES & BEACHES**					
S43A	**CBD**					
S43A1	All open stalls per day (demarcated area)(excluding Western Cape December Holiday plus Easter Weekend)	28.70	33.00	26.96	31.00	6.44%
S43A2	Open Stalls per day (Western Cape December Holiday plus Easter Weekend)	41.74	48.00	39.13	45.00	6.67%
S43B	**Outside the CBD**					
S43B1	Open Stalls Rental - Western Cape December Holiday plus Easter Weekend / pm	92.17	106.00	86.96	100.00	5.99%
S43B2	Open Stalls Rental - excluding Western Cape December Holiday plus Easter Weekend / pm	39.13	45.00	37.39	43.00	4.65%
S43D	**Public Open Space**					
S43D1	Car Park - Private Car Sales per day (demarcated areas)	36.52	42.00	34.78	40.00	5.00%
S43D2	Funfair, Circus etc per day	869.57	1 000.00	822.61	946.00	5.71%
S43D3	Welfare, churches, non-profit organizations	no charge	no vat	no charge	no vat	
S43D4	Sport Events per day	3 941.74	4 533.00	3 729.57	4 289.00	5.69%
S43F	**Beaches**					
S43F1	Beach Rentals - per day (Private functions)	1 270.44	1 461.00	1 201.74	1 382.00	5.72%
S46	**RENTAL: OFFICE**					
S46A	Rental per m² / pm (Hermanus area)	121.74	140.00	114.78	132.00	6.06%
S46A1	Rental per m² / pm (Gansbaai, Stanford & Kleinmond)	60.87	70.00	57.39	66.00	6.06%
S46A2	NGO's/NPO's per m² / pm	36.52	42.00	34.78	40.00	5.00%
S46B	Local Council Functions	no charge	no vat	no charge	no vat	
S48	**RENTAL: SPORT FACILITIES**					
S48A	**Spaces for Sport - Gansbaai**					
S48A1	Club House - per hour (private events)	167.83	193.00	159.13	183.00	5.47%
S48A2	Club House - Sport events hosted by Overstrand Sport and Recreation structures	no charge	no vat	no charge	no vat	
S48A3	Club House - Sport Event - per hour	84.35	97.00	80.00	92.00	5.44%
S48A4	Sport grounds -Per event hosted by non Overstrand Sport and Recreation structures	1 652.17	1 900.00	1 563.48	1 798.00	5.67%
S48A6	Sport grounds - Functions/Events (excluding departmental events)	912.17	1 049.00	862.61	992.00	5.75%
S48A7	Gym fees per month	85.22	98.00	80.87	93.00	5.38%
S48B	**Overhills**					
S48B1	Sport grounds - Per event hosted by non Overstrand Sport and Recreation structures	1 652.17	1 900.00	1 563.48	1 798.00	5.67%
S48B2	Sport grounds - Functions/Events (excluding departmental events)	912.17	1 049.00	862.61	992.00	5.75%
S49	**RENTAL: UNDEVELOPED SERVICED ERVEN**					
S49A	Wetcore Stands (Social Housing) - rent per month	33.91	39.00	32.17	37.00	5.41%
S50	**SCHUSS HOUSES KLEINMOND (Meerenvlei)**					
S50A	Rent per month	989.57	1 138.00	936.52	1 077.00	5.66%
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 + R47.92	applicable vat	actual cost + R45.34	applicable vat	5.70%
S55B2	Administration Cost - RD cheques, Post Dated Cheques	actual cost + R47.92	applicable vat	actual cost + R45.34	applicable vat	5.70%
S55B3	Administration Cost - Trace of Direct Deposit	actual cost + 97.36	applicable vat	actual cost + 92.11	applicable vat	5.70%
S55C	Copies of Council Agendas and Minutes per annum	1 380.87	1 588.00	1 306.09	1 502.00	5.73%
S55D1	Copies: A3 page	4.35	5.00	4.35	5.00	0.00%
S55D2	Copies: A3 page Colour	7.83	9.00	7.83	9.00	0.00%

S55D3	Copies: A4 page	1.83	2.10	1.83	2.10	0.00%
S55D4	Copies: A4 page Colour	5.22	6.00	5.22	6.00	0.00%
S55E	Foreign Bank Cost	actual cost	applicable vat	actual cost	applicable vat	
S55F1	Fax per page - excluding 0865/6 numbers	5.04	5.80	4.78	5.50	5.44%
S55F2	Fax per page - 0865/6 numbers	8.26	9.50	7.83	9.00	5.49%
S55G1	Interest on accounts in arrear	prime + 4%	no vat	prime + 4%	no vat	
S55G2	Placard / Poster Deposit for Elections	4 573.00	no vat	4 326.00	no vat	5.71%
S55G4	Placard / Poster Deposit for Political Parties	4 573.00	no vat	4 326.00	no vat	5.71%
S55H	Placard / Poster each	16.52	19.00	15.65	18.00	5.56%
S55I	Duplicate Account	8.26	9.50	7.83	9.00	5.49%
S55I1	Duplicate PayDay pay slip	8.70	10.00	8.26	9.50	5.27%
S55J	Section 62 of local Government: Systems Act: appeal deposit (refundable if appeal is upheld)	3 220.00	no vat	3 046.00	no vat	5.71%
S55K1A	Tender objection deposit (refundable if appeal is upheld)	3 220.00	no vat	3 046.00	no vat	5.71%
S55k1B	Tender objection deposit (partially upheld - refundable)	1 603.00	no vat	1 517.00	no vat	5.67%
S55K2	Tender documentation Administration Fee: (less than 20 pages)	32.61	37.50	30.87	35.50	5.64%
S55K3	Tender documentation Administration Fee: (more than 21 pages less than 50 pages)	172.17	198.00	162.61	187.00	5.88%
S55K4	Tender documentation Administration Fee: (more than 50 pages)	695.65	800.00	658.26	757.00	5.68%
S55L	Advertising Signs Auctioneers per 14days	495.65	570.00	468.70	539.00	5.75%
S55K1	Laminated Cost A3	6.44	7.40	6.09	7.00	5.67%
S55K2	Laminated Cost A4	3.65	4.20	3.48	4.00	4.89%
S60	**SWIMMING POOL**					
S60A	**Daily Tariffs (01 December - 31 March & Easter Weekend & Events approved by the Administration)**					
S60A1	Persons older than 16 years of age - per person per DAY or part of a day	4.35	5.00	4.35	5.00	0.00%
S60A2	Children (< 16years) per child per day or part of a day	No Charge	no vat	No Charge	no vat	
S60A4	Galas	101.74	117.00	96.52	111.00	5.41%
S60A5	Training sessions (Schools & Clubs) per season	160.87	185.00	152.17	175.00	5.72%
S65	**TOP MANAGEMENT CONSULTATIONS**					
S65A1	Consultation Fee (Top Management) per hour	983.48	1 131.00	930.44	1 070.00	5.70%
S72	**TOWN PLANNING: APPLICATION FEES**					
S72A	Amendment, deletion or additional contitions in respect of an existing approval	2 271.17	2 611.85	2 148.70	2 471.00	5.70%
S72B	Application for deviation of SDF/Sectoral Plans	2 672.83	3 073.76	2 528.70	2 908.00	5.70%
S72F	**Removal of Title Deed Restrictions**					
S72F1	Erven 150m² and smaller	248.70	286.00	235.22	270.50	5.73%
S72F2	Erven between 150 m² and 400 m²	497.39	572.00	470.17	540.70	5.79%
S72F3	Erven 400 m² and larger	3 784.35	4 352.00	3 580.00	4 117.00	5.71%
S72G	**Consolidations**					
S72G1	Erven 150m² and smaller	233.04	268.00	220.87	254.00	5.51%
S72G2	Erven between 150 m² and 400 m²	468.70	539.00	443.48	510.00	5.69%
S72G3	Erven 400 m² and larger	2 673.04	3 074.00	2 528.70	2 908.00	5.71%
S72H	**Subdivision (cumulative)**					
S72H1	up to 5 erven	5 211.30	5 993.00	4 930.44	5 670.00	5.70%
S72H2	6 to 10 erven	6 146.96	7 069.00	5 815.65	6 688.00	5.70%
S72H3	more than 10	6 146.96	7 069.00	5 815.65	6 688.00	5.70%
S72H3A	Additional per erf after 10	93.04	107.00	87.83	101.00	5.93%
S72I	**Application for Consent Use/Special Use/Occasional Use/Additional Consent**					

S72I1	Erven 150m² and smaller	211.30	243.00	200.00	230.00	5.65%
S72I2	Erven between 150m² and 400m²	562.61	647.00	532.17	612.00	5.72%
S72I3	Erven 400 m² and larger	2 673.04	3 074.00	2 528.70	2 908.00	5.71%
S72J	**Application for Rezoning**					
S72J1	Erven 150 m² and smaller	562.61	647.00	532.17	612.00	5.72%
S72J2	Erven between 150 m² and 400 m²	4 410.44	5 072.00	4 172.17	4 798.00	5.71%
S72J3	Erven between 400m² and 5000m²	6 146.96	7 069.00	5 815.65	6 688.00	5.70%
S72J4	Erven 5000m² and larger	6 146.96	7 069.00	5 815.65	6 688.00	5.70%
S72J4A	Erven larger than 5000m² additional per land use (Excluding Public Open Spaces and Public Roads)	927.83	1 067.00	877.39	1 009.00	5.75%
S72K	**Departure Ito Section 16(2)(b) and (c) of OM Land Use Planning Bylaw**					
S72K1A	Erven 150m and smaller	211.30	243.00	200.00	230.00	5.65%
S72K1B	Erven between 150m² and 400m²	467.83	538.00	442.61	509.00	5.70%
S72K1C	Erven 400 m² and larger	2 673.04	3 074.00	2 528.70	2 908.00	5.71%
S72L	**Appeal deposit in terms of Section 78(2) of the Bylaw on Municipal Land Use Planning (refundable if appeal is upheld)**					
S72L1	Erven 150m² and smaller	317.00	no vat	300.00	no vat	5.67%
S72L2	Erven between 150m² and 400 m²	594.00	no vat	562.00	no vat	5.69%
S72L3	Erven 400 m² and larger	3 207.00	no vat	3 034.00	no vat	5.70%
S72M	Amendment of site development plan, Constitution/Architectural Guidelines, Phasing, amendement or cancellation of a plan of subdivision or a part thereof	1 944.35	2 236.00	1 839.13	2 115.00	5.72%
S72N	**Determination of Zoning**					
S72N1	Erven 150m² and smaller	562.61	647.00	532.17	612.00	5.72%
S72N2	Erven between 150 m² and 400 m²	4 410.44	5 072.00	4 172.17	4 798.00	5.71%
S72N3	Erven 400 m² and larger	6 146.96	7 069.00	5 815.65	6 688.00	5.70%
S72N4	Disestablishment of HOA	2 673.04	3 074.00	2 528.70	2 908.00	5.71%
S72P	**Relaxation of Title Deed**					
S72P1	Erven 400m² and smaller	467.83	538.00	442.61	509.00	5.70%
S72P2	Erven larger than 400m²	2 660.00	3 059.00	2 516.52	2 894.00	5.70%
S72Q	**Permission in terms of Zoning Scheme**					
S72Q1	Erven 150m² and smaller	211.30	243.00	200.00	230.00	5.65%
S72Q2	Erven between 150m² and 400m²	467.83	538.00	442.61	509.00	5.70%
S72Q3	Erven 400 m² and larger	2 673.04	3 074.00	2 528.70	2 908.00	5.71%
S72Q4	Closure of Public Place/Part thereof	6 146.96	7 069.00	5 815.65	6 688.00	5.70%
S72R	Extention of Time	709.56	816.00	671.30	772.00	5.70%
S72S	Exemption in terms of Section 26	106.09	122.00	100.00	115.00	6.09%
S75	**TOWN PLANNING: LAND USE PLANNING FEE**					
S75A1	Advertising Costs Government Gazette	3 740.87	4 302.00	3 539.13	4 070.00	5.70%
S75A2	Advertising Costs Local newspapers	3 740.87	4 302.00	3 539.13	4 070.00	5.70%
S75A3	Advertising Costs Local Newspaper (Removal of Restriction only)	7 481.74	8 604.00	7 078.26	8 140.00	5.70%
S75A4	Advertising Costs - Placing of Final Notice in the Government Gazette	1 057.39	1 216.00	1 000.00	1 150.00	5.74%
S75B	Regulations of Zoning schemes	441.74	508.00	418.26	481.00	5.61%
S75C	Spatial Development Framework	1 043.48	1 200.00	986.96	1 135.00	5.73%
S75D	Zoning Certificate	268.70	309.00	253.91	292.00	5.82%
S75D1	Zoning Certificate - Non Profit Organisation (NPO)	0.00	0.00	new	new	

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	441.74	508.00	418.26	481.00	5.61%
S75G	Search Fee	268.70	309.00	253.91	292.00	5.82%
S75H	Section 30(2) Certification / Clearance (only for the first transfer)	1 585.22	1 823.00	1 500.00	1 725.00	5.68%
S75I	Determination of a Contravention Penalty	20% of built cost of as determined by a Quantity Surveyor	applicable vat	20% of built cost of as determined by a Quantity Surveyor	applicable vat	
S80	**TRAFFIC**					
S80J	**Business & Other Events**					
S80J1	Per officer per hour or part thereof - Mon - Sat	467.83	538.00	442.61	509.00	5.70%
S80J2	Per officer per hour or part thereof - Sundays and public Holidays	534.78	615.00	506.09	582.00	5.67%
S80J4	Administrative fee for provision of officers - per application	133.04	153.00	126.09	145.00	5.51%
S80K	**Removal of Vehicles/Towing Fee**					
S80K1	Removal of Vehicles per vehicle	1 123.48	1 292.00	1 062.61	1 222.00	5.73%
S80K2	Storage Fees per day	308.70	355.00	292.17	336.00	5.66%
S80K3	Towing Charge	Cost plus 15%	applicable vat	Cost plus 15%	applicable vat	
S80K4	Wheel Clamping per vehicle	293.91	338.00	278.26	320.00	5.62%
S80L	**Traffic Cones**					
S80L1	Hire of Traffic Cones per Cone per day	67.83	78.00	64.35	74.00	5.41%
S80P	**Disabled Parking Token**					
S80P1	Disabled Parking Token per application - valid for 2year period	122.61	141.00	115.65	133.00	6.02%
S80P2	Tempory Disabled Parking Token per application - valid for 1year period	110.44	127.00	104.35	120.00	5.83%

233

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

REFUSE (SOLID WASTE) TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2019/2020		2018/2019		1.1286
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
SAN1	**REFUSE REMOVAL (1 removal per week of 4 bags or 1X240 Bin)**					
	DOMESTIC WASTE					
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week **(R/Month)**	185.49	213.31	164.35	189.00	12.86%
SA1A2	Residential Indigent as per paragraph A of the Indigent Policy (All registered erven/unit with approved building plan) 1 x removal per week **(R/Month)**	185.49	213.31	164.35	189.00	12.86%
SA1A3	Residential Indigent 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	164.35	189.00	12.86%
	BUSINESS WASTE					
SAN1C	Commercial/Business (Hostels, Old Age Homes, Caravan Sites, Semi-permanent Resorts etc) **(R/Month)**	185.49	213.31	164.35	189.00	12.86%
SA1N1	Bulk Container 240L (Wheeley bin) **(R/Month) 1** X per week (if available)	185.49	213.31	164.35	189.00	12.86%
SAN1N	Bulk Container 240L (Wheeley bin) **(R/Month) 2** X per week (if available)	370.97	426.62	328.70	378.01	12.86%
SA1N3	Bulk Container 240L (Wheeley bin) **(R/Month) 3** X per week CBD (if available)	556.44	639.91	493.04	567.00	12.86%
SA1N4	Bulk Container 240L (Wheeley bin) **(R/Month) 4** X per week CBD (if available)	741.93	853.22	657.39	756.00	12.86%
SA1N2	Bulk Container 240L (Wheeley bin) **(R/Month) 5** X per week CBD (if available)	927.42	1 066.53	821.74	945.00	12.86%
SAN1O	Camphill Route **(R/Month)** (If available)	1 457.36	1 675.97	1 291.30	1 485.00	12.86%
SAN1P	Additional Removals per week on **Saturday** per Bin **(R/Month)** per removal	278.22	319.96	246.52	283.50	12.86%
SA1P1	Additional Removals on request Central Town (CBD) per bin **(R/Month)** (Sunday or Public Holidays) per removal	370.97	426.62	328.70	378.01	12.86%
SA1P2	All CBD's additional Removal during normal working week, per Bin, per removal	42.89	49.32	38.00	43.70	12.86%
SA1P3	All CBD's additional Removal on Saturday, per Bin per removal	64.33	73.98	57.00	65.55	12.86%
SA1P4	All CBD's additional Removal during Sunday or Public Holidays, per Bin per removal	85.77	98.64	76.00	87.40	12.86%
SA1Q	Caravan Sites, Chalets, Semi-permanent & Resorts **(R/Month)** (Uilenskraalmond Vakansieoord; Franskraal Vakansieoord; Pearly Beach Camp, Micheal Fuchs Guesthouse) **NO REMOVAL (per unit/site)**	59.67	68.62	52.87	60.80	12.86%
SAN1R	Departmental Consumption (Municipal Consumption per removal site per **month**)	185.49	213.31	140.87	162.00	31.67%
SAN1U	Schools **(R/Month)**	185.49	213.31	164.35	189.00	12.86%
SAN1T	Removal outside service area (per removal per hour) (If available)	1 391.12	1 599.79	1 232.61	1 417.50	12.86%
SAN1V	Single Quarters & Transit Camps per unit	59.62	68.57	52.83	60.75	12.86%
SAN1W	Guesthouses, Bed & Breakfast **(R/Month)**	185.49	213.31	164.35	189.00	12.86%
SAN1X	Removal of food waste for safe disposal **(R/per Collection)**	369.30	424.70	327.22	376.30	12.86%
SAN2	**SELF DUMPING TRANSFER STATIONS & DROP OFF'S: SAND AND CLEAN BUILDERS RUBBLE: (rounding applicable)**					
SA2A1	Vehichles up to 1 ton load capacity: clean builders rubble (<250mm) and sand: only at Kleinmond Transfer Station, Stanford Drop Off, Pearly Beach Drop Off, and Hawston Drop Off (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**					

OVERSTRAND MUNICIPALITY 2019 -05- 28

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	426.64	490.64	238.61	274.40	78.80%
SA2B3	Vehicles >2 & up to 3 Ton per vehicle load capacity	639.96	735.95	357.91	411.60	78.80%
SA2B4	Vehicles >3 & up to 4 Ton per vehicle load capacity	853.28	981.27	477.22	548.80	78.80%
SA2B4	Vehicles >4 & up to 5 Ton per vehicle load capacity	1 066.60	1 226.59	596.52	686.00	78.80%
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	213.32	245.32	119.31	137.20	78.80%
SAN3D	Clean builders rubble (<250mm) and sand	no Charge	no vat	new	new	
SAN3F	Mixed builders rubble per ton weighed	213.32	245.32	new	new	
SAN4	**BASIC FEE REFUSE SERVICE (Erven without approved building plans)**					
SAN4A	All registered erven without approved building plans **(R/Month)**	92.74	106.65	82.17	94.50	12.86%
SAN5	**SUNDRIES (rounding applicable)**					
SAN5A	Rental of Bulk Container per day (including disposal)	99.02	113.88	87.74	100.90	12.86%
SAN5B	Deposit - rental of bulk containers per 4 bins or less	750.52	no vat	665.00	no vat	12.86%
SAN5C	Asbestos Sheet - per unit (Limited to **max 10 sheets**)	70.27	80.81	62.26	71.60	12.86%
SAN5D	Baboon Resistant 240L Wheeley bin with lock delivered to homes - projects	1 182.00	1 359.30	887.74	1 020.90	33.15%
SAN5E	Replacement lock on baboon resistant wheelie bin	367.34	422.44	325.48	374.30	12.86%
SAN5F	**Selling of Chipped Organic Material**					
SANF1	Per ton	395.99	455.39	350.87	403.50	12.86%
SANF2	Per cubic (m³)	89.11	102.48	78.96	90.80	12.86%

235

OVERSTRAND MUNISIPALITEIT / OVERSTRAND MUNICIPALITY
2019 -05- 23

SEWER TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2019/2020		2018/2019		1.057
		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.	13.70	15.76	12.96	14.90	5.71%
	SEWERAGE - REGISTERED INDIGENT HOUSEHOLDS					
SE7A4	0 - 4.2 kl - **subsidised**	13.70	15.76	12.96	14.90	5.71%
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.	13.70	15.76	12.96	14.90	5.71%
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	13.70	15.76	12.96	14.90	5.71%
SE7C	**SEWERAGE - GUEST HOUSE, BED & BREAKFAST ESTABLISHMENTS**					
SE7C1	per kl (based on 70% of water usage) per unit per month	13.70	15.76	12.96	14.90	5.71%
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	13.70	15.76	12.96	14.90	5.71%
SE7E	**CONSUMPTION - DEPARTMENTAL**					
SE7E1	0 - 35 kl per kl (based on 70% of max 50kl water usage) per unit per month	13.70	15.76	12.96	14.90	5.71%
SE8	**BASIC CHARGE**					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	121.65	139.90	115.09	132.35	5.70%
SE8A1	Basic Monthly Charge Residential Indigent as per paragraph A of the Indigent Policy per month	121.65	139.90	115.09	132.35	5.70%
SE8A2	Basic Monthly Charge Residential Indigent as per paragraph B, C & E of the Indigent Policy per month	115.09	132.35	115.09	132.35	0.00%
SE8B	Basic Monthly Charge Undeveloped sites - can not connect to the network per erf/unit per month .	81.96	94.25	77.54	89.17	5.70%
SE8C	Basic Monthly Charge Undeveloped sites - can connect to the network per erf/unit per month	121.65	139.90	115.09	132.35	5.70%
SE8D	Basic Monthly Charge Developed sites - with a septic Tank per erf/unit per month	81.96	94.25	77.54	89.17	5.70%
SE8E	Basic Monthly Charge - Low Cost Housing & Single Quarters per erf/unit per month	81.96	94.25	77.54	89.17	5.70%
SE8F	**Infraetructure**					
SE8F1	Fixed Infrastructure Basic Charge per erf/unit per month	9.60	11.04	9.60	11.04	0.00%
SE8F2	Fixed Infrastructure Basic Charge per erf/unit per month	3.43	3.94	3.43	3.94	0.00%
SE8F3	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent	3.43	3.94	3.43	3.94	0.00%
SE9	**OTHER SEWERAGE CHARGES**					
SE9A	**Vacuum Tanker Service for users not paying tariffs SE7 above - PROVIDED ON REQUEST**					
SE9A1	Vacuum Tanker Service provided on request < 6kl (per 6kl or part thereof)	559.57	643.50	529.39	608.80	5.70%
SE9A2	Vacuum Tanker Service provided on request < 5kl (per 5kl or part thereof)	559.57	643.50	529.39	608.80	5.70%
SE9A4	Vacuum Tanker Service provided on request > 6kl (per 6kl or part thereof)	559.57	643.50	529.39	608.80	5.70%
SE9A5	Call out fee for Tank Service request but no service due to another defect	559.57	643.50	529.39	608.80	5.70%
SE9A6	More than 3 pipes an additional fee per pipe for users not paying tariff SE7 above	81.96	94.25	77.54	89.17	5.70%
SE9B	**After Hours Vacuum Tanker Service - PROVIDED ON REQUEST**					
SE9B1	After Hours - per request < 6kl (per 6kl or part thereof)	1 119.13	1 287.00	1 058.78	1 217.60	5.70%

OVERSTRAND MUNICIPALITY RECEIVED 2019 -05- 23

SE9B2	After Hours - per request > 6kl (per 6kl or part thereof)	1 119.13	1 287.00	1 058.78	1 217.60	5.70%
SE9B3	After Hours - per request < 5kl (per 5kl or part thereof)	1 119.13	1 287.00	1 058.78	1 217.60	5.70%
SE9B2	After Hours Businesses with Public Toilets per removal	336.03	386.44	317.91	365.60	5.70%
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**	336.03	386.44	317.91	365.60	5.70%
SE9C2	Normal ApplicableTariff (SE9A2) plus additional per km	16.40	18.87	15.52	17.85	5.70%
	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**	336.03	386.44	317.91	365.60	5.70%
SE9C7	After Hours Applicable Tariff (SE9B2) plus additional per km	16.40	18.87	15.52	17.85	5.70%
SE10	**SUNDRY CHARGES**					
SE9D	**Testing and Connection Fees**					
SE9D1	Testing of the septic and conservancy tanks per test	1 456.52	1 675.00	1 377.39	1 584.00	5.74%
SE9D2	Smallbore sewerage connection fee + tank test	6 680.87	7 683.00	6 320.87	7 269.00	5.70%
SE9D3	Sewer Connection	5 006.09	5 757.00	4 736.52	5 447.00	5.69%
SE9E	**Disposal**					
SE9E1	Charge per kl or part thereof	73.04	84.00	68.96	79.30	5.92%
SE11	**ILLEGAL CONNECTION / TAMPERING FEE**					
SE11A	1st Offence	6 866.00	no vat	6 495.00	no vat	5.71%
SE11B	2 nd Offence (SE11A X 2)	13 730.00	no vat	12 990.00	no vat	5.70%
NOTE: Any requests for tanker services after 15:00 will be charged at the after hour rate						

237

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

ELECTRICITY TARIFFS 2018/2019 (ROUNDING APPLICABLE) (BEFORE NERSA approval)

Tariff Code	Detail		2019/2020		2018/2019		
			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	1.150
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	2 471.71	no vat	2 186.00	no vat	13.07%
ED4	Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity	R	4 327.19	no vat	3 827.00	no vat	13.07%
ED5	Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity	R	9 890.23	no vat	8 747.00	no vat	13.07%
ED6	Domestic & Commercial Single Phase Pre-paid (Two Part Tariff) - Electricity	R	568.74	no vat	503.00	no vat	13.07%
ED7	Domestic & Commercial Three Phase Pre-paid (Two Part Tariff) - Electricity	R	1 137.48	no vat	1 006.00	no vat	13.07%
ED8	Indigent Registered	R	184.30	no vat	163.00	no vat	13.07%
EDD	**Deposit Defaulters**						
EDD1	Large Power User Group tariff E5 : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat	
EDD2	Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat	
EDD3	Domestic Three Phase Credit Meter (Two Part Tariff)- Electricity : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat	
EDD4	Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity : Two Times average consumption during the preceding 12 months	R	calculated	no vat	calculated	no vat	
EF	**FIXED CHARGES**						
EF1	Infrastructure Charge per Meter per month	R	16.65	19.15	16.65	19.15	0.00%
E1	**SINGLE PHASE : DOMESTIC**						
E1A	**Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)**						
E1A1	Basic Monthly charge per meter	R	335.34	385.64	291.60	335.34	15.00%
	kWH Unit cost						
E1A2	IBT BLOCK 1 0 - 350 kWh	c	128.67	147.97	114.88	132.11	12.00%
E1A3	IBT BLOCK 2 351 - 600 kWh	c	188.97	217.31	167.82	192.99	12.60%
E1A4	IBT BLOCK 3 > 600 kWh	c	232.18	267.01	206.02	236.92	[illegible]
E1B	**Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)**						
E1B1	Basic Monthly charge per meter	R	335.34	385.64	291.60	335.34	15.00%
	kWH Unit cost						
E1B2	IBT BLOCK 1 0 - 350 kWh	c	118.85	136.68	106.12	122.03	12.00%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	178.07	204.78	158.14	181.86	12.60%
E1B4	IBT BLOCK 3 > 600 kWh	c	223.18	256.66	198.03	227.73	[illegible]
E1C	**SINGLE PHASE : COMMERCIAL**						
E1C1	Basic Monthly charge per meter	R	335.34	385.64	291.60	335.34	15.00%
E1C2	kWH Unit cost - Credit Meters	c	192.57	221.45	171.02	196.67	12.60%
E1C3	kWH Unit cost - Pre-paid meters	c	181.47	208.69	161.16	185.33	12.60%
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	120.15	138.18	107.28	123.37	12.00%

1.1307 1.1200
1.057 1.1260

238

E1E	**One part tariff (Pre-paid meters only) Local Economic Development Projects**						
	kWH Unit cost						
E1E1	IBT BLOCK 1 0 - 350 kWh	c	207.59	238.73	185.35	213.15	12.00%
E3	**THREE PHASE: COMMERCIAL & DOMESTIC**						
E3E	**Two-Part Tariff: Credit up to 100A (70 kVA BDMD) DOMESTIC**						
E3E1	Basic Monthly charge per meter	R	670.67	771.27	583.19	670.67	15.00%
	kWH Unit cost						
E3E2	IBT BLOCK 1 0 - 350 kWh	c	128.67	147.97	114.87	132.10	12.01%
E3E3	IBT BLOCK 2 351 - 600 kWh	c	188.97	217.31	167.82	192.99	12.60%
E3E4	IBT BLOCK 3 > 600 kWh	c	232.18	267.01	205.24	236.03	[illegible]
E3E	**Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) DOMESTIC**						
E3E5	Basic Monthly charge per meter	R	670.67	771.27	583.19	670.67	15.00%
	kWH Unit cost						
E3E6	IBT BLOCK 1 0 - 350 kWh	c	118.85	136.68	106.12	122.04	12.00%
E3E7	IBT BLOCK 2 351 - 600 kWh	c	178.07	204.78	158.14	181.86	12.60%
E3E8	IBT BLOCK 3 > 600 kWh	c	223.18	256.66	197.15	226.72	[illegible]
E3E	**Two-Part Tariff: Credit up to 100A (70 kVA BDMD) COMMERCIAL**						
E3E9	Basic Monthly charge per meter	R	670.67	771.27	583.19	670.67	15.00%
E3E10	**kWH Unit cost**	c	192.57	221.45	171.02	196.67	12.60%
E3E	**Two-Part Tariff: Pre-paid up to 100A (70 kVA BDMD) COMMERCIAL**						
E3E11	Basic Monthly charge per meter	R	670.67	771.27	583.19	670.67	15.00%
E3E12	**kWH Unit cost**	c	181.47	208.69	161.17	185.35	12.59%
E3G	**One-Part Tariff: Pre-paid only; up to 100A (70 kVA BDMD) Businesses, Flats, Sport grounds, Churches.(minimum of 800kWH average for twelve months)**						
E3G1	kWH Unit cost	c	229.04	263.40	203.41	233.92	12.60%
E5	**TIME OF USE TARIFF**						
	Service Charge (per month) for MV and LV consumers						
E5A1	Administrative and Service Charge per month	R	3 178.67	3 655.47	2 820.47	3 243.54	[illegible]
E5A2	Network Demand Charge kVA: Utilised capacity	R	29.94	34.44	26.57	30.56	[illegible]
E5A3	Network Capacity Charge kVA: Notified Maximum Demand (NMD)	R	23.82	27.40	21.14	24.31	[illegible]
	Medium Voltage Metering Points (11000V)						
E5A4	Off Peak kWh Unit Charge	c	52.75	60.67	46.81	53.83	[illegible]
E5A5	Standard kWh Unit Charge	c	94.96	109.21	84.26	96.90	[illegible]
E5A6	Peak kWh Unit Charge	c	308.62	354.91	273.84	314.92	[illegible]
	Low Voltage Metering Points (400V)						
E5A7	Off Peak kWh Unit Charge	c	56.72	65.23	50.33	57.88	[illegible]
E5A8	Standard kWh Unit Charge	c	98.92	113.75	87.77	100.94	[illegible]
E5A9	Peak kWh Unit Charge	c	312.58	359.47	277.36	318.96	[illegible]
	Sundry Charges						
E5A10	Exceed NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month	R	978.95	1 125.79	978.95	1 125.79	0.00%
E6	**SUBSIDIZED TARIFFS: Grant to be shown separately**						

OVERSTRAND MUNICIPALITY 2019-06-27

E6A	Basic Monthly Charge: Residential Indigent as per paragraph A of the Indigent Policy per meter	R	335.34	385.64	291.60	335.34	15.00%
E6B	Basic Monthly Charge: Residential Indigent as per paragraph B, C & E of the Indigent Policy per meter	R	291.60	335.34	291.60	335.34	0.00%
E7	**PUBLIC LIGHTING & CCTV**						
E7A1	Streetlights & CCTV (metered) per kWh (no basic charge)	c	83.67	96.22	74.24	85.38	
E7A2	Streetlights & CCTV (consumption) (per unit/per month) (no basic charge)	R	29.35	33.75	26.04	29.95	
E7A5	Illuminated street sign boards per month	R	29.35	33.75	26.04	29.95	
E7A6	Hire of Sleeve space for fibre optic cable (per meter per month per fiber optic - no basic charge)	R	0.87	1.00	new	new	
E8	**CASUAL SUPPLIES**						
E8A1	Per connection includes disconnection excluding hire of kiosk	R	1 159.22	1 333.10	1 025.22	1 179.00	13.07%
E8A2	Consumption per day if not metered	R	75.32	86.61	66.61	76.60	13.07%
E8A3	Hire of temporary distribution kiosk, per kiosk, per occasion	R	454.25	522.38	401.74	462.00	13.07%
E8A4	Deposit (Usage will be subtracted)	R	1 563.76	no vat	1 383.00	no vat	13.07%
E8A5	One part tariff : Prepaid or Credit Casual Supply	c	227.77	261.93	202.28	232.62	12.60%
E9	**AVAILABILITY CHARGES**						
E9A1	Availability charge per vacant plot per month	R	335.34	385.64	291.60	335.34	15.00%
E9A2	Infrastructure per vacant plot per month	R	16.65	19.15	16.65	19.15	0.00%
E10	**SUNDRY CHARGES**						
E10A1	Call-out Fee - office hours (Based on 2 hours for electr & assist + 30km)	R	693.91	798.00	656.17	754.60	5.75%
E10A2	Call-out Fee - after hours: Weekdays & Saturdays (Based on 2 hrs (time and a half) for electr & assist + 30km)	R	973.91	1 120.00	921.04	1 059.20	5.74%
E10A3	Call-out Fee - after hours: Sundays & Public Holidays (Based on 2 hrs (double time) for electr & assist + 30km)	R	1 253.04	1 441.00	1 185.22	1 363.00	5.72%
E10A4	MV. Switching on Council's equipment office hours (Based on 3 hours for superintendent & electr + 60km)	R	2 019.13	2 322.00	1 910.52	2 197.10	5.68%
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	2 894.78	3 329.00	2 738.61	3 149.40	5.70%
E10A6	MV. Switching on Council's equipment -after hours: Sundays & Public holidays (Based on 3 hours (double time) for a superintendent and an electrician plus 60km)	R	3 770.44	4 336.00	3 566.78	4 101.80	5.71%
E10A7	Contractor Inspection 2nd	R	679.13	781.00	642.17	738.50	5.76%
E10A8	Contractor Inspection 3rd	R	1 025.22	1 179.00	969.57	1 115.00	5.74%
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	542.61	624.00	513.22	590.20	5.73%
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	1 383.48	1 591.00	1 308.78	1 505.10	5.71%
E10A11	Disconnection	R	333.04	383.00	314.78	362.00	5.80%
E10A12	Reconnection	R	333.04	383.00	314.78	362.00	5.80%
E10A13	Verification of a Meter Reading	R	333.04	383.00	314.78	362.00	5.80%
E10A14	Administration fee - recalculation due to no meter access	R	173.04	199.00	163.48	188.00	5.85%
E10A15	Test of Meter: 1 & 3 Phase (Conditionally Refundable) External testing	R	639.13	735.00	604.35	695.00	5.75%
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	226.09	260.00	213.91	246.00	5.69%
E10A18	Damage elect meter (based on meter cost + call out X 2)	R	2 273.91	2 615.00	2 151.30	2 474.00	5.70%

OVERSTRAND MUNICIPALITY VERIFIED 2019 07 17

E10A19	Damage elect meter 3 phase (based on meter cost + call out X 2)	R	3 472.17	3 993.00	3 285.22	3 778.00	5.69%
E10A20	Replacement of CIU (Meter keypad) (Based on keypad cost and call out fee)	R	1 145.22	1 317.00	1 083.48	1 246.00	5.70%
E10A21	Damage of Bulk meter or change to SSEG (Based on 3 hours for a superintendent and electrician + 60km + bulk meter cost + modem cost)	R	7 515.65	8 643.00	7 110.09	8 176.60	5.70%
E10A22	Change to Time of Use (with existing bulk meter) + Deposit	R	678.26	780.00	641.74	738.00	5.69%
E10A23	Change to Time of Use (without existing bulk meter) + Deposit	R	11 771.30	13 537.00	11 136.52	12 807.00	5.70%
E10A24	Commission of Bulk meter, supplied by customer (call out fee x 3)	R	2 080.72	2 392.83	1 967.83	2 263.00	5.74%
E10A25	Damage of HV Cable	R	cost + R37 902.61	applicable vat	cost + R35 858.57	applicable vat	5.70%
E10A26	Damage of MV Cable	R	cost + R 9 908.52	applicable vat	cost + R 9 374.19	applicable vat	5.70%
E10A27	Damage of LV Cable	R	cost + R 3 990.49	applicable vat	cost + R 3 775.30	applicable vat	5.70%
E10A28	Damage of Service Connection Cable	R	cost + R 997.62	applicable vat	cost + R 943.82	applicable vat	5.70%
E10A29	Working without Way leave	R	5 114.78	5 882.00	4 839.13	5 565.00	5.70%
E10A30	Refundable Wayleave **deposit** for HV cables	R	73 049.00	no vat	69 110.00	no vat	5.70%
E10A31	Refundable Way leave **deposit** for MV cables	R	18 263.00	no vat	17 278.00	no vat	5.70%
E10A32	Refundable Way leave **deposit** for LV cables	R	3 946.00	no vat	3 733.00	no vat	5.71%
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	826.96	951.00	782.61	900.00	5.67%
E12	**CONVERSION OF METERS**						
E12A1	Convert Credit Meter to Pre-paid: SP (no cable work) (based on meter cost + call out)	R	1 580.87	1 818.00	1 495.65	1 720.00	5.70%
E12A2	Convert Credit Meter to Pre-paid: 3P (no cable work) (based on meter cost + call out)	R	2 779.13	3 196.00	2 629.57	3 024.00	5.69%
E12A3	Convert Credit Three Phase to Singe Phase Pre-paid meter	R	1 427.83	1 642.00	1 350.44	1 553.00	5.73%
E12A4	Convert Credit Three Phase to Single Phase Credit (Commercial only)	R	1 077.39	1 239.00	1 019.13	1 172.00	5.72%
E12A5	Convert Pre-paid Single Phase to Three Phase Pre-paid (based on tariff E13A8) cost includes cable to boundary	R	R11 511.44 + ext fee	applicable vat	R9 802.29 + ext fee	applicable vat	17.44%
E12A6	Convert pre-paid Three phase to Single phase pre-paid (based on meter cost + call out + CB)	R	1 759.13	2 023.00	1 664.35	1 914.00	5.69%
E12A7	Removal of Meter (based on call out fee)	R	693.04	797.00	655.65	754.00	5.70%
E12A8	Repositioning of Meter (excl. cable) (based on call out fee)	R	693.04	797.00	655.65	754.00	5.70%
E12A9	Repositioning of Meter (incl. cable) (based on call out fee + 30m cable)	R	2 288.70	2 632.00	2 165.22	2 490.00	5.70%
E13	**SERVICE CONNECTIONS**						
E13A1	Builders connection (plus applicable service connection tariff)	R	879.13	1 011.00	831.58	956.32	5.72%
E13A4	Single Phase (Credit - 60A) option for Commercial users only (Based on 30m cable + meter cost + average labour cost + 15% admin fee)	R	6 233.91	7 169.00	5 897.39	6 782.00	5.71%
E13A6	Single Phase - (Pre-paid meters - 60A) applicable to Domestic users (Network Permitted) (Based on: 30m cable + meter cost + average labour cost + 15% admin fee)	R	6 233.91	7 169.00	5 897.39	6 782.00	5.71%
E13A7	Three Phase : (Credit - 60A) Plus Extension fee : Extension fee not applicable to Industrial erven up to 80 Amp (Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee)	R	R11 511.44 + ext fee	applicable vat	R10 890.67 + ext fee	applicable vat	5.70%
E13A8	Three Phase : (Pre-paid - 60A) Plus Extension fee : Extension fee not applicable to Industrial erven up to 80 Amp (Based on 30m (25mm) cable + meter cost + average labour +circuit breaker + 15% admin fee)	R	R11 511.44 + ext fee	applicable vat	R10 890.67 + ext fee	applicable vat	5.70%
E13A9	Non Standard : Pre-paid 30 Amp Single phase (Sub economic connections) (Based on 30m (10mm) cable + meter cost + average labour cost + 15% admin fee)	R	5 788.70	6 657.00	5 476.52	6 298.00	5.70%
E13A10	Single Phase (Credit 60A- Developer install cable to boundary) option for Commercial users only (Based on meter cost + call out fee + 15% admin fee)	R	1 818.26	2 091.00	1 720.00	1 978.00	5.71%

241

E13A11	Single Phase (Pre-paid 60A-Developer install cable to boundary) applicable to Domestic users (Network permitted) (Based on meter cost + call out fee + 15% admin fee)	R	1 818.26	2 091.00	1 720.00	1 978.00	5.71%
E13A12	Three Phase (Credit 60A- Developer install cable to boundary) : Extension fee not applicable to industrial erven up to 60 Amp (Based on meter cost + call out fee + 15% admin fee)	R	R3 195.80 + ext fee	applicable vat	R3 023.46 + ext fee	applicable vat	5.70%
E13A13	Three Phase (Pre-paid 60A-Developer install cable to boundary) : Extension fee not applicable to Industrial erven up to 60 Amp (Based on meter cost + call out fee + 15% admin fee)	R	R3 195.80 + ext fee	applicable vat	R3023.46 + ext fee	applicable vat	5.70%
E13A14	Any other none standard connections		cost + 15% admin	applicable vat	cost + 15% admin	applicable vat	
E14	**ILLEGAL CONNECTION / TAMPERING FEE (Including SSEG and damage or bypass of the DSM Hot Water Cylinder Control Unit**						
E14A1	1 st Offence	R	4 049.37	no vat	3 831.00	no vat	5.70%
E14A2	2 nd Offence (E14A1 X 2)	R	8 097.68	no vat	7 661.00	no vat	5.70%
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	Previous offence amount X 2	applicable vat	
E14A4	Unsafe / Illegal leads (per visit) **(reconnection fee included)**	R	1 814.36	2 086.52	1 716.52	1 974.00	5.70%
E15	**UPGRADING EXTENSION FEES (Network permitted : to be approved by Electricity Department)**						
E15A1	Primary Cost p/kVA -include all HV Equipment UP to HV Substation or identified point of supply excluding Dist. TF	R	1 227.19	1 411.27	1 227.19	1 411.27	0.00%
E15A2	Primary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply excluding Dist. TF	R	3 363.16	3 867.63	3 363.16	3 867.63	0.00%
E15A3	Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF	R	4 284.21	4 926.84	4 284.21	4 926.84	0.00%
E15A4	Secondary Cost p/kVA -include all MV. Equipment UP to Main Substation or identified point of supply including Dist. TF and Kiosk	R	5 589.47	6 427.89	5 589.47	6 427.89	0.00%
E15A5	Buying/Refund of spare capacity cost/kVA	R	100% of approved installation cost	applicable vat	100% of approved installation cost	applicable vat	
E15A6	Investigation Fee	R	4 018.44	4 621.21	3 801.74	4 372.00	5.70%
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	68.93	79.27	61.16	70.34	[redacted]
DC2	**DEVELOPMENT CONTRIBUTIONS (Bulk Service 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	27 947.35	32 139.45	27 947.35	32 139.45	0.00%
DC2B	**New Developments**						
DC2B1	Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (13.8 kVA xE15A2 x.36)	R	16 708.18	19 214.41	16 708.18	19 214.41	0.00%
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2x.36)	R	50 850.98	58 478.63	50 850.98	58 478.63	0.00%
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	R	3 363.16	3 867.63	3 363.16	3 867.63	0.00%
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	R	4 284.21	4 926.84	4 284.21	4 926.84	0.00%

WATER TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2019/2020		2018/2019		1.057
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	1.115
WD	**CONSUMER DEPOSITS**					
WD1	Domestic - Water	594.03	no vat	562.00	no vat	5.70%
WD2	Commercial - Water - Consumption < 40kl	2 376.14	no vat	2 248.00	no vat	5.70%
WD3	Commercial - Water - Consumption 40 - 100kl	8 314.36	no vat	7 866.00	no vat	5.70%
WD4	Commercial - Water - Consumption 100 kl +	14 252.59	no vat	13 484.00	no vat	5.70%
WD5	Domestic - Water RUE's	Applicable Rue's X WD1A	no vat	Applicable Rue's X WD1A	no vat	
WD6	Indigent - registered	190.26	no vat	180.00	no vat	5.70%
WDD	**Deposit Defaulters**					
WDD1	Domestic - Water - Two Times average consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat	
WDD2	Commercial - Water - Consumption < 40kl Two Times average consumption during the preceding 12 months (Defaulters)	calculated	applicable vat	calculated	no vat	
WDD3	Commercial - Water - Consumption 40 - 100kl Two Times average consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat	
WDD4	Commercial - Water - Consumption 100 kl + Two Times average consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat	
WDD5	Domestic - Water RUE'sTwo Times average 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	136.50	156.98	129.14	148.51	5.70%
W1A2A	Basic Monthly Charge: Residential Indigent as per paragraph A of the Indigent Policyper erf/unit per month	136.50	156.98	129.14	148.51	5.70%
W1A2B	Basic Monthly Charge: Residential Indigent as per paragraph B, C & D of the Indigent Policyper erf/unit per month	129.14	148.51	129.14	148.51	0.00%
W1A3	**Infrastructure**					
W1A3A	Fixed Infrastructure Basic Charge per erf/unit per month	15.45	17.77	15.45	17.77	0.00%
W1A3B	Fixed Infrastructure Basic Charge per erf/unit per month	8.41	9.67	8.41	9.67	0.00%
W1A3C	Subsidised Fixed Infrastructure Basic Charge per erf/unit per month - Registered Indigent Households	8.41	9.67	8.41	9.67	0.00%
	See attachment for the amount of RUE's allocated to different household consumers					
W1B	**CONSUMPTION - HOUSEHOLDS**					
	Normal Tariff & Level 1 restrictions					
W1B1	0 - 6 kl per kl	5.60	6.44	5.02	5.77	11.50%
W1B2	7 - 18 kl per kl	11.47	13.19	10.85	12.48	5.70%
W1B3	19 - 30 kl per kl	18.61	21.41	17.61	20.25	5.70%
W1B4	31 - 45 kl per kl	28.66	32.95	27.11	31.18	5.70%
W1B5	46 - 60 kl per kl	37.22	42.80	35.21	40.49	5.70%
W1B6	>60kl per kl	49.64	57.08	46.96	54.00	5.70%
	Restriction Tariff 1 (level 2 & 3 restrictions)					
W1B7	0 - 6 kl per kl	5.60	6.44	5.02	5.77	11.50%
W1B8	7 - 18 kl per kl	14.91	17.15	14.11	16.23	5.70%

243

W1B9	19 - 30 kl per kl	24.19	27.82	22.89	26.32	5.70%
W1B10	31 - 45 kl per kl	37.25	42.84	35.24	40.53	5.70%
W1B11	46 - 60 kl per kl	51.13	58.80	48.37	55.63	5.70%
W1B12	>60kl per kl	68.18	78.40	64.50	74.18	5.70%
	Restriction Tariff 2 (level 4 & 5 restrictions)					
W1B13	0 - 6 kl per kl	5.60	6.44	5.02	5.77	11.50%
W1B14	7 - 18 kl per kl	18.37	21.13	17.38	19.99	5.70%
W1B15	19 - 30 kl per kl	29.79	34.25	28.18	32.41	5.70%
W1B16	31 - 45 kl per kl	45.85	52.73	43.38	49.89	5.70%
W1B17	46 - 60 kl per kl	62.94	72.39	59.55	68.48	5.70%
W1B18	>60kl per kl	83.90	96.49	79.38	91.29	5.70%
	Restriction Tariff 3 (level 6 restrictions)					
W1B19	0 - 6 kl per kl	5.60	6.44	5.02	5.77	11.50%
W1B20	7 - 18 kl per kl	24.25	27.88	22.94	26.38	5.70%
W1B21	>18 kl per kl	104.89	120.62	99.23	114.11	5.70%
W1BI	**CONSUMPTION - REGISTERED INDIGENT HOUSEHOLDS**					
	Normal Tariff & Level 1 restrictions					
W1BI1	0 - 6 kl per kl - **subsidised**	5.60	6.44	5.02	5.77	11.50%
W1BI2	7 - 18 kl per kl	11.47	13.19	10.85	12.48	5.70%
W1BI3	19 - 30 kl per kl	18.61	21.41	17.61	20.25	5.70%
W1BI4	31 - 45 kl per kl	28.66	32.95	27.11	31.18	5.70%
W1BI5	46 - 60 kl per kl	37.22	42.80	35.21	40.49	5.70%
W1BI6	>60kl per kl	49.64	57.08	46.96	54.00	5.70%
	Restriction Tariff 1 (level 2 & 3 restrictions)					
W1BI7	0 - 6 kl per kl - **subsidised**	5.60	6.44	5.02	5.77	11.50%
W1BI8	7 - 18 kl per kl	14.91	17.15	14.11	16.23	5.70%
W1BI9	19 - 30 kl per kl	24.19	27.82	22.89	26.32	5.70%
W1BI10	31 - 45 kl per kl	37.25	42.84	35.24	40.53	5.70%
W1BI11	46 - 60 kl per kl	51.13	58.80	48.37	55.63	5.70%
W1BI12	>60kl per kl	68.18	78.40	64.50	74.18	5.70%
	Restriction Tariff 2 (level 4 & 5 restrictions)					
W1BI13	0 - 6 kl per kl - **subsidised**	5.60	6.44	5.02	5.77	11.50%
W1BI14	7 - 18 kl per kl	18.37	21.13	17.38	19.99	5.70%
W1BI15	19 - 30 kl per kl	29.79	34.25	28.18	32.41	5.70%
W1BI16	31 - 45 kl per kl	45.85	52.73	43.38	49.89	5.70%
W1BI17	46 - 60 kl per kl	62.94	72.39	59.55	68.48	5.70%
W1BI18	>60kl per kl	83.90	96.49	79.38	91.29	5.70%
	Restriction Tariff 3 (level 6 restrictions)					
W1BI19	0 - 6 kl per kl - **subsidised**	5.60	6.44	5.02	5.77	11.50%
W1BI20	7 - 18 kl per kl	24.25	27.88	22.94	26.38	5.70%
W1BI21	>18 kl per kl	104.89	120.62	99.23	114.11	5.70%
W1C	**CONSUMPTION - ALL OTHER**					
	Normal Tariff & Level 1 restrictions					
W1C1	0 - 18 kl per kl	12.69	14.60	12.01	13.81	5.70%
W1C2	19 - 30 kl per kl	18.61	21.41	17.61	20.25	5.70%

244

W1C3	31 - 45 kl per kl	28.66	32.95	27.11	31.18	5.70%
W1C4	46 - 60 kl per kl	37.22	42.80	35.21	40.49	5.70%
W1C5	>60 kl per kl	49.64	57.08	46.96	54.00	5.70%
	Restriction Tariff 1 (level 2 & 3 restrictions)					
W1C6	0 - 18 kl per kl	16.50	18.97	15.61	17.95	5.70%
W1C7	19 - 30 kl per kl	24.19	27.82	22.89	26.32	5.70%
W1C8	31 - 45 kl per kl	37.25	42.84	35.24	40.53	5.70%
W1C9	46 - 60 kl per kl	51.14	58.81	48.38	55.64	5.70%
W1C10	>60 kl per kl	68.17	78.39	64.49	74.16	5.70%
	Restriction Tariff 2 (level 4 & 5 restrictions)					
W1C11	0 - 18 kl per kl	20.32	23.36	19.22	22.10	5.70%
W1C12	19 - 30 kl per kl	29.79	34.25	28.18	32.41	5.70%
W1C13	31 - 45 kl per kl	45.85	52.73	43.38	49.89	5.70%
W1C14	46 - 60 kl per kl	62.94	72.39	59.55	68.48	5.70%
W1C15	>60 kl per kl	83.90	96.49	79.38	91.29	5.70%
	Restriction Tariff 3 (level 6 restrictions)					
W1C16	0 - 10 kl per kl	25.39	29.20	24.02	27.62	5.70%
W1C17	>10 kl per kl	104.89	120.62	99.23	114.11	5.70%
W1D	**OTHER CONSUMERS**					
W1D1	Departmental per Kl	23.39	26.90	21.63	24.87	8.14%
W1D2	Fire Hoses: Basic per Month	173.71	199.76	164.34	188.99	5.70%
W1D3	Bulk usage (Unconnected to networks) per Kl - Consumers Permanently residing within Overstrand municipality area	14.05	16.15	13.29	15.28	5.70%
W1D3A	Restriction Tariff 1 (level 2 & 3 water restrictions)	18.27	21.01	new	new	
W1D3B	Restriction Tariff 2 (level 4 & 5 water restrictions)	22.28	25.62	new	new	
W1D3C	Restriction Tariff 3 (level 6 water restrictions)	28.10	32.32	new	new	
W1D4	Kid Brooke (Van Cauter 0 - 8000kl per year)	0.08	0.10	0.08	0.09	5.70%
W1D5	Onrus Small Holdings tariff 2 (Van Cauter)	0.08	0.10	0.08	0.09	5.70%
W1D6	Onrus Small Holdings tariff 4 (Per agreement)	1.11	1.28	1.05	1.21	5.70%
W1D7	Contractors water consumption - temporary connection	23.39	26.90	21.63	24.87	8.14%
W1D8	Bulk usage (Unconnected to networks) per Kl - People residing outside the Overstrand municipal area	52.11	59.93	49.30	56.70	5.70%
W1D8A	Restriction Tariff 1 (level 2 & 3 water restrictions)	67.74	77.23	64.09	73.06	5.70%
W1D8B	Restriction Tariff 2 (level 4 & 5 water restrictions)	83.38	95.05	78.88	89.92	5.70%
W1D8C	Restriction Tariff 3 (level 6 water restrictions)	104.22	118.81	98.60	112.40	5.70%
W1E	**WET COMMERCIAL, SPORT, PARKS etc (must apply for this tariff)**					
	Normal Tariff & Level 1 restrictions					
W1E1	0 - 500kl per kl	18.47	21.24	17.47	20.09	5.70%
W1E2	501 - 1000kl per kl	27.92	32.10	26.41	30.37	5.70%
W1E3	>1000kl per kl	37.23	42.81	35.22	40.50	5.70%
	Restriction Tariff 1 (level 2 & 3 restrictions)					
W1E4	0 - 300kl per kl	24.02	27.62	22.72	26.13	5.70%
W1E5	301 - 700kl per kl	36.29	41.73	34.33	39.48	5.70%
W1E6	>700kl per kl	48.40	55.66	45.79	52.66	5.70%

OVERSTRAND MUNICIPALITY

	Restriction Tariff 2 (level 4 & 5 restrictions)					
W1E7	0 - 250kl per kl	29.55	33.99	27.96	32.15	5.70%
W1E8	251 - 500kl per kl	44.67	51.37	42.26	48.60	5.70%
W1E9	>500kl per kl	59.56	68.50	56.35	64.80	5.70%
	Restriction Tariff 3 (level 6 restrictions)					
W1E10	0 - 100kl per kl	36.94	42.48	34.95	40.19	5.70%
W1E11	>100 kl per kl	74.46	85.62	70.44	81.01	5.70%
W1F	**WET INDUSTRY (Marine etc. must apply for this tariff) (Average of 100kl per day over previous 365 days**					
	Normal Tariff & Level 1 restrictions					
W1F1	0 - 5800kl per kl	19.24	22.12	18.20	20.93	5.70%
W1F2	> 5800kl per kl	37.23	42.81	35.22	40.50	5.70%
	Restriction Tariff 1 (level 2 & 3 restrictions)					
W1F3	0 - 5800kl per kl	25.01	28.76	23.66	27.21	5.70%
W1F4	> 5800kl per kl	48.40	55.66	45.79	52.66	5.70%
	Restriction Tariff 2 (level 4 & 5 restrictions)					
W1F5	0 - 5800kl per kl	30.78	35.40	29.12	33.49	5.70%
W1F6	> 5800kl per kl	59.56	68.50	56.35	64.80	5.70%
	Restriction Tariff 3 (level 6 restrictions)					
W1F7	0 - 5 800kl per kl	38.47	44.25	36.40	41.86	5.70%
W1F8	>5 800 kl per kl	74.46	85.62	70.44	81.01	5.70%
W2A	**AVAILABILITY CHARGES**					
W2A1	Overstrand per month	136.50	156.98	129.14	148.51	5.70%
W2A2	Farms connected to water pipe line	136.50	156.98	129.14	148.51	5.70%
W2J	**REBATES (This can be granted by the Municipal Manager after application) refer to Policy # 6.8.1**					
W2J1	Kl above average - per kl	23.39	26.90	21.63	24.87	8.14%
W3A	**IRRIGATION WATER ("LEI WATER") & RAW WATER**					
W3A1	Use and pump water (80-90 min) per MONTH Stanford	41.72	47.98	39.47	45.39	5.70%
W3A2	Pearly Beach Small Holdings: Basic	50.91	58.54	48.16	55.38	5.70%
W3A3	Pearly Beach Small Holdings: Consumption 0- 70 kl per kl	3.98	4.58	3.77	4.34	5.70%
W3A4	Pearly Beach Small Holdings: Consumption >70 kl per kl	9.32	10.72	8.82	10.14	5.70%
W3A5	Others	3.98	4.58	3.77	4.34	5.70%
W3A6	Farm 1/722 Stanford as per agreement 1.75% of raw water abstraction from municipal boreholes, maximum 8760 kl/a	0.00	0.00	0.00	0.00	0.00%
W3A7	Farm 586 Volmoed raw water from De Bos pipeline consumption 0 - 300 kl/month per kl	0.00	0.00	0.00	0.00	0.00%
W3A8	Farm 586 Volmoed raw water from De Bos pipeline consumption >300 kl/month per kl	3.75	4.32	3.55	4.08	5.70%
W3B	**IRRIGATION WATER - (TREATED EFFLUENT)**					
W3B2	Hermanus Golf Club per month	45 289.63	52 083.07	42 847.33	49 274.43	5.70%
W3B3	All other per kl	2.55	2.93	2.41	2.77	5.70%
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	2.55	2.93	2.41	2.77	5.70%
W4	**SUNDRY CHARGES**					
W4A1	Testing of a Meter (Call-out Fee incl)(Conditionally refundable)	912.17	1 049.00	862.61	992.00	5.75%
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	413.91	476.00	391.30	450.00	5.78%

W4A4	Reconnection	413.91	476.00	391.30	450.00	5.78%
W4A5	Reconnection After Normal Working Hours	826.96	951.00	782.61	900.00	5.67%
W4A6	Administration fee - recalculation due to no meter access	161.74	186.00	153.04	176.00	5.68%
W4A7	Verification of a Meter Reading	226.09	260.00	213.91	246.00	5.69%
W4A8	Final and Special Readings	206.96	238.00	195.65	225.00	5.78%
W4A9	Call-out Fee - Normal Working Hours	413.04	475.00	390.44	449.01	5.79%
W4A10	Call-out Fee - After Hours	826.09	950.00	781.74	899.00	5.67%
W4A11	Replacement of damage meter	1 109.57	1 276.00	1 049.57	1 207.01	5.72%
W4A12	Removal of Meter (based on call out fee)	912.17	1 049.00	862.61	992.00	5.75%
W4A13	Registration of Borehole (Including inspection fee)	309.57	356.00	293.04	337.00	5.64%
W4A14	Repositioning of Meter (excl. pipe)	907.83	1 044.00	859.13	988.00	5.67%
W4A15	Convert to Water Flow Restrictor Meter	2 956.52	3 400.00	2 797.39	3 217.00	5.69%
W4A16	Temporary Connections - Deposit	7 780.00	no vat	7 360.00	no vat	5.71%
W4A17	Temporary Connection - Usage per kl	23.39	26.90	18.96	21.80	23.36%
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 127.07	applicable vat	Actual cost plus R2,958.44	applicable vat	5.70%
W4A20	Damage of Service Connection (including water meter)	Actual cost plus R822.02	applicable vat	Actual cost plus R777.69	applicable vat	5.70%
W5	**ILLEGAL CONNECTION / TAMPERING FEE**					
W5A1	1st Offence	6 901.00	no vat	6 529.00	no vat	5.70%
W5A2	2 nd Offence Must convert to a flow-restriction watermeter at applicable tariff plus	8 098.00	no vat	7 661.00	no vat	5.70%
W5A3	3rd Offence (Restriction of service and remedial action fee = double previous offence fee)	Previous offence amount X 2	applicable vat	Previous offence amount X 2	applicable vat	
W6	**CONNECTION FEE**					
W6A1	20 mm Connection Conventional Meter	5 055.65	5 814.00	4 782.61	5 500.00	5.71%
W6A2	20 mm Connection Water Flow Restrictor Meter	6 003.48	6 904.00	5 680.00	6 532.00	5.70%
W6A3	Other Connections	Actual cost plus 15%	applicable vat	Actual cost plus 15%	applicable vat	
W6A4	Connections (Erf Boundary - by Developer)	1 314.78	1 512.00	1 243.48	1 430.00	5.73%
W7	**BULK SERVICES DEVELOPMENT FEES**					
	Tariffs set out in Development Contribution Tariff list					

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

247

ANNEXURE TO WATER TARIFFS

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

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

RUE = Residential Unit Equivalent

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

248

DEVELOPMENT CONTRIBUTION TARIFFS (ROUNDING APPLICABLE)

Tariff Code	Detail	2019/2020		2018/2019		1.057
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
		R	R	R	R	
DC1	**WATER**					
DC1A	Standard Fee per Equivalent Unit	19 934.78	22 925.00	18 859.65	21 688.60	5.70%
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	27 947.35	32 139.45	27 947.35	32 139.45	0.00%
DC2B	**New Developments**					
DC2B1	Standard fee per Singel Phase Domestic erf - infrastructure provide by developer (Based on 13.8 kVA xE15A2 x.36)	16 708.18	19 214.41	16 708.18	19 214.41	0.00%
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (Based on 42kVA x E15A2x.36)	50 850.98	58 478.63	50 850.98	58 478.63	0.00%
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	3 363.16	3 867.63	3 363.16	3 867.63	0.00%
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	4 284.21	4 926.84	4 284.21	4 926.84	0.00%
DC3	**SEWERAGE**					
DC3A	Standard Fee per Equivalent Unit	13 440.87	15 457.00	12 715.79	14 623.16	5.70%
DC4	**ROADS**					
DC4A	Standard Fee per Equivalent Unit	6 026.96	6 931.00	5 701.75	6 557.01	5.70%
DC5	**STORMWATER**					
DC5A	Standard Fee per Equivalent Unit	6 953.91	7 997.00	6 578.95	7 565.79	5.70%
DC6	**SOLID WASTE**					
DC6A	Standard Fee per Equivalent Unit	1 205.22	1 386.00	1 140.35	1 311.40	5.69%
DC7	**OFF-GRID DEVELOPMENT/UNITS**					
DC7A	As per signed agreement as recommended by the Director: Infrastructure and Planning and approval by the Municipal Manager	as per agreement	applicable vat	as per agreement	applicable vat	
DC8	**EVALUATION/INVESTIGATION LEVIES are payable OVER and ABOVE the Bulk Service Levies**					
DC8A	**Water**					
	No. of Equivalent units					
DC8A1	1 - 4	no charge	no vat	no charge	no vat	
DC8A2	5 - 10	8 350.44	9 603.00	7 900.00	9 085.00	5.70%
DC8A3	11 - 25	14 058.26	16 167.00	13 300.00	15 295.00	5.70%
DC8A4	26 - 50	19 343.48	22 245.00	18 300.00	21 045.00	5.70%
DC8A5	51 - 100	22 197.39	25 527.00	21 000.00	24 150.00	5.70%
DC8A6	101 - 250	24 627.83	28 322.00	23 300.00	26 795.00	5.70%
DC8A7	251 - 500	28 750.44	33 063.00	27 200.00	31 280.00	5.70%
DC8A8	501 - 2000	32 449.57	37 317.00	30 700.00	35 305.00	5.70%
DC8A9	2001 - 5000	39 003.48	44 854.00	36 900.00	42 435.00	5.70%
DC8A10	> 5001	44 288.70	50 932.00	41 900.00	48 185.00	5.70%

OVERSTRAND MUNICIPALITY

DC8E	Sanitation					
	No. of Equivalent units					
DC8E1	1 - 4	no charge	no vat	no charge	no vat	
DC8E2	5 - 10	8 350.44	9 603.00	7 900.00	9 085.00	5.70%
DC8E3	11 - 25	14 058.26	16 167.00	13 300.00	15 295.00	5.70%
DC8E4	26 - 50	19 343.48	22 245.00	18 300.00	21 045.00	5.70%
DC8E5	51 - 100	22 197.39	25 527.00	21 000.00	24 150.00	5.70%
DC8E6	101 - 250	24 627.83	28 322.00	23 300.00	26 795.00	5.70%
DC8E7	251 - 500	28 750.44	33 063.00	27 200.00	31 280.00	5.70%
DC8E8	501 - 2000	32 449.57	37 317.00	30 700.00	35 305.00	5.70%
DC8E9	2000 – 5000	39 003.48	44 854.00	36 900.00	42 435.00	5.70%
DC8E10	> 5001	44 288.70	50 932.00	41 900.00	48 185.00	5.70%

250

OVERSTRAND MUNISIPALITEIT / OVERSTRAND MUNICIPALITY
2019 -05- 23

RESORTS TARIFF LIST (ROUNDING APPLICABLE)

Tariff Code	Detail	2019/2020		2018/2019		1.057 normal / 1.1307 electricity
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%	
	** A deposit of 50% of the total amount payable is applicable to secure the booking					
	** On cancellation of the booking an administration fee of 15% will deducted from the deposit					
	** On cancellation of the booking less than 14 days prior to the commencement of the booking period, the deposit **will not** be paid back					
R 1	**PALMIET & KLEINMOND CARAVAN PARKS**					
R1A	**Peak Season - 1 December - 31 January & Easter Weekend**					
R1A1	A Stands per day	396.52	456.00	374.78	431.00	5.80%
R1A2	B Stands per day	318.26	366.00	300.87	346.00	5.78%
R1A3	C Stands per day	282.61	325.00	266.96	307.00	5.86%
R1B	**Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)**					
R1B1	A Stands per day	220.00	253.00	207.83	239.00	5.86%
R1B2	B Stands per day	188.70	217.00	178.26	205.00	5.85%
R1B3	C Stands per day	173.04	199.00	163.48	188.00	5.85%
	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	24.58	28.27	21.74	25.00	13.07%
R1F2	Additional persons up to a maximum of two (2) - per person per day	57.39	66.00	53.91	62.00	6.46%
R1F3	Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day	32.17	37.00	30.44	35.00	5.70%
R1F4	Day visitors for campers up to a maximum of four (4) per person per day	57.39	66.00	53.91	62.00	6.46%
R1F5	Day visitors vehicle per day	44.35	51.00	41.74	48.00	6.25%
	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)	28.70	33.00	26.96	31.00	6.44%
R1F8	Gate Card / Key Deposit per set - Refundable	166.00	no vat	157.00	no vat	5.73%
R1J	**Low Season: 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	2 673.04	3 074.00	2 528.70	2 908.00	5.71%
R 10	**KLEINMOND: FRANK ROBB HUT**					
R10A	Camping per person per day (Maximum of 10 persons)	93.91	108.00	88.70	102.00	5.88%
R 20	**ONRUS CARVAN PARK: PLETT HOUSE**					
R20A	Peak Season - 1 December - 31 January & Easter Weekend	438.26	504.00	414.78	477.00	5.66%
R20B	Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)	272.17	313.00	257.39	296.00	5.74%
R 30	**ONRUS CARVAN PARK**					
R30A	**Peak Season - 1 December - 31 January & Easter Weekend**					
R30A1	A Stands per day	432.17	497.00	408.70	470.00	5.74%
R30A2	B Stands per day	331.30	381.00	313.04	360.00	5.83%
R30A3	C Stands per day	302.61	348.00	286.09	329.00	5.77%
R30B	**Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)**					
R30B1	A Stands per day	239.13	275.00	226.09	260.00	5.77%
R30B2	B Stands per day	202.61	233.00	191.30	220.00	5.91%

OVERSTRAND MUNICIPALITY

R30B3	C Stands per day	188.70	217.00	178.26	205.00	5.85%
	The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day					
R30F	**Sundry Costs**					
R30F1	Electricity if available per stand per day	24.58	28.27	21.74	25.00	13.07%
R30F2	Additional persons up to a maximum of two (2) - per person per day	63.48	73.00	60.00	69.00	5.80%
R30F3	Additional vehicle or small trailer or small boat to maximum of 2 units - per unit per day	33.91	39.00	32.17	37.00	5.41%
R30F4	Children under two (2) years	no charge	no vat	no charge	no vat	
R30F5	Children under twelve (12)	32.17	37.00	30.44	35.00	5.70%
R30F6	Daily Functions (pre-arrangement) per day	156.52	180.00	147.83	170.00	5.88%
R30F7	Full 30 day Rental	4 272.17	4 913.00	4 041.74	4 648.00	5.70%
R30F8	Gate Card / Key Deposit per set - Refundable	169.00	no vat	160.00	no vat	5.63%
R30J	**Long Term Rental**					
R30J1	Rental per annum	13 976.62	16 073.00	13 222.61	15 206.00	5.70%
	Plus:					
R30J2	Pergola with covering per annum	1 498.26	1 723.00	1 417.39	1 630.00	5.71%
R30J3	Water tap per annum	319.13	367.00	301.74	347.00	5.76%
R30J4	Structure for storing purposes per annum	319.13	367.00	301.74	347.00	5.76%
R30J5	Permanent fireplace structure per annum	319.13	367.00	301.74	347.00	5.76%
R30J6	Electricity per stand per annum	1 085.47	1 248.29	960.00	1 104.00	13.07%
R30L	**Low Season: 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	2 937.39	3 378.00	2 760.00	3 174.00	6.43%
R 60	**GANSBAAAI CARAVAN PARK**					
R60A	**Peak Season - 1 December - 31 January & Easter Weekend**					
R60A1	A+ Stands per day	313.04	360.00	295.65	340.00	5.88%
R60A2	A Stands per day	266.96	307.00	252.17	290.00	5.87%
R60A3	B Stands per day	220.00	253.00	207.83	239.00	5.86%
R60A4	C Stands per day	188.70	217.00	178.26	205.00	5.85%
R60B	**Off-Peak Season - 1 February - 30 November (Excluding Easter Weekend)**					
R60B1	A+ Stands per day	240.00	276.00	226.96	261.00	5.75%
R60B2	A Stands per day	198.26	228.00	187.83	216.00	5.55%
R60B3	B Stands per day	188.70	217.00	178.26	205.00	5.85%
R60B4	C Stands per day	173.04	199.00	163.48	188.00	5.85%
	The above tariffs include for up to four (4) persons and one (1) vehicle with one trailor or caravan or small boat per day					
R60F	**Sundry Costs**					
R60F1	Additional persons up to a maximum of two (2) - per person per day	57.39	66.00	53.91	62.00	6.46%
R60F2	Additional vehicle or small trailer or small boat - per unit per day	41.74	48.00	39.13	45.00	6.67%
R60F3	Children under two (2) years	no charge	no vat	no charge	no vat	
R60F4	Children under twelve (12)	28.70	33.00	26.96	31.00	6.44%
R60F5	Day visitors for campers up to a maximum of four (4) per person per day	41.74	48.00	39.13	45.00	6.67%
R60F6	Gate Card / Key Deposit per set - Refundable	166.00	no vat	157.00	no vat	5.73%
R60J	**Long Term Rental**					
R60J1	Rental per annum	7 846.09	9 023.00	7 422.61	8 536.00	5.71%

252

E60K	**Low Season: 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	188.70	217.00	178.26	205.00	5.85%
R80A2	Parking Fees per vehicle (excluding busses >20 seats)	13.91	16.00	13.04	15.00	6.67%
R80A3	Per Bus >20 seats	161.74	186.00	153.04	176.00	5.68%
R80A4	Entrance Fee: Adults (per person)	13.91	16.00	13.04	15.00	6.67%
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	102.61	118.00	97.39	112.00	5.36%
R80B2	Parking Fees per vehicle (excluding busses >20 seats)	13.91	16.00	13.04	15.00	6.67%
R80B3	Per Bus >20 seats	161.74	186.00	153.04	176.00	5.68%
R80B4	Entrance Fee: Adults (per person)	13.91	16.00	13.04	15.00	6.67%
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	24.58	28.27	21.74	25.00	13.07%
R80E2	Additional vehicle or small trailer or small boat - per unit per day	39.13	45.00	37.39	43.00	4.65%
R80E3	Events - partial or whole day camp site, per day or portion of the day (Excluding other services eg. Refuse collection, electricity etc.)	533.91	614.00	505.22	581.00	5.68%
R80J	**Low Season: 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	

253

OVERSTRAND MUNISIPALITEIT / OVERSTRAND MUNICIPALITY
2019 -05- 23

ANNEXURE D

TARIFF BASKETS

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

MONTHLY BASKET OF TARIFFS - SINGLE RESIDENTIAL 2019/2020

Residential				Year	Year	Increase/Decrease	
High Consumption with credit elect meter				2018/2019	2019/2020	Amount	%
	Valuation	R3 500 000					
Rates				1 240.85	1 311.58	70.73	5.70
Sewer	SE7A1+SE8A			568.69	601.15	32.46	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			164.35	185.49	21.14	12.86
Water		50 kl		1 083.48	1 146.99	63.51	5.86
VAT			15%	280.51	298.07	17.57	6.26
SUB TOTAL				**3 391.42**	**3 596.81**	**205.39**	**6.06**
Electricity Credit Meter		1500 kWh		2 967.41	3 347.74	380.33	12.82
VAT			15%	445.11	502.16	57.05	12.82
TOTAL				**6 803.94**	**7 446.72**	**642.78**	**9.45**
HPP if applicable				*124.09*	*0.00*	*-124.09*	*-100.00*

High Consumption with prepaid elect meter				2018/2019	2019/2020	Amount	%
	Valuation	R3 500 000					
Rates				1 240.85	1 311.58	70.73	5.70
Sewer	SE7A1+SE8A			568.69	601.15	32.46	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			164.35	185.49	21.14	12.86
Water		50 kl		1 083.48	1 146.99	63.51	5.86
VAT			15%	280.51	298.07	17.57	6.26
SUB TOTAL				**3 391.42**	**3 596.81**	**205.39**	**6.06**
Electricity Prepaid Meter		1500 kWh		2 840.62	3 205.09	364.47	12.83
VAT			15%	426.09	480.76	54.67	12.83
TOTAL				**6 658.13**	**7 282.67**	**624.54**	**9.38**
HPP if applicable				*124.09*	*0.00*	*-124.09*	*-100.00*

Medium Consumption with credit elect meter				2018/2019	2019/2020	Amount	%
	Valuation	R2 500 000					
Rates				881.18	931.41	50.23	5.70
Sewer	SE7A1+SE8A			341.89	361.40	19.51	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			164.35	185.49	21.14	12.86
Water		25 kl		412.73	438.00	25.27	6.12
VAT			15%	145.88	155.76	9.89	6.78
SUB TOTAL				**1 999.57**	**2 125.60**	**126.03**	**6.30**
Electricity Credit Meter		800 kWh		1 525.27	1 722.45	197.18	12.93
VAT			15%	228.79	258.37	29.58	12.93
TOTAL				**3 753.63**	**4 106.42**	**352.79**	**9.40**
HPP if applicable				*88.12*	*0.00*	*-88.12*	*-100.00*

Medium Consumption with prepaid elect meter				2018/2019	2019/2020	Amount	%
	Valuation	R2 500 000					
Rates				881.18	931.41	50.23	5.70
Sewer	SE7A1+SE8A			341.89	361.40	19.51	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			164.35	185.49	21.14	12.86
Water		25 kl		412.73	438.00	25.27	6.12
VAT			15%	145.88	155.76	9.89	6.78
SUB TOTAL				**1 999.57**	**2 125.60**	**126.03**	**6.30**
Electricity Prepaid Meter		800 kWh		1 454.41	1 642.83	188.42	12.96
VAT			15%	218.16	246.43	28.26	12.96
TOTAL				**3 672.14**	**4 014.86**	**342.72**	**9.33**
HPP if applicable				*88.12*	*0.00*	*-88.12*	*-100.00*

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Low Consumption with credit meter				2018/2019	2019/2020	Amount	%
	Valuation	R1 000 000					
Rates				341.68	361.16	19.48	5.70
Sewer	SE7A1+SE8A			251.17	265.50	14.33	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			164.35	185.49	21.14	12.86
Water		15 kl		256.91	273.30	16.39	6.38
VAT			15%	108.90	116.67	7.78	7.14
SUB TOTAL				**1 176.55**	**1 255.66**	**79.11**	**6.72**
Electricity Credit Meter		600 kWh		1 113.23	1 258.08	144.85	13.01
VAT			15%	166.98	188.71	21.73	13.01
TOTAL				**2 456.76**	**2 702.45**	**245.69**	**10.00**
HPP if applicable				*34.17*	*0.00*	*-34.17*	*-100.00*

Low Consumption with prepaid elect meter				2018/2019	2019/2020	Amount	%
	Valuation	R1 000 000					
Rates				341.68	361.16	19.48	5.70
Sewer	SE7A1+SE8A			251.17	265.50	14.33	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week			164.35	185.49	21.14	12.86
Water		15 kl		256.91	273.30	16.39	6.38
VAT			15%	108.90	116.67	7.78	7.14
TOTAL				**1 176.55**	**1 255.66**	**79.11**	**6.72**
Electricity Prepaid Meter		600 kWh		1 058.35	1 196.47	138.12	13.05
VAT			15%	158.75	179.47	20.72	13.05
				2 393.65	**2 631.61**	**237.95**	**9.94**
HPP if applicable				*34.17*	*0.00*	*-34.17*	*-100.00*

Life-Line Consumption (ONE PART) (Indigent)				2018/2019	2019/2020	Amount	%
	Valuation	R50 000					
Rates				0.00	0.00	0.00	0.00
Sewer	SE7A1			18.14	19.18	1.04	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	41.70	-11.84	-22.11
Refuse	1X Per Week			0.00	0.00	0.00	0.00
Water		8 kl		21.70	22.94	1.24	5.70
VAT			15%	14.01	12.57	-1.44	-10.24
SUB TOTAL				**107.39**	**96.39**	**-11.00**	**-10.24**
Electricity Pre-paid		300 kWh		321.84	360.46	38.62	12.00
VAT			15%	48.28	54.07	5.79	12.00
TOTAL				**477.51**	**510.92**	**33.41**	**7.00**

Conservancy Tanks							
If tariff SE7 is not applicable				2018/2019	2019/2020	Amount	%
Smaller than 6kl				529.39	559.57	30.18	5.70
Greater than 6kl				529.39	559.57	30.18	5.70
Outside urban area Plus	per km			15.52	16.40	0.88	5.70
Plus	Per hour			317.91	336.03	18.12	5.70
After hours							
Smaller than 6kl				1 058.78	1 119.13	60.35	5.70
Greater than 6kl				1 058.78	1 119.13	60.35	5.70

Sub-Economic Consumption (Indigent)				2018/2019	2019/2020	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		159.17	179.27	19.10	12.00
VAT			15%	23.88	26.74	2.87	12.00
TOTAL				**231.00**	**252.97**	**21.97**	**9.51**

OVERSTRAND MUNISIPALITEIT
2018 05 23
OVERSTRAND MUNICIPALITY

MONTHLY BASKET OF TARIFFS - BUSINESS 2018/2019

Bussiness - Large (Time of Use)				2018/2019	2019/2020	Amount	%
	Valuation	R35 000 000					
Rates				23 837.92	25 196.68	1 358.76	5.70
Sewer	SE7D1+SE8A	30		8 818.14	9 321.30	503.16	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	Bins 2X Per Week	30		9 861.00	11 129.12	1 268.12	12.86
Water	460 kl			20 275.44	21 431.14	1 155.70	5.70
VAT			15%	5 851.22	6 290.27	439.05	7.50
SUB TOTAL				**68 697.25**	**73 422.05**	**4 724.79**	**6.88**
Electricity Credit Meter	108751 +436kVA			131 073.94	147 720.32	16 646.39	12.70
VAT			15%	19 661.09	22 158.05	2 496.96	12.70
TOTAL				**219 432.28**	**243 300.42**	**23 868.14**	**10.88**
HPP if applicable				*2 383.79*	*0.00*	*-2 383.79*	*-100.00*

Bussiness - Medium (Three Phase)				2018/2019	2019/2020	Amount	%
	Valuation	R3 200 000					
Rates				2 179.47	2 303.70	124.23	5.70
Sewer	SE7D1+SE8A	1		581.65	614.85	33.20	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week	3		493.05	556.46	63.41	12.86
Water	40 kl			827.74	874.92	47.18	5.70
VAT			15%	293.40	314.97	21.57	7.35
SUB TOTAL				**4 428.84**	**4 718.43**	**289.59**	**6.54**
Electricity Credit Meter	7000 kWh			12 554.59	14 150.46	1 595.87	12.71
VAT			15%	1 883.19	2 122.57	239.38	12.71
TOTAL				**18 866.62**	**20 991.46**	**2 124.84**	**11.26**
HPP if applicable				*217.95*	*0.00*	*-217.95*	*-100.00*

Bussiness - Small (Three Phase)				2018/2019	2019/2020	Amount	%
	Valuation	R3 200 000					
Rates				2 179.47	2 303.70	124.23	5.70
Sewer	SE7D1+SE8A	1		581.65	614.85	33.20	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week	2		328.70	370.97	42.27	12.86
Water	40 kl			827.74	874.92	47.18	5.70
VAT			15%	268.74	287.14	18.40	6.85
SUB TOTAL				**4 239.84**	**4 505.12**	**265.28**	**6.26**
Electricity Credit Meter	4000 kWh			7 423.99	8 373.41	949.42	12.79
VAT			15%	1 113.60	1 256.01	142.41	12.79
TOTAL				**12 777.43**	**14 134.54**	**1 357.11**	**10.62**
HPP if applicable				*217.95*	*0.00*	*-217.95*	*-100.00*

Bussiness - Small (Three Phase)				2018/2019	2019/2020	Amount	%
	Valuation	R3 200 000					
Rates				2 179.47	2 303.70	124.23	5.70
Sewer	SE7D1+SE8A	1		581.65	614.85	33.20	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week	2		328.70	370.97	42.27	12.86
Water	40 kl			827.74	874.92	47.18	5.70
VAT			15%	268.74	287.14	18.40	6.85
SUB TOTAL				**4 239.84**	**4 505.12**	**265.28**	**6.26**
Electricity Credit Meter	1000 kWh			2 293.39	2 596.35	302.96	13.21
VAT			15%	344.01	389.45	45.44	13.21
TOTAL				**6 877.24**	**7 490.93**	**613.69**	**8.92**
HPP if applicable				*217.95*	*0.00*	*-217.95*	*-100.00*

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Bussiness - Small (Three Phase) Prepaid Electricity				2018/2019	2019/2020	Amount	%
	Valuation	R3 200 000					
Rates				2 179.47	2 303.70	124.23	5.70
Sewer	SE7D1+SE8A	1		581.65	614.85	33.20	5.71
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
Refuse	1X Per Week	2		328.70	370.97	42.27	12.86
Water	40 kl			827.74	874.92	47.18	5.70
VAT			15%	268.74	287.14	18.40	6.85
SUB TOTAL				**4 239.84**	**4 505.12**	**265.28**	**6.26**
Electricity Pre-paid	1000 kWh			2 194.89	2 485.33	290.44	13.23
VAT			15%	329.23	372.80	43.57	13.23
TOTAL				**6 763.96**	**7 363.25**	**599.29**	**8.86**
HPP if applicable				*217.95*	*0.00*	*-217.95*	*-100.00*

MONTHLY BASKET OF TARIFFS - VACANT ERVEN 2017/2018

Valuation High				2018/2019	2019/2020	Amount	%
	Valuation	R780 000					
Rates				480.22	507.59	27.37	5.70
Sewer can connect	Availability			115.09	121.65	6.56	5.70
Refuse	Availability			82.17	92.74	10.57	12.86
Electricity	Availability			291.60	335.34	43.74	15.00
Water	Availability			129.14	136.50	7.36	5.70
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
VAT			15%	100.73	110.97	10.23	10.16
TOTAL				**1 252.49**	**1 358.33**	**105.83**	**8.45**
HPP if applicable				*48.02*	*0.00*	*-48.02*	*-100.00*

Valuation Average				2018/2019	2019/2020	Amount	%
	Valuation	R250 000					
Rates				153.92	162.69	8.77	5.70
Sewer can connect	Availability			115.09	121.65	6.56	5.70
Refuse	Availability			82.17	92.74	10.57	12.86
Electricity	Availability			291.60	335.34	43.74	15.00
Water	Availability			129.14	136.50	7.36	5.70
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
VAT			15%	100.73	110.97	10.23	10.16
TOTAL				**926.19**	**1 013.42**	**87.24**	**9.42**
HPP if applicable				*15.39*	*0.00*	*-15.39*	*-100.00*

Valuation Lower				2018/2019	2019/2020	Amount	%
	Valuation	R110 000					
Rates				67.72	71.58	3.86	5.70
Sewer can connect	Availability			115.09	121.65	6.56	5.70
Refuse	Availability			82.17	92.74	10.57	12.86
Electricity	Availability			291.60	335.34	43.74	15.00
Water	Availability			129.14	136.50	7.36	5.70
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
VAT			15%	100.73	110.97	10.23	10.16
TOTAL				**839.99**	**922.32**	**82.32**	**9.80**

Valuation Low				2018/2019	2019/2020	Amount	%
	Valuation	R15 000					
Rates				9.24	9.76	0.53	5.70
Sewer can connect	Availability			115.09	121.65	6.56	5.70
Refuse	Availability			82.17	92.74	10.57	12.86
Electricity	Availability			291.60	335.34	43.74	15.00
Water	Availability			129.14	136.50	7.36	5.70
Infrastructure Basic Charge Water, Electricity & Sewer				53.54	53.54	0.00	0.00
VAT			15%	100.73	110.97	10.23	10.16
TOTAL				**781.51**	**860.49**	**78.99**	**10.11**

OVERSTRAND MUNISIPALITEIT
2019 -03- 23
OVERSTRAND MUNICIPALITY

ANNEXURE E

CAPITAL BUDGET, WARD PROJECTS & HOUSING PROGRAMME

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

CAPITAL BUDGET 2019/20 - 2021/22

						2019/20 BUDGET			2020/21 BUDGET			2021/22 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			**10 000**		**10 000**						
Overstrand	Overstrand	Overstrand	MINOR ASSETS - COUNCIL	D Arrison	Surplus	10 000		10 000						
			FINANCE AND ADMINISTRATION			**4 096 000**		**4 096 000**	**15 000 000**		**15 000 000**	**15 000 000**		**15 000 000**
Overstrand	Overstrand	Overstrand	ICT -WI-FI PROJECTS TO SEE THE VIABILITY OF OFFERING SERVICES	C Johnson	Surplus	250 000		250 000						
Overstrand	Overstrand	Overstrand	ONRUS DISASTER RECOVERY SITE FIRE DETECTION FACILITIES	C Johnson	Surplus	200 000		200 000						
Overstrand	Overstrand	Overstrand	EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS UPGRADE (HIGH SI	C Johnson	Surplus	500 000		500 000						
Overstrand	Overstrand	Overstrand	MICROSOFT EXCHANGE AND LICENSES	C Johnson	Surplus	2 300 000		2 300 000						
Overstrand	Overstrand	Overstrand	REPLACEMENT OF UPS HIGHSITE	C Johnson	Surplus	150 000		150 000						
Overstrand	Overstrand	Overstrand	FIREWALL MANAGEMENT SOFTWARE	C Johnson	Surplus	250 000		250 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS -FINANCE	S Reyneke	Surplus	30 000		30 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS- MANAGEMENT SERVICES	D Arrison	Surplus	15 000		15 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS-ICT- ORGANIZATION WIDE	C Johnson	Surplus	300 000		300 000						
Gansbaai	Blompark/ KB	Ward 02	UPGRADING OF WORK YARD	T Steenberg	Operating Cash-WSP	100 000		100 000						
Overstrand	Overstrand	Overstrand	SURPLUS	TMT	Surplus				15 000 000		15 000 000	15 000 000		15 000 000
			PUBLIC SAFETY			**11 525 464**	**4 745 553**	**16 271 017**		**841 000**	**841 000**			
Hermanus	Hemel&Aarde	Ward 04	LAW ENFORCEMENT FACILITIES(VEHICLES/DOGS/FIREARMS) (K9 UNIT)	N Micheals	ESCI-K9 Unit-R/O		2 583 000	2 583 000						
Hermanus	Hemel&Aarde	Ward 04	BUILDING RENOVATIONS FARM 585/3	D Hendriks	Surplus- R/O	1 420 501		1 420 501						
Overstrand	Overstrand	Overstrand	UPGRADING OF FACILITIES - FIRE SERVICES BUILDING	L Smith	LS-R/O&K9 Unit-R/O	2 480 000	320 000	2 800 000						
Overstrand	Overstrand	Overstrand	ESTABLISHING OF A K53 TEST STATION :KLEINMOND	R Fraser	Land Sales	600 000		600 000						
Overstrand	Overstrand	Overstrand	ESTABLISHING OF A K53 TEST STATION :GANSBAAI	R Fraser	Land Sales	500 000		500 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS -PROTECTION SERVICES	N Micheals	Surplus	300 000		300 000						
Overstrand	Overstrand	Overstrand	VEHICLES-PUBLIC SAFETY	M Bartman	Surplus	3 101 581		3 101 581		841 000	841 000			
DO	DO	DO	DO	M Bartman	Surplus- R/O	643 382		643 382						
DO	DO	DO	DO	L Smith	Prov-Disaster Mart		1 842 553	1 842 553						
Overstrand	Overstrand	Overstrand	ACCESS CONTROL MUNICIPAL MAIN BUILDING	L Smith	Surplus- R/O	100 000		100 000						
Gansbaai	Franskraal	Ward 01	CCTV CAMERAS	L Smith	Operating Cash-WSP	100 000		100 000						
Gansbaai	Gansbaai	Ward 02	CCTV CAMERAS	L Smith	Operating Cash-WSP	50 000		50 000						
Gansbaai	Kleinbaai	Ward 02	CCTV CAMERAS	L Smith	Operating Cash-WSP	50 000		50 000						
Gansbaai	DK/Perlemoenbaai	Ward 02	CCTV CAMERAS	L Smith	Operating Cash-WSP	50 000		50 000						
Hermanus	Fisherhaven	Ward 08	CCTV CAMERAS	L Smith	Operating Cash-WSP	100 000		100 000						
Kleinmond	Kleinmond	Ward 09	SAFETY CAMERAS AT ENTRANCES OF TOWN	L Smith	Operating Cash-WSP	100 000		100 000						
Stanford	Stanford	Ward 11	CCTV CAMERAS	L Smith	Operating Cash-WSP	100 000		100 000						
Gansbaai	Baardskeerdersbos	Ward 11	CCTV CAMERAS	L Smith	Operating Cash-WSP	30 000		30 000						
Gansbaai	Pearly Beach	Ward 11	CCTV CAMERAS	L Smith	Operating Cash-WSP	50 000		50 000						
Hermanus	Westcliff	Ward 04	CCTV CAMERAS	L Smith	Land Sales	250 000		250 000						
Overstrand	Overstrand	Overstrand	CCTV CAMERAS	L Smith	Land Sales	1 000 000		1 000 000						
Overstrand	Overstrand	Overstrand	CCTV CAMERAS	L Smith	Land Sales-R/over	500 000		500 000						
			PLANNING & DEVELOPMENT			**8 899 492**		**8 899 492**						
Overstrand	Overstrand	Overstrand	MINOR ASSETS -LED	S Madikane	Surplus	25 000		25 000						
Hermanus	Hawston	Ward 08	HAWSTON INDUSTRIAL(BUSINESS) HUB	D Hendriks	Land Sales- R/O	4 871 000		4 871 000						
Overstrand	Overstrand	Overstrand	ECD CENTRE ESTABLISMENT	H Bilgnaut	Land Sales	793 000		793 000						
Overstrand	Overstrand	Overstrand	VEHICLES-PLANNING & DEVELOPMENT	M Bartman	Surplus	560 492		560 492						
Hermanus	Hawston	Ward 08	HAWSTON "LANG ERWE": TRANSFERS	S Muller	Land Sales	150 000		150 000						
Hermanus	Hermanus	Ward 03	FERNKLOOF NATURE RESERVE FACILITIES	L de Villiers	Land Sales	2 100 000		2 100 000						
Hermanus	Hermanus	Ward 03	FERNKLOOF FACILITY UPGRADE – PARKING AND OTHER SMALLER PROJECTS	J De Villiers	Operating Cash-WSP	200 000		200 000						
Overstrand	Overstrand	Overstrand	MINOR ASSETS- INFRASTRUCTURE & PLANNING	S Muller	Surplus	200 000		200 000						
			COMMUNITY AND SOCIAL SERVICES			**3 280 000**		**3 280 000**						
Overstrand	Overstrand	Overstrand	MINOR ASSETS- COMMUNITY SERVICES	R Williams	Surplus	600 000		600 000						
Pringle Bay	Pringle Bay	Ward 10	DISABLED TOILET - PRINGLE BAY PUBLIC TOILETS	D Van Rhodie	Operating Cash-WSP	80 000		80 000						
Betty's Bay	Betty's Bay	Ward 10	ABLUTION FACILITIES - JOCK'S BAY & SILVERSANDS	D Van Rhodie	Operating Cash-WSP	50 000		50 000						
Hermanus	Onrus/Vermont	Ward 13	DAVIE'S POOL - PARKING AND STORMWATER	J de Villiers	Operating Cash-WSP	100 000		100 000						
Hermanus	Onrus/Vermont	Ward 13	ABLUTION FACILITIES - ONRUS SWIMMING BEACH	J de Villiers	Land Sales	750 000		750 000						
Hermanus	Hermanus	Ward 03	SHELTER FOR COMMUNITIES .TAXI RANK	J de Villiers	Land Sales	200 000		200 000						
Kleinmond	Kleinmond	Ward 10	CEMETERY INFRASTRUCTURE	M Bartman	Land Sales	1 500 000		1 500 000						
			SPORT & RECREATION			**5 470 172**	**13 300 000**	**18 770 172**						
Hermanus	Hawston	Ward 08	UPGRADE HAWSTON SPORT COMPLEX	D Hendriks	MIG		13 300 000	13 300 000						
DO	DO	DO	DO	D Hendriks	Land Sales	2 277 530		2 277 530						
Hermanus	Mount Pleasant	Ward 04	UPGRADING OF MOUNT PLEASANT SPORTSGROUND FLOODLIGHTS	J de Villiers	Land Sales	1 200 000		1 200 000						
Hermanus	Hawston	Ward 08	EXTENTION OF SITTING PAVILION	J De Villiers	Surplus -Non tariff	200 000		200 000						
Gansbaai	Masakhane	Ward 01	FURNITURE SPORT CLUB HOUSE	F Myburgh	Operating Cash-WSP	30 000		30 000						
Hermanus	Zwelihle	Ward 05	PURCHASING & INSTALLATION OF PLAY PARK EQUIPMENT	L Rainbird	Operating Cash-WSP	500 000		500 000						
Zwelihle	Zwelihle	Ward 05	OUTDOOR GYM OPPOSITE ZWELIHLE SPORT GROUND	B Pieterse	Operating Cash-WSP	100 000		100 000						
Kleinmond	Proteadorp	Ward 09	RUGBY FIELD LIGHTS	R Buckle	Operating Cash-WSP	50 000		50 000						
Kleinmond	Proteadorp	Ward 09	NETBALL CLUBHOUSE EXTENSION (CHANGE ROOMS)	D Lakey	Operating Cash-WSP	150 000		150 000						
Kleinmond	Proteadorp	Ward 09	PLAYPARK EQUIPMENT	D Van Rhodie	Operating Cash-WSP	26 000		26 000						
Overstrand	Overstrand	Overstrand	VEHICLES-BEACHES	M Bartman	Surplus	80 000		80 000						
Overstrand	Overstrand	Overstrand	VEHICLES-PARKS	M Bartman	Surplus- R/O	137 512		137 512						
Overstrand	Overstrand	Overstrand	VEHICLES-PARKS	M Bartman	Surplus	719 130		719 130						

Area	Local Area	Ward	Project Description	Project Manager	Funding Source	2019/20 BUDGET			2020/21 BUDGET			2021/22 BUDGET		
						COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL
			HOUSING				26 438 832	26 438 832		13 286 760	13 286 760		39 479 750	39 479 750
Gansbaai	Masakhane	Ward 01	MASAKHANE IRDP(296)	D Hendriks	Prov-Housing		11 113 300	11 113 300						
Gansbaai	Masakhane	Ward 01	MASAKHANE IRDP(1179)	D Hendriks	Prov-Housing					4 051 120	4 051 120		12 659 750	12 659 750
Gansbaai	Blompark	Ward 02	BLOMPARK PROJECT	D Hendriks	Prov-Housing		1 818 048	1 818 048						
Hermanus	Zwelihle	Ward 05	ZWELIHLE PROJECT-TRANSIT CAMP(184)	D Hendriks	Prov-Housing		1 500 000	1 500 000		3 240 000	3 240 000			
Hermanus	Zwelihle	Ward 06	TAMBO SQUARE & NEW CAMP (82)	D Hendriks	Prov-Housing								4 920 000	4 920 000
Hermanus	Zwelihle	Ward 06	MANDELA SQUARE -GARDEN SITE	D Hendriks	Prov-Housing		1 752 000	1 752 000						
Hermanus	Zwelihle	Ward 06	TSEPE-TSEPE & SERVICED SITE(80)	D Hendriks	Prov-Housing								5 400 000	5 400 000
Hermanus	Mount Pleasant	Ward 04	MOUNT PLEASANT IRDP INFILL	D Hendriks	Prov-Housing		663 182	663 182		1 000 000	1 000 000		5 000 000	5 000 000
Gansbaai	Buffeljachtsbaai	Ward 11	BUFFELJACHTSBAAI	D Hendriks	Prov-Housing					57 470	57 470		140 000	140 000
Hermanus	Hawston	Ward 08	HAWSTON PROJECT-IRDP	D Hendriks	Prov-Housing		3 592 302	3 592 302						
Kleinmond	Kleinmond	Wards 09 & 10	KLEINMOND IRDP	D Hendriks	Prov-Housing					114 900	114 900		280 000	280 000
Kleinmond	Kleinmond	Wards 09 & 10	KLEINMOND OVERHILLS UISP	D Hendriks	Prov-Housing					114 941	114 941		280 000	280 000
Stanford	Stanford	Ward 11	STANFORD IRDP(783)	D Hendriks	Prov-Housing		5 000 000	5 000 000		4 708 329	4 708 329		10 800 000	10 800 000
			ROADS			17 510 391	4 000 000	21 510 391					8 000 000	8 000 000
Gansbaai	Blompark	Ward 02	REHABILITATE ROADS - BLOMPARK	D Hendriks	MIG		2 000 000	2 000 000						
Stanford	Stanford	Ward 11	REHABILITATE ROADS - STANFORD	D Hendriks	MIG		2 000 000	2 000 000						
Hermanus	Hermanus	Ward 03	CBD REGENERATION PROGRAM	D Hendriks	Land Sales-R/O	7 644 182		7 644 182						
Overstrand	Overstrand	Overstrand	VEHICLES-ROADS	M Bartman	Surplus	1 817 209		1 817 209						
Hermanus	Hawston	Ward 08	EXTENTION OF PLEIN STREET	T Marx	Surplus -Non tariff	500 000		500 000						
Gansbaai	Gansbaai	Ward 02	GANSBAAI TARRING OF ROAD TO WASTE DISPOSAL SITE	D Hendriks	Surplus -Non tariff	2 700 000		2 700 000						
Stanford	Stanford	Ward 11	STANFORD TARRING DE BRUYN STREET	D Hendriks	Surplus -Non tariff	2 600 000		2 600 000						
Gansbaai	De Kelders	Ward 02	SIDEWALKS	T Steenberg	Operating Cash-WSP	100 000		100 000						
Hermanus	Hermanus	Ward 03	FORMALISED PARKING AND DROP OFF AREAS NEAR HERMANUS SCHOOLS	T Marx	Operating Cash-WSP	200 000		200 000						
Hermanus	Mount Pleasant	Ward 04	MOUNT PLEASANT SIDEWALKS	T Marx	Operating Cash-WSP	200 000		200 000						
Hermanus	West Cliff	Ward 04	WEST CLIFF:SPEED CALMING:	T Marx	Operating Cash-WSP	175 000		175 000						
Zwelihle	Zwelihle	Ward 06	WARD 6 -SIDEWALKS	T Marx	Operating Cash-WSP	200 000		200 000						
Hermanus	Sandbaai	Ward 07	NEW STREETS, SIDEWALKS & PARKING AREAS	T Marx	Operating Cash-WSP	500 000		500 000						
Hermanus	Fishermaven	Ward 08	WALKWAY	T Marx	Operating Cash-WSP	120 000		120 000						
Hermanus	Hawston	Ward 09	CURBING AND TARRING OF SIDEWALKS	J de Villiers	Operating Cash-WSP	140 000		140 000						
Hermanus	Hawston	Ward 08	PAVING OF ERF 1257, HAWSTON	J de Villiers	Operating Cash-WSP	70 000		70 000						
Hermanus	Hawston	Ward 08	TRAFFIC CALMING	T Marx	Operating Cash-WSP	40 000		40 000						
Kleinmond	Kleinmond	Ward 09	LOW IMPACT BRIDGE UNDER R44 LEADING TO DAY CAMP	D van Rhodie	Operating Cash-WSP	50 000		50 000						
Kleinmond	Kleinmond	Ward 09	ROADS & SPEED BUMPS	D Van Rhodie	Operating Cash-WSP	74 000		74 000						
Rooiels	Rooiels	Ward 10	PAVING OF ROADS - ROOIELS	D van Rhodie	Operating Cash-WSP	150 000		150 000						
Betty's Bay	Betty's Bay	Ward 10	STREET NAMES	D Van Rhodie	Operating Cash-WSP	10 000		10 000						
Stanford	Stanford	Ward 11	RIVER FRONT AND WANDELPAD ENHANCEMENT – MILLSTREAM	F Myburgh	Operating Cash-WSP	50 000		50 000						
Hermanus	Onrus/Vermont	Ward 13	ATLANTIC DRIVE	T Marx	Operating Cash-WSP	270 000		270 000						
Gansbaai	Blompark	Ward 02	BLOMPARK HOUSING PROJECT BUS ROUTE	D Hendriks	MIG								2 000 000	2 000 000
Stanford	Stanford	Ward 11	STANFORD HOUSING PROJECT BUS ROUTE	D Hendriks	MIG								3 000 000	3 000 000
Gansbaai	Masakhane	Ward 01	MASAKHANE HOUSING PROJECT BUS ROUTE	D Hendriks	MIG								3 000 000	3 000 000
			ELECTRICITY			27 124 109	7 000 000	34 124 109	27 000 000	5 000 000	32 000 000	25 000 000	5 000 000	30 000 000
Gansbaai	Franskraal	Ward 01	FRANSKRAAL,KLEINBAAI & BIRKENHEAD: MV/LV & MINISUB UPGRADE	D Maree	EL20A	2 250 000		2 250 000						
Gansbaai	Gansbaai A&	Ward 01&02	FKRAAL,KBAAI & BHEAD: NEW 66/11KV SUBSTATION	D Maree	EL21/22				14 000 000		14 000 000	14 668 631		14 668 631
DO	DO	DO	DO	DO	Bulk levy cont	2 000 000		2 000 000	12 000 000		12 000 000	5 991 369		5 991 369
Overstrand	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS	K d Plessis	Surplus -Non tariff	5 000 000		5 000 000						
Overstrand	Overstrand	Overstrand	ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP)	K d Plessis	INEP		7 000 000	7 000 000		5 000 000	5 000 000		5 000 000	5 000 000
Hermanus	Fishermaven	Ward 08	STREETLIGHTS	K du Plessis	Operating Cash-WSP	20 000		20 000						
Zwelihle	Zwelihle	Ward 12	ZITHANDE STREET LIGHTS	K du Plessis	Operating Cash-WSP	400 000		400 000						
Hermanus	Onrus/Vermont	Ward 13	STREET LIGHTS	K du Plessis	Operating Cash-WSP	30 000		30 000						
Stanford	Stanford	Ward 11	STANFORD:MV UPGRADE	D Maree	EL20A	750 000		750 000						
Overstrand	Overstrand	Overstrand	VEHICLES-ELECTRICITY	M Bartman	Surplus	573 509		573 509						
Hermanus	Hermanus	Ward 03	HERMANUS:MV & LV UPGRADE/REPLACEMENT	K d Plessis	EL20A/22	5 000 000		5 000 000				4 000 000		4 000 000
DO	DO	DO	DO	K d Plessis	EL 19 R-over	3 871 500		3 871 500						
Kleinmond	Kleinmond	Ward 09	KLEINMOND: MV & LV NETWORK UPGRADE	K d Plessis	EL20A	2 000 000		2 000 000						
DO	DO	DO	DO	K d Plessis	EL 19 R-over	439 000		439 000						
Hermanus	Hawston	Ward 08	HAWSTON: MV & LV UPGRADE/REPLACEMENT	K d Plessis	EL20A	2 000 000		2 000 000						
DO	DO	DO	DO	K d Plessis	EL 19 R-over	1 540 100		1 540 100						
Hermanus	Mount Pleasant	Ward 04	BASIC SERVICES FOR EMERGENCY HOUSING	M Bartman	Land Sales	250 000		250 000						
Overstrand	Overstrand	Overstrand	ELECTRICITY TRANSFORMERS(CAPITAL REPLACEMENT CONTINGENCY)	S Muller	EL 20A/21/22	1 000 000		1 000 000	1 000 000		1 000 000	1 000 000		1 000 000
			WATER			41 405 664	7 098 256	48 503 920	25 000 000	15 075 000	40 075 000	7 181 369	6 300 000	13 481 369
Overstrand	Overstrand	Overstrand	WATER MASTER PLAN IMPLEMENTATION	H Bilgnaut	EL-INFRA LEVY	10 000 000		10 000 000	10 000 000		10 000 000			
DO	DO	DO	DO	DO	EL Infra Levy19-R/O	6 286 360		6 286 360						
Overstrand	Overstrand	Overstrand	REFURBISHMENT OF BULK WATER PIPELINES	H Bilgnaut	EL20A/21	360 000		360 000	900 000		900 000			
Overstrand	Overstrand	Overstrand	FENCING AT WATER INSTALLATIONS	H Bilgnaut	EL20A/21	700 000		700 000	700 000		700 000			
DO	DO	DO	DO	H Bilgnaut	Land Sales	900 000		900 000						
Overstrand	Overstrand	Overstrand	REPLACEMENT OF OVERSTRAND WATER PIPES	H Bilgnaut	EL20A	2 900 000		2 900 000						
HM-KM	Multi-area HM-KM	Multi-area Service	BUFFELS RIVER AND DE BOS DAM INTAKE STRUCTURES AND EQUIPMENT	H Bilgnaut	EL20A	1 300 000		1 300 000						

OVERSTRAND MUNICIPALITY
RECEIVED
2019 -03- 13
MUNICIPAL MANAGER

						2019/20 BUDGET			2020/21 BUDGET			2021/22 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
Overstrand	Overstrand	Overstrand	WATER FACILITIES (CONTINGENCY)	H Bilgnaut	EL 20/21/22	300 000		300 000	400 000		400 000	400 000		400 000
Gansbaai	Masakhane	Ward 01	NEW 4ML RESERVOIR	D Hendriks	MIG		7 098 256	7 098 256	5 000 000	11 075 000	16 075 000			
Gansbaai	Masakhane	Ward 01	UPGRADE WATER LINES	D Hendriks	MIG					2 000 000	2 000 000		2 200 000	2 200 000
Gansbaai	Masakhane	Ward 01	NEW BOOSTER PUMPSTATION & VALVES	D Hendriks	MIG					2 000 000	2 000 000		2 100 000	2 100 000
Stanford	Stanford	Ward 11	UPGRADE BULK WATER	D Hendriks	MIG								2 000 000	2 000 000
Hermanus	Hermanus	Ward 04	UPGRADE HERMANUS WELL FIELDS PHASE 1	H Bilgnaut	EL20A/21	4 000 000		4 000 000	6 000 000		6 000 000			
Stanford	Stanford	Ward 11	WATER STABILIZATION PLANT FOR STANFORD	H Bilgnaut	EL20A	2 500 000		2 500 000						
DO	DO	DO	DO	DO	EL 19 R-over	1 384 199		1 384 199						
Kleinmond	Pringle Bay	Ward 10	NEW RESERVOIR FOR PRINGLE BAY	H Bilgnaut	EL 20	3 640 000		3 640 000						
DO	DO	DO	DO	H Bilgnaut	EL 19 R-over	5 535 105		5 535 105						
Overstrand	Overstrand	Overstrand	BASIC SERVICES FOR EMERGENCY HOUSING	M Bartman	Land Sales	600 000		600 000						
Hermanus	Mount Pleasant	Ward 04	BASIC SERVICES FOR EMERGENCY HOUSING	M Bartman	Land Sales	100 000		100 000						
Kleinmond	Kleinmond	Ward 09	KLEINMOND PALMIET PUMP STATION AND BULK PIPELINE REFURBISH	H Bilgnaut	EL20A/21/22	900 000		900 000	2 000 000		2 000 000	6 781 369		6 781 369
			SEWERAGE			**35 716 271**	**126 000**	**35 842 271**	**14 000 000**	**3 961 000**	**17 961 000**	**23 150 000**	**3 707 000**	**26 857 000**
Overstrand	Overstrand	Overstrand	SEWERAGE FACILITIES (CONTINGENCY)	H Bilgnaut	EL20A/21/22	600 000		600 000	600 000		600 000	650 000		650 000
Kleinmond	Kleinmond	Ward 09	KLEINMOND - SEWER NETWORK EXTENSION	H Bilgnaut	EL20A/21	5 000 000		5 000 000	4 400 000		4 400 000			
Hermanus	Onrus	Ward 13	UPGRADING OF KIDBROOKE PIPELINE	H Bilgnaut	EL 19 R-over	3 070 000		3 070 000						
Stanford	Stanford	Ward 11	WWTW UPGRADE - STANFORD	H Bilgnaut	EL 19 R-over	1 800 240		1 800 240						
Gansbaai	Blompark	Ward 02	PROVISION OF BULK SEWER SUPPLY	D Hendriks	MIG		126 000	126 000						
Kleinmond	Kleinmond	Ward 10	KLEINMOND WWTW REFURBISH & UPGRADE	H Bilgnaut	EL21/22				2 500 000		2 500 000	15 000 000		15 000 000
Gansbaai	Masakhane	Ward 01	UPGRADE LINK SEWER SUPPLY	D Hendriks	MIG					1 961 000	1 961 000			
Gansbaai	Masakhane	Ward 01	UPGRADE BULK SEWER	D Hendriks	MIG					2 000 000	2 000 000		3 087 000	3 087 000
Stanford	Stanford	Ward 11	UPGRADE BULK SEWER	D Hendriks	MIG								620 000	620 000
Kleinmond	Kleinmond	Ward 09	REHABILITATE MAIN BULK SEWER TO WWTW PH1	H Bilgnaut	EL20A/21/22	4 000 000		4 000 000	2 000 000		2 000 000	3 000 000		3 000 000
Overstrand	Overstrand	Overstrand	FENCING AT SEWERAGE INSTALLATIONS	H Bilgnaut	EL20A/21/22	800 000		800 000	500 000		500 000	500 000		500 000
Gansbaai	Gansbaai	Ward 02	GANSBAAI CBD SEWER NETWORK EXTENSION	H Bilgnaut	EL-INFRA LEVY	4 000 000		4 000 000	4 000 000		4 000 000			
DO	DO	DO	DO	H Bilgnaut	EL Infra Levy19-R/O	2 574 574		2 574 574						
Overstrand	Overstrand	Overstrand	SEWERAGE NETWORK EXTENSION AND REPLACEMENT	H Bilgnaut	EL 22							4 000 000		4 000 000
Overstrand	Overstrand	Overstrand	VEHICLES-SEWERAGE	M Bartman	Surplus	2 086 957		2 086 957						
Overstrand	Overstrand	Overstrand	BASIC SERVICES FOR EMERGENCY HOUSING	M Bartman	Surplus -Non tariff	1 000 000		1 000 000						
DO	DO	DO	DO	M Bartman	Land Sales	400 000		400 000						
Hermanus	Zwelihle	Ward 5,6,12	ZWELIHLE SEWER	H Bilgnaut	Surplus -Non tariff	3 000 000		3 000 000						
DO	DO	DO	DO	H Bilgnaut	Land Sales-R/O	1 722 500		1 722 500						
Hermanus	Mount Pleasant	Ward 04	BASIC SERVICES FOR EMERGENCY HOUSING	M Bartman	Land Sales	162 000		162 000						
Zwelihle	Zwelihle	Ward 05	SEWERAGE-BYPASS IN SIPUMELELO CORRIDOR	J de Villiers	Land Sales	1 000 000		1 000 000						
Zwelihle	Zwelihle	Ward 06	SEWERAGE -PEACH HOUSE PRECINT UPGRADE	J de Villiers	Land Sales	3 000 000		3 000 000						
Zwelihle	Zwelihle	Ward 12	SEWERAGE-BYPASS IN SIPUMELELO CORRIDOR	J de Villiers	Land Sales	1 500 000		1 500 000						
			STORMWATER			**19 514 850**	**7 485 744**	**27 000 594**		**4 000 000**	**4 000 000**		**6 506 000**	**6 506 000**
Gansbaai	Blompark	Ward 02	BLOMPARK HOUSING PROJECT BULK STORMWATER	D Hendriks	MIG		7 485 744	7 485 744						
Gansbaai	Masakhane	Ward 01	MASAKHANE HOUSING PROJECT BULK STORMWATER	D Hendriks	MIG					2 000 000	2 000 000		3 500 000	3 500 000
Hermanus	Hermanus	Ward 04	STORMWATER - PHASE 1-INDUSTRIAL AREA	D Hendriks	Land Sales-R/O	3 457 165		3 457 165						
Hermanus	Hermanus	Ward 03	STORMWATER - MAIN RD & HIGH STREET	D Hendriks	Land Sales-R/O	6 257 665		6 257 665						
Kleinmond	Overhills	Ward 10	STORMWATER - OVERHILLS	D Hendriks	Land Sales-R/O	2 400 000		2 400 000						
Kleinmond	Betty's/Pringle Bay	Ward 10	STORMWATER NETWORK	D Hendriks	Surplus -Non tariff	2 500 000		2 500 000						
Hermanus	Hermanus	Multi-ward proje	UPGRADE STORMWATER NETWORK	J De Villiers	Surplus -Non tariff	380 000		380 000						
Zwelihle	Zwelihle	Ward 05	UPGRADE STORMWATER NETWORK	J de Villiers	Surplus -Non tariff	420 000		420 000						
Gansbaai	Gansbaai	Multi-ward proje	UPGRADE STORMWATER NETWORK	T Steenberg	Surplus -Non tariff	500 000		500 000						
Gansbaai	Franskraal	Ward 01	STORMWATER (AD HOC)	T Steenberg	Operating Cash-WSP	120 000		120 000						
Gansbaai	Masakhane	Ward 01	STORMWATER (AD HOC)	T Steenberg	Operating Cash-WSP	70 000		70 000						
Gansbaai	Gansbaai	Ward 02	STORMWATER (AD HOC)	T Steenberg	Operating Cash-WSP	150 000		150 000						
Betty's Bay	Betty's Bay	Ward 10	STORMWATER CHANNELS	D Van Rhodie	Operating Cash-WSP	80 000		80 000						
Pringle Bay	Pringle Bay	Ward 10	STORMWATER CHANNELS	D Van Rhodie	Operating Cash-WSP	50 000		50 000						
Rooiels	Rooiels	Ward 10	STORMWATER CHANNELS - ROOIELS	D Van Rhodie	Operating Cash-WSP	30 000		30 000						
Zwelihle	Zwelihle	Ward 12	WARD 12-STORM WATER DRAINS	J de Villiers	Operating Cash-WSP	100 000		100 000						
Zwelihle	Zwelihle	Ward 05	STORMWATER-LIBRARY LINK & SIPUMELELO CORRIDOR UPGRADE	J de Villiers	Land Sales	1 500 000		1 500 000						
Zwelihle	Zwelihle	Ward 06	STORMWATER-TAXI RANK TO SIPUMELELO CORRIDOR UPGRADE	J de Villiers	Land Sales	500 000		500 000						
Zwelihle	Zwelihle	Ward 12	STORMWATER-AMANDLA STREET LINK TO SIPUMELELELO CORRIDOR	J de Villiers	Land Sales	1 000 000		1 000 000						
Stanford	Stanford	Ward 11	STANFORD HOUSING PROJECT BULK STORMWATER	D Hendriks	MIG					2 000 000	2 000 000		3 006 000	3 006 000
			WASTE MANAGEMENT			**16 931 122**		**16 931 122**	**10 300 000**		**10 300 000**			
Overstrand	Overstrand	Overstrand	VEHICLES-WASTE MANAGEMENT	M Bartman	Surplus	5 931 122		5 931 122						
Kleinmond	Kleinmond	Ward 10	HIGH RISK FENCING SOLID WASTE TRANSFER STATION	D van Rhodie	Surplus -Non tariff	1 000 000		1 000 000						
Overstrand	Overstrand	Overstrand	HERMANUS NEW WASTE MANAGEMENT FACILITY	C Mitchell	EL20B	10 000 000		10 000 000	10 300 000		10 300 000			
			SURPLUS -NON TARIFF INFRASTRUCTURE						**15 000 000**		**15 000 000**	**15 000 000**		**15 000 000**
			GRAND TOTAL			**191 482 535**	**70 194 385**	**261 675 920**	**105 300 000**	**42 163 760**	**148 463 760**	**85 331 369**	**68 992 750**	**154 324 119**

RECEIVED
OVERSTRAND MUNICIPALITY
2019 -05- 23

Area	Local Area	Ward	Project Description	Project Manager	Funding Source	2019/20 BUDGET			2020/21 BUDGET			2021/22 BUDGET		
						COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL	COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL
			FUNDING:											
			EXTERNAL LOAN 20A /21 /22 (GENERAL CAPITAL)			40 000 000		40 000 000	40 000 000		40 000 000	50 000 000		50 000 000
			EXTERNAL LOAN 19(Roll Over)			17 640 144		17 640 144						
			EXTERNAL LOAN (INFRA LEVY)			14 000 000		14 000 000	14 000 000		14 000 000			
			EXTERNAL LOAN (INFRA LEVY 19-Roll over)			8 860 934		8 860 934						
			EXTERNAL LOAN 20B			10 000 000		10 000 000	10 300 000		10 300 000			
			BULK INFRASTRUCTURE LEVY(ELECTRICITY)			2 000 000		2 000 000	12 000 000		12 000 000	5 331 369		5 331 369
			SURPLUS			20 000 000		20 000 000	15 000 000		15 000 000	15 000 000		15 000 000
			SURPLUS (Roll Over)			2 301 395		2 301 395						
			SURPLUS -NON TARIFF INFRASTRUCTURE			19 700 000		19 700 000	15 000 000		15 000 000	15 000 000		15 000 000
			LAND SALES			22 232 530		22 232 530						
			LAND SALES-(Roll Over)			29 332 532		29 332 532						
			OPERATING CASH -WSP			5 415 000		5 415 000						
			ESG-K9 UNIT-(Roll Over)				2 903 000	2 903 000						
			INEP				7 000 000	7 000 000		5 000 000	5 000 000		5 000 000	5 000 000
			MIG				32 010 000	32 010 000		23 036 000	23 036 000		24 513 000	24 513 000
			PROV-HOUSING				26 438 832	26 438 832		13 286 760	13 286 760		39 479 750	39 479 750
			PROV-DISASTER MANAGEMENT GRANT				1 842 553	1 842 553		841 000	841 000			
						191 482 535	**70 194 385**	**261 676 920**	**106 300 000**	**42 163 760**	**148 463 760**	**85 331 369**	**68 992 750**	**154 324 119**

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

2019/2020 - WARD SPECIFIC PROJECTS

Town	Local Area	Ward	Project Description	PROJECT MANAGER	BUDGET	TYPE
Gansbaai	Masakhane	1	Furniture Sport Club House	T Steenberg	30 000	Capex
Gansbaai	Franskraal	1	CCTV Camera System	L Smith	100 000	Capex
Gansbaai	Franskraal	1	Stormwater (Ad Hoc)	T Steenberg	120 000	Capex
Gansbaai	Masakhane	1	Stormwater (Ad Hoc)	T Steenberg	70 000	Capex
Gansbaai	Masakhane	1	Drivers' Licence Training – Masakhane	T Steenberg	100 000	Opex
Gansbaai	Masakhane	1	Waste Skip Bins X2	T Steenberg	80 000	Opex
					500 000	
Gansbaai	Gansbaai CBD	2	CCTV Camera System	L Smith	50 000	Capex
Gansbaai	Kleinbaai	2	CCTV Camera System	L Smith	50 000	Capex
Gansbaai	De Kelders/Perlemoenbaai	2	CCTV Camera System	L Smith	50 000	Capex
Gansbaai	All Areas	2	Stormwater (Ad Hoc)	T Steenberg	150 000	Capex
Gansbaai	Blompark/ Kleinbaai	2	Upgrading of work yard	T Steenberg	100 000	Capex
Gansbaai	De Kelders	2	Sidewalks	T Steenberg	100 000	Capex
					500 000	
Hermanus	Hermanus	3	Formalised parking and drop off areas near Hermanus Schools	J de Villiers	200 000	Capex
Hermanus	Hermanus	3	Fernkloof facility upgrade – parking and other smaller projects	J de Villiers	200 000	Capex
Hermanus	Hermanus	3	Cliff Path maintenance	J de Villiers	100 000	Opex
					500 000	
Hermanus	Mount Pleasant	4	Mount Pleasant Sidewalks	J de Villiers	200 000	Capex
Hermanus	West Cliff	4	West cliff:Speed calming:	J de Villiers	175 000	Capex
Hermanus	West Cliff	4	Planning design:View Point	J de Villiers	25 000	Opex
Hermanus	West Cliff	4	Huis Lettie -Parking	J de Villiers	50 000	Opex
Hermanus	West Cliff	4	Industrial Area: (Planting of trees)	J de Villiers	50 000	Opex
					500 000	
Hermanus	Zwelihle	5	Purchasing & installation of play park equipment	J de Villiers	500 000	Capex
					500 000	
Zwelihle	Zwelihle	6	Outdoor gym opposite Zwelihle sport ground	J de Villiers	100 000	Capex
Zwelihle	Zwelihle	6	Ward 6 -Sidewalks	J de Villiers	200 000	Capex
Hermanus	Zwelihle	6	Upgrading of ward 6 -ECD	J de Villiers	100 000	Opex
Hermanus	Zwelihle	6	Capacity building programs (Social upliftment dev/Youth dev)	J de Villiers	100 000	Opex
					500 000	
Hermanus	Sandbaai	7	New Streets, Sidewalks & Parking areas	J de Villiers	500 000	Capex
					500 000	
Hermanus	Fisherhaven	8	Walkway	J de Villiers	120 000	Capex
Hermanus	Fisherhaven	8	CCTV Camera System	L Smith	100 000	Capex
Hermanus	Fisherhaven	8	Streetlights	K du Plessis	20 000	Capex
Hermanus	Hawston	8	Curbing and Tarring of sidewalks	J de Villiers	140 000	Capex
Hermanus	Hawston	8	Paving of Erf 1257, Hawston	J de Villiers	70 000	Capex
Hermanus	Hawston	8	Traffic Calming	J de Villiers	40 000	Capex
Hermanus	Fisherhaven	8	Primwood bins	J de Villiers	10 000	Opex
					500 000	

OVERSTRANDMUNISIPALITEIT
2019-05-23
OVERSTRAND MUNICIPALITY

Town	Local Area	Ward	Project Description	PROJECT MANAGER	BUDGET	TYPE
Kleinmond	Kleinmond	9	Low Impact Bridge Under R44 Leading to Day Camp	D van Rhodie	50 000	Capex
Kleinmond	Proteadorp	9	Rugby Field Lights	R Buckle	50 000	Capex
Kleinmond	Proteadorp	9	Netball Clubhouse Extension (Change Rooms)	D Lakey	150 000	Capex
Kleinmond	Proteadorp	9	Playpark Equipment	D Van Rhodie	26 000	Capex
Kleinmond	Kleinmond	9	Roads & Speed Bumps	D Van Rhodie	74 000	Capex
Kleinmond	Kleinmond	9	Safety Cameras at entrances of town	L Smith	100 000	Capex
Kleinmond	Kleinmond	9	Coastal Path Maintenance	L De Villiers	50 000	Opex
					500 000	
Betty's Bay	Betty's Bay	10	Stormwater channels	D Van Rhodie	80 000	Capex
Pringle Bay	Pringle Bay	10	Stormwater channels	D Van Rhodie	50 000	Capex
Rooiels	Rooiels	10	Stormwater channels - Rooiels	D Van Rhodie	30 000	Capex
Rooiels	Rooiels	10	Paving of roads - Rooiels	D van Rhodie	150 000	Capex
Pringle Bay	Pringle Bay	10	Disabled toilet - Pringle Bay Public toilets	D Van Rhodie	80 000	Capex
Betty's Bay	Betty's Bay	10	Street Names	D Van Rhodie	10 000	Capex
Betty's Bay	Betty's Bay	10	Ablution facilities - Jock's Bay & Silversands	D Van Rhodie	50 000	Capex
Kleinmond	Proteadorp	10	Upgrading of kitchen - Proteadorp Comm. Hall (Planning: Plan & BOQ)	D Lakey	20 000	Opex
Hangklip Area	Hangklip Area	10	Upgrading of information boards - beaches & public areas	D Lakey	20 000	Opex
Pringle Bay & Be	Pringle Bay & Betty's Bay	10	Baboon proof bins	D Van Rhodie	10 000	Opex
					500 000	
Stanford	Stanford	11	River front and wandelpad enhancement – Millstream	T Steenberg	50 000	Capex
Stanford	Stanford	11	CCTV Camera System	L Smith	100 000	Capex
Gansbaai	Baardskeerdersbos	11	CCTV Camera System	L Smith	30 000	Capex
Gansbaai	Pearly Beach	11	CCTV Camera System	L Smith	50 000	Capex
Stanford	Thembelihle/Blomtuin	11	Sanitation: Provision of 140L Wheelie Bins to PDA	T Steenberg	250 000	Opex
Gansbaai	Buffeljachts	11	Sanitation: Provision of 140L Wheelie Bins to PDA	T Steenberg	20 000	Opex
					500 000	
Zwelihle	Zwelihle	12	Ward 12 -Zithande Street lights	J de Villiers	400 000	Capex
Zwelihle	Zwelihle	12	Ward 12-Storm Water drains	J de Villiers	100 000	Capex
					500 000	
Hermanus	Onrus/Vermont	13	Atlantic Drive	J de Villiers	270 000	Capex
Hermanus	Onrus/Vermont	13	Davie's Pool	J de Villiers	100 000	Capex
Hermanus	Onrus/Vermont	13	Street lights	K du Plessis	30 000	Capex
Hermanus	Onrus/Vermont	13	Coastal Path	J de Villiers	100 000	Opex
					500 000	
			GRAND TOTAL		6 500 000	

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

REVISED 3 YEAR HOUSING BUDGET

Project	Vote number	B-Key	February 2019 Adjustment Budget	Proposed Budget 2019/2020	Proposed Budget 2020/2021	Proposed Budget 2021/2022
EHP	12990220200000	20180705060559	200 000.00	0.00	0.00	R -
Hawston TS (378)	12990220200000	20180705060560	6 948 305.84	21 061 168.00	14 263 700.00	R 9 623 398.00
Blompark TS	12990220200000	20180705060563	0.00	2 000 000.00	3 804 420.00	R 10 396 152.00
Swartdamweg Site C1 TS (150)				2 000 000.00	10 145 120.00	R 6 340 700.00
Site C TS (132)	12990220200000	20180705060555	1 453 977.96			
Housing Admin Site TS (39)	12990220200000	20180705060571	807 981.78			
Kleinmond Study			284 557.25			
Swartdam Road TS (131 + 48) - Transfers			45 000.00		0.00	
TOTAL OPEX			**9 739 822.83**	**25 061 168.00**	**28 213 240.00**	**R 26 360 250.00**
Stanford IRDP (783)	50250090181	20180707123738	5 517 519.00	6 000 000.00	4 708 329.00	R 10 800 000.00
Masakhane IRDP (296)	50250090161	20180707123228	8 449 062.00	11 113 300.00		
Masakhane UISP (1179)				0.00	4 051 120.00	R 12 659 750.00
Blompark (544)	50250090191	20180709160238	13 496 040.20	1 818 048.00		
Beverly Hills (100)	50250090141	20170704083448	2 519 695.00			
Hawston IRDP	50250090101	20170704084058	2 235 516.00	3 592 302.00		
Mandela Square /Garden Site	50250090171	20180707123441	1 463 950.00	1 752 000.00		
Transit Camp & Asazani (164)	50250090131	20170704083848	0.00	1 500 000.00	3 240 000.00	
Tambo Square & New Camp (82)					0.00	R 4 920 000.00
Tsepe-Tsepe & Serviced Site (90)					0.00	R 5 400 000.00
Mount Pleasant IRDP Infill			426 431.00	663 182.00	1 000 000.00	R 5 000 000.00
Buffeljagsbaai				0.00	57 470.00	R 140 000.00
Kleinmond IRDP					114 900.00	R 280 000.00
Kleinmond Overhills UISP					114 941.00	R 280 000.00
TOTAL CAPEX			**34 108 213.20**	**26 438 832.00**	**13 286 760.00**	**R 39 479 750.00**
GRAND TOTAL			**43 848 036.03**	**51 500 000.00**	**41 500 000.00**	**R 65 840 000.00**

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

ANNEXURE F

SERVICE LEVEL STANDARDS

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Province: Municipality(WC032) - Schedule of Service Delivery Standards	
Description	
Standard	**Service Level 2019/2020**
Solid Waste Removal	
Premise based removal (Residential Frequency)	WEEKLY
Premise based removal (Business Frequency)	UP TO 5 TIMES PER WEEK (AS PER REQUEST)
Bulk Removal (Frequency)	NO
Removal Bags provided(Yes/No)	NO
Garden refuse removal Included (Yes/No)	NO
Street Cleaning Frequency in CBD	DAILY
Street Cleaning Frequency in areas excluding CBD	DAILY ON ROTATIONAL BASIS
How soon are public areas cleaned after events (24hours/48hours/longer)	WITHIN 24 HRS
Clearing of illegal dumping (24hours/48hours/longer)	48 HOURS
Recycling or environmentally friendly practices(Yes/No)	Yes
Licenced landfill site(Yes/No)	Yes
Water Service	
Water Quality rating (Blue/Green/Brown/NO drop)	1 Blue Drop 90.79% (2013); 4 Green Drops 89.14% (2012); No Drop 100%
Is free water available to all? (All/only to the indigent consumers)	Indigent Consumers
Frequency of meter reading? (per month, per year)	Monthly
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)	
One service connection affected (number of hours)	4.00
Up to 5 service connection affected (number of hours)	4.00
Up to 20 service connection affected (number of hours)	8.00
Feeder pipe larger than 800mm (number of hours)	N/A
What is the average minimum water flow in your municipality?	Min 2.4Bar pressure
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	Yes. Groundwater Monitoring Programs and environmental impact assessments as and when required
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 14777.32.00 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)	
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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Description	
Standard	**Service Level 2019/2020**
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)	5
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)	4.00
Spillage clean-up? (hours)	8.00
Replacement of manhole covers? (Hours)	8.00
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)	1 to 10
Time to resolve a customer enquiry or request? (working days)	1 to 10
What percentage of calls are not answered? (5%,10% or more)	1
How long does it take to respond to voice mails? (hours)	
Does the municipality have control over locked enquiries? (Yes/No)	yes
Is there a reduction in the number of complaints or not? (Yes/No)	no

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Description	
Standard	**Service Level 2019/2020**
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
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

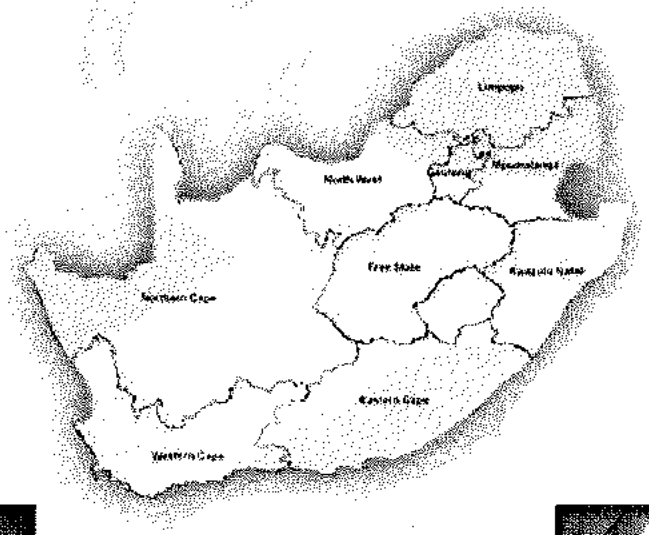
OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

ANNEXURE G

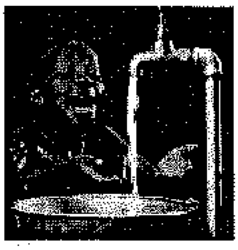
WATER & WASTE WATER QUALITY

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2014 Blue Drop Report











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

blue drop
CERTIFICATION
drinking water quality
REGULATION

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Blue Drop Requirements for 2014

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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 m³/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 or flat rate billing:		Revenue water (kl/annum):		Efficiency	
Number of metered		Non-revenue water			

OVERSTRAND MUNICIPALITY
2019 -05- 23

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

Quality of Drinking Water

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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)	78.8%	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%	93.5%	64.9%
Blue Drop Risk Rating (2013)	13.5%	12.5%	12.7%	13.8%
Blue Drop Risk Rating (2014)	17.2%	57.3%	56.3%	27.1%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Regulatory Impression

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

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

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

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

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

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Water Supply System	Baardskeerdersbos		
	2012	2013	2014
A: Process Control RR	77.8%	22.2%	56.6%
B: Drinking Water Quality RR	11.1%	55.6%	70.4%
C: Risk Management RR	13.0%	13.0%	17.4%

Water Supply System	Buffeljags Bay		
	2012	2013	2014
A: Process Control RR	46.2%	17.6%	71.1%
B: Drinking Water Quality RR	11.1%	11.1%	55.6%
C: Risk Management RR	13.0%	13.0%	26.1%

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

Water Supply System	Greater Gansbaai		
	2012	2013	2014
A: Process Control RR	79.5%	34.9%	74.4%
B: Drinking Water Quality RR	40.7%	11.1%	40.7%
C: Risk Management RR	13.0%	13.0%	26.1%

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

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

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

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

Site Inspection Scores

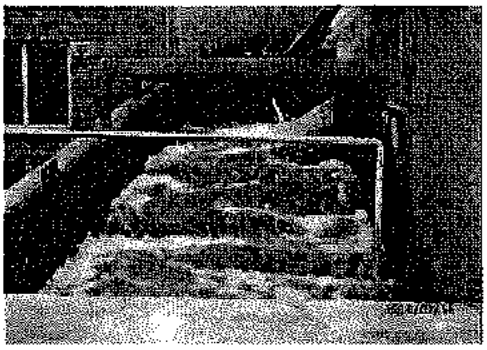
OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

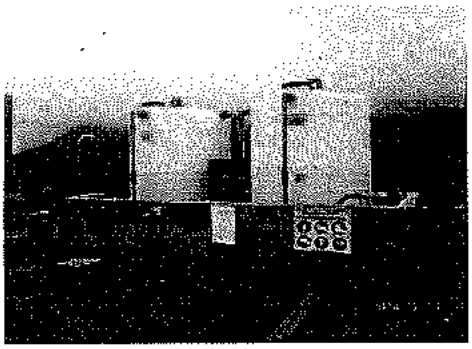
Preekstoel WTW: **88%**
Buffels River WTW: **90%**

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

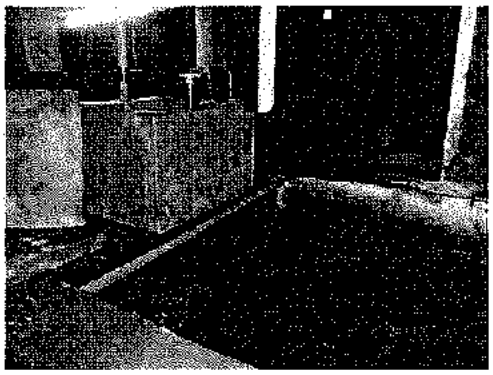


Bunded area for chemical storage

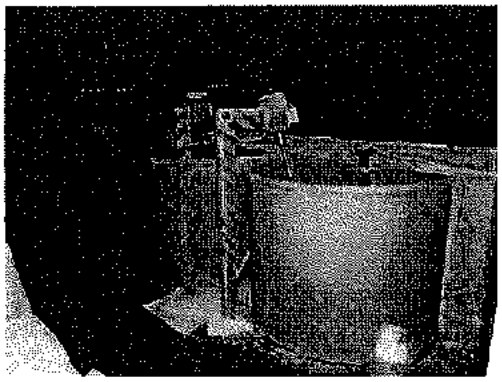
The site inspection impression at the **Buffels River WTW** was considered to be good. A number of drinking water quality management practices still require attention, including:

- 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY



Gravity flow dosing system of flocculent



Chemical tanks not bunded

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2013 GREEN DROP REPORT

VOLUME 1:

MUNICIPAL AND PRIVATE WASTEWATER SYSTEMS

FINAL DRAFT

water affairs
Department:
Water Affairs
REPUBLIC OF SOUTH AFRICA

green drop
CERTIFICATION
waste water service
REGULATION

Together committed to excellent Water Quality for the future

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

ACRONYMS

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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	80.63%
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		67.70%
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 redblock 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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY
Page 3

1. GREEN DROPSCORECARD 2012/13

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

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

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

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

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNICIPALITY
2019-05-23

(4)Wastewater Effluent Quality Compliance	**(4.1) WATER USE AUTHORISATION**	**a)** Copy of authorisation, detailing Effluent Quality Standards. **NOTE:** List Standards to comply with.
[30%]	**(4.2) EFFLUENT QUALITY COMPLIANCE**	**a)** 90% **Microbiological Compliance** (e.g. E Coli; Faecal Coliforms) **b)** 90% **Chemical Compliance** (e.g. COD, Ammonia, Nitrogen, Nitrate, Nitrite, Residual Chlorine, Ortho-Phosphates, Fluoride, Arsenic, Cadmium, Copper, Manganese, Iron, Selenium, Zinc, Boron, *etc.*) **c)** 90% **Physical Compliance** (e.g. pH, Suspended Solids, Electrical Conductivity, Soap, Oil or Grease, etc)
	BONUS (GDIP)	**a)** A practical Green Drop Improvement Plan (GDIP) in place – with baseline (current) score, tasks, responsible person, completion date, budget, target GDC score; **b)** Implementation evidence and proof of management of process
(5) Wastewater Quality Risk Management	**(5.1) WASTEWATER RISK ABATEMENT PLAN (W_2RAP)**	**a)** A practical and site specific Wastewater Risk Abatement Plan (W_2RAP) is in place which identify and prioritise risks, with measures to mitigate inefficiencies/inadequacies that result in non-compliance **b)** Implementation evidence and proof of management commitment
[15%]	**(5.2) INCIDENT REGISTER**	**a)** Provide evidence of implementation of Protocol **b)** Wastewater Quality Failure Incident and Sewer Spillage Incident register.
	(5.3) WASTEWATER INCIDENT MANAGEMENT PROTOCOL	**a)** Evidence of a documented Wastewater Incident Management Protocol **b)** Protocol to specify alert levels, response times, required actions, roles & responsibilities and communication measures/vehicles. **c)** NB. Include Pumpstation failure (sewer collector system spillages)
	BONUS (Energy)	WSI is able to provide DWA with: **a)** Electricity consumption over last financial year (in KWh/day) and Rand value (R/year) of treatment plant; **b)** Energy demand projections over next >3 years (in KWh/day) and in Rand value (R/year); and **c)** Calculate cost of energy (KWh/kl wastewater treated)
(6) Local Regulation	**(6.1) BYLAWS**	Proof of the Bylaws providing for the regulation of: *1. Industrial (trade) influent (volumes & quality) discharged into municipal system,* *2. package plants,* *3. decentralized systems,* *4. vacuum tank discharges and* *5. Spillages into the environment.* *6. Storm-water connections to sewer system.*
[5%]	**(6.2) ENFORCEMENT**	1. Proof of application of Bylaw clause in practice, supported by written notice/s to offender **OR** 2. Proof of adequate enforcement (informing relevant sectors and means of monitoring industrial or other sewer influent.) 3. Records of Package Plants in area of jurisdiction (where development was approved by the Authority (Local Government).

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

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

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

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

Colin Powell

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Regulatory Impression



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

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

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







Green Drop findings:

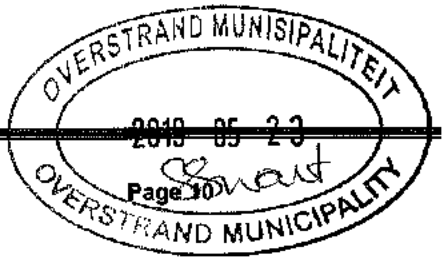
1. Regulation 17 compliance need to receive attention
2. Sea outfall monitoring frequency need to be revised for Hermanus
3. Sludge monitoring and handling could improve going forward
4. Some shortcomings are evident on process assessment which might possibly resolve some of the lower compliance to ammonia,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

Site Inspection Report

Kleinmond **75%**

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

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



ANNEXURE H

NT & PT BUDGET CIRCULARS, COST CONTAINMENT MEASURES & FINANCIAL RATIOS AND NORMS

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

NATIONAL TREASURY

MFMA Circular No. 93

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2019/20 MTREF

CONTENTS

1. THE SOUTH AFRICAN ECONOMY AT A CROSSROADS 2
2. KEY FOCUS AREAS FOR THE 2019/20 BUDGET PROCESS 4
   - 2.1 LOCAL GOVERNMENT CONDITIONAL GRANTS AND ADDITIONAL ALLOCATIONS 4
   - 2.2 TABLING OF FUNDED BUDGETS 6
   - 2.3 ADDRESSING THE GROWING FINANCIAL CRISIS IN MUNICIPALITIES 6
   - 2.4 MUNICIPAL STANDARD CHART OF ACCOUNTS (*m*SCOA) 7
3. THE REVENUE BUDGET 9
   - 3.1 MAXIMISING THE REVENUE GENERATION OF THE MUNICIPAL REVENUE BASE 9
   - 3.2 ESKOM BULK TARIFF INCREASES 10
   - 3.3 WATER TARIFF INCREASES 10
4. FUNDING CHOICES AND BUDGETING ISSUES 10
   - 4.1 EMPLOYEE RELATED COSTS 11
   - 4.2 REMUNERATION OF COUNCILORS 11
   - 4.3 BUDGETING FOR TRADE PAYABLES ON TABLE SA3 11
   - 4.4 BUDGETING FOR INVENTORY: WATER 12
5. CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES 13
   - 5.1 SUMMARY OF CHANGES IN THE DIVISION OF REVENUE AMENDMENT BILL, 2018 13
   - 5.2 CONDITIONAL GRANT MONITORING SUPPORT AND NON-COMPLIANCE OF IN YEAR MONITORING 15
   - 5.3 SUPPORT AFFORDED TO MUNICIPALITIES REFLECTING SIGNIFICANT UNDERSPENDING 15
   - 5.4 2017/18 UNSPENT CONDITIONAL GRANT PROCESS 15
6. PREPARATION OF MUNICIPAL BUDGETS FOR 2019/20 MTREF 16
   - 6.1 SCHEDULE A1 VERSION TO BE USED FOR THE 2019/20 MTREF 16
   - 6.2 ASSISTANCE WITH THE COMPILATION OF BUDGETS 17
7. BUDGET PROCESS AND SUBMISSIONS FOR THE 2019/20 MTREF 18
   - 7.1 SUBMITTING BUDGET DOCUMENTATION AND SCHEDULES FOR 2019/20 MTREF 18
   - 7.2 RETIREMENT OF THE BUDGET REFORM RETURNS (APPENDIX B) 19
   - 7.3 BUDGET VERIFICATION PROCESS 20
   - 7.4 PUBLICATION OF BUDGETS ON MUNICIPAL WEBSITES 20

ANNEXURE A – CHANGES TO *m*SCOA VERSION 6.3 21

ANNEXURE B – CHANGES TO SCHEDULE A1 – THE 'EXCEL FORMATS' 22

ANNEXURE C – PARTICIPATION IN RT15-2016 VODACOM TRANSVERSAL CONTRACT 23

ANNEXURE D – MFMA CIRCULAR NO. 71 ALIGNED *m*SCOA DASHBOARD 24

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Introduction

This circular comes at a time where National Treasury needed to respond to a call by the President of the Republic of South Africa for a stimulus package and the implementation of the recovery plan in order to stimulate the economy. The stimulus package call responds to amongst others the recent technical recession, the high percentage of unemployment that sits at 27 per cent, slow economic growth, weakening of the currency amidst rising global interest rates and the strengthening of the US dollar affecting most developing countries.

Local government has a vital role to play in turning around the economy. In many areas of the country, municipal finances are under pressure. This is the result of the rising cost of delivering basic services and weak financial planning and controls, with poor management decisions leading to underinvestment in and insufficient maintenance of infrastructure. In some cases, corrupt practices have taken root in local administrations. Over the period ahead, national transfers to local government will continue to support the delivery of basic services, while incentivising improved performance and the turnaround of troubled municipalities.

In the local space, fiscal prudence cannot be overemphasised, renewed attitude towards revenue management, improvement of governance and financial management to support service delivery including the adoption of funded budgets and implementation of the municipal standard chart of accounts and the long awaited plan to infuse consequence management for maladministration must be the primary way to respond to a stimulus package plan by the President.

The purpose of the annual MFMA budget circular is to guide municipalities with their compilation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF), in particular to ensure that funded budgets are adopted by municipal Councils. This means that expenditure must be contained within realistic revenue projections.

In 2010 National Treasury introduced the local government budget and financial reform agenda and since then several projects to further this agenda have been introduced. The current implementation of the Municipal Standard Chart of Accounts *(m*SCOA*)* and the accompanying "game changers" signals a smarter way forward to strengthening local government finances.

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

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 at a crossroads

South Africa finds itself at a crossroads. The Medium Term Budget Policy Statement (MTBPS) presented by the Minister of Finance, Mr Tito Mboweni highlights the difficult economic and fiscal choices confronting government over the next several years. In the 2018 MTBPS, the Minister of Finance stated that given *the current economic climate the country faces, the government is confronted by difficult economic and fiscal choices over the medium term*. The Minister further indicated that South Africa needs to choose a path that leads to faster and more inclusive economic growth and strengthens private and public sector investment. The path should also stabilise and reduce the national debt, as South Africa cannot afford to borrow at the rate we are currently borrowing at.

OVERSTRAND MUNICIPALITY
2019 -05- 23

The 2018 Budget set out expectations of improved economic performance that proved premature. During the first half of this year, South Africa experienced a technical recession – that is, declining of the two consecutive quarters of Gross Domestic Product (GDP) – driven primarily by contractions in agriculture and mining.

A strengthening US dollar and rising global interest rates have triggered fiscal crises in several major developing countries. South Africa's inflation targeting regime, flexible exchange rate and prudent debt management strategy have protected the economy from some of the global fallout. However, these events have led to a sharp depreciation of the Rand and large increases in government bond yields. It is important to note that the 2018 projected GDP growth forecast has been revised down from 1.5 per cent to 0.7 per cent. Growth is expected to recover gradually to over 2 per cent in 2021 as confidence returns and investment gathers pace.

To promote a return to faster growth and job creation, the President announced an economic stimulus and recovery plan in September 2018. The initiative focuses on five interventions:

- Implementing growth-enhancing economic reforms;
- Reprioritising public spending to support economic growth and job creation;
- Establishing an infrastructure fund;
- Addressing urgent matters in education and health; and
- Investing in municipal social infrastructure improvement.

Increased investment in social and economic infrastructure will be a focus of economic recovery over the medium term. This requires an increased role for private sector and better implementation of government's existing plans.

Similar to the same period last year (2017), the country's tax collection targets have not been met, further reducing the funds available to allocate across the three spheres of government.

The following macro-economic forecasts must be considered when preparing the 2019/20 MTREF municipal budgets.

Table 1.1 Macroeconomic projections, 2017 – 2021

Calendar year	2017 Actual	2018 Estimate	2019	2020 Forecast	2021
Percentage change unless otherwise indicated					
Household consumption	2.2	1.6	1.9	2.3	2.6
Gross fixed-capital formation	0.4	0.9	1.5	2.1	2.9
Real GDP growth	**1.3**	**0.7**	**1.7**	**2.1**	**2.3**
GDP at current prices (R billion)	**4,651.8**	**4,949.1**	**5,317.2**	**5,724.1**	**6,167.2**
CPI inflation	5.3	4.9	5.6	5.4	5.4
Current account balance (% of GDP)	-2.4	-3.2	-3.2	-3.7	-3.9

Source: Reserve Bank and National Treasury

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2. Key focus areas for the 2019/20 budget process

2.1 Local government conditional grants and additional allocations

The proposed division of revenue continues to prioritise funding services for poor communities. Allocations to local government subsidise the cost of delivery of free basic services to low-income households, and the infrastructure needed to deliver those services.

The 2018 Medium Term Budget Policy Statement (MTBPS) indicates transfers to local government for the 2019 MTEF are R415.5 billion, of which R269.2 billion is in the form of unconditional allocations while the remainder is conditional grant funding. The allocations for local government over the medium term represent 8.9 per cent of non-interest expenditure and grows to 9.1 per cent during the same period, which constitutes an increase of 7.2 per cent. These are notable increases from 2018 MTEF, which require municipalities, despite the rising cost of providing basic services, find innovative, effective and efficient ways of making better use of the limited resources, given the current economic situation.

The equitable share and the allocation of the general fuel levy to local government constitute unconditional funding. Municipalities are reminded that this funding allocation is formula driven and designed to fund the provision of free basic services to disadvantaged communities.

Conditional grant funding must be utilised for the intended purpose within the stipulated timeframes, as specified in the annual Division of Revenue Act. Monies not spent must be returned to the fiscus and requests for roll-overs will only be considered where unforeseen and unavoidable circumstances led to underspending of conditional grants.

The annual Division of Revenue Bill will be tabled in February 2019 when the Minister of Finance delivers the budget speech. The grant allocations will be specified in this Bill and municipalities must reconcile their budgets to the numbers published therein.

Municipalities are advised to use the indicative numbers presented in the 2018 Division of Revenue Act to compile their 2019/20 MTREF. In terms of the outer year allocations (2021/22 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as proposed in the 2018 Division of Revenue Act for 2020/21. The DoRA is available at:

http://www.treasury.gov.za/documents/national%20budget/2018/default.aspx

Changes to local government allocations

- Over the MTEF period, R415.5 billion will be transferred to local government, including R146.3 billion in infrastructure conditional grants. The largest transfer to municipalities is the local government equitable share, which grows by 9.9 per cent in 2019/20, 9.7 per cent in 2020/21 and 8.6 per cent in 2021/22. These above-inflation increases are due to expected growth in household numbers, and higher bulk water and electricity costs.
- Government will strengthen municipal capacity to improve the use of these allocations. Although the rules have been changed to allow municipalities to use grant funds to refurbish infrastructure, develop water conservation projects and maintain roads if certain conditions are met – few municipalities have taken advantage of these provisions. The national departments that administer these grants are improving their capacity to support municipalities and to assess proposed projects.

OVERSTRAND MUNICIPALITY
2019 -05- 23

- It should be emphasised that the widespread decline in the quality and performance of essential municipal infrastructure significantly constrains the potential for inclusive economic growth. Municipalities should prioritise the maintenance and where necessary the refurbishment of essential municipal infrastructure.

- In many areas of the country, municipal finances are under pressure. This is the result of the rising cost of delivering basic services and weak financial planning and controls, with poor management decisions leading to underinvestment in and insufficient maintenance of infrastructure. In some cases, corrupt practices have taken root in local administrations. Over the period ahead, national transfers to local government will continue to support the delivery of basic services, while incentivising improved performance and the turnaround of troubled municipalities.

- The Department of Cooperative Governance (DCoG) has managed the process to assess applications from municipalities to shift from the Municipal Infrastructure Grant to the new Integrated Urban Development Grant. This new grant has different planning requirements and incentives intended to more integrated developments and greater leveraging of non-grant finance. Several municipalities applied to join this grant during 2018 and the Department of Cooperative Governance (DCoG) will notify those municipalities that have qualified. All other non-metropolitan municipalities should continue to adhere to the Municipal Infrastructure Grant's project registration processes in preparation for 2019/20.

- More than 3.1 million South Africans live in informal settlements, over half of which are in metropolitan municipalities. Over the medium term, informal-settlement upgrading will intensify. On-site upgrading of settlements involves providing municipal services and security of tenure to households. This will encourage residents to improve their own dwellings. Public programmes and funding mechanisms will focus on allowing more flexible and differentiated improvements to settlements. Government will prioritise engagement with communities and their inclusion in upgrading, for example through helping to build and maintain infrastructure. New conditions and ring-fenced funding for upgrading will be included in the urban settlements development grant for metropolitan areas and the human settlements development grant for provinces in 2019/20. Following the pilot phase, government intends to introduce separate metropolitan and provincial grants for informal settlement upgrading. With most electrification backlogs in metros in informal settlements, it is also proposed that allocations for the integrated national electrification programme (municipal) grant be incorporated into the new grant mechanism in these cities.

Reforms to local government fiscal framework

Metropolitan areas and other large cities fund most of their operational budgets from revenues they raise themselves. There is ample scope for creditworthy municipalities with strong financial management to increase local capital investment by expanding municipal borrowing. In 2017/18, half of infrastructure spending by metros and large cities was still funded from transfers, primarily from national government. Reforms over the medium term will enhance the ability of municipalities to raise revenue to invest in their own development.

Government will introduce: Policy reforms to clarify the role of development finance institutions in municipal borrowing and to regulate municipal development charges are under way to broaden municipal access to private capital markets. Financing arrangements with development finance institutions and multilateral development institutions will include much needed technical assistance to improve project planning, preparation and implementation. Government is also updating the policy framework for municipal borrowing and financial emergencies.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The purpose is to establish a system which not only ensures stability and certainty in local government finances, but also seeks to implicitly create incentives and attract more players in the municipal debt market space, i.e. insurers, pension funds, fund managers and DFIs.

2.2 Tabling of funded budgets

The importance of tabling funded budgets is highlighted in MFMA Circular No. 74 and 89. Adopting a funded budget has become more critical now than before as it has direct bearing on the financial sustainability of the institution. It has been agreed that no municipality will adopt an unfunded budget in the future. There are cases that may warrant a plan as this may not be achievable over one year. As a result, such municipalities must, together with their 2019/20 MTREF budget, table a plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position. This will be essential when the National and provincial treasuries are assessing the budget to determine its credibility. The assessment of the 2018/19 MTREF budgets have shown a deterioration with more budgets being unfunded. Plans and support will have to be re-evaluated to produce a positive outcome.

2.3 Addressing the growing financial crisis in municipalities

In 2018/19, 113 municipalities adopted unfunded budgets, compared to 83 in the prior year. In addition, municipalities owe more than R23 billion in arrears, including to Eskom and water boards. Although the primary responsibility to resolve these financial problems rests with municipalities themselves, the Constitution states that when a municipality is in financial crisis, the provincial government must intervene – and if the province is not able to, then national government must do so. However, few past interventions have succeeded in producing a sustained turnaround.

Over R2.5 billion has been allocated per year over the 2019/20 MTREF to enable National and provincial treasuries to better manage interventions. This will strengthen the National Treasury's Municipal Financial Recovery Service (MFRS) capacity to draft financial recovery plans for municipalities and that of provinces to implement these plans. These recovery plans set revenue and spending targets for the municipality and identify specific revenue-raising measures.

The new grant that government had proposed to help municipalities facing financial crisis will no longer be introduced. The funds set aside for this will instead be reprioritised for other initiatives that will assist the turnaround of municipalities. Ultimately, sustainable financial recovery will require improved governance within the affected municipalities following the intervention. And better use of grants, together with improved maintenance, will also reduce pollution from wastewater treatment works, which has become a more pressing concern in a number of municipalities.

Government also provides extensive support to build municipal capacity, including over R2.5 billion per year allocated for this purpose in the budget. The growing number of distressed municipalities indicates the need to make better use of these resources. The current system will be reviewed during 2019.



2.4 Municipal Standard Chart of Accounts (*m*SCOA)

Release of Version 6.3 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 6.3 is released with this circular (see Annexure A). Version 6.3 of the chart will be effective from 2019/20 and must be used to compile the 2019/20 MTREF and is available on the link below:

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

Amendments of adopted budget errors during the adjustments budget

During the 2018/19 budget verification process it was evident that municipalities are still not able to align *m*SCOA original budget data string to the original budget adopted by municipal council. The root cause for the discrepancies is that municipalities do not plan, test and generate the Schedules A1 directly from the financial systems but prepare the Schedules A1 manually on excel spreadsheets and then captured the tabled and original budgets on the system (or worse, the core system vendor does it for them) after these were tabled and adopted in Council.

Furthermore, some municipalities prepared their tabled budgets in the financial system but made changes to it during community consultation and council meeting(s). These changes were effected to the Schedule A that served before Council but never made on the financial system. Hence, the municipality started transacting against the tabled budget on the system instead of the adopted budget. In terms of the *m*SCOA Regulations, the budget must be approved and locked on the financial system prior to the municipality transacting against it on the financial system.

In terms of the MFMA and Municipal Budget and Reporting Regulations, errors in the budget can only be corrected during the adjustments budget process. Municipalities should therefore ensure that their adjusted budget data strings align to Schedule B adopted by municipal council. National and provincial treasuries will undertake a verification process on the adjusted budgets in relation to the data strings. Municipalities are advised to submit the draft adjusted budget data strings and Schedule B in advance for verification purposes to ensure that aligned documents are adopted by municipal council by 28 February 2019.

Changing of the Core Financial System

Municipalities must follow the required due diligence processes required in terms of MFMA Circular 80 and *m*SCOA Circulars No. 5 and 6 prior to changing their core financial systems. In terms of these circulars:

1. A municipality must conduct an ICT due diligence of all the existing ICT system(s).
2. Once this ICT Due Diligence has been completed, the municipality's *m*SCOA Project Steering Committee (chaired by the Accounting Officer) must:
    a) Assess whether the municipality's existing system(s) as a package, meets the systems comply with the functionality requirements for its category and 15 business processes required in terms of *m*SCOA. This should be the main consideration in the decision on whether a new financial system is required.
    b) Consider the cost of any additional functionality the municipality will have to procure from its existing package of service provider(s) and the affordability

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

thereof to the municipality considering its budget. Importantly, if a municipality did not budget to purchase or upgrade their core financial system or any component thereof in the budget adopted by Council, then the purchase will have to be deferred to the next financial year to avoid irregular expenditure;

c) Compare the total cost of its existing 'package of system(s)', including the cost for any additional functionality with the other available service offerings for its category; and

d) Consider the penalties and reasons for contract termination in any of its contracts with existing service providers.

3. The project steering committee must document its decision and recommendation(s) on the way forward (relating to the items listed above) for the municipality and its municipal entities (on the municipality's 'package of existing system(s)'), clearly setting-out its findings.

4. Once the municipality's *m*SCOA project steering committee has made its decision and recommendation(s), the municipality must solicit the comments of the National Treasury and Provincial Treasury. A detailed motivation on the need to change the core financial system should be provided to the National and Provincial Treasuries, the Municipal Manager and Council.

5. Once the municipality has received the comments of the National Treasury and the Provincial Treasuries, the *m*SCOA Project Steering Committee and Municipal Manager should consider such comments and prepare a recommendation to the Municipal Council in this regard.

6. The municipal manager must submit a copy of the municipal council's decision to the National Treasury and Provincial Treasury within five (5) working days after the meeting during which the Municipal Council has made the decision in this regard.

7. **The municipality should then follow its own tender processes to procure a financial system on the open market until such time that a new transversal tender for the procurement of integrated municipal financial and internal control systems are in place.** Thereafter, municipalities may request permission from National Treasury's Office of the Chief Procurement Officer to use the transversal tender to procure a financial system.

8. The municipality should ensure that the Service Level Agreement entered into with the system provider provides for specific and realistic milestones and include penalties and termination clauses for failing to meet milestones. In addition, municipalities should implement proper contract management and exercising tight control over contractual obligations by system providers.

The National Treasury has also secured funding to conduct independent audits on all municipal core financial systems to determine to what extend these systems comply with the functionality requirements and 15 business processes required in terms of *m*SCOA. These results will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2019. Until these audits have been concluded and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary *m*SCOA functionality requirements.

Municipalities are advised to use their internal audit function to ensure that the correct process was followed. Internal audit must ensure that the municipality has complied with the requirements of *m*SCOA and the reports of internal audit must be tabled at audit committee and at municipal council for their consideration.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

3. The revenue budget

The economic situation has not improved since the previous financial year. Therefore, municipalities are reminded as it was communicated in MFMA Circular No. 89 that weak economic growth has put stress on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, water boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them, and eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the*** **projected inflation target for 2019/20** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include details of their revenue growth assumptions for the different service charges in the budget narrative.

3.1 Maximising the revenue generation of the municipal revenue base

Municipalities must comply with Section 18 of the MFMA and ensure that they fund their 2019/20 MTREF budgets from realistically anticipated revenues to be collected. Subsequently, municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities in financial distress.

It is critical to compare the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are realistic. The list of exceptions derived from this reconciliation will provide an indication of where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this with the deeds office registry. This reconciliation should be undertaken quarterly. Towards this end, municipalities are requested to submit the following information to the National Treasury:

1. A copy of the approved current General Valuation Roll of the municipality;
2. A copy of the approved Supplementary Valuation Roll of the municipality;
3. An extract from the financial system showing the property rates information (preferably in excel);
4. The detail of the reconciliation between the GVR and the financial system illustrating the variances; and
5. The proposed process to rectify the variances.

In addition, the format below (excel) is required that captures a high level summary of the exercise.

	Approved General Valuation Roll		*Financial System*			
Rates Category	*Number of Properties*	*Consolidated Value of Properties*	*Number of Properties*	*Consolidated Value of Properties*	*Variance*	*Comments*

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

For couriered documents	*For posted documents*
Ms Linda Kruger	Ms Linda Kruger
National Treasury	National Treasury
40 Church Square	Private Bag X115
Pretoria, 0002	Pretoria, 0001

In addition, municipalities that maintain an indigent register and not utilise a targeted approach, are requested to periodically review the indigent register to verify that beneficiaries are still legible for the subsidy that they obtain. Municipalities are also encouraged to revise their Local Economic Development strategies to have a targeted approach to alleviate the situation of the indigents as part of poverty alleviation.

3.2 Eskom bulk tariff increases

The National Energy Regulator of South Africa (NERSA) develops the municipal tariff guideline increase based on Eskom's approved bulk price increase of electricity to municipalities and the increase on the municipalities' cost structures. Eskom has made a revenue application for the 2019/20 financial year, but NERSA has yet to make a decision on the application. Municipalities should refer to www.nersa.org.za for updates on the outcome of this process. Municipal bulk tariff increases will depend on the outcome of that process.

Municipalities are also urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability. Municipalities in arrears with Eskom should ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

3.3 Water tariff increases

Drought conditions makes it difficult for some municipalities to improve revenue generation from this service. It is now more important to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting in respect of water services.

Municipalities must ensure that the tariffs charged are able to cover for the cost of bulk purchases, ongoing operations as well as provision for future infrastructure. There are municipalities that are struggling to pay water boards due to a number of issues, one of which is poor financial sustainability and cost recovery. All municipalities in arrears with bulk suppliers must ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

Accounting officers should take note that failure to undertake proper due diligence in terms of the affordability of payment arrangements and making the necessary provision in the municipality's budget will be considered as an act of financial misconduct and the necessary action in terms of chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014, will have to be taken.

4. Funding choices and budgeting issues

As a result of the economic landscape and weak tariff setting, municipalities are under pressure to generate additional revenue. The ability of customers to pay for services continues to decline, leading to limited revenue collection. Therefore, municipalities must consider the following when compiling their 2019/20 MTREF budgets:

- improving the effectiveness of revenue management processes and procedures;

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as was highlighted in MFMA Circular No. 82;
- ensuring value for money through the procurement process;
- the affordability of providing free basic services to all households; and
- curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of Section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of Chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

4.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 30 June 2021 dated 15 August 2018 through the South African Local Government Bargaining Council Circular No. 6 of 2018 should be used when budgeting for employee related costs for the 2019 MTREF. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once a year manual salary disbursement, in order to root out ghost employees.

4.2 Remuneration of councilors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette No. 20 of 1998 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 (DCoG). Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councilor(s) concerned.

4.3 Budgeting for Trade Payables on Table SA3

Municipalities raised concerns about the calculation used for determining the creditors' payment period ratio. As a result, an analysis was undertaken of the note in the Annual Financial Statements relating to Trade Payables from Exchange Transactions as it is disclosed on the face of the Statement of Financial Position. The analysis revealed that this liability includes creditors which do not have a direct impact on the ratio, such as payments received in advance, funds administered on behalf of third parties, retention, accrued staff leave, license fees etc.

The inclusion of such liabilities as "Trade and Other-Payables from Exchange Transactions" under "Working Capital – Creditors due" on Table A8 has an impact on the funding assessment as they are considered when determining whether the budget is funded as per the Municipal Budget and Reporting Regulations schedules. Table A8 is separated into three disclosures which are:

- Unspent Grants – linked by a formula from Table SA3;
- Working Capital – Creditors due - linked by a formula from Table SA3 that currently includes all Trade and Other-Payables from Exchange Transactions as explained above; and

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- Statutory Requirements – This refers to VAT and taxation and is not linked by a formula to any table as it may include VAT and taxation receivable included under Other Debtors in Table A6 and/or VAT and taxation payable included in Table SA3.

The disclosure above may be adequate in terms of the requirements to determine the funding of the budget on Table A8, but it does not assist with disclosing Trade Payables ("true trade creditors") for the purpose of calculating the expenditure management efficiency ratio "Creditors Payment Period (Trade Creditors)" in terms of the National Treasury Circular No. 71.

Accordingly, Table SA3 has been amended to separate Trade and Other Creditors into two separate lines. The revised disclosure will be as follows:

- Trade payables - (should be "true creditors" only);
- Other creditors – (should include all the above liabilities, except VAT that is disclosed separately);
- Unspent conditional transfers; and
- VAT.

"Trade Payables" and "Other Creditors" will be added together for the purpose of calculating "Creditors Due" in row 31 under the working capital calculation on Table A8.

4.4 Budgeting for Inventory: Water

Bulk water purchases meet the criteria of the definition of inventory as per GRAP 12, paragraph .07. Therefore, water bulk purchases should be treated as inventory and should be budgeted and accounted for accordingly. National Treasury issued guidance on the treatment of non-revenue water and electricity in Annexure B to the MFMA Circular No. 70 for the 2014/15 MTREF. However, since the issue of that circular, National Treasury has allowed municipalities to either budget for water bulk purchases as a direct expense in the Statement of Financial Performance as an interim measure or to account for water under inventory. The *m*SCOA chart also makes provision for such. However, to ensure compliance to GRAP 12 the necessary amendments must be effected to the Schedule A tables and the chart.

National Treasury considered the impact that the changes to the Schedule A tables will have on municipalities, as a result it was resolved that they are significant and should not be implemented in the 2019/20 MTREF. This entails a change in approach where water bulk purchases will be processed as a cash transaction in the Statement of Financial Position – Acquisition of Inventory (Table A6). The system input volume (acquisitions) of water stock includes the following:

- Bulk purchases - Supply from bulk or other water service providers recognised by the amount paid;
- Water purified - Potable supply from Water Treatment Works. Value is to be determined by calculating primary and secondary cost components; and
- Natural sources - Supply from boreholes, springs, fountains if not supplied through the water treatment plant. Value is to be determined by calculating primary and secondary cost components.

It is therefore evident that the total input volume of water as it relates to water purified and water from natural sources should include both primary and secondary cost components. The allocation of secondary cost to the input volume of water will necessitate the utilisation of the Costing Segment of the *m*SCOA chart.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Municipalities are cautioned that the Schedule A for the 2020/21 MTREF will be amended in line with the prescripts of GRAP12 and *m*SCOA in relation to the treatment of water bulk purchases as inventory. Therefore, municipalities will be required to budget accordingly and should now in advance consider the requirements necessary to facilitate this conversion and to ensure accurate configuration of their financial systems as it is a *m*SCOA requirement that the schedules must be extracted directly from the system. Municipalities are urged to refer to the *m*SCOA chart on the definitions and the detail of what constitutes water inventory consumed (cost of sales). Furthermore, reference should be made to the Department of Water and Sanitation (DWS) Municipal Water Balance Guideline for guiding principles which is accessible on the link below:

Department of Water and Sanitation (DWS) Municipal Water Balance Guideline

5. Conditional Grant transfers to Municipalities

5.1 Summary of changes in the Division of Revenue Amendment Bill, 2018

An adjustments budget provides for unforeseen and unavoidable expenditure; appropriation of monies already announced during the tabling of the annual budget (but not allocated at that stage); the shifting of funds between and within votes where a function is transferred; the utilisation of savings; and the roll-over of unspent funds from the preceding financial year. If the adjustments budget effects changes to the division of revenue as contained in the Division of Revenue Act for the relevant year, the Minister of Finance must table a Division of Revenue Amendment Bill with the revised framework. There are amendments to the 2018 Budget that affect the Division of Revenue Act, 2018 which will be effected through the Division of Revenue Amendment Act, 2018, once enacted. The amendments as they impact on provinces and municipalities are discussed below.

Funding for drought relief

The Minister of Finance announced during the 2018 Budget Speech that, "a provisional allocation of R6 billion has been set aside in 2018/19 for several purposes, including drought relief and to augment public infrastructure investment." National Treasury managed a process to determine the allocation of drought relief funds that included two windows for applications. All applications were reviewed together with inputs from sector departments and the National Disaster Management Centre. A total of R3.4 billion in drought response funding has been allocated to all three spheres of government, including several direct and indirect grant allocations, which are included in this Bill.

A total of R1.98 billion is added to direct conditional grants for drought relief. These amounts have already been gazetted on 4 October 2018, after the Minister of Finance approved that the funds could be spent in terms of Section 6(1) of the Appropriation Act, 2018, (Act No. 4 of 2018). This section provides for the Minister of Finance to approve expenditure before an adjustment appropriation bill is enacted if that expenditure cannot reasonably be delayed without negatively affecting service delivery and such expenditure was announced during the tabling of the 2018/19 national annual budget. The following amounts have been added to direct conditional grants to municipalities:

- R288.1 million for the water services infrastructure grant to local government. This allocation will fund a variety of water supply augmentation projects for drought-affected municipalities, including drilling and equipping boreholes to access groundwater and implementing water conservation measures where the reduction of water losses will improve the sustainability of supply.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- R1.03 billion for the municipal disaster recovery grant to local government. Funds allocated through this grant will be transferred to three metropolitan municipalities that have been severely impacted by the drought: Cape Town, Nelson Mandela Bay and Mangaung. The funds will subsidise the costs of water augmentation projects, including groundwater development and water conservation measures where the reduction of water losses will improve the sustainability of supply. All of these cities are also expected to contribute funds from their own revenue base to their water augmentation projects.

The following amounts have been added to indirect conditional grants that benefit local government:

- R1.01 billion for the indirect water services infrastructure grant. This allocation will fund a variety of water supply augmentation projects for drought affected municipalities, including drilling and equipping boreholes to access groundwater and implementing water conservation measures where the reduction of water losses will improve the sustainability of supply.
- R6 million for the indirect regional bulk infrastructure grant. This allocation will fund a water supply augmentation project in Ndlambe Local Municipality affected by drought. The municipality is already receiving an allocation managed through this indirect grant in the 2018/19 financial year.

Additional changes to local government allocations

- *Additional allocations to support disaster recovery*

  R143.3 million is added to the municipal disaster recovery grant for post disaster repair and rehabilitation projects in a number of municipalities in KwaZulu-Natal and Western Cape. The municipalities in KwaZulu-Natal are allocated a total of R138.7 million for the repair and rehabilitation of roads, storm water and sanitation infrastructure and community facilities that were damaged by floods. R4.6 million is allocated for the repair and rehabilitation of water and electricity infrastructure in the Bitou Local Municipality in Western Cape.

- *Additional allocation for the public transport network grant*

  R33 million is added to the public transport network grant for the City of Cape Town to begin detailed design on a new phase of the MyCiti public transport network approved through the Budget Facility for Infrastructure.

- *Conversion of the municipal systems improvement grant from Schedule 6, Part B (indirect) to Schedule 5, Part B (direct)*

  R23.2 million of the municipal systems improvement grant will be converted from Schedule 6, Part B (indirect) to Schedule 5, Part B (direct) for 22 municipalities affected by major boundary changes that took effect after the 2016 local government elections. This amount was made available in the indirect municipal systems improvement grant in 2018/19, to assist with the completion of transitional work in the affected municipalities, following the end of the municipal demarcation transition grant (Schedule 5, Part B (direct)) at the end of the 2017/18 financial year.

These municipalities have been implementing the institutional and administrative changes that were required as a result of the boundary changes, including with funding from the former municipal demarcation transition grant. This conversion supports these 22 municipalities to complete the implementation of these transitional matters.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

5.2 Conditional grant monitoring support and Non-compliance of in year monitoring

National Treasury has through its in-year Division of Revenue Act monitoring observed that certain departments that administer municipal grants have not fully complied with the provisions of the Act. Notably the national departments of Transport and Water Services have not fully transferred some of the transfers that were due to the municipalities. Stringent measures are being put in place to ensure compliance to the Division of Revenue Act, 2018 (Act No 1 of 2018) in that regard.

Furthermore, National Treasury has facilitated an adjustment gazette in terms of the Division of Revenue Act in terms of distressed municipalities that could not safeguard the transfers bestowed to them but also to reallocate some of these grants to the respective district municipalities in support of their distressed locals. Government gazette No. 42067 of 28 November 2018 provides for the following in this regard:

Municipal Infrastructure Grant (MIG)

National Treasury in consultation with the Department of Cooperative Governance (DCoG), concluded that municipalities reflecting significant uncommitted underspending would have their funds stopped within four provinces, namely: Eastern Cape, Free State, Northern Cape and North West, and be re-allocated to the respective District Municipalities for delivery on behalf of their locals.

The Municipal Emergency Housing Grant (MEHG)

The Department of Human Settlements (DHS) recommended to National Treasury that an allocation of an amount of R3.9 million is allocated through MEHG following a fire disaster that damaged most of the informal settlements within the Bitou LM in the Western Cape in order to fund the relocation costs and Transitional Residential Area units.

The Neighbourhood Development Partnership Grant (NDPG)

Based on Msunduzi Local Municipality's (LM) request, R27.4 million is stopped from Msunduzi's 2018/19 allocation and re-allocated to West Rand District Municipality (DM) in Gauteng province and City of Matlosana LM in North West province. West Rand DM will receive R20 million, while City of Matlosana LM will be allocated R7.4 million of the R27.4 million stopped from Msunduzi LM.

5.3 Support afforded to municipalities reflecting significant underspending

The municipalities that are affected by the stopping process due to governance and financial challenges will continue to receive support from National Treasury, DCoG and the relevant stakeholders on the MIG cost reimbursement and invoice verification which has been ongoing in the current financial year.

5.4 2017/18 Unspent conditional grant process

National Treasury has concluded the assessment of the 2017/18 conditional grant rollovers and the verification of the unspent conditional grants. This is a process that is governed by Section 22 of the 2017 Division of Revenue Act.

National Treasury through this process undertakes to travel to all provinces on a roadshow and set-up a combined session with all provincial treasuries and all sector departments responsible for administering conditional grants. In these sessions, rollover requests from municipalities are assessed in accordance to the division of revenue act and the guiding MFMA Circular. It is a process that begins on 31 August 2018 and ends 03 December 2018.

OVERSTRAND MUNICIPALITY
2019 -05- 23

Municipalities with unspent conditional grants that were not approved for rollover, are afforded an opportunity to refund the portion of the unspent funds to the National Revenue Fund (NRF). In instances wherein the unspent funds are not refunded to the NRF, National Treasury in accordance to Section 22 of the Division of Revenue Act, offsets these funds against the equitable share allocations.

6. Preparation of Municipal Budgets for 2019/20 MTREF

6.1 Schedule A1 version to be used for the 2019/20 MTREF

National Treasury has released Version 6.3 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.3 of the *m*SCOA classification framework and must be used when compiling the 2019/20 MTREF budget. Refer to Annexure B for the changes to this version of the Schedule A1.

ALL municipalities **MUST** use this version for the preparation of their 2019/20 MTREF budget.

It is imperative that all municipalities prepare their 2019/20 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have recently 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. 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.

To promote this approach, from the **2020/21 MTREF** the National Treasury will only accept a Schedule A1 in PDF format, containing ALL sheets as prescribed and with each worksheet displaying an embedded system stamp to certify that it has been produced directly from the system. For purposes of collecting additional data which we previously did using the Schedule A1 in Excel, a prescribed data string containing the data must be populated and uploaded by each municipality (refer to the attachment to MFMA Budget Circular No 93 on the website).

http://mfma.treasury.gov.za/Circulars/Pages/default.aspx

Special attention must be given to the supporting schedules in the prescribed Schedule A1. Where detailed data is lying in a sub-system e.g. human resource data for SA22 to SA24, this data must be pulled from the sub-system into the applicable supporting sheet and must form part of the complete endorsed Schedule A1.

Version 6.3 of Schedule A1 is available on the following link:

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

6.2 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	Bernard Mokgabodi Matjatji Mashoeshoe	012-315 5936 012-315 5553	Bernard.Mokgabodi@treasury.gov.za Matjatji.Mashoeshoe@treasury.gov.za
Free State	Jordan Maja Cethekile Moshane	012-315 5663 012-315 5079	Jordan.Maja@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal	Bernard Mokgabodi Johan Botha	012-315 5936 012-315 5171	Bernard.Mokgabodi@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Una Rautenbach Sifiso Mabaso	012-315 5700 012-315 5952	Una.Rautenbach@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Willem Voigt Mandla Gilimani	012-315 5830 012-315 5807	WillemCordes.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Northern Cape	Jordan Maja Anthony Moseki	012-315 5663 012-315 5174	Jordan.Maja@treasury.gov.za Anthony.Moseki@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Kgomotso Baloyi Kevin Bell	012-315 5866 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National and provincial treasuries, will undertake a compliance check and, where municipalities have not provided complete budget information, the municipal budgets will be returned to the mayors and municipal managers of the affected municipalities for the necessary corrections. Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution in accordance with the format specified in item 31 of Schedule A of the Municipal Budget and Reporting Regulations.

The National Treasury would like to emphasise that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to go back to the municipal Council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations. In addition, where municipalities have adopted an unfunded budget, they will be required to correct the budget to ensure they adopt and implement a funded budget. However, where there are challenges the process indicated in paragraph 2.2 above will be applied.***

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The A Schedule that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities) and the budget of the parent municipality. D schedules must be submitted for each entity.

7. Budget process and submissions for the 2019/20 MTREF

7.1 Submitting budget documentation and schedules for 2019/20 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 both printed and electronic formats. If the annual budget is tabled to council on 29 March 2019, the final date of submission of the electronic budget documents and corresponding electronic returns is **Monday, 01 April 2019**. The deadline for submission of hard copies including council resolution is **Friday, 05 April 2019**.
- Section 24(3) of the MFMA, read together with regulation 20(1) of the Municipal Budget and Reporting Regulations, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget. E.g. if the council approves the annual budget on 31 May 2019, the final date for such a submission is Friday, 14 June 2019.

The municipal manager must submit:

- the budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 – SA38) in PDF format with stamp that will confirm production directly out of the financial system;
- the draft service delivery and budget implementation plan in both printed and electronic format;
- the draft integrated development plan;
- the council resolution;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations; and
- schedules D specific for the entities.

Budget related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at:

https://lguploadportal.treasury.gov.za/

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

1. be in PDF format; and
2. each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Municipalities may still send electronic versions of documents and the Schedule A1 to lgdocuments@treasury.gov.za but only when experiencing problems with the LG Upload Portal. Any problems experienced in this regard can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

Note: lgbigfiles@gmail.com is no longer available.

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents	***For posted documents***
Ms Linda Kruger	Ms Linda Kruger
National Treasury	National Treasury
40 Church Square	Private Bag X115
Pretoria, 0002	Pretoria, 0001

In addition to the above-mentioned budget documentation, metropolitan municipalities must submit the draft Built Environment Performance Plan (BEPP) tabled in council by 29 March 2019 to Yasmin.coovadia@treasury.gov.za. If the BEPP documents are too large to be sent via email (exceeds 4MB) please submit to yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with Yasmin.Coovadia@treasury.gov.za. Hard copies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd floor 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001.

7.2 Retirement of the Budget reform returns (Appendix B)

From 2019/20 onwards, municipalities will no longer be required to continue with the use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. The National Treasury will use only the *m*SCOA data strings required for submission as prescribed and all publications will use the data collected from the *m*SCOA data strings.

This places the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions; and
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

While the National Treasury will still share control reports and Schedule C as produced from the data uploaded by municipalities, the verification process before each quarterly Section 71 publication will fall away as the responsibility now lies with the municipality **BEFORE** submitting the data strings to ensure that the data is an accurate reflection of the state of municipal finances.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The tabled and adopted budget data strings submitted to the Local Government Database and Reporting system should also be consolidated figures.

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

7.3 Budget verification process

Annually during the budget verification process, it is noted that municipalities have challenges to align the audited years, which results in amendments to the Schedule A. Municipalities must ensure that the audited figures and adjusted budget figures captured on the Schedule A aligns to the annual financial statements and Schedule B respectively.

7.4 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.

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
07 December 2018

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Annexure A – Changes to *m*SCOA Version 6.3

No.	Segment	Amendment
1	Item Revenue: National transfers and subsidies	Included all national transfers and subsidies as per MTBPS and allowed for the split between operating and capital as per the grant frameworks
2	Item Revenue: Provincial transfers and subsidies	Allowed provincial transfers and subsidies to be breakdown required where municipalities will specify the names of the grants
3	Item Revenue: Property rates	Included the new property categories as per section 8 of the Municipal Property Rates Act (MPRA)
4	Item Revenue: Sale of goods: Agricultural products	Added a separate line for fresh produce
5	Item Revenue	Added availability charges under non-exchange revenue
6	Item Expenditure: Operational costs	Included breakdown for Speaker under entertainment
7	Item Expenditure: Depreciation	Retired sport and recreation facilities as an asset category as it is included in community assets as per CIDMS
8	Item Expenditure	Changed the spelling for Eskom
9	Item gains and losses	Aligned the high level structure for impairment and reversal of impairment to depreciation and amortisation
10	Item gains and losses and Item assets	Added a line for impairment of construction work in progress assets as per GRAP 21
11	Item assets	Retired libraries as an asset category as it is included in community assets as per CIDMS
12	Item assets: Construction Work in Progress	Added a line to transfer assets from construction work in progress to completed assets
13	Item assets	Changed the definition for general plant to align to the ASB guideline
14	Function	Retired the line item for Budget and Treasury Office as it is part of Finance
15	Function	Retired public forces, traffic and street parking control from Road Transport and included it as Public Safety
16	Region	Included ward / township breakdown as requested by municipalities
17	Region	Retired decommissioned municipalities due to demarcation
18	Region	Swopped municipalities included under DC 36 and DC 30
19	Region	Retired duplicated municipality

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Annexure B – Changes to Schedule A1 – the 'Excel formats'

As noted above, National Treasury has released Version 6.3 of Schedule A1 (the Excel Formats). It incorporates the following changes:

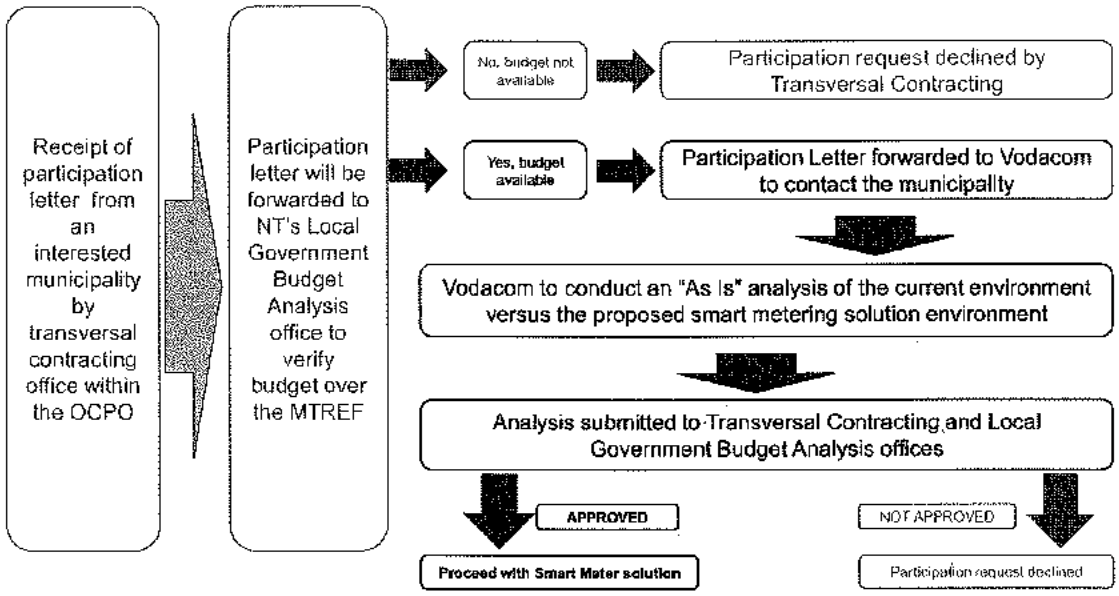
No.	Sheet	Amendment	Reason
1	A2A	Budget and Treasury office has been removed	It is a duplication of Finance
2	A4	Line 10 Service charges – other is no longer available	Not available on the *m*SCOA chart
3	A6	Line 20 Agriculture is no longer available	Not available on the *m*SCOA chart
2	A6	Formula link change on line 32 Trade and other payables	Adjustments made on SA3
4	A8	Formula link change on line 31 Creditors due	Adjustments made on SA3
5	A9	Adjustments made to lines 134 to 165 Asset Register Summary – PPE (WDV)	Only high level summary required
6	SA3	Line 35 and 36 – split Trade payables and Other creditors	To refine calculation of creditors days ratio
8	SA8	Note: Formula in line 23 now only take into account Trade payables	Due to change made on SA3
9	SA25	Line 10 Service charges – other is no longer available	Not available on the *m*SCOA chart
11	SA30	Line 10 Service charges – other is no longer available	Not available on the *m*SCOA chart

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Annexure C – Participation in RT15-2016 Vodacom transversal contract

Participation in RT15-2016 Vodacom transversal contract for the supply and delivery of mobile communication services to the state

It has become apparent that an increasing number of municipalities are intending to embrace smart technology to augment their operations. One such opportunity is through the RT15-2016 transversal contract that provides the option for an account management service offering in respect of smart meters. The pre-requisite, however, is that the municipality intending to participate must demonstrate evidence of adequate operating budget provision over the MTREF. The following process is applicable for the approval to participate.



In this regard the municipality should engage the Office of the Chief Procurement Officer (OCPO) in the National Treasury as the first point of contact. Kindly contact Ms. Kwanele Mtembu, Tel: (012) 406 9188 or email: Kwanele.Mtembu@treasury.gov.za for guidance.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Annexure D – MFMA Circular No. 71 aligned *m*SCOA Dashboard

The objective of the attached excel spreadsheet is to assist municipalities and system vendors to populate the indicators contained in MFMA Circular No. 71 automatically. Secondly, all system vendor dashboards should host as a minimum these indicators. It will assist the Accounting Officer to understand the overall financial management position of the municipality before submitting the regulated Budget and Reporting Schedules and *m*SCOA data strings to the Local Government Database and Reporting System (LGDRS).

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

NATIONAL TREASURY

MFMA Circular No. 94

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2019/20 MTREF

CONTENTS

1. THE SOUTH AFRICAN ECONOMY AND INFLATION TARGETS 2
2. KEY FOCUS AREAS FOR THE 2019/20 MUNICIPAL BUDGET PROCESS 3
   - 2.1 LOCAL GOVERNMENT GRANTS AND MUNICIPAL REVENUE STRENGTH 3
   - 2.2 TECHNICAL ADJUSTMENT AND CONTINUED FUNDING OF DROUGHT DISASTER RELIEF 5
   - 2.3 RESPONSE TO THE FINANCE AND FISCAL COMMISSION (FFC)'S RECOMMENDATIONS 5
   - 2.4 BORROWING FOR CAPITAL INFRASTRUCTURE 6
3. THE REVENUE BUDGET 6
   - 3.1 ESKOM BULK TARIFF INCREASES 6
4. CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES 7
   - 4.1 CRITERIA FOR THE ROLLOVER OF CONDITIONAL GRANT FUNDS 7
   - 4.2 UNSPENT CONDITIONAL GRANT FUNDS FOR 2018/19 9
5. THE MUNICIPAL BUDGET AND REPORTING REGULATIONS 9
   - 5.1 TABLING OF BUDGET DOCUMENTS 9
   - 5.2 THE IMPACT OF VAT ON TARIFFS 10
   - 5.3 SCHEDULE A - VERSION TO BE USED FOR THE 2019/20 MTREF 10
   - 5.4 ASSISTANCE WITH THE COMPILATION OF BUDGETS 11
6. MUNICIPAL CHART OF ACCOUNTS (*m*SCOA) 12
   - 6.1 VIREMENT IN AN *m*SCOA ENVIRONMENT 12
   - 6.2 *m*SCOA TRAINING 12
7. BUDGET PROCESS AND SUBMISSIONS FOR THE 2019/20 MTREF 12
   - 7.1 BUDGETING FOR THE AUDITED YEARS ON SCHEDULE A (*m*SCOA) 12
   - 7.2 SUBMITTING BUDGET DOCUMENTATION AND SCHEDULES FOR 2019/20 MTREF 13
   - 7.3 RETIREMENT OF THE BUDGET REFORM RETURNS (APPENDIX B) 14
   - 7.4 UPLOAD OF THE *m*SCOA BUDGET DATA STRINGS TO THE LG UPLOAD PORTAL 14
   - 7.5 PUBLICATION OF BUDGETS ON MUNICIPAL WEBSITES 14
   - 7.6 THE PROCESS TO BE FOLLOWED TO ISSUE VERSION 6.4 OF THE *m*SCOA CHART 15

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Introduction

This budget circular is a follow-up to the one issued on 07 December 2018 and it complements the many other circulars that have been issued previously. It guides municipalities with their preparation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars it should be read within this context. Among the objectives of this Circular, is to support municipalities with giving effect to National Treasury's Municipal Budget and Reporting Regulations (MBRR) within the current economic climate. The key focus of this Circular is the grant allocations per the 2019 Budget Review and the 2019 Division of Revenue Bill.

1. The South African economy and inflation targets

The economic and revenue outlook has deteriorated since the October 2018 Medium Term Budget Policy Statement (MTBPS). Funding pressures from state-owned companies have increased and require government financial support. Given these developments, the 2019 Budget proposes large-scale expenditure reprioritisation and tax measures that narrow the deficit from 4.5 per cent of GDP in 2019/20 to 4 per cent by 2021/22.

The 2018 MTBPS noted that weak economic performance and revenue shortfalls had contributed to some slippage in fiscal projections. Since then, economic growth has remained subdued and the domestic GDP outlook has been revised down. In the current year, tax revenue will be R15.4 billion below the 2018 MTBPS estimate. Funding pressures from Eskom and other financially distressed state-owned companies have increased, with several requesting state support to continue operating. In this context, the 2019 Budget proposes a series of tax and expenditure measures aimed at narrowing the deficit and stabilising the debt-to-GDP ratio. Additions to spending amount to R75.3 billion over the medium term, consisting mainly of transfers to support the reconfiguration of Eskom. These additions are partially offset by reductions to expenditure baselines and proposed savings from compensation adjustments totalling R50.3 billion. Tax measures raise an additional R15 billion in 2019/20 and R10 billion in 2020/21.

In combination, these measures are expected to narrow the consolidated budget deficit from a projected 4.5 per cent of GDP in 2019/20 to 4 per cent of GDP in 2021/22. Gross national debt is projected to stabilize at 60.2 per cent of GDP in 2023/24. Net loan debt (gross loan debt excluding government's cash balances) stabilises at 57.3 per cent of GDP in 2024/25.

The GDP growth rate is forecasted at 1.5 per cent in 2019, 1.7 per cent in 2020 and 2.1 per cent in 2021. The revisions take into account weaker investment outcomes in 2018, a more fragile recovery in household income and slower export demand than expected due to moderating global growth. Consumer inflation has also been revised down due to lower oil prices and food inflation than previously assumed.

The main risks to the economic outlook are continued policy uncertainty and deterioration in the finances of state-owned entities. These factors, alongside continued high unemployment and slow growth will continue to exert pressure on municipal revenue generation and collection levels hence a conservative approach is advised for municipal revenue projections. Municipalities affected by the drought should also consider its impact on revenue generation. In this context, municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The following macro-economic forecasts must be considered when preparing the 2019/20 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections 2018 -2021

Fiscal Year	2018/19 Estimates	2019/20	2020/21 Forecast	2021/22
Consumer Price Inflation (CPI)	4.7%	5.2%	5.4%	5.4%
Real GDP Growth	0.7%	1.5%	1.7%	2.1%

Source: 2019 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 2019/20 municipal budget process

Over the medium-term expenditure framework (MTEF) period, after budgeting for national government's debt-service costs, the contingency reserve and provisional allocations, 47.9 per cent of nationally raised funds are allocated to national government, 43 per cent to provinces and 9.1 per cent to local government.

Local government receives the smallest share of the division of nationally raised revenue because it has significant own revenue-raising powers. These revenue raising powers must be exercised more than ever before in the current dispensation. Local government raises about 70 per cent of its own revenue, but would be able to raise more if municipalities improved municipal revenue policies, billing and collection practices. In 2017/18, almost half of all municipalities collected less than 80 per cent of their billed revenue.

Spending outcomes for 2017/18 varied across the 257 municipalities. Many municipalities continue to adopt unrealistic spending plans. As a result, 217 municipalities underspent their operating budgets and 220 municipalities underspent their capital budgets. Of the R30 billion in conditional grants transferred to municipalities in 2017/18, R28 billion (93 per cent) was spent – an improvement from 86.8 per cent in 2016/17.

2.1 Local government grants and municipal revenue strength

Since the 2018 Medium Term Budget Policy Statement (MTBPS) reprioritisation and reductions undertaken have affected planned spending for 2018/19. Over the next three years there is strong growth in allocations to the local government equitable share, while growth in conditional grants recovers following significant reductions made in the 2018 MTEF. Total direct allocations to local government will now grow at an annual average rate of 7.6 per cent over the MTEF period.

Over the 2019 MTEF period, R414.7 billion will be transferred directly to local government and a further R22.5 billion has been allocated to local government through indirect grants. Direct transfers to local government over the medium term account for 9 per cent of national government's non-interest expenditure. When indirect transfers are added to this, total spending on local government increases to 9.4 per cent of national non-interest expenditure.

While there are some reductions in some grant programmes, they do not affect all conditional grants and not all grants were reduced by the same percentage. The infrastructure conditional grants, particularly the larger ones, were mainly affected as this was considered the most practical approach. However strong growth is realized in the local government equitable share with an average annual rate of 9.4 per cent over the MTEF period, while the conditional transfers see slower growth at an annual average rate of 7.6 per cent.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Conditional grant funding targets delivery of national government's service delivery priorities. It is imperative that municipalities understand and comply with the conditions stipulated in the Division of Revenue Act (DoRA) in order to access this funding. The equitable share and the sharing of the general fuel levy constitute unconditional funding, of which the equitable share is designed to fund the provision of free basic services to disadvantaged communities.

Government has repeatedly emphasised the importance of municipalities focussing on growing their own revenue base in order to expand resources available for local service delivery. Municipalities with significant revenue bases are expected to invest more of their own resources, offsetting some of the impact of reductions to infrastructure grants, while building partnerships with the private sector for infrastructure delivery over the period ahead.

Legislation governing local planning and budgeting emphasises community participation in decision-making. The partnership between municipalities and communities relies on households and businesses recognising the value of, and paying for, municipal services. While government subsidises municipal services for low-income households, these services are only sustainable if people who can afford them – and use larger quantities – pay their bills. Therefore, the sustainability of municipalities depends on how they collect and spend their own revenues.

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
http://www.treasury.gov.za/documents/national%20budget/2019/

2.1.1 Changes to local government allocations

2.1.1.1 Unconditional grants

In the process of determining the baseline for the outer year (2021/22) of the 2019 MTEF period, the local government equitable share allocation has grown by 8.6 per cent of the baseline. This will cover the anticipated increase in the costs of providing free basic services to a growing number of households, and takes account of likely above-inflation increases in the costs of bulk water and electricity. It will also allow for above-inflation increases in the allocations to poorer and rural municipalities through the redistributive components of the equitable share formula.

2.1.1.2 Conditional grants

- A total of R295.9 million has been cut from direct local government conditional grant allocations for the MTEF period ahead to fund other government priorities. Indirect grants to local government have been reduced by an additional R600 million.

- An amount of R60.7 million is shifted from the incentive component of the integrated urban development grant in 2019/20 and added to the municipal disaster recovery grant to fund the repair of roads damaged by floods in Joe Gqabi District Municipality in the Eastern Cape.

- A total of R2.8 billion is added to the public transport network grant for the construction of a new public transport corridor on the MyCiti bus network in Cape Town. This corridor, connecting Mitchells Plain and Khayelitsha to the city, was approved through the Budget Facility for Infrastructure and will be implemented over a nine-year period.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.2 Technical adjustment and continued funding of Drought disaster relief

The following technical adjustments were made to grant programmes:

- R2.9 billion over the MTEF period from the municipal infrastructure grant to a new integrated urban development grant.

- R814.5 million over the MTEF period from the integrated national electrification programme (municipal) grant to the urban settlements development grant, as electrification projects in municipal licenced areas in metropolitan municipalities will now be funded as part of this integrated grant.

- R3 billion in 2020/21 and R4.4 billion in 2021/22 from the urban settlements development grant to create a new informal settlements upgrading partnership grant for municipalities.

2.2.1 Funding for Disaster Relief

After the initial response to a disaster has been addressed, including funding from the municipal disaster relief grant discussed below, the repair of damaged municipal infrastructure is funded through the municipal disaster recovery grant.

The municipal disaster relief grant is administered by the National Disaster Management Centre in the Department of Cooperative Governance as an unallocated grant to local government. The centre is able to disburse disaster-response funds immediately, without the need for the transfers to be gazetted first. The grant supplements the resources local government would have already used in responding to disasters. To ensure that sufficient funds are available in the event of disasters, section 21 of the Division of Revenue Bill allows for funds allocated to the provincial disaster relief grant to be transferred to municipalities if funds in the municipal grant have already been exhausted, and vice versa. Over the MTEF period, R1 billion is available for disbursement through this grant. To ensure that sufficient funds are available for disaster relief, clause 20(6) of the Division of Revenue Act allows funds from other conditional grants to be reallocated for this purpose, subject to the National Treasury's approval.

2.3 Response to the Finance and Fiscal Commission (FFC)'s recommendations

Government continues to provide responses to the FFC's recommendations on an annual basis. These annual recommendations by the FFC are required in terms of section 9 of the Intergovernmental Fiscal Relations Act. The FFC, amongst other recommendations, indicated that government should develop and strengthen control measures on the financial transfers in order to ensure compliance and that these funds be properly spent for their intended purposes, typically of improving service delivery and related specific priority outcomes.

The commission further highlighted that control measures should be underpinned by tighter monitoring of and reporting by sub-national governments on the use of grant funding and associated outcomes of such spending, and that National Treasury should ensure that decisive action, such as withholding of funds, is taken by national sector departments as soon as cases where inefficient, ineffective, wasteful or irregular spending of these funds are detected.

National Treasury in its response indicated that in terms of the annual Division of Revenue Act, the transferring officer of the grant (the department administering a conditional grant) is responsible for monitoring performance and withholding funds where necessary. However, the National Treasury is also empowered by section 216(2) of the Constitution to stop the transfer of funds to any organ of state that commits a serious or persistent breach of the

OVERSTRAND MUNISIPALITEIT
2019
OVERSTRAND MUNICIPALITY

measures prescribed to promote transparency, accountability and the effective financial management of the economy, debt and the public sector. A legislative framework and related policies, including guidelines and circulars, already exists to assist with early detection of issues that warrant withholding funds (by transferring officers or the National Treasury). Chapter 6 of the Budget Review describes complementary efforts to build municipal capacity. National Treasury will strengthen this role in the 2019/20 financial year in support of the recommendation by FFC.

2.4 Borrowing for capital infrastructure

The Circular also provides clarity and updates the December 2017 MFMA Circular No. 89 specifically with regards to long-term borrowing.

National Treasury has taken the position that municipalities may not incur long-term debt to replenish internally generated funds which were spent in prior financial years, even if such spending was for capital expenditure. Borrowing to replace municipal funds previously spent is inconsistent with section 46 of the MFMA, which provides that a municipality can only incur long-term debt for the purpose of capital expenditure on property, plant, and equipment to be used for lawful purposes, and in certain circumstances, for refinancing existing long-term debt. Borrowing proceeds must be used to fund current and future capital expenditure, and may not be attributed to expenditures in previous years.

PLEASE NOTE that the sentence contained on MFMA Circular No. 89 stating that *"The incurring of the expenditure against a different source of finance that was approved will be regarded as unauthorised expenditure" has been revoked.*

3. 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 financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the* projected inflation target for 2019/20** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include details 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 own revenue collection, working more efficiently and implementing cost containment measures. Addressing bloated organizational structures that have been observed to contribute towards this problem warrants decisive action across all municipalities.

3.1 Eskom bulk tariff increases

The National Energy Regulator of South Africa (NERSA) published their new multi-year price determination for the period from 2019/20 to 2021/22 on 7 March 2019.

NERSA will shortly publish their "Municipal Tariff Guideline Increase, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2019/20 financial year". Municipalities are encouraged to download the full guideline document when it becomes available (at www.nersa.org.za) and study it carefully. The guideline includes an update to the average cost structure used to determine the municipal tariff increase. It will set out proposed timeframes for the approval of municipal tariffs.

OVERSTRAND MUNISIPALITEIT
2019-05-23
OVERSTRAND MUNICIPALITY

Municipalities are urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability. Municipalities in arrears with Eskom should ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

The 2019 Budget Review notes that, the NERSA tariff increases would be announced after the equitable share allocations had been calculated and tabled in the Division of Revenue Bill. In the absence of approved tariff increases for the period ahead, the equitable share formula allocations were calculated using the previously approved Multi-Year Price Determination of an 8 per cent annual bulk price increase for electricity in its calculations. If the approved tariff increases are higher than this, the equitable share allocations will not be increased in 2019/20. The Budget Review then explains that municipalities are expected to offset the increased cost of providing free basic services against above cost increases that they have received in the past. In recent years, municipalities have benefited from equitable share funding that has grown faster than actual increases in electricity costs (in 2017/18 the formula calculation used a bulk electricity price increase of 8 per cent, but NERSA only approved a bulk price increase of 0.3 per cent for the municipal financial year, and in 2018/19 a bulk increase of 8 per cent was used in the formula, but the actual increase was only 7.3 per cent). Municipalities have also benefited from increased allocations that were provided to cover household growth projections that were higher than the revised estimates in the 2017 General Household Survey. To provide for the possibility of larger cost increases in future, amounts of R1 billion in 2020/21 and R1.1 billion in 2021/22 remain unallocated in the equitable share.

4. Conditional Grant Transfers to Municipalities

This section provides guidance to municipalities with regard to the preparation for the 2018/19 unspent conditional grant and roll-over process and should be referenced against previous annual budget circulars.

4.1 Criteria for the rollover of conditional grant funds

Section 22 of the 2018 Division of Revenue Act (DoRA) requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer, provincial treasury and transferring national officer proves to the satisfaction of National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When applying to retain unspent conditional allocations committed to identifiable projects or requesting a rollover in terms of section 22(2) of the DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer must be addressed to the **National Treasury** requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2018 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):

    a) Proof that the project tender was published and the period for tender submissions closed before 31 March;
    b) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

c) Proof of a project tender, appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
d) Incorporation of the Appropriation Statement;
e) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2019 (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. Municipalities must not include previous year's unspent conditional grants as a rollover request. Rollover of rollovers will not be considered;
8. An indication of the time-period within which the funds are to be spent if the roll over is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy.

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2019, 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 2018 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements information to National Treasury by 31 August 2019;
3. Accurate disclosure of grant performance in the 2018/19 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Cash available in the bank (net position including short term investments) as at 30 June 2019 is in line with the cash flow statements to finance the roll-over request. If the full amount that is requested for roll over is not entirely cash backed, such a roll over will not be approved. National Treasury will not approve portions of roll over requests.

It should be noted that under no circumstances will the National Treasury consider requests to roll-over:

1. The entirety of any allocation to the municipality, as there should be a minimum spend of 50 per cent of the allocation per programme;
2. Funding from 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. Funding where there is evidence that the roll over application is linked to invoices that were issued within the last 30 days of the municipal financial year end.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

4.2 Unspent conditional grant funds for 2018/19

The process to ensure the return of unspent conditional grants for the 2018/19 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 2019 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 2019. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately.

Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2018 DoRA that the unspent funds are committed to identifiable projects, the roll over application pack must be submitted to National Treasury by 31 August 2019.

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 2019 or whether it will agree to any alternative payment arrangement or schedules.

Step 5: National Treasury will communicate the unspent conditional grants amount by 05 November 2019. 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 18 November 2019.

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 18 November 2019, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 02 December 2019 equitable share allocation.

All other issues pertaining to Appropriation Statement and reporting on approved roll overs are addressed in the Annexure to MFMA Circular No. 86.

5. The Municipal Budget and Reporting Regulations

5.1 Tabling of budget documents

The slow spending of capital budgets by most municipalities is a national concern as it has a negative impact on service delivery. In most cases the hockey stick phenomenon that exists (i.e. spending increases in the last six months of the year) is a direct result of poor planning by municipalities. Going forward and to address weak planning process, all municipalities will be required to table the following supporting documents to Council, as part of the budget pack, when they table their budgets by 29 March 2019:

1) Service Delivery and Budget Implementation Plan (SDBIP); and
2) Procurement Plan.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

This is also in terms of the requirements and spirit of the MFMA and its Municipal Budget and Reporting Regulations.

5.2 The impact of VAT on tariffs

VAT remains at 15 per cent, which was an increase from 1 April 2018 in the previous year. To mitigate the effects of this increase on low income households, the MTBPS announced various zero rated items, wherein the VAT would be charged at 0 per cent.

Whether the additional amount is recoverable from the customer or not, the supplier must account for VAT on any supplies made on or after 1 April 2018 at the increased VAT rate. (See MFMA Circular No. 91 on the relevant supporting documentation regarding the VAT guides).

5.3 Schedule A - version to be used for the 2019/20 MTREF

National Treasury has released Version 6.3 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.3 of the *m*SCOA classification framework and must be used when compiling the 2019/20 MTREF budget.

ALL municipalities **MUST** use this version for the preparation of their 2019/20 MTREF budget.

It is imperative that all municipalities prepare their 2019/20 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have recently 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. 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.

To promote this approach, from the **2020/21 MTREF** the National Treasury will only accept a Schedule A1 in PDF format, containing ALL sheets as prescribed and with each worksheet displaying an embedded system stamp to certify that it has been produced directly from the system. For purposes of collecting additional data which we previously did using the Schedule A1 in Excel, a prescribed data string containing the data must be populated and uploaded by each municipality (refer to the attachment to MFMA Budget Circular No 93 on the NT Website).

http://mfma.treasury.gov.za/Circulars/Pages/default.aspx

Special attention must be given to the supporting schedules in the prescribed Schedule A1. Where detailed data is lying in a sub-system e.g. human resource data for SA22 to SA24, this data must be pulled from the sub-system into the applicable supporting sheet and must form part of the complete endorsed Schedule A1.

The following supporting tables will be included for perusal and sign-off during the verification process of the 2019 MTREF: SA11, SA12a, SA13a, SA14, SA22, SA23, SA24, SA25, SA27, SA36, SA37 and SA38.

It is therefore important to focus on the additional supporting data as well as the financial data submitted on A1 to A10 during the verification process undertaken with National Treasury, the provincial treasuries and all municipalities.

Download Version 6.3 of Schedule A1 by clicking HERE

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

5.4 Assistance with the compilation of budgets

In cases where the municipality requires advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Bernard Mokgabodi Matjatji Mashoeshoe	012-315 5936 012-315 5553	Bernard.Mokgabodi@treasury.gov.za Matjatji.Mashoeshoe@treasury.gov.za
Free State	Jordan Maja Cethekile Moshane	012-315 5663 012-315 5079	Jordan.Maja@treasury.gov.za Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
KwaZulu-Natal	Bernard Mokgabodi Johan Botha	012-315 5936 012-315 5171	Bernard.Mokgabodi@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Una Rautenbach Sifiso Mabaso	012-315 5700 012-315 5952	Una.Rautenbach@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Willem Voigt Mandla Gilimani	012-315 5830 012-315 5807	Willem.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Northern Cape	Jordan Maja	012-315 5663	Jordan.Maja@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	Willem.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Vuyo Mbunge Kevin Bell	012-315 5661 012-315 5725	Vuyo.Mbunge@treasury.gov.za Kevin.Bell@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National Treasury, together with the provincial treasuries, will undertake a compliance check and, where municipalities have not provided complete budget information, the municipal budgets will be returned to the mayors and municipal managers of the affected municipalities for the necessary corrections. Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution in accordance with the format specified in item 31 of Schedule A of the Municipal Budget and Reporting Regulations. In addition to the above compliance check, the *m*SCOA data strings will be assessed to determine whether the municipalities are compliant.

The National Treasury herewith emphasises that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to return to the municipal council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations***.

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The Schedule A that the municipality submits to National Treasury must be a consolidated budget for the municipality (plus entities) and the budget of the parent municipality. Schedules D must be submitted for each entity.

6. Municipal Chart of Accounts (*m*SCOA)

6.1 Virement in an *m*SCOA environment

The MFMA and the Municipal Budget and Reporting Regulations, 2009, allow for the shifting of funds between items, projects, programmes and votes in the budget in line with a Council approved virement policy. MFMA Circulars No. 12, 51 and 88 provide the principles municipalities must consider when doing a virement.

With the promulgation of the *m*SCOA Regulation in 2014, municipalities should have aligned their virement policies to *m*SCOA. *m*SCOA provides a uniform and standardised financial transaction classification framework for municipalities and their entities to transact in and record its transactions using seven (7) segments. Six of these *m*SCOA segments are compulsory[1].

6.2 *m*SCOA training

The National Treasury has developed *m*SCOA training materials on the fundamentals and reporting requirements of *m*SCOA. Officials from National and Provincial Treasuries and the Preferred Trainers on *m*SCOA from the Chartered Institute of Government Finance, Auditors and Risk Officers (CIGFARO) have been trained to provide training in this regard.

While the CIGFARO Preferred Trainers have been issued with certificates of competence to provide training on the "On the fundamentals and reporting requirements of *m*SCOA", it should be emphasized that this training is **unaccredited.** There is currently not any accredited training available on *m*SCOA that has been endorsed by the National Treasury. Therefore, municipalities and other role-players that require training on *m*SCOA should not request for accredited training or trainers in their adverts.

The contact details of the CIGFARO Preferred Trainers is available on the CIGFARO website, www.CIGFARO.co.za.

7. Budget process and submissions for the 2019/20 MTREF

7.1 Budgeting for the audited years on Schedule A (*m*SCOA)

According to international learning practices, it is appropriate to reclassify historical information in accordance with the changes that occur in the Standard Chart of Accounts. Municipalities must capture the reclassified audit outcomes for 2015/16 to 2017/18 in version 6.3 of the Schedule A when compiling 2019/20 MTREF budgets.

[1] Refer to Municipal SCOA Circular No 1. An introduction to the seven (7) segments.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

7.2 Submitting budget documentation and schedules for 2019/20 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 the municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. If the annual budget is tabled to council on 29 March 2019, the final date of submission of the electronic budget documents and corresponding data strings is **Wednesday, 03 April 2019**. The deadline for submission of hard copies including council resolution is **Friday, 05 April 2019**.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget. If the council only approves the annual budget on 30 June 2019, the final date for such a submission is **Friday, 12 July 2019**, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 – SA38) in both printed and electronic formats;
- the draft Service Delivery and Budget Implementation Plan (SDBIP) in both printed and electronic format;
- the draft Integrated Development Plan (IDP);
- Procurement Plan;
- the council resolution;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations;
- the budget locking certificate; and
- schedules D specific for the entities.

Municipalities are required to send electronic versions of documents and the A1 schedule to lgdocuments@treasury.gov.za. Any problems experienced in this regard can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za. Budget related documents and schedules may also be uploaded using the LG Upload Portal at

https://lguploadportal.treasury.gov.za/sites/lguploadportal/SitePages/Home.aspx

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents	***For posted documents***
Ms Linda Kruger	Ms Linda Kruger
National Treasury	National Treasury
40 Church Square	Private Bag X115
Pretoria, 0002	Pretoria, 0001

In addition to the above-mentioned budget documentation, metropolitan municipalities must submit the draft Built Environment Performance Plan (BEPP) tabled in council by 29 March 2019 to yasmin.coovadia@treasury.gov.za. If the BEPP documents are too large to be sent via email (exceeds 4MB) please submit to yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with yasmin.coovadia@treasury.gov.za. Hard copies of the BEPP may be sent to Yasmin

OVERSTRAND MUNISIPALITEIT
2019 -05- 7 1
OVERSTRAND MUNICIPALITY

Coovadia, National Treasury, 3rd floor 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001.

7.3 Retirement of the Budget reform returns (Appendix B)

From 2019/20 onwards, municipalities will no longer be required to continue with the use of the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database for publication purposes. The National Treasury will use only the *m*SCOA data strings required for submission as prescribed and all publications will use the data collected from the *m*SCOA data strings.

This places the responsibility on each municipality to ensure that:

1. Budgets are accurately locked into the financial system;
2. Each transaction is accurately recorded on a daily base;
3. Data collected from sub-systems is accurately represented in the General Ledger (GL);
4. At the end of the reporting period, all reconciliations are done, sub-systems are in balance and the Municipal Manager and CFO agrees with the figures as presented in the Schedule C and other management reports or dashboards;
5. The reporting period is **CLOSED** for further transactions; and
6. The data string for the period is produced directly out of the financial system and uploaded using the LG Upload Portal.

While the National Treasury will still share control reports and Schedule C as produced from the data uploaded by municipalities, the verification process before each quarterly Section 71 publication will fall away as the responsibility now lies with the municipality **BEFORE** submitting the data strings to ensure that the data is an accurate reflection of the state of municipal finances.

The tabled and adopted budget data strings submitted to the Local Government Database and Reporting system should also be consolidated figures.

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

7.4 Upload of the *m*SCOA budget data strings to the LG upload portal

Municipalities must upload the *m*SCOA data strings for the tabled (**TABB**) and adopted (**ORGB**) budget to the upload portal. The budget data strings must be accompanied by the IDP project details data strings (**PRTA** and **PROR**). The deadlines for submission of the MBRR documents are also applicable to the *m*SCOA data strings. Refer to paragraph 7.2 above.

7.5 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (including the audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting transparency and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Documents/Forms/AllItems.aspx. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

OVERSTRAND MUNISIPALITEIT
2019 -05- 29
OVERSTRAND MUNICIPALITY

7.6 The process to be followed to issue version 6.4 of the *m*SCOA chart

Municipalities have raised concerns that National Treasury issue the *m*SCOA chart changes late in the budget process. Therefore, to address this challenge, the FAQ database will be closed on 31 August 2019 for logging new queries. As a result, the new version of the chart will be issued by 31 October 2019.

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
08 March 2019

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Western Cape Government
Provincial Treasury

Malcolm Booysen
Local Government Budget Office
Email: Malcolm.Booysen@westerncape.gov.za
Tel: +27 021 483-3386 Fax: +27 021 483-4680

Reference: RCS/C.5

TREASURY CIRCULAR MUN NO. 7/2019

THE MAYOR, CITY OF CAPE TOWN: MR D PLATO
THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR H CLEOPHAS
THE MAYOR, MATZIKAMA MUNICIPALITY: MR J VAN DER HOVEN
THE MAYOR, CEDERBERG MUNICIPALITY: MR W FARMER
THE MAYOR, BERGRIVIER MUNICIPALITY: MR R VAN ROOY
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR M KOEN
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: DR H VON SCHLICHT
THE MAYOR, WITZENBERG MUNICIPALITY: MR BC KLAASEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MR CJ POOLE
THE MAYOR, STELLENBOSCH MUNICIPALITY: ADV. G VAN DEVENTER
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN
THE MAYOR, LANGEBERG MUNICIPALITY: MR HM JANSEN
THE MAYOR, OVERBERG DISTRICT MUNICIPALITY: MR A FRANKEN
THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MS CJM VOSLOO
THE MAYOR, OVERSTRAND MUNICIPALITY: MR D COETZEE
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR PJ SWART
THE MAYOR, SWELLENDAM MUNICIPALITY: MR NG MYBURGH
THE MAYOR, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M BOOYSEN
THE MAYOR, KANNALAND MUNICIPALITY: MS M BARRY
THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDLES
THE MAYOR, MOSSEL BAY MUNICIPALITY: MR HJ LEVENDAL
THE MAYOR, GEORGE MUNICIPALITY: MR MG NAIK
THE MAYOR, OUDTSHOORN MUNICIPALITY: MR CF SYLVESTER
THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE
THE MAYOR, KNYSNA MUNICIPALITY: MR M WILLEMSE
THE MAYOR, CENTRAL KAROO DISTRICT MUNICIPALITY: DR A RABIE
THE MAYOR, LAINGSBURG MUNICIPALITY: MR M GOUWS
THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR N CONSTABLE

THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR L MBANDAZAYO
THE MUNICIPAL MANAGER, WEST COAST DISTRICT MUNICIPALITY: MR D JOUBERT
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR DP LUBBE
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR L VOLSCHENK
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: ADV. H LINDE
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR H METTLER
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT MUNICIPALITY: MR H PRINS
THE MUNICIPAL MANAGER, WITZENBERG MUNICIPALITY: MR D NASSON
THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: DR J LEIBBRANDT
THE MUNICIPAL MANAGER, STELLENBOSCH MUNICIPALITY: MS G METTLER
THE MUNICIPAL MANAGER, BREEDE VALLEY MUNICIPALITY: MR D McTHOMAS
THE MUNICIPAL MANAGER, LANGEBERG MUNICIPALITY: MR SA MOKWENI
THE MUNICIPAL MANAGER, OVERBERG DISTRICT MUNICIPALITY: MR D BERETTI
THE MUNICIPAL MANAGER, THEEWATERSKLOOF MUNICIPALITY: MR G MATTHYSE
THE MUNICIPAL MANAGER, OVERSTRAND MUNICIPALITY: MR C GROENEWALD
THE MUNICIPAL MANAGER, CAPE AGULHAS MUNICIPALITY: MR D O'NEILL
THE MUNICIPAL MANAGER, SWELLENDAM MUNICIPALITY: MR A GROENEWALD
THE MUNICIPAL MANAGER, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M STRATU
THE MUNICIPAL MANAGER, KANNALAND MUNICIPALITY: MR R STEVENS
THE MUNICIPAL MANAGER, HESSEQUA MUNICIPALITY: MR J JACOBS
THE MUNICIPAL MANAGER, MOSSEL BAY MUNICIPALITY: ADV. MG GILIOMEE
THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR T BOTHA
THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR A PAULSE
THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: ADV. L NGOQO
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: MS P MAKOMA (ACTING)
THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR S JOOSTE
THE MUNICIPAL MANAGER, LAINGSBURG MUNICIPALITY: MR P WILLIAMS
THE MUNICIPAL MANAGER, PRINCE ALBERT MUNICIPALITY: MS A VORSTER (ACTING)
THE MUNICIPAL MANAGER, BEAUFORT WEST MUNICIPALITY: MR K HAARHOFF



THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR K JACOBY
THE CHIEF FINANCIAL OFFICER, WEST COAST DISTRICT MUNICIPALITY: DR JCP TESSELAAR
THE CHIEF FINANCIAL OFFICER, MATZIKAMA MUNICIPALITY: MR G SEAS
THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR E ALFRED
THE CHIEF FINANCIAL OFFICER, BERGRIVIER MUNICIPALITY: MR M WÜST
THE CHIEF FINANCIAL OFFICER, SALDANHA BAY MUNICIPALITY: MR S VORSTER
THE CHIEF FINANCIAL OFFICER, SWARTLAND MUNICIPALITY: MR M BOLTON
THE CHIEF FINANCIAL OFFICER, CAPE WINELANDS DISTRICT MUNICIPALITY: MS FA DU RAAN-GROENEWALD
THE CHIEF FINANCIAL OFFICER, WITZENBERG MUNICIPALITY: MR HJ KRITZINGER
THE CHIEF FINANCIAL OFFICER, DRAKENSTEIN MUNICIPALITY: MR J CARSTENS
THE CHIEF FINANCIAL OFFICER, STELLENBOSCH MUNICIPALITY: MR K CAROLUS (ACTING)
THE CHIEF FINANCIAL OFFICER, BREEDE VALLEY MUNICIPALITY: MR R ONTONG
THE CHIEF FINANCIAL OFFICER, LANGEBERG MUNICIPALITY: MR B BROWN
THE CHIEF FINANCIAL OFFICER, OVERBERG DISTRICT MUNICIPALITY: MR C HOFFMANN
THE CHIEF FINANCIAL OFFICER, THEEWATERSKLOOF MUNICIPALITY: MR D LOUW
THE CHIEF FINANCIAL OFFICER, OVERSTRAND MUNICIPALITY: MS S REYNEKE-NAUDÉ
THE CHIEF FINANCIAL OFFICER, CAPE AGULHAS MUNICIPALITY: MR H VAN BILJON
THE CHIEF FINANCIAL OFFICER, SWELLENDAM MUNICIPALITY: MR H SCHLEBUSCH
THE CHIEF FINANCIAL OFFICER, GARDEN ROUTE DISTRICT MUNICIPALITY: MR JW DE JAGER
THE CHIEF FINANCIAL OFFICER, KANNALAND MUNICIPALITY: MR R BUTLER
THE CHIEF FINANCIAL OFFICER, HESSEQUA MUNICIPALITY: MS HJ VILJOEN
THE CHIEF FINANCIAL OFFICER, MOSSEL BAY MUNICIPALITY: MR DM ASMAL
THE CHIEF FINANCIAL OFFICER, GEORGE MUNICIPALITY: MR K JORDAAN
THE CHIEF FINANCIAL OFFICER, OUDTSHOORN MUNICIPALITY: MR F LOTTER
THE CHIEF FINANCIAL OFFICER, BITOU MUNICIPALITY: MR V MKHEFA
THE CHIEF FINANCIAL OFFICER, KNYSNA MUNICIPALITY: MR M MEIMANI
THE CHIEF FINANCIAL OFFICER, CENTRAL KAROO DISTRICT MUNICIPALITY: MS U BAARTMAN
THE CHIEF FINANCIAL OFFICER, LAINGSBURG MUNICIPALITY: MS A GROENEWALD
THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR J NEETHLING
THE CHIEF FINANCIAL OFFICER, BEAUFORT WEST MUNICIPALITY: MR CJ KYMDELL

THE HEAD OFFICIAL: PROVINCIAL TREASURY (MR Z HOOSAIN)
THE DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES (MR H MALILA)
THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MR IG SMITH) (ACTING)
THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (VACANT)
THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS JD GANTANA)
THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR M SIGABI) (ACTING)
THE CHIEF DIRECTOR: ASSET MANAGEMENT (MS N EBRAHIM) (ACTING)
THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)
THE CHIEF FINANCIAL OFFICER (MS A SMIT)
THE HEAD: OFFICE OF THE FINANCE MINISTRY (ADV. E PRETORIUS)
THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR PP PIENAAR)
THE DIRECTOR: FINANCIAL GOVERNANCE (MS M VAN NIEKERK)
THE DIRECTOR: FISCAL POLICY (DR N NLEYA)
THE DIRECTOR: INFRASTRUCTURE (MR K LANGENHOVEN)
THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR L BRINDERS)
THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MR M BOOYSEN)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (VACANT)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR M SIGABI)
THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN)
THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MR A REDDY)
THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS RH SLINGER)
THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK)
THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS T RAKIEP) (ACTING)
THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS R JULIE) (ACTING)
THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A MAZOMBA)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT

THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT

THE CHIEF DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS – NATIONAL TREASURY (MR J HATTINGH)

THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY (MR TV PILLAY)

CONTENTS

1. PURPOSE 3
2. LEGISLATIVE CONTEXT 3
3. AN INTEGRATED APPROACH TO PLANNING AND BUDGETING 3
4. PURPOSE, OBJECTIVES AND STRATEGIC FOCUS OF THE SIME: 2019/20 LG MTEC 4
5. HIGHLIGHTS OF THE 2019/20 PROVINCIAL BUDGET 5
6. NATIONAL TREASURY AND PROVINCIAL TREASURY GUIDELINES 6
7. MUNICIPAL BUDGET PROCESS 7
8. CONCLUSION 10

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

MUNICIPAL BUDGET CIRCULAR FOR THE 2019/20 MTREF AND ASSOCIATED SIME: 2019 LG MTEC PROCESSES

1. PURPOSE

This Circular supplements Circular 38 of 2018 issued on 21 December 2018. The Circular aims to:

- guide municipalities with their finalisation of the 2019/20 Medium Term Revenue and Expenditure Framework (MTREF) Budgets and accompanied budget documentation; and
- brief municipalities on the 2019 Strategic Integrated Local Government Medium Term Expenditure Committee Process (i.e. LG MTEC) and related matters.

2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government (WCG) has institutionalised the LG MTEC Engagements process in fulfilment of its obligations under –

- Sections 5, 22 and 23 of the Local Government: Municipal Finance Management Act (MFMA), Act No. 56 of 2003; and
- Chapter 5 of the Local Government: Municipal Systems Act (Act No. 32 of 2000) [MSA].

The 2019 process aims to strengthen the alignment between municipal and provincial planning and budgeting and the continuity of the theme of ***Consolidation for Maximum Citizen Impact*** for the current 4th Generation Integrated Development Planning Cycle and the ensuing 2020 - 2024 Provincial Strategic Plan.

3. AN INTEGRATED APPROACH TO PLANNING AND BUDGETING

The WCG's Provincial Strategic Plan promotes an integrated management approach to better align provincial and local government policy, planning, budgeting and implementation, while supporting the spatial and local context. This alignment is formalised through a structured Integrated Work plan which specifically gives effect to the concept of *partnerships*, a prominent feature of Provincial Strategic Goal 5 which synchronises key processes within the WCG by strengthening joint planning, co-ordination, collaboration and coherence across sector departments, municipalities and national organs of state.

The Integrated Workplan aims to strengthen integration by focussing on the governance, economic and financial elements associated with sustainability. Practical effect is given to this envisaged outcome by the establishment of three platforms for role-players across the spheres of government to engage one another. These are in short:

- Strategic Integrated Municipal Engagements (SIME): SIME considers municipalities' mission, vision and strategic direction for the year ahead. These engagements usually take place in October.
- Technical Governance and Integrated Municipal Engagements (TIME): Held annually in February, the TIME considers performance challenges associated with the day-to-day functioning of municipalities. Importantly, the TIME sessions assess the extent to which operational functions align to the strategic vision outlined at the SIME.



- *Local Government Medium Term Expenditure Committee Engagements (extended SIME):* LG MTEC engagements take place in April and May, preceding the adoption of municipal budgets. The LG MTEC process provides Provincial Government the opportunity to assess the municipality's planning efforts for the upcoming budget year – LG MTEC serves as a holistic process that measures the extent to which strategic planning and budgeting is credible, sustainable and responsive.

These platforms create opportunities for a continued link and feedback mechanism for areas of collaboration as well as for concerns raised. In particular, the LG MTEC provides the opportunity to reflect on the outcomes from previous engagements and test whether the issues raised have been incorporated into provincial and municipal budgets and strategic plans. It also gives Provincial Government the opportunity to review and provide feedback on practicalising its commitments within the partnerships.

Ensuring stability and certainty in the integrated planning and budgeting process during the formulation of the 2019/20 MTREF budgets will guarantee continued focus on expenditure control within budget limits, while embedding the fiscal and budget policy principles of allocative efficiency, fiscal consolidation, fiscal sustainability and fiscal discipline. This is key for government to ensure maximum citizen impact by focusing on more efficient and effective use of resources.

Mainstreaming the Whole of Society Approach (WoSA) to improve governance for delivery and implementation drives maximum citizen impact and public value. Considering the common objectives and principles of Integrated Management and WoSA, presents an opportunity to strengthen collaboration through an integrated approach which drives joint delivery through strengthening governance for delivery in areas where value can be added.

The 2019 LG MTEC will reflect on the following: local government's strategic direction as identified in the IDPs and associated plans; budgetary alignment to social and economic development priorities; prioritisation of spending for maximum service delivery and citizen impact; and credibility and sustainability of the budget.

4. PURPOSE, OBJECTIVES AND STRATEGIC FOCUS OF THE SIME: 2019/20 LG MTEC

Although the different spheres of government have distinct and sometimes overlapping service delivery mandates the country is collectively confronted with the same challenges which amongst others include current economic pressures as well as resource, capacity and governance constraints which impacts upon the ability of government to provide basic services and to improve the overall quality of life of its citizens.

Service delivery challenges is most visible at a municipal level which is commonly regarded as the service delivery arm of government as it is the closest sphere of government to the citizens.

The theme ***Consolidation for Maximum Citizen Impact*** aims to promote the concept of working in unison as different spheres of government to uplift communities both economically and socially.

The LG MTEC process which is entrenched in legislation and in practice and emanates from Provincial Government's oversight responsibilities, presents opportunities to, through its interactions and discussions with municipalities, make a meaningful impact within the local government space. In addition, it presents an opportunity to deepen and strengthen existing partnerships, as well as identify new areas for collaboration.

A key focus of the 2019/20 LG MTEC process will be on local governments responsiveness to its socio-economic environment and the related impact for its citizens. This will also reveal potential opportunities and gaps for collaboration or partnerships with Province or other stakeholders.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The overall objectives of the 2019/20 LG MTEC process and the key messages therefore emphasises:

- Aligning strategic intent as encapsulated within 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 citizen impact 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 for support, training as well as opportunities for collaboration and partnerships.

Municipalities are formulating their 2019/20 MTREF budgets in a volatile, uncertain, complex and ambiguous (VUCA) world, which includes a general election which takes place just over a month after the budget and IDP tabling. It is therefore anticipated that the local government IDP and budget preparation process takes place during a period of heightened political uncertainty, which plays itself out within the local government space. Ensuring maximum service delivery and citizen impact is critical notwithstanding the challenging political, economic, fiscal, environmental and service delivery environments and risks.

Despite municipalities making significant progress to address such challenges; there is an increased acknowledgement that true service delivery excellence can only be achieved through integrated development planning, considered decision-making and appropriate policy responses by all spheres of government.

- The discussions at the engagements will be pitched at a strategic level. Hence, the representation at the LG MTEC 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, the Department of the Premier and the Economic Development Partnership and relevant provincial departments.
    - Municipalities - Municipal Manager, section 56 Managers, Budget and Treasury officials, IDP Manager/officials and Planning officials.
- The LG MTEC engagements have been confirmed and is scheduled to take place from 23 April 2019 to 6 May 2019. The schedule of the LG MTEC engagements is attached as Appendix A.

5. HIGHLIGHTS OF THE 2019/20 PROVINCIAL BUDGET

The 2019 Provincial Budget, which was tabled by the Minister for Finance, Dr Ivan Meyer on 5v March 2019, was formulated in an environment of slow economic growth and constrained fiscal environment. The prolonged effect of the drought weighed heavily on the province's economic growth; it is estimated that the provincial economy have contracted by 0.1 per cent in 2018, mainly due to a huge slump in the agriculture, forestry and fishing sector. Despite the improved [illegible] levels

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

and expected recovery in the agricultural, forestry and fishing sector in 2019 prospects of a full scale economic recovery will be constrained by the current energy crisis as investment and business confidence wane.

Guided by the Western Cape Fiscal Strategy and budget and policy principles, the 2019 Budget draws on the collective insight of the Western Cape Government in response to the identified risks and gives effect to the strategic policy priorities as set out the 2014 - 2019 Provincial Strategic Plan. The 2019 Budget presents a credible, sustainable and responsive allocation of resources in support of improved service delivery and maximum impact.

The 2019 Provincial Budget is premised on the theme: Consolidation for Maximum Citizen Impact. The Provincial Budget aims to provide opportunities for **youth**; supports the creation of **safe and secure environment** for the citizens of the Western Cape; provides and enabling environment for **job creation and skills development**; builds and maintain **economic and social infrastructure**; and applies **good governance** standards.

The Provincial Budget amounts to R67.148 billion in 2019/20, R70.368 billion in 2020/21 and R74.611 billion in 2021/22.

6. NATIONAL TREASURY AND PROVINCIAL TREASURY GUIDELINES

6.1 Context

- Municipalities are advised to consult the latest Budget Circular, MFMA Circular 94 released on 8 March 2019, which is a follow up circular on MFMA Circular 93 issued on 7 December 2018.
- Municipalities must include the National and Provincial Treasury Budget Circulars as part of the source documents consulted in the preparation of the 2019/20 MTREF Budget documents and to table it as part of the budget documentation in the Municipal Council.

6.2 Municipal Tariffs and Charges Increases

- Municipalities are urged to maintain tariff and charges increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring sustainability of the municipality.
- Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; thus municipalities are required to justify all increases in excess of the projected inflation target of ***5.2 per cent*** for 2019/20, ***5.4 per cent*** of 2020/21 and ***5.4 per cent*** for 2021/22 in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups.
- Municipalities should include details of their revenue growth assumptions for the different service charges in their budget narrative.

6.2.1 Electricity Supply and Tariffs

- The National Energy Regulator of South Africa (NERSA) published their new multi-year price determination for the period from 2019/20 to 2021/22 on 7 March 2019. The new effective tariff increases are ***13.8 per cent*** more for electricity in 2019/20, ***12.5 per cent*** for 2020/21 and ***9.6 per cent*** for 2021/22.
- Based on the above, Provincial Treasury estimates the weighted average electricity increase to be 11.75 per cent in 2019/20.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- NERSA must still publish their "Municipal Tariff Guidelines Increases, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2019/20 financial year". It is unlikely that this document will be published before 31 March 2019. As such, municipalities therefore should use above stated price determination as a guide. **Municipalities should also include a disclaimer in the Budget documentation and Tariff List** which states that the electricity tariffs are still subject to change due to the non-availability of the NERSA Tariff Guidelines for municipalities. Provincial Treasury has already written to NERSA to expedite this process.

- Municipalities are urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the services so that they work towards archiving fully cost-reflective tariffs that will help them achieve financial sustainability. Municipalities that are in arrears with Eskom must ensure that their payment arrangements are effected in their 2019/20 MTREF budget.

- NERSA is planning a workshop regarding the 2019/20 2019/20 Municipality Tariff Guideline Consultation Paper with all Electricity Distribution Licensees on 8 April in Midrand, Gauteng. Municipalities are requested to confirm their availability to Dr Nleya at email: ndodana.nleya@westerncape.gov.za by 25 March, in order for NERSA to finalise the logistics.

- Given the current energy crisis and global trends to move **away from fossil-based energy towards cleaner and more renewable forms of energy** municipalities are advised to:

  - Consider the development of a legal framework for Small-scale Embedded Generation (SSEG/Solar PV) and feed-in tariffs (if not done already);

  - Investigate the development and implementation of a wheeling framework;

  - Investigate the advantages of implementing the Property Assessed Clean Energy (PACE) model;

  - Prepare for the purchase of power from IPPs – the IPP Office has already designed a procurement process;

  - Explore the financial feasibility of energy storage; and

  - Explore the financial feasibility of installing solar PV at its own buildings or building a renewable energy generation facility.

- Municipalities that require more information on the subject of green and sustainable energy practices can contact Dr Hildegarde Fast, Lead: Energy Security Game Changer whom made a presentation on the subject matter at the recent Municipal Chief Financial Forum and Premier Coordinating Forum at: hildegarde.fast@westerncape.gov.za.

6.2.2 Water and sanitation Tariffs

- Although dam levels have improved, large parts of the Western Cape are still at risk of experiencing water shortages due to effects of the prolonged drought. It is now more crucial than ever before to adopt a holistic approach to secure water sustainability through improved demand management, infrastructure maintenance, loss management, meter reading and tariff setting in accordance with a pricing strategy to ensure full cost recovery of water services.

- Municipalities in arrears with water boards should ensure that their payment arrangements are effected in their 2019/20 MTREF Budgets.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- In order to balance water demand, water provision and revenue, municipalities must include a comprehensive set of water tariffs which makes provision for various levels of water scarcity/availability with the approval of the 2019/20 MTREF budget. This should be reflected in the municipal tariff policies and by-laws.

- Alternative measures should be considered to curb water consumption to address the water shortage by reducing the amount of water to its users and regulate the availability of water during certain time periods.

- Municipalities are urged to develop a Drought Management Plan/Policy that would indicate the actions municipalities should take if water resources fall to and below predetermined levels. The Provincial Disaster Management Centre and the Department of Water and Sanitation are willing to assist municipalities to develop these plans/policies. Municipalities that need assistance can contact the Director: Disaster Recovery Operations: Ms J Pandaram on **021-937 6306.**

6.3 Approval of capital projects

- Municipalities are advised to consult sections 19 and 33 of the MFMA and regulation 13 of the MBRR dealing with the approval of capital projects above specific thresholds.

- Section 19 of the MFMA regulates budgetary matters in relation to capital projects. In terms of section 19(1)(b), a municipality may not spend any money on a capital project unless the council has approved the specific project including the total cost. Adding to this provision, section 19(3) indicates that capital projects below a prescribed value may be approved either individually or as part of a consolidated capital programme.

- Regulation 13 of the MBRR further elaborates by stating that the following capital projects may be approved by council either individually or as part of a consolidated capital programme as contemplated in section 19(3) of the MFMA:

    - capital projects of which the total projected costs is below 5 per cent of the municipality's revenue, in the case of a municipality with approved total revenue in its current annual budget not exceeding R250 million.

    - capital projects of which the total projected costs is below 8 per cent of the municipality's revenue, in the case of a municipality with approved total revenue in its current annual budget greater than R250 million but not exceeding R500 million.

    - capital projects of which the total projected costs is below R50 million, in the case of a municipality with approved total revenue in its current annual budget greater than R500 million.

- Municipality's mostly comply with these provisions by adopting capital projects as part of the capital works plan included in the annual budget. However, a footnote to regulation 13 states that capital projects of which the total projected cost is above the values detailed above must be approved individually by the council in terms of section 19(1)(b) of the MFMA.



For ease of reference and interpretation, regulation 13(2) is summarised as follows:

MBRR		Approved total revenue range	Total projected cost of capital project (%)	Total projected cost of capital project (Maximum value)
13(2)(a)	Capital projects of which the total projected costs is below 5 per cent of the municpality's revenue. In the case of a municipality with approved total revenue in its current annual budget not exceeding R250 million.	≤ R250.0 million	5%	R12.5 million
13(2)(b)	Capital projects of which the total projected costs is below 8% of the municpality's revenue. In the case of a municipality with approved total revenue in its current annual budget greater than R250 million but not exceeding R500 million.	R251.0 million - R500.0 million	8%	R21.1 million
13(2)(c)	Capital projects of which the total projected costs is below R50 million. In the case of a municipality with approved total revenue in its current annual budget greater than R500 million.	> R500.0 million	-	Above R50.0 million

- Municipalities with total approved revenue within the ranges specified in above table, must approve all capital projects that exceed the values detailed in the furthest right-hand column, individually, as per the requirements of regulation 13 of the MBRR.

- Provincial Treasury recommends that the annual budget specifically makes reference to this provision and the identified projects and that all such projects be listed in a separate report to the tabled together main budget document. Note that this report should list all of the required information as prescribed within section 19 of the MFMA. It is further advised that a one-page (preferably) project description plan be developed for each project and subsequently included in the main budget document. A specific council resolution should be adopted for this report.

6.4 The Municipal Budget and Reporting Regulations

6.4.1 Schedule A- version to be used for the 2019/20 MTREF

- National Treasury has released Version 6.3 of Schedule A1 (the excel formats) which is aligned to Version 6.3 of mSCOA. **ALL** municipalities **MUST** use this version with updates to "Service Charges - Other Revenue" on Table A4 and "Public contributions & donations" on Table A5 in preparation of their 2019/20 MTREF Budget, published on the National Treasury website (file name: "A1 Schedule - mSCOA vs 6.3 - 30 Jan 2019") with the following link:

  http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=http%3a%2f%2fmfma%2etreasury%2egov%2eza%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2019-20&FolderCTID=0x012000186OD4A2BD7AD042BF8427FC3BB59F67

- Municipalities must prepare their 2019/20 MTREF budgets in their financial systems. Schedule A1 must be produced directly from their financial system.

- National and Provincial Treasury will conduct compliance checks to ascertain if municipalities have complied with the Municipal Budget and Reporting Regulations (MBRR). In cases where municipalities have not adhered to the MBRR they will be required to return to the municipal council and table a complete budget documents aligned to the requirements of the MBRR.

- Municipalities with municipal entities must prepare consolidated budgets for both the municipality and its entity(ies). The Schedule A that the municipality must submit to National and Provincial Treasury must be the consolidated budget for both the municipality as well as the plus entity(ies). Schedule D must be submitted for each entity.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

6.4.2 Tabling of funded budgets

- The importance of tabling funded budgets is highlighted in MFMA Circulars No. 74, 89 and 93. Municipalities are required to adopt funded budgets. There are cases that may warrant a plan as the approval of a funded budget may not be achievable over one year. As a result, such municipalities must, together with their 2019/20 MTREF budget, table a plan in a municipal council on how and by when the budget will improve from an unfunded to a funded position. This will be essential when the National and provincial treasuries are assessing the budget to determine its credibility.

6.4.3 Tabling of budget documents

- The slow spending of the capital budget by municipalities is a challenge as it has direct impact on service delivery. This is a direct result of poor planning by municipalities. To address this weak planning process, all municipalities are required to table the following supporting documents to council when they table their draft budgets:
    - Service Delivery and Budget implementation plan (SDBIP) and
    - Procurement Plan.

7. MUNICIPAL BUDGET PROCESS

7.1 Non-compliance with the provisions of Chapter 4 of the MFMA

- As per section 27 of the MFMA, the mayor of a municipality must inform the MEC for Finance in writing of any impending non-compliance with the provisions of the MFMA or any other legislation pertaining to the tabling or approval of an annual budget or compulsory consultation processes.
- If the impending non-compliance pertains to a time provision, except section 16(1) of the MFMA, the mayor should have applied to the MEC for Finance for an extension, in writing by **15 March 2019** in accordance with Schedule G of the Municipal Budget and Reporting Regulations. It is recorded that no such applications were submitted to the MEC for Finance by the regulated date.

7.2 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 29 March for this year) before the start of the budget year.

It is important to note there is no explicit requirement for council to endorse or approve the tabled budget or reviewed or amended IDP tabled by the mayor for public participation. The municipal council only has the legal authority to consider a tabled budget and reviewed/amended IDP after the completion of one or more public participation processes undertaken pursuant to section 22, read with section 23 of the MFMA. Council will only consider for approval "*the product of an inclusive budget preparation and consultative process*" when the proposed annual budget (as amended, if applicable) is placed before council in terms of section 24(1) of the MFMA.

Given that the preparation, consultation, adoption and implementation of a municipality's annual budget is inextricably linked to, and must be substantially aligned to and informed by the contents of that municipality's IDP, it would be procedurally flawed by the mayor to proceed with the tabling of the proposed annual budget (and commence with public participation process required in terms of section 22 of the MFMA) at a time when the annual review and/or revision of the municipality's IDP has not been completed.

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

If a municipality has failed to complete the relevant processes applicable to review and revision of the annual budget and IDP in time for the deadline applicable to the tabling of the proposed annual budget (i.e. 31 March), the mayor should submit an application for an extension of the said deadline to MEC for Finance as outlined in paragraph 7.1 above.

Municipalities are kindly requested to indicate any changes to the confirmed tabling dates as per **Appendix B** with the Provincial Treasury as it is crucial for the collection of the budget documentation and the assessment process leading up to the LG MTEC engagements. Municipalities are requested to indicate any changes to the confirmed tabling dates to Tania.Bosser@westerncape.gov.za by **25 March 2019**.

7.3 Submitting budget documentation and schedules for 2019/20 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 in both printed and electronic format.

- If the annual budget is tabled in council on **29 March 2019**, the final date of submission of the electronic budget documents and corresponding data strings is **Wednesday, 3 April 2019.** The deadline for submission of hard copies including council resolution is **Friday, 5 April 2019.**

- It is important to note that although National Treasury has granted municipalities from 3 to 5 April 2019 to submit the electronic and hard copies of the budget documentation, the Western Cape Provincial Treasury requires these documents on the tabling date to fulfil its responsibilities in terms of section 5 of the MFMA.

- In order to facilitate this, the Provincial Treasury will deploy officials to attend the budget tabling proceedings and collect the tabled budget documentation (inclusive of budget, IDP, SDF, budget related policies and draft SDBIP). It is important for the CFO's office to liaise with the relevant departments for the submission of documents (eg. IDP, SDFs, relevant sector plans) which is not the responsibility of the Finance Directorate.

- A designated municipal official should ensure that a set of these documents is prepared in both hard (where required) and electronic copy, except for the budget policies which are only required in electronic copy.

- The municipal manager must submit –

  - the budget documentation as set out in Schedule A (version 6.3) of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and ALL the supporting tables (SA1 - SA38) in both printed (signed and stamped) and electronic formats;

  - the draft Service Delivery and Budget Implementation Plan (SDBIP) in both printed and electronic format;

  - the draft Integrated Development Plan (IDP) (as amended/reviewed);

  - Procurement Plan;

  - the council resolution;

  - signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations;

  - the budget locking certificate; and

  - schedules D specific for the entities.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- The designated official needs to co-sign the accompanying checklist (see **Appendix C**) as confirmation that the set of budget documents have been submitted.

7.4 Electronic and Hard copy submissions

Municipalities must follow the process of ensuring that their Information and Communication Technology Infrastructure can accommodate official email addresses.

For the purpose of the implementation of mSCOA the Local Government Database requires municipalities to update their contact details and provide official email addresses instead of private accounts.

NT electronic documents should be submitted to: lgdocuments@treasury.gov.za or if the budget documentation are too large (exceeds 4 MB) via lgbigfiles@gmail.com.

PT electronic documents should be submitted to: MFMA.MFMA@westerncape.gov.za or if too large (exceeds 3 MB) must be submitted via the lift server function (http://lift.pgwc.gov.za/).

How to lift:

1. Go to the website: http://lift.pgwc.gov.za/
2. Type in the email address: MFMA.MFMA@westerncape.gov.za
3. Browse to correct file for uploading
4. Press: Submit

Municipalities are required to submit the signed hard copies of their budget documents and council resolutions to the following addresses:

National Treasury	**Provincial Treasury**
Ms Linda Kruger	Mr Paul Pienaar
40 Church Square	7 Wale Street, Room 3-50
Pretoria, 0002	Cape Town, 8000

Metropolitan municipalities should submit the BEPP to Yasmin.coovadia@treasury.gov.za or if it exceeds 4 MB to Yasmin.coovadia@gmail.com. Hardcopies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd Floor, 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001. The BEPP should also be submitted to Provincial Treasury together with the budget documentation.

7.5 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

8. CONCLUSION

The Provincial Government wishes you well with the preparation of your Annual Budget, IDP, SDBIP and related documents and look forward to the Strategic LG MTEC engagement with your Municipality.

Please direct any queries regarding this circular to Malcolm Booysen at Malcolm.Booysen@westerncape.gov.za.



H MALILA
DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES
DATE: 22 MARCH 2019



Appendix A

GROUP 1

REGION	MUNICIPALITY	DAY OF VISIT	TIME
CoCT	CITY OF CAPE TOWN	23 April 2019, Tuesday	09h00 - 12h00
GRD	MOSSEL BAY	24 April 2019, Wednesday	08h30 - 11h30
GRD	GARDEN ROUTE DISTRICT	24 April 2019, Wednesday	13h30 - 16h30
GRD	BITOU	25 April 2019, Thursday	09h00 - 12h00
GRD	KNYSNA	25 April 2019, Thursday	14h00 - 17h00
GRD	GEORGE	26 April 2019, Friday	08h30 - 11h30
GRD	HESSEQUA	26 April 2019, Friday	14h00 - 17h00
	FREEDOM DAY	27 April 2019, Saturday	
		28 April 2019, Sunday	
WCD	SALDANHA BAY	29 April 2019, Monday	09h00 - 12h00
WCD	SWARTLAND	29 April 2019, Monday	14h00 - 17h00
CWD	STELLENBOSCH	30 April 2019, Tuesday	09h00 - 12h00
	NO SCHEDULED ENGAGEMENTS	30 April 2019, Tuesday	
	WORKERS DAY	01 May 2019, Wednesday	
	NO SCHEDULED ENGAGEMENTS	02 May 2019, Thursday	
CWD	DRAKENSTEIN	02 May 2019, Thursday	14h00 - 17h00
OD	CAPE AGULHAS	03 May 2019, Friday	09h00 - 12h00
OD	OVERBERG DISTRICT	03 May 2019, Friday	13h00 -16h00
		04 May 2019, Saturday	
		05 May 2019, Sunday	
OD	OVERSTRAND	06 May 2019, Monday	09h00 - 12h00
OD	THEEWATERSKLOOF	06 May 2019, Monday	14h00 - 17h00

GROUP 2

REGION	MUNICIPALITY	DAY OF VISIT	TIME
	NO SCHEDULED ENGAGEMENTS	23 April 2019, Tuesday	
GRD	KANNALAND	24 April 2019, Wednesday	09h00 - 12h00
GRD	OUDTSHOORN	24 April 2019, Wednesday	14h00 -17h00
CKD	BEAUFORT WEST	25 April 2019, Thursday	09h00 - 12h00
CKD	CENTRAL KAROO DISTRICT	25 April 2019, Thursday	13h30 - 16h30
CKD	PRINCE ALBERT	26 April 2019, Friday	08h30 - 11h30
CKD	LAINGSBURG	26 April 2019, Friday	14h00 - 17h00
	FREEDOM DAY	27 April 2019, Saturday	
		28 April 2019, Sunday	
WCD	BERGRIVIER	29 April 2019, Monday	08h30 - 11h30
WCD	MATZIKAMA	29 April 2019, Monday	14h00 - 17h00
WCD	CEDERBERG	30 April 2019, Tuesday	08h30 - 11h30
WCD	WEST COAST DISTRICT	30 April 2019, Tuesday	14h00 - 17h00
	WORKERS DAY	01 May 2019, Wednesday	
CWD	LANGEBERG	02 May 2019, Thursday	09h00 - 12h00
CWD	BREEDE VALLEY	02 May 2019, Thursday	14h00 - 17h00
CWD	WITZENBERG	03 May 2019, Friday	09h00 - 12h00
CWD	CAPE WINELANDS DISTRICT	03 May 2019, Friday	14h00 -17h00
		04 May 2019, Saturday	
		05 May 2019, Sunday	
OD	SWELLENDAM	06 May 2019, Monday	09h30 - 12h30

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

Western Cape Government
Provincial Treasury

APPENDIX B

CONFIRMED 2019 BUDGET TABLING DATES

Municipality	Confirmed date
Cape Town	Thursday, 28 March 2019
Matzikama	Tuesday, 26 March 2019
Cederberg	Friday, 29 March 2019
Bergrivier	Tuesday, 26 March 2019
Saldanha Bay	Thursday, 28 March 2019
Swartland	Thursday, 28 March 2019
West Coast District Municipality	Wednesday, 27 March 2019
Witzenberg	Tuesday, 26 March 2019
Drakenstein	Wednesday, 27 March 2019
Stellenbosch	Wednesday, 27 March 2019
Breede Valley	Tuesday, 26 March 2019
Langeberg	Thursday, 28 March 2019
Cape Winelands District Municipality	Thursday, 28 March 2019
Theewaterskloof	Wednesday, 27 March 2019
Overstrand	Wednesday, 27 March 2019
Cape Agulhas	Thursday, 28 March 2019
Swellendam	Thursday, 28 March 2019
Overberg District Municipality	Monday, 25 March 2019
Kannaland	Tuesday, 26 March 2019
Hessequa	Thursday, 28 March 2019
Mossel Bay	Thursday, 29 March 2019
George	Thursday, 28 March 2019
Oudtshoorn	Thursday, 28 March 2019
Bitou	Friday, 29 March 2019
Knysna	Friday, 29 March 2019
Garden Route District Municipality	Wednesday, 27 March 2019
Laingsburg	Friday, 29 March 2019
Prince Albert	Friday, 29 March 2019
Beaufort West	Thursday, 28 March 2019
Central Karoo District Municipality	Tuesday, 26 March 2019

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Western Cape Government
Provincial Treasury

APPENDIX C

LG MTEC INTEGRATED PLANNING AND BUDGETING: 2019/20 CHECKLIST
SUBMISSION OF TABLED BUDGET DOCUMENTATION

MUNICIPALITY: _____

In completing and signing the budget documentation checklist below, the municipality confirms that Schedule A1 **complies with the Municipal Budget and Reporting Regulations (MBRR)** and that the main tables (A1 - A10) and the supporting tables (SA1 - SA38) are completed in ***version 6.3*** of Schedule A1 (the Excel formats) and **drawn directly from the municipal financial system.**

Please ensure that (as per MFMA Circular 72) **each page of the hard copy of the budget documentation** as set out in Schedule A of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and all the supporting tables (SA1 - SA38) and prescribed minimum narrative information that is submitted to Provincial Treasury (and National Treasury) **has been stamped and signed** by the secretariat responsible for ensuring accurate records of council decisions.

The IDP Document 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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Budget Documentation	Hard Copy			Soft Copy (correlates with hard copy)		
	Yes	No	N/A	Yes	No	N/A
Council Resolution in terms of the Budget						
Draft Service Delivery and Budget Implementation Plan						
Draft Service Level Standards						
Signed Quality Certificate as prescribed in the MBRR						
Prescribed Minimum Budget Narrative Information	**Stamped and Signed Hard Copy Budget Narrative**			**Soft Copy (correlates with hard copy)**		
Budget Narrative						
Municipal Budget Tables: Tables A1 to A10	**Stamped and Signed Hard Copy A1 - A10**			**Soft Copy (correlates with hard copy)**		
Table A1: Budget Summary						
Table A2: Budgeted Financial Performance (revenue and expenditure by standard classification)						
Table A2A: Budgeted Financial Performance (revenue and expenditure by standard classification)						
Table A3: Budgeted Financial Performance (revenue and expenditure by municipal vote)						
Table A3A: Budgeted Financial Performance (revenue and expenditure by municipal vote)						
Table A4: Budgeted Financial Performance (revenue and expenditure)						
Table A5: Budgeted Capital Expenditure (by vote, standard classification & funding source)						
Table A5A: Budgeted Capital Expenditure (by vote, standard classification & funding source)						
Table A6: Budgeted Financial Position						
Table A7: Budgeted Cash Flow						
Table A8: Cash Backed Reserves/Accumulated Surplus Reconciliation						
Table A9: Asset Management						
Table A10: Basic Service Delivery Measurement						

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Budget Documentation	Hard Copy			Soft Copy (correlates with hard copy)		
	Yes	No	N/A	Yes	No	N/A
Municipal Budget Supporting Tables: Supporting Tables SA1 to SA38	**Stamped and Signed Hard Copy SA1 – SA38**			**Soft Copy (correlates with hard copy)**		
SA1: Supporting Detail to Budgeted Financial Performance						
SA2: Matrix Financial Performance Budget (revenue source/expenditure type and department)						
SA3: Supporting Detail to Budgeted Financial Position						
SA4: Reconciliation of IDP Strategic Objectives and Budget (revenue)						
SA5: Reconciliation of IDP Strategic Objectives and Budget (operating expenditure)						
SA6: Reconciliation of IDP Strategic Objectives and Budget (capital expenditure)						
SA7: Measurable Performance Objectives						
SA8: Performance Indicators and Benchmarks						
SA9: Social, Economic and Demographic Statistics and Assumptions						
SA10: Funding Measurement						
SA11: Property Rates Summary						
SA12a: Property Rates by Category (current year)						
SA12b: Property Rates by Category (budget year)						
SA13a: Service Tariffs by Category						
SA13b: Service Tariffs by Category (explanatory)						
SA 14: Household Bills						
SA15: Investment Particulars by Type						
SA16: Investment Particulars by Type						
SA17: Borrowing						
SA18: Transfers and Grant Receipts						
SA19: Expenditure on Transfers and Grant Programme						
SA20: Reconciliation of Transfers, Grant Receipts and Unspent Funds						
SA21: Transfers and Grants made by the Municipality						
SA22: Summary Councillor and Staff Benefits						
SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)						

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Budget Documentation	Hard Copy			Soft Copy (correlates with hard copy)		
	Yes	No	N/A	Yes	No	N/A
Municipal Budget Supporting Tables: Supporting Tables SA1 to SA38	**Stamped and Signed Hard Copy SA1 – SA38**			**Soft Copy (correlates with hard copy)**		
SA24: Summary of Personnel Numbers						
SA25: Budgeted Monthly Revenue and Expenditure						
SA26: Budgeted Monthly Revenue and Expenditure (municipal vote)						
SA27: Budgeted Monthly Revenue and Expenditure (standard classification)						
SA28: Budgeted Monthly Capital Expenditure (municipal vote)						
SA29: Budgeted Monthly Capital Expenditure (standard classification)						
SA30: Budgeted Monthly Cash Flow						
SA31: Aggregated Entity Budget (where applicable)						
SA32: List of External Mechanisms						
SA33: Contracts having Future Budgetary Implications						
SA34a: Capital Expenditure on New Assets by Asset Class						
SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class						
SA34c: Repairs and Maintenance Expenditure by Asset Class						
SA34d: Depreciation by Asset Class						
SA34e: Upgrading of Existing Infrastructure						
SA35: Future Financial Implications of the Capital Budget						
SA36: Detail Capital Budget						
SA37: Projects Delayed from Previous Financial Years						
SA38: Consolidated Detail Operational Projects						
Budget Related Policies	**Hard copies**			**Soft Copy (correlates with hard copy)**		
Information on any amendments to budget related policies						
Suite of budget related policies	*Soft copies only*					

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Budget Documentation	Hard Copy			Soft Copy (correlates with hard copy)		
	Yes	No	N/A	Yes	No	N/A
IDP and Related Documentation	**Hard copies**			**Soft Copy (correlates with hard copy)**		
Council Resolution in terms of the IDP						
Draft Integrated Development Plan						
Process Plan/Time schedule according to Section 29) of the MSA read in conjunction with Section 21 (b) of the MFMA						
Spatial Development Framework	*Soft copies only*					
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*						
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

Name: _____

Signature: _____

Date: _____

PROVINCIAL REPRESENTATIVE

Name: _____

Signature: _____

Date: _____

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

NATIONAL TREASURY

MFMA Circular No. 82

Municipal Finance Management Act No. 56 of 2003

Cost Containment Measures (updated November 2016)

Purpose

Section 62(1)(a) of the Municipal Finance Management Act No. 56 of 2003 (MFMA) stipulates that the accounting officer of a municipality is responsible for managing the financial administration of a municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

In terms of the legal framework, the elected councils and accounting officers are required to institute appropriate measures to ensure that the limited resources and public funds are appropriately utilized to ensure value for money is achieved.

The purpose of this Circular is to guide municipalities and municipal entities on cost containment measures that must be implemented in an effort to address the impact of the country's economic challenges and to promote growth, address unemployment and equality, amongst others.

Background

The national government has been aware of the need to contain costs and Cabinet resolved that all spheres of government, including municipalities and municipal entities must implement measures to contain operational costs and eliminate all non-essential expenditure.

In the 2016 State of the Nation Address, cost containment measures were re-emphasised. It was highlighted that excessive and wasteful expenditure has to be reduced, and that increased action be taken to manage unnecessary expenditure. The following measures were among those announced:

- Curtailment of overseas trips;
- The submission of strong motivation to MM's, Mayors and, where necessary, oversight mechanisms at local, provincial and national spheres of Government by those requesting permission to travel either locally or abroad: i.e. their detailed report including research which argues the necessity of the trip and the benefit the country will achieve in undertaking the journey;
- The institutionalization of further restrictions on conferences, catering, entertainment and social functions.

In reinforcing the above, the Minister of Finance also announced further cost containment measures in his budget speech on 24 February 2016, and urged Mayors of municipalities to exercise and oversee the elimination of wasteful expenditure in

OVERSTRAND MUNICIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

government. SALGA supported the call for cost containment measures to be implemented in municipalities as per the Budget Forum engagements and commitments.

Municipalities must make clear and quantified commitments in this regard when tabling their upcoming budgets, and to reference these commitments when submitting budget documentation to the National and Provincial Treasuries, as required by the MFMA.

Annexure A of this circular presents cost containment measures that accounting officers and chief finance officers must consider in order to contain operational costs and eliminate non-essential expenditure. In addition, municipalities are advised to refer to MFMA Budget Circular No. 70 and other relevant Circulars on the elimination of non-priority spending. (http://mfma.treasury.gov.za/Circulars/Pages/default.aspx).

Enforcement of cost containment measures

SALGA recently expressed concern over the lack of enforcement of such measures and municipal councils are herewith reminded of Section 171(1) of the MFMA whereby the accounting officer of a municipality commits an act of financial misconduct if that accounting officer deliberately or negligently contravenes a provision of the Act, or fails to comply with a duty imposed by the Act on the accounting officer of the municipality.

Failure to fulfill the duty outlined in section 62(1) (a) of the MFMA may result in the accounting officer committing an act of financial misconduct and that disciplinary or criminal proceedings are instituted against any official who has allegedly committed an act of financial misconduct or an offence in terms of chapter 15. The accounting officer also has a duty to ensure that unauthorized, irregular or fruitless and wasteful expenditure and other losses are prevented.

In addition, section 167 of the MFMA provides that a municipality may only remunerate its office bearers within the parameters set out in that section. In particular, sub-section 167(2) provides that any benefit paid that is outside the parameters set out in subsection (1) is irregular expenditure and must be recovered from the political office-bearer concerned.

Details of precisely what a municipality may pay or remunerate its political office bearers are set out in the Notices issued in terms of the Political Office Bearers Act by the Minister of Cooperative Governance and Traditional Affairs.

Municipalities are reminded that the National Treasury will soon be conducting municipal budget benchmark engagements with non-delegated municipalities during which all municipal budgets will be assessed against the cost containment measures outlined in this Circular. Provincial Treasuries will be conducting similar engagements and budget assessments with delegated municipalities.

Consideration has been given to the lack of enforcement measures and therefore it is envisaged that regulations will be issued to align these measures with financial misconduct regulations. Disclosure of cost containment measures applied by the municipality and entity must be included in the Municipal Budget and Annual Report. Measures implemented and regular reports must be submitted to the Municipal Public

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Accounts Committee for review and recommendations to Council on additional measures to be taken.

The contents of this Circular has been shared with the office of the Auditor-General for their application, scrutiny and assessment.

Conclusion

It is important that the accounting officer ensures that the content of this Circular is brought to the attention of the Municipal Council and all other relevant officials within municipalities and municipal entities. It is recommended that:

- Municipalities adopt this Circular together with their annual budgets;
- Municipalities are advised to review other finance related policies to ensure consistency with this Circular;
- Municipalities implement the circular by creating the appropriate oversight mechanisms to monitor cost containment measures;
- Implementation of such measures will assist in ensuring that the provisions of sections 62 and 167 of the MFMA are complied with to ensure that reasonable steps are taken for public resources to be used effectively, efficiently, economically and in the best interests of the local community.

Any queries relating to municipalities preparation of municipal budgets in line with the cost containment measures should be directed to the respective National or Provincial Treasury official responsible for monitoring the municipality's budget. The names of these officials can be obtained from MFMA Circular 79 and / or other related MFMA Circulars. This Circular must be tabled before the municipal council for adoption together with the 2016/17 MTREF budget.

Issued on behalf of:

Malijeng Ngqaleni	Kenneth Brown	Jayce Nair
Intergovernmental Relations	Chief Procurement Officer	Acting Accountant-General

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	***Private Bag X115, Pretoria 0001***
Phone	***012 315 5850***
Fax	***012 315 5230***
Email – General	*mfma@treasury.gov.za*
Website	*www.treasury.gov.za/mfma*

TV PILLAY
CHIEF DIRECTOR: MFMA IMPLEMENTATION
30 MARCH 2016

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Annexure A – Cost Containment Measures

Cabinet resolved, on 23 October 2013 that cost containment measures must be implemented to eliminate wasteful expenditure, reprioritize spending and ensure savings on the following focus areas among others; engagement of consultants, travel and subsistence costs, issuing of credit cards, accommodation costs, office furnishing costs, advertising or sponsorship costs, catering and events related costs.

It is prudent that Municipalities consider consultation with its employees and through public participation to obtain input and consideration from affected stakeholders such as communities, ratepayers, businesses, and so on which may prove to be beneficial when facilitating the implementation of cost containment policies and actions.

Municipalities are advised to ensure appropriate monitoring and reporting on such cost saving measures is instituted for ease of reporting to management and council on progress on a regular basis. The internal audit unit of municipalities must be copied with such reports.

1. Engagement of Consultants

- Accounting Officers must only contract with consultants after a gap analysis report has confirmed that the municipality does not have the requisite skills or resources in its permanent employment to perform the services required.
- Evidence of acute planning of the project must be visible to all relevant persons including the administration and political oversight mechanisms in place at the municipality.
- Consultants, including construction and infrastructure related services, must only be remunerated at the rates equal to or below those:
  - determined in the "Guidelines on fees for audits done on behalf of the Auditor-General South Africa", issued by the South African Institute of Chartered Accountants (SAICA);
  - set out in the "Guide on Hourly Fee Rates for Consultants", by the Department of Public Service and Administration (DPSA); or
  - Prescribed by the body regulating the profession of the consultant.
- Ensure an exacting "specification" of the work to be accomplished accompanies the tender and is used as a monitoring tool, are appropriately recorded and monitored.
- Ensure that contracts for consultants include retention and penalty clauses for poor performance and in this regard against the above specification, accounting officers must invoke such clauses, where deemed necessary.
- It is mandatory that accounting officers of municipalities and municipal entities conclude on the best "value for money", i.e. matching fees against quality and against benchmarked practices.
- Accounting officers of municipalities and municipal entities must appoint consultants on a time and cost basis with specific start and end dates.
- Travel and subsistence costs for the appointment of consultants must be in accordance with the travel policy of government and the contract price specifies all travel & subsistence costs.

OVERSTRAND MUNICIPALITY / OVERSTRANDMUNISIPALITEIT
2019 -05- 23

- If travel and subsistence costs for appointed consultants are exclusive of the contract, the costs must be in accordance with the following provisions:
  a) Hotel accommodation may not exceed the amount mentioned in this Circular;
  b) Only economy class air tickets may be purchased for flights;
  c) Only group B vehicles or lower may be hired for engagements, as mentioned in this Circular;
  d) Kilometres claimed for the use of private vehicles may not exceed the rates approved by the National Department of Transport, as updated from time to time.
- Municipalities are urged to develop consultancy reduction plans.
- Undertake all engagements of consultants in accordance with the SCM Regulations and the municipality's SCM policy.

2. Travel and subsistence

The National Treasury, on behalf of all three spheres of government, has negotiated improved upfront discounts for flights as well as discounted accommodation rates. Therefore municipalities and municipal entities are requested to utilize these agreements to assist in their respective cost containment measures, unless they can negotiate lower air travel rates or utilize other service providers that offer lower rates.

Net and Non-Commissionable Rates
All rates offered to Government as of 1 April 2016 will be net and non-commissionable. This will include the informal accommodation market e.g. Guest Houses and Bed & Breakfast establishments.

Rebates, Overrides, Volume based income
In the spirit of transparency, the OCPO is taking a firm position on rebates, overrides or any volume driven target incentives being paid by suppliers to Travel Management Company (TMC). As of 1 April 2016 these payments and the practice of overrides is to discontinue for Government business.

2.1 National Travel Policy

The National Treasury will issue a National Travel Policy framework during December 2016.

(http://ocpo.treasury.gov.za/Buyers_Area/Legislation/Pages/default.aspx)

2.2 Air Travel

- The National Treasury has negotiated with South African Airways (SAA) and Comair/British Airways (BA) for upfront discounted air fares for government employees travelling domestically for official purpose. These Domestic Air Travel Fares will be regularly reviewed by the National Treasury. (These rates are not applicable for International Air Travel).
- For SAA, the discounts range from 5% (L class) up to 30% (Y Class) for Economy Class tickets; and 10% (D Class) up to 26% (C Class) for Business

OVERSTRAND MUNICIPALITY
2019 -05- 23

Class tickets. Please note that business class is not encouraged, however where a single flight exceed 5 hours, consideration may be applied.

- For BA the discounts range from 10% (O, Q class) up to 25% (Y Class) for Economy Class tickets; and 20% (J Class) for Business Class tickets. Please note that business class is not encouraged, however where a single flight exceeds 5 hours, consideration may be applied.
- Treasury entered into a short-term Corporate Agreement from 1 April 2016 to 30 September 2016. This has been extended by a further six months. .
- The premise of "Best Fare on the Day" should be implemented making full use of the negotiated Government Corporate Agreements with SAA and BA Comair. Quotations are to be obtained from at least SAA and BA Comair before issue. Municipalities must also request quotations from other Low Cost Carriers. Please note that all discounted rates are subject to class availability.
- In order to make full use of the corporate discount with SAA and BA, municipalities and municipal entities must instruct their appointed TMCs or persons making their bookings for domestic airline tickets, to book against the relevant deal codes as detailed in Annexure B.
- Corporate agreements with SAA and BA/Comair will be made available to TMCs that are currently contracted to Government. Should the municipal TMC have not been contacted by the full service carrier representative, they are to inform National Treasury with the agents name; physical address, contact name, email address and IATA number. Upon receipt of the information, the representatives of the full service carriers will ensure that the TMC is given access to the deal code. The TMC must have an authenticated IATA number.
- Accounting officers of municipalities and municipal entities are advised to include a clause in their respective documents that travel agencies are only permitted to make booking arrangements on behalf of municipalities and municipal entities in line with this Circular. Current arrangements need to be updated and amended to reflect these changes.
- Disabled persons can be accommodated in economy class, however, in extremely exceptional and rare cases an Accounting Officer may approve, with evidence, other than economy class air travel.

2.3 Domestic Hotel Accommodation

National Treasury has established maximum allowable rates for domestic accommodation. When sourcing accommodation for officials, municipalities should find options that are equal to or lower than the rates in Table 1, depending on the allowable star grading and the band. Competition and cost effectiveness must remain a key principle.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 1: Rates set for Domestic Hotel Accommodation

Voucher Includes	BAND 1	BAND 2	BAND 3
→	Room Only Tourism Levy VAT	Bed & Breakfast Tourism Levy VAT	Dinner, Bed and Breakfast Tourism Levy VAT 2 x soft Drinks at Dinner
Graded Hotel, Boutique Hotel, Lodge or Resort			
	BAND 1	**BAND 2**	**BAND 3**
1 Star	R 580	R 710	R 855
2 Star	R 900	R 1 030	R 1 230
3 Star	R 1 100	R 1 200	R 1 400
4 Star	R 1 250	R 1 350	R 1 550
5 Star	R 2 100	R 2 200	R 2 500
Bed & Breakfast, Country House or Guest house			
	BAND 1	**BAND 2**	**BAND 3**
1 Star	R 300	R 450	R 630
2 Star	R 500	R 650	R 830
3 Star	R 900	R 1 050	R 1 230
4 Star	R 1 000	R 1 150	R 1 330
5 Star	R 1 200	R 1 350	R 1 530
Self-Catering*			
	BAND 1	**BAND 2**	**BAND 3**
1 Star	R 580		
2 Star	R 900		
3 Star	R 1 100		
4 Star	R 1 250		
5 Star	R 1 450		
Meals**			
	BAND 1	**BAND 2**	**BAND 3**
Breakfast	R 120	R -	R -
Lunch	R 150	R 150	R 150
Dinner	R 150	R 150	R -
Total	**R 420**	**R 300**	**R 150**

Accommodation costs are assumed to be inclusive of Parking and Wi-Fi (if available), and exclusive of Laundry expenses.
**Including Exclusive and Shared Facilities. Exclusive facilities offer travellers a sole occupancy unit consisting of one or more bedrooms and self-contained public areas e.g. kitchen, dining area and lounge.*
Shared Facilities consisting of one or more bedrooms and self-contained shared public areas e.g. kitchen, dining area and lounge.
***Maximum amounts that can be claimed for meals. The claim for the actual amounts must be supported by a receipt.*

- If a negotiated rate for a specific star grading is equivalent to or lower than the rate for the lower star grading, the official may be accommodated in the establishment with the higher star grading. This means that an official may be accommodated at a four star establishment if the rate at the four star establishment is the same as or lower than a three star establishment.

OVERSTRAND MUNICIPALITY
2019 -05- 23
Page 7 of 15

- Where there is an alternative star grading indicated in **Table 1** (i.e. 4/5 or 3/4), the maximum allowable rate of the lower star grading will be the benchmark. The higher star grading can only be booked if:
  a. the higher star graded facility is the only available option due to location and availability; or
  b. the municipality or municipal entity has negotiated lower rates with the higher star graded facility.
- Accounting officers must ensure that overnight accommodation is limited to instances where the distance travelled by road by the employee exceeds 500 kilometres to and from the destination (return journey).

2.4 Vehicle Hire

- Municipalities are encouraged to continue considering their own fleet first, where viable, prior to hiring of vehicles;
- Notwithstanding the provisions above, all employees must make use of shuttle services if the cost of such a service is below the cost of hiring a vehicle.
- Accounting officers must also consider making use of shuttle services if the cost of kilometres claimable by the employee and the cost of parking are higher than the shuttle services.
- Ensure the hiring of vehicles from a category below Group B or an equivalent class. Accounting officers may permit employees to accept up-graded group of hired vehicles if such an up-grade is offered for free or at a lower charge than Group B.
- Vehicle travel claims by employees of municipalities and municipal entities must be restricted to the actual distance travelled in excess of the normal distance from the employee's residence to his or her place of work or as may be negotiated using a motor vehicle allowance scheme.

3 Credit Cards

The use of credit and debit cards was addressed in an earlier MFMA Circular.

A bank, or any other institution, may not issue credit cards or debit cards linked to a bank account of a municipality or a municipal entity to any councillors, entity board members, municipal or entity officials or any other person. The issuing and use of such cards be it for official purposes:

- contravenes section 11 and 85 of the MFMA as there is no way of ensuring that all purchases made on the card are in accordance with the items listed in the sections or as prescribed;
- contravenes section 167 of the MFMA which provides that any bursary, loan, advance or other benefit paid to a municipal councillor otherwise than in accordance with the provisions of the Remuneration of Public Office Bearers Act constitutes irregular expenditure;
- contravening section 15 of the MFMA by incurring expenditure not authorised in an approved budget;
- non-compliance with section 164 of the MFMA which provides that no municipality or municipal entity may make loans to councillors or officials of the municipality, directors or officials of the entity or members of the public;
- non-compliance with the supply chain management regulations; and

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- undermines efforts to safeguard municipal funds, combat fraud and corruption, as well as other irregular practices.

While the use of petrol cards or garage cards for municipal vehicles is permitted, it must be utilised in accordance with an appropriate policy and related procedures to avoid misuse thereof. Cost containment measures should be applied in managing and planning trips.

Where officials or councillors incur expenses in relation to official municipal activities, they should use their personal credit cards or cash, and request reimbursement from the municipality in accordance with the relevant municipal policy and processes. Alternatively, the municipality should make arrangements with the service provider that the expenditure be settled directly by the municipality.

4 Catering costs

- Do not incur catering expenses for any meetings where only municipal officials are in attendance. Notwithstanding the above, the accounting officer may incur catering expenses for the following, provided that such lasts for five (5) continuous hours or more:
  a) The hosting of conferences, workshops, courses, forums, recruitment interviews, training courses, hearings;
  b) Meetings related to commissions or committees of inquiry; or
  c) Meetings hosted by municipal councils and the board of directors of municipal entities, including governance committee meetings.
- Ensure that entertainment allowances of qualifying officials do not exceed two thousand rand (R2 000) per person per financial year. The National Treasury may periodically review this amount.
- Do not incur expenses on alcoholic beverages.
- Ensure that team building and social functions, including year-end functions, are not financed from the municipal budgets or by any suppliers or sponsors.
- Notwithstanding the above, accounting officers may incur no more than the petty cash allocation or limitations on expenditure from their respective budgets to host farewell functions to employees who are either:
  (a) proceeding on retirement due to ill health; or
  (b) proceeding on retirement after reaching the qualifying age limit of a minimum of ten (10) or more years working for the public service.
- Accounting officers and accounting authorities may **not** host farewell functions for employees who have:
  (a) been dismissed;
  (b) elected to resign or leave by accepting severance packages; or
  (c) Approached the end of their contractual term.

5 Events, advertising and sponsorships

- Eliminate wasteful expenditure on events, advertising in magazines, television, newspapers etc. where the municipality can use other cost effective means such as websites to market the institution or properly publicise the matters or events under consideration.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- Memorabilia, gifts and other novelties should be of token value only and should only be offered by municipalities and municipal entities in order to acknowledge support or a visit or attendance by a dignitary in connection with a benefit to the local community; to reciprocate the giving of a similar token gift by another organisation; or similar but in all cases there must be an identifiable benefit to the community.
- Limit or stop all unnecessary expenditure on matters such as printing of shirts, hosting of sporting events, festivals and other associated events, cruises, lavish functions, and extraordinary costs associated with visits of dignitaries or induction of new councillors.

6 Conferences, meetings, study tours, etc.

- Employees of municipalities and municipal entities may attend conferences hosted by professional bodies or non-governmental institutions (external conferences) held within the borders of South Africa provided that expenses related to their attendance do not exceed two thousand five hundred rand (R2 500) per person per day. In instances where the cost exceeds this amount, officials must obtain prior approval from the accounting officer. The number of municipal officials attending such conferences and workshops must be limited, see below. The National Treasury may periodically review this amount.
- Employees must make every effort to take advantage of early registration discounts by seeking the required approvals to attend well in advance of the conference as it relates to their area of work. No late registration is acceptable.
- Conferences abroad must be limited to its ultimate minimum or none at all.
- Utilise municipal and/or provincial office facilities for conferences, meetings, strategic planning sessions etc. where an appropriate venue exists within the municipal jurisdiction.
- Limit or stop overseas trips and the delegations going on such trips unless a tangible and clear benefit to the local community and performance of essential service provision can be established beforehand.
- The number of employees travelling to conferences or meetings on official duty for the same matter is limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer, having due regard to the cost containment measures.
- Similar to the above, the number of employees travelling by air to other centres to attend an official engagement on the same matter is also limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer, having due regard to the cost containment measures.

7 Office furnishing

- Municipalities should exercise due precaution in refurbishing offices, purchasing equipment, etc. especially when new persons are elected or appointed. Use of existing facilities and equipment is encouraged.
- Office furnishing, when required, should be contained to minimal costs avoiding elaborate and expensive furniture or equipment.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

8 Staff study, perks and suspension costs

- Training attended by employees and councillors of municipalities and municipal entities may only be attended at pre-approved service providers to ensure sufficient quality of training and obtain value for money.
- Expenditure associated with overseas study tours by councillors or officials must be reduced and preferably stopped.
- Encourage staff to take time off to make up for overtime worked.
- Planned overtime must be submitted to management for consideration on a monthly basis.
- Unplanned overtime worked must be motivated and approved by management.
- Costs associated with long-standing staff suspensions and legal costs associated with not following due processes when suspending and dismissing staff must be eliminated.
- Constant management of staff, improvements in productivity levels and feedback must be provided to all staff.

9 Cost containment on other related expenditure items

- Accounting officers of municipalities and municipal entities are advised to ensure that all commodities and products that the National Treasury designated as transversal contracts are utilised to benefit from savings where lower prices or rates have been negotiated.
- Periodic or quarterly threat assessments against councillors and key officials should be undertaken by the appropriate authority (SAPS) and reported to the Speakers Office. Approval for security measures must be informed by such reports, if paid for from municipal funds. The use of metropolitan traffic officers for such purposes should be avoided.
- Municipal funds may not be used to fund election campaign activities, including the provision of supporting material, clothing, food, inducements to vote either as part of, or during election rallies.
- Printing of documents should carefully considered be back-to-back and use of colour printing for graphs only, while use of electronic means should be preferred.
- Review and introduce limits on municipal staff telephones and limiting private call to a reasonable amount.
- Every effort must be made to recover debt from consumers before write-off. Municipalities to avoid the excessive usage of debt collectors and improve its internal capacity for debt collection.
- Ensure synergy between municipal divisions or departments to avoid duplication of processes and efforts.
- Where possible the warranties on vehicle and computer equipment should be extended instead of procuring new ones.
- Labour saving devices should be shared to optimize the capacity utilization of each device.
- Purchasing of newspapers and other publications for municipal employees to limited and stopped.
- Municipalities should ensure that awareness is raised with municipal staff so that a high degree of energy saving measures can be introduced, e.g. air-conditioning and lights in buildings are switched off at night and when offices are not in use.

OVERSTRAND MUNISIPALITEIT
2019-05-31
OVERSTRAND MUNICIPALITY

- All other cost containment measures introduced by council are also encouraged and supported.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Annexure B: BA/COMAIR and SAA Deal Codes per Municipality

Municipalities and municipal entities should use the following codes when requesting quotes from BA/COMAIR.

MUNICIPALITIES	
NAME	**DEAL CODE**
EASTERN CAPE	
Alfred Nzo District Municipality Matatiele, Mbizana, Ntabankulu and uMzimvubu	1020907
Amathole District Municipality Amahlathi, Mnquma, Ngqushwa, Raymond Mhlaba, Mbashe and Great Kei,	1020906
Buffalo City Metropolitan Municipality	1020901
Chris Hani District Municipality Emalahleni, Engcobo, Intsika, Inxuba, Sakhisizwe and Enoch Mgijima	1020908
Joe Gqabi District Municipality Elundini, Walter Sisulu and Senqu	1020909
Nelson Mandela Bay Metropolitan Municipality	1020899
OR Tambo District Municipality Ingquza Hill, King Sabata Dalindyebo, Mhlontlo, Nyandeni and Port St Johns	1020903
Sarah Baartman District Municipality Dr Beyers Naudé, Blue Crane Route, Makana, Ndlambe, Sundays River Valley, Kouga and Kou-kamma	1020921
FREE STATE	
Fezile Dabi District Municipality Mafube, Moqhaka, Metsimaholo and Ngwathe	1020922
Lejweleputswa Distric Municipality Masilonyana, Matjhabeng, Nala, Tokologo and Tswelopele	1020923
Mangaung Metropolitan	1020923
Thabo Mafutsanyana District Dihlabeng, Maluti - a- Phofung, Mantsopa, Nketoana, Phumelela and Setsoto	1020924
Xhariep District Kopanong, Letsemeng and Mohokare	1020925
GAUTENG	
City of Johannesburg Metropolitan	1020900
City of Tshwane Metropolitan	1020898
Ekurhuleni Metropolitan	1020904
Sedibeng District Emfuleni, Lesedi and Midvaal	1020926
West Rand District Merafong, Mogale City, Rand West	1020927
KWAZULU-NATAL	
eThekwini Metropolitan	1008810
iLembe District Municipality KwaDukuza, Mandeni, Maphumulo and Ndwedwe	1020929
Harry Gwala District Municipality Greater Kokstad, Uhlebezwe, Umzimkhulu and Dr Nkosazana Dlamini Zuma	1020835

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

MUNICIPALITIES	
NAME	**DEAL CODE**
Ugu District Municipality uMdoni, Umzumbe, uMuziwabantu and Ray Nkonyeni	1020836
uMgungundlovu District Municipality KZN uMshwathi, uMngeni, Mpofana, Impendle, Msunduzi, Mkhambathini and Richmond	1020837
uMkhanyakude District Municipality KZN Umhlabuyalingana, Jozini, Mtubatuba and Big Five Hlabisa	1020838
uMzinyathi District Municipality KZN Endumeni, Nquthu, Msinga, Umvoti	1020839
uThukela District Municipality Okhahlamba, iNkosi Langalibalele and Alfred Duma	1020840
King Cetshwayo district Municipality uMfolozi, uMhlathuze, uMlalazi, Mthonjaneni and Nkandla	1020841
Zululand District Municipality KZN eDumbe, uPhongolo, Abaqulusi, Nongoma and Ulundi	1020842
LIMPOPO	
Capricon District Municipality Blouberg, Lepelle-Nkumpi, Molemole and Polokwane	1020843
Mopani District Municipality Ba-Phalaborwa, Greater Giyani, Greater Letaba, Greater Tzaneen and Maruleng	1020844
Sekhukhune District Municipality LM Ephraim Mogale, Elias Motsoaledi, Makhuduthamaga and LIM476	1020845
Vhembe District Municipality LM Musina, Thulamela, Makhado and LIM345	1020846
Waterberg Disrict Municipality Thabazimbi, Lephalale, Bela Bela, Mogalakwena and LIM 368	1020847
MPUMALANGA	
Ehlanzeni District Municipality Thaba Chweu, Nkomazi, Bushbuckridge and City of Mbombela	1020902
Gert Sibande District Albert Luthuli, Dipaleseng, Govan Mbeki, Lekwa, Mkhondo, Msukaligwa and Pixley Ka Isaka Seme	1020848
Nkangala District Dr JS Moroka, Emakhazeni, Emalahleni, Steve Tshwete, Thembisile Hani and Victor Khanye	1020849
NORTH WEST	
Bojanala Platinum District Kgetlengriver, Madibeng, Moretele, Moses Kotane and Rusternburg	1020850
Dr Kenneth Kaunda District Municipality City of Matlosana, Maquassi and NW405	1020851
Dr Ruth Segomotsi Mompati District Municipality Greater Taung, Kagisano-Molopo, Lekwa-Teemane, Mamusa and Naledi	1020852
Ngaka Modiri Molema District Municipality Ditsobotla, Mahikeng, Ramotshere, Ratlou and Tswaing	1020853
NORTHERN CAPE	
John Taolo Gaetsewe Ga-Segonyana, Joe Morolong and Gamagara	1020909
Namakwa	1020856

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

MUNICIPALITIES	
NAME	**DEAL CODE**
Hantam, Kamiesberg, Karoo Hoogland, Khai-Ma, Nama Khoi and Richtersveld	
Pixley Ka Seme Emthanjeni, Kareeberg, Renosterberg, Siyancuma, Siyathemba, Thembelihle, Ubuntu and Umsobomvu	1020857
ZF Mgcawu !Kai! Garib, !Kheis, Tsantsabane, Kgatelopele and Dawid Kruiper	1020858
WESTERN CAPE	
Cape Winelands District Municipality Witzenberg, Drakenstein, Stellenbosch, Breede Valley and Langeberg	1020859
Central Karoo District Municipality Beaufort West, Laingsburg and Prince Albert	1020859
City of Cape Town Metro	1008771
Eden District Municipality Bitou, George, Hessequa, Kannaland, Kynsna, Mossel Bay and Oudtshoorn	1020861
Overberg District Municipality Cape Agulhas, Overstrand, Swellendam and Theewaterskloof	1020862
West Coast District Municipality Bergrivier, Cederberg, Matzikama, Swartland and Saldanha Bay	1020863

Municipalities and municipal entities not listed above should use the following details to contact BA/Comair to obtain a deal code:

Contact Details
Nangamso Letlape: National Account Manager: Government
Nan.letlape@comair.co.za

Municipalities and municipal entities should use the following deal code when requesting quotations from SAA: CK3828. In order to arrange access to the deal codes, travel management companies servicing municipalities and municipal entities should contact the following SAA representatives:

Contact Details
Eastern Cape: Tracy Mentzel (tracymentzel@flysaa.com)
Western Cape: Enid Sinequan (enidsinequan@flysaa.com)
KwaZulu-Natal: Kriba Govender (kribagovender@flysaa.com)
All other provinces: Mark Steele (marksteele@flysaa.com)

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

OVERSTRAND MUNICIPALITY – COST CONTAINMENT MEASURES:

NATIONAL TREASURY MFMA Circular No. 82 Municipal Finance Management Act No. 56 of 2003 Cost Containment Measures (Updated November 2016)

May 2019

Update: Draft Municipal Cost Containment Regulations

The urgency expressed in the State of the Nation Address and announcements by the Minister of Finance, after consulting SALGA and Minister of Cooperative Government and Traditional Affairs, is articulated in the Draft Municipal Cost Containment Regulations, as published on 16 February 2018, in Part 2 of *Government Gazette* No. 41445 (attached), distributed for attention and submission of comments before 30 March 2018.

The content of the regulations must also inform municipalities when they prepare their 2018/19 MTREF budgets for implementation on 1 July if these measures could not be implemented sooner.

The status with regard to the Cost Containment Measures is unchanged up to date of this report.

Current Status: MFMA Circular No. 82 Cost Containment Measures

This document presents to council the status regarding cost containment measures in terms of MFMA Circular No. 82 Cost Containment Measures (Updated November 2016).

Purpose

Section 62(1)(a) of the Municipal Finance Management Act No. 56 of 2003 (MFMA) stipulates that the accounting officer of a municipality is responsible for managing the financial administration of a municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

In terms of the legal framework, the elected councils and accounting officers are required to institute appropriate measures to ensure that the limited resources and public funds are appropriately utilized to ensure value for money is achieved.

The purpose of the Circular is to guide municipalities and municipal entities on cost containment measures that must be implemented in an effort to address the impact of the country's economic challenges and to promote growth, address unemployment and equality, amongst others.

Background

The national government has been aware of the need to contain costs and Cabinet resolved that all spheres of government, including municipalities and municipal entities must implement measures to contain operational costs and eliminate all non-essential expenditure.

In the 2016 State of the Nation Address, cost containment measures were re-emphasised. It was highlighted that excessive and wasteful expenditure has to be reduced, and that increased action be taken to manage unnecessary expenditure. The following measures were among those announced:

- **Curtailment of overseas trips;**
- The submission of strong motivation to MM's, Mayors and, where necessary, oversight mechanisms at local, provincial and national spheres of Government by those requesting

OVERSTRAND MUNICIPALITEIT 2019 -05- 23 OVERSTRAND MUNICIPALITY

permission to travel either locally or abroad: i.e. their detailed report including research which argues the necessity of the trip and the benefit the country will achieve in undertaking the journey;

- The institutionalization of **further restrictions on conferences, catering, entertainment and social functions.**

In reinforcing the above, the Minister of Finance also announced further cost containment measures in his budget speech on 24 February 2016, and urged Mayors of municipalities to exercise and oversee the elimination of wasteful expenditure in government. SALGA supported the call for cost containment measures to be implemented in municipalities as per the Budget Forum engagements and commitments.

Municipalities must make clear and quantified commitments in this regard when tabling their upcoming budgets, and to reference these commitments when submitting budget documentation to the National and Provincial Treasuries, as required by the MFMA.

Annexure A of the circular presents cost containment measures that accounting officers and chief finance officers must consider, in order to contain operational costs and eliminate non-essential expenditure. In addition, **municipalities are advised to refer to MFMA Budget Circular No. 70 and other relevant Circulars on the elimination of non-priority spending.** (http://mfma.treasury.gov.za/Circulars/Pages/default.aspx).

<u>Enforcement of cost containment measures</u>

SALGA recently expressed concern over the lack of enforcement of such measures and municipal councils are herewith reminded of Section 171(1) of the MFMA whereby the accounting officer of a municipality commits an act of financial misconduct if that accounting officer deliberately or negligently contravenes a provision of the Act, or fails to comply with a duty imposed by the Act on the accounting officer of the municipality.

Failure to fulfill the duty outlined in section 62(1) (a) of the MFMA may result in the accounting officer committing an act of financial misconduct and that disciplinary or criminal proceedings are instituted against any official who has allegedly committed an act of financial misconduct or an offence in terms of chapter 15. The accounting officer also has a duty to ensure that unauthorized, irregular or fruitless and wasteful expenditure and other losses are prevented.

Reference in Circular 82	Overstrand Mun Response
In addition, section 167 of the MFMA provides that a municipality may only remunerate its office bearers within the parameters set out in that section. In particular, sub-section 167(2) provides that any benefit paid that is outside the parameters set out in subsection (1) is irregular expenditure and must be recovered from the political office-bearer concerned. Details of precisely what a municipality may pay or remunerate its political office bearers are set out in the Notices issued in terms of the Political Office Bearers Act by the Minister of Cooperative Governance and Traditional Affairs.	Comply. 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)

Municipalities are reminded that the National Treasury will be conducting municipal budget benchmark engagements with non-delegated municipalities during which **all municipal budgets will be assessed**

OVERSTRAND MUNISIPALITEIT 2019 -05- 23 OVERSTRAND MUNICIPALITY

against the cost containment measures outlined in this Circular. Provincial Treasuries will be conducting similar engagements and budget assessments with delegated municipalities.

Consideration has been given to the lack of enforcement measures and therefore it is envisaged that regulations will be issued to align these measures with financial misconduct regulations. Disclosure of cost containment measures applied by the municipality and entity must be included in the Municipal Budget and Annual Report. Measures implemented and regular reports must be submitted to the Municipal Public Accounts Committee for review and recommendations to Council on additional measures to be taken.

The contents of the Circular has been shared with the office of the Auditor-General for their application, scrutiny and assessment.

Conclusion

It is important that the accounting officer ensures that the content of this Circular is brought to the attention of the Municipal Council and all other relevant officials within municipalities and municipal entities. It is recommended that:

Reference in Circular 82	Overstrand Mun Comments
• Municipalities adopt this Circular together with their annual budgets;	• The Circular was included in the budget documentation to Council end of May 2017
• Municipalities are advised to review other finance related policies to ensure consistency with this Circular;	• The Circular was included in the final 2016/2017 Budget documentation which served before Council on 31 May 2017
• Municipalities implement the circular by creating the appropriate oversight mechanisms to monitor cost containment measures; • Implementation of such measures will assist in ensuring that the provisions of sections 62 and 167 of the MFMA are complied with to ensure that reasonable steps are taken for public resources to be used effectively, efficiently, economically and in the best interests of the local community.	• This document to be included in the quarterly budget report to Council.

Any queries relating to municipalities preparation of municipal budgets in line with the cost containment measures should be directed to the respective National or Provincial Treasury official responsible for monitoring the municipality's budget. The names of these officials can be obtained from MFMA Circular 79 and / or other related MFMA Circulars. This Circular must be tabled before the municipal council for adoption together with the 2016/17 MTREF budget.

Issued on behalf of:

Malijeng Ngqaleni Kenneth Brown Jayce Nair

Intergovernmental Relations Chief Procurement Officer Acting Accountant-General

TV PILLAY

CHIEF DIRECTOR: MFMA IMPLEMENTATION

30 MARCH 2016

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Annexure A – Cost Containment Measures (Overstrand Municipality comments noted in the second column):

Cabinet resolved, on 23 October 2013 that cost containment measures must be implemented to eliminate wasteful expenditure, reprioritize spending and ensure savings on the following focus areas among others;

engagement of consultants, travel and subsistence costs, issuing of credit cards, accommodation costs, office furnishing costs, advertising or sponsorship costs, catering and events related costs.

It is prudent that Municipalities consider consultation with its -

• employees and • through public participation to obtain input and consideration from affected stakeholders such as communities, ratepayers, businesses, and so on which may prove to be beneficial when facilitating the implementation of cost containment policies and actions.	• Noted • Circular 82 was included in the Draft Budget for 2017-2018 to Council on 29 March 2017 and was available for public participation and comments; • The Circular was included in the budget documentation to Council end of May 2017.

Municipalities are advised to ensure appropriate monitoring and reporting on such cost saving measures is instituted for ease of reporting to

- management and council on progress on a regular basis.
- The internal audit unit of municipalities must be copied with such reports.

1. Engagement of Consultants

• Accounting Officers must only contract with consultants after a gap analysis report has confirmed that the municipality does not have the requisite skills or resources in its permanent employment to perform the services required. • Evidence of acute planning of the project must be visible to all relevant persons including the administration and political oversight mechanisms in place at the municipality. • Consultants, including construction and infrastructure related services, must only be remunerated at the rates equal to or below those: o determined in the "Guidelines on fees for audits done on behalf of the Auditor-General South Africa", issued by the South African Institute of Chartered Accountants (SAICA); o set out in the "Guide on Hourly Fee Rates for Consultants", by the Department of Public Service and Administration (DPSA); or o Prescribed by the body regulating the profession of the consultant. • Ensure an exacting "specification" of the work to be accomplished accompanies the tender and is used as a monitoring tool, are appropriately recorded and monitored. • Ensure that contracts for consultants include retention and penalty	Contents of the circular are noted; Appointment of consultants in terms of services required and listed.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

clauses for poor performance and in this regard against the above specification, accounting officers must invoke such clauses, where deemed necessary. • It is mandatory that accounting officers of municipalities and municipal entities conclude on the best "value for money", i.e. matching fees against quality and against benchmarked practices. • Accounting officers of municipalities and municipal entities must appoint consultants on a time and cost basis with specific start and end dates. • Travel and subsistence costs for the appointment of consultants must be in accordance with the travel policy of government and the contract price specifies all travel & subsistence costs. • If travel and subsistence costs for appointed consultants are exclusive of the contract, the costs must be in accordance with the following provisions: a) Hotel accommodation may not exceed the amount mentioned in this Circular; b) Only economy class air tickets may be purchased for flights; c) Only group B vehicles or lower may be hired for engagements, as mentioned in this Circular; d) Kilometres claimed for the use of private vehicles may not exceed the rates approved by the National Department of Transport, as updated from time to time. • Municipalities are urged to develop consultancy reduction plans. • Undertake all engagements of consultants in accordance with the SCM Regulations and the municipality's SCM policy.	

2. Travel and subsistence

The National Treasury, on behalf of all three spheres of government, has negotiated improved upfront discounts for flights as well as discounted accommodation rates. Therefore municipalities and municipal entities are requested to utilize these agreements to assist in their respective cost containment measures, unless they can negotiate lower air travel rates or utilize other service providers that offer lower rates. Net and Non-Commissionable Rates All rates offered to Government as of 1 April 2016 will be net and non-commissionable. This will include the informal accommodation market e.g. Guest Houses and Bed & Breakfast establishments. Rebates, Overrides, Volume based income In the spirit of transparency, the OCPO is taking a firm position on rebates, overrides or any volume driven target incentives being paid by suppliers to Travel Management Company (TMC). As of 1 April 2016 these payments and the practice of overrides is to discontinue for Government business.	The Overstrand Municipality Travel and subsistence Policy is developed and guided by the following: • South African Revenue Services (SARS) • Municipal Finance Management Act, 2003 (Act No. 56 of 2003) • South African Local Government Association (SALGA) • Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998) • Income Tax Act, 1962 (Act No. 58 of 1962). 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.

OVERSTRAND MUNICIPALITY
2019 -05- 23

2.1 National Travel Policy

The Treasury will issue a National Travel Policy framework during December 2016.

This will be available on the OCPO's website:

(http://ocpo.treasury.gov.za/Buyers_Area/Legislation/Pages/default.aspx)

2.2 Air Travel

- The National Treasury has negotiated with South African Airways (SAA) and Comair/British Airways (BA) for upfront discounted air fares for government employees travelling domestically for official purpose. These Domestic Air Travel Fares will be regularly reviewed by the National Treasury (These rates are not applicable for International Air Travel).
- For SAA, the discounts range from 5% (L class) up to 30% (Y Class) for Economy Class tickets; and 10% (D Class) up to 26% (C Class) for Business Class tickets. Please note that business class is not encouraged, however where a single flight exceed 5 hours, consideration may be applied.
- For BA the discounts range from 10% (O, Q class) up to 25% (Y Class) for Economy Class tickets; and 20% (J Class) for Business Class tickets. Please note that business class is not encouraged, however where a single flight exceed 5 hours, consideration may be applied.
- Treasury entered into a short-term Corporate Agreement from 1 April 2016 to 30 September 2016. This has been extended by a further six months.
- The premise of Best Fare on the Day will be implemented making full use of the negotiated Government Corporate Agreements with SAA and BA Comair. Quotations are to be obtained from at least SAA and BA Comair before issue. Other Low Cost Carriers may also be requested for quotations. Please note that all discounted rates are subject to class availability.

- In order to make full use of the corporate discount with SAA and BA, municipalities and municipal entities must instruct their appointed TMCs or persons making their bookings for domestic airline tickets, to book against the relevant deal codes as detailed in Annexure B.
- Corporate agreements with SAA and BA/Comair will be made available to TMCs that are currently contracted to Government. Should the municipal TMC have not been contacted by the full service carrier representative, they are to inform National Treasury with the agents name; physical address, contact name, email address and IATA number. Upon receipt of the information, the representatives of the full service carriers will ensure that the TMC is given access to the deal code. The TMC must have an authenticated IATA number.
- Accounting officers of municipalities and municipal entities are advised to include a clause in their respective documents that travel agencies are only permitted to make booking arrangements on behalf of municipalities and municipal entities in line with this Circular. Current arrangements need to be updated and amended to reflect these changes.
- Disabled persons can be accommodated in economy class, however, in extremely exceptional and rare cases an Accounting Officer may approve, with evidence, other than economy class air travel.

The Overstrand Municipality Travel and subsistence Policy is developed and guided by the following:

- South African Revenue Services (SARS)
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
- South African Local Government Association (SALGA)
- Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998)
- Income Tax Act, 1962 (Act No. 58 of 1962).

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. The policy was revised during May 2018.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.3 Domestic Hotel Accommodation

- National Treasury has established maximum allowable rates for domestic accommodation. When sourcing accommodation for officials, municipalities should find options that are equal to or lower than the rates in Table 1, depending on the allowable star grading and the band. Competition and cost effectiveness must remain a key principle.

Table 1: Rates set for Domestic Hotel Accommodation

Voucher Includes	BAND 1	BAND 2	BAND 3
	Room Only Tourism Levy VAT	Bed & Breakfast Tourism Levy VAT	Dinner, Bed and Breakfast Tourism Levy VAT 2 x soft Drinks at Dinner
Graded Hotel, Boutique Hotel, Lodge or Resort			
	BAND 1	**BAND 2**	**BAND 3**
1 Star	R 590	R 710	R 855
2 Star	R 900	R 1 030	R 1 230
3 Star	R 1 100	R 1 200	R 1 400
4 Star	R 1 250	R 1 350	R 1 550
5 Star	R 2 100	R 2 200	R 2 500
Bed & Breakfast, Country House or Guest house			
	BAND 1	**BAND 2**	**BAND 3**
1 Star	R 300	R 450	R 630
2 Star	R 500	R 850	R 930
3 Star	R 900	R 1 050	R 1 230
4 Star	R 1 000	R 1 150	R 1 330
5 Star	R 1 200	R 1 350	R 1 530
Self-Catering*			
	BAND 1	**BAND 2**	**BAND 3**
1 Star	R 590		
2 Star	R 900		
3 Star	R 1 100		
4 Star	R 1 250		
5 Star	R 1 450		
Meals**			
	BAND 1	**BAND 2**	**BAND 3**
Breakfast	R 120	R -	R -
Lunch	R 150	R 150	R 150
Dinner	R 150	R 150	R -
Total	**R 420**	**R 300**	**R 150**

Accommodation costs are assumed to be inclusive of Parking and Wi-Fi (if available), and exclusive of Laundry expenses.
**Including Exclusive and Shared Facilities. Exclusive facilities offer travellers a sole occupancy unit consisting of one or more bedrooms and self-contained public areas e.g. kitchen, dining area and lounge.*
Shared Facilities consisting of one or more bedrooms and self-contained shared public areas e.g. kitchen, dining area and lounge.
***Maximum amounts that can be claimed for meals. The claim for the actual amounts must be supported by a receipt.*

- If a negotiated rate for a specific star grading is equivalent to or lower than the rate for the lower star grading, the official may be accommodated in the establishment with the higher star grading. This means that an official may be accommodated at a four star establishment if the rate at the four star establishment is the same as or lower than a three star establishment.
- Where there is an alternative star grading indicated in **Table 1**

The Overstrand Municipality Travel and subsistence Policy is developed and guided by the following:

- South African Revenue Services (SARS)
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
- South African Local Government Association (SALGA)
- Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998)
- Income Tax Act, 1962 (Act No. 58 of 1962).

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. The policy was revised during May 2018.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(i.e. 4/5 or 3/4), the maximum allowable rate of the lower star grading will be the benchmark. The higher star grading can only be booked if: a. the higher star graded facility is the only available option due to location and availability; or b. the municipality or municipal entity has negotiated lower rates with the higher star graded facility. • Accounting officers must ensure that overnight accommodation is limited to instances where the distance travelled by road by the employee exceeds 500 kilometres to and from the destination (return journey).	

2.4 Vehicle Hire

• Municipalities are encouraged to continue considering their own fleet first, where viable, prior to hiring of vehicles; • Notwithstanding the provisions above, all employees must make use of shuttle services if the cost of such a service is below the cost of hiring a vehicle. • Accounting officers must also consider making use of shuttle services if the cost of kilometres claimable by the employee and the cost of parking are higher than the shuttle services. • Ensure the hiring of vehicles from a category below Group B or an equivalent class. Accounting officers may permit employees to accept up-graded group of hired vehicles if such an up-grade is offered for free or at a lower charge than Group B. • Vehicle travel claims by employees of municipalities and municipal entities must be restricted to the actual distance travelled in excess of the normal distance from the employee's residence to his or her place of work or as may be negotiated using a motor vehicle allowance scheme.	The Overstrand Municipality Travel and subsistence Policy is developed and guided by the following: • South African Revenue Services (SARS) • Municipal Finance Management Act, 2003 (Act No. 56 of 2003) • South African Local Government Association (SALGA) • Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998) • Income Tax Act, 1962 (Act No. 58 of 1962). 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. The policy was revised during May 2018.

3 Credit Cards

The use of credit and debit cards was addressed in an earlier MFMA Circular.

A bank, or any other institution, may not issue credit cards or debit cards linked to a bank account of a municipality or a municipal entity to any councillors, entity board members, municipal or entity officials or any other person. The issuing and use of such cards be it for official purposes: • contravenes section 11 and 85 of the MFMA as there is no way of ensuring that all purchases made on the card are in accordance with the items listed in the	• Overstrand Municipality does not allow the use of credit and debit cards.

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

sections or as prescribed; • contravenes section 167 of the MFMA which provides that any bursary, loan, advance or other benefit paid to a municipal councillor otherwise than in accordance with the provisions of the Remuneration of Public Office Bearers Act constitutes irregular expenditure; • contravening section 15 of the MFMA by incurring expenditure not authorised in an approved budget; • non-compliance with section 164 of the MFMA which provides that no municipality or municipal entity may make loans to councillors or officials of the municipality, directors or officials of the entity or members of the public; • non-compliance with the supply chain management regulations; and • undermines efforts to safeguard municipal funds, combat fraud and corruption, as well as other irregular practices.	
While the use of petrol cards or garage cards for municipal vehicles is permitted, it must be utilised in accordance with an appropriate policy and related procedures to avoid misuse thereof. Cost containment measures should be applied in managing and planning trips.	• Noted
Where officials or councillors incur expenses in relation to official municipal activities, they should use their personal credit cards or cash, and request reimbursement from the municipality in accordance with the relevant municipal policy and processes. Alternatively, the municipality should make arrangements with the service provider that the expenditure be settled directly by the municipality.	• Noted

4 Catering costs

• Do not incur catering expenses for any meetings where only municipal officials are in attendance. Notwithstanding the above, the accounting officer may incur catering expenses for the following, provided that such lasts for five (5) continuous hours or more: a) The hosting of conferences, workshops, courses, forums, recruitment interviews, training courses, hearings; b) Meetings related to commissions or committees of inquiry; or c) Meetings hosted by the board of directors of municipal entities, including governance committee meetings. • Ensure that entertainment allowances of qualifying officials do not exceed two thousand rand (R2 000) per person per financial year. The National Treasury may periodically review this amount. • Do not incur expenses on alcoholic beverages. • Ensure that team building and social functions, including year-end functions, are not financed from the municipal budgets or by any suppliers or sponsors. • Notwithstanding the above, accounting officers may incur no more than the petty cash allocation or limitations on expenditure from their respective budgets to host farewell functions to employees who are either: (a) proceeding on retirement due to ill health; or (b) proceeding on retirement after reaching the qualifying age limit of a minimum of ten (10) or more years working for the public service. • Accounting officers and accounting authorities may not host farewell functions for employees who have: (a) been dismissed; (b) elected to resign or leave by accepting severance packages; or (c) Approached the end of their contractual term.	• Noted. Expenditure in this regard only approved after consideration being given to cost containment measures.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

5 Events, advertising and sponsorships

• Eliminate wasteful expenditure on events, advertising in magazines, television, newspapers etc. where the municipality can use other cost effective means such as websites to market the institution or properly publicise the matters or events under consideration. • Memorabilia, gifts and other novelties should be of token value only and should only be offered by municipalities and municipal entities in order to acknowledge support or a visit or attendance by a dignitary in connection with a benefit to the local community; to reciprocate the giving of a similar token gift by another organisation; or similar but in all cases there must be an identifiable benefit to the community. • Limit or stop all unnecessary expenditure on matters such as printing of shirts, hosting of sporting events, festivals and other associated events, cruises, lavish functions, and extraordinary costs associated with visits of dignitaries or induction of new councillors.	• Noted. Expenditure in this regard only approved after consideration being given to cost containment measures.

6 Conferences, meetings, study tours, etc.

• Employees of municipalities and municipal entities may attend conferences hosted by professional bodies or non-governmental institutions (external conferences) held within the borders of South Africa provided that expenses related to their attendance do not exceed two thousand five hundred rand (R2 500) per person per day. The number of municipal officials attending such conferences and workshops must be limited, see below. The National Treasury may periodically review this amount. • Employees must make every effort to take advantage of early registration discounts by seeking the required approvals to attend well in advance of the conference as it relates to their area of work. No late registration is acceptable. • Conferences abroad must be limited to its ultimate minimum or none at all. • Utilise municipal and/or provincial office facilities for conferences, meetings, strategic planning sessions etc. where an appropriate venue exists within the municipal jurisdiction. • Limit or stop overseas trips and the delegations going on such trips unless a tangible and clear benefit to the local community and performance of essential service provision can be established beforehand. • The number of employees travelling to conferences or meetings on official duty for the same matter is limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer, having due regard to the cost containment measures. • Similar to the above, the number of employees travelling by air to other centres to attend an official engagement on the same matter is also limited to three (3) employees, unless otherwise approved in advance by the relevant accounting officer, having due regard to the cost containment measures.	Noted. Expenditure in this regard only approved after consideration being given to cost containment measures

7 Office furnishing



• Municipalities should exercise due precaution in refurbishing offices, purchasing equipment, etc. especially when new persons are elected or appointed. Use of existing facilities and equipment is encouraged. • Office furnishing, when required, should be contained to minimal costs, avoiding elaborate and expensive furniture or equipment.	• Noted. Expenditure in this regard only approved after consideration being given to cost containment measures.

8 Staff study, perks and suspension costs

• Training attended by employees and councillors of municipalities and municipal entities may only be attended at pre-approved service providers to ensure sufficient quality of training and obtain value for money. • Expenditure associated with overseas study tours by councillors or officials must be reduced and preferably stopped. • Encourage staff to take time off to make up for overtime worked. • Planned overtime must be submitted to management for consideration on a monthly basis. • Unplanned overtime worked must be motivated and approved by management. • Costs associated with long-standing staff suspensions and legal costs associated with not following due processes when suspending and dismissing staff must be eliminated. • Constant management of staff, improvements in productivity levels and feedback must be provided to all staff.	• Noted. Expenditure in this regard only approved after consideration being given to cost containment measures.

9 Cost containment on other related expenditure items

• Accounting officers of municipalities and municipal entities are advised to ensure that all commodities and products that the National Treasury designated as transversal contracts are utilised to benefit from savings where lower prices or rates have been negotiated. • Periodic or quarterly threat assessments against councillors and key officials should be undertaken by the appropriate authority (SAPS) and reported to the Speakers Office. Approval for security measures must be informed by such reports, if paid for from municipal funds. The use of metropolitan traffic officers for such purposes should be avoided. • Municipal funds may not be used to fund election campaign activities, including the provision of supporting material, clothing, food, inducements to vote either as part of, or during election rallies. • Printing of documents should carefully considered be back-to-back and use of colour printing for graphs only, while use of electronic means should be preferred. • Review and introduce limits on municipal staff telephones and limiting private call to a reasonable amount. • Every effort must be made to recover debt from consumers before write-off. Municipalities to avoid the excessive usage of debt collectors and improve its internal capacity for debt collection. • Ensure synergy between municipal divisions or departments to avoid duplication of processes and efforts.	• Consideration as part of strategic sourcing. • Noted and in compliance, with constant consideration of opportunities to ensure cost containment.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

• Where possible the warranties on vehicle and computer equipment should be extended instead of procuring new ones. • Labour saving devices should be shared to optimize the capacity utilization of each device. • Purchasing of newspapers and other publications for municipal employees to limited and stopped. • Municipalities should ensure that awareness is raised with municipal staff so that a high degree of energy saving measures can be introduced, e.g. air-conditioning and lights in buildings are switched off at night and when offices are not in use. • All other cost containment measures introduced by council are also encouraged and supported.	

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Vol. 632 16 February / Februarie 2018 No. 41445

PART 2 OF 3

N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes

ISSN 1682-5843

9 771682 584003 41445

AIDS HELPLINE: 0800-0123-22 Prevention is the cure

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

NATIONAL TREASURY

NO. 120 16 FEBRUARY 2018

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 - MUNICIPAL COST CONTAINMENT REGULATIONS

In terms of section 169(1)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), draft regulations intended to be made in terms of section 168(1)(b) and (p) of that Act, as set out in Part A of the Schedule, are hereby publish for public comment.

An explanatory memorandum regarding the draft regulations is in Part B of the Schedule.

All comment received by 30 March 2018 will be considered and should be emailed to MFMA@treasury.gov.za or faxed to 012 315 5230.

SCHEDULE

PART A
DRAFT MUNICIPAL COST CONTAINMENT REGULATIONS
TABLE OF CONTENTS

1. Definitions
2. Object of Regulations
3. Application of Regulations
4. Cost containment policies
5. Use of consultants
6. Vehicles used for political office-bearers
7. Travel and subsistence
8. Domestic accommodation
9. Credit cards
10. Sponsorships, events and catering
11. Communication
12. Conferences, meetings and study tours
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 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 service provider, which creates a revolving account and grants a line of credit to the cardholder.

This gazette is also available free online at www.gpwonline.co.za

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Object of Regulations

2. The object of these Regulations, in line with section 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 municipalities and municipal entities.

Cost containment policies

4. (1) Each municipality and municipal entity must revise or develop 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; and
   (b) 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) 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;
   (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 a clear specification of deliverables 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) develop consultancy reduction plans; and
   (e) undertake all engagements of consultants in accordance with the Municipal Supply Chain Management Regulations and the municipality's Supply Chain Management policy.

This gazette is also available free online at www.gpwonline.co.za

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(6) All contracts with consultants must include 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 is appropriately recorded and monitored.
(8) The travel and subsistence costs of consultants must be in accordance with the travel policy issued by the National Department of Transport, as updated from time to time.
(9) The contract price must specify all travel and subsistence cost 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 abovementioned 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 may not exceed R700 000 or 70% of the total annual remuneration package for different grades, whichever is greater.
(2) The procurement of vehicles must be undertaken using the national government transversal contract mechanism.
(3) If any other procurement process is used, the cost may not exceed the threshold set out in sub-regulation (1).
(4) Before deciding on another procurement process as contemplated in sub-regulation (3), the chief financial officer must provide the council with information relating to the following criteria which must be considered:
(a) status of current vehicles;
(b) affordability;
(c) extent of service delivery backlogs;
(d) terrain for effective usage of vehicle; and
(e) any other policy of council.
(5) Regardless of their usage, vehicles for official use by public office bearers may only be replaced after completion of 120 000 kilometres.
(6) Notwithstanding sub-regulation (5), a municipality or municipal entity may replace vehicles for official use by public office bearers before completion of one hundred and twenty thousand kilometres only in instances where the vehicle experiences serious mechanical problem and is in a poor condition, and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.

Travel and subsistence

7. (1) An accounting officer–
(a) may only approve purchase of economy class tickets for officials where the flying time for the flights is five hours or less; and
(b) for flights exceeding five hours, may purchase business class tickets only for accounting officers, and persons reporting directly to accounting officers.
(2) Notwithstanding sub-regulation (1), an accounting officer may approve the purchase of business class tickets for officials with disabilities.
(3) The cost containment policy must limit international travel to meetings or events that are considered critical. The number of officials attending such meetings or events must be limited to those officials directly involved in the subject matter related to such meetings or events.
(4) An accounting officer may approve accommodation costs that exceed an amount as determined from time to time by the National Treasury only–
(a) during peak holiday periods; or
(b) when major local or international events are hosted in a particular geographical area that results in an abnormal increase in the number of local and/or international guests in that particular geographical area.
(5) Officials of a municipality or municipal entity must–
(a) utilise the municipal fleet, where viable, before incurring costs to hire vehicles;

This gazette is also available free online at www.gpwonline.co.za

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(b) make use of 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 employee; 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.

(6) Municipalities and municipal entities must utilise the negotiated rates for flights and accommodation, communicated by the National Treasury, from time to time, or any other available cheaper flight and accommodation.

Domestic accommodation

8. 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 by the National Treasury, from time to time.

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 public office bearer, including members of the board of directors of municipal entities.
(2) Where officials or public office bearers incur expenditure in relation to official municipal activities, such officials or public officer bearers must use their personal credit cards or cash or arrangements made by the municipality or municipal entity, and request reimbursement from the municipality or municipal entity in accordance with the relevant municipality or municipal entity's 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 hosting of meetings, conferences, workshops, courses, forums, recruitment interviews, and proceedings of council that exceed five hours.
(3) Entertainment allowances of officials may not exceed two thousand rand per person per financial year, unless approved otherwise by the accounting officer.
(4) An accounting officer may not incur expenses on alcoholic beverages.
(5) An accounting officer must ensure that social functions, team building exercises, year-end functions, sporting events, budget vote dinners and other functions that have a social element are not financed from the municipality or 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.
(7) An accounting officer may incur expenditure 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, not exceeding the limits for petty cash usage.

Communication

11. (1) A Municipality or municipal entity must, 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 are limited to an amount as determined by the accounting officer in the cost containment policy of the municipality or municipal entity.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(3) Newspapers and other related publication for the use of officials must be discontinued on expiry of existing contracts or supply orders.
(4) A municipality or municipal entity must 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 application by officials 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) 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.
(3) Such benchmark costs may not exceed an amount as determined by the National Treasury.
(4) When considering applications from officials to attend conferences or events within and outside the borders of South Africa, an accounting officer must take the following into account–
(a) the official'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, not exceeding three officials, attending the conference or event; and
(d) availability of funds to meet expenses related to the conference or event.
(5) The amount referred to in sub-regulation (3) above 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 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 may consider granting approval, as contemplated in sub-regulation (4), for officials, and in the case of Councillors, the Mayor.
(10) A municipality or municipal entity must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

Other related expenditure items

13. (1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be procured through that transversal contract 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 and other inducements as part of, or during election periods.

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

as set out in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

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, 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) Such reports must be copied to the National Treasury and relevant Provincial Treasuries 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, 2018 and take effect on 01 July 2018.

This gazette is also available free online at www.gpwonline.co.za

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

PART B

EXPLANATORY MEMORANDUM ON DRAFT COST CONTAINMENT REGULATIONS INTENDED TO BE MADE IN TERMS OF LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

The wider implementation of the Local Government: Municipal Finance Management Act, 2003 (MFMA) in all municipalities and entities is an important element in the roll out strategy to modernise and improve financial management in local government. Linked to this strategy are the fundamental principles of effective and efficient utilisation of public resources in a transparent and accountable manner.

Despite the provisions in the MFMA and the reforms developed over the last 13 years to support the implementation of the MFMA, municipalities and municipal entities continue to spend public funds and municipal resources on non-priority items. More often than not this results in a diversion of public funds from core service delivery to other expenditures resulting in dissatisfaction by communities and delays in service delivery.

Government has therefore committed in the Medium Term Strategic Framework for 2014 – 2019 to urgently implement cost saving measures across all three spheres of government to assist in re-prioritizing expenditure and free up resources that can be targeted towards service delivery. These measures introduced are also intended to eliminate wastage of public resources on non-service delivery items. This will be undertaken through advocacy, strengthening the legal and policy prescripts and frameworks aimed at cost containment and ensuring the implementation thereof by municipalities and municipal entities.

The Minister of Finance has also pronounced during the February 2016 Budget Speech and the October 2016 Medium Term Budget Policy Statement that the National Treasury will issue regulations on cost containment measures for local government. The initial cost containment measures were introduced through MFMA Circular. Additional measures will also be taken to ensure a transparent tendering system by ensuring that value for money is attained through the revised procurement process. Similar measures have also been introduced in national and provincial government in terms of the Public Finance Management Act 1 of 1999.

Over the last 4 to 5 years, the Auditor-General's General Report on Local Government Audit Outcomes highlighted the extent of wastage of public resources. This was also observed through various publications in the print media and other government publications. Weak governance as well as the significant increase in the number of municipalities incurring unauthorised, irregular as well as fruitless and wasteful expenditure, were also highlighted as areas of concern.

Building on the MFMA Circular, the National Treasury in association with other stakeholders, have drafted regulations that will promote the cost containment measures introduced in a number of spending areas.

Section 168(1)(b) and (p) of the MFMA provides that the Minister may regulate financial management and internal control and generally, any other matter that may facilitate the enforcement and administration of the Act, respectively. The object of the draft Regulations is to ensure that the resources of municipalities and municipal entities are used effectively, efficiently and economically (regulation 2). The Regulations will apply to all municipalities and municipal entities (regulation 3).

Regulation 1 contains the definition of terms that are used in the regulations. Regulation 4 deals with the establishment of cost containment policies including the principles applicable to such policies.

Regulations 4 to 13 contain the actual cost containment measures to be implemented by municipalities and municipal entities. These measures include:

- Principles around appointment of consultants to perform municipal functions and assessment to be undertaken by municipalities and municipal entities before appointing consultants;

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- Procurement of mayoral vehicles. The regulations introduce a ceiling in terms of the value of the vehicles to be procured and principles in terms of management of such vehicle by the municipalities and municipal entities;

- Travel and subsistence allowance. This section of the regulations provides the thresholds for purchasing air tickets and hiring of vehicles. The intention with this specific measure is to ensure that institutions actually realise the discounts which have been negotiated at National Government level. These thresholds will contribute towards institutions achieving cost savings on their travel and accommodation budgets;

- Prohibition on issuance of credit or debit cards linked to municipal bank accounts to officials or public office bearers;

- Prohibition on using municipal funds for specific functions which include, amongst others, spending on catering for internal meetings only attended by officials, and social, farewell or team building activities. This section also prohibits the utilisation of municipal funds on alcoholic beverages;

- The regulations also make it mandatory for institutions to procure vehicles, cell phone and other related assets via the transversal contract negotiated at National Government level. This will ensure that there are cost savings and benefits passed to municipalities on all such items;

- The regulations also introduce a monetary threshold for conference fees which include the attendance of both local and international conferences;

- The regulations are intended to reduce excessive spending on office furniture and equipment;

- Municipalities and municipal entities are also encouraged to ensure that proper processes are followed when dismissing and suspending officials, this minimise unnecessary legal costs. Institutions are also encouraged to manage their expenditure on leave and overtime benefits; and

- The regulations make it mandatory for municipalities to conduct threat assessments before approving any security measures for councillors or officials.

Regulation 4 introduces consequence management aspects for non-adherence to the regulations. Non-compliance with these measures must be investigated for financial misconduct in terms of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

Regulation 5 provides the framework for disclosure of actual cost savings achieved by institutions in their annual reports, this improve transparency.

Regulation 6 contains the short title and the commencement date of the regulations.

These draft regulations therefore propose to provide a framework that is consistent with the provisions of the MFMA. The effective implementation of the regulations is intended to ensure that municipalities and municipal entities achieve value for money in utilising public resources to deliver municipal services. It is the intention that the Regulations would become effective on 01 July 2018.

Comments received during the consultation process will be considered and processed with a view to addressing any shortcomings.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

NATIONAL TREASURY

MFMA Circular No. 71

Municipal Finance Management Act No. 56 of 2003

Uniform Financial Ratios and Norms

The purpose of this Circular is to provide a set of uniform key financial ratios and norms suitable and applicable to municipalities and municipal entities. Section 216 (1)(c) of the Constitution and section 2 of the Municipal Finance Management Act (MFMA) enable National Treasury to introduce uniform treasury norms and standards to ensure sound and sustainable management of fiscal and financial affairs of municipalities and municipal entities.

A number of institutions currently use a variety of financial ratios and norms to assess and compare the financial health and performance of municipalities. Municipalities also use different financial ratios and norms to assess their own performance and set benchmarks for improvement to be measured over time. Results of our research show that there are in excess of two hundred different sets of financial ratios, with different derivatives used to assess municipality's financial status. This results in conflicting interpretation, inconsistent application and misunderstanding of the financial status of a municipality, often with incorrect diagnosis of the challenges and therefore inappropriate responses.

This Circular aims to bring consistency in interpretation and application of certain financial information using standardised financial ratios. It is important that any one of these ratios should not be read in isolation of one another, as this could lead to distortions in interpretation. Ideally, a number of interrelated ratios should be analysed together in order to get a broader picture of a municipality's or municipal entity's financial performance. When used in a combined manner analysis of different ratios will provide policy makers and the public with a very good sense of the financial status of the municipality and its entity. This Circular will also assist in municipalities being able to identify areas of financial management that need constant monitoring and improvement.

The Circular addresses different categories of ratios norms, interpretation and covers various aspects of a municipality's finances, such as financial position, financial performance and budget implementation, so that these can be used as part of in-year and end of year analysis. This will also aid in long-term financial planning and can be used to track progress over a number of years. Each ratio is explained to remove ambiguity and misinterpretation. The source of such information is also explained in the annexures to this Circular. Norms or standards have been assigned to each financial ratio, which are explained later in this Circular.

Categorisation Financial Ratios, Formulas, Norms and Interpretation

Categorisation

In order to perform a holistic financial analysis of a municipality or municipal entity all financial aspects of the institution should be considered. Ratios are divided into various

OVERSTRAND MUNISIPALITEIT
2013 -05- 23
OVERSTRAND MUNICIPALITY

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%**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 29
Page 4 of 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
Page 6 of 23
OVERSTRAND MUNICIPALITY

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).

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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)

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2015 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019-05-28
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019-05-23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019-05-23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2010-05-23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 29
OVERSTRAND MUNICIPALITY

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

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

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

Private Bag X115, Pretoria 0001

Phone ***012 315 5850***

Fax ***012 315 5230***

Email – General *mfma@treasury.gov.za*

Website *www.treasury.gov.za/mfma*

TV PILLAY

Chief Director: MFMA Implementation

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

OVERSTRAND MUNISIPALITEIT
2013 -05- 23
OVERSTRAND MUNICIPALITY

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) x 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) x 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%

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

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)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

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%

OVERSTRAND MUNICIPALITY
2010 -05- 23

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%

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

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%

OVERSTRAND MUNICIPALITY
2019 -05- 23

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%

418

OVERSTRAND MUNISIPALITEIT / OVERSTRAND MUNICIPALITY
2019 -05- 23

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

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

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%

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

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

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

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%

OVERSTRAND MUNICIPALITY
2019 -05- 23

Annexure 2

Interpretation of results

L TREASURY

ular No 71

Finance Management Act No. 56 of 2003

Templ form Financial Ratios and Norms 2016/17 Restated

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
						" R 000 "		
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%	Total Operating Expenditure	986 890 040	*Restated*	Maximum Capital accomodated according to resources
					Taxation Expense			
					Total Capital Expenditure	91 868 227		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%	PPE, Investment Property and Intangible Impairment	7 675 653	*Restated*	
					PPE at carrying value	3 501 664 415		
					Investment at carrying value	155 268 500		
					Intangible Assets at carrying value	6 287 239		
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	Total Repairs and Maintenance Expenditure	120 795 471	*Restated*	Repairs & maintenance compises 12.14% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					PPE at carrying value	3 501 664 415		
					Investment Property at Carrying value	155 268 500		
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%	Gross Debtors closing balance	82 721 539	*Restated*	
					Gross Debtors opening balance	76 917 767		
					Bad debts written Off	1 106 035		
					Billed Revenue	768 218 357		

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2018-05-2

423

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%				
					Consumer Debtors Bad debts written off	1 106 035	*Restated*	The norm range appears incorrect
					Consumer Debtors Current bad debt Provision	20 592 975		
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days				
					Gross debtors	82 721 539	*Restated*	
					Bad debts Provision	20 592 975		
					Billed Revenue	768 218 357		
C. Liquidity Management								
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months				
					Cash and cash equivalents	89 086 988	*Restated*	
					Unspent Conditional Grants	8 474 277		
					Overdraft			
					Short Term Investments	170 727 445		
					Total Annual Operational Expenditure	832 137 386		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1				
					Current Assets	404 763 702	*Restated*	
					Current Liabilities	180 206 175		
D. Liability Management								
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%				
					Interest Paid	45 913 148	*Restated*	
					Redemption	26 759 248		
					Total Operating Expenditure	995 022 764		
					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%				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	442 074 848	*Restated*	
					Total Operating Revenue	1 002 928 332		
					Operational Conditional Grants	114 411 498		
E. Sustainability								
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%				
					Cash and cash Equivalents	89 086 988	*Restated*	
					Bank Overdraft			
					Short Term Investment	170 727 445		
					Long Term Investment	37 981 526		
					Unspent Grants	8 474 277		
					Net Assets	3 297 149 456		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
					Fair Value Adjustment Reserve			
					Accumulated Surplus	3 293 698 215		

OVERSTRAND MUNICIPALITY
09-05-23
RECEIVED

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
2. FINANCIAL PERFORMANCE								
A. Efficiency								
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%				
					Total Operating Revenue	1 002 926 332	*Restated*	
					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	995 022 764		
					Taxation Expense	-		
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%				
					Total Electricity Revenue	362 810 821	*Restated*	
					Total Electricity Expenditure	330 105 168		
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%				
					Total Water Revenue	125 722 993	*Restated*	
					Total Water Expenditure	111 899 393		
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%				
					Total Refuse Revenue	56 360 432	*Restated*	
					Total Refuse Expenditure	84 336 842		
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%				
					Total Sanitation and Water Waste Revenue	80 028 048	*Restated*	
					Total Sanitation and Water Waste Expenditure	74 170 681		
B. Distribution Losses								
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%				
					Number of units purchased and/or generated	245 751 617	*Restated*	
					Number of units sold	227 638 533		
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%				
					Number of kilolitres purchased and/or purified	7 566 272	*Restated*	
					Number of kilolitres sold	5 947 239		

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019-05-23

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
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		3%		
					Number of Active Debtors Accounts (Previous)	45 128	*Restated*	
					Number of Active Debtors Accounts (Current)	46 426		
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI				
					CPI	5%	*Restated*	
					Total Revenue (Previous)	991 342 742		
					Total Revenue (Current)	1 036 609 742		
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				Growth above inflation should not be penalised
					CPI	5%	*Restated*	
					Total Revenue Exl.Capital (Previous)	930 691 330		
					Total Revenue Exl.Capital (Current)	996 686 318		
D. Expenditure Management								
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 366	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days				
					Trade Creditors	35 236 380	*Restated*	
					Contracted Services	119 581 004		
					Repairs and Maintenance	70 534 008		
					General expenses	19 741 053		
					Bulk Purchases	217 522 905		
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	91 868 227		
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%				
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	6 052 044	*Restated*	Reported and Noted
					Total Operating Expenditure	995 022 764		
					Taxation Expense			
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%				
					Employee/personnel related cost	302 362 968	*Restated*	
					Councillors Remuneration	9 265 293		
					Total Operating Expenditure	995 022 764		
					Taxation Expense			
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%				
					Contracted Services	155 725 703	*Restated*	Cost analysis conducted to deliver cost effective services.
					Total Operating Expenditure	995 022 764		
					Taxation Expense			

OVERSTRAND MUNICIPALITY 2019-05-31 OVERSTRAND MUNICIPALITY

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS #1
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%		
					Internally generated funds	13 104 194	*Restated*	
					Borrowings	35 550 183		
					Total Capital Expenditure	91 868 227		
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		14%		
					Internally generated funds	13 104 194	*Restated*	
					Total Capital Expenditure	91 868 227		
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		86%		
					Total Revenue	1 036 609 742	*Restated*	
					Government grant and subsidies	148 092 908		
					Public contributions and Donations	10 489 540		
					Capital Grants	33 681 410		
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%				
					Actual Capital Expenditure	91 868 227	*Restated*	
					Budget Capital Expenditure	86 266 104		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%				
					Actual Operating Expenditure	995 022 764	*Restated*	
					Budget Operating Expenditure	1 072 963 987		Noted. Savings generated
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%				
					Actual Operating Revenue	1 002 928 332	*Restated*	
					Budget Operating Revenue	1 004 804 970		
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%				
					Actual Service Charges and Property Rates Revenue	788 218 867	*Restated*	
					Budget Service Charges and Property Rates Revenue	795 907 876		Not sure why 100% collection should be penalised

427

OVERSTRAND MUNICIPALITY
RECEIVED
2023 -05- 23
MUNICIPALITY

Annexure 2

Interpretation of results

LT TREASURY

Finance Management Act No. 56 of 2003

Templ form Financial Ratios and Norms 2017/18 Audited

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
						" R 000 "		
1 FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%	Total Operating Expenditure	993 452 601	*Audited*	
					Taxation Expense			
					Total Capital Expenditure	105 207 402		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%	PPE, Investment Property and Intangible Impairment	4 365 584	*Audited*	
					PPE at carrying value	3 469 467 584		
					Investment at carrying value	114 846 000		
					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%	Total Repairs and Maintenance Expenditure	160 035 809	*Audited*	Repairs & maintenance compises 16.11% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					PPE at carrying value	3 469 467 584		
					Investment Property at Carrying value	114 846 000		
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%	Gross Debtors closing balance	84 899 892	*Audited*	
					Gross Debtors opening balance	82 721 539		
					Bad debts written Off	801 303		
					Billed Revenue	805 039 858		

428

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%	Consumer Debtors Bad debts written off	801 303	*Audited*	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)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days	Gross debtors	84 899 892	*Audited*	
					Bad debts Provision	21 773 613		
					Billed Revenue	805 039 658		
C. Liquidity Management								
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months	Cash and cash equivalents	94 453 193	*Audited*	
					Unspent Conditional Grants	21 872 199		
					Overdraft			
					Short Term Investments	380 514 135		
					Total Annual Operational Expenditure	841 039 922		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1	Current Assets	641 418 124	*Audited*	
					Current Liabilities	220 579 530		
D. Liability Management								
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%	Interest Paid	45 128 810	*Audited*	
					Redemption	29 968 590		
					Total Operating Expenditure	993 452 601		
					Taxation Expense			
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%	Total Debt	442 106 055	*Audited*	Higher gearing due to much needed infrastructure investment over the past decade. Reduction policy in place. Reduces to 42% over 2018/2019 MTREF.
					Total Operating Revenue	1 073 240 589		
					Operational Conditional Grants	116 420 944		
E. Sustainability								
1	Level of Cash-Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%	Cash and cash Equivalents	94 453 193	*Audited*	
					Bank Overdraft			
					Short Term Investment	380 514 135		
					Long Term Investment	44 594 781		
					Unspent Grants	21 872 199		
					Net Assets	3 442 757 601		
					Share Premium			
					Share Capital			
					Revaluation Reserve			
					Fair Value Adjustment Reserve			
					Accumulated Surplus	3 439 498 784		

VERSTRAND MUNISIPALITEIT
2019-05-23
VERSTRAND MUNICIPALITY

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
2. FINANCIAL PERFORMANCE								
A. Efficiency								
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%	Total Operating Revenue	1 079 240 589	*Audited*	
					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	993 452 601		
					Taxation Expense			
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%	Total Electricity Revenue	375 386 022	*Audited*	
					Total Electricity Expenditure	344 304 010		
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Water Revenue	123 567 627	*Audited*	
					Total Water Expenditure	114 786 069		
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Refuse Revenue	72 638 810	*Audited*	Aware of the rising costs of refuse removal - Referred to Costing of Services for future budgets
					Total Refuse Expenditure	73 475 203		
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%	Total Sanitation and Water Waste Revenue	83 893 319	*Audited*	Refer to Costing of Services- Budget Report for Revenue & Expenditure
					Total Sanitation and Water Waste Expenditure	79 291 478		
B. Distribution Losses								
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%	Number of units purchased and/or generated	251 003 895	*Audited*	
					Number of units sold	238 145 884		
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%	Number of kilolitres purchased and/or purified	6 774 478	*Audited*	
					Number of kilolitres sold	5 499 482		

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (4)
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	*Audited*	
					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%	*Audited*	
					Total Revenue (Previous)	1 036 609 742		
					Total Revenue (Current)	1 098 434 592		
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI		6%		
					CPI	6%	*Audited*	
					Total Revenue Exl.Capital (Previous)	996 666 318		
					Total Revenue Exl.Capital (Current)	1 034 166 739		
D. Expenditure Management								
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days				
					Trade Creditors	56 101 021	*Audited*	The nature of the calculation is not a fair reflection of the actual payment period
					Contracted Services	99 274 326		
					Repairs and Maintenance	106 346 369		
					General expenses	46 919 211		
					Bulk Purchases	225 843 568		
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	105 207 402		
2	Irregular, Fruitless and Wasteful, and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%				
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	242 544	*Audited*	Noted
					Total Operating Expenditure	993 452 601		
					Taxation Expense			
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%				
					Employee/personnel related cost	296 535 978	*Audited*	
					Councillors Remuneration	10 137 691		
					Total Operating Expenditure	993 452 601		
					Taxation Expense			
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%				
					Contracted Services	167 065 075	*Audited*	Cost analysis conducted to deliver cost effective services.
					Total Operating Expenditure	993 452 601		
					Taxation Expense			

OVERSTRAND MUNICIPALITY 2019-05-23 OVERSTRAND MUNICIPALITY

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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%	*Audited*	
					Internally generated funds	17 368 512		
					Borrowings	19 199 224		
					Total Capital Expenditure	105 207 402		
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%	*Audited*	
					Internally generated funds	17 368 512		
					Total Capital Expenditure	105 207 402		
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		89%	*Audited*	
					Total Revenue	1 137 488 442		
					Government grant and subsidies	180 668 797		
					Public contributions and Donations	4 847 307		
					Capital Grants	64 247 853		
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%		[redacted]	*Audited*	
					Actual Capital Expenditure	105 207 402		
					Budget Capital Expenditure	116 819 618		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%		[redacted]	*Audited*	
					Actual Operating Expenditure	993 452 601		
					Budget Operating Expenditure	1 052 196 675		Noted. Savings generated
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%		[redacted]	*Audited*	Not sure why 100% collection should be penalised
					Actual Operating Revenue	1 073 240 589		
					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%		[redacted]	*Audited*	Not sure why 100% collection should be penalised
					Actual Service Charges and Property Rates Revenue	805 039 858		
					Budget Service Charges and Property Rates Revenue	800 899 364		

OVERSTRAND MUNISIPALITEIT
2006-05-23
OVERSTRAND MUNICIPALITY

Annexure 2

Interpretation of results

ALTREASURY

ular No 71

al Finance Management Act No. 56 of 2003

Temp iform Financial Ratios and Norms 2018/19 Projected

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
						" R 000 "		
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%	Total Operating Expenditure	1 154 476 388	*2018/19 Projected 3*	
					Taxation Expense	-		
					Total Capital Expenditure	174 748 163		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%	PPE, Investment Property and Intangible Impairment		*2018/19 Projected 3*	
					PPE at carrying value	3 514 506 289		
					Investment at carrying value	114 846 000		
					Intangible Assets at carrying value	6 046 108		
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	Total Repairs and Maintenance Expenditure	231 958 925	*2018/19 Projected 3*	Repairs & maintenance compises 20.09% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost
					PPE at carrying value	3 514 506 289		
					Investment Property at Carrying value	114 846 000		
B. Debtors Management								
	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%	Gross Debtors closing balance	89 993 886	*2018/19 Projected 3*	
					Gross Debtors opeining balance	84 899 892		
					Bad debts written Off	500 000		
					Billed Revenue	859 716 500		

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

433

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%				
					Consumer Debtors Bad debts written off	500 000	*2018/19 Projected 3*	The normrange appears incorrect
					Consumer Debtors Current bad debt Provision	21 000 000		
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days				
					Gross debtors	89 993 888	*2018/19 Projected 3*	
					Bad debts Provision	21 000 000		
					Billed Revenue	859 716 500		
C. Liquidity Management								
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months				
					Cash and cash equivalents	489 014 105	*2018/19 Projected 3*	
					Unspent Conditional Grants	3 800 000		
					Overdraft	-		
					Short Term Investments	-		
					Total Annual Operational Expenditure	1 154 476 388		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1				
					Current Assets	656 394 642	*2018/19 Projected 3*	
					Current Liabilities	214 102 462		
D. Liability Management								
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%				
					Interest Paid	47 834 480	*2018/19 Projected 3*	
					Redemption	34 000 726		
					Total Operating Expenditure	1 154 476 388		
					Taxation Expense	-		
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%				
					Total Debt	462 105 329	*2018/19 Projected 3*	
					Total Operating Revenue	1 083 297 864		
					Operational Conditional Grants	22 118 065		
E. Sustainability								
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%				
					Cash and cash Equivalents	489 014 105	*2018/19 Projected 3*	
					Bank Overdraft	-		
					Short Term Investment	-		
					Long Term Investment	50 546 287		
					Unspent Grants	3 800 000		
					Net Assets	3 483 283 329		
					Share Premium	-		
					Share Capital	-		
					Revaluation Reserve	-		
					Fair Value Adjustment Reserve	-		
					Accumulated Surplus	3 479 983 329		

OVERSTRAND MUNICIPALITY 2019 -05- 23

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
2. FINANCIAL PERFORMANCE								
A. Efficiency								
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%	Total Operating Revenue	1 083 297 864	*2018/19 Projected 3*	With the introduction of GRAP assets were assessed at DRC, which included assets already depreciated but adjusted because of useful remaining life.Due to increased depreciation this indicator is not a true reflection of cash backed revenue surplus to expenditure.
					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	1 154 476 388		
					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%	Total Electricity Revenue	394 982 353	*2018/19 Projected 3*	
					Total Electricity Expenditure	362 763 637		
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%	Total Water Revenue	140 846 911	*2018/19 Projected 3*	
					Total Water Expenditure	126 404 261		
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%	Total Refuse Revenue	75 983 426	*2018/19 Projected 3*	Aware of the rising costs of refuse removal - Referred to Costing of Services for future budgets
					Total Refuse Expenditure	82 466 256		
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	108 884 088	*2018/19 Projected 3*	
					Total Sanitation and Water Waste Expenditure	97 078 187		
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%	Number of units purchased and/or generated	259 726 005	*2018/19 Projected 3*	
					Number of units sold	240 350 445		
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%	Number of kilolitres purchased and/or purified	6 948 786	*2018/19 Projected 3*	
					Number of kilolitres sold	5 580 570		
C. Revenue Management								

OVERSTRAND MUNISIPALITEIT
2018-05-23
OVERSTRAND MUNICIPALITY

435

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
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%	*2018/19 Projected 3*	
					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		[illegible]	*2018/19 Projected 3*	
					CPI	5%		
					Total Revenue (Previous)	1 098 434 592		
					Total Revenue (Current)	1 149 370 288		
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		[illegible]	*2018/19 Projected 3*	
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 034 186 739		
					Total Revenue Exl.Capital (Current)	1 083 297 864		
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		[illegible]	*2018/19 Projected 3*	
					Trade Creditors	45 670 914		
					Contracted Services	120 594 103		
					Repairs and Maintenance	131 218 577		
					General expenses	40 923 397		
					Bulk Purchases	238 588 349		
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	174 748 163		
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%		[illegible]	*2018/19 Projected 3*	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-		
					Total Operating Expenditure	1 154 476 388		
					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%		[illegible]	*2018/19 Projected 3*	
					Employee/personnel related cost	374 113 743		
					Councillors Remuneration	10 972 260		
					Total Operating Expenditure	1 154 476 388		
					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%		[illegible]	*2018/19 Projected 3*	Cost analysis conducted to deliver cost effective services.
					Contracted Services	207 242 755		
					Total Operating Expenditure	1 154 476 388		
					Taxation Expense	-		

436

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
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		62%	*2018/19 Projected 3*	
					Internally generated funds	54 952 140		
					Borrowings	53 623 599		
					Total Capital Expenditure	174 748 163		
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		31%	*2018/19 Projected 3*	
					Internally generated funds	54 952 140		
					Total Capital Expenditure	174 748 163		
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		95%	*2018/19 Projected 3*	
					Total Revenue	1 149 370 288		
					Government grant and subsidies	118 186 066		
					Public contributions and Donations	-		
					Capital Grants	66 072 424		
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%	*2018/19 Projected 3*	
					Actual Capital Expenditure	174 748 163		
					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%		100%	*2018/19 Projected 3*	
					Actual Operating Expenditure	1 154 476 388		
					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%		100%	*2018/19 Projected 3*	
					Actual Operating Revenue	1 083 297 864		
					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%		100%	*2018/19 Projected 3*	
					Actual Service Charges and Property Rates Revenue	859 716 500		
					Budget Service Charges and Property Rates Revenue	859 716 500		

EMALAHLENI LOCAL MUNICIPALITY
2015-23

437

Annexure 2

Interpretation of results

ALTREASURY

Circular No. 71

al Finance Management Act No. 56 of 2003

Temp iform Financial Ratios and Norms 2019/20 Projected

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
						" R 000 "		
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%	Total Operating Expenditure	1 249 962 889	*2019/20 Projected 3*	
					Taxation Expense			
					Total Capital Expenditure	261 676 920		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%	PPE, Investment Property and Intangible Impairment		*2019/20 Projected 3*	
					PPE at carrying value	3 645 621 044		
					Investment at carrying value	114 846 000		
					Intangible Assets at carrying value	5 323 069		
	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	Total Repairs and Maintenance Expenditure	199 188 722	*2019/20 Projected 3*	Repairs & maintenance compises 15.94% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					PPE at carrying value	3 645 621 044		
					Investment Property at Carrying value	114 846 000		
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%	Gross Debtors closing balance	95 393 519	*2019/20 Projected 3*	
					Gross Debtors opeining balance	89 993 886		
					Bad debts written Off	500 000		
					Billed Revenue	918 479 818		

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019-05-23

438

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%				
					Consumer Debtors Bad debts written off	500 000	2019/20 Projected 3	The normrange appears incorrect
					Consumer Debtors Current bad debt Provision	22 259 999		
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days				
					Gross debtors	95 393 519	2019/20 Projected 3	
					Bad debts Provision	22 259 999		
					Billed Revenue	918 479 816		
C. Liquidity Management								
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months				
					Cash and cash equivalents	124 119 522	2019/20 Projected 3	
					Unspent Conditional Grants	-		
					Overdraft	-		
					Short Term Investments	320 000 000		
					Total Annual Operational Expenditure	1 249 962 889		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1				
					Current Assets	583 535 129	2019/20 Projected 3	
					Current Liabilities	294 095 578		
D. Liability Management								
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%				
					Interest Paid	51 546 815	2019/20 Projected 3	
					Redemption	38 706 696		
					Total Operating Expenditure	1 249 962 889		
					Taxation Expense	-		
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%				
					Total Debt	497 696 629	2019/20 Projected 3	
					Total Operating Revenue	1 173 516 520		
					Operational Conditional Grants	45 485 984		
E. Sustainability								
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%				
					Cash and cash Equivalents	124 119 522	2019/20 Projected 3	
					Bank Overdraft	-		
					Short Term Investment	320 000 000		
					Long Term Investment	57 885 203		
					Unspent Grants	-		
					Net Assets	3 478 571 345		
					Share Premium	-		
					Share Capital	-		
					Revaluation Reserve	-		
					Fair Value Adjustment Reserve	-		
					Accumulated Surplus	3 475 231 345		

OVERSTRAND MUNICIPALITY
2019 -05- 13

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
2. FINANCIAL PERFORMANCE								
A. Efficiency								
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%	Total Operating Revenue	1 173 516 520	*2019/20 Projected 3*	With the introduction of GRAP assets were assessed at DRC, which included assets already depreciated but adjusted because of useful remaining life.Due to increased depreciation this indicator is not a true reflection of cash backed revenue surplus to expenditure.
					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	1 249 962 889		
					Taxation Expense	-		
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%	Total Electricity Revenue	438 025 577	*2019/20 Projected 3*	
					Total Electricity Expenditure	418 029 837		
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Water Revenue	147 953 467	*2019/20 Projected 3*	
					Total Water Expenditure	132 938 505		
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Refuse Revenue	87 637 060	*2019/20 Projected 3*	
					Total Refuse Expenditure	82 960 338		
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%	Total Sanitation and Water Waste Revenue	105 084 012	*2019/20 Projected 3*	
					Total Sanitation and Water Waste Expenditure	101 978 282		
B. Distribution Losses								
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%	Number of units purchased and/or generated	265 820 772	*2019/20 Projected 3*	
					Number of units sold	250 782 532		
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%	Number of kilolitres purchased and/or purified	7 637 818	*2019/20 Projected 3*	
					Number of kilolitres sold	6 270 212		
C. Revenue Management								

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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 3*	
					Number of Active Debtors Accounts (Previous)	48 613		
					Number of Active Debtors Accounts (Current)	48 647		
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		[illegible]	*2019/20 Projected 3*	Growth above inflation should not be penalised
					CPI	5%		
					Total Revenue (Previous)	1 149 370 288		
					Total Revenue (Current)	1 243 710 905		
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		[illegible]	*2019/20 Projected 3*	Growth above inflation should not be penalised
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 083 297 864		
					Total Revenue Exl.Capital (Current)	1 173 516 520		
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		[illegible]	*2019/20 Projected 3*	
					Trade Creditors	54 185 685		
					Contracted Services	138 205 210		
					Repairs and Maintenance	102 165 194		
					General expenses	64 460 882		
					Bulk Purchases	275 879 707		
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	261 676 920		
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%		[illegible]	*2019/20 Projected 3*	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-		
					Total Operating Expenditure	1 249 962 889		
					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%		[illegible]	*2019/20 Projected 3*	
					Employee/personnel related cost	399 803 730		
					Councillors Remuneration	11 382 807		
					Total Operating Expenditure	1 249 962 889		
					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%		[illegible]	*2019/20 Projected 3*	Cost analysis conducted to deliver cost effective services.
					Contracted Services	207 536 109		
					Total Operating Expenditure	1 249 962 889		
					Taxation Expense	-		

OVERSTRAND MUNISIPALITEIT
2019-05-23
OVERSTRAND MUNICIPALITY

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (M)
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		73%	*2019/20 Projected 3*	
					Internally generated funds	100 981 457		
					Borrowings	90 501 078		
					Total Capital Expenditure	261 676 920		
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		39%	*2019/20 Projected 3*	
					Internally generated funds	100 981 457		
					Total Capital Expenditure	261 676 920		
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%	*2019/20 Projected 3*	
					Total Revenue	1 243 710 905		
					Government grant and subsidies	152 182 984		
					Public contributions and Donations			
					Capital Grants	70 194 385		
3. BUDGET IMPLEMENTATION								
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		100 %	*2019/20 Projected 3*	
					Actual Capital Expenditure	261 676 920		
					Budget Capital Expenditure	261 676 920		
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100 %	*2019/20 Projected 3*	
					Actual Operating Expenditure	1 249 962 889		
					Budget Operating Expenditure	1 249 962 889		
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100 %	*2019/20 Projected 3*	
					Actual Operating Revenue	1 173 516 520		
					Budget Operating Revenue	1 173 516 520		
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100 %	*2019/20 Projected 3*	
					Actual Service Charges and Property Rates Revenue	918 479 816		
					Budget Service Charges and Property Rates Revenue	918 479 816		

412

Annexure 2

Interpretation of results

ALTREASURY

cular No 71

al Finance Management Act No. 56 of 2003

Temp iform Financial Ratios and Norms 2020/21 Projected

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
						" R 000 "		
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		10%	*2020/21 Projected 3*	
					Total Operating Expenditure	1 342 887 090		
					Taxation Expense	-		
					Total Capital Expenditure	148 463 760		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%			*2020/21 Projected 3*	
					PPE, Investment Property and Intangible Impairment	-		
					PPE at carrying value	3 663 890 810		
					Investment at carrying value	114 846 000		
					Intangible Assets at carrying value	4 686 645		
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%			*2020/21 Projected 3*	Repairs & maintenance compises 15.55% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	208 775 705		
					PPE at carrying value	3 663 890 810		
					Investment Property at Carrying value	114 846 000		
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%		94%	*2020/21 Projected 3*	
					Gross Debtors closing balance	101 117 127		
					Gross Debtors opeining balance	95 393 519		
					Bad debts written Off	500 000		
					Billed Revenue	1 009 853 619		

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019-05-23

443

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (H)
2	Bad Debts Written-off as % of Provision for Bad Debt	Bad Debts Written-off/Provision for Bad debts x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	100%				
					Consumer Debtors Bad debts written off	500 000	2020/21 Projected 3	The norm range appears incorrect
					Consumer Debtors Current bad debt Provision	23 595 599		
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days				
					Gross debtors	101 117 127	2020/21 Projected 3	
					Bad debts Provision	23 595 599		
					Billed Revenue	1 009 853 619		
C. Liquidity Management								
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months				
					Cash and cash equivalents	69 435 947	2020/21 Projected 3	
					Unspent Conditional Grants	-		
					Overdraft	-		
					Short Term Investments	330 000 000		
					Total Annual Operational Expenditure	1 342 887 090		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1				
					Current Assets	562 124 813	2020/21 Projected 3	
					Current Liabilities	241 217 889		
D. Liability Management								
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 00	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%				
					Interest Paid	54 249 245	2020/21 Projected 3	
					Redemption	42 244 045		
					Total Operating Expenditure	1 342 887 090		
					Taxation Expense	-		
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%				
					Total Debt	609 452 584	2020/21 Projected 3	
					Total Operating Revenue	1 275 756 429		
					Operational Conditional Grants	39 609 240		
E. Sustainability								
1	Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)	(Cash and Cash Equivalents - Bank overdraft + Short Term Investment + Long Term Investment - Unspent grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve) x 100	Statement Financial Position, Budget and AR	100%				
					Cash and cash Equivalents	69 435 947	2020/21 Projected 3	
					Bank Overdraft	-		
					Short Term Investment	330 000 000		
					Long Term Investment	65 460 010		
					Unspent Grants	-		
					Net Assets	3 454 614 445		
					Share Premium	-		
					Share Capital	-		
					Revaluation Reserve	-		
					Fair Value Adjustment Reserve	-		
					Accumulated Surplus	3 451 264 445		

OVERSTRAND MUNICIPALITY 2019 -05- 31

444

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
2. FINANCIAL PERFORMANCE								
A. Efficiency								
1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	= or > 0%	Total Operating Revenue	1 275 756 429	*2020/21 Projected 3*	With the introduction of GRAP assets were assessed at DRC, which included assets already depreciated but adjusted because of useful remaining life.Due to increased depreciation this indicator is not a true reflection of cash backed revenue surplus to expenditure.
					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	1 342 887 090		
					Taxation Expense	-		
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%	Total Electricity Revenue	505 791 708	*2020/21 Projected 3*	
					Total Electricity Expenditure	456 762 523		
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Water Revenue	166 916 542	*2020/21 Projected 3*	
					Total Water Expenditure	139 970 218		
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%	Total Refuse Revenue	102 549 441	*2020/21 Projected 3*	
					Total Refuse Expenditure	88 335 329		
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%	Total Sanitation and Water Waste Revenue	111 416 596	*2020/21 Projected 3*	
					Total Sanitation and Water Waste Expenditure	107 928 239		
B. Distribution Losses								
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%	Number of units purchased and/or generated	266 820 772	*2020/21 Projected 3*	
					Number of units sold	251 582 532		
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%	Number of kilolitres purchased and/or purified	7 737 818	*2020/21 Projected 3*	
					Number of kilolitres sold	6 370 212		
C. Revenue Management								

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
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)	48 647	*2020/21 Projected 3*	
					Number of Active Debtors Accounts (Current)	48 647		
2	Revenue Growth (%)	(Period under review's Total Revenue - previous period's Total Revenue)/ previous period's Total Revenue) x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= CPI				
					CPI	5%	*2020/21 Projected 3*	Growth above inflation should not be penalised
					Total Revenue (Previous)	1 249 710 905		
					Total Revenue (Current)	1 317 920 189		
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI				
					CPI	5%	*2020/21 Projected 3*	Growth above inflation should not be penalised
					Total Revenue Exl.Capital (Previous)	1 173 616 520		
					Total Revenue Exl.Capital (Current)	1 275 756 429		
D. Expenditure Management								
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days				
					Trade Creditors	54 780 960	*2020/21 Projected 3*	
					Contracted Services	150 851 439		
					Repairs and Maintenance	105 978 905		
					General expenses	67 318 542		
					Bulk Purchases	318 999 702		
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	148 463 760		
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%				
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-	*2020/21 Projected 3*	
					Total Operating Expenditure	1 342 887 090		
					Taxation Expense	-		
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%				
					Employee/personnel related cost	421 616 022	*2020/21 Projected 3*	
					Councillors Remuneration	11 877 604		
					Total Operating Expenditure	1 342 887 090		
					Taxation Expense	-		
4	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%				
					Contracted Services	229 784 014	*2020/21 Projected 3*	Cost analysis conducted to deliver cost effective services.
					Total Operating Expenditure	1 342 887 090		
					Taxation Expense	-		

OVERSTRAND MUNICIPALITY 2015-05-13 MUNICIPAL MANAGER

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (if)
B. 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		72%	*2020/21 Projected 3*	
					Internally generated funds	42 000 000		
					Borrowings	64 300 000		
					Total Capital Expenditure	148 463 760		
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information) Budget, IDP, In-Year reports and AR	None		28%	*2020/21 Projected 3*	
					Internally generated funds	42 000 000		
					Total Capital Expenditure	148 463 760		
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (Including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		91%	*2020/21 Projected 3*	
					Total Revenue	1 317 920 189		
					Government grant and subsidies	157 143 240		
					Public contributions and Donations	-		
					Capital Grants	42 163 760		
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 3*	
					Actual Capital Expenditure	148 463 760		
					Budget Capital Expenditure	148 463 760		
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 3*	
					Actual Operating Expenditure	1 342 887 090		
					Budget Operating Expenditure	1 342 887 090		
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 3*	
					Actual Operating Revenue	1 275 756 429		
					Budget Operating Revenue	1 275 756 429		
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 3*	
					Actual Service Charges and Property Rates Revenue	1 009 853 619		
					Budget Service Charges and Property Rates Revenue	1 009 853 619		

447

Annexure 2

Interpretation of results

AL TREASURY

cular No 71

al Finance Management Act No. 56 of 2003

Temp iform Financial Ratios and Norms 2021/22 Projected

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
						" R 000 "		
1. FINANCIAL POSITION								
A. Asset Management/Utilisation								
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		10%	*2021/22 Projected 2*	
					Total Operating Expenditure	1 433 510 756		
					Taxation Expense	-		
					Total Capital Expenditure	154 324 119		
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%		0%	*2021/22 Projected 2*	
					PPE, Investment Property and Intangible Impairment	-		
					PPE at carrying value	3 688 516 443		
					Investment at carrying value	114 846 000		
					Intangible Assets at carrying value	4 163 290		
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 2*	Repairs & maintenance compises 15.44% of total expenditure. Asset value was enhanced with the introduction of GRAP i.r.o. Depreciated Replacement Cost.
					Total Repairs and Maintenance Expenditure	221 386 311		
					PPE at carrying value	3 688 516 443		
					Investment Property at Carrying value	114 846 000		
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%		89%	*2021/22 Projected 2*	
					Gross Debtors closing balance	107 184 156		
					Gross Debtors opeining balance	101 117 127		
					Bad debts written Off	500 000		
					Billed Revenue	1 118 517 491		

448

MO OVERSTRAND MUNISIPALITEIT 2019-05-23 MUNICIPALITY

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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%	2021/22 Projected 2	The normrange appears incorrect
					Consumer Debtors Bad debts written off	500 000		
					Consumer Debtors Current bad debt Provision	25 011 334		
3	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days		27 days	2021/22 Projected 2	
					Gross debtors	107 184 156		
					Bad debts Provision	25 011 334		
					Billed Revenue	1 118 517 491		
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		3 Month	2021/22 Projected 2	
					Cash and cash equivalents	74 610 583		
					Unspent Conditional Grants	-		
					Overdraft	-		
					Short Term Investments	340 000 000		
					Total Annual Operational Expenditure	1 433 510 756		
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		2.55	2021/22 Projected 2	
					Current Assets	575 700 904		
					Current Liabilities	225 681 656		
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 2	
					Interest Paid	56 057 586		
					Redemption	47 006 548		
					Total Operating Expenditure	1 433 510 756		
					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%		38%	2021/22 Projected 2	
					Total Debt	512 446 036		
					Total Operating Revenue	1 400 288 668		
					Operational Conditional Grants	38 489 250		
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%		14475%	2021/22 Projected 2	
					Cash and cash Equivalents	74 610 583		
					Bank Overdraft	-		
					Short Term Investment	340 000 000		
					Long Term Investment	73 190 505		
					Unspent Grants	-		
					Net Assets	3 491 195 107		
					Share Premium	-		
					Share Capital	-		
					Revaluation Reserve	-		
					Fair Value Adjustment Reserve	-		
					Accumulated Surplus	3 487 825 107		

OVERSTRAND MUNICIPALITY 2019 -05- 24 MUNICIPAL MANAGER

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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%		-2%	2021/22 Projected 2	With the introduction of GRAP assets were assessed at DRC, which included assets already depreciated but adjusted because of useful remaining life.Due to increased depreciation this indicator is not a true reflection of cash backed revenue surplus to expenditure.
					Total Operating Revenue	1 400 288 668		
					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	1 433 510 756		
					Taxation Expense			
2	Net Surplus /Deficit Electricity	Total Electricity Revenue less Total Electricity Expenditure/Total Electricity Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	0% - 15%		12%	2021/22 Projected 2	
					Total Electricity Revenue	579 179 968		
					Total Electricity Expenditure	512 127 739		
3	Net Surplus /Deficit Water	Total Water Revenue less Total Water Expenditure/Total Water Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		12%	2021/22 Projected 2	
					Total Water Revenue	167 673 968		
					Total Water Expenditure	147 634 217		
4	Net Surplus /Deficit Refuse	Total Refuse Revenue less Total Refuse Expenditure/Total Refuse Revenue x 100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	= or > 0%		19%	2021/22 Projected 2	
					Total Refuse Revenue	115 082 311		
					Total Refuse Expenditure	93 055 771		
5	Net Surplus /Deficit Sanitation and Waste Water	Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure/Total Sanitation and Waste Water Revenue x 100	Statement of Financial Performance, Notes to AFS, Budget, IDP, In-Year reports and AR	= or > 0%		5%	2021/22 Projected 2	
					Total Sanitation and Water Waste Revenue	119 076 053		
					Total Sanitation and Water Waste Expenditure	113 687 136		
B. Distribution Losses								
1	Electricity Distribution Losses (Percentage)	(Number of Electricity Units Purchased and/or Generated - Number of units sold) / Number of Electricity Units Purchased and/or generated) x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	7% - 10%		6%	2021/22 Projected 2	
					Number of units purchased and/or generated	266 020 772		
					Number of units sold	250 582 532		
2	Water Distribution Losses (Percentage)	(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100	Annual Report, Audit Report and Notes to Annual Financial Statements	15% - 30%		18%	2021/22 Projected 2	
					Number of kilolitres purchased and/or purified	8 037 818		
					Number of kilolitres sold	6 570 212		
C. Revenue Management								

OVERSTRAND MUNISIPALITEIT / OVERSTRAND MUNICIPALITY / UMASIPALA WASEOVERSTRAND
2019-05-23

450

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
1	Growth in Number of Active Consumer Accounts	(Period under review's number of Active Debtor Accounts - previous period's number of Active Debtor Accounts)/ previous number of Active Debtor Accounts x 100	Debtors System	None		0%	*2021/22 Projected 2*	
					Number of Active Debtors Accounts (Previous)	48 647		
					Number of Active Debtors Accounts (Current)	48 647		
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		11%	*2021/22 Projected 2*	Growth above inflation should not be penalised
					CPI	5%		
					Total Revenue (Previous)	1 317 920 189		
					Total Revenue (Current)	1 469 281 418		
3	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/ previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI		10%	*2021/22 Projected 2*	Growth above inflation should not be penalised
					CPI	5%		
					Total Revenue Exl.Capital (Previous)	1 275 756 429		
					Total Revenue Exl.Capital (Current)	1 400 288 668		
D. Expenditure Management								
1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days		18 days	*2021/22 Projected 2*	
					Trade Creditors	42 376 235		
					Contracted Services	153 845 635		
					Repairs and Maintenance	112 066 071		
					General expenses	71 547 095		
					Bulk Purchases	368 859 355		
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	154 324 119		
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 2*	
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	-		
					Total Operating Expenditure	1 433 510 756		
					Taxation Expense	-		
3	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		32%	*2021/22 Projected 2*	
					Employee/personnel related cost	446 459 741		
					Councillors Remuneration	12 397 145		
					Total Operating Expenditure	1 433 510 756		
					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 2*	Cost analysis conducted to deliver cost effective services.
					Contracted Services	237 279 968		
					Total Operating Expenditure	1 433 510 756		
					Taxation Expense	-		

OVERSTRAND MUNISIPALITEIT
2019 05 - 23
OVERSTRAND MUNICIPALITY

		FORMULA	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION	MUNICIPAL COMMENTS (#)
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		55%	*2021/22 Projected 2*	
					Internally generated funds	35 331 369		
					Borrowings	50 000 000		
					Total Capital Expenditure	154 324 119		
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		23%	*2021/22 Projected 2*	
					Internally generated funds	35 331 369		
					Total Capital Expenditure	154 324 119		
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%	*2021/22 Projected 2*	
					Total Revenue	1 469 281 418		
					Government grant and subsidies	168 217 250		
					Public contributions and Donations	-		
					Capital Grants	68 992 750		
3. BUDGET IMPLEMENTATION								
1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		100%	*2021/22 Projected 2*	
					Actual Capital Expenditure	154 324 119		
					Budget Capital Expenditure	154 324 119		
2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	*2021/22 Projected 2*	
					Actual Operating Expenditure	1 433 510 756		
					Budget Operating Expenditure	1 433 510 756		
3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	*2021/22 Projected 2*	
					Actual Operating Revenue	1 400 288 668		
					Budget Operating Revenue	1 400 288 668		
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100%	*2021/22 Projected 2*	
					Actual Service Charges and Property Rates Revenue	1 118 517 491		
					Budget Service Charges and Property Rates Revenue	1 118 517 491		

OVERSTRAND MUNICIPALITY 2021-05-23

Name Of Municipality

Ratio Analysis Report			Restated	Audited	Projected				
		Norm	2017	2018	2019	2020	2021	2022	2023
FINANCIAL POSITION									
Asset Management/Utilisation									
1	Capital Expenditure to Total Expenditure	10% - 20%	9%	10%	13%	17%	10%	10%	N/A
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	0%	0%	0%	0%	0%	0%	0%	N/A
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	8%	3%	4%	6%	5%	6%	6%	N/A
Debtors Management									
1	Collection Rate	95%	99%	100%	99%	99%	99%	99%	N/A
2	Bad Debts Written-off as % of Provision for Bad Debt	100%	5%	4%	2%	2%	2%	2%	N/A
3	Net Debtors Days	30 days	30 days	29 days	29 days	29 days	28 days	27 days	N/A
Liquidity Management									
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	1 - 3 Months	4 Month	6 Month	5 Month	4 Month	4 Month	3 Month	N/A
2	Current Ratio	1.5 - 2:1	2.25	2.91	3.07	2.49	2.33	2.55	N/A
Liability Management									
1	Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	6% - 8%	7%	8%	7%	7%	7%	7%	N/A
2	Debt (Total Borrowings) / Revenue	45%	50%	46%	44%	44%	41%	38%	N/A
FINANCIAL PERFORMANCE									
Efficiency									
1	Net Operating Surplus Margin	= or > 0%	1%	7%	-7%	-7%	-5%	-2%	N/A
2	Net Surplus /Deficit Electricity	0% - 15%	9%	9%	8%	5%	10%	12%	N/A
3	Net Surplus /Deficit Water	= or > 0%	11%	7%	10%	10%	16%	12%	N/A
4	Net Surplus /Deficit Refuse	= or > 0%	3%	-1%	-9%	5%	14%	19%	N/A
5	Net Surplus /Deficit Sanitation and Waste Water	= or > 0%	7%	5%	11%	3%	3%	5%	N/A
Distribution Losses									
1	Electricity Distribution Losses (Percentage)	7% - 10%	7%	5%	7%	6%	6%	6%	N/A
2	Water Distribution Losses (Percentage)	15% - 30%	21%	19%	20%	18%	18%	18%	N/A
Revenue Management									
1	Growth in Number of Active Consumer Accounts	None	3%	5%	0%	0%	0%	0%	N/A
2	Revenue Growth (%)	= CPI	5%	6%	5%	8%	6%	11%	N/A
3	Revenue Growth (%) - Excluding capital grants	= CPI	7%	4%	5%	8%	9%	10%	N/A
Expenditure Management									
1	Creditors Payment Period (Trade Creditors)	30 days	25 days	35 days	24 days	23 days	25 days	18 days	N/A
2	Irregular, Fruitless and Wasteful and Unauthorised Expenditure / Total Operating Expenditure	0%	1%	0%	0%	0%	0%	0%	N/A
3	Remuneration as % of Total Operating Expenditure	25% - 40%	31%	31%	33%	33%	32%	32%	N/A
4	Contracted Services % of Total Operating Expenditure	2% - 5%	16%	17%	18%	17%	17%	17%	N/A
Grant Dependency									
1	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	None	53%	35%	62%	73%	72%	55%	N/A
2	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	None	14%	17%	31%	39%	28%	23%	N/A
3	Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	None	88%	89%	95%	93%	91%	93%	N/A
BUDGET IMPLEMENTATION									
1	Capital Expenditure Budget Implementation Indicator	95% - 100%	106%	90%	100%	100%	100%	100%	N/A
2	Operating Expenditure Budget Implementation Indicator	95% - 100%	93%	94%	100%	100%	100%	100%	N/A
3	Operating Revenue Budget Implementation Indicator	95% - 100%	100%	102%	100%	100%	100%	100%	N/A
4	Service Charges and Property Rates Revenue Budget Implementation Indicator	95% - 100%	97%	101%	100%	100%	100%	100%	N/A

OVERSTRAND MUNICIPALITY
2019 -05- 23

ANNEXURE I

mSCOA REGULATIONS & IMPLEMENTATION

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA):

POST IMPLEMENTATION STATUS OF THE mSCOA PROJECT – MAY 2019

Executive Summary

The purpose of this submission to Council is to:

1) Inform Council on specific initiatives to date by National Treasury to enable a full and complete understanding of the scope and extent of the SCOA implementation as applicable to all municipalities and municipal entities;
2) Report to Council on progress made to date with the implementation of mSCOA at the Overstrand Municipality since the previous report to Council.
3) Maintain an on-going awareness of specific mSCOA initiatives in the Overstrand Municipality; and
4) Considerations on the way forward with the core financial system, being SamrasClassic, currently in use by the Overstrand Municipality.

A comprehensive supplementary report in this regard, providing the necessary detail with regard to background and historic information over the past number of years for this National Treasury project, is also included at the end of the *updated status* section of this report, referenced as Annexure (to the mSCOA post implementation status of the mSCOA project).

Updated status of the mSCOA Project since the previous reporting to Council in January 2019:

The challenges experienced with the day-to-day operational requirements were also reported to Council recently with regard to the submission of the Annual Financial Statements, a shortened version of the background to this stated that since the inception of mSCOA, there have been 5 versions to date that Overstrand has had to contend with as a Pilot Site, all of them bringing new challenges with regards to chart of accounts changes. As a pilot site and having implemented mSCOA since July 2015 (started on version 5.3) has experienced more challenges over a prolonged period with the structures already created and operationally in use, especially since non-pilot municipalities started to implement with only the relevant and latest version of the mSCOA Chart, on a clean slate.

Before-mentioned historic implementation in the instance of Overstrand lead to new challenges as from 1 July 2017 and which could not be foreseen by the municipality as the municipality had no insight into the subsequent development of these particular areas to accommodate the non-pilot municipalities.

Since 01 July 2015, the municipality has officially logged 669 system queries (CIMS) with the vendor all of which relates to the implementation of mSCOA. (Annexure E) For the period 01 June 2017 to date a total of 201 system queries with varying degrees of severity were logged all of which contributed to the inability to produce quarterly financial statements.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

From the period 01 July 2017 to 31 August 2018 the vendor has released 78 system changes, many of them consisting of multiple program changes. We have experienced numerous instances where one issue is resolved only to discover that another has occurred. Of the 78 system changes a total of 14 system changes with multiple program changes were implemented during period 01 July 2018 to 29 August 2018. This effectively equated to 1 suite of multiple program changes every three working days over this period.

National Treasury recently communicated the following update regarding the status of mSCOA implementation on a national level, to municipalities:

"Despite our position that was communicated that the *m*SCOA (ORGB) (data strings) must be corrected by 12 October 2018 if it does not reconcile to the Adopted Budget approved by Council, we once again have received a number of requests from municipalities for extension to correct their ORGB.
After further investigation into the reasons for such non-compliance, it is our conclusion that:

In some cases the ORGBs data strings are correct but the information on the adopted A1 schedules are incorrect (once again the A1 Schedules that were submitted to Council were not prepared in and drawn from the system). These data strings will not reconcile to the budgets unless the municipality takes the A1 Schedule back to Council for ratification. Apart from the MFMA not allowing for this until the Adjustments budget process, municipalities have already started transacting against the ORGBs. Allowing municipalities to reverse any actual transactions on posting level after month closure is not only a contravention of the *m*SCOA Regulations but will also affect the already reconciled bank accounts, stores, billing, etc. for the three months already passed;

Some municipalities have already approved and captured roll-over budgets which they are transacting against and therefore have already implemented an adjusted budget;

Most municipalities do not use and combine the correct segments to populate an accurate cash flow statement;

Municipalities do not know how to do balance sheet budgeting and as a result they are not populating tables A2, A6 and A7 in the A1 budget schedules correctly; and

Municipalities are not using the segments correctly when they budget. E.g. Municipalities are not using the project segment as the departure point for all transactions and are not populating the funding segment correctly.

Our investigation also revealed that the reason why some municipalities are not using the budget preparation modules to generate A1 Schedules directly from the financial system, is because these modules are not functioning properly, are impractical and are not user friendly. This is unacceptable and means that some system vendors are equally guilty where municipalities could not conclude the data string verifications for these reasons. It also seems as if municipalities are not allowing sufficient time for the preparation of the tabled and adopted budget at the posting level (as required in terms of *m*SCOA).

OVERSTRAND MUNICIPALITY
2019 -05- 23

Careful consideration was given to the above challenges and after lengthy deliberations, the National Treasury resolved that it is willing to compromise in the following manner:

1. We will also request all vendors to present their budget module (specifically on the statement of financial performance (Table A4), statement of financial position (table A6) and cash flow statement (table A7) and how these feed and reconcile into the A1 Schedules to the National and Provincial Treasuries in November 2018 in order to provide guidance to vendors where required. In an attempt to ensure that, going forward, all municipalities budget directly in the financial system manage their statements of financial position and cash flow in the correct manner. Invitations for these engagements will be distributed to all system vendors and Provincial Treasuries in due course;

2. In an attempt to ensure that, going forward, all municipalities budget directly in the financial system and manage their statements of financial position and cash flow in the correct manner, the National Treasury will offer training to the municipal officials preparing the budgets on the population of the A1 budget schedules and *m*SCOA data strings. Details on the training will be communicated in due course;

3. The National Treasury has also secured funding to conduct independent audits on all municipal core financial systems to determine to what extend these systems comply with the functionality requirements and 15 business processes required in terms of *m*SCOA. These audits will commence within the next month and the results will be published and shared in a media release. These results will also inform the new transversal tender for the procurement of municipal financial systems when RT25-2016 comes to an end in March 2019; and

4. National Treasury will still submit to Parliament and the Auditor-General and publish on our website the names of all municipalities whose data strings did not reconcile to their adopted budgets.

Updated status of the mSCOA Project since the tabling of the Draft Budget in Council on 27 March 2019:

1. No feedback regarding the anticipated outcome of the audit process of mSCOA system vendors by National Treasury has been communicated to municipalities.

2. This is also compounded by the fact that the Municipality has yet to receive an updated project plan for the rollout of the complete suite of the Samras web based modules from Bytes Systems Integration.

Background/Discussion

(Information now following in this report attempts to provide the background to requirement for this report to Council, and has already previously been reported to Council)

As required by National Treasury, the mSCOA Project went live on 01 July 2017 based on the mSCOA Release Version 6.1. Although the core financial system is currently fully operational and functional, there still remain some material issues and constraints to achieve full mSCOA compliance.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

National Treasury Directives and Technical Specifications

Due to the continuous changes in directives and amendments to the initial mSCOA implementation frameworks and technical system design specifications as issued by National Treasury since July 2015, it is fair and reasonable to accept that the sum total and impact of all the scope changes introduced by National Treasury to the initial scope of mSCOA implementation project plan, and in such a fragmented fashion, will still impose certain potential risks to the successful implementation of mSCOA in totality.

Vendor Technical Systems Design and Development Strategies

During the piloting process, based on circumstances, the vendor decided to retain its current legacy system and database architectures for all transactional processing, and to develop a separate Web-portal architecture as required by National Treasury for Budgeting and Reporting purposes for the mSCOA implementation phase up to 1 July 2017.

Development of the remainder of the mSCOA functional requirements for implementation was envisaged by not later than 31 September 2017, to coincide with the commencement of Budget planning cycle for the next financial year: 2018/2019, which, at the time made good business sense, given the scope of the transversal tender, RT25-2016 functional requirements as well.

It was thus also the intent of the vendor to decommission its legacy system and database architectures and to migrate all the municipal financial data to a new Web-enabled systems and database architecture, to also coincide with the commencement of the budget planning cycle for 2018/2019.

The Vendor informed the municipality during the User Acceptance Testing phase prior to 1 July 2017, that they will not be able to implement in accordance to the time frames as indicated for the intended migration strategy to the new Web-enabled architecture. At a user group meeting held in October the vendor informed the meeting that the migration to a Web-enable architecture will not take place before 01 July 2018. The Overstrand Municipality as with various other municipalities on a national basis, are currently functional with hybrid systems and database architecture framework.

As previously reported to Council, the mSCOA Project went live on 01 July 2017 based on the mSCOA Release Version 6.1 and although the core financial system is currently fully operational and functional, there still remain some material issues and constraints to achieve full mSCOA compliance.

A meeting with the service provider took place in Cape Town on 16 November 2017, where a number of municipalities discussed the most critical challenges with Bytes to ensure that these matters receive the necessary attention. It is crucial that the financial system provides for technical requirements timeously to enable the administration to comply with relevant legislation.

A subsequent meeting, as arranged by the Western Cape Provincial mSCOA Project Manager with the service provider and the municipalities involved, took place on 11 January 2018. The purpose of this meeting was to obtain feedback from Bytes regarding the status update per municipality that details the outstanding activities and

OVERSTRAND MUNICIPALITY
2019 -05- 23

planned delivery dates. The service provider was also notified at the same time that the Western Cape Provincial Treasury, together with municipalities, are working towards 31 March 2018 to ensure that all modules are fully functional and that all 3rd Party Integrations are complete and operational.

It is not foreseen that before-mentioned time-line will be achievable, taking into account the outstanding issues regarding most critical modules which still have to be addressed up to the end of March 2018.

The national and provincial treasuries have communicated on various occasions with municipalities around the successful submissions of data strings and the alignment of the C-Schedules, as the next stage of the mSCOA implementation. National Treasury intensified efforts to encourage municipalities to meet the following priorities:

1) Submission of TABB (Tabled Budget) data strings for 2018/19: Deadline was 5 April 2018 (as per budget circular);
2) Submission of PRTA (Project Detail Tabled Budget) data strings for 2018/19;
3) Submission of M01 to M12 (Monthly, cumulative) for 2017/18: Deadline is 10 working days after the end of the month.

Overstrand Municipality has already complied to a large extent with these requirements and have focused on the submissions that reflect an error validation status.

The implementation of mSCOA Regulations from 01 July 2017 revealed some of the challenges with version 6.1 of the chart that had to be addressed. As a result of this, the chart was updated and version 6.2 was released with the 2018/19 MFMA Budget Circular no. 89. Version 6.2 of the chart is effective from the 2018/19 budget year and was used to compile the 2018/19 MTREF.

The Way Forward with mSCOA

To date the core financial system of the municipality is functional and operational, for day-to-day transacting, primarily due to the collective efforts and competence of the Overstrand municipal officials involved with the implementation of mSCOA.

Accurate data string extracts from the web-based financial system remained a challenge to date, also in view of the fact that some vital modules are not deployed in the web yet). These and other system operational challenges are continually being logged with the service provider for solutions.

The Overstrand Municipality currently has its own existing and mutually accepted Main Agreement with the Bytes Technology Group, effective till 30 June 2019. In view of the following confirmation by National Treasury as discussed above, The municipality is currently following a proposed amendment of contract process for the financial system in terms of the enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003, Act 56 of 2003 (MFMA), in order to ensure business continuity –

The National Treasury has also secured funding to conduct independent audits on all municipal core financial systems to determine to what extend these systems comply with the functionality requirements and 15 business processes required in terms of mSCOA. These audits will commence within the next month and the results will be

OVERSTRAND MUNICIPALITY
2019 -05- 23

published and shared in a media release. These results will also inform the new transversal tender for the procurement of municipal financial systems when RT25-2016 comes to an end in March 2019;

The municipality will keep the Council and National Treasury informed of any changes to the current status.

ANNEXURE (TO THE mSCOA POST IMPLEMENTATION STATUS OF THE mSCOA PROJECT

1. **Executive Background**

The Minister of Finance has, in terms of section 168 of the Local Government: Municipal Finance Management Act, 2003 (Act No.56 of 2003), and acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs gazetted the Municipal Regulations on Standard Chart of Accounts (mSCOA) into effect on 22 April 2014

The Regulation initially provided for a three year preparation and readiness window for all municipalities and municipal entities till 01 July 2017 to be compliant to the mSCOA classification framework. Since then this date for compliance has now been extended to 31 March 2019, but this Regulation:
"Shall remain in effect until the satisfactory implementation of mSCOA within the municipality and will only terminate by agreement of the Municipal Manager and the Municipal Council."

Since the previous report submitted to management in August 2017, at least two events occurred that directly impact on the existing contractual relationship and service delivery expectations the Overstrand municipality have with its current Service Provider, being **Bytes Technology Group:**

1) The legislative and regulatory compliance requirements for mSCOA implementation have been amended twice by National Treasury from mSCOA V6.1 to mSCOA V 6.2 effective from 01 July 2018 and more recently, mSCOA V6.3 has been introduced in December 2018 for full compliance by not later than 31 March 2019, to co-incide with the Budget Planning Cycle for 2019/2020;
2) The **National Treasury Transversal Contract: RT25-2016**, effective from 01 June 2016, **for the appointment of Service Providers for the implementation of a fully Integrated Financial Management System for Local Government**, will be discontinued by National Treasury, effective from 31 May 2019, thus;
   - *"Any municipality that considers the services of an alternative system vendor will need to embark on its own procurement process consistent with Chapter 10 of the MFMA, read together with the Municipal Supply Chain Management (SCM) Regulations and the written council approved Municipal Supply Chain Management policy."*

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2. Legislative and Regulatory Frameworks

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 recognized accounting practice (GRAP), uniform expenditure classifications and uniform treasury norms and standards. The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe by regulation such measures in terms of section 168 thereof.

3. mSCOA: Scope and Overview

3.1. Business Rationale

mSCOA stands for "***municipal Standard Chart of Accounts***" and provides a uniform and standardised financial transaction classification framework. mSCOA is a "proudly South African" project researched by National Treasury based on municipal practices, reporting outcomes, policy implementation and reviews.

Prior to mSCOA, each municipality managed and reported on its financial affairs in accordance with its own organizational structure and unique chart of accounts. The result is a disjuncture amongst municipalities and municipal entities and between municipalities and the other spheres of government as to how they classify revenue and expenditure and consequently report thereon. This compromises transparency, reliability and accuracy throughout the planning and reporting process and impedes the ability of national government to integrate information and to formulate coherent policies in response to the objectives of local government.

This is done at transactional level and ensures that a municipality and its entities must have minimum business processes in place.

- **In essence it means that mSCOA is primarily a business reform rather than a mere financial reform and requires multi-dimensional recording and reporting of every transaction across 7 pre-defined segments.**

3.2. Key Objectives of mSCOA

Key Objective 1 – The mSCOA Regulations to provide for a national standard for the uniform recording and classification of municipal budget and financial information at a transaction level by prescribing a standard chart of accounts for municipalities and municipal entities which-

- Are aligned to the budget formats and accounting standards prescribed for municipalities and municipal entities and with the standard charts of accounts for national and provincial government; and

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- Enable uniform information sets recorded in terms of national norms and standards across the whole of government for the purposes of national policy coordination and reporting, benchmarking and performance measurement in the local government sphere.

Key Objective 2 - The Regulations to enable the alignment of budget information with information captured in the course of the implementation of the budget.

3.3. mSCOA Classification Framework

As per the directive from National Treasury, from 01 July 2017, all municipalities had to capture all their financial transactions against a predefined classification framework, which will result in uniformity of line items in terms of revenue, expenditure, assets and liabilities.

4. mSCOA Project Governance and Management

During the Life Cycle of the mSCOA Project Implementation, National Treasury has provided various Project Implementation Frameworks to assist municipalities to achieve full compliance with all the mSCOA Legislative, Regulatory functional systems requirements. These frameworks has been applied as a reference guide by the Overstrand municipality to ensure that:

1) A fully informed and transparent assessment of all legislative and regulatory mSCOA functional compliance requirements are done;
2) All non-compliance matters are identified and assessed in terms of its relevance and,
3) Corrective measures to be instituted timeously to achieve full compliance status by National Treasury and the Auditor General of South Africa.

Every municipality and local government entity is ultimately responsible to ensure full compliance to all the mSCOA legislative and regulatory requirements.

Chapter 6 of the MFMA tasks the Municipal Manager of the municipality with managing the financial administration of the municipality. The Municipal Manager also has the overall responsibility to manage the successful implementation of the mSCOA project within the municipality.

The Municipal Manager, in terms of the MFMA has delegated some of these mSCOA Implementation responsibilities. The Municipal Manager has tasked an mSCOA Steering Committee and mSCOA Project Implementation Team to drive and oversee the successful implementation of the Municipal Regulations on Standard Chart of Accounts in the municipality and to advise the Municipal Manager and to report progress go to council at least on a quarterly basis.

Best practice Project Governance and Management structures and forums were established to monitor progress with the mSCOA Implementation Project

OVERSTRAND MUNICIPALITY 2019-05-23

and to assess the quality of service delivery by the appointed Service Provider and to report at least quarterly to council on progress being made with the mSCOA project Implementation and all other relevant matters.

5. mSCOA Project Implementation Frameworks

5.1. mSCOA Compliance Frameworks

To maximise the integrity and transparency of the mSCOA assessment process the mSCOA compliance frameworks as prescribed by National Treasury during the various project implementation phases, were used by the Overstrand municipality.

5.1.1. RT25 –2016: ICT Due Diligence Functional Assessment Framework

The RT25 National Treasury Transversal Tender, published in the MFMA 80, dated 8 March 2016, states that:
"*The technical systems specifications was designed to address not only the mSCOA requirements but also to list all the components needed to fully automate and accommodate the accountability cycle of municipalities (considering the current local government legal environment). Best Practices and Optional requirements were discerned in this tender in order to clearly identify only the essential systems functionality. Optional systems features and functions have been identified as non-regulated options / add-ons. The RT25-2016 also allowed for 3rd party integration as well as future developments. Through this approach the National Treasury allowed for a municipality to follow an evolutionary systems approach if such is preferred.*"

The RT25-2016 National Treasury Transversal contract also aimed to achieve the following additional key objectives

(a) improved data quality and credibility;

(b) the achievement of a greater level of standardization;

(c) the development of uniform data sets critical for 'whole-of-government' reporting;

(d) the standardization and alignment of the 'local government accountability cycle' by the regulation of not only the budget and in-year reporting formats but also the annual report and annual financial statement formats;

(e) the creation of the opportunity to standardize key business processes with the consequential introduction of further consistency in the management of municipal finances;

(f) improved transparency, accountability and governance through uniform recording of transactions at posting account level detail;

(g) enabling deeper data analysis and sector comparisons to improve financial performance; and

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(h) the standardization of the account classification to facilitate mobility in financial skills within local government and between local government and other spheres as well as the private sector and to enhance the ability of local government to attract and retain skilled personnel.

- In line with the directives as stated above, the Overstrand municipality decided to follow an evolutionary process and therefor **only the Legislative and mSCOA regulatory functional requirements** were assessed for compliance and only the core financial system, being the Samras system, was assessed.
- During the initial assessment process in 2017 it was found that:

  1) Some of the sub-processes/modules nominated by National Treasury in the RT25 Tender, do not require any legislative and/or mSCOA regulatory functional requirements; and,
  2) Some sub-process/modules do not form part of the Samras systems portfolio currently used by the Overstrand municipality and,

  therefor have been excluded from the functional compliance assessment process.

5.1.2. Financial Management and Internal Control Requirements

As per MFMA Circular 80, paragraph 4, (Dated 8 March 2016) states as follows:

"*Municipalities must ensure when examining the functionality of their current systems of financial management and internal control that it meets the minimum business processes and system requirements as stated in the mSCOA Regulation. In this regard it refers to a system of financial management and internal controls capable of providing for the uniform recording and classification of both municipal and financial information at a transactional level in the prescribed municipal standard chart of accounts. As a consequence, systems of financial management and internal control* ***must****, as a minimum, comply with these explicit business process requirements:*"

5.1.3. mSCOA Budgetary Compliance Requirements

(Reference: Addendum to MFMA Circular 80, paragraph 3, dated 18 October 2016)

Whether employing the RT25-2016 panel or not, municipalities are required to:

1) Have a systems-integrated IDP (integrated development plan) Module.
2) Have a systems-integrated Budget Module.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

3) Enable a municipality, with effect 1 July 2017, to transact across the seven segments of *m*SCOA with subsystems seamlessly integrating to the core financial system.

4) It should specifically be noted that the due date for all these deliverables was set by the Service provider to be 31 March 2017.

5.1.4. Business Process Requirements and Associated System

(Reference: Addendum to Circular 80, Paragraph 5, dated 18 October 2016)

Any system of financial management and internal control, as a minimum, must comply with the seven main business and process components. The seven components must integrate seamlessly with the *m*SCOA general ledger and comply at a posting level to the *m*SCOA Regulations and GRAP. The seven main components are defined as follows

1) General Ledger;
2) Billing;
3) Supply chain management;
4) Assets management;
5) Inventory and stores;
6) Budgeting and planning; and
7) Human Resources and payroll.

Directly aligned to the defined components as listed above, fifteen major business processes have been defined within Local Government.

- These 15 business processes have been reviewed and submitted to council for approval at the council meeting held on 25 May 2017 and is reviewed annually.

6. mSCOA Training and Status of Operations – February 2019

To date, training has been provided to all applicable officials in the Overstrand municipality to:

1) Plan and develop Departmentsal budgets, but;
   - regressed from capturing budgets on the Web portal to capturing information on Excel spreadsheets by Budget Holders due to the functionality not being available on time with regard to the requirements related to the annual Budget Cycle, also with reference to the latest nSCOA version of the Chart (V6.3), published by National Treasury only on 7 December 2019.
     Before-mentioned resulted in the release of relevant system functionality only weeks later, impacting severely on the adherance to the time-lines for tabling of the draft budget in Council during March 2019;

OVERSTRAND MUNICIPALITY
2019 -05- 2 3
OVERSTRAND MUNICIPALITY

2) Process all finacial data at a transactional level across all seven mSCOA segments, but;
   - Only still in SamrasClassic
3) Extract and compile all required financial and management reports across the Annual Financial Accountability Reporting Life Cycle , but:
   - This aspect still requires much manual intervention.

7. Bytes Systems and Engagements

7.1 In 2014 the Overstrand municipality opted to be one of a few municipalities selected by National Treasury to engage with our current Service Provider on a pilot mSCOA Implementation project, taking full advantage of early lessons learned and a focussed support from National Treasury. However still to date, the functional and operational status of the Samras system still does not justify an unqualified report to Council and National Treasury that the Samras system is fully mSCOA compliant, primarily due to the following issues and constraints:

i. The current hybrid Systems Architectures (SamrasClassic and the Web-portal) maintained by the vendor in an attempt to deliver a fully functional Samras system, poses a severe risk due to the lack of proper validation rules between the two data architectures and data being ceded between the two Samras System Architectures.

ii. Before-mentioned continues to impact on the day to day operations of the Finance Directorate mostly, and places severe pressure on the Financial Services Department (Budget/Reporting/Annual Financial Statements). This impacts on an ongoing basis in maintaining performance in adherence/compliance to deadlines related to legislation (Sub-systems/modules might reconcile or function properly on one day and then will be dysfunctional again the very next day (refer NT budget schedules, formulae and reports, with particular incidents reported to the vendor remaining unresolved relating to any permanent solutions, progress, and/or implementation.)



7.2 Bytes Systems and Engagements

As reference point again, extract from MFMA Circular 57

> *"Service delivery is a by-product of effective, efficient and economical processes that are informed by strategic direction, resource planning and implementation. Furthermore, a municipality with poorly designed business processes will not resolve the problem by implementing a new (financial) system.*
>
> *Firstly, processes must be redesigned with the necessary data validation rules if the municipality is to improve its data integrity. This foundation is integral to ensuring that software applications generate credible information and can be used effectively by municipalities."*

ICT Industry Migration to Knowledge Based Systems Architectures

Since Y2K the demand for large databases systems and broad band data communications networks has brought about a total new paradigm how databases and Management Information Systems must be designed and developed. .

This requirement for *"knowledge based systems and best industry practice systems architectures"*, providing access to *"data on demand" at "anytime from anywhere"*, eventually also found its inroads into all three spheres of government in the Republic of South Africa with various ICT initiatives being deployed by various governmental institutions:

- The mSCOA initiative introduced by National Treasury in 2011, being one of them. (Reference: MFMA Circular 57: Financial Systems and Processes, dated 20 October 2011)

7.3 SAMRAS Financial System

The transactional and operational processing in the SamrasClassic environment were also at an acceptable level of functionality at the time. Flat file structures with some relational database capabilities was primarily the state of the art for Information databases and Systems Architectures, but then also primarily for a localised environment i.e. the Overstrand municipality.

However, given the emergence of *"Knowledge based systems and Database Architectures"* Bytes, our current Service Provider, at the time realised that the SamrasClassic systems and database architectures cannot be the ICT enabling platform to provide all the required functionalities going forward into the 21st Century: mSCOA and the Smart Cities concepts being some of the strategic initiatives for local government institutions.



Since 2009 Bytes made service offerings to its local government clients with the intent to also introduce best practice ICT enabling platforms as part of its internal growth strategies moving into the 21st Century.

With the advent of MSCOA, now being in its final phase of completion, it is now also the most appropriate time to assess the outcomes of the various Samras service offerings by Bytes since 2009 to determine to what extent these service offerings were able to align with the expectations of local government, enabling good governance and improved service delivery to all our communities and residents.

Summarised Overview and Assessment of the Bytes Service Offerings and Service Delivery Performance

Time frames	Bytes Service Offerings	Objective/Intent	Assessment
2013 to Date	mSCOA: Initial Bytes Implementation Project Refer Diagram 1 below	Introduced by NT to provide for a national standard for the uniform recording and classification of municipal budget and financial information at a transaction level by prescribing a standard chart of accounts for municipalities and municipal entities	The Overstrand municipality was one of the selected pilot sites to implement mSCOA in a two year time frame: 2013 to 2015. To date the Samras System still operates on two architecture platforms: The Web Portal only for budget reporting to NT in production environment at Overstrand and all operational processing still occurs in the SamrasClassic Domain. Data ceding between the two platforms remain a work in progress and an operational challenge as earlier indicated.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2015/2019	Samras Modernisation, subsequently referenced /WebEnablement (Web Interface Business Process) Refer Diagram 2 & 3 below	2015 Planning - Deliver a complete Web based solution, with self-service focus for rate payers: Aligned with all financial business processes and transparency to all stakeholders. 2016 Planning - Complete full delivery of all core processes on the Web by April 2017; sufficient time for completion of development test and handover; Construction of Computer based training. 2019 Expectation - is to deliver a fully Web based Solution and phase out SamrasClassic by not later than December 2019.	Still no clear feedback regarding phasing out of the SamrasClassic. February 2019: Still await updated detailed Project Implementation Plan and Modernisation Scope and Specifications from Bytes. Samras User Group scheduled for 6 to 7 March 2019 provided some high level indications without detailed implementation plan made available thus far.

2018/2019 Samras Monthly Performance Ratings:

Ratings Range: 5 =Exceptionally Good Services, to 1 =Exceptionally Poor Services

- KPI Description: Deliver financial system services within agreed time, cost and quality:
- KPI Rating: Monthly performance ratings since July 2018 = 1

July 2018: The ceding of the budget were not ready in time for the year end. We could not process any transactions for almost a week at the start of the financial year due to problems with the ceding seeding of the budget.

Monthly Reviews: Not all issues on production system have been solved in time. Bi-weekly meetings held with supplier, alternatively telecon meetings as far as possible.

Before-mentioned rating also to be considered in view of the following – Due to the continuous changes in directives and amendments to the initial mSCOA implementation frameworks and technical system design specifications as issued by NT since July 2015, it is fair and reasonable to accept that the sum total and impact of scope changes introduced by NT to the initial scope of mSCOA implementation project plan, and in a fragmented fashion, impacted on service providers to some extent and still impose potential risks to successful implementation of mSCOA in totality.

OVERSTRAND MUNICIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Diagram 1- mSCOA Service Offering – 2015/2016

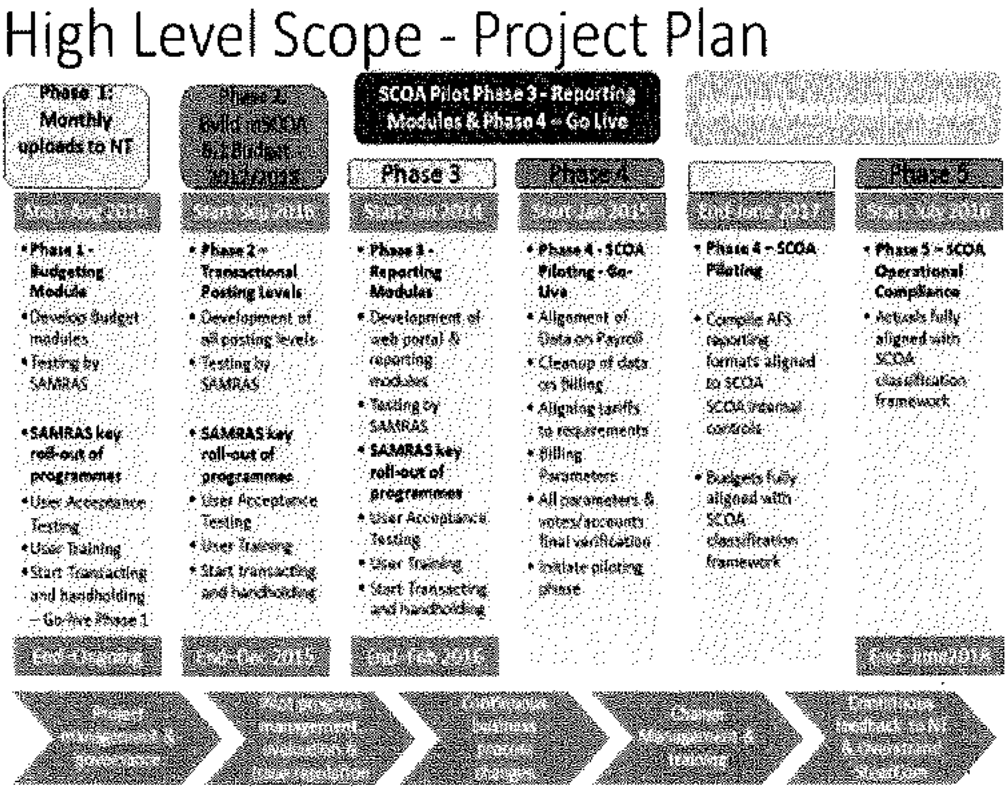
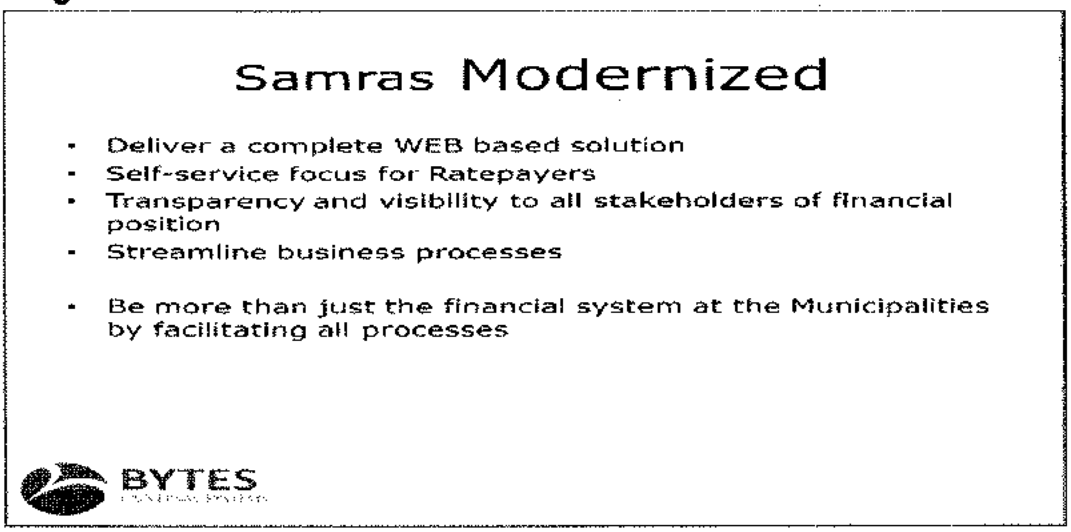
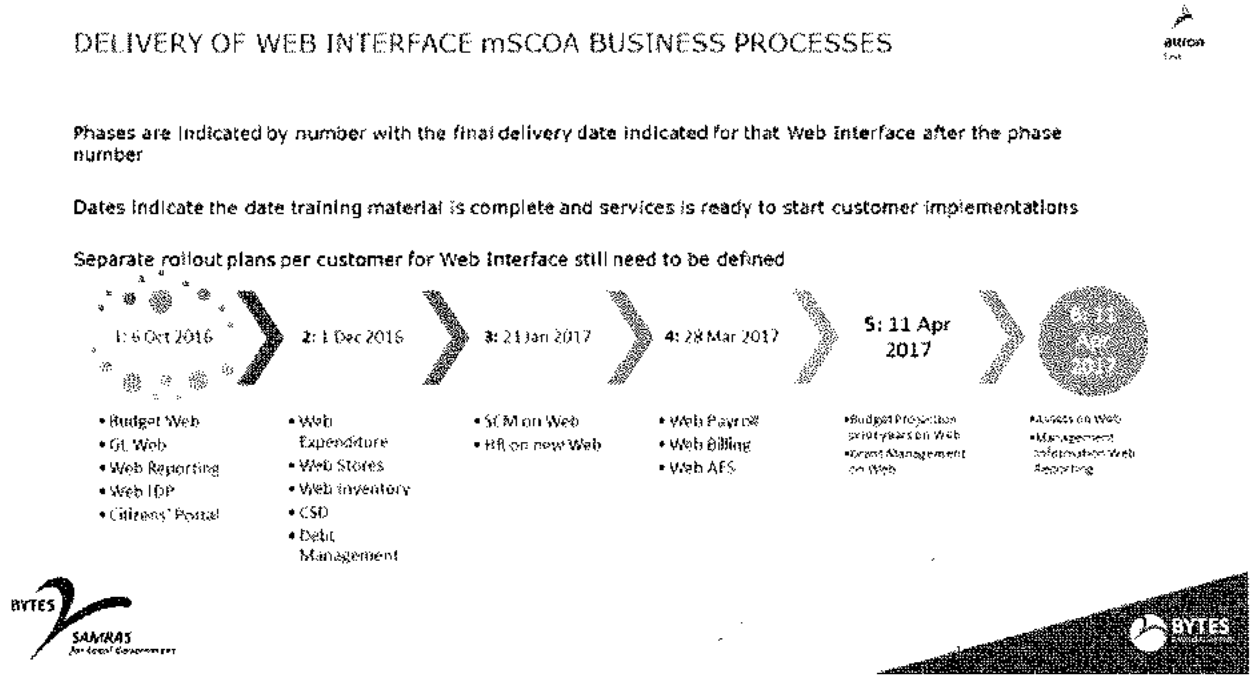


Diagram 2 - mSCOA Samras Modernisation 2015/2016



OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Diagram 3 - Web Interface mSCOA Business Process – 2016/2017



OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Government Gazette
Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID-AFRIKA

Regulation Gazette No. 10178 *Regulasiekoerant*

Vol. 586 Pretoria, 22 April 2014 **No. 37577**

N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes

9771682584003 37577

AIDS HELPLINE: 0800-0123-22 Prevention is the cure

OVERSTRAND MUNICIPALITY
2019 -05- 23
37577
OVERSTRAND MUNICIPALITY

IMPORTANT NOTICE

The Government Printing Works will not be held responsible for faxed documents not received due to errors on the fax machine or faxes received which are unclear or incomplete. Please be advised that an "OK" slip, received from a fax machine, will not be accepted as proof that documents were received by the GPW for printing. If documents are faxed to the GPW it will be the sender's responsibility to phone and confirm that the documents were received in good order.

Furthermore the Government Printing Works will also not be held responsible for cancellations and amendments which have not been done on original documents received from clients.

CONTENTS • INHOUD

No.		Page No.	Gazette No.
	GOVERNMENT NOTICE		
National Treasury			
Government Notice			
R. 312	Local Government: Municipal Finance Management Act (56/2003): Municipal Regulations on Standard Chart of Accounts	3	37577

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

GOVERNMENT NOTICE

NATIONAL TREASURY

No. R. 312 **22 April 2014**

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003: MUNICIPAL REGULATIONS ON STANDARD CHART OF ACCOUNTS

The Minister of Finance has, in terms of section 168 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), and acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs, made the regulations as set out in the Annexure.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

ANNEXURE

Preamble

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. The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe by regulation such measures in terms of section 168 thereof. The National Treasury is responsible for enforcing compliance with such measures, in addition to those functions assigned to it in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999). The National Treasury must compile national accounts incorporating all three spheres of government.

Uniform expenditure classifications have already been established and implemented for national and provincial government departments. 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. Currently, each municipality manages and reports on its financial affairs in accordance with its own organisational structure and unique chart of accounts. The result is a disjuncture amongst municipalities and municipal entities and between municipalities and the other spheres of government as to how they classify revenue and expenditure and consequently report thereon. This compromises transparency, reliability and accuracy throughout the planning and reporting process and impedes the ability of national government to integrate information and to formulate coherent policies in response to the objectives of local government.

Therefore it is necessary for the Minister of Finance to specify national norms and standards for the recording and collection of local government budget, financial and non-financial information which will include in some instances the specification of information required for national policy coordination and reporting. This will result in an improved understanding of the role of local government in the broader national policy framework and linkage to other government functions.

The Municipal Budget and Reporting Regulations, 2009, provide for the formalisation of norms and standards in order to improve the credibility, sustainability, transparency, accuracy and reliability of municipal budgets. The prescribed budget formats provide the framework for the identification of the categories of municipal

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

financial and non-financial information required in developing municipal budgets. A key objective of the proposed Regulations is to enable the alignment of budget information with information captured in the course of the implementation of the budget.

Additional key objectives, which also illustrate the potential benefits, include-

(a) improved data quality and credibility;
(b) the achievement of a greater level of standardisation;
(c) the development of uniform data sets critical for 'whole-of-government' reporting;
(d) the standardisation and alignment of the 'local government accountability cycle' by the regulation of not only the budget and in-year reporting formats but also the annual report and annual financial statement formats;
(e) the creation of the opportunity to standardise key business processes with the consequential introduction of further consistency in the management of municipal finances;
(f) improved transparency, accountability and governance through uniform recording of transactions at posting account level detail;
(g) enabling deeper data analysis and sector comparisons to improve financial performance; and
(h) the standardisation of the account classification to facilitate mobility in financial skills within local government and between local government and other spheres as well as the private sector and to enhance the ability of local government to attract and retain skilled personnel.

These Regulations apply to all municipalities and municipal entities and indicate its applicability and relevance to each specific municipal environment while accommodating organisational uniqueness and structural differences. These Regulations also proposes the specification of minimum business process requirements for municipalities and municipal entities as well as the implementation of processes within an integrated transaction processing environment.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

TABLE OF CONTENTS

CHAPTER 1

INTERPRETATION, OBJECT AND APPLICATION

1. Definitions
2. Object of these Regulations
3. Application of these Regulations

CHAPTER 2

STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES AND MUNICIPAL ENTITIES

4. Segments and classification framework for standard chart of accounts
5. Implementation requirements

CHAPTER 3

MINIMUM BUSINESS PROCESS AND SYSTEM REQUIREMENTS

6. Minimum business process requirements
7. Minimum system requirements

CHAPTER 4

TECHNICAL COMMITTEE FOR STANDARD CHART OF ACCOUNTS

8. Establishment of Technical Committee for Standard Chart of Accounts
9. Composition of SCOA Committee
10. Functions of SCOA Committee
11. Meetings of SCOA Committee

CHAPTER 5

IMPLEMENTATION OF STANDARD CHART OF ACCOUNTS

12. Responsibilities of municipal councils and boards of directors
13. Responsibilities of accounting officers

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

CHAPTER 6

GENERAL

14. Access by National Treasury

15. Postponement of implementation and exemption

16. Short title and commencement

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SEGMENTS OF STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES AND MUNICIPAL ENTITIES

CHAPTER 1

INTERPRETATION, OBJECT AND APPLICATION

Definitions

1. In these Regulations, a word or expression to which a meaning has been assigned in the Regulation has the same meaning as in the Act and unless the context indicates otherwise—

"Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"board of directors", in relation to a municipal entity, has the meaning assigned to it in section 1 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"business processes" means the set of activities taking place from the initiation of a process within a municipality or municipal entity to the completion thereof;

"classification framework" means the classification framework provided for in the standard chart of accounts;

"Director-General" means the Director-General of the National Treasury;

"general ledger" means the central depository of accounting data transferred from all sub-ledgers;

"minimum business process requirements" means the set of minimum components of all business processes determined in terms of regulation 6;

"minimum system requirements" means those specifications for an integrated software solution, incorporating an enterprise resource management system determined in terms of regulation 7;

"municipal entity" has the meaning assigned to it in section 1 of the Local Government: Municipal Systems Act, 2000;

"municipal council" has the meaning assigned to it in section 1 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

"municipality" has the meaning assigned to it in section 1 of the Local Government: Municipal Systems Act, 2000;

"SCOA Committee" means the Technical Committee for the Standard Chart of Accounts for municipalities and municipal entities established by regulation 8; and

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

"standard chart of accounts" means a multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.

Object of these Regulations

2. The object of these Regulations is to provide for a national standard for the uniform recording and classification of municipal budget and financial information at a transaction level by prescribing a standard chart of accounts for municipalities and municipal entities which—

(a) are aligned to the budget formats and accounting standards prescribed for municipalities and municipal entities and with the standard charts of accounts for national and provincial government; and

(b) enable uniform information sets recorded in terms of national norms and standards across the whole of government for the purposes of national policy coordination and reporting, benchmarking and performance measurement in the local government sphere.

Application of these Regulations

3. These Regulations apply to all municipalities and municipal entities.

CHAPTER 2

STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES AND MUNICIPAL ENTITIES

Segments and classification framework for the standard chart of accounts

4.(1) The standard chart of accounts for a municipality or municipal entity must contain the segments as set out in the Schedule.

(2) The Minister must, by notice on the website of the National Treasury, determine the classification framework provided for in the standard chart of accounts.

This gazette is also available free online at www.gpwonline.co.za

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Implementation requirements

5.(1) The standard chart of accounts of a municipality or municipal entity—

(a) must contain the segments in the Schedule as required by regulation 4(1);

(b) must accurately record all financial transactions and data in the applicable segment; and

(c) may not contain data which is mapped or extrapolated or which otherwise does not reflect transactions recorded or measured by the municipality or municipal entity.

(2) The financial and business applications or systems used by a municipality or municipal entity must—

(a) provide for the hosting of the general ledger structured in accordance with the classification framework determined in terms of regulation 4(2);

(b) be capable of accommodating and operating the standard chart of accounts;

(c) provide a portal allowing for free access, for information purposes, to the general ledger of the municipality or municipal entity, by any person authorised by the Director-General or the Accounting officer of the municipality.

(3) Each municipality and municipal entity must have, or have access to, computer hardware with sufficient capacity to run the software which complies with the requirements in sub-regulation (2).

CHAPTER 3

MINIMUM BUSINESS PROCESS AND SYSTEM REQUIREMENTS

Minimum business process requirements

6.(1) The Minister may, by notice in the *Gazette*, determine minimum business process requirements for municipalities and municipal entities to enable implementation of regulations 4 and 5.

(2) Each municipality and municipal entity must implement the minimum business process requirements by the date determined in the notice referred to in sub-regulation (1).

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Minimum system requirements

7.(1) The Minister may, by notice in the *Gazette*, determine the minimum system requirements for municipalities and municipal entities to enable implementation of regulations 4 and 5.

(2) Each municipality and municipal entity must implement the minimum system requirements by the date determined in the notice referred to in sub-regulation (1).

CHAPTER 4

TECHNICAL COMMITTEE FOR STANDARD CHART OF ACCOUNTS

Establishment of Technical Committee for Standard Chart of Accounts

8. A committee known as the Technical Committee for the Standard Chart of Accounts is hereby established as a structure of the National Treasury.

Composition of SCOA Committee

9.(1) The SCOA Committee must consist of—

(a) a chairperson;

(b) a deputy chairperson;

(c) five other members, each representing the functional areas of public finance, intergovernmental relations, accounting, budget office and supply chain management; and

(d) such further members as the Director-General considers necessary;

(2) The Director-General must designate employees of the National Treasury as members of the SCOA Committee in the respective capacities for a term of three years.

(3) A member referred to in sub-regulation (1)(c) or (d) may nominate an alternate to act in that member's stead if unavailable.

(4) The deputy chairperson of the SCOA Committee must act in the place of the chairperson of the Committee if unavailable.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(5) The Director General must take all reasonable steps to ensure that the SCOA Committee is provided with the technical, administrative, financial and logistical resources to enable it to fulfil its function and must determine its procedures.

Functions of SCOA Committee

10. The SCOA Committee—

(a) must review the classification framework and, where required, make recommendations to the Minister on amendments to that framework;

(b) must develop guidelines and training material that are aligned to the classification framework determined from time to time in terms of regulation 4(2);

(c) must review the implementation of the standard chart of accounts in government as a whole to ensure the alignment of the standard chart of accounts provided for in these Regulations and the standard chart of accounts applicable in national and provincial government;

(d) when required to align these Regulations with changes to other legislation applicable to local government, must make recommendations to the Minister on amendments to these Regulations;

(e) must undertake such other functions relating to the implementation of these Regulations as the Minister may direct;

(f) may make recommendations to the Director-General and the Minister on any matter referred to in paragraphs (b), (c) and (e); and

(g) must undertake any functions necessarily ancillary to any matter referred to in paragraphs (a) to (f).

Meetings of SCOA Committee

11. The chairperson of the SCOA Technical Committee or the Director-General may, as required, convene meetings of the Committee, but the Committee must convene at least once a year.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

CHAPTER 5

RESPONSIBILITIES OF MUNICIPAL FUNCTIONARIES

Responsibilities of municipal councils and boards of directors

12. The municipal council of a municipality and the board of directors of a municipal entity must take the necessary steps to ensure that these Regulations are implemented by the adoption of any resolutions, policies and budgetary provisions necessary for the implementation of these Regulations.

Responsibilities of accounting officers

13. The accounting officer of a municipality or municipal entity must take all necessary steps to ensure that these Regulations are implemented by at least—

(a) delegating the necessary powers and duties to the appropriate officials;

(b) ensuring that the responsible officials have the necessary capacity by providing for training and ensuring that they attend training or workshops provided by the National Treasury;

(c) ensuring that the financial and business applications of the municipality or municipal entity have the capacity to accommodate the implementation of these Regulations and that the required modifications or upgrades are implemented; and

(d) submitting reports and recommendations to the municipal council or the board of directors, as the case may be, that provide for the adoption of any resolutions, policies and budgetary provisions necessary for the implementation of these Regulations.

CHAPTER 6

GENERAL

Access by National Treasury

14.(1) All municipalities and municipal entities must ensure that—

(a) the business and financial applications used by them incorporate a portal allowing for free access to their general ledgers for information purposes to any person authorised by the Director-General; and

(b) such access is provided.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(2) The accounting officer of a municipality and a municipal entity must ensure that its system providers cooperate with the National Treasury to implement the necessary programme amendments to provide the standard of access required by the National Treasury.

(3) The National Treasury may use any of the information to which it has access in terms of this regulation for the purposes of—

(a) preparing national accounts for the whole of government;

(b) development of consolidated accounts for the local government sphere;

(c) verifying the correctness of municipal financial and business information;

(d) assessment of municipal financial performance and benchmarking; and

(e) fulfilling any obligations in terms of legislation.

Postponement of implementation and exemption

15.(1) The Minister may, by notice in the *Gazette* on good cause shown by a municipality or municipal entity and after considering any recommendations of the SCOA Committee, exempt such municipality or municipal entity from the application of a provision of these Regulations, for the period and on the conditions determined in the notice.

(2) A postponement or exemption in terms of sub-regulation (1) may–

(a) apply to–

(i) municipalities generally; or

(ii) municipal entities generally, or

(b) be limited in its application to a particular–

(i) municipality;

(ii) category of municipalities, which may be defined either in relation to a type or budgetary size of municipality or in any other manner;

(iii) municipal entity; or

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(iv) a category of municipal entities, which may either in relation to a type or budgetary size of municipal entity or in any other manner.

Short title and commencement

16. These Regulations are called the Standard Chart of Accounts for Local Government Regulations, 2014, and take effect on 1 July 2017.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SCHEDULE

SEGMENTS OF STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES AND MUNICIPAL ENTITIES

The standard chart of accounts must consist of at least the following segments, each of which incorporates a classification within the general ledger to record transaction information identified by codes within fields within the database:

Funding Segment

1. This segment identifies 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. The appropriate classification code of a transaction in this segment will be determined according to the source of funding against which a payment is allocated and the source of revenue against which income is received.

Function Segment

2. 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 with due regard to specific service delivery activities and responsibilities of each individual municipality or municipal entity.

Municipal Standard Classification Segment

3. This segment provides for the organisational structure and functionality of an individual municipality, which is not prescribed, but must incorporate the structure and functionality as determined by that municipality.

Project Segment

4. This segment provides for the classification of capital and operating projects as provided for in the Integrated development plan, as provided for in the Municipal Structures Act, 1998 (Act No. 117 of 1998), and funded in the budget and records information on spending as against the budget as well as the utilisation of funds provided for the project. The appropriate classification code of a transaction in this segment will be determined on the basis of whether it relates to a specific project and if so, the type of project.

Regional Indicator Segment

5. This segment identifies and assigns government expenditure to the lowest relevant geographical region as prescribed and the appropriate classification code will be determined according to the defined geographical area within which the

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

intended beneficiaries of the service or capital investment are located who are is deriving the benefit from the transaction.

Item Segment

6. This segment provides for the classification of item detail in the presentation of the financial position, performance and cash flow of the municipality or municipal entity. The appropriate classification code will be determined according to the nature of the transaction either as revenue, expenditure, asset, liability or net asset.

Costing Segment

7. This segment provides for a classification structure for secondary cost elements and acts as a cost collector in determining inter alia total cost of a service or function, identification of productivity inefficiencies and tariff determination of municipal services. Classification codes are identified with reference to departmental charges, internal billing and activity based recoveries for purposes of recording specific activities and functions in terms of their unit costs and cost categories.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

ANNEXURE J

DEMAND MANAGEMENT PLAN

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

DMP REF #	Directorate [R]	Existing Tender Number	Expiry Date of current contract	New Tender Number	Contract Owner	Contract Champion	Project Name / Tender Description	Funding source	Ward	Area	Est. Expenditure as per budget 2019/2020	Est. Expenditure 2020/2021	Total Estimated Project Cost	Procurement Process	Pre-Qualification (Regulation 4)	Sub-Contracting (Regulation 9)	Social Responsibility / Community Investment	Planned Start Date of new contract	Contract period in months (New contract)	Planned Completion Date of new contract	Expected submission date of Specificatio ns	Expected BSC	Expected Date Advertised	Expected Tender Closing Date	Validity Period in days	Expected BEC	Expected BAC	Expiry of validity period	Expected Final Award Date	Actual final award date
A	SECTION A: RECURRING PROJECTS ON THE CONTRACT MANAGEMENT SYSTEM																													
A01	Community Services	SC1783/2017	2020/06/30		R Williams	B Plaatjies	Supply and Delivery of Swimming Pool Chemicals	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/04/02	2020/04/07	2020/04/21	2020/05/21	60	2020/06/30	2020/07/10	2020/07/20	2020/07/10	
A02	Community Services	SC1780/2017	2020/06/30		R Williams	B Plaatjies	Supply and Delivery of 500ppm Farm Grade Diesel Fuel to Cross Caravan Park, Cirrus River, Hermanus	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/05/05	2020/05/26	2020/03/22	2020/04/21	60	2020/05/31	2020/06/10	2020/06/20	2020/05/10	
A03	Community Services	SC1701/A/2016	2020/06/30		R Williams	D Lakey	Amendment of SC1701/2016: Software and Website for Caravan Park/Camping Reservations	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/06/03	2020/06/05	2020/04/01	2020/05/01	60	2020/06/10	2020/06/20	2020/06/30	2020/05/20	
A04	Community Services	SC1772/2017	2020/06/30		R Williams	F Frans	Supply and Installation of Web Based / Online Bulk SMS Sending Software Service	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	12	2021/06/30	2020/04/12	2020/02/17	2020/02/21	2020/03/22	60	2020/05/01	2020/05/11	2020/05/21	2020/05/11	
A05	Community Services	SC1755/2017	2020/06/30		R Williams	F Frans	Supply and Delivery of Galvanised Metal Roof Sheets	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	12	2021/06/30	2020/04/12	2020/02/17	2020/02/21	2020/03/22	60	2020/05/01	2020/05/11	2020/05/21	2020/05/11	
A06	Community Services	SC1765/2017	2020/06/30		R Williams	F Mybergh	Provision of Cleaning Services: Gansbaai/Stanford Area	Operating Cash-WSP	1,2,11	Masakhane, Thembelitsha,Ekuseni, Beverly Hills	1 000 000.00	1 100 000.00	3 400 000.00	Tender	NO	NO	NO	2020/07/01	36	2023/06/30	2020/03/03	2020/03/06	2020/04/01	2020/05/01	60	2020/05/31	2020/06/10	2020/06/30	1900/01/10	
A07	Community Services	SC1765/2017	2020/06/30		R Williams	J de Villiers	Supply and Delivery of Plastic Doors for Concrete Toilet Structures for Overstrand Municipality	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	12	2021/06/30	2020/06/02	2020/02/07	2020/02/21	2020/03/22	60	2020/05/01	2020/05/11	2020/05/21	1900/01/10	
A08	Community Services	SC1765/2017	2020/06/30		R Williams	J de Villiers	Supply, Delivery and / or Application of Fertilizer on Sports Fields in the Overstrand	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/06/02	2020/02/07	2020/02/21	2020/03/22	60	2020/05/01	2020/05/11	2020/05/21	1900/01/10	
A09	Community Services	SC1771/2017	2020/06/30		R Williams	M Bartman	Application of Road Markings on the Overstrand Municipal Road Network	OPEX	Overstrand	Overstrand	500 000.00	600 000.00	2 100 000.00	Tender	NO	N/A	NO	2020/07/01	36	2023/06/30	2020/03/02	2020/03/06	2020/03/13	2020/04/12	60	2020/05/21	2020/05/29	2020/07/11	1900/01/08	
A10	Community Services	SC1778/2017	2020/06/30		R Williams	M Bartman	Supply and Delivery of Bitumen Products	OPEX	Overstrand	Overstrand	1 290 000.00	1 380 000.00	4 050 000.00	Tender	NO	N/A	NO	2020/07/01	36	2023/06/30	2020/03/02	2020/03/06	2020/03/13	2020/04/12	60	2020/05/21	2020/05/29	2020/07/11	1900/01/08	
A11	Community Services	SC1781/2017	2020/06/30		R Williams	M Bartman	Hire of Plant and Equipment	OPEX	Overstrand	Overstrand	515 000.00	580 000.00	1 695 000.00	Tender	NO	N/A	NO	2020/07/01	36	2023/06/30	2020/03/02	2020/03/06	2020/03/13	2020/04/12	60	2020/05/21	2020/05/29	2020/07/11	1900/01/08	
A12	Community Services	SC1775/2017	2020/06/30		R Williams	M Bartman	Supply and Delivery of Construction Materials	OPEX	Overstrand	Overstrand	2 445 000.00	2 690 000.00	8 695 000.00	Tender	NO	N/A	NO	2020/07/01	36	2023/06/30	2020/03/02	2020/03/06	2020/03/13	2020/04/12	60	2020/05/21	2020/05/29	2020/07/11	1900/01/08	
A13	Community Services	SC1849/2018	2020/06/30		R Williams	M Bartman	Reseal and Rehabilitation of Roads in the Overstrand Area	OPEX	Overstrand	Overstrand	24 373 000.00	25 827 000.00	50 000 000.00	Tender	YES	YES	YES	2020/07/01	24	2022/06/30	2020/03/03	2020/03/06	2020/03/13	2020/04/12	60	2020/05/21	2020/05/29	2020/07/11	2020/06/04	
A14	Economic & Social Development &	SC1825/2017	2020/06/30		S Mackiane	X Koti	Provision of a Parking Management System for Hermanus Central Business District (CBD)	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/02/02	2020/02/07	2020/03/02	2020/04/01	60	2020/05/11	2020/05/21	2020/05/31	2020/05/21	
A15	Finance	SC1741/2016	2020/06/30		S Reynolds-Naude	C Roets	Supply and Delivery of Printing Paper, Ink Toners, Cartridges and Ribbons to Overstrand Municipality	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/03/02	2020/02/07	2020/03/11	2020/03/12	60	2020/04/21	2020/05/01	2020/05/10	2020/05/01	
A16	Finance	SC1765/2017	2020/06/30		S Reynolds-Naude	C Roets	Supply and Delivery of Plumbing Material, Plumbing Tools and Irrigation Items	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/03/02	2020/02/07	2020/03/11	2020/03/12	60	2020/05/01	2020/05/11	2020/05/10	2020/05/11	
A17	Finance	SC1742/2016	2020/06/30		S Reynolds-Naude	C Roets	Supply and Delivery of Electrical Inventory Items	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/03/02	2020/02/07	2020/03/11	2020/03/12	60	2020/05/01	2020/05/11	2020/05/10	2020/05/11	
A18	Finance	SC1753/2017	2020/06/30		S Reynolds-Naude	E Hoogberg	Disconnection & Reconnection of Electricity Supply and Installation & Removal of Water Flow Restrictors	Levies	Overstrand	Overstrand	404 581.00	423 855.00	1 288 023.00	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2019/10/30	2019/11/04	2019/11/16	2019/12/18	60	2020/01/27	2020/02/06	2020/02/16	2020/02/06	
A19	Finance	SC1754/2017	2020/06/30		S Reynolds-Naude	E Hoogberg	Printing and Distribution of Municipal Accounts and Newsletters	Levies	Overstrand	Overstrand	243 106.00	368 968.00	1 002 154.00	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2019/10/30	2019/11/04	2019/11/16	2019/12/18	60	2020/01/27	2020/02/06	2020/02/16	2020/02/06	
A20	Finance	SC1755/2017	2020/06/30		S Reynolds-Naude	E Hoogberg	Compilation of Supplementary Valuation Rolls	Levies	Overstrand	Overstrand	1 139 107.00	7 000 000.00	9 419 007.00	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2019/10/30	2019/11/04	2019/11/16	2019/12/18	60	2020/01/27	2020/02/06	2020/02/16	2020/02/06	
A21	Finance	SC1757/2017	2020/06/30		S Reynolds-Naude	H Vorster	Auctioneering Services	Not provided	Not provided	Not provided	0.00	Income-generating tender	0.00	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/01/02	2020/01/23	2020/01/31	2020/03/05	60	2020/04/09	2020/04/17	2020/05/08	2020/04/17	
A22	Infrastructure & Planning	SC1774/2017	2020/06/30		S Muller	H Bilgraut	Provision of Laboratory Services for the Monitoring of Water Quality in the Overstrand Municipal Area	Operating Cash-WSP	Overstrand	Overstrand	Not provided	2 594 360.00	2 525 460.00	Tender	NO	N/A	YES	2020/07/01	36	2023/06/30	2020/03/03	2020/03/06	2020/03/12	2020/04/11	60	2020/05/11	2020/05/21	2020/07/10	2020/05/21	
A23	Infrastructure & Planning	SC1634/A/2015	2020/06/30		S Muller	S Muller	Amendment of SC1624/2015: Provision of Geographic Information Systems (GIS) Services in the Overstrand Municipality Area	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/03/03	2020/03/06	2020/03/12	2020/04/11	60	2020/05/11	2020/05/21	2020/05/10	2020/05/21	
A24	Management Services	SC1703/2017	2020/06/30		D Antson	C Johnson	The Acquisition of a Capped Ella Licensing Fee for the GIS System	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Sec 116 (3) Amendment of Contract	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/02/02	2020/02/07	2020/02/11	2020/03/12	60	2020/04/21	2020/05/01	2020/05/11	2019/10/21	
A25	Management Services	SC1702/2017	2020/06/30		D Antson	C Johnson	Lease Agreement for the Hawston/Onrus Radio Mast Site	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Sec 116 (3) Amendment of Contract	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/02/02	2020/02/07	2020/02/11	2020/03/12	N/A	2020/04/21	2020/05/01	N/A	2020/05/21	
A26	Management Services	SCD3093/2018	2020/06/30		D Antson	J van Asperen	Service and Maintenance of 3 X Multi-Functional Office Machines in the Overstrand Area	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Deviation	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/03/03	2020/03/06	2020/03/12	2020/04/11	60	2020/05/01	2020/05/11	2020/05/10	1900/01/10	
A27	Management Services	SC1815/2017	2019/11/30		D Antson	J van Asperen	Subscription for Online Access to Legal Information	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2019/12/01	36	2022/11/30	2019/06/03	2019/06/06	2019/06/12	2019/09/11	60	2019/10/11	2019/10/21	2019/11/10	1900/01/10	
A28	Protection Services	SC1570/2015	2020/06/30		K Michaels	R Fraser	Traffic Speed Measuring: Cameras and Back Office for Fine Collection in the Overstrand	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Tender	Not provided	N/A	Not provided	2020/07/01	36	2023/06/30	2020/02/02	2020/02/07	2020/03/02	2020/04/01	60	2020/05/11	2020/05/21	2020/05/31	1900/01/10	
B	SECTION B: PROJECTS ON THE CAPITAL BUDGET FOR 2019/2019 AND FIRST HALF OF 2019/2020																													
B01	Community Services		N/A		R Williams	D van Rhode	Stormwater Network	Surplus -Non tariff & Operating Cash - WSP	Ward 10	Betty's/Pringle Bay/Rooi Els	2 820 000.00	0.00	2 820 000.00	Tender	NO	NO	NO	2020/09/01	4	2020/08/30	2019/09/30	2019/10/07	2019/10/16	2019/11/01	60	2019/12/10	2020/01/17	2020/01/25	2020/01/17	
B02	Community Services	N/A	N/A		R Williams	D van Rhode	High Risk Fencing Solid Waste Transfer Station	Surplus -Non tariff	Ward 10	Kleinmond	1 000 000.00	0.00	1 000 000.00	Tender	NO	NO	No	ISO1/2020	4	2020/08/31	2019/07/01	2019/08/13	2019/08/23	2019/09/06	90	2019/10/15	2019/11/01	2019/12/05	2019/11/01	
B03	Community Services	SC1847/2018	30/06/2021		R Williams	D van Rhode	Paving of Roads - Roads	Operating Cash-WSP	Ward 10	Roads	150 000.00	0.00	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
B04	Community Services	SC1874/2018	30/06/2021		R Williams	D Van Rhode	Roads & Speed Bumps	Operating Cash-WSP	Ward 09	Kleinmond	74 000.00	0.00	74 000.00	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
B05	Community Services	N/A	N/A		R Williams	Dvan Rhode	Low Impact Bridge Under R44 Leading to Bay Camp	Operating Cash-WSP	Ward 09	Kleinmond	50 000.00	0.00	50 000.00	Formal Quotation	NO	N/A	N/A	2019/12/01	2	2020/01/30	2019/07/31	2019/08/13	2019/08/23	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/19	
B06	Community Services	N/A	N/A		R Williams	J de Villiers	Fencing	Operating Cash-WSP	Ward 05	Zwelihle	2 400 000.00	1 200 000.00	5 600 000.00	Tender	Not provided	N/A	Not provided	2019/09/01	36	2022/08/28	2019/05/01	2019/07/01	2019/05/21	2019/07/22	60	2019/08/10	2019/08/15	2019/08/25	2019/08/15	
B07	Community Services	N/A	N/A		R Williams	J de Villiers	Atlantic Drive	Operating Cash-WSP	Ward 13	Onrus/Vermont	270 000.00	0.00	270 000.00	Tender	Not provided	N/A	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B08	Community Services	N/A	N/A		R Williams	J de Villiers	Formalised Parking and Drop Off Areas Near Hermanus Schools	Operating Cash-WSP	Ward 03	Hermanus	200 000.00	0.00	200 000.00	Tender	Not provided	N/A	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B09	Community Services	N/A	N/A		R Williams	J de Villiers	New Streets, Sidewalks & Parking Areas	Operating Cash-WSP	Ward 07	Sandbaai	500 000.00	0.00	500 000.00	Tender	Not provided	N/A	Not provided		Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B10	Community Services	N/A	N/A		R Williams	J de Villiers	Mount Pleasant Sidewalks	Operating Cash-WSP	Ward 04	Mount Pleasant	200 000.00	0.00	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
B11	Community Services	N/A	N/A		R Williams	J de Villiers	Paving of Erf 1257, Hawston	Operating Cash-WSP	Ward 06	Hawston	70 000.00	0.00	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
B12	Community Services	N/A	N/A		R Williams	J de Villiers	Traffic Calming	Operating Cash-WSP	Ward 06	Hawston	40 000.00	0.00	40 000.00	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
B13	Community Services	N/A	N/A		R Williams	J de Villiers	Walkway	Operating Cash-WSP	Ward 06	Fisherhaven	120 000.00	0.00	120 000.00	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
B14	Community Services	N/A	N/A		R Williams	J de Villiers	Ward 6 -Sidewalks	Operating Cash-WSP	Ward 06	Zwelihle	200 000.00	0.00	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

OVERSTRAND MUNICIPALITY 23 -05- 2019 MUNICIPALITY

490

DMP REF #	Directorate (R)	Existing Tender Number	Expiry Date of current contract	New Tender Number	Contract Owner	Contract Champion	Project Name / Tender Description	Funding source	Ward	Area	Est. Expenditure as per budget 2019/2020	Est. Expenditure 2020/2021	Total Estimated Project Cost	Procurement Process	Pre-Qualification (Regulation 4)	Sub-Contracting (Regulation 9)	Social Responsibility/ Community Investment	Planned Start Date of new contract	Contract period in months (New contract)	Planned Completion Date of new contract	Expected submission date of Specifications	Expected BSC	Expected Date Advertised	Expected Tender Closing Date	Validity Period in days	Expected BEC	Expected BAC	Expiry of validity period	Expected Final Award Date	Actual final award date
B15	Community Services	N/A	N/A		R Williams	J de Villers	West Cliff Speed Calming	Operating Cash-WSP	Ward 04	West Cliff	175 000.00	0.00	175 000.00	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	
B16	Community Services	N/A	N/A		R Williams	J de Villers	Purchasing & Installation of Play Park Equipment	Operating Cash-WSP	Ward 05	Zwelihle	200 000.00	0.00	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	
B17	Community Services	N/A	N/A		R Williams	J De Villers	Extension of Plain Street	Surplus -Non tariff	Ward 08	Hawston	500 000.00	0.00	500 000.00	Tender	Not provided	N/A	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	
B18	Community Services	N/A	N/A		R Williams	J De Villers	Fernkloof Facility Upgrade – Parking and Other Smaller Projects	Operating Cash-WSP	Ward 03	Hermanus	200 000.00	0.00	200 000.00	Tender	Not provided	N/A	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	
B19	Community Services	N/A	N/A		R Williams	J De Villers	Upgrade Stormwater Network	Surplus -Non tariff	Multi-area HM	Hermanus	800 000.00	0.00	800 000.00	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	
B20	Community Services	N/A	N/A		R Williams	M Bartman	Vehicles-Beaches	Surplus	Overstrand	Overstrand	80 000.00	0.00	80 000.00	Formal Quotation	NO	N/A	N/A	Once off order	N/A	N/A	2019/05/01	2019/06/03	2019/08/16	2019/09/06	90	N/A	N/A	2019/12/06	2019/09/27	
B21	Community Services	SC1907/2018	2019/05/31		R Williams	M Bartman	Vehicles	Surplus	Overstrand	Overstrand	14 790 000.00	841 000.00	15 631 000.00	Transversal / Reg 32 Contract	NO	N/A	N/A	Once off order	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2019/05/01	
B22	Community Services	N/A	N/A		R Williams	M Bartman	Basic Services for Emergency Housing	Surplus -Non tariff	Multi-area	Overstrand	2 000 000.00	1 000 000.00	3 000 000.00	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
B23	Community Services	N/A	N/A		R Williams	M Bartman	Cemetery Infrastructure	Land sales	Ward 09	Kleinmond	1 500 000.00	1 500 000.00	3 000 000.00	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
B24	Community Services	N/A	N/A		R Williams	R Williams	Minor Assets- Community Services	Surplus	Overstrand	Overstrand	600 000.00	0.00	600 000.00	Other	Not provided	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
B25	Community Services	SC1775/2017	2020/06/30		R Williams	T Steenberg	Stormwater (Ad Hoc)	Operating Cash-WSP	Ward 01	Franskraal	120 000.00	0.00	120 000.00	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
B26	Community Services	SC1775/2017	2020/06/30		R Williams	T Steenberg	Stormwater (Ad Hoc)	Operating Cash-WSP	Ward 01	Masakhane	70 000.00	0.00	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
B27	Community Services	SC1775/2017	2020/06/30		R Williams	T Steenberg	Stormwater (Ad Hoc)	Operating Cash-WSP	Ward 02	All Areas	150 000.00	0.00	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
B28	Community Services	N/A	N/A		R Williams	T Steenberg	Gansbaai Tarring of Road to Waste Disposal Site	Surplus -Non tariff	Ward 02	Gansbaai	2 700 000.00	0.00	2 700 000.00	Tender	N/A	NO	NO	31/01/2020	3	2020/06/30	2019/10/31	2019/11/07	2019/11/14	2019/12/14	90	2020/01/10	2020/01/17	2020/06/30	2020/01/31	
B29	Community Services	N/A	N/A		R Williams	T Steenberg	Stanford Tarring De Bruyn Street	Surplus -Non tariff	Ward 11	Stanford	2 500 000.00	0.00	2 500 000.00	Tender	N/A	NO	NO	31/01/2020	3	2020/06/30	2019/10/31	2019/11/07	2019/11/14	2019/12/14	90	2020/01/10	2020/01/17	2020/06/30	2020/01/31	
B30	Community Services	SC1874/2018	2022/05/30		R Williams	T Steenberg	Upgrade Stormwater Network	Surplus -Non tariff	Multi-area GB	Gansbaai	500 000.00	0.00	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
B31	Community Services	N/A	N/A		R Williams	T Steenberg	River Front and Wandelpad Enhancement – Millstream	Operating Cash-WSP	Ward 11	Stanford	50 000.00	0.00	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
B32	Community Services	SC1874/2018	2022/05/30		R Williams	T Steenberg	Sidewalks	Operating Cash-WSP	Ward 02	De Kelders	100 000.00	0.00	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
B33	Community Services	SC1775/2017	2020/06/30		R Williams	T Steenberg	Upgrading of Work Yard	Operating Cash-WSP	Ward 02	Blompark/ Kleinbaai	100 000.00	0.00	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
B34	Infrastructure & Planning	N/A	N/A		S Muller	C Mitchell	Hermanus New Waste Management Facility	EL20B	Overstrand	Overstrand	20 300 000.00	0.00	20 300 000.00	Tender	NO	NO	YES	2019/11/01	9	2020/07/30	2019/07/01	2019/07/05	2019/07/12	2019/09/12	90	2019/09/20	2019/10/04	2019/11/10	2019/10/25	
B35	Infrastructure & Planning	SC 55/2007			S Muller	D Hendriks	Masakhane IRDP (1179)	Prov-Housing	Ward 01	Masakhane	5 121 370.00	4 051 120.00	9 172 490.00	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
B36	Infrastructure & Planning	SC 55/2007			S Muller	D Hendriks	Masakhane IRDP (288)	Prov-Housing	Ward 01	Masakhane	6 540 082.00	0.00	6 540 082.00	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
B37	Infrastructure & Planning	SC 55/2007			S Muller	D Hendriks	Stanford IRDP (793)	Prov-Housing	Ward 11	Stanford	6 000 000.00	4 708 329.00	10 708 329.00	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
B38	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Rehabilitate Roads - Blompark	MIG	Ward 02	Blompark	2 000 000.00	0.00	2 000 000.00	Tender	YES	NO	NO	2019/10/01	6	2020/03/29	2019/05/30	2019/06/10	2019/06/20	2019/07/22	90	2019/08/15	2019/08/30	2019/10/20	2019/08/30	
B39	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Rehabilitate Roads - Stanford	MIG	Ward 11	Stanford	2 000 000.00	0.00	2 000 000.00	Tender	YES	NO	NO	2019/10/01	6	2020/03/29	2019/05/30	2019/06/10	2019/06/20	2019/07/22	90	2019/08/15	2019/08/30	2019/10/20	2019/08/30	
B40	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Stormwater - Overhills	Land Sales-R/O	Ward 10	Overhills	2 400 000.00	0.00	2 400 000.00	Tender	YES	NO	NO	2020/01/20	6	2020/06/30	2019/08/19	2019/08/30	2019/09/19	2019/10/21	90	2019/11/28	2019/12/13	2020/01/19	2019/12/13	
B41	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Blompark Housing Project Bulk Stormwater	MIG	Ward 02	Blompark	7 611 744.00	0.00	7 611 744.00	Tender	Not provided	N/A	Not provided	2019/10/30	8	2020/06/30	2019/06/03	2019/06/17	2019/05/27	2019/07/29	90	2019/09/12	2019/09/27	2019/10/27	2019/09/27	
B42	Infrastructure & Planning	SC 55/2007	N/A		S Muller	D Hendriks	Buffeljagsbaai	Prov-Housing	Ward 11	Buffeljagsbaai	0.00	57 470.00	57 470.00	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	2020/01/24	N/A
B43	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Building Renovations Farm 585/3	Surplus- R/O	Ward 04	Hemel&Aarde	1 420 501.00	0.00	1 420 501.00	Tender	Yes	NO	NO	2020/03/30	9	2020/06/30	2019/10/01	2019/10/10	2019/10/24	2019/11/28	90	2020/01/09	2020/01/24	2020/02/23	2020/01/24	
B44	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Hawston Industrial (Business) Hub	Land Sales- R/O	Ward 08	Hawston	4 500 000.00	0.00	4 500 000.00	Tender	YES	NO	NO	2020/01/20	5	2020/06/30	2019/08/19	2019/08/30	2019/09/19	2019/10/21	90	2019/11/28	2019/12/13	2020/01/19	2019/12/13	
B45	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Masakhane Housing Project Bulk Stormwater	MIG	Ward 01	Masakhane	0.00	2 000 000.00	2 000 000.00	Tender	YES	NO	NO	2020/07/01	24	2022/06/30	2020/03/02	2020/03/16	2020/03/26	2020/04/27	90	2020/09/04	2020/06/19	2020/07/26	2020/06/19	
B46	Infrastructure & Planning	SC 55/2007			S Muller	D Hendriks	Mount Pleasant IRDP Infill	Prov-Housing	Ward 04	Mount Pleasant	863 182.00	1 000 000.00	1 863 182.00	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
B47	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	New 4ML Reservoir	MIG	Ward 01 & 02	Masakhane	7 098 256.00	16 075 000.00	23 173 256.00	Tender	YES	NO	NO	2019/11/01	8	2020/06/30	2019/06/14	2019/07/01	2019/07/11	2019/09/12	90	2019/09/19	2019/10/04	2019/11/10	2019/10/04	
B48	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	New Booster Pumpstation & Valves	MIG	Ward 01	Masakhane	0.00	2 000 000.00	2 000 000.00	Tender	YES	NO	NO	2020/07/01	24	2022/06/30	2020/03/02	2020/03/16	2020/03/26	2020/04/27	90	2020/09/04	2020/06/19	2020/07/26	2020/06/19	
B49	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Stanford Housing Project Bulk Stormwater	MIG	Ward 11	Stanford	0.00	2 000 000.00	2 000 000.00	Tender	YES	NO	NO	2020/07/01	24	2022/06/30	2020/03/02	2020/03/16	2020/03/26	2020/04/27	90	2020/09/04	2020/06/19	2020/07/26	2020/06/19	
B50	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Upgrade Bulk Sewer	MIG	Ward 01	Masakhane	0.00	2 000 000.00	2 000 000.00	Tender	YES	NO	NO	2020/07/01	24	2022/06/30	2020/03/02	2020/03/16	2020/03/26	2020/04/27	90	2020/09/04	2020/06/19	2020/07/26	2020/06/19	
B51	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Upgrade Hawston Sport Grounds (SRSA)	MIG	Ward 08	Hawston	13 300 000.00	0.00	13 300 000.00	Tender	YES	NO	NO	2019/11/01	6	2020/06/30	2019/06/14	2019/07/01	2019/07/11	2019/09/12	90	2019/09/19	2019/10/04	2019/11/10	2019/10/04	
B52	Infrastructure & Planning	N/A	N/A		S Muller	D Hendriks	Upgrade Water Lines	MIG	Ward 01	Masakhane	0.00	2 000 000.00	2 000 000.00	Tender	YES	NO	NO	2020/07/01	24	2022/06/30	2020/03/02	2020/03/16	2020/03/26	2020/04/27	90	2020/09/04	2020/06/19	2020/07/26	2020/06/19	
B53	Infrastructure & Planning	SC 55/2007	N/A		S Muller	D Hendriks	Zwelihle Project-Transit Camp (164)	Prov-Housing	Ward 05	Zwelihle	3 000 000.00	3 240 000.00	6 240 000.00	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
B54	Infrastructure & Planning	N/A	N/A		S Muller	D Maree	Franskraal, Kleinbaai & Birkenhead MV/LV & Mini-sub Upgrade	EL20A	Ward 01	Franskraal	2 250 000.00	0.00	2 250 000.00	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
B55	Infrastructure & Planning	N/A	N/A		S Muller	D Maree	Stanford: MV Upgrade	EL20A	Ward 11	Stanford	750 000.00	0.00	750 000.00	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
B56	Infrastructure & Planning	[illegible]	2020/06/30		S Muller	H Blignaut	New Reservoir for Pringle Bay	EL 20	Ward 10	Pringle Bay	3 640 000.00	0.00	3 640 000.00	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
B57	Infrastructure & Planning	[illegible]	2020/06/30		S Muller	H Blignaut	New Reservoir for Pringle Bay	EL 19 R/O	Ward 11	Pringle Bay	3 862 505.00	0.00	3 862 505.00	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
B58	Infrastructure & Planning	SC1919/2018	2020/06/30		S Muller	H Blignaut	Water Master Plan Implementation	EL-INFRA LEVY	Overstrand	Overstrand	10 000 000.00	10 000 000.00	20 000 000.00	Tender	NO	NO	YES	2020/09/01	10	2021/08/30	2020/04/03	2020/04/17	2020/05/01	2020/06/05	90	2020/07/23	2020/07/31	2020/08/03	2020/07/31	
B59	Infrastructure & Planning	SC1919/2018	[illegible]		S Muller	H Blignaut	Water Master Plan Implementation	EL Infra Levy/G-R/O	Overstrand	Overstrand	5 000 000.00	0.00	5 000 000.00	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

OVERSTRAND MUNISIPALITEIT
2019-05-23
OVERSTRAND MUNICIPALITY

491

DMP REF #	Directorate (R)	Existing Tender Number	Expiry Date of current contract	New Tender Number	Contract Owner	Contract Champion	Project Name / Tender Description	Funding source	Ward	Area	Est. Expenditure as per budget 2019/2020	Est. Expenditure 2020/2021	Total Estimated Project Cost	Procurement Process	Pre-Qualification (Regulation 4)	Sub-Contracting (Regulation 9)	Social Responsibility / Community Investment	Planned Start Date of new contract	Contract period in months (New contract)	Planned Completion Date of new contract	Expected submission date of Specifications	Expected BSC	Expected Date Advertised	Expected Tender Closing Date	Validity Period in days	Expected BEC	Expected BAC	Expiry of validity period	Expected Final Award Date	Actual final award date
B60	Infrastructure & Planning	SC1690/2018	2023/12/07		S Muller	H Bignaut	Buffels River and De Bos Dam Intake Structures and Equipment	EL20A	Multi-area Serv Infra Proj	Multi-area Serv Infra Proj	1 300 000.00	0.00	1 300 000.00	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
B61	Infrastructure & Planning	SC1690/2018	2019/05/30		S Muller	H Bignaut	ECD Centre Establishment	Land Sales	Overstrand	Overstrand	793 000.00	0.00	793 000.00	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
B62	Infrastructure & Planning	SC1916/2019	2020/06/30		S Muller	H Bignaut	Gansbaai CBD Sewer Network Expansion	EL-INFRA LEVY	Ward 02	Gansbaai	4 000 000.00	4 000 000.00	8 000 000.00	Tender	NO	NO	Yes	2020/09/01	10	2021/06/30	2020/04/09	2020/04/17	2020/05/01	2020/06/05	90	2020/07/23	2020/07/31	2020/08/03	2020/07/31	
B63	Infrastructure & Planning	SC1915/2019	2020/06/30		S Muller	H Bignaut	Klaimond - Sewer Network Extension	EL20A/21	Ward 09	Klaimond	5 000 000.00	4 400 000.00	9 400 000.00	Tender	NO	NO	YES	2020/09/01	10	2021/06/30	2020/04/09	2020/04/17	2020/05/01	2020/06/05	90	2020/07/23	2020/07/31	2020/08/03	2020/07/31	
B64	Infrastructure & Planning	SC1690/2018	2023/12/07		S Muller	H Bignaut	Klaimond Palmiet Pump Station and Bulk Pipeline Refurbish	EL20A/21/22	Ward 09	Klaimond	969 000.00	2 000 000.00	2 500 000.00	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
B65	Infrastructure & Planning	SC1690/2018	2023/12/07		S Muller	H Bignaut	Refurbishment of Bulk Water Pipelines	EL20A/21	Overstrand	Overstrand	360 000.00	900 000.00	1 260 000.00	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
B66	Infrastructure & Planning	N/A	N/A		S Muller	H Bignaut	Rehabilitate Main Bulk Sewer to WWTW PH1	EL20A/21/22	Ward 09	Klaimond	4 000 000.00	2 000 000.00	6 000 000.00	Tender	NO	NO	YES	2020/09/01	18	2022/06/30	2020/04/09	2020/04/17	2020/05/01	2020/06/05	90	2020/07/23	2020/07/31	2020/08/03	2020/07/31	
B67	Infrastructure & Planning	SC1919/2019	2020/06/30		S Muller	H Bignaut	Replacement of Overstrand Water Pipes	EL20A	Overstrand	Overstrand	2 000 000.00	0.00	2 000 000.00	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
B68	Infrastructure & Planning	SC1690/2018	2023/12/07		S Muller	H Bignaut	Sewerage Facilities (Contingency)	EL20A/21/22	Overstrand	Overstrand	600 000.00	600 000.00	1 200 000.00	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
B69	Infrastructure & Planning	SC1938/2018	2020/06/30		S Muller	H Bignaut	Upgrade Hermanus Wall Fields Phase 1: Mechanical & Electrical & Pipelines	EL20A/21	Ward 04	Hermanus	4 000 000.00	6 000 000.00	10 000 000.00	Tender	N/A	N/A	Yes	2020/01/15	5	2020/06/30	2019/09/06	2019/09/20	2019/10/04	2019/11/08	90	2019/12/06	2019/12/13	2020/02/05	2019/12/13	
B70	Infrastructure & Planning	SC1690/2018	2023/12/07		S Muller	H Bignaut	Water Facilities (Contingency)	EL 20/21/22	Overstrand	Overstrand	300 000.00	400 000.00	700 000.00	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
B71	Infrastructure & Planning	SC1919/2019	2020/06/30		S Muller	H Bignaut	Water Stabilization Plant for Stanford	EL20A	Ward 11	Stanford	2 500 000.00	0.00	2 500 000.00	Sec 116 (3) Amendment of Contract	N/A	N/A	N/A	n/a	6	2020/06/30	2019/06/07	2019/05/16	n/a	n/a	n/a	2019/06/29	2019/2/06	n/a	2019/06/06	
B72	Infrastructure & Planning	SC1919/2018	2020/06/30		S Muller	H Bignaut	Zwelihle Sewer	Surplus -Non tarrif	Ward 5,6,12	Zwelihle	3 000 000.00	0.00	3 000 000.00	Tender	NO	NO	YES	2020/01/15	5	2020/06/30	2019/09/02	2019/09/13	2019/09/27	2019/11/01	90	2019/12/05	2019/12/13	2020/01/31	2019/12/13	
B73	Infrastructure & Planning	N/A	N/A		S Muller	K d Plessis	Electrification of Low Cost Housing Areas	Surplus -Non tarrif	Multi-ward proj in HM Area	Hermanus/ Zwelihle	5 000 000.00	0.00	5 000 000.00	Tender	N/A	YES	YES	2019/12/20	6	2020/06/30	2019/06/06	2019/06/12	2019/06/23	2019/09/13	90	2019/11/07	2019/11/22	2019/12/13	2019/11/22	
B74	Infrastructure & Planning	SC 1858/2018	2019/10/29		S Muller	K d Plessis	Electrification of Low Cost Housing Areas (INEP)	INEP	Multi-ward proj in HM Area	Hermanus/ Zwelihle	7 000 000.00	5 000 000.00	12 000 000.00	Tender	N/A	YES	YES	2020/07/01	12	2021/06/30	2020/02/28	2020/03/27	2020/03/22	2020/04/30	90	2020/06/26	2020/06/12	2020/07/29	2020/06/12	
B75	Infrastructure & Planning	N/A	N/A		S Muller	K d Plessis	Hawston: MV & LV Upgrade/Replacement	EL20A	Ward 06	Hawston	9 400 000.00	0.00	9 400 000.00	Tender	N/A	YES	YES	2019/12/20	6	2020/06/30	2019/06/06	2019/06/12	2019/06/23	2019/09/13	90	2019/11/07	2019/11/22	2019/12/13	2019/11/22	
B76	Infrastructure & Planning	SC 1858/2018	2019/06/02		S Muller	K d Plessis	Hawston: MV & LV Upgrade/Replacement	EL 19-Rover	Ward 06	Hawston	1 540 100.00	0.00	1 540 100.00	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
B77	Infrastructure & Planning	SC 1858/2018	2019/06/02		S Muller	K d Plessis	Hermanus: MV & LV Upgrade/Replacement	EL 19-Rover	Ward 04	Hermanus	3 871 500.00	0.00	3 871 500.00	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
B78	Infrastructure & Planning	SC 1858/2018	2019/06/02		S Muller	K d Plessis	Klaimond: MV & LV Network Upgrade	EL 19-Rover	Ward 10	Klaimond	439 000.00	0.00	439 000.00	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
B79	Infrastructure & Planning	N/A	N/A		S Muller	L de Villiers	Fernkloof Nature Reserve Facilities	Land Sales	Ward 03	Hermanus	2 100 000.00	0.00	2 100 000.00	Tender	Not provided	N/A	Not provided	16/01/2020	6	2020/06/21	2019/06/26	2019/09/12	2019/09/26	2019/10/11	90	2019/11/07	2019/11/21	2020/01/09	2019/12/13	
B80	Infrastructure & Planning	N/A	N/A		S Muller	S Muller	Electricity Transformers (Capital Replacement Contingency)	EL 20/21/22	Overstrand	Overstrand	1 000 000.00	1 000 000.00	2 000 000.00	Tender	Not provided	N/A	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B81	Infrastructure & Planning	N/A	N/A		S Muller	S Muller	Minor Assets - Infrastructure & Planning	Surplus	Overstrand	Overstrand	200 000.00	0.00	200 000.00	Formal Quotation	Not provided	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B82	Management Services	N/A	N/A		D Arrison	C Johnson	Emergency and Operational Digital Radio Systems Upgrade (High Sites and Radios)	Surplus	Overstrand	Overstrand	500 000.00	0.00	500 000.00	Tender	Not provided	N/A	Not provided	2019/06/01	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B83	Management Services				D Arrison	C Johnson	Firewall Management Software	Surplus	Overstrand	Overstrand	250 000.00	0.00	250 000.00	Deviation	Not provided	N/A	Not provided	2019/06/01	Not provided	Not provided	Not provided	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B84	Management Services	N/A	N/A		D Arrison	C Johnson	ICT -Wi-Fi Projects to See The Viability of Offering Services	Surplus	Overstrand	Overstrand	250 000.00	0.00	250 000.00	Tender	Not provided	N/A	Not provided	2019/06/01	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B85	Management Services	N/A	N/A		D Arrison	C Johnson	Microsoft Exchange and Licenses	Surplus	Overstrand	Overstrand	2 300 000.00	0.00	2 300 000.00	Tender	Not provided	N/A	Not provided	2019/06/01	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B86	Management Services	N/A	N/A		D Arrison	C Johnson	Minor Assets – ICT - Organization Wide	Surplus	Overstrand	Overstrand	300 000.00	0.00	300 000.00	Formal Quotation	Not provided	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B87	Management Services	N/A	N/A		D Arrison	C Johnson	Corus: Disaster Recovery Site Fire Detection Facilities	Surplus	Overstrand	Overstrand	200 000.00	0.00	200 000.00	Tender	Not provided	N/A	Not provided	2019/06/01	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B88	Protection Services	N/A	N/A		N Michaels	L Smith	CCTV Cameras	Operating Cash-WSP	Ward 01, 02,08, 09 Overstrand	Overstrand	1 130 000.00	0.00	1 130 000.00	Tender	N/A	N/A	YES	2019/07/01	36	2022/06/30	2019/09/30	2019/10/15	2019/10/31	2020/01/31	90	2020/02/14	2020/03/20	2020/04/09	2020/04/09	
B89	Protection Services	N/A	N/A		N Michaels	L Smith	Upgrading of Facilities - Fire Services Building	Land Sales- R/O	Overstrand	Overstrand	2 480 000.00	0.00	2 480 000.00	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
B90	Protection Services	N/A	N/A		N Michaels	N Michaels	Law Enforcement Facilities (K9 Unit)	ESG-K9 Unit-R/O	Ward 04	Hermit&Aarde	3 800 000.00	0.00	3 800 000.00	Tender	Not provided	N/A	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B91	Protection Services	N/A	N/A		N Michaels	N Michaels	Minor Assets - Protection Services	Surplus	Overstrand	Overstrand	300 000.00	0.00	300 000.00	Other	Not provided	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B92	Protection Services	N/A	N/A		N Michaels	R Fraser	Roadworthy Station - New Electronic Roller Doors	Land Sales	Overstrand	Overstrand	500 000.00	0.00	500 000.00	Tender	Not provided	N/A	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
B93	Protection Services	N/A	N/A		N Michaels	R Fraser	Roadworthy Station - Supply and Installation of Roof	Land Sales	Overstrand	Overstrand	500 000.00	0.00	500 000.00	Tender	Not provided	N/A	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided
C	SECTION C: PROJECTS FUNDED FROM OPERATIONAL BUDGET																													
C01	Community Services	N/A	N/A		R Williams	A Wyngaard	Maintenance of Hawston Swimming Pool	Not provided	Ward 6	Hermanus	100 000.00	0.00	100 000.00	Formal Quotation	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/06/30	2019/06/26	2019/09/19	2019/10/04	90	N/A	N/A	2019/12/03	2019/11/19	
C02	Community Services	N/A	N/A		R Williams	B Pisanjes	Corus: Caravan Ablution Facilities	Not provided	Ward 13	Dorus	750 000.00	0.00	750 000.00	Tender	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/06/01	2019/06/26	2019/09/15	2019/09/15	60	2019/10/17	2019/10/25	2019/11/14	2019/10/25	
C03	Community Services	N/A	N/A		R Williams	B Pisanjes	De Wet Hall	Not provided	Ward 13	Dorus	700 000.00	0.00	700 000.00	Tender	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/06/01	2019/06/26	2019/09/15	2019/09/18	60	2019/10/17	2019/10/25	2019/11/17	2019/10/25	
C04	Community Services	N/A	N/A		R Williams	B Pisanjes	Zwelihle Community Hall Roof	Not provided	Not provided	Zwelihle	200 000.00	0.00	200 000.00	Formal Quotation	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/09/02	2019/09/09	2019/09/16	2019/09/30	60	N/A	N/A	2019/11/29	2019/11/21	
C05	Community Services	N/A	N/A		R Williams	B Pisanjes	Grotto Beach Ablution Block	Not provided	Ward 3	Hermanus	170 000.00	0.00	170 000.00	Formal Quotation	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/06/01	2019/06/26	2019/09/15	2019/09/29	60	N/A	N/A	2019/10/28	2019/10/13	
C06	Community Services	N/A	N/A		R Williams	B Pisanjes	Davies Pool Toilets	Not provided	Ward 13	Dorus	50 000.00	0.00	50 000.00	Formal Quotation	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/09/01	2019/10/08	2019/10/17	2019/10/31	60	N/A	N/A	2019/12/30	2019/12/15	
C07	Community Services	N/A	N/A		R Williams	B Pisanjes	Fireproofing of Old Main Building Roof	Not provided	Ward 3	Hermanus	500 000.00	0.00	500 000.00	Tender	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2020/01/03	2020/01/10	2020/01/24	2020/02/24	60	2020/03/26	2020/04/03	2020/04/24	2020/04/03	
C08	Community Services	N/A	N/A		R Williams	B Pisanjes	Thusong Centre Changing Room	Not provided	Ward 6	Hawston	80 000.00	0.00	80 000.00	Formal Quotation	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/06/01	2019/06/26	2019/09/15	2019/09/29	60	N/A	N/A	2019/11/29	2019/10/13	

OVERSTRAND MUNICIPALITY
2019-05-23
SUPPLY CHAIN

DMP REF #	Directorate [R]	Existing Tender Number	Expiry Date of current contract	New Tender Number	Contract Owner	Contract Champion	Project Name / Tender Description	Funding source	Ward	Area	Est. Expenditure as per budget 2019/2020	Est. Expenditure 2020/2021	Total Estimated Project Cost	Procurement Process	Pre-Qualification (Regulation 4)	Sub-Contracting (Regulation 9)	Social Responsibility / Community Investment	Planned Start Date of new contract	Contract period in months (New contract)	Planned Completion Date of new contract	Expected submission date of Specifications	Expected BSC	Expected Date Advertised	Expected Tender Closing Date	Validity Period in days	Expected BEC	Expected BAC	Expiry of validity period	Expected Final Award Date	Actual final award date
C09	Community Services	N/A	N/A		R Williams	D Van Rhede	Repair/Maintenance to artificial turf at Overhills soccer field	Not provided	Ward 10	Kleinmond	50 000.00	0.00	50 000.00	Formal Quotation	N/A	N/A	N/A	01/09/2019	2	2019/10/31	2019/05/31	2019/09/11	2019/08/21	2019/09/25	60	N/A	N/A	2019/08/27	2019/09/13	
C10	Community Services	N/A	N/A		R Williams	D Van Rhede	Hire of 25 Ton 6x6 Articulated Dump Truck	Not provided	Ward 10	Betty's Bay	120 000.00	0.00	120 000.00	Formal Quotation	N/A	N/A	N/A	01/09/2019	9	2020/06/30	2019/05/31	2019/09/11	2019/08/21	2019/09/25	60	N/A	N/A	2019/08/27	2019/09/13	
C11	Community Services	N/A	N/A		R Williams	J de Villiers	Notice Board: Hermanus CBD	Not provided	Ward 3	Hermanus	100 000.00	0.00	100 000.00	Formal Quotation	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/11/01	2019/11/08	2019/11/14	2019/11/28	60	N/A	N/A	2020/01/27	2019/12/13	
C12	Community Services	N/A	N/A		R Williams	J de Villiers	Shelter for communities, Taxi Rank, Hermanus	Not provided	Ward 3	Hermanus	200 000.00	0.00	200 000.00	Formal Quotation	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/09/02	2019/09/05	2019/09/16	2019/09/30	60	N/A	N/A	2019/11/29	2019/11/08	
C13	Community Services	N/A	N/A		R Williams	J de Villiers	Vaalkop Beach Kiosk	Not provided	Ward 3	Hermanus	50 000.00	0.00	50 000.00	Formal Quotation	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/10/01	2019/10/08	2019/10/17	2019/10/31	60	N/A	N/A	2019/12/09	2019/12/06	
C14	Community Services	N/A	N/A		R Williams	J de Villiers	Upgrading of the Municipal Yard	Not provided	Ward 3	Hermanus	1 500 000.00	0.00	1 500 000.00	Tender	Not provided	Not provided	Not provided	Not provided	12	2020/06/30	2019/09/02	2019/09/05	2019/09/16	2019/10/16	60	2019/11/14	2019/11/22	2019/12/15	2019/11/22	
C15	Infrastructure & Planning	N/A	N/A		S Muller	C Mitchell	Operation of New MERF Hermanus	Not provided	Overstrand	Overstrand	655 750.00	1 002 100.00	1 657 850.00	Tender	NO	NO	YES	44044	360	2050/07/31	2020/01/24	2020/01/28	2020/02/07	2020/03/06	90	2020/04/17	2020/05/01	2020/05/04	2020/05/29	
C16	Infrastructure & Planning	N/A	N/A		S Muller	C Mitchell	Removal and disposal of Hawston landfill site	Not provided	Ward 8	Hawston	2 250 000.00	0.00	2 250 000.00	Tender	NO	NO	YES	43850	3	2020/04/13	2019/07/29	2019/07/30	2019/08/09	2019/09/06	90	2019/10/16	2019/11/01	2019/12/05	2019/11/01	
C17	Infrastructure & Planning	N/A	N/A		S Muller	C Mitchell	Removal and disposal of Fisherhaven landfill site	Not provided	Ward 8	Fisherhaven	2 250 000.00	0.00	2 250 000.00	Tender	NO	NO	YES	43929	3	2020/04/29	2019/07/29	2019/07/30	2019/08/09	2019/09/06	90	2019/10/16	2019/11/01	2019/12/05	2019/11/01	
C18	Infrastructure & Planning	N/A	N/A		S Muller	C Mitchell	Education awareness pepper spray	Not provided	Overstrand	Overstrand	300 000.00	315 000.00	615 000.00	Tender	NO	NO	NO	43862	36	2023/01/31	2019/07/29	2019/07/30	2019/08/09	2019/09/06	90	2019/10/16	2019/11/01	2019/12/05	2019/11/01	
C19	Infrastructure & Planning				S Muller	C Mitchell	Ballor servicing	Not provided	Overstrand	Overstrand	50 000.00	53 000.00	103 000.00	Deviation	NO	NO	NO	43862	36	2023/01/31	2019/07/29	N/A	2019/08/09	2019/09/06	N/A	2019/10/16	2019/11/01	N/A	2019/09/27	
C20	Infrastructure & Planning	SC 186/2018	45280		S Muller	C Mitchell	Minimum wage adjustment	Not provided	Overstrand	Overstrand	375 000.00	400 000.00	775 000.00	Sec 116 (3) Amendment of Contract	No	No	Yes	43556	168	2023/11/30	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	Not provided	31/10/2019	
C21	Infrastructure & Planning	N/A	N/A		S Muller	C Mitchell	Weighbridge Calibration	Not provided	Overstrand	Overstrand	50 000.00	0.00	50 000.00	Formal Quotation	No	No	No	43843	0	2020/01/17	2019/08/16	2019/08/29	2019/09/05	2019/09/09	90	N/A	N/A	2019/12/08	2019/11/22	
C22	Infrastructure & Planning	N/A	N/A		S Muller	L de Villiers	Fire break and block burning - 3 year tender	Operational budget	Overstrand	Overstrand	200 000.00	220 000.00	420 000.00	Tender	YES	NO	YES	2019/11/25	36	2022/11/25	2019/07/15	2019/07/25	2019/08/01	2019/09/30	90	2019/09/25	2019/10/16	2019/11/08	2019/11/01	
C23	Infrastructure & Planning	N/A	N/A		S Muller	L de Villiers	Alien Vegetation Clearing - 3 year tender	Operational budget	Overstrand	Overstrand	250 000.00	275 000.00	525 000.00	Tender	YES	NO	YES	2019/12/02	36	2022/12/02	2019/07/05	2019/07/18	2019/08/08	2019/09/06	90	2019/10/03	2019/10/31	2019/12/05	2019/11/21	
C24	Infrastructure & Planning	N/A	N/A		S Muller	L de Villiers	Construction and Maintenance of Trails - Formal Quote	Operational budget	Overstrand	Overstrand	160 000.00	0.00	160 000.00	Formal Quotation	YES	NO	YES	2019/10/01	9	2020/06/14	2019/07/10	2019/07/25	2019/08/08	2019/09/19	90	N/A	N/A	2019/11/17	2019/09/20	
C25	Infrastructure & Planning	N/A	N/A		S Muller	L de Villiers	Vegetation Clearing of Trails - Formal Quote	Operational budget	Overstrand	Overstrand	50 000.00	0.00	50 000.00	Formal Quotation	YES	NO	YES	2019/10/01	9	2020/06/14	2019/07/10	2019/07/25	2019/08/08	2019/09/19	90	N/A	N/A	2019/11/17	2019/09/20	
C26	Infrastructure & Planning	N/A	N/A		S Muller	L de Villiers	Provison of Pesticides - Formal Quote	Operational budget	Overstrand	Overstrand	150 000.00	0.00	150 000.00	Formal Quotation	YES	NO	NO	2019/10/01	Once-off	upon delivery	2019/07/10	2019/07/25	2019/08/08	2019/09/19	90	N/A	N/A	2019/11/17	2019/09/20	
C27	Infrastructure & Planning	N/A	N/A		S Muller	L de Villiers	Maintenance of Buildings - Formal Quote	Operational budget	Ward 3	Fernkloof	80 000.00	0.00	80 000.00	Formal Quotation	YES	NO	N/A	2019/09/23	2	2019/11/29	2019/07/15	2019/07/25	2019/08/01	2019/07/15	60	N/A	N/A	2019/11/14	2019/09/13	
C28	Infrastructure & Planning	N/A	N/A		S Muller	L de Villiers	Paddakiel Rehabilitation Plan - Tender	Operational budget	Ward 8	Hawston	350 000.00	0.00	350 000.00	Tender	YES	N/A	N/A	2019/11/25	6	2020/05/31	2019/07/05	2019/07/18	2019/08/08	2019/09/06	90	2019/10/03	2019/10/31	2019/12/05	2019/11/21	
C29	Management Services	SCO289/2018	2019/04/25		D Arrison	C Johnson	Provision and maintenance of an email archiving solution for the existing Novell Groupwise email implementation from the existing Novell and Groupwise service provider	Not provided	Not provided	Not provided	0.00	1 000 000.00	1 000 000.00	Other Organ of State	N/A	N/A	N/A	N/A	36	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
C30	Management Services	SC1715/2016	2019/06/30		D Arrison	C Johnson	Installation and maintenance on network cabling infrastructure	Not provided	Not provided	Not provided	275 000.00	275 000.00	550 000.00	Tender	N/A	N/A	N/A	2019/09/01	35	2022/07/01	2019/06/30	2019/07/05	2019/07/09	2019/08/08	60	2019/09/17	2019/05/27	2019/10/07	2019/09/27	
C31	Management Services				D Arrison	C Johnson	ICT - PABX telephony devices	Not provided	Not provided	Not provided	1 500 000.00	0.00	1 500 000.00	Other Organ of State	N/A	N/A	N/A	2019/09/01	N/A	2021/06/30	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
C32	Management Services	SC1330/2013	2019/06/30		D Arrison	C Johnson	Service, maintenance and potential replacement of air conditioners in the municipality's computer centres	Not provided	Not provided	Not provided	100 000.00	100 000.00	200 000.00	Tender	N/A	N/A	N/A	2019/09/01	34	2022/07/01	2019/06/30	2019/07/05	2019/07/09	2019/08/08	60	2019/09/17	2019/05/27	2019/10/07	2019/09/27	
C33	Management Services	SC1471/2014	2017/06/30		D Arrison	C Johnson	Support services for systems (Novell, Microsoft) and infrastructure (Data Centre, Lan, Wan)	Not provided	Not provided	Not provided	500 000.00	500 000.00	1 000 000.00	Tender	N/A	N/A	N/A	2019/09/01	34	2022/07/01	2019/06/30	2019/07/05	2019/07/09	2019/08/08	60	2019/09/17	2019/05/27	2019/10/07	2019/09/27	
C34	Management Services	SC1576/2015	2018/06/30		D Arrison	C Johnson	Maintenance of fire detection and suppression system of the overstrand llc server room	Not provided	Not provided	Not provided	80 000.00	80 000.00	160 000.00	Tender	N/A	N/A	N/A	2019/09/01	32	2022/05/01	2019/06/30	2019/07/05	2019/07/09	2019/08/08	60	2019/09/17	2019/05/27	2019/10/07	2019/09/27	
C35	Management Services	SC1875/2016	2018/06/30		D Arrison	C Johnson	Upgrade, maintenance and support of Overstrand Municipality's radio frequency network	Not provided	Not provided	Not provided	120 000.00	120 000.00	240 000.00	Tender	N/A	N/A	N/A	2019/09/01	31	2022/04/01	2019/06/30	2019/07/05	2019/07/09	2019/08/08	60	2019/09/17	2019/05/27	2019/10/07	2019/09/27	
C36	Management Services	SCO0019/2017	42185		D Arrison	C Johnson	Server room ups testing, maintenance and battery replacement	Not provided	Not provided	Not provided	20 000.00	20 000.00	40 000.00	Formal Quotation	N/A	N/A	N/A	2019/09/01	34	2022/07/01	2019/06/30	2019/07/05	2019/07/09	2019/08/08	60	N/A	N/A	2019/10/07	2019/09/22	
C37	Management Services	N/A	N/A		D Arrison	L Buchanan	Initiator and Chairperson	Training	Overstrand	Overstrand	75 000.00	0.00	75 000.00	Formal Quotation	Not provided	Not provided	Not provided	2019/10/01	6	2020/06/30	2019/09/01	2019/09/10	2019/09/13	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/18	
C38	Management Services	N/A	N/A		D Arrison	L Buchanan	Health and Safety Reps	Training	Overstrand	Overstrand	35 000.00	0.00	35 000.00	Formal Quotation	Not provided	Not provided	Not provided	2019/10/01	6	2020/06/30	2019/09/01	2019/09/10	2019/09/13	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/18	
C39	Management Services	N/A	N/A		D Arrison	L Buchanan	First Aid Level I	Training	Overstrand	Overstrand	35 000.00	0.00	35 000.00	Formal Quotation	Not provided	Not provided	Not provided	2019/10/01	6	2020/06/30	2019/09/01	2019/09/10	2019/09/13	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/18	
C40	Management Services	N/A	N/A		D Arrison	L Buchanan	Fire Marshall Training	Training	Overstrand	Overstrand	35 000.00	0.00	35 000.00	Formal Quotation	Not provided	Not provided	Not provided	2019/10/01	6	2020/06/30	2019/09/01	2019/09/10	2019/09/13	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/18	
C41	Management Services	N/A	N/A		D Arrison	L Buchanan	Radio control room & base station operators	Training	Overstrand	Overstrand	60 000.00	0.00	60 000.00	Formal Quotation	Not provided	Not provided	Not provided	2019/10/01	6	2020/06/30	2019/09/01	2019/09/10	2019/09/13	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/18	
C42	Management Services	N/A	N/A		D Arrison	L Buchanan	Supervisor/Leadership/Management Training	Training	Overstrand	Overstrand	60 000.00	0.00	60 000.00	Formal Quotation	Not provided	Not provided	Not provided	2019/10/01	6	2020/06/30	2019/09/01	2019/09/10	2019/09/13	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/18	
C43	Management Services	N/A	N/A		D Arrison	L Buchanan	Health and Safety Construction Regulations	Training	Overstrand	Overstrand	40 000.00	0.00	40 000.00	Formal Quotation	Not provided	Not provided	Not provided	2019/10/01	6	2020/06/30	2019/09/01	2019/09/10	2019/09/13	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/18	
C44	Management Services	N/A	N/A		D Arrison	L Buchanan	Herbicide Training	Training	Overstrand	Overstrand	40 000.00	0.00	40 000.00	Formal Quotation	Not provided	Not provided	Not provided	2019/10/01	6	2020/06/30	2019/09/01	2019/09/10	2019/09/13	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/18	
C45	Management Services	N/A	N/A		D Arrison	L Buchanan	Computer Training	Training	Overstrand	Overstrand	120 000.00	0.00	120 000.00	Formal Quotation	Not provided	Not provided	Not provided	2019/10/01	6	2020/06/30	2019/09/01	2019/09/10	2019/09/13	2019/10/04	60	N/A	N/A	2019/12/03	2019/11/18	
C46	Protection Services	N/A	N/A		N Michaels	L Smith	License set up fee for Computer Aided Dispatch	K 9 Unit Grant	Overstrand	Overstrand	250 000.00	0.00	250 000.00	Tender	N/A	N/A	No	2020/01/30	Yes	2022/06/30	2019/08/05	2019/08/19	2019/08/23	2019/08/27	90	2019/10/14	2019/10/31	2019/12/05	2019/10/31	
C47	Protection Services	N/A	N/A		N Michaels	L Smith	Replace old roof and refurbish building	K9 Unit Grant	Overstrand	Overstrand	500 000.00	0.00	500 000.00	Tender	YES	NO	NO	2019/11/04	3 months	2020/02/15	2019/09/01	2019/09/16	2019/09/20	2019/10/04	90	2019/10/14	2019/10/25	2020/01/02	2019/10/25	
C48	Protection Services	SC 1758/2016	2018/06/30		N Michaels	L Smith	Human Protective Clothing	Operational	Overstrand	Overstrand	944 214.00	533 473.00	1 477 687.00	Tender	N/A	N/A	NO	2020/09/28	36	2023/06/30	2019/07/08	2019/07/15	2019/07/26	2019/08/16	90	2019/09/02	2019/09/20	2019/11/14	2019/09/20	
C49	Protection Services	N/A	N/A		N Michaels	L Smith	Ground teams & Aerial Resources	Operational	Overstrand	Overstrand	467 434.00	495 480.00	962 914.00	Tender	N/A	N/A	NO	2019/12/02	36	2022/06/30	2019/07/12	2019/07/22	2019/08/06	2019/08/27	90	2019/10/14	2019/10/31	2019/12/26	2019/10/31	
C50	Protection Services	N/A	N/A		N Michaels	L Smith	Logistical support	Operational	Overstrand	Overstrand	42 327.00	44 857.00	87 184.00	Formal Quotations	YES	NO	NO	2019/12/02	12	2020/06/30	2019/07/12	2019/07/22	2019/08/06	2019/08/26	90	N/A	N/A	2019/11/04	2019/10/21	

OVERSTRAND MUNICIPALITY
2019 -05- 23
MUNICIPALITY

ANNEXURE K

COMMENTS ON THE DRAFT BUDGET & RESPONSES

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNERATION	OTHER (SPECIFIED, COMBINED)	DIRECTORATE RESPONSE

Community Services	Dir Roderick Williams
Infrastructure & Planning	Dir Stephen Muller
Finance	Dir Santie Reyneke-Naude
Protection Services	Dir Neville Michaels
LED, Sosial Services & Tourism	Dir Soli Madikane
Management Services	Dir Desiree Arrison

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
1 (a)	Individual	Cllr Jean Orban	07-Apr-19						AVM Maps	AVM maps for the entire Overstrand Area's Biodiversity Conservation Areas exist and is available from the Environmental Office. It is also available on the GIS Portal under the Environmental Section.
									Daar is 3 areas wat dringend aandag nodig het waar indringer plantegroei 'n beduidende brandgevaar inhou. Nr 1 Die berghang agter Berghof en die ou Munisipale stortingsterrein. Hierdie area is ook deur die brandweer aangedui as 'n hoë risiko area vir weghol veldbrande. Die bedrag wat benodig word vir hierdie gedeelte is R 268 957.00. Dit is aansienlik minder as die potensiele koste van brandbestryding. Nr 2 Die oostelike oewer van die Onrusrivier by die mond. Daar is ook heelwat indringer plantegroei. Die bedrag wat benodig word om dit te verwyder is R 44 496. Nr 3 Die oostelike oewer van die Onrusrivier, onder die R43 brug. Daar is ook heelwat aangrensende privaat eiendomme met heelwat indringer plantegroei. Daar word R 80 000 benodig om hierdie gedeelte te bestuur. Nr 1 en Nr 3 hou beduidende gevare in vir die gemeenskap, verder sal dit ook help om die rivierstelsel gesonder te kry as die indringers verwyder kan word. Die totale bedrag wat benodig word is R 393 453.00	Clearing of private properties takes place in terms of the Community Fire Safety Bylaw. An increased amount has been allocated to Alien Clearing this year by both Environmental Service and Operational Services to decrease the risk of fires.
1 (b)	Individual	Cllr Jean Orban	15-Apr-19						Hiermee versoek ek, socs deur die BM aangewys, dat daar oorweeg word vir die nuwe Ablusie geriewe by Onrus strand. Dit is ook op die wyks IDP.	Cost Estimate of R750 000 provided for on the Capital Budget.
2	Individual	Henk Lombard	30-Mar-19						To investigate the current deficiencies which exist within Overstrand Municipality pertaining to the management of communal housing developments in Ward 7, and investigate possible corrective actions.	This investigation is underway and certain corrective measures are beieng taken to resolve future issues
3	Individual	JP La Grange	10-Apr-19			1. Refuse removal – In my opinion the increase is not sustainable and unreasonable for the public to fit the bill. Your increase of 12.86% is more than double the the CPI and even double than last what year's 6% increase. So form my point of view relook at the increase as it is unaffordable to most household not just the indigent households a more CPI related increase is suitable.				The Overberg District municipality will officially re-launch the Karwyderskraal waste disposal on 29 March 2019, as it was in a position to construct a new Cell 4 and will operate the site from 1 April 2019. A tariff increase of 12,86% is set for 2019/20, in view of the increased costs to be incurred by Overstrand Municipality in dumping at the newly constructed Cell 4, with another contributing cost the moving of the Hermanus Waste Management Facility, for will borrowing will be incurred. Refer Top 10 Capital Projects. 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.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
					2. Sanitation + Basic Monthly Charge – The 5.71% increase is also above CPI as projected by National Treasury but it is more suitable increase and not way out of line like the others, also it is less that last years increase of 6%.					Increases above inflation are addressed comprehensively in the budget report. Various areas are highlighted in the comments received, however without evaluating comprehensive information in context. The budget report provides the guidance and explanations related to various cost drivers and strategies and policies to provide the necessary framework.
				3. Water – Once again as per my opinion the increase is not sustainable and unreasonable for the public to fit the bill. National Treasury in fact has project a CPI of 5.2% for this current year as per the (*Budget Review 2019 National Treasury Republic of South Africa 20 February 2019) that was published. Your increase of 11.5% is more than double the CPI and last year it was also increased by 11.5% which makes this increase inaccurate and unfounded and what is more disturbing is the fact that it is pushed to the consumers who try to use less water under 6kl. This for me is disturbing as you are milking the people who do not qualify for free services. The rest of the water block tariffs are in line with CPI.						Evermore South Africa faces challenges with regard to potable water supply, since demand growth outstrips supply, coupled with the possible impact of climate change, where the Western Cape is experiencing the worst drought since 1933. Due to water source and infrastructure investment in the previous few years made by Overstrand, 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. Increases above inflation are addressed comprehensively in the budget report. Various areas are highlighted in the comments received, however without evaluating comprehensive information in context. The budget report provides the guidance and explanations related to various cost drivers and strategies and policies to provide the necessary framework.

496

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
							4. Property Rates – Even though the increase is CPI related and less that last year's 6%. I feel it can be looked at to increase the rebate of the R 15 000.00 and the R 35 000.00 to a more reasonable rebate of R 60 000.00 or R 100 000.00 which will benefit all residents.			For Overstrand to continue delivering and improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that we are faced with an increasing population (7th highest growth nationally as per the 2011 census), development backlogs and increasing poverty levels. The expenditure required to address these challenges will inevitably always exceed available funding, hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues. The municipality's revenue strategy is built around the following key components: • National Treasury's guidelines and macroeconomic policy; • Growth in the Municipality and continued economic development; • Efficient revenue management, which aims to maintain levels of above 99 per cent annual collection rates for property rates and other key service charges.; • Electricity tariff increases for Eskom and the municipality, as approved by NERSA; • Achievement of cost recovery of specific user charges and especially in relation to services; • Determine tariff escalation rate by establishing the revenue requirement of each service; • The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA); • Increased pressure to deliver and maintain services and recover costs;
				5. Electricity + Basic charge – Let me just say, it is unrealistic and a joke that you think it is reasonable to have increases of +/- 17.5% like these that is more double the CPI and more than double last years' increase. Each block of electricity has increased with more than 14% almost triple the project CPI and as per National Treasury and almost more than 7% of last year's increase. The basic charge is 17.5% increases. Prices have to be relooked at and be in line with what CPI is and not these amount you get that will put people in more pressure and even increase the indigent amount of people. Maybe reduce the basic charge which is ridiculously high even higher than other municipalities around the country which is shocking.						The fixed cost of providing Electricity is still subsidized by the consumption tariff at this stage. Local Government has been urged in discussions at various forum meetings and workshops to address the disparity in recovery of costs in relation to basic charges versus unit cost charges with regard to fixed costs and variable costs respectively. The municipality is revisiting cost allocation in terms of before-mentioned on an annual basis in order to ensure parity. 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

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

497

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
									For my last comment is there is so many infrastructure charges and levies and charges we as the residents don't know about and it just gets added. It cannot be expected for consumers to pay these prices to supplement the municipality short comings of money. One is that the refuse charges is so high even more than the rates on a property sometimes. I feel that some of these prices and infrastructure cost is just a to milk the people for more and more.	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, implemented in the 2018/19 financial year, relates to a loan for water & waste water infrastructure networks, to be raised over a period of three years.
4	Individual	A P Berrisford	05-Apr-19						Proposals For Submission- Review of Policies and by-laws I experienced a leak in my domestic piping. This resulted in a debit to my Current account of nearly R24000 in November 2018.(No one told me about this!). I applied for a Rebate. I was referred to the "Customer Assistance Policy". The Municipality is to be Commended for Having such a policy! But if it is genuinely intended to assist customers it should do just that! On examination I discovered that, far from assisting customers, It actually penalizes customers who experience leaks! For ease of reference, I type the wording of the Customer Assistance Policy in black, below. My comments and recommendations are typed in red.	The Budget related policies of Council are revised on an annual basis and approved by Council. The particular policy, Overstrand Customer Care and Debt Collection Policy, is also revised as part of this process on an annual basis. The contents of this policy are in alignment with industry related policies. The municipality cannot agree to the request to charge water usage related to leakages for less than the actual cost per kilolitre.
5	Onrus Handelspos	Theo Agenbag	12-Apr-19						Namens die eienaarsvereniging van die Onrus Handelspos, rig ek graag 'n versoek, dat daar begroot word vir "traffic calming" vir Onrus Hoofweg en Vermont rylaan. Daar is vele klagtes van kliente, dat as gevolg van die hoe spoed van aankomende verkeer, dit baie moeilik en gevaarlik is vir bestuurders en voetgangers, om in en uit die parkeerterrein te beweeg. Ons vra asb u dringende aandag tov die saak.	The Ward Councillor and Ward Committee to consider and recommend a request on behalf of the community.
6 (a)	Individual	Caroline Gabb	02-Apr-19						Director, on the Draft Capital Budget there is R500k budgeted for CCTV cameras.	This amount has been increased with the roll-over of the current year, as well as an increased amount of R500 000 added as well.
									1. How does this fit in with the new circumstances re the dissolution of HPP and the fact that OM might inherit the existing equipment? Are you actually planning to use this full amount for CCTV cameras?	Plan to utilise the full budget amount for the setting up of Overstrand Municipality Backbone (IT Infrastracture)
									2. I have heard it being discussed in some circles that there is a Joint Operations Monitoring Centre being planned, with all NHW's having access, is this on the cards? Will it be financed through this budget amount?	Yes, It will be called Incident Command Center, and financed through Council's budget. NHW will have access.
									3. Please clarify whether you will install any cameras at municipal properties in Ward 13 eg the Campsite, the Electricity Depot, the Municipal offices, and where will these be monitored?	Still awaiting the Camera Deployment Plan, all the said areas will be monitored at ICC
									4. What exactly is the Backbone the Major mentioned this evening, will it come out of this budget?	This refers to the IT Infrastructure required to enable the CCTV acces to Overstrand Municipality
									5. The new legislation pertaining to Law Enforcement gives LE officers more powers, have you budgeted for the additional training these officers will need, eg Riot / Crowd control?	Training has been provided for and will be provided on continuos basis free of charge, by SAPS and City of Cape Town Municipality
									6. Will the municipal K9 unit be housed on the Municipal Farm? Are there any implications for the SAPS unit in this regard?	Yes, K9 unit will be housed on the Farm, and there are no implications for SAPS unit till later where provision could be possibly made for sufficient space to accommodate the unit.
6 (b)	Individual	Caroline Gabb	14-Apr-19						Onrus Lagoon Water Quality is Number 1 on Ward 13 Priority List, yet no funds have been budgeted in this regard.	Water Quality for Recreational Use is the function of the District Municipality. Funds for taking of Water Quality for Recreational Use must be allocated for and requested at District Level. If Funds is required to measure the water quality of the storm water that enter the estuary, then funding should be allocated at the Enginering Department that deals with storm water management .

OVERSTRAND MUNISIPALITEIT / OVERSTRAND MUNICIPALITY
2019 -05- 23

498

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
6c	Individual	Caroline Gabb	30-Apr-19						My (personal) queries / areas of concern: 1. The R500 000 budgeted for CCTV cameras does not seem a very substantial amount, is it sufficient?	This amount has been increased with the roll-over of the current year, as well as an increased amount of R500 000 added as well.
									2. Has anything at all been budgeted for the running of the full capacity of the CCTV set up that will apparently be inherited from HPP? Monitoring and response?	The Council's resolution is awaited in finalising on the strategy subsequent to the winding down of the HPP.
									Considering the impact that alien vegetation has on increasing the intensity of fires, has enough been budgeted for alien clearing?	Clearing of private properties takes place in terms of the Community Fire Safety Bylaw. An increased amount has been allocated to Alien Clearing this year by both Environmental Service and Operational Services to decrease the risk of fires.
7	Individual	SG Clark	15-Apr-19			STRONGLY OBJECT TO REFUSE REMOVAL CHARGES INCREASE - 12.86%				The Overberg District municipality will officially re-launch the Karwyderskraal waste disposal on 29 March 2019, as it was in a position to construct a new Cell 4 and will operate the site from 1 April 2019. A tariff increase of 12,86% is set for 2019/20, in view of the increased costs to be incurred by Overstrand Municipality in dumping at the newly constructed Cell 4, with another contributing cost the moving of the Hermanus Waste Management Facility, for will borrowing will be incurred. Refer Top 10 Capital Projects. 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.
8	Individual	M &J Clark	15-Apr-19			SENIOR CITIZENS STRONGLY OBJECT TO REFUSE REMOVAL CHARGES INCREASE - 12.86%				The Overberg District municipality will officially re-launch the Karwyderskraal waste disposal on 29 March 2019, as it was in a position to construct a new Cell 4 and will operate the site from 1 April 2019. A tariff increase of 12,86% is set for 2019/20, in view of the increased costs to be incurred by Overstrand Municipality in dumping at the newly constructed Cell 4, with another contributing cost the moving of the Hermanus Waste Management Facility, for will borrowing will be incurred. Refer Top 10 Capital Projects. 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.
9	Fisherhaven Ratepayers Association	Rob Michaud	17-Apr-19						An amount of R14 million for Dust Control treatment of the gravel roads throughout the village.	An amount of R3 million has been allocated for dust proofing of roads in Overstrand. Fisherhaven will be included in this allocation
									An amount of R400,000 for the provision of wheelie bins for all the 462 developed properties.	The owner of a property is responsible to provide his own receptable. Baboon proof wheelie bins are available from the municipality at the owners cost
									We would like an amount of R2 million allocated to permanent eradication of alien vegetation	Clearing of private properties takes place in terms of the Community Fire Safety Bylaw. An increased amount has been allocated to Alien Clearing this year by both Environmental Service and Operational Services to decrease the risk of fires.
									Due to the increasing incidence of crime in the area we require an additional R500 000 to be allocated for more surveillance cameras throughout Fisherhaven.	Rollout of CCTV in Greater Hermanus will be informed by the outcomes of Camera Deployment Plan

OVERSTRAND MUNICIPALITY 2019 -05- 23

499

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
10(a)	Franskraal Belastingbetalers - en Inwoners-vereniging	Edward de Kock	18-Mar-19						VOORGESTELDE WYSIGING VAN OVERSTRAND PLAASLIKE OWERHEID SE TARIEF BY-WET VIR DIE VERPLIGTE BASIESE/INFRASTRUKTUUR RIOOLHEFFING ASOOK DIE EIENDOMSBELASTINGBELEID KORTING RAKENDE VERSKEIE PERSONE	The Overstrand Municipality has addressed rebates/Indigent Subsidies comprehensively and more importantly, in a manner that can be implemented and maintained, also administrattively, in excess of the proposed changes referred to in the comments in this regard. The existing policy to provide for the much needed relief to accommodate a wide variety of circumstances. The suggestions was considered in view of before-mentioned.
10(b)	Franskraal Belastingbetalers - en Inwoners-vereniging	Edward de Kock	24-Apr-19						2019/2020 VOORLOPIGE BEGROTING KOMMENTAAR	The fixed cost of providing Electricity is still subsidized by the consumption tariff at this stage. Local Government has been urged in discussions at various forum meetings and workshops to address the disparity in recovery of costs in relation to basic charges versus unit cost charges with regard to fixed costs and variable costs respectively. The municipality is revisiting cost allocation in terms of before-mentioned on an annual basis in order to ensure parity. 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
										The structuring of tariffs represent a fair basis for the recovery of costs, without any prejudice. Increases above inflation are addressed comprehensively in the budget report. Various areas are highlighted in the comments received, however without evaluating comprehensive information in context. The budget report provides the guidance and explanations related to various cost drivers and strategies and policies to provide the necessary framework. Before-mentioned can however not prevent any pre-conceived opinions and mis-interpretations. This approach is thus not related to previous dispensation thinking, but indeed aligned with current realities and approaches. The structuring of tariffs represent a fair basis for the recovery of costs, without any prejudice. Increases above inflation are addressed comprehensively in the budget report. Various areas are highlighted in the comments received, however without evaluating comprehensive information in context. The budget report provides the guidance and explanations related to various cost drivers and strategies and policies to provide the necessary framework. Before-mentioned can however not prevent any pre-conceived opinions and mis-interpretations.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

500

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNER	OTHER (SPECIFIED, COMBINED)	
11	Individual	Richard Binedell	18-Apr-19						Compliment - Pearly Beach	Noted with thanks
12	Bettysbaai belastingbetalersvereniging(BBBV)	Werner Zybrands	21-Mar-19		Ten slotte is daar ook waardering vir die verbetering in die suigtenkdiens as gevolg van die toewysing van nuwe/meerdere suigtenkvragmotors	Die vullisverwyderingsdiens is puik en baie betroubaar - baie dankie daarvoor.			Daar is met waardering kennis geneem dat 'n tender vir die opgradering van die waternetwerk reeds toegeken is (al is daar 'n hangende appèl) veral aangesien dit een van ons grootste probleme sal oplos. Dit word vertrou dat die beloofde brandkrane vir Sunny Seas, wat tans slegs 5 brandkrane het, deel van die projek sal wees. Die onlangse rampspoedige brand het net bevestig hoe 'n groot behoefte dit is.Daar is ook waardering dat 'n nuwe begraafplaas vir die Hangklip/Kleinmondgebied begroot word. Soos met 'n vorige besoek aan Bettysbaai aan u uitgewys, is daar 'n dringende behoefte om van die bestaande gruispaaie permanent te bou hetsy as teerpaaie of as geplaveide paaie (dalk ook as deel van werkskepping?). Tydens ons pasafgelope belastingbetalersvereniging vergadering is besluit dat paaie wat aan die volgende kriteria voldoen, voorkeur behoort te geniet: -Paaie wat gereeld verspoel en onbegaanbaar raak; en - paaie waar daar reeds verdigting (en dus meerdere gebruikers) is. Die volgende paaie wat aan hierdie kriteria voldoen, is voorgestel: Waterfall; Cliff; Dolphin (West); Mermaid; Serruria; en Lakeside-Porteraansluiting. Uiteraard sal nie al hierdie paaie nou gebou kan word nie, maar daar is voorgestel dat die Munisipaliteit se tegniese personeel, na oorlegpleging met die BBBV, die finale volgorde bepaal. Die bou van die meeste van hierdie paaie sal ook oplossings vir stormwaterverspoelings moet insluit. 'n Versoek van verlede jaar wat skynbaar nog geen aandag ontvang het nie, is die aanbring van reflekterende straatnaambords op Clarence rylaan (die R44). Ofskoon dit 'n	Fire hydrants will be installed during the implementation of the pipe replacement contract, in Sunny Seas. Fire hydrants are considered in consultation with the Chief: Fire Services. An action plan (generic) compiled and distributed for implamentation. Funding of R 1m for dust control allocated for Betties Bay/Pringle Bay area. Provision for crusted stone for Kleinmond area is 8,5% above the norm of 3% increase for 2019/2020. Re-gravelling of roads will be determined in consultation with the ward committee in accordance with available funding. In progress to provide new signs in conjunction with the Roads Department. Existing storm water channels are cleaned bi-annually. An amount of R2,5m budgeted for expansion of the stormwater network - Hangklip area. The appreciation expressed is acknowledged with thanks.
									Ten slotte word navraag gedoen of die Bettysbaaibrand wel as 'n ramp erken is en, indien daar wel hulpverlening toegeken word, wat die aard daarvan is en hoe dit die geaffekteerde eienaars sal bevoordeel.	A minimum fixed fee was approved by Council regarding building plan fees, with regard to properties destroyed during disasters. The municipality has furthermore considered applications with regard to excessive water consumption related to the fire fighting, in instances where information could be verified in so far hoses were used to assist the Fire Brigade to contian the spreading of fires in residential areas.
13	Individual	Thys Sutherland	30-Apr-19						I am hereby submitting the following budget and IDP inputs on behalf of the De Wet Hall Committee and the Kaffiefees which I represent on the Ward 13 Committee: 1. The request is for additional funding for the completion of the Atlantic Drive which is presently not completed and a dangerous situation for both vehicles and pedestrians. I think that it will be more beneficial to complete the project as soon as possible rather than to do piecemeal improvements. 2. There are various requests for street calming in Onrus/ Vermont areas ,especially on the major roads to avoid the public from speeding. Traffic Dept. has indicated that speed monitoring in these areas is extremely difficult. 3. De Wet Hall floors: I submit herewith a copy of my letter addressed to the Acting Manager Hermanus Administration and the Councilor regarding the very bad state of the floors of the De Wet Hall and what the engineers report (which the Council obtained) suggested to rectify the dampness and damage to the floors. Kindly consider making finance available to start with this process suggested by the engineer	Funding budgeted to the amount of R270,000 on Capital Budget. Traffic calming measures to be considered and recommended by local Ward Committee. Currently planning a project to attend to the De Wet Hall floor, to be funded through operational budget for 2019/2020.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

501

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET										
#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
14	Whale Coast Conservation	Rob Fryer	30-Apr-19						1. Provision to be made for the appointment and functioning of an Ombudsman, as agreed to by the executive mayor in the Stakeholder's Meetings	The necessary provision was made for expenditure that might be incurred in this regard.
									2. Provision to be made for the establishment of an independent environmental services department.	The Environmental Department is one of the thirty departments spread over six directorates within the Municipality. The Municipal Manager is of the opinion that, taking into consideration the Municipality's core and support functions, the Environmental Department is suitably placed within the Directorate: Infrastructure and Planning. This viewpoint is underpinned by the provisions of Part BB of Schedules 4 and 5 of the Constitution of the Republic of South Africa, 1996, read with Chapter 5 of the Municipal Structures Act, No 117 of 1998, Section 66 of the Local Government : Municipal Systems Act, No. 32 of 2000 and Regulations on Appointment and Conditions of Employment of Senior Managers (GN 37245 dated 17 January 2014).
									3. Realistic budget allocation to implement IDP statements about the creation and maintenance of a safe and healthy environment. 4. Recognition of the need for relief for local businesses facing tough economic conditions.	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 structuring of tariffs as well as options available to businesses facing tough economic conditions in terms of the Overstrand Customer Care and Debt Collection Policy, in recognition within sustainability requirements for the

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
15	Individual	Tommy Snibbe	30-Apr-19	Die OM maak voorsiening vir 'n Tarief verhoging van 15% deur NERSA. Sal die tarief aangepas word noudat NERSA nie 15% goedgekeur het nie? Het die OM al ooit beswaar gemaak teen die buitensporige verhogings van ESKOM? Eskom tariewe styg met 613% oor die afgelope 12 jaar!!! Totaal en al onaanvaarbaar!!!					OPERATIONAL BUDGET: Expenditure increased by R36,6m Revenue increased by R11,7m What is the reason for this shortfall of R24,9m? Is the Municipal Manager going to debit his Broeksak Account to make good the shortfall? CAPITAL BUDGET: 2018 / 2019 budget will have a net decrease of R34,4m. Which projects will be / have been affected? Upgrading of the Sewer network in Kleinmond? Raadslede en Amptenary is in diens van die Kiesers. Hulle moet ons belange beskerm. Die inwoners doen 'n beroep op die OM om namens hulle in opstand te kom teen hierdie buitensporige verhogings! Various other comments- Refer to Email of 30 April 2019	The municipality provides inputs at various forums regarding the annual ESKOM tariff increase application in objection of excessive increases submitted by ESKOM to NERSA. The fixed cost of providing Electricity is still subsidized by the consumption tariff at this stage. Local Government has been urged in discussions at various forum meetings and workshops to address the disparity in recovery of costs in relation to basic charges versus unit cost charges with regard to fixed costs and variable costs respectively. The municipality is revisiting cost allocation in terms of before-mentioned on an annual basis in order to ensure parity. 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
16	Individual	Pat Redford	30-Apr-19						Various Comments on the Draft IDP	Comments and responses : Separate Items to Council in May 2019: Final Revised IDP
									Refer to email of 30 Apr 2019	Comments and responses : Separate Items to Council in May 2019: Final Revised IDP
17	Hermanus Business Chamber	Pine Pienaar	30-Apr-19						The HBC accepts that this 19/20 budget is a revision of the 5 year IDP approved by the Municipality in 2017 and therefore has been drawn up within parameters and context which have somewhat changed since 2017. The biggest change would certainly be the 2018 social unrest and stay away actions which have impacted all our members adversely. The HBC welcomes the opportunity that is provided to submit commentary and hereby wishes to submit our inputs on behalf of our members. We do so in anticipation that we will be granted an opportunity to supplement this submission with further debate and motivations during the month of May 2019.04.30 / Housing Needs / CBD Revitalisation / Closure of HHP	1. The housing plan contained in the IDP makes provision for the delivery of 5 671 housing opportunities throughout the Overstand Municipal area at a cost of R610m. This excludes the figures for the Schulphoek and Afdaksrivier developments which is included in the plan but not added to the totals because details are not yet available. We content that the plan is indeed meaningful.Chapter 10 of the IDP is exclusively dedicated to the SDF where the SDF is discussed in detail. The CBD REvitalisation project is implemented as budget becomes available. The concern of the public is noted. The orderly winding down process of HPP will be dealt with in a report to council.
18	Hermanus Ratepayers Association	Brian Waldgway	29-Apr-19						1. The single most important issue from a Ratepayer's point of view is the lack of any meaningful housing plan at all which was one of the primary reasons for the civil unrest experienced in 2018. In the IDP (P145/147: OS 5(a) human settlements) it says that there are currently more than 11000 on housing waiting list however the proposed new 5-year housing schedule does not even scratch the surface.	1. The housing plan contained in the IDP makes provision for the delivery of 5 671 housing opportunities throughout the Overstand Municipal area at a cost of R610m. This excludes the figures for the Schulphoek and Afdaksrivier developments which is included in the plan but not added to the totals because details are not yet available. We content that the plan is indeed meaningful.Chapter 10 of the IDP is exclusively dedicated to the SDF where the SDF is discussed in detail.
									P42: Lists of Ward Priorities	Change made in the Final IDP review 2019/20 document.
									P52: Overstrand's Functions in terms of Constitution	Agreed. Although the function is listed in Schedule 4B of the Constitution as a local government function it is the function of the Overberg District Municipality

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

503

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNER	OTHER (SPECIFIED, COMBINED)	
									P57/58 & P99: Complaints Management Systems	Collaborator is not a complaints management system, rather a document management system through which correspondence is logged and distributed. Engineering management system (EMIS) is being used to report service delivery complaints by either members of the public or internally. A module within collaborator exist to log incoming calls and generate a call log number. Any additional systems come at a price. The Citizen Engagement Application is still under investigation by Province.
									P84, 86,88,198: Transport Plans	The status of the bypass road is stated correctly. The project is in the Environmental Impact Assessment stage. B). The ITP comments are up to date. The current ITP was approved in May 2013. The 2015 ITP referred to is the Overberg District's plan
									P102/103: KPA OS4 (a&b) Road Safety & Law Enforcement.	This matter has been discussed with the HRP on 15 May 2019. The Executive Mayor has escalated the matter to the Provincial Minister of Local Government and feedback prior to the Council meeting is awaited
									P106: KPA OS4 (d) Environmental Management	The R2.1m refers to the operational budget of Environmental Services which deals with eg maintenance and management of firebreaks, alien clearing, general maintenance of infrastructure on open spaces and nature reserves. Al information is contained in the budget document.
									P145/147: OS 5(a) human settlements	1. The housing plan contained in the IDP makes provision for the delivery of 5 671 housing opportunities throughout the Overstand Municipal area at a cost of R610m. This excludes the figures for the Schulphoek and Afdaksrivier developments which is included in the plan but not added to the totals because details are not yet available. We content that the plan is indeed meaningful.Chapter 10 of the IDP is exclusively dedicated to the SDF where the SDF is discussed in detail.
									P154: KP OS 5(e) Sport & Recreation	The relocation of the Zwelihle sport ground in order to utilise the current sport ground for housing purposes is currently been investigated. This is done concomitant with the envisaged development at Schulphoek. Once clarity on the use of the land is reached funding can be considered
		Brian Wridgway							P231: CBD Revitalisation	The CBD REvitalisation project is implemented as budget becomes available.
		Brian Wridgway							P102/103 KPA OS4 Road Safety & Law Enforcement	Response: This matter has been discussed with the HRP on 15 May 2019. The Executive Mayor has escalated the matter to the Provincial Minister of Local Government and feedback prior to the Council meeting is awaited
19	Vermont Ratepayers and Environmental Association	Dr Mike Weekes	29-Apr-19						Inputs/Comments regarding priorities for greater the 2nd review (2019/20) of the current 5 year IDP:	Comments and responses : Separate Items to Council in May 2019: Final Revised IDP
	Vermont Conservation Trust	Arlo Bown							Spread and Infestation of Listed Invasive Alien Vegetation (IAV) on Private Property in the Overstrand	Clearing of private properties takes place in terms of the Community Fire Safety Bylaw. An increased amount has been allocated to Alien Clearing this year by both Environmental Service and Operational Services to decrease the risk of fires
	Ward 13 Committee Member	Duncan Heard							Spread and Infestation of Listed Invasive Alien Vegetation (IAV) on Overstrand Municipal Property: Traffic calming and other road measures. Completion of Atlantic Drive	Clearing of private properties takes place in terms of the Community Fire Safety Bylaw. An increased amount has been allocated to Alien Clearing this year by both Environmental Service and Operational Services to decrease the risk of fires
		Duncan Heard							Vermont: Traffic Calming and other Road Management Measures	Traffic calming measures to be recommended by local Ward Committee.

OVERSTRAND MUNISIPALITEIT / OVERSTRAND MUNICIPALITY
2019 -05- 23

504

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
		Duncan Heard							Completion of new walkway along Atlantic Drive, Onrus	Funding to amount of R220,000 on budget.
20	Onrus Ratepayers Association	Hennie Greeff	29-Apr-19						After due consultation with our members, we the ratepayers of Onrus and WARD13, would like to submit our plea for mure funding for the following projects in order to achieve a safer town and bettar environment to live in: 1. Earlier completion of Atlantic Drive as there is presently a dangerous bottleneck for pedestrians and traffic where the work has stopped. 2. Traffic calming measures on our major access roads.	Funding to amount of R220,000 on budget. Traffic calming measures to be recommended by local Ward Committee.
		Hennie Greeff							3. Sufficient funding for sustained alien management of our Estuary area as it forms an integral part of the drive for blue flag status of our beach.	Clearing of private properties takes place in terms of the Community Fire Safety Bylaw. An increased amount has been allocated to Alien Clearing this year by both Environmental Service and Operational Services
23	Individual	Gerhard Ras	28-Apr-19	Can I have clarity on the final percentage increase for electricity to be applied in the approved council budget.					2. Ad Table 1 Page 4: the municipality is budgeting for an overall budget deficit of R 20 304 million. Is this statutorily permissible and if so, how does the municipality plan to cover the said shortfall.	Total revenue (including capital grants) to expenditure (Table 1a) indicates varying surplus/deficits over the 2019/20 MTREF due to fluctuations in capital grant funding. It should be noted that although the 2019/2020 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 R5,5 billion, which relates to substantially high depreciation charges. Although accurately reflecting asset value, the cost of a substantial portion of these assets had been fully redeemed previously, but the useful life of assets were extended as well as ever increasing assets funded by grants.
		Deon van Staden		3.1 The operational cost component in respect of electricity expenditure has increased from R 651 980 to R 11 295 091 from 2018/2019, which represents an astronomical increase of 1632,4%. Unless there is a justifiable rational reason for this extra-ordinary increase, I request that this matter be investigated and adjusted to reasonably acceptable levels.	I strongly object to the levying of a basic charge for sewerage in De Kelders where properties do not have waterborne sewerage or access to waterborne sewerage infrastructure from the municipality.					Please bear in mind that sewerage in De Kelders where properties do not have waterborne sewerage or access to waterborne sewerage infrastructure from the municipality, still needs to be treated at the waste water treatment plant with addequate capacity, this function/activity thus related to fixed costs incurred to provide the facility to treat sewerage. Local Government has been urged in discussions at various forum meetings and workshops to address the disparity in recovery of costs in relation to basic charges versus unit cost charges with regard to fixed costs and variable costs respectively. The municipality is revisiting cost allocation in terms of before-mentioned on an annual basis in order to ensure parity.
				The operational cost component in respect of water expenditure has increased from R 5 034 539 to R 7 049 529 from 2018/2019, which represents a major increase of 40%.						Various areas are highlighted in the comments received, however without evaluating comprehensive information in context. The budget report provides the guidance and explanations related to various cost drivers and strategies and policies to provide the necessary framework. Of importance that the 40% increase on a lesser amount of R2.4m, be considered in view of re-classifications as highlighted in the budget report and secondly, the increase in the total expenditure budget in comparission with the current financial year.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

505

PUBLIC COMMENTS ON DRAFT 2019/2020 BUDGET

#	ORGANISATION/ INDIVIDUAL	LODGED BY:	DATE	WATER & ELEC	SEWER	REFUSE	RATES	REMUNE	OTHER (SPECIFIED, COMBINED)	
				Your rationale for the 17,5% increase is flawed and contestable. Please reconsider and bring it in line with the said 5,7% as per the other services.						The proposed Electricity tariffs were based on the Eskom application for their increases. Subsequent to the tabling of thedraft budget, the Nersa determination was published, resulting in a lower increase, as con be confirmed in the final budget report and tariffs. The fixed cost of providing Electricity is still subsidized by the consumption tariff at this stage. Local Government has been urged in discussions at various forum meetings and workshops to address the disparity in recovery of costs in relation to basic charges versus unit cost charges with regard to fixed costs and variable costs respectively. The municipality is revisiting cost allocation in terms of before-mentioned on an annual basis in order to ensure parity.
				The stepped tariff applied by the municipality is irrational in that it discourages the consumption of electricity by penalising increased usage.						The structuring of a sliding scale for electricity is indeed to acknowlegde the understanding that consumers with a lower household income can afford electricity in their homes in the instance that their consumption reflects a modest and sparingly usage, whilst households with a much larger household income, can without doubt afford the luxury of consuming electricity without a limited/tight budget being a factor.
22	Individual	David Ralph	29-Apr-19						I believe that an amount of R14.5 million was set aside in last year's budget for a baboon management programme however I see no mention of any amount allocated in this year's budget. According to Leizl Bezuidenhout a "compactum" was due to be signed between the MEC Environmental Affairs, the CEO of Cape Nature and the Mayor on the 18th April which would allow such an item to be budgeted and would therefore not be regarded as "fruitless and wasteful expenditure".	The information in this comment is misconstruded and the full understanding of the process is not clear.The R14.5 million was an estamate amount calculated to manage all the affected areas over a three year period. There was never such an ammount budgeted for in last year's budget. A Compactum has already been signed in order for the three organs of state to draft a strategic implementation plan for the management of baboons and to identify the actual cost for the implementation of such a plan. The legal mandate and associated function still needs to be discussed between the three organs of state in order to make the decision of management final.
23	Individual	Michael Raimondo	28-Apr-19						R220 000 for alien clearing - how do we object Please advise how you suggest we as the public object to the tiny allocation of funds for alien clearing. Who do we write to - what should we do to help increase this number.	Clearing of private properties takes place in terms of the Community Fire Safety Bylaw. Only R250 000 has been allocated to Alien Clearing which is not enough for the entire Overstrand to decrease the risk of fires. The requested amount for the new financial year was R800 0000 which was allocated to the high risk areas in Overstrand Wide but this request has not been approved due to lack of available funds.
24	Onrus-Vermont SRA Steering committee & Onrus-Vermont Neighbourhood watch	Abner Inghels	25-Apr-19						Various CCTV installations are mentioned for different wards.	The project is inclusive to Greater Hermanus and plan includes all wards hereof.
									2. Ward 13 is not included (Even though the Caravan Park has been promised cameras at various occasions).	Rollout of CCTV in Greater Hermannus will be informed by the outcomes of Camera Deployment Plan
									3. We see a separate R500 000 CCTV item which is not specified for a ward. What will this be used for?	These funds are for a Backbone which is the IT Infrastructure for CCTV access in Overstrand Municipality

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

507

(1)

CFO - Fwd: AVM Maps

From: Jean Orban
To: CFO; david Botha; Dudley Coetzee; Riana deconing
Date: 07-Apr-19 08:23 PM
Subject: Fwd: AVM Maps
Attachments: Berghof.jpg; Onrus Beach.jpg; Sanbaai.jpg

Goeiedag,

Hiermee wil ek graag "n voorstel maak vir 'n wysiging tot die 2019/2020 begroting.

Daar is 3 areas wat dringend aandag nodig het waar indringer plantegroei 'n beduidende brandgevaar inhou.

Nr1 Die berghang agter Berghof en die ou Munisipale stortingsterrein. Hierdie area is ook deur die brandweer aangedui as 'n hoë risiko area vir weghol veldbrande. Die bedrag wat benodig word vir hierdie gedeelte is R 268 957.00. Dit is aansienlik minder as die potensiele koste van brandbestryding.

Nr 2 Die oostelike oewer van die Onrusrivier by die mond. Daar is ook heelwat indringer plantegroei. Die bedrag wat benodig word om dit te verwyder is R 44 496.

Nr 3 Die oostelike oewer van die Onrusrivier, onder die R43 brug. Daar is ook heelwat aangrensende privaat eiendomme met heelwat indringer plantegroei. Daar word R 80 000 benodig om hierdie gedeelte te bestuur.

Nr1 en Nr3 hou beduidende gevare in vir die gemeenskap, verder sal dit ook help om die rivierstelsel gesonder te kry as die indringers verwyder kan word.

Die totale bedrag wat benodig word is R 393 453.00

Ek hoop dit is in orde.

Groete

Cllr Jean Orban
Ward 13 / Wyk 13

Overstrand Municipality
M: +27 (0) 72 955 2986
E-mail: jorban@overstrand.gov.za

Overstrand Municipality
A: 1 Magnolia Street, Hermanus, 7200 | **P:** P.O Box 20, Hermanus, 7200
T: +27 (0) 313 8000 | **F:** +27 (0) 312 1894
E: enquiries@overstrand.gov.za | **W:** www.overstrand.gov.za

Vision Statement: "*To be a centre of excellence for the community*"

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

508

(12)

CFO - Additionele Ablusie geriewe by Onrus strand

From: Jean Orban
To: CFO
Date: 15-Apr-19 11:28 AM
Subject: Additionele Ablusie geriewe by Onrus strand

Goeiedag,

Hiermee versoek ek, soos deur die BM aangewys, dat daar oorweeg word vir die nuwe Ablusie geriewe by Onrus strand. Dit is ook op die wyks IDP.

Dankie

Cllr Jean Orban
Ward 13 / Wyk 13

Overstrand Municipality
M: +27 (0) 72 955 2986
E-mail: jorban@overstrand.gov.za

Overstrand Municipality
A: 1 Magnolia Street, Hermanus, 7200 | P: P.O Box 20, Hermanus, 7200
T: +27 (0) 313 8000 | F: +27 (0) 312 1894
E: enquiries@overstrand.gov.za | W: www.overstrand.gov.za

Vision Statement: *"To be a centre of excellence for the community"*

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(2)

>>> "Henk Lombard" <henkl@lantic.net> 2019/03/30 01:13 PM >>>
>
Geagte Raadslid de Coning,

Aangeheg is n verslag rekende n aspek wat lol in wyk 7 vir u inligting.

Die uwe,

Henk Lombard
PO Box 1045
Hermanus
7200
+27(0)84 561 8904

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

REPORT

Report To : **David Botha**

Copies : **Deon Beukes**

Fred Hayman

Kees van de Coolwijk

Marion Moolman

Nico Hechter

Rita Gerber

Vos le Roux

Willie Marais

Anver Wyngaard

Date : 2019-03-30

No of Pages: 4 (Including cover page)

Compiled by : **Henk Lombard**

OBJECT

To investigate the current deficiencies which exist within Overstrand Municipality pertaining to the management of communal housing developments in Ward 7, and investigate possible corrective actions.

METHOD

1.) All estates within Ward 7 were contacted and common problems were discussed, and deficiencies were identified.

2.) Possible corrective actions were investigated.

3.) Problems and corrective actions were discussed at numerous Ward Committee Meetings.

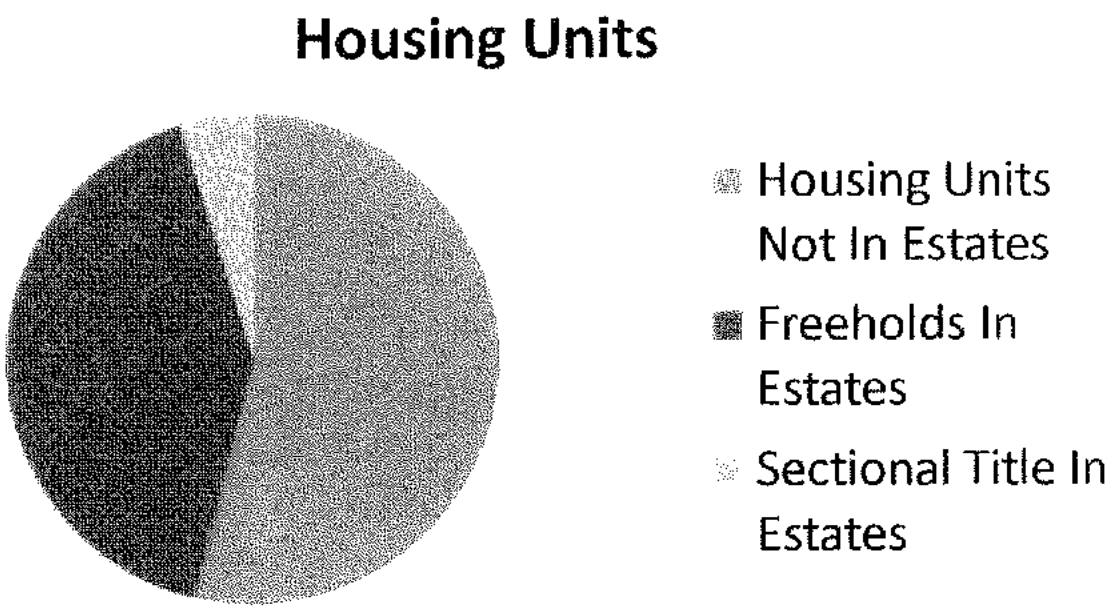
4.) Problems and corrective actions were then discussed with municipal officials on the following dates: 28-09-2016, 09-01-2018 and 19-04-2018. Some of the meetings were attended by the executive mayor and municipal manager.

5.) Feedback from municipal officials was analysed and reported on at Ward Committee Meetings.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

FINDINGS

a.) Almost half of the current residents in Ward 7 live in communal housing developments.



b.) The majority of estates or complexes in Hermanus are freehold units, which are governed by home owners associations.

c.) The purpose of a home owners association is to ensure that the collective rights and interests of the owners in a development are respected and preserved. The constitution of the association is an important element pertaining to the quality of life of the residents.

d.) If a Home Owners' Associations was set up in terms of a Municipal Ordinance Section 29 of the Land Use Planning Ordinance, No 15 of 1985, the developer files the first constitution with the local municipality. (Western Cape Land Use Planning Act, 2015)

e.) Owners in complexes require a proper constitution for their representative body, in order to ensure that the collective rights and interests of the owners in a development are respected and preserved.

f.) Our municipality does not have minimum standards for these constitutions and allows ridiculous clauses in these initial constitutions which are to the detriment of the owners of the units.

g.) Example: Notwithstanding all or any of the provisions contained in this Constitution, the DEVELOPER shall be entitled at any General Meeting to a number of votes equal to the total number of votes plus one of all the other members of the Association. In addition, the DEVELOPER shall be entitled to appoint an equal number of EXCOM members plus one to the EXCOM members appointed by the members in General Meeting. The provisions of this Clause shall remain until ONE HUNDRED PERCENT (100%) of the erven in the Township Area have been transferred out of the name of the DEVELOPER.

h.) Example: The Developer shall be entitled to make amendments or additions to the Constitution and shall be obliged to give notice thereof to each member by prepaid registered post, by hand, by facsimile or by e-mail.

i.) Example: While Clause 13 hereof is in force, the Developer's interpretation of this Constitution and any rules and regulations of the Association shall be binding on EXCOM and all the members unless a contrary view is given by any court having jurisdiction.

j.) In many cases, owners have to spend a lot of money in order to just get a functional constitution which ensures that the collective rights and interests of the owners in a development are respected and preserved.

k.) Most of the "Section 29" constitutions in Ward 7 do not specify when this transfer must take place.

l.) The "De Facto" rule currently applied by Overstrand Department of Infrastructure and Planning is to force developers to transfer before registration of the last erf in the complex.

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITEIT

m.) There are numerous examples of developers going insolvent before transferring the public areas.

n.) In the case of Villa Anadia, the developer failed to transfer the public areas and deregistered the CC acting as the developer.

o.) It is very difficult to effect upgrades of roads and infrastructure before transfer of ownership the infrastructure.

p.) The current system does not allow for a project closure and hand over phase during the development of estates.

q.) No work breakdown structure is required either.

r.) This results in total chaos and confusion. Green Haven is one such an example. There are big arguments and confusion regarding service agreements and responsibilities. Had the above been in place, everything could have been managed properly.

s.) Minimum standards for infrastructure in communal housing developments are not available.

t.) The current system allows developers to submit drawing for approval of a development, and only resubmit drawings after completion of a development. No revisions of drawings are required where developers deviate from original drawings submitted for approval.

u.) In estates, the responsibility for support and maintenance of the completed infrastructure in the estate falls on the owners even when the estate is not fully developed.

v.) In uncompleted estates, the HOAs do not know what they have got, and in completed estates like Villa Anadia, they suspect that the drawings are incorrect.

w.) There are many failures of combination ownership housing schemes and only one success story in Overstrand. This resulted in many court cases.

x.) At the meeting of 19-04-2018, it was suggested that contact details of all developments in Ward 7 be submitted to the municipality and that an official from the municipality was to be appointed to coordinate these actions and that each development be investigated individually.

y.) The contact details were provided and Mr. Petrus Roux was appointed as the coordinating official. Although it is not the fault of Mr. Roux, the feedback has been slow, ineffective and the quality of feedback that he received from his colleagues was generally of a low quality and ineffective. Some of his colleagues even suggested the owners in communal developments are responsible for the EPC (Engineering Procurement & Construction) of infrastructure in the development.

CONCLUSIONS

- Although the municipal officials currently employed by Overstrand Municipality will most probably have the ability to address the deficiencies pertaining the management of communal housing developments, it appears that their capacity is fully taken up by their normal duties.
- Coordination across municipal departments is near impossible.
- The absence of proper management structures in this area as well it not being incorporated in the municipal ERP(SAMPRAS) system leads to further complications.
- The most serious complication identified is that many housing units in Ward 7 do not have Certificates of Occupation. In many cases, the owners are unaware of this, and there appears to be no flagging from the ERP system to warn owners of the deficiency. Effectively many owners are technically speaking squatting in their own homes.
- The real complication very often manifests when the property is being sold. There are many heartrending stories of older people having to deal with this problem when they want to sell their properties in order to scale down.
- It is unlikely that the deficiencies will be addressed by municipal officials internally.



RECOMMENDATIONS

i. That this challenge be identified as a key strategic priority.
ii. That an external project coordinator be appointed.
iii. That budget be created to outsource the following actions required:
iv. Create minimum standards for constitutions of HOAs.

v. Change the "De Facto" rule to 80% of completion of an estate.

vi. Create standards where drawing revisions will be required for deviations from the initial submissions, and that the drawings must reflect what is actual in the estates and be available.

vii. Limit the "no rates" holiday given to developers to between 5 and 8 years and have a Work Breakdown Structure (WBS) for every development.

viii. Have a requirement for the infrastructure to be completed within a certain timeframe + WBS.

ix. Have minimum standards for infrastructure in estates or complexes.

x. Ensure that HOAs have access to drawings and information regarding infrastructure in their complexes to enable maintenance. (Integrity of information systems)

xi. Assist Owners of property in estates to obtain "Certificates of Occupation"

xii. Incorporate all of the above in the municipal ERP system.

WARD 7 STRATEGIC PROJECT BUDGET

ITEM	QUANTITY(Months)	@	TOTAL
External Project Coordinator	18	R18,000.00	R324,000.00
Specialist Legal Advisor	5	R16,000.00	R80,000.00
Civil Engineering Consultant	7	R30,000.00	R210,000.00
Meetings ETC	5	R3,000.00	R15,000.00
SAMRAS Programming	5	R50,000.00	R250,000.00
SAMRAS Implementation	2	R50,000.00	R100,000.00
Follow up	4	R25,000.00	R100,000.00
Sundry	4	R20,000.00	R80,000.00
TOTAL			R1,159,000.00

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

514

(3)

Coenie Groenewald - Comment on Draft Budget 2019-2020

From: Johan La Grange <johan.lgrng@gmail.com>
To: <cgroenewald@overstrand.gov.za>
Date: 09/04/2019 02:17 PM
Subject: Comment on Draft Budget 2019-2020
Cc: <enquiries@overstrand.gov.za>, <mayor@overstrand.gov.za>

Good Day Coenie

I am hereby formally sending my comments in relation to the 2019/2020 Municipal Draft budget. I do not know if there is a formal online place to comment, but as advised the Hermanus Municipality I can send my comments to you.
I own a flat in Gansbaai and my account number is 900000480487, to validate my comments.

1. **Refuse removal** – In my opinion the increase is not sustainable and unreasonable for the public to fit the bill. National Treasury in fact has project a CPI of 5.2% for this current year as per the (*Budget Review 2019 National Treasury Republic of South Africa 20 February 2019) that was published. Your increase of **12.86%** is more than double the the CPI and even double than last what year's 6% increase. So form my point of view relook at the increase as it is unaffordable to most household not just the indigent households a more CPI related increase is suitable.
2. **Sanitation + Basic Monthly Charge** – The 5.71% increase is also above CPI as projected by National Treasury but it is more suitable increase and not way out of line like the others, also it is less that last years increase of 6%.
3. **Water** – Once again as per my opinion the increase is not sustainable and unreasonable for the public to fit the bill. National Treasury in fact has project a CPI of 5.2% for this current year as per the (*Budget Review 2019 National Treasury Republic of South Africa 20 February 2019) that was published. Your increase of **11.5%** is more than double the CPI and last year it was also increased by **11.5%** which makes this increase inaccurate and unfounded and what is more disturbing is the fact that it is pushed to the consumers who try to use less water under 6kl. This for me is disturbing as you are milking the people who do not qualify for free services. The rest of the water block tariffs are in line with CPI.
4. **Property Rates** – Even though the increase is CPI related and less that last year's 6%. I feel it can be looked at to increase the rebate of the R 15 000.00 and the R 35 000.00 to a more reasonable rebate of R 60 000.00 or R 100 000.00 which will benefit all residents.
5. **Electricity + Basic charge** – Let me just say, it is unrealistic and a joke that you think it is reasonable to have increases of +/- **17.5%** like these that is more double the CPI and more than double last years' increase. Each block of electricity has increased with more than **14%** almost triple the project CPI and as per National Treasury and almost more than 7% of last year's increase. The basic charge is **17.5%** increases. Prices have to be relooked at and be in line with what CPI is and not these amount you get that will put people in more pressure and even increase the indigent amount of people. Maybe reduce the basic charge which is ridiculously high even higher than other municipalities around the country which is shocking.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

515

For my last comment is there is so many infrastructure charges and levies and charges we as the residents don't know about and it just gets added. It cannot be expected for consumers to pay these prices to supplement the municipality short comings of money. One is that the refuse charges is so high even more than the rates on a property sometimes. I feel that some of these prices and infrastructure cost is just a to milk the people for more and more.

Regards

JP La Grange
0725782205



516

(4)

CFO - RE: Proposals For Submission- Review of Policies and by-laws,

From: "Richard Starke" <richard@recirc.co.za>
To: <cgroenewald@overstrand.gov.za>, "'CFO'" <CFO@overstrand.gov.za>
Date: 05-Apr-19 09:19 AM
Subject: RE: Proposals For Submission- Review of Policies and by-laws,
Cc: "'Fanie Krige'" <sdkrige@gmail.com>, "'E Hooneberg'" <EHooneberg@overstr...
Attachments: Rebate Calcs and Surges.pdf

Gooday

I experienced a leak in my domestic piping. This resulted in a debit to my Current account of nearly R24000 in November 2018.(No one told me about this!).

I applied for a Rebate. I was referred to the "Customer Assistance Policy". The Municipality is to be Commended for Having such a policy! But if it is genuinely intended to assist customers it should do just that!

On examination I discovered that, far from assisting customers, It actually penalizes customers who experience leaks! For ease of reference, I type the wording of the Customer Assistance Policy in black, below. My comments a recommendations are typed in red.

6.8 Customer Assistance Policy

6.8.1 Water Leakage

(a) If the leakage is on the customer's side of the meter, the customer will be responsible for payment of the full account.

Comment: This assumes that a customer's piping system is separate and independent of the Municipal System.

In actual fact, the systems are interconnected. The connection is via the meter. The pressure in domestic systems is determined by Municipal pressure. I attach a few articles on Water Hammer. (A). Probably the most common cause of leakage in domestic (and Municipal) pipes, is variation in pressure. (Over-pressure more than under-pressure). Whenever repairs or additions are effected in Municipal pipes, valves are turned off. When the work is done, valves are opened again. When valves are turned on or off, in general, a pressure variation occurs. If valves are turned off or on , carelessly, (for example rapidly), the pressure changes (for example rapidly), correspondingly. Please read the attached articles on Water Hammer, or Google yourself?. You will see that rapid pressure changes, such as those caused by water Hammer, can cause serious, potentially catastrophic, damage to pipes and connected devices. I strongly suggest you Google "Water Hammer" to get an appreciation of the potential for damage to domestic (and Municipal) piping systems. An obvious observation is that the Municipality, can quite conceivably, contribute to damage to domestic piping and connected devices. And be ignorant of this! So, many leaks in domestic piping systems may well be actually caused, inadvertently, by the Municipality itself.

A clever lawyer could quite easily bring serious charges for damages against the Municipality.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

517

Recommendation: So, the first recommendation, is to change the wording of (a) to "Leakage on the Customer's side of the meter, may be the responsibility of the customer. If this is the case, the Customer will be responsible for payment of the full account."

Further comment: There are frequent instances of breakages and consequent leakages in the Municipal piping system supplying water to consumers. It is quite conceivable, that frequent pressure changes in the piping system contribute to increasing the frequency of such leaks. Therefore, I recommend that a standing instruction be issued to employees who need to disconnect/reconnect pipes, to open and close valves gradually. This could largely reduce leakages caused by frequent pressure changes.

(b) no comment

(c) I attach the Rebate calculation done by Ms E Stadler (B). You will see that the cost of 566Kl supposedly lost, was calculated to be some R24000. (Note: I am separately querying the 566 Kl-I think there has been some serious finger trouble-but that is not the purpose of this email) The credit Is less than half the debit to my account. Clearly not "assistance".
There are two reasons for this. Firstly, the 566 Kl was calculated using the Overstrand Tariff list 2018/2019.
This calculation used the sliding scale of charges. This scale of charges is intended to discourage users from wasting water-very commendable. But it should not be used to calculate the value of water leaks! The rate of R21.63 is roughly similar to the 19-30Kl/m tariff no. WIB3.

R21.63 does not represent the value of lost water. It has been calculated including Overheads and sunk costs. These have no bearing at all on leaks. The only cost attributable to water leaks is the variable cost of water. Water is collected in dams and flows under gravity to consumers. The only relevant cost is the cost of chemical dosing. (cost of chemicals times the rate of dosing). This is a very low figure.

So I have Recommendations:

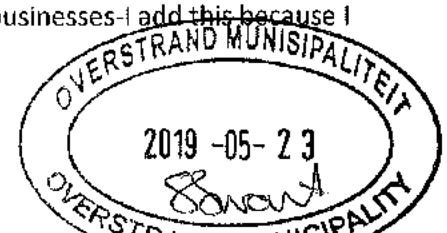
Recommendation no. 1 Change the title from Customer Assistance Policy to Customer Assistance and Care Policy.
2 Calculate the cost of leaks using a much lower charge rate than is used using the scale of charges-perhaps R6/Kl?
3 You must definitely stop using R21.63 in the rebate calculation! That is, if your intention is to "assist" customers. The R21.63 actually penalizes customers. This is not supposed to be what is intended by the Municipality. Calculate a rate that is representative of the actual cost of leaked water, ie the cost of the dosing chemicals times the rate of dosing. Create a new category in the Overstrand Tariff list for use in calculating rebates.

(i) No Comment
(ii) No Comment
(iii) No Comment
(iv) No Comment
(v) Comment as above
(d) No Comment
(e) No Comment
(f) No Comment

A P Berrisford

Chemical Engineer and retired Chief Executive of Engineering businesses-I add this because I know what I am talking about.

Mr S Muller certainly followed my arguments.



518 (5)

CFO - Fwd: ONRUS HANDELSPOS

From: Jean Orban
To: CFO
Date: 15-Apr-19 10:32 AM
Subject: Fwd: ONRUS HANDELSPOS

Cllr Jean Orban
Ward 13 / Wyk 13

Overstrand Municipality
M: +27 (0) 72 955 2986
E-mail: jorban@overstrand.gov.za

Overstrand Municipality
A: 1 Magnolia Street, Hermanus, 7200 | P: P.O Box 20, Hermanus, 7200
T: +27 (0) 313 8000 | F: +27 (0) 312 1894
E: enquiries@overstrand.gov.za | W: www.overstrand.gov.za

Vision Statement: *"To be a centre of excellence for the community"*

>>> Theo Agenbag <onruspharmacy@hermanus.co.za> 04/12/19 10:12 AM >>>
Beste Jean

Namens die eienaarsvereniging van die Onrus Handelspos, rig ek graag 'n versoek, dat daar begroot word vir "traffic calming" vir Onrus Hoofweg en Vermont rylaan. Daar is vele klagtes van kliente, dat as gevolg van die hoe spoed van aankomende verkeer, dit baie moeilik en gevaarlik is vir bestuurders en voetgangers, om in en uit die parkeerterrein te beweeg. Ons vra asb u dringende aandag tov die saak.

Byvoorbaat dankie

Theo Agenbag

Voorsitter

Onrus Handelspos

Eienaarsvereinging

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(69)

>>> Caroline Gabb <caroline@biogrow.co.za> 2019/04/02 10:50 PM >>>
Dear Marian, please forward this to Clr. De Coning, I do not have her email address:

Dear Clr. De Coning,

Thank you to the Council and Administration management for the OMAF meeting this evening, it was very informative and we, as Ward committee members, appreciate the transparent manner in which the budget is handled.

Questions moved off the security issue more quickly than I expected, I regret not asking Dir. Michaels any questions about his budget, I hope I can ask here:

Director, on the Draft Capital Budget there is R500k budgeted for CCTV cameras.

1. How does this fit in with the new circumstances re the dissolution of HPP and the fact that OM might inherit the existing equipment? Are you actually planning to use this full amount for CCTV cameras?
2. I have heard it being discussed in some circles that there is a Joint Operations Monitoring Centre being planned, with all NHW's having access, is this on the cards? Will it be financed through this budget amount?
3. Please clarify whether you will install any cameras at municipal properties in Ward 13 eg the Campsite, the Electricity Depot, the Municipal offices, and where will these be monitored?
4. What exactly is the Backbone the Major mentioned this evening, will it come out of this budget?
5. The new legislation pertaining to Law Enforcement gives LE officers more powers, have you budgeted for the additional training these officers will need, eg Riot / Crowd control?
6. Will the municipal K9 unit be housed on the Municipal Farm? Are there any implications for the SAPS unit in this regard?

Sorry I didn't ask these questions at the meeting, it ended before I had collected all my thoughts!

Thank you,
Caroline

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(6b)

CFO - Re: Agenda vir mini OMAF werkswinkel

From: Caroline Gabb <caroline@biogrow.co.za>
To: CFO <CFO@overstrand.gov.za>
Date: 14-Apr-19 06:20 AM
Subject: Re: Agenda vir mini OMAF werkswinkel
Cc: Riana deconing <rdeconing@overstrand.gov.za>, Jean Orban <jorban@overstr...
Attachments: IMAGE.png; IMAGE.jpg; IMAGE.jpg

Thank you Rita.
I would also like to enquire about one more thing: Onrus Lagoon Water Quality is Number 1 on Ward 13 Priority List, yet no funds have been budgeted in this regard.
We could budget for additional water sampling (laboratory costs) a) to establish an additional monitoring point in the lagoon (there are currently 2 points) or b) for extra monitoring during the season.
We could also consider acquiring a dedicated machine / probe where data (other than bacterial) can be captured, eg temperature, pH, salinity, turbidity, on a daily (or more regular) basis; this data does not have to go to a laboratory for analysis but there is a need for expensive solutions. so even if we borrowed a machine from WCC there would still be a cost involved to get results. WCC have a machine but the pH probe needs to be replaced annually and the cost of this is R7000, and there is something else that needs to be replaced, I think Rob Fryer said it would cost R12k to get their machine running 100%.
As we are applying for Blue Flag status for Onrus Beach this coming season, we will need to do regular testing of the ocean water at the beach, do we need to budget for this or who will cover the costs involved?
Caroline

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

521

6C

CFO - IDP comment

From: Caroline Gabb<caroline@biogrow.co.za>
To: CFO@overstrand.gov.za<CFO@overstrand.gov.za>
Date: 30-Apr-19 12:45 AM
Subject: IDP comment
Cc: 'Jean Orban'<jorban@overstrand.gov.za>

My (personal) queries / areas of concern:

1. The R500 000 budgeted for CCTV cameras does not seem a very substantial amount, is it sufficient?
2. Has anything at all been budgeted for the running of the full capacity of the CCTV set up that will apparently be inherited from HPP? Monitoring and response?

(I personally saw first hand the role the cameras played during the unrest last year, and am well aware of the role they play in crime prevention. I strongly believe that Phase 2 of the camera project must proceed and that OSM needs to safeguard this facility until the future SRA is established, or alternatively (and preferably) that a plan is made to enable HPP to continue operating without jeopardy, ie without harm, loss or failure.)

3. Considering the impact that alien vegetation has on increasing the intensity of fires, has enough been budgeted for alien clearing?

Please take these comments into account,
Thank you,
Caroline Gabb

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

OVERSTRAND MUNISIPALITEIT
16 APR 2019
OVERSTRAND MUNICIPALITY

37 Moonlight Gardens
Bergsig Street
Sandbaai
HERMANUS
7200.

15th April, 2019

Mr. C. Groenewald
Municipal Manager
Overstrand Municipality
Magnolia Street
HERMANUS.

Dear Sir,

MUNICIPAL BUDGET 2019/20
REFUSE REMOVAL CHARGES INCREASE – 12.86%

I as Municipal Ratepayer strongly object to the proposed refuse removal charge increase of 12.86%.

The reasons for the objection are:

1. The destruction of the refuse removal and recycling plant was definitely not of our making nor did I contribute thereto. Therefore, why should I the ratepayer be held responsible for the financial component to rebuild the facility?
2. The tax base of the municipality is limited whereby those who wreak destruction are not held accountable for that destruction nor do they contribute to the economy of the municipality yet they expect housing, water, refuse removal etc. to be free and I have to subsidise this?
3. Why should I be compromised and penalised due to the illegal actions of others?

If all is to be free for the non-taxpayers who seek to destroy facilities and infrastructure then what of any benefit to the taxpayer?
I appreciate that there needs to be an increase to facilitate maintenance and growth in our town but believe it should be no more than 5.7% to a maximum 7 % in line with the other increases.

Best regards

S. & Clark

FILE NO: 5/1/2
SCAN NO:
COLLABORATOR NO:
OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(8)

94 Protea Park
Bergsig Street
Sandbaai
HERMANUS
7200

OVERSTRAND MUNISIPALITEIT
16 APR 2019
OVERSTRAND MUNICIPALITY

15th April, 2019

Mr. C. Groenewald
Municipal Manager
Overstrand Municipality
Magnolia Street
HERMANUS.

Dear Sir,

MUNICIPAL BUDGET 2019/20
REFUSE REMOVAL CHARGES INCREASE - 12.86%

We as Municipal Ratepayers and senior citizens strongly object to the proposed refuse removal charge increase of 12.86%.

The reasons for the objection are:

1. As senior citizens on a limited income, the municipality kindly affords us a 40% reduction in our property rates.
2. We are recipients of monthly SASSA social grant.
3. The destruction of the refuse removal and recycling plant was definitely not of our making nor did we contribute thereto. Therefore, why should we the ratepayers be held responsible for the financial component to rebuild the facility?
4. The tax base of the municipality is limited whereby those who wreak destruction are not held accountable for that destruction nor do they contribute to the economy of the municipality yet they expect housing, water, refuse removal etc to be free.
5. Why should we be compromised due to illegal actions of others when we already live on a very limited monthly budget, struggle to make ends meet while monitoring every cent we spend.

If all is to be free for the non-taxpayers, then there should be concessions for those of limited means. We appreciate that there needs to be an increase, but believe it should be no more than 5.7% in line with the other increases.

Yours faithfully

M. A. Clark

M. A. & J. K. CLARK

FILE NO: 5.1.1.R
SCAN NO:
COLLABORATOR NO: 12784

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

524

(9)

CFO - OSM Budget proposals 2019/2020.

From: Rob McDavid <rob.mcdavid@gmail.com>
To: Coenie Groenewald <cgroenewald@overstrand.gov.za>
Date: 17-Apr-19 02:34 PM
Subject: OSM Budget proposals 2019/2020.
Cc: Elnora gillion <egillion@overstrand.gov.za>, Hinke Nixon <hinke@hinke.co...

On behalf of the Ratepayers and Residents of Fisherhaven we would like to put forward the following items for inclusion in the 2019/2020 budget allocations.

1. An amount of R14 million for Dust Control treatment of the gravel roads throughout the village. The state of the roads in Fisherhaven have slowly deteriorated over the past few years due to the lack of maintenance. The grader used by the Council is extremely old and subject to continual breakdowns. Roads have to be graded twice per year at considerable cost whereas the Dust Control treatment would result in a 5 year cycle for maintenance of the roads. Not only is this a financially justifiable expense but it would also greatly enhance the general aesthetic of the village, which is suffering from an air of neglect.

2. An amount of R400,000 for the provision of wheelie bins for all the 462 developed properties. Currently the horses and dogs get into the garbage bags on Mondays and apart from the danger it presents to the horses, the resultant mess left behind is unacceptable. The residents themselves do actually clean up the streets on a regular basis but it is not sufficient to control the damage. The existing garbage trucks are equipped to handle the wheelie bins.

3. Fisherhaven is surrounded by open land which represents an extremely high fire risk to the area and following the recent fires along the coast we believe it is only a matter of time before Fisherhaven is affected. Within the confines of the village there are municipal properties overgrown with alien vegetation which further exacerbate the fire risk. Over time the clearing of alien vegetation has decreased resulting in the risk of catastrophic fire greatly increasing. We would like an amount of R2 million allocated to permanent eradication of alien vegetation.

4..Fisherhaven has allocated R125 000 of its ward fund allocation to the provision of Licence Plate Recognition cameras as well as surveillance cameras for the entrances to Fisherhaven as well as the slip way area. Due to the increasing incidence of crime in the area we require an additional R500 000 to be allocated for more surveillance cameras throughout Fisherhaven.

Rob McDavid
Chairperson Fisherhaven Ratepayers Association.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

525

10 a

FRANSKRAAL BELASTINGBETALERS- EN -INWONERSVERENIGING

Mnr Coenie Groenewald
Munisipale Bestuurder
Overstrand Plaaslike Owerheid
Posbus 20
Hermanus
7200

18 Maart 2019

Geagte Mnr Groenewald

VOORGESTELDE WYSIGING VAN OVERSTRAND PLAASLIKE OWERHEID SE TARIEF BY-WET VIR DIE VERPLIGTE BASIESE/INFRASTRUKTUUR RIOOLHEFFING ASOOK DIE EIENDOMSBELASTINGBELEID KORTING RAKENDE VERSKEIE PERSONE

Tydens die Franskraal Belastingbetalers – en Inwonersvereniging se laaste bestuursvergadering was daar versoek dat die munisipaliteit genader word om oorweging te skenk om die volgende tariewe soos vervat in die Munisipale Tarief beleid, By-wet en Eiendomsbelastingsbeleid te hersien en wel om die volgende redes:

1. VERPLIGTE BASIESE/INFRASTRUKTUUR RIOOLHEFFING

Tans moet die inwoners van Franskraal en moontlik ook ander uitbreidings binne die jurisduksie van die Overstrand Munisipaliteit 'n basiese/infrastruktuur Rioolheffing betaal vir 'n diens wat tans nie bestaan of in die nabye toekoms beskikbaar sal wees nie.

Daar is tans geen interne rioolnetwerk of hoof rioolafvoer infrastruktuur wat Franskraal met die bestaande rioolafvalwerke buite die Gansbaai dorpsgebied kan verbind nie. Daar is wel 'n suigtenkdiens wat deur die Munisipaliteit gelewer word waarvoor die inwoners betaal as hulle van die diens gebruik maak.

Derhalwe mag 'n Munisipaliteit nie tariewe hef vir 'n diens wat nie bestaan of gelewer kan word nie, wat ook moontlik teenstrydig met die Land se Grondwet kan wees, en dit die rede is waarom die Munisipaliteit se By-wet op Sanitasiedienste ingevolge Artikel 59(4), uitdruklik bepaal dat 'n ooreenkoms eers kan bestaan as 'n inwoner by die Munisipaliteit se riool stelsel aangesluit is of aangesluit kan word. Hierdie Artikel lees soos volg:

"59 Application for use of sewage disposal system

(4) Where premises have been connected to the sewage disposal system or are reasonably capable of being connected, it shall deemed that an agreement in terms of subsection (2) exists."

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Ingevolge hierdie Artikel is daar geen plaaslike rioolinfrastruktuur in Franskraal geïnstalleer, waarby die inwoners kan aansluit ten einde die riool na 'n rioolsuiweringswerk af te voer nie, wat beteken dat daar geen ooreenkoms met die grondeienaars sou kon bestaan nie. Siende dat daar geen Rioolnetwerk in/of by Franskraal bestaan of gelewer gaan word nie, moet die Riooldienste alleenlik slegs ingevolge Artikel 66 van die By-wet op Sanitasiedienste gelewer word. Inwoners behoort dus slegs vir hierdie diens te betaal.

Artikel 66 van dieselfde By-wet is blyk dus die enigste wetlike klousule te wees waarop die Munisipaliteit riool aan Franskraal kan lewer en dit lees soos volg:

" **66. Services associate with onsite sanitation services;**

(1) The removal or collection of conservancy tank and septic tank contents will be undertaken by the municipality, unless otherwise provided by an agreement

(2) Prescribe fees in respect of the removal or collection of conservancy tank contents or the emptying of a septic tank will cover the **operating (which I presume include costs like finance charges etc.) and maintenance costs** based on the quantity removed by the vacuum tank, transportation to disposal site, the **treatment of the contents** to achieve sanitary condition and the final disposal of any solid residues

(3) Prescribe fees will be in accordance with Tariffs By-Law of the municipality"

Dit blyk dus dat paragraaf 9.5 van die Munisipaliteit se Tariefbeleid ten opsigte van sanitasie heffings nie heeltemal in lyn is met die By-Wet nie. Dit word algemeen aanvaar dat wanneer plaaslike owerhede tarief vasstelling vir 'n vaste heffing oorweeg, dit gebaseer word op erkende onveranderlike koste wat gedurende 'n finansiële periode aangegaan moet word, met inagneming dat die koste **deel moet vorm van die diens wat aan gebruikers gelewer word**. (Byvoorbeeld, finansieringskoste en salarisse wat nie van ander dienste verhaal word nie en instandhouding van die netwerk om net 'n paar te noem)

Dit sou geen probleem wees indien die Munisipaliteit 'n vaste heffing sou vorder by die gebruiker waar daar 'n rioolnetwerk geïnstalleer is en kapitale uitleg moes aangegaan om die diens daar te stel en dit in stand te hou nie, maar die munisipaliteit kan nie van die inwoners van Franskraal verwag om die vaste heffing te betaal vir 'n diens wat nie in die gebied bestaan nie en ook nie in die nabye toekoms sal bestaan nie.

Dit wil voorkom asof inwoners van Franskraal ander verbruikers subsidieër wat van 'n rioolnetwerk voorsien is. Franskraal inwoners is derhalwe nie bereid om 'n heffing te betaal wat regtens nie gehef mag word nie.

In die lig van die voorafgaande is dit duidelik dat die Inwoners van Franskraal dubbel betaal, ingevolge Artikel 59 en Artikel 66, terwyl slegs een, nl. Artikel 66 van toepassing behoort te wees.

2. Eiendomsbelasting Afslagbeleid – Senior Burgers, Kinderhoof Huisgesinne, Ongeskikte of Medies ontslane persone (disability grantees or medically boarded persons)

Die Franskraal Belastingbetalersverening is bewus van die huidige Eiendomsbelastingafslagbeleid ten opsigte van pensioenarisse wat beslis verouderd is en bied ook nie veel voordele vir die afgetrede eienaars binne die munisipaliteit nie. Hierdie

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

beleid behoort hersien te word om meer erkenning aan die afgetrede eienaars te gee vir die bydraes wat hulle in die verlede gelewer het.

Die bestaande "Indigent" beleid vir die armer deel van die gemeenskap is geregverdig sodat die Munisipaliteit 'n jaarlikse inkomste toedeling van die staat vir die doel ontvang.

U word egter versoek om wel oorweging te skenk om die Eiendomsbelasting Afslagbeleid te wysig om ook voorsiening te maak vir die insluiting van die volgende kategorieë persone en voorwaardes, wat tans nie ingesluit is nie.

"1. Proposed Amendment to Tariff Table

SENIOR CITIZENS, DISABILITY GRANTEES / MEDICALLY BOARDED PERSONS AND CHILD HEADED HOUSEHOLDS

(i) That in addition to the reduction of R15 000 above, a rebate not exceeding R2400 or such lesser amount as may otherwise be payable, be and is hereby approved for qualifying Senior Citizens, disability grantees / medically boarded persons and child headed households as defined in the rates policy.

(ii) That it be and is hereby resolved to place a maximum limit of R1.5 million on the value of the property, in order to qualify for the Senior Citizens rebate in (i) above.

(iii) That it be and is hereby resolved that a rebate under clause 7.2.2.4 of the rates policy may be granted to qualifying Senior Citizens who are trustees in a trust, notwithstanding that an independent professional person also holds office as a trustee and does not meet the qualifying criteria.

2. Proposed Amendment of Rates Policy

SENIOR CITIZENS

The aim of this rebate is to alleviate the burden on Senior Citizens who have a fixed income and limited resources.

7.2.1 Subject to the criteria set out in clause 7.2.2 and 7.2.3 Senior Citizens may be granted a rebate on their Primary Property, with effect from the next practical billing cycle, following the date of approval of an application.

7.2.2 The criteria for the grant of the Senior Citizens' Rebate are as follows:

7.2.2.1 The applicant -

a) must be sixty (60) years or older;

b) must produce a South African bar-coded identity document or a Smart Identity card;

7.2.2.2 The property in respect of which the rates rebate application applies, must meet the following criteria:

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

a) The property must be the Primary Property of the applicant;

b) In the case of owners married in community of property, the property must be registered in the name of the applicant, and/or the applicant's spouse;

c) In the case of the co-ownership of a property other than in terms of a marriage in community of property, the property must be registered jointly in the names of the applicant and the co-owner (who must be a natural person) in equal and undivided shares;

d) In the case of a property subject to a usufruct or a personal servitude of use or habitation in favour of the applicant, such right of usufruct, use or habitation must be registered; or

e) The value of the property must not exceed a value as determined by the Council when approving the Municipality's annual budget.

7.2.2.3 The rebate will only be granted to an applicant in respect of one property.

7.2.2.4. In the case of a property registered in the name of a Trust:

a) the application must be made by the trustee(s) of the Trust; and

b) all the beneficiaries of the Trust must meet the criteria in clause 7.2.2; and

c) the trustee(s) must submit with the application for the rebate, certified copies of:

(i) the title deed of the property; and
(ii) the trust deed; and

(iii) any document amending the trust deed; and

(iv) the current Letters of Authority in respect of the Trust.

7.2.2.5 In the case of an application by the holder of a usufruct or a personal servitude of use or habitation, the applicant must submit with the application:

(i) the title deed of the property; and

(ii) where applicable, the registered notarial deed of usufruct or use or habitation.

7.2.2.6 In the case of owners married in community of property, and only one spouse is a Senior Citizen, the property may still qualify for a rebate under this Policy, and the application must be made by the spouse who is a Senior Citizen.

7.2.2.7 In the case of the co-ownership of a property other than in terms of a marriage in community of property:

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

a) All the owners in their individual capacities must meet the applicable qualifying criteria for a Senior Citizen; and
b) The property must be registered jointly in the names of the applicant and the co-owner (who must be a natural person) in equal and undivided shares.

7.2.3 The Senior Citizens Rebate will lapse –

a) on the death of the applicant if the applicant owns 100% of the property;

b) on the date of transfer of the property;

c) when the applicant ceases to reside permanently in the property;

d) in the case of a property registered in the name of a trust, when the beneficiaries no longer meet the qualifying criteria;

e) in the case of a property which is subject to a usufruct or a personal right of use or habitation, when the holder of the right of usufruct, use or habitation no longer meets the qualifying criteria;

f) at the end of the Municipal Financial Year for which the rebate is granted;

g) when the primary property undergoes a category change and no longer meets the qualifying criteria for relief; or

h) on the date of transfer of the applicant's undivided share in the property, in the case of co-ownership in equal and undivided shares as contemplated in 7.2.2.7.

7.2.4 Rebates granted in error or due to false or incorrect information supplied by the applicant, will be reversed immediately from date of inception of the rebate.

7.2.5 Council may approve further rebates at its annual budget meeting, based on its indigence support programme and the income level of qualifying applicants.

7.2.6 For the purposes of clause 7.2.2.3, an owner in a Sectional Title Scheme who owns, in addition to the residential unit, a garage, parking, granny flat or storage room, on separate Title, is deemed to be the owner of one (1) property.

7.2.7 For the purposes of clause 7.2.2.3, an owner of two or more properties which are notarially tied to each other, is deemed to be the owner of one (1) property.

7.2.8 Where a Senior Citizen has failed to make application for relief before 30 April as specified in 7(d), and the failure was not due to any negligence on the part of such Senior Citizen, the Senior Citizen may submit representations to the CFO as to why the Relief should be renewed.

(a) Representations shall be made by submitting an affidavit or affirmation, signed before a Commissioner of Oaths, indicating the reasons for the failure to make timeous application for the renewal of the Relief and the grounds why the renewal of the Relief should be granted. The prescribed

MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

renewal application form, duly completed, must accompany such document.

(b) Any representations must be submitted within three (3) months of the new Municipal financial year for which the relief is sought (i.e. by 30 September).

(c) A panel of 3 officials within the Revenue Management Unit, nominated by the CFO, one (1) of whom shall be the Head Revenue Management, will consider the representations and reply thereto in writing.

(d) Such panel may conduct independent investigations to verify the facts or call for additional information.

(e) The panel may-

(i) Allow the representations if there are reasonable grounds indicating that the Relief ought to be renewed in which event the Relief will apply in respect of the whole of the Municipal financial year for which the Relief is sought, subject to 7.2.3.

(ii) Reject the representations if there are no such reasonable grounds.

7.3 DISABILITY GRANTEES OR MEDICALLY BOARDED PERSONS

7.3.1 The intention of this rebate is to assist those people who have a physical or mental condition that constrains him/her from performing normal work related functions and as a consequence he/she is unable to find employment or unable to maximise his/her earning capacity.

In the spirit of this, the CFO may hear representations where an application has been rejected. The same process as laid down in section 25 (Disputes) of the Municipality's Credit Control and Debt Collection Policy shall apply, with such changes as are necessary. The Applicant may be required to submit to further medical examinations by a Municipal appointed medical practitioner, at the expense of the Applicant. The CFO or his nominee may make a decision that is binding.

7.3.2 Disability Grantees including temporary disability grantees or Medically Boarded persons may, on annual application, be granted a rebate, with effect from the next practical billing cycle following the date of application, subject to the following:

a) **Disability grantees:** the applicant must be in possession of a letter, issued by the Department of Social Services, confirming receipt of a disability grant, or a specialist medical practitioner confirming disability and inability to work. ;

b) **Medically boarded persons**: the applicant must produce a letter from the Applicant's relevant ex-employer or the underwriter for the employer confirming medical boarding;

c) The applicant must produce a South African bar coded identity document or Smart Identity Card;

d) The applicant must reside on the Primary Property;



e) The applicant must be the registered owner of the Primary Property. This includes co-owners who are married to each other or property owned solely by either spouse;

f) Joint owners must each meet the above criteria or the criteria set out in 7.2 (i.e. as a senior citizen / disabled / medically boarded person);

g) In the case of a Trust, the beneficiaries must meet all of the above criteria. A copy of the Title Deed must be produced;

h) In the case of a usufruct or other personal servitude, the servitude must be registered over the whole property. The holder of the personal servitude must meet all of the above criteria, where applicable. A copy of The Title Deed must be produced. The holder/s of the servitude will be granted the rebate jointly on one property only; and

i) Executors/Administrators of deceased estates, Liquidators and Trustees of Insolvent Estates and temporary disability grantees are excluded from the rebates.

7.3.3 The rebate will lapse:

a) Subject to clause 7.3.3 (e), on death of the applicant if the applicant owns 100% of the property ;

b) on the date of transfer of the property;;

c) When the applicant ceases to reside permanently on the primary property;

d) In the case of a property registered in the name of a medically boarded person when a medically boarded person gains employment;

e) At the end of a Municipal financial year for which the rebate is granted;

f) When the property undergoes a category change and no longer meets the qualifying criteria for Relief.

7.3.4 Rebates granted in error or due to false or incorrect information supplied by the applicant, will be reversed immediately from date of inception of the rebate.

7.4 CHILD HEADED HOUSEHOLDS

7.4.1 A property shall be classified as a "Child Headed Household" if either:

7.4.1.1 all the occupants of the property are minors; or

7.4.1.2 the adult/s occupying the property together with a Minor/s are so debilitated by age or disease that they are unable to function as the head of the household; and

7.4.1.3 a social worker from the Department of Social Welfare has investigated the circumstances of the property and has certified that the circumstances set out in 7.4.1.1.and 7.4.1.2 apply to the property.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

7.4.2 A Child Headed Household may receive a rebate, from a date as determined by the CFO, subject to the following–

7.4.2.1 The property is registered in the name of a debilitated adult or one or more minors, or in the name of an adult who has died; and

7.4.2.2 The minors reside permanently on the property; and

7.4.2.3 The value of the property must not exceed a value as determined by resolution of Council at its annual budget meeting.

7.4.3 The application for the rebate must be accompanied by confirmation from the Department of Social Welfare that the criteria set out in 7.4.1.1 or in 7.4.1.2 have been met and that in fact the property is headed by a minor.

7.4.4 In addition, if the property is registered in the name of one or more persons who have died, the application must be accompanied by:

7.4.4.1 A copy of the Letters of Executorship or the Letters of Administration in respect of the estate of the registered owner;

7.4.4.2 A copy of the Liquidation and Distribution Account or the Statement of Assets and Liabilities authorising the transfer of the property to the minor(s), if those documents have been drafted and submitted to the Office of the Master of the High Court.

7.4.5 In the case of a property where the only adult occupant(s) is/are terminally ill, the application must be accompanied by a certified copy of the medical report confirming that the adult(s) is/are terminally ill.

7.4.6 An application for a rebate must be renewed annually and endorsed by the Department of Social Welfare as contemplated in 7.4.3.

7.4.7 The Rebate will lapse –

7.4.1.1 once the minor reaches the age of 18;

7.4.1.2 on the date of transfer of the property;

7.4.1.3 when the minor(s) cease(s) to reside permanently in the property; or

7.4.1.4 if the Department of Social Welfare certifies that it no longer regards the household as a Child Headed Household;

7.4.1.5 if an application is not submitted annually (and in this regard late applications may be reinstated with effect from the next billing cycle); or

7.4.1.6 when the property undergoes a category change and no longer meets the qualifying criteria for relief.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Na aanleiding van die bogemelde wil ons graag u dringend versoek om so gou doenlik en indien moontlik dit nog gedurende die 2019 - 2020 begroting te oorweeg.

Ek en die Voorsitter is ook bereid om 'n voorleging aan u te maak indien nodig.

U samewerking in die verband sal hoog op prys gestel word

Die uwe

Edward de Kock
Begroting, Bywette, Stadsbeplanning & Hersonering
Franskraal Belastingbetalers - en Inwonersvereniging
Kontak No: 083 441 1978
E-Pos: james.dekock8@gmail.com

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

10 b

FRANSKRAAL BELASTINGBETALERS- EN -INWONERSVERENIGING

Munisipale Bestuurder
Mr Coenie Groenewald
Overstrand Plaaslike Owerheid
Posbus 20
Hermanus
7200

24 April 2019

Geagte Mr Groenewald

2019/2020 VOORLOPIGE BERGROTING KOMMENTAAR

Met verwysing na ons vorige skrywe gedateer 18 Maart 2019 en die begroting oorsig vergadering van 03 April 2019 wil ons graag kommentaar uitspreek oor veral die verhogings ten opsigte van die elektrisiteit, water en vullisverwydering. Wat die begroting ingeheel aanbetref wil ons van die geleentheid gebruik maak om geluk te wens met die samestelling daarvan wat 'n moeilike taak is.

Naaanleiding van bogenoemde sal ons in die dokument ons bekommernis en moontlike voorstelle per diens uit een te sit.

1. Elektrisiteit

Hoewel ons nie oor voldoende inligting beskik wat gebruik was met die samestelling van die begroting wil ons tog sekere koste afwykings uitwys soos per die tabelle wat moontlik die tarief vasstelling mag beinvloed, inligting aanvra en sal dit waardeer indien u ons hiermee kan bystaan.

Hoewel ons bewus is van die feit dat u op 'n 15% Eskom verhoging gewerk het in plaas van die 13.7% maak dit nog steeds geen sin om die vaste basiese heffing met 17.5% en eenheids koste met 14.4% te verhoog as in ag gemeen word dat met die uitsluiting van Eskom verhoging die res van die uitgawe nie met meer as 5.6% moet verhoog nie.

Dit sal meer aanvaarbaar wees het as die gemiddelde verhoging vir resdensiele verbruikers se tariewe gemiddeld met tussen 10 en 11% verhoog was.

Dit is ook verder ons mening dat die huidige tarief vasstelling metode wat tans in gebruik nog uit die ou era van tarief vasstelling kom wat nie meer tredhou met huidige denkwyse om tarief soos saam testel dat dit bekostigbaar en koste besparende moet wees vir die verbruiker maar sal later meer uitbrei hieroor. Dit is ons versoek dat die munisipalitiet dit oorweeg om in die hele tarief vasstelling metode vorentoe moet hersien om meer besparing aan te moedig en geld di took vir kommersiele tariewe.

Die huidige tarief struktuur maak nie voorsiening om verbruikers aan te moedig om te bespaar of om dienste te verbruik volgens hulle vermoens maar kom dit voor dat die huidige tarief struktuur daar op uit is om vakansie huis eienaar vir dienste te laat betaal maar is dit nie in belang van die

OVERSTRAND MUNISIPALITEIT
2019 -05- 29
OVERSTRAND MUNICIPALITY

meerderheid van pernamente inwoners van Overstrand Munisipalitiet en sal die huidige tarief struktuur oor die lang termyn nie volhoubaar wees vir die meerderheid van pernamente inwoners.

Overstrand Munisipaliteit is al jare lank nie meer die vakansie dorp van die verlede aangesien daar oor die jare 'n goed gevestigde kommersiele bedryf ontwikkel het wat ook soos die muninisipalitiet 'n sosio ekonomiese verpligting teenoor die pernamente inwoners van die munisipalitiet.

Volgens Nationale Tesourie se omsend skrywe sal u moet motiveer waarom u uitgawe begroting met meer as 5.6% verhoog en ingevolge die Grondwet, Munisipale Stelsels en Munisipale Finansiele Bestuurs Wetgewing moet dienste op bekostigbare vlakte gelewer word aan al die inwoners van die munisipaliteit en met die uitsondering van Grootmaat aankope is die res van die uitgawe nie in lyn met die Tesourie se riglyne en wetgewing. Dit is ons mening dat behalwe vir die tarief struktuur u ook oorweeg om sekere van die uitgawe items se begroting te hersien soos hieronder berspreek.

Tabel 1 – Inkomste en Uitgawe Elektrisiteit

Beskrywing	Begroting 2018/2019	Begroting 2019/2020	Afwyking Bedrag	Afwykings %
Uitgawe				
Grootmaat Aankope	232 288 349	275 879 707	43 591 358	18.77
Gekontrakteerde Dienste	2 499 915	3 516 647	1 016 732	40.67
Depresiasie	25 315 495	25 389 635	74 140	.29
Personeel Verwante Koste	23 294 076	25 335 720	2 041 644	8.76
Rente, Dividende ens	16 504 720	16 888 399	383 679	2.32
Voorade Verbruik	4 467 397	5 387 015	919 618	20.59
Operasionele Koste	651 980	11 295 091	10 643 111	1632.43
Koste – Oorhoofs Departementele Heffing	51 510 666	54 240 731	2 730 065	5.30
Total Uitgawe	356 532 598	417 932 945	61 400 347	17.22
Inkomste				
Dienste Heffings	363 350 100	396 272 716	32 922 616	9.06
Verkope Diens Heffing	2 355 800	1 885 000	- 470 800	-
Boete ens	160 000	130 000	- 30000	-
Koste Gratis Basiese Dienste	27 864 163	33 656 038	5 791 875	20.79
Total Inkomste	393 730 063	431 943 754	38 213 691	9.71
-Wins/verlies	- 37 197 465	-14 010 809	-23 186 656	

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

1. Grootmaat Aankope

Volgens die tabel is die afwyking van grootmaat aankope +/- 19% wat nie inlyn is met die verhoging wat aan Eskom goedgekeur is met ingang 1 Julie 2019. Inteendeel is dit 5% meer en met die huidige ekonomiese klimaat is dit nie moontlik dat ons 'n 5% groei sal hê gedurende die finansiele jaar.

Hoewel ons tans nie die inligting het hoe die grootmaat aankope bereken is kan ons net aanname maak dat daar te konserwatief begroot is en van mening is dat die bedrag hersien word.

2. Gekontrakteerde Dienste

Volgens die tabel is die afwyking 41% wat die verhoging teiken van 5.6% ver oorskry en wat in meer detail verduidelik moet word en moontlik moet hersien. Dit is verontrustend om die tipe verhoging te sien met inagneming van die Eskom se verhoging.

Ons sal ook graag wil verneem wat die gekontrakteerde dienste behels.

Die munisipaliteit word versoek waar moontlik die dienste hersien word om sodoende koste te bespaar wat deur gegee kan na die verbruikers.

3. Vooraad Verbruik

Volgens die tabel is die afwyking 21% wat nog rede is vir die onaanvaarbare elektiese tarief verhoging. Daar kan aanvaar dat daar maak ouer infrastruktuur wees wat moontlik meer aandag mag geniet maar is seker dat dit in een jaar 21% verhoging regverdig. Volgens tabel 2 hieronder word ook voorsien dat die elektrisiteit instandhouding met 53% verhoog word wat nie sin maak.

Ons sal graag wil verneem hoe die verhoging berekening is en hoe u so 'n hoe verhoging in een jaar kan regverdig en kan nie miskien oor langer periodes verprie word nie.

4. Operasionele Koste

Volgens die tabel is die afwyking 'n astronomiese 1632% verhoging wat ook bygedra het tot gemiddelde 17% verhoging in die totale Elektrisiteits uitgawe en verhoogde tariewe. Om eerlik te wees maak die syfers nie en kan ook nie geregverdig word nie en behoort die Raad die begroting in sy total te hersien.

5. Distribusie Verliese

Ons sal ook graag wil verneem wat die beraamde distribusie verliese vir jaar voorsien was want dit het ook 'n mate effek op die elektisiteit verkope en tariewe

6. Voorsiening vir Oninbare Skulde

Involge tabel 3 hieronder is die verhoging van oninbare skulde 6% en volgens die begrotings verslag is belatings ratio op 99% bepaal maar verder in die verslag toon u 'n verhoging in die voorsiening vir oninbare skuld met 6% vir die 2019//2020 finansiele periode wat daarop neerkom dat die munisipaliteit net 96% betaling verwag. Hoewel dit nie in die bergroting waargeneem kan word sal ons graag wil verneem wat die bedrag is wat voorsien in die begroting vir die voorsiening van oninbare skulde vir elektristeit debiteure.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

7. Koste – Oorhoofs Departementele Heffing

Die uitgawe item toon 'n 5.3% verhoging wat inlyn met die begroting riglyne. In die geval is dit nie die verhoging maar die bedrag wat voorsien is vir departementele heffings as in ag gemeen word die munisipaliteit se samestelling en grote dit nogal 'n hoe toedeling van koste vanaf ander departmente wil voorkom dat die bedrag ietwat te hoog opgegee is, synde die rede vir die hoe vaste basiese heffing en lae eiendomsbelasting heffing. Volgens my ervaring is hierdie ingewikkelde berekening wat basiese net met goed gedefineerde koste stelsel bereken kan word en beskik meeste munisipalitiete nie oor so 'n stelsel. In die lig hiervan wil ons glo dat die bedrag akkuraat bereken is nie.

7. Inkomste

Volgens die tabel is die dienste nie inlyn met die 19% verhoging tenopsigte grootmaat aankope wat 'n groei van 5% toon wat nie sigbaar is in die inkomste voorsien. Verder toon die Koste vir gratis basiese dienste 'n 'n verhoging van 21%, terwyl die begroting voorsiening maak vir 'n groei van 12% in hulpbehoewendes. Vanwaar die 9% verskil. Dit wil voorkom dat die inkomste of tariewe nie heeltemal inlyn met elektrisiteits voorsiening uitgawe. Indien daar 5% groei voorsien was by die inkomste sou dit die taiewe heelwat beinvloed het.

Tabel 2 – Elektrisiteit Instandhouding

Beskrywing	Begroting 2018/2019	Begroting 2019/2020	Afwyking Bedrag	Afwykings %
Instandhouding Bates	23 747 000	36 347 000	12 600 000	53.06

Tabel 3 – Voorsiening Oninbare Debiteure

Beskrywing	Begroting 2018/2019	Begroting 2019/2020	Afwyking Bedrag	Afwykings %
Voorsiening	23 452 000	24 902 000	1 450 000	6.18

Met inagneming van bogenoemde wil ons die Raad versoek om die 17% verhoging op die basiese heffing en die 14.4% verhoging op eenheids verbruik herberekening en die tariewe dienooreenkomstig afwaarts te hersien.

2. Water

Tabel 1 – Billike Verdeling van Inkomste – (DoRA) - Water

Beskrywing	Begroting 2018/2019	Begroting 2019/2020	Afwyking Bedrag	Afwykings %
Billike Verdeling van Inkomste	96 068 000	106 697 000	10 629 000	11.06

Die tabel verteenwoordig 'n verhoging van 11% in billike verdeling van inkomste en volgens u Water tarief word die eerste 6kl water ook met 11% verhoog. Onwillekeurig kom die vraag op of die verhoging 11% verband hou met die billike vedeling van inkomste verhoging en nie noodwendig gebaseer is op werklike koste soos deur die burgermeester verkondig word.

MUNISIPALITEIT
2019 -05- 23
RAAD
MUNICIPALITY

Indien dit die geval is word dit voorstel dat die water verhoging van 11% vir die eertste 6kl herbereken word en verprei word oor die skuins tariefstruktuur van die water tarief vir huishoudelik verbruik.

3. Vullis Verwydering

Die enigste kommentaar wat ons het is dat ons vullis tarief van die hoogste is in land vir 'n baie beperkte diens.

Sover die verhoogde uitgawe weens die voorbereiding van Sel 4 by karwyderskraal vullis terrein aanbetref wil ons verneem of ander munisipaliteite ook gebruik maak van die terrein en indien wel wat hulle bydrae is in die verband sowel as kommersiele private storting by die terrein.
Ons wil ook graag verneem of die munisipalitiet enige beleid het tenopsigte van herwinbare afval en of die munisipaliteit enige inkomste daardeur genereer.

Daar is munisipaliteite waar diens insluit die voorsiening van kwartaliks 24 swart sakke per huishouding vullis, 24 blou sakke per huishouding vir herwinbare vullis en groen sakke vir tuin vullis wat deel vorm van die vullis tarief en wat heelwat goedkoper is as ons munisipaliteit.

Om die hoë vullis tarief te regverdig wil ons graag versoek dat die Raad oorweeg as deel van die dienste die volgende addisionele dienste lewer

1. Kwartaaliks 24 swart sakke insluit in die tarief
2. Kwartaaliks 24 sakke vir herwinbare items
3. Waar moontlik kleiner oorgang stasie in sekere voorsien waar inwoners tuin vullis, herwinbare items insluitend kartonbokse ens kan plaas vir hersirkulering (Addisionele bron van inkomste) (Bou materiaal uitgesluit)

U oorweging van ons kommentaar in die verband word hoog op prys gestel

Die uwe

Edward de Kock
Begroting,Bywette,Stad&Hersonering
Franskraal Belastingbetalers en Inwoners Vereniging
Kontak No: 083 441 1978
e-Pos: james.dekock8@gmail.com

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

539

(11)

CFO - Compliment - Pearly Beach

From: "Richard Binedell" <rbinedell@vodamail.co.za>
To: <cfo@overstrand.gov.za>, <cgroenewald@overstrand.gov.za>
Date: 18-Apr-19 02:47 PM
Subject: Compliment - Pearly Beach

Good day Madam/Sir

My last email to you was to lodge some complaints/requests and I wish to now give thanks for your part in the response and the officials directly responsible for these tasks.

Thank you for the dust proofing with liquid tar and stone chips of a number of the gravel roads last year and continuing this year. A great advantage is the long stretch Broadway Rd dust proofing, just completed, and with several speed humps. That is a great benefit to those who live along that road which is well used and created severe dust.

I also want to thank you and the directly involved officials who came to my place to evaluate and then put up the several speed humps at many strategic points on different roads here in Pearly Beach. Some of which is directly benefiting us and our neighbours. We live in a time of increased lawlessness. (This is not surprising as the Lord Jesus Christ foretold in the Scriptures that in latter times there will be disobedience and lawlessness increasing the closer we get to the time of His return. Authorities are however not excused but should endeavour to uphold the rule of law and safety of its community as the Lord God instructs in His Word). Thank you for showing your preparedness in the prompt response and action to my reports.

I wish to touch on the matter of electricity. We have such vast open spaces of land around Pearly Beach which I am sure a lot would be government land. Why can there not be put up solar panels in a system to generate electricity and put into the grid or to cover a certain region's supply and not be dependent on the defunct Eskom. Experts keep on pointing out that Eskom is definitely not out of trouble and will not be in the near future but more likely that a great disaster is facing us. The municipality is receiving a large amount of funds via the basic fees raised on every property. Surely that can be utilised towards an alternative project for electricity generation instead of utilising it into the present soon to collapse system. Look at the USA where whole large residential areas are part of such a solar electricity system where the panels are so placed and turns with the sun's movement to maintain a constant charge.

The other matter is the vast numbers unemployed living in squatter buildings or low cost government housing. Here in Pearly Beach there is no way of getting employment and there is no transport to get them to a place where the chances are slim anyhow to get work anywhere nearby. The poachers have no problem, they are enriching themselves, yet they also get low cost housing for free. We owners here suffer heavily under constant brake ins and thefts. The SAP are understaffed and in some cases are accomplices. The Overstrand authorities should negotiate with the Government to make resources available to provide our local unemployed family communities, who do not get the "elderly" grants, with food stamps so that they at least can get minimum nourishing. It will also help to give food stamps and partial cash grants to the elderly as often the poor and unemployed spend on drugs and other non-essentials. Since dagga is now legalised the Government should be made to provide some dagga to these people so that they do not have to steal to support their habits and keep them from having to buy from smugglers at high costs. Also just note what Hermanus is turned into.

OVERSTRAND MUNICIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Thank you and regards

Richard

(12)

540

CFO - Begroting 2019/20

From: Werner Zybrands <wernerzy@iafrica.com>
To: Dudley Coetzee <dcoetzee@overstrand.gov.za>, Dudley Coetzee <mayor@overs...
Date: 21-Mar-19 09:25 AM
Subject: Begroting 2019/20

Geagte Burgemeester en Santie

Baie dankie vir die geleeentheid om die OMAFvergadering te kon bywoon en die uitnodiging om versoeke te rig.

Ek skryf hierdie brief in my hoedanigheid as Onder-Voorsitter van die Bettysbaai belastingbetalersvereniging(BBBV) en in opdrag van daardie vereniging.

Daar is met waardering kennis geneem dat 'n tender vir die opgradering van die waternetwerk reeds toegeken is (al is daar 'n hangende appèl) veral aangesien dit een van ons grootste probleme sal oplos. Dit word vertrou dat die beloofde brandkrane vir Sunny Seas, wat tans slegs 5 brandkrane het, deel van die projek sal wees. Die onlangse rampspoedige brand het net bevestig hoe 'n groot behoefte dit is.

Daar is ook waardering dat 'n nuwe begraafplaas vir die Hangklip/Kleinmondgebied begroot word.

Soos met 'n vorige besoek aan Bettysbaai aan u uitgewys, is daar 'n dringende behoefte om van die bestaande gruispaaie permanent te bou - hetsy as teerpaaie of as geplaveide paaie (dalk ook as deel van werkskepping?). Tydens ons pasafgelope belastingbetalersvereniging vergadering is besluit dat paaie wat aan die volgende kriteria voldoen, voorkeur behoort te geniet:

-Paaie wat gereeld verspoel en onbegaanbaar raak; en

- paaie waar daar reeds verdigting (en dus meerdere gebruikers) is.

Die volgende paaie wat aan hierdie kriteria voldoen, is voorgestel:

Waterfall;

Cliff;

Dolphin (Wes);

Mermaid;

Serruria; en

Lakeside-Porteraansluiting.

Uiteraard sal nie al hierdie paaie nou gebou kan word nie, maar daar is voorgestel dat die Munisipaliteit se tegniese personeel, na oorlegpleging met die BBBV die maie

OVERSTRAND MUNISIPALITEIT
2019 -05- 22
OVERSTRAND MUNICIPALITY

541

volgorde bepaal. Die bou van die meeste van hierdie paaie sal ook oplossings vir stormwaterverspoelings moet insluit.

'n Versoek van verlede jaar wat skynbaar nog geen aandag ontvang het nie, is die aanbring van reflekterende straatnaamborde op Clarence rylaan (die R44). Ofskoon dit 'n provinsiale pad is, sal dit 'n munisipale inisiatief verg om die borde op te rig. Die brand van 11 Januarie het ook bevestig hoe noodsaaklik dit veral tydens noodsituasies is veral omdat daar GEEN straatligte in Bettysbaai is nie.

Wat die bedrysbegroting aanbetref, bly die instandhouding van paaie en die stormwaterkanale 'n prioriteit asook die skoonhou van munisipale eiendom en padreserwes. Laasgenoemde geld in besonder vir die westelike deel van Bettysbaai waar die brandgevaar al hoe meer 'n moontlikheid word.

Ten slotte is daar ook waardering vir die verbetering in die suigtenkdiens as gevolg van die toewysing van nuwe/meerdere suigtenkvragmotors. Die vullisverwyderingsdiens is puik en baie betroubaar - baie dankie daarvoor.

Ten slotte word navraag gedoen of die Bettysbaaibrand wel as 'n ramp erken is en, indien daar wel hulpverlening toegeken word, wat die aard daarvan is en hoe dit die geaffekteerde eienaars sal bevoordeel.

U simpatieke oorweging van hierdie versoeke sal waardeer word.

Mooi wense.

Werner Zybrands
083 631 0667
Posbus / PO Box 325
Hermanus
7200

Virus-free. www.avg.com

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(13)

Thys Sutherland

From: Thys Sutherland [thyssutherland@telkomsa.net]
Sent: 09 April 2019 08:54 PM
To: 'jorban@overstrand.gov.za'
Subject: FW: Vogprobleme De Wetsaal Onrus
Attachments: SCAN_20190409_205133860.pdf; SCAN_20190409_205216167.pdf

Beste Jean
Hierby n afskrif van my skrywe oor die DeWetsaal gedateer 21 Maart 2019 waarin ek redelik volledig die situasie uiteensit.
Volledigheidshalwe heg ek ookn afskrif van artikel 4.5 van die notule van 7/02/16.
Ek waardeer jou hulp en belangstelling
Groete
Thys Sutherland
Lid van die Wyk 13 Komitee

From: Thys Sutherland [mailto:thyssutherland@telkomsa.net]
Sent: 21 March 2019 05:14 PM
To: 'awyngaard@overstrand.gov.za'; 'jorban@overstrand.gov.za'; 'mmoolman@overstrand.gov.za'
Subject: Vogprobleme De Wetsaal Onrus

Aan die Waarnemende bestuurder Hermanus Adminstrasie,

Beste mnr. Wyngaard,

Ek verwys na ons probleme met die De Wetsaalvloere a.g.v. vog watdie vloere se basis beskadig het.
Sien Item 4.5 van notule van 7/02/2017 en die bespreking wat daar plaasgevind het oor die veiligheid van die De Wetsaal vloere
asook die risiko's verbonde daaraan. Die besluit lees as volg: " Recomended : That a consulting engineer be appointed to investigate further options
to address the De Wet Hall's wooden floor dampness problem and that feedback will be given at a later stage"
Die nodige verslag is bekom en op 13 /09/ 2017 stuur Mnr. Kearney my n afskrif van die verslag getiteld:"De Wet Hall geotechnical report" – hierdie is n
lywige verslag wat ek nie insluit nie.
Op dieselfde dag skryf Mnr. Kerney aan my as volg:" Ek stuur vir julle die ingenieursverslag om soos versoek deur die wykskomitee en deur my onderneem.
L.W. Ons het slegs een persoon wat geboue –onderhoud hanteer . Ons is tans in die proses om verskeie projekte wat verlede jaar begin is, af te handel buiten
n paar dringende sake soos dakvervangings ens. Daar sal met die eerste fase begin word sodra die projekte afgehandel is . Ons kan later oor die finansiële sy praat"
Dit wil blyk dat die dakvervangings (na verwys) toe etlike meer gelde geverg het as wat verwag was maar tydens verdere besprekings met Mnr. Kearney sou met
die eerste fase van die projek by die De Wetsaal begin word in die volgende finansiële jaar 2018/2019 –die eerste fase sou blykbaar die drooglê van die fondamente
van die gebou asook die aangrensende gronde gedoen word. Dit wil vir my voorkom of die projek êrens gesneuwel het nieteenstaande die mededeling dat dit sou
spoedig sou plaasvind. Die fondse sou blykbaar uit die Geboue Instandhoudingsfonds geneem word.
Ek versoek vriendelik dat hierdie aspek weer ondersoek word vir bespreking by Wyk 13 vergadering van April en uitgepluis en opgelos sal word.
Ek moet benadruk dat die toestand van die vloer kommerwekkend is!!
Vriendelike groete
Thys Sutherland
Wykskomiteelid – wyk 13

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

543

CFO - Overstrand ward 13 :revue of current IDP abd budget 2019/20

From: "Thys Sutherland" <thyssutherland@telkomsa.net>
To: <cfo@overstrand.gov.za>
Date: 30-Apr-19 08:57 PM
Subject: Overstrand ward 13 :revue of current IDP abd budget 2019/20
Cc: <jorban@overstrand.gov.za>, <awyngaard@overstrand.gov.za>, <hennie.greef...
Attachments: SCAN_20190430_205146678.pdf; SCAN_20190409_205133860.pdf; SCAN_20190409_205216167.pdf

To: Chief Financial Officer.
Dear Sir /Madam,
I am hereby submitting the following budget and IDP inputs on behalf of the De Wet Hall Committee and the Kalfiefees
which I represent on the Ward 13 Committee:

1. The request is for additional funding for the completion of the Atlantic Drive which is presently not completed and a dangerous situation for both vehicles and pedestrians.

I think that it will be more beneficial to complete the project as soon as possible rather than to do piecemeal improvements.

2. There are various requests for street calming in Onrus/ Vermont areas ,especially on the major roads to avoid the public from speeding. Traffic Dept. has indicated that speed monitoring in these areas is extremely difficult.
3. <u>De Wet Hall floors:</u>
   I submit herewith a copy of my letter addressed to the Acting Manager Hermanus Administration and the Councilor regarding the very bad state of the floors of the De Wet Hall and what the engineers report (which the Council obtained) suggested to rectify the dampness and damage to the floors.
   Kindly consider making finance available to start with this process suggested by the engineer.

   Your kind concideration of the aforesaid items will be appreciated.
   Kind Regards
   Thys Sutherland
   (member Ward 13 committee)



4.2	**Naming of beach area in Onrus/Vermont after famous locals that has passed on (Item 5.2 of the minutes 15/11/2016)**	
	The Area Manager informed the meeting on the feedback he received from the Legal Department relating to the naming of beach areas. There is a process and guidelines that needs to be followed before it is approved in principle by Council and then be sent to the National Naming Commission. **Noted**	
4.3	**Traffic light on R43 at Kidbrook (Item 5.4 of the minutes 15/11/2016)**	
	The Area Manager informed the meeting that the issue was reported to the Provincial Traffic Engineer, but no feedback on the matter was yet received. **Noted**	
4.4	**Vagrants on coastal zone (Item 9.1 of the minutes 15/11/2016)**	
	A short memorandum compiled by Dr M Weekes was distributed to the Ward Committee members. Dr Weekes also informed the meeting on the situation and requested that the Ward Committee indicate their support for action to be taken. Cllr. N Botha-Guthrie indicated that a public meeting is scheduled for 8 February 2017 at 9:00 in the Tourism Hall, Gansbaai to discuss the impact of poaching. The Ward Committee requested that the memorandum by Dr M Weeks relating to the vagrants on coastal zone be submitted to the organisers of the impact on poaching meeting. Cllr. N Botha-Guthrie offered to submit the memorandum on behalf of the Ward 13 Committee as she will be attending the meeting. She also invited all interested parties to attend the meeting on 8 February 2017 as it is a public meeting. **Recommended:** **That Cllr. N Botha-Guthrie submits the memorandum, drafted by Dr M Weekes, on behalf of the Ward 13 Committee to the organisers of the impact on poaching meeting.**	Cll Bot Gutl
4.5	**De Wet Hall Floors (Item 9.4 of the minutes 15/11/2016)**	
	Mr T Sutherland gave feedback and informed the meeting that the insurance issue was discussed with Ms A Kotze and the documentation relating to the De Wet Hall floors were handed to the Area Manager. The Area Manager informed the meeting that he had made funding available to address the problem with the floors. He then gave feedback of the site inspection that was held and the options to address the problem that were considered, but to date none of the options seemed to be the correct option. A consulting engineer will have to be appointed to investigate further options. Feedback will be given at a later stage. It was also mentioned, that should the floor be a safety risk, the type of functions the hall is being rented out for, should be re-considered or the complete closing of the hall. Mr J Conradie who is involved with the rental and administration of the facility, indicated that the current floor lasted 80 years. If the damaged sections of the floor are replaced and they last for another 20 years, it could be money well spent. To do selected rentals will not be viable as 80% of the activities for which the hall is rented out contains some kind of dancing or active movement.	

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

	The Area Manager indicated that it was reported by a consultant geologist that if the ground under the floor is drained and the clay layer further down dries out, the building could collapse, as has been the case with other historical buildings. **Recommended:** **That a consulting engineer be appointed to investigate further options to address the De Wet Hall's wooden floor and dampness problem and that feedback will be given at a later stage.**	D Kea
4.6	**Paradise Park sewerage pump station** (Item 9.5 of the minutes 15/11/2016)	
	Mr D Heard informed the meeting on the situation of the Paradise Park Sewerage pump station and gave some background/ history information. Mr Heard also mentioned that no backup generator has been installed and that the bund wall has not been build, but instead approximately 5 tons of building rubble has been dumped around the pump station which is illegal to do near or in a Wet lands area. The Area Manager indicated that the issues surrounding the problem at the sewerage pump station forms part of the court case between the owner of Paradise Park and the Overstrand Municipality. However, he will enquire from the Department Infrastructure and Planning about the information relating to the dumping of the building rubble and the legal aspects. The Ward Committee is concerned that, with the winter on hand, the sewerage pump station may have overspills into the Salt Pan which will land up in the open storm water trench in Shearwater and might have a health risk as children often play in the open storm water trench. **Recommended:** **That the Department of Infrastructure and Planning be invited to the next meeting to inform the Ward Committee on the situation relating the Paradise Park sewerage pump station.**	D Hend
4.7	**Lynx Avenue** (item 12 of the minutes 15/11/2016)	
	The Area Manager informed the meeting that he had not yet received feedback on the problem with the moles from M Bartman. This item will stand over till the next meeting. **Noted**	
4.8	**Ownership of public open spaces** (Item 9.2 of the minutes 15/11/2016)	
	The Area Manager informed the meeting that Ms Anja Kotze has not been given the directive to commence with the transfer of these properties yet. She has however commenced negotiation with the current title holders. This item will stand over till the next meeting. **Noted**	
5.	**NEW ITEMS**	
5.1	**SPATIAL DEVELOPMENT FRAMEWORK** (Item 9.6 of the minutes 15/11/2016)	
	Mr D Heard informed the meeting that the Spatial Development Framework referred to is not the one of the Overstrand Municipality but one that was	

OVERSTRAND MUNICIPALITY
2019 -05- 23

(14)

overstrand conservation foundation, trading as
whale coast CONSERVATION
Caring for your environment

2019-04-30

Financial Director
Overstrand Municipality
Email: cfo@overstrand.gov.za

Attention: Ms Santie Reyneke-Naude

Dear Madam

COMMENT ON THE DRAFT 2019/20 OVERSTRAND MUNICIPAL BUDGET

Whale Coast Conservation wishes to draw your attention to the following in relation to the 2019/20 budget formulation:

1. Provision to be made for the appointment and functioning of an Ombudsman, as agreed to by the executive mayor in the Stakeholder's Meetings
2. Provision to be made for the establishment of an independent environmental services department.
3. Realistic budget allocation to implement IDP statements about the creation and maintenance of a safe and healthy environment.
4. Recognition of the need for relief for local businesses facing tough economic conditions.

1 Ombudsman

A key objective in the IDP is given as "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."

The failure of the Overstrand council and administration to make real progress towards achieving this objective was demonstrated in 2018 by the widespread civil unrest and strong expressions of discontent by virtually all stakeholder representative bodies. During the Stakeholder Meetings following the period of violent unrest, facilitated by Premier Helen Zille, it was decided with the agreement of the Executive Mayor that a suitably experienced and qualified credible ombudsman would be appointed to facilitate expeditious addressing of arising issues.

If the council and administration does not address the tension between the community and the Overstrand municipality there is likely to be ongoing and

TEL +27 28 316 2527 FAX 086 695 0046 CELL +27 72 185 5726
E-MAIL greenhouse.wcc@gmail.com WEBSITE www.whalecoastconservation.org.za
Green House, R43 Vermont, Hermanus PO Box 1949 Hermanus South Africa 7200
PBO 18/11/13/4541 NPO 020-717

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

escalating strife between civil society and the local government to the detriment of all.

There appears to be no budgetary provision for the appointment and activities of of an ombudsman and this omission needs to be addressed in the budget proposal.

2 Independent Environmental Services Department

One of the key objectives within the IDP is to achieve "Optimal institutional transformation to ensure capacity to achieve set objectives" by means of "Review of the organisational structure to optimize the use of personnel."

There is a clear conflict of interests between infrastructure planning and development and the objective of promoting a safe and healthy environment and environmental sustainability by protecting wetlands and key open spaces. This conflict of interests has emerged repeatedly in recent years. The ongoing saga of arriving at a suitable management plan for Fernkloof Nature Reserve is but one example of where the director: Infrastructure and Planning has objectives that compromise good environmental management principles and adherence to environmental law. All departments within the municipality need to be subject to independent environmental oversight, especially the Infrastructure Planning Department.

Budgetary provision needs to be made for the establishment of an independent environmental services department that reports directly to the municipal manager.

3 Environmental Services budget

The environmental services department needs to be adequately provisioned to protect the natural environment upon which the entire Overstrand economy is dependent. The provision, for example, of R220 000 for control of invasive alien vegetation is totally inadequate even to control the spread on municipal nature reserve land. A task team that includes participation by civil society organisations should be created to draft a realistic budget proposal.

4 Local Economic Development

The Executive Mayor states in his speech to the OMAF meeting in February that "The hospitality industry again reported having experienced a very good December/ January season, including Hermanus, despite the affect that the civil unrest experienced during 2018 had businesses in Hermanus." In reality the local businesses are reporting a 20% year-on-year drop in turnover and the increasing number of "To let" signs appearing on small business premises is telling the truth about the serious downturn in local business.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

whale coast CONSERVATION

The budget needs to make provision for rates and services relief to small businesses and aggressive, innovative plans need to be drawn up in cooperation with the Hermanus Business Chamber (and others) to reinvigorate business and to diversify the local economy away from sole dependence on tourism. Zoning needs to be created for light industrial areas and land allocation and infrastructure needs to be provided for.

Integrated housing and light industrial parks need to be developed, using the model proposed by Provincial guidelines for urban development, that place workers near their workplaces and provide manufactured goods and services required locally and within reasonable transport distances.

Adequate budget needs to be provided for the planning process for diversifying the local economy and identifying means of achieving it.

Please acknowledge receipt of this letter.

Kind regards

Rob Fryer
General Manager

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

549

15

CFO - BEGROTING 2019/2020

From: Tommy Snibbe <tommy.wardcom@gmail.com>
To: <cfo@overstrand.gov.za>
Date: 30-Apr-19 04:16 PM
Subject: BEGROTING 2019/2020
Cc: <dcoetzee@overstrand.gov.za>, <rdeconing@overstrand.gov.za>, Grant Cohen...

Goeie middag,

Hieronder net 'n paar gedagtes wat ek graag wil opper oor die Konsep begroting wat gedurende Mei 2019 vir goedkeuring voor die Raad sal dien.

OPERATIONAL BUDGET:
Expenditure increased by R36,6m
Revenue increased by R11,7m
What is the reason for this shortfall of **R24,9m**?
Is the Municipal Manager going to debit his Broeksak Account to make good the shortfall?
CAPITAL BUDGET:
2018 / 2019 budget will have a **net decrease of R34,4m.**
Which projects will be / have been affected?
Upgrading of the Sewer network in Kleinmond?
ELEKTRISITEIT:
Die OM maak voorsiening vir 'n Tarief verhoging van 15% deur NERSA. Sal die tarief aangepas word noudat NERSA nie 15% goedgekeur het nie?
Het die OM al ooit beswaar gemaak teen die buitensporige verhogings van ESKOM?
Raadslede en Amptenary is in diens van die Kiesers. Hulle moet ons belange beskerm.
Eskom tariewe styg met 613% oor die afgelope 12 jaar!!! Totaal en al onaanvaarbaar!!!
Die inwoners doen 'n beroep op die OM om namens hulle in opstand te kom teen hierdie buitensporige verhogings!
TABLE 5:
Surplus Inkomste bo Uitgawes! Verlig asb. die las op verbruikers!
Elektrisiteit: R13,8m

Water: R6,7m

Waste Water Management: R9.2m

Waste: R3,6m
1st 6kl water gratis? Kan die arme Inwoners wat so getrou hul rekenings betaal dan nie ook hierdeur gehelp word nie? Straf die OM nie dalk die verkeerde mense nie?
DRAFT CAPITAL BUDGET 2019 / 2020:
Funding:
Land Sales R7.0m
Land Sales (Roll Over) R16,5m
Is the Land sold / to be sold suitable for housing, clinics, sports facilities etc?

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Will it be necessary to purchase / re-purchase land at a later stage to address the housing needs in the area?

At the Mini-Omaf meeting held in Kleinmond, the Hon. Mayor confirmed that the land sold / to be sold will not be suitable for housing. To quote him "It is not the policy of the OM to sell off land suitable for housing!" Does this include PARADISE PARK?

If the Paradise Park land is not suitable for housing, which seems to be the case as the land was in fact sold to a private Developer, why did the OM allow the present development some years ago?

The new Developer purchased the land with the intention to develop (hopefully Upper Class) housing on the land. If the land is not suitable for housing, which it apparently is, he will not be able to develop his housing project!

I fail to understand the reason behind this transaction!!
Provincial Housing Grant R29,5m. Where will this amount be spent? Will it be utilised to upgrade Over Hills in Kleinmond, or will it be spent in Hermanus, Gansbaai or somewhere else??

HOUSING:
How will increased costs of services be financed in view of the constant inflow of squatters?
Land recently made available to expand the Over Hills Informal Settlement in Kleinmond is not suitable for housing.
120 Stands were made available – **214** shacks were built making it totally impossible for service vehicles to enter the area. Sewer water running down the "streets". How is the OM going to address this problem?
How is the OM going to handle possible protest action when these people demand Municipal Services?
REFUSE:
Proposed increase **12,86%** - apparently for development of 3rd cell!
Previous increases to develop 2nd cell – No benefit for Taxpayers as the amount utilised to finance the development (which was added to our monthly accounts) of the 2nd cell was not reduced after the cell had been fully paid for!!

KONTRAKTEURS:
Met verwysing na Fig 3 Page 33 – "The change in the trend for contracted services also relates to the reclassification of expenditure resulting from mSCOA implementation".

Word hierdie toedeling volgens 'n vaste formule gedoen?

Indien wel – waarom nie die salaris komponent ook apart aantoon nie (al is dit dan net in die notas tot die begroting).
Salaris komponent van Kontrakteurs
Fig 3 Page 33 – **Aansienlike styging in Salaris rekening** ten spyte van **'n styging in die kontrakteurs koste.**
Salaries equals **32,8%** of the **total Operating Expenditure.**
Koontrakteurs vergoeding tesame met salarisse stoot die totale Salaris rekening op tot meer **as 40% van Operasionele Uitgawes**.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Ek kan met die OM saamstem op hierdie punt maar dit sal beteken dat ons dan albei verkeerd sal wees!!!
Aan die ander kant kan die OM besluit om saam met my stem en dan is ons albei reg!!!

SUPPLY CHAIN:

Voertuie staan soms tot 3 maande om klein herstelwerk te kan doen. Skiet 'n bedrag aan elke dorp voor om Kleiner uitgawes en dringende herstelwerk aan voertuie te kan doen.
Indien nie – Waarom nie?
Voertuie word blykbaar in Worcester gediens. Dit beteken dat twee werknemers en twee voertuie vir twee dae onproduktief is omdat die voertuig wat gediens moet word na Worcester bestuur moet word en dan moet daardie besturder weer terug gebring en weer weggebring word om die gedienste voertuig te gaan haal! Dit is nie net 'n vermorsing van ons belasting geld nie maar ook van produktiewe arbeid!!

CLINIC:

Gansbaai is getting a new Clinic and an amount of some R21M has been allocated to finance this project.

Kleinmond has been begging the OM for some years now to upgrade our present Clinic without any success. Would it be out of line to request that the OM pay the necessary attention to our requests in the 2020/2021 budget? A new Clinic would be most welcome in view of the uncontrolled inflow of squatters in the town. Kindly see this request as pro-active as the residents of Over Hills may just realise that the existing facilities are not up to standard and they can then quickly organise a tyre burning to put pressure on the OM to attend to this problem.

Ek vertrou dat hierdie punte die nodige aandag sal geniet.





552

16

Coenie Groenewald - Comments on Draft IDP dated March 2019

From: "Pat Redford" <patred@iafrica.com>
To: "'Coenie Groenewald'" <cgroenewald@overstrand.gov.za>, <mayor@overstrand...
Date: 03/04/2019 03:09 PM
Subject: Comments on Draft IDP dated March 2019

Attention:
The Municipal Manager
The Mayor
Ward 3 Kari Brice

Comment on the Draft IDP dated March 2019

Good Day.

My apologies for not being available to attend the public meeting this evening, due to previous arrangements.

I hereby submit my comments relating to the draft IDP for your comment.

Please respond to the following queries in writing, most of which relate to your **Strategic Objectives, Chapter 4, (referred to as numbered pages)**

Strategic Directives: Chapter 4

Page 109. EMS objectives and targets.: *'recognize intrinsic value of biodiversity, protect and restore them, to* ***promote corporate environmental responsibility".***

With respect, the Municipality is not doing enough to eliminate the sale of plastic cool drink bottles, polystyrene food trays and take away boxes.

Surely Hermanus could develop a more forceful campaign and establish bylaws to ban these items. If New York and other enormous cities can do this so can we??

The recent R43 road flooding near the mall, saw storm water drains totally blocked with refuse such as polystyrene and plastic bottles.
The attempts to become 'more environmentally alert' by Checkers, Pick and Pay, Coco cola and Woolworths are very **superficial.**

Please can we have a waste recycling plant reestablished with urgency, please consider corporate sponsorship?.

Surely the Municipality can easily promote this 'Corporate Environmental Responsibility" to ban all polystyrene and plastic bottles?

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Surely the Municipality can encourage a Corporate sponsorship of a new recycling plant? Those corporate who sell products to the community need to take responsibility to recyle or sponsor recycling programs.

Please be the FIRST TOWN TO BAN EPS!!! Why not?
Although Expanded Polystyrene can technically be recycled, the technology is of no-use if the litter is evading collection systems. The economics of EPS recycling in South Africa is also on shaky ground.
EPS is also a threat to human health. Polystyrene products are made from styrene, **a known carcinogen and neurotoxin that can leach into hot, greasy food**. EPS can be dangerous because it **emits toxic chemicals when the containers are burned,** and rubbish is routinely burned in informal settlements and outer areas of the Overstrand. EPS containers are so hazardous that many Countries and cities around the world have banned it, included Zimbabwe, New Dehli, New York City, Washington DC and San Francisco. The good news is that we don't really need EPS in our lives. Re-usable cups and containers are light and affordable for everyone and just require the self-discipline to carry these. There are also a number of other foodware materials that vendors can use that are less harmful on the environment, including recycled cardboard and paper pulp, other safer and more manageable plastic polymers and home-compostable containers made from renewable biomass (such as sugar cane).

Page 111 Priority 4 of Coastal Management Program : *"pollution control to minimize harmful discharges into coastal eco systems".*

How will you be managing Schulphoek refuse and sewerage at the coastal edge, and the Klein River farmers and new developers on the lagoon front?
How will you be managing water quality, can this to be made public every 2 weeks for at Onrus Lagoon and Klein River Lagoon/Grotto.

Page 115 Coastal Management Overlay lines

How will OM (or who will) manage the coastal protection zone lines at Schulphoek?

Page 116 Alien Management Plans

Who is responsible for clearing alien vegetation from *" our reserves and open spaces"*

Will EPA manage to rid overstrand of all alien vegetation in 3years. Is that ***R14.2million allocated to 'Working for Coast'*** **definitely being used for this purpose or will it be re directed to somewhere else without telling us?**

Page 117 Proposed Marine Hub at new harbor?

When will this project commence and what funding has been made available?

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

554

Page 194 Department of Community Safety receives R2.5million for community safety improvement partnership from Province

What is this used for?

Page 275 Transfers and Grants to Overstrand EWPW from Provincial Gov R1926 to increase to R2635?

Where will these EWPW workers be working? Is this part of the future baboon monitoring budget or program?

What is the ICC and when will this be established
How is this budgeted for?

What Baboon Management Provision has been made and where is this money coming from, as I do not see anything reflected in your budget, yet the Mayor indicates it has been budgeted for??

I look forward to your written response to the above.

Kind Regards

Pat Redford
patred@iafrica.com
082 908 4002

ht Virus-free. www.avast.com

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

555

(17)

30 April 2019

The Chief Financial Officer

Overstrand Municipality

COMMENTS FROM THE HERMANUS BUSINESS CHAMBER (HBC) ON THE 2019/2020 MUNICIPAL BUDGET.

The HBC accepts that this 19/20 budget is a revision of the 5 year IDP approved by the Municipality in 2017 and therefore has been drawn up within parameters and context which have somewhat changed since 2017. The biggest change would certainly be the 2018 social unrest and stay away actions which have impacted all our members adversely. The HBC welcomes the opportunity that is provided to submit commentary and hereby wishes to submit our inputs on behalf of our members. We do so in anticipation that we will be granted an opportunity to supplement this submission with further debate and motivations during the month of May 2019.04.30

1. **Housing needs**: Our first concern is the apparent lack of provisioning for land and housing earmarked for the section of our communities that cannot afford to pay for formal housing (BNG housing). Notwithstanding the complexity of this social need, we are concerned that failing to address this might contribute to a repetition of the social unrest in 2018. It is therefore in our opinion, essential to make such provision since the Schulphoek development (Better Living Model) will not sufficiently cater for this need in its current format. The absence of an appropriate and current Spatial Development Framework (SDF) for the Overstrand area is not contributing to constructive debate in this regard. We therefore want to encourage the OM to finalise the development of the SDF without further delay and identify suitable options.
2. **CBD Revitalisation:** We welcome the current infrastructure development in the CBD as this part of our town is essential for attracting tourist and visitors to Hermanus. Our concern is that only R2m was made available

E-mail: info@hermanuschamber.co.za

Facebook: www.facebook.com/HermanusBusinessChamber

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

to complete, *inter alia*, the High Street Mall which seems to be insufficient for what is required.

3. **Closure of HPP:** We are concerned that there is no apparent provision for the continuation of these activities in the new financial year. We would therefore request that this matter be addressed by at least providing for the take over and management of infrastructure.

We would welcome any opportunity to further discuss these points of concern in order to ensure we are aligned in our objectives for the new financial year.

Yours sincerely

Pine Pienaar Pr.PlnA409/85

Hermanus Business Chamber

Infrastructure and Planning

30 April 2019

E-mail: info@hermanuschamber.co.za

Facebook: www.facebook.com/HermanusBusinessChamber

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

(18)

BELASTINGBETALERSVERENIGING
HERMANUS
RATEPAYERS ASSOCIATION
WE WORK FOR YOU ONS WERK VIR U

2019/20 IDP & Budget Comments

1. The single most important issue from a Ratepayer's point of view is the **lack of any meaningful housing plan at all** which was one of the primary reasons for the civil unrest experienced in 2018. In the IDP (**P145/147: OS 5(a) human settlements**) it says that there are currently more than 11000 on housing waiting list however the proposed new 5-year housing schedule does not even scratch the surface.

   It is well known that Province and the Municipality are actively involved in the Schulphoek development plan and yet nothing is even mentioned about this. It is also well known that the Municipality is preparing a revised Spatial Development Framework (SDF) that is (presumably) trying to identify land for future housing developments and yet nothing is mentioned about this.

   The HRA is very concerned that the housing proposals in this draft IDP will not be acceptable to large sections of the Zwelihle community.

2. **P42: Lists of Ward Priorities**. There is a mistake in that priorities 6 (Traffic Calming) & 11 (Fernkloof World Heritage Site) need swapping around. An earlier list also had this mistake in it and it was corrected at the Ward 3 Committee

3. **P52: Overstrand's Functions in terms of Constitution**. There is a mistake in that "Municipal Public Transport" is listed as an Overstrand function whereas it is the function of District Municipalities, i.e. Overberg District Municipality

4. **P57/58 & P99: Complaints Management Systems**. It is reported that Overstrand is a pilot site for *a mobile "Citizen Engagement Application" developed by COGTA* and under KPA OS2 (e) Enhance customer care, it is reported that the *"Collaborator"* system is being used to log issues and give feedback. A proper Complaints Management System has been repeatedly requested by the HRA for a number of years and supported by the Ward 3 Committee

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

5. **P84, 86,88,198: Transport Plans**. The Bypass Road write-up is a year out of date. The Mayor & Premier are on record as saying that priorities have changed, but there is no mention at all of this. The Overberg ITP comments are also outdated as they refer to the 2009 ITP whereas the Overberg ITP was revised in 2015 – especially as it relates to OLS & RATPLAN for taxis. Not enough emphasis on the Provincial Sustainable Transport Plan (PSTP) supported by Council as well as on non-motorised transport (NMT).

6. **P102/103: KPA OS4 (a&b) Road Safety & Law Enforcement**. No mention of contingency planning for HPP stopping and Law Enforcement possibly having to take over

7. **P106: KPA OS4 (d) Environmental Management.** Very impressive section but what is the budget amount for R2,1m for?

8. **P145/147: OS 5(a) human settlements.** Says that there are currently more than 11000 on housing waiting list. The proposed new 5-year housing schedule does not satisfy this...is it acceptable to the poorer communities...especially in Zwelihle?

9. **P154: KP OS 5(e) Sport & Recreation**. Another year goes by and the top priority sports facility in Overstrand over the last 10 years (Zwelihle Stadium) is left in a disgraceful state. This year R6m to Eastcliff Sports Complex next year R13,3m to Hawston Sports Complex? In the context of the unrest during 2018 and the importance of recreational football for the Zwelihle community the lack of funding is a major source of concern and reinforces negative perceptions.

10. **P231: CBD Revitalisation**. The write-up same as last year with no mention of the major upgrading about to start in the CBD?

Brian Wridgway

Chairperson



BELASTINGBETALERSVERENIGING
HERMANUS
RATEPAYERS ASSOCIATION
WE WORK FOR YOU ONS WERK VIR U

2019/20 IDP & Budget Comments

Further to the comments made in our earlier communication we would like to suggest the following:

6. **P102/103 KPA OS4 Road Safety & Law Enforcement.** No mention is made of contingency planning in the event of HPP terminating and Law Enforcement possibly having to take over.

The HRA would strongly advise the municipality to continue to provide for the 10% HPP levy in the 2019/2020 Financial year as there is common cause that a new SRA should be established to replace HPP. If no provision is made in the budget for a 10% in and 10% out then it will be impossible to establish a new SRA until July 2021. There will be no obligation on the part of the Municipality to implement the levy collection and payment unless or until Council approves a new SRA application.

Kind regards,
Brian Wridgway
Chairperson

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

560 (19)

CFO - Overstrand Ward 13: Vermont Organisations' Inputs/Comments - 2nd Review of Current IDP and Budget 2019/20

From: "Duncan Heard" <duncanheard@telkomsa.net>
To: <cfo@overstrand.gov.za>
Date: 29-Apr-19 02:41 PM
Subject: Overstrand Ward 13: Vermont Organisations' Inputs/Comments - 2nd Review of Current IDP and Budget 2019/20
Cc: "Jean Orban" <jeanorban84@gmail.com>, "'Anver Wyngaard'" <awyngaard@over...

To Whom it May Concern

I am submitting the IDP inputs below on behalf of the following three Vermont organisations that are members of the Ward 13 Committee as follows:

1. **Vermont Ratepayers and Environmental Association** represented by Dr Mike Weekes;
2. **Vermont Conservation Trust** represented by Ann Bown; and
3. **Vermont Coastal Path Committee** represented by myself.

Inputs/Comments regarding priorities for greater the 2nd review (2019/20) of the current 5 year IDP:

- **Spread and Infestation of Listed Invasive Alien Vegetation (IAV) on Private Property in the Overstrand:** There has been no ongoing and/or consistent national IAV control programme in the Overstrand for the past two years to assist private landowners with IAV control work. This has in many cases, undone the IAV control work undertaken through the national Working for Water Programme in the Overstrand since about 1997. It is visibly clear that in many areas of the Overstrand (including the rural properties adjacent to Vermont such as Hoek van der Berg and those on the Onrusrivierberg) that existing IAV infestations are rapidly increasing in biomass and that infestations are also rapidly spreading. Private landowners of large properties seldom have sufficient financial resources of their own to combat IAV on their properties and therefore the present situation if left unattended, will have the following disastrous financial consequences for the Overstrand community in years to come:
    - Exponentially increasing IAV infestations requiring exponential increasing funding to be brought under control (this has been exacerbated by the recent widespread wildfires fires experienced throughout the Overstrand - which in many cases were difficult to control as a result of existing mature IAV infestations);
    - Increasing fire risk to adjacent urban and semi-urban areas (for example Vermont as well as Onrus and the residential developments on the north western shore of the Klein River Estuary – to name only a few). The risk to these areas can reach disastrous proportions in dry and gale force conditions because of the increased height and biomass of IAV as opposed to fynbos;
    - Reducing the agricultural potential of farming areas;
    - IAV infestations have a well-documented negative impact on our natural water resources thereby directly and indirectly degrading/reducing water resources available to mountain catchment areas, wetlands, rivers, groundwater and estuaries.
    - IAV infestations have a well-documented negative impact on our natural fynbos biodiversity. The Overstrand area is a global biodiversity hot spot with one World Heritage Site already and with the potential for other World Heritage Sites to be declared.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

561

- IAV have the ability, if left uncontrolled to degrade the natural character and beauty of our landscape which will certainly make the Overstrand less attractive for tourism – our core economic driver.
- IAV infested areas are also more readily used by homeless people, vagrants and criminals for squatting – and to start cooking/heating fires.

In terms of the municipal objective of "Maintaining a healthy and safe environment" and the principle of supporting sound Co-operative Governance, the Overstrand Municipality should be strongly facilitating an initiative to ensure that the national/provincial governments again institute an ongoing effective and sustainable IAV control programme in the Overstrand to proactively avoid/reduce the negative effects of the uncontrolled spread and densification of IAV across the Overstrand which will have disastrous effects on future generations in the Overstrand.

- **Spread and Infestation of Listed Invasive Alien Vegetation (IAV) on Overstrand Municipal Property:** The Overstrand Municipality has a legal mandate as determined by the National Environmental Management: Biodiversity Act (NEMBA) to ensure that listed IAV is combatted and controlled on municipal property and especially public open space and more importantly conservation-worthy public open spaces such as the Vermont Salt Pan and the Vermont Green Belt System, the municipal land adjacent to the Onrus River and estuary as well as on the Onrusrivierberg. It is of particular concern that the Vermont Green Belts have in the last two years seen a tremendous re-infestation with IAV. These areas were previously so clear of IAV before that it only required a few days of work per annum for a small team to undertake IAV follow-up control work. Presently, after no control for almost two years, it will take a sizable team, weeks to get it back to its controlled state. In the meantime, the increase in biomass of IAV is massively increasing the fire risk in these areas. The Overstrand Environmental Management Services has informed me that only limited funds are available to undertake IAV follow-up work on municipal property and that the relevant procurement process has been delayed by more than a year as a result of a procurement process that is incompatible with the practical and technical requirements for the work. The serious delay in procuring IAV control service providers has led to an unnecessary and exponentially significant increase in the cost of the IAV work. This inefficient procurement process for IAV control work is an unnecessary waste of taxpayer monies as the IAV infestation increases significantly due to the delays and also results in increased fire risk, depletes groundwater and impacts significantly on the biodiversity of the municipal conservation-worthy areas. The funding for IAV control work on municipal land in the Overstrand and especially its conservation-worthy areas urgently needs to be increased in order for IAV infestations to be brought under control within a reasonable period such as 5 years.

- **Vermont: Traffic Calming and other Road Management Measures:**

There has been an accelerated growth in residential development in Vermont for several years now. This is expected to continue for several more years as a result of the high housing demand. A greater percentage of the houses that are being built in Vermont are now occupied by permanent residents - working families with school-going children. There are also a number of new housing developments planned for the already rapidly developing north western area of Vermont.

This increase in the permanent Vermont population is bringing about a significant increase in traffic flow along the main feeder roads in Vermont, namely Links Avenue, Malmok Crescent, Fulmar Road and Vermont Avenue. The alignments of these residential roads with long straight stretches allows more easily for vehicles to travel faster than the speed limit (exacerbated by an increase of speeding mini taxies avoiding R43 traffic congestion at peak times). Vermont residents are therefore increasingly voicing their concern in this regard, fearing for the safety of their families using these roads. Malmok Avenue adjacent to Paradise Park is of greatest concern as it has two 'blind corners' which have the potential for serious accidents to occur.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

562

It was with grave concern that we were informed at the April 2019 Ward 13 Committee meeting that a 'traffic calming' study had been undertaken for Onrus and could be implemented soon, but no such study had been done for Vermont! Considering the growing permanent population of Vermont, it is critically important that funds be made available for a similar study be undertaken for Vermont without delay and that the identified priorities receive urgent attention as soon as possible.

In this connection too, it is important that the following road management associated priorities in relevant Ward 13 areas receive the necessary funding as soon as possible:

- **stormwater drainage** improvements in problem areas; and
- the upgrading of **sidewalks for pedestrians** as well as **cycle paths** where these would be frequently used.

- **Completion of new walkway along Atlantic Drive, Onrus:**
  The speedier completion of this walkway is supported. Only annual Ward allocations have been used to fund this project thus far and therefore the completion of this very important walkway, which a is mainly a pedestrian safety feature, is being delayed. Additional funds should be made available to expedite the completion of this walkway..

Kind regards

Duncan Heard
Ward 13 Committee Member
12 Sepia Avenue, Vermont, Onrusrivier. 7201. SOUTH AFRICA
Tel: +27(0) 28 316 3386 | **Cell:** +27(0) 82 495 3943 | **Fax:** +27(0) 86513 4462 | **Email:** duncanheard@telkomsa.net



"We abuse land because we regard it as a commodity belonging to us. When we see land as a community to which we belong, we may begin to use it with love and respect." Aldo Leopold, A Sand County Almanac



(20)

BELASTINGBETALERSVERENIGING
ONRUSRIVIER
RATEPAYERS ASSOCIATION

Posbus / P.O. Box 512
ONRUSRIVIER / ONRUS RIVER
7201

Tel: 028 3165016 Voorsitter
Cel: 082 569 5324 Chairman
e-pos / mail: pos@onsdorp.com

To Whom it May Concern:

ADDITIONAL FUNDING REQUESTED FOR ONRUSRIVIER

Dear Chief Financial Officer,

After due consultation with our members, we the ratepayers of Onrus and WARD13, would like to submit our plea for mure funding for the following projects in order to achieve a safer town and better environment to live in:

1. Earlier completion of Atlantic Drive as there is presently a dangerous bottleneck for pedestrians and traffic where the work has stopped.
2. Traffic calming measures on our major access roads.
3. Sufficient funding for sustained alien management of our Estuary area as it forms an integral part of the drive for blue flag status of our beach.

Yours Faithfully,

Hennie Greeff
O.R.R.A. Chairman

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

564

(21)

CFO - COMMENTS AND OBJECTIONS: 2019/2020 DRAFT OVERSTRAND MUNICIPALITY BUDGET

From: Gerhard Ras <gerhardrasct@gmail.com>
To: <cgroenewald@overstrand.gov.za>
Date: 28-Apr-19 09:09 PM
Subject: COMMENTS AND OBJECTIONS: 2019/2020 DRAFT OVERSTRAND MUNICIPALITY BUDGET
Cc: Riana deconing <rdeconing@overstrand.gov.za>, Dudley Coetzee <dudley.coe...

Dear Sir

I have scrutinised the above-mentioned document and herewith submit my comments and objections for consideration by your council.

1. Ad Speech of the Executive Mayor tabling the budget:
The executive mayor stated in his budget tabling speech that the municipality "assumed" a 15% increase for electricity tariffs as directed by NERSA. Can I have clarity on the final percentage increase for electricity to be applied in the approved council budget.

2. Ad Table 1 Page 4:
the municipality is budgeting for an overall budget deficit of R 20 304 million. Is this statutorily permissible and if so, how does the municipality plan to cover the said shortfall. Are there bulk votes in the budgets that allow allocating for expenditure on an as and when required basis or are all the votes dedicated to very specific expenditure? If there are bulk votes, how do we as ratepayers detect same and more importantly, how can we monitor accountability in respect of same?

3. Ad Table 5 Page 9:
3.1 The operational cost component in respect of electricity expenditure has increased from R 651 980 to R 11 295 091 from 2018/2019, which represents an astronomical increase of 1632,4%. Unless there is a justifiable rational reason for this extra-ordinary increase, I request that this matter be investigated and adjusted to reasonably acceptable levels.
3.2 The operational cost component in respect of water expenditure has increased from R 5 034 539 to R 7 049 529 from 2018/2019, which represents a major increase of 40%. Again I request that this matter be investigated and adjusted to an acceptable level of increase.
I respectfully submit that the above-mentioned increases in operational costs blur the true surplus of both the electricity and water income of the municipality, which in turn makes it very difficult for the ordinary ratepayer to understand what he/she is paying for. On the other hand the reasonable deduction, or in the words of the executive mayor "assumption", made that certain employee related costs are being included under operational costs to blur the effect of employee salary increases and the total staff costs versus total budget. I need clarity on the above for the sake of transparency.

4. Ad Table 8 Page 14:
4.1 The executive mayor, in his budget tabling address, stated that the municipality followed the NERSA guidelines in drafting the budget, yet the "basic meter charge" is indicated as 17,5% as opposed to 15% proposed by NERSA. I object to this unnecessary high increase which is way above inflation. The basic meter charge, respectfully, is unrelated to the NERSA increase as it does not form part of the purchasing cost of bulk electricity and should have been budgeted at

OVERSTRAND MUNICIPALITY
2019 -05- 23

565

the same 5,7% increase as per the basic for sewer. Your rationale for the 17,5% increase is flawed and contestable. Please reconsider and bring it in line with the said 5,7% as per the other services.

4.2 The stepped tariff applied by the municipality is irrational in that it discourages the consumption of electricity by penalising increased usage. One would have thought that the municipality wanted consumers to increase consumption in order to secure increased surplusses from electricity revenue. This approach is particularly anti-investment and detrimental to economic growth as businesses are being penalised if the require additional electricity for growth.

4.3 A further point of objection is the levying of a basic meter charge for electricity in itself. Although the municipality distributes electricity to residents, the maintenance and replacement of electricity meters are for the accounts of consumers, which make the rationale for the levy contestable. I intend to contest this at another forum that has jurisdiction to guide municipalities in this regard.

5. Ad Table 9 Page 15

I strongly object to the levying of a basic charge for sewerage in De Kelders where properties do not have waterborne sewerage or access to waterborne sewerage infrastructure from the municipality. The fact that a sewerage pumping service is available on call, does not justify the said service as sewerage pumping is done at a cost-recovering tariff. Failing to reconsider this matter will leave me no other alternative but to canvas the public so that we can jointly refer this matter to an appropriate forum to deal with the public interest in a responsive manner.

It is trusted that my comments and objections will be me with the necessary application of the mind and that reason shall prevail in the interest of over-burdened ratepayers.

Yours faithfully

Gerhard Ras
59 Ingang Street, De Kelders, 7220
Cel no +27662127340 Home no 028-3840316



566

CFO - besware - 2019/2020 Begroting.

From: "Deon van Staden" <urbanboyz@telkomsa.net>
To: <cgroenewald@overstrand.gov.za>
Date: 29-Apr-19 04:13 PM
Subject: besware - 2019/2020 Begroting.

Onderstaande beswaar is deur mnr. G Ras aan jul kantoor gestuur. Ek wil dit graag op record stel dat ek heelhartig met die skrywer saamstem rakende die aangeleenthede soos deur hom verwoord en beskou dit as besware soos ek dit self sou stel. Beskou dit dus asseblief asof dit ook van my kom.

Die uwe

D van Staden.

Die kommentare/besware tydperk op die 2019/2020 munisipale begroting sluit môre. Vir diegene wie belangstel heg ek hieronder my kommentaar/besware aan. As julle nie teen môre sluiting van besigheid gereageer het nie, kan julle nie later besware aanteken wanneer die rekeninge kom nie. Hierdie saak is van uiterste openbare belang

I have scrutinised the above-mentioned document and herewith submit my comments and objections for consideration by your council.

1. Ad Speech of the Executive Mayor tabling the budget:
The executive mayor stated in his budget tabling speech that the municipality "assumed" a 15% increase for electricity tariffs as directed by NERSA. Can I have clarity on the final percentage increase for electricity to be applied in the approved council budget.

2. Ad Table 1 Page 4:
the municipality is budgeting for an overall budget deficit of R 20 304 million. Is this statutorily permissible and if so, how does the municipality plan to cover the said shortfall. Are there bulk votes in the budgets that allow allocating for expenditure on an as and when required basis or are all the votes dedicated to very specific expenditure? If there are bulk votes, how do we as ratepayers detect same and more importantly, how can we monitor accountability in respect of same?

3. Ad Table 5 Page 9:
3.1 The operational cost component in respect of electricity expenditure has increased from R 651 980 to R 11 295 091 from 2018/2019, which represents an astronomical increase of 1632,4%. Unless there is a justifiable rational reason for this extra-ordinary increase, I request that this matter be investigated and adjusted to reasonably acceptable levels.
3.2 The operational cost component in respect of water expenditure has increased from R 5 034 539 to R 7 049 529 from 2018/2019, which represents a major increase of 40%. Again I request that this matter be investigated and adjusted to an acceptable level of increase.
I respectfully submit that the above-mentioned increases in operational costs blur the true surplus of both the electricity and water income of the municipality, which in turn makes it very difficult for the ordinary ratepayer to understand what he/she is paying for. On the other hand the reasonable deduction, or in the words of the executive mayor "assumption", made that certain employee related costs are being included under operational costs to blur the effect of employee salary increases and the total staff costs versus total budget. I need clarity on the above for the sake of transparency.

OVERSTRAND MUNISIPALITEIT
2019-05-23
OVERSTRAND MUNICIPALITY

567

4. Ad Table 8 Page 14:

4.1 The executive mayor, in his budget tabling address, stated that the municipality followed the NERSA guidelines in drafting the budget, yet the "basic meter charge" is indicated as 17,5% as opposed to 15% proposed by NERSA. I object to this unnecessary high increase which is way above inflation. The basic meter charge, respectfully, is unrelated to the NERSA increase as it does not form part of the purchasing cost of bulk electricity and should have been budgeted at the same 5,7% increase as per the basic for sewer. Your rationale for the 17,5% increase is flawed and contestable. Please reconsider and bring it in line with the said 5,7% as per the other services.

4.2 The stepped tariff applied by the municipality is irrational in that it discourages the consumption of electricity by penalising increased usage. One would have thought that the municipality wanted consumers to increase consumption in order to secure increased surplusses from electricity revenue. This approach is particularly anti-investment and detrimental to economic growth as businesses are being penalised if the additional electricity for growth is tariffed at an increased rate.

4.3 A further point of objection is the levying of a basic meter charge for electricity in itself. Although the municipality distributes electricity to residents, the maintenance and replacement of electricity meters are for the accounts of consumers, which make the rationale for the levy contestable. I intend to contest this at another forum that has jurisdiction to guide municipalities in this regard.

5. Ad Table 9 Page 15

I strongly object to the levying of a basic charge for sewerage in De Kelders where properties do not have waterborne sewerage or access to waterborne sewerage infrastructure from the municipality. The fact that a sewerage pumping service is available on call, does not justify the said service as sewerage pumping is done at a cost-recovering tariff. Failing to reconsider this matter will leave me no other alternative but to canvas the public so that we can jointly refer this matter to an appropriate forum to deal with the public interest in a responsive manner.

It is trusted that my comments and objections will be me with the necessary application of the mind and that reason shall prevail in the interest of over-burdened ratepayers.



CFO - Comment on Draft Budget

From: "David Ralph" <ralphad@iafrica.com>
To: <CFO@overstrand.gov.za>
Date: 29-Apr-19 03:09 PM
Subject: Comment on Draft Budget

Dear Santie

I was given your details by the Mayor's office.

I would like to comment on the Overstrand Draft Budget for 2019/20.

I believe that an amount of R14.5 million was set aside in last year's budget for a baboon management programme however I see no mention of any amount allocated in this year's budget. According to Leizl Bezuidenhout a "compactum" was due to be signed between the MEC Environmental Affairs, the CEO of Cape Nature and the Mayor on the 18th April which would allow such an item to be budgeted and would therefore not be regarded as "fruitless and wasteful expenditure".

I would therefore be most grateful if a provision was made in this year's budget for a baboon management programme.

With kind regards

David Ralph

Virus-free. www.avast.com

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

23

From: Michael Raimondo <michael@greenrenaissance.co.za>
To: Elnora gillion <egillion@overstrand.gov.za>
Date: 28-Apr-19 3:24 PM
Subject: R220 000 for alien clearing - how do we object

Hi Elnora,

Please advise how you suggest we as the public object to the tiny allocation of funds for alien clearing. Who do we write to - what should we do to help increase this number.

Many thanks,
Michael

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

570 (24)

CFO - Draft IDP

From: Onrus Vermont SRA<onrus.vermont.sra@gmail.com>
To: 'CFO'<CFO@overstrand.gov.za>; 'Neville Michaels'<nmichaels@overstrand.go...
Date: 25-Apr-19 10:10 PM
Subject: Draft IDP

Good day Me Reyneke-Naude & Director Michaels

Can you please clarify the following section of the draft IDP (pages 282-283).:

and	frand	SAFETY	Bartman	s	3 101 581		3 101 581
Franskr aal	Ward 01	CCTV CAMERAS	L Smith	Opera ting Cash-WSP	100 000		100 000
Gansk-aai CBD	Ward 02	CCTV CAMERAS	L Smith	Opera ting Cash-WSP	50 000		50 000
Kleinb aai	Ward 02	CCTV CAMERAS	L Smith	Opera ting Cash-WSP	50 000		50 000
De Kelders /Perle moen baai	Ward 02	CCTV CAMERAS	L Smith	Opera ting Cash-WSP	50 000		50 000
Fisherh aven	Ward 08	CCTV CAMERAS	L Smith	Opera ting Cash-WSP	100 000		100 000
Zwelihl e	Ward 05	FENCING OF ZWELIHLE TAXI RANK	J de Villiers	Opera ting Cash-WSP	300 000		300 000

Local Area	Ward	Project Description	Project Manager	Fundin g Sourc e	2019/20 BUDGET COUNCIL FUNDED	EXTERNAL (GRANTS)	TOTAL
Kleinm ond	Ward 09	SAFETY CAMERAS AT ENTRANCES OF TOWN	L Smith	Opera ting Cash-WSP	100 000		100 000
Stanfor d	Ward 11	CCTV CAMERAS	L Smith	Opera ting Cash-WSP	100 000		100 000
Baards keerde rsbos	Ward 11	CCTV CAMERAS	L Smith	Opera ting Cash-WSP	30 000		30 000
Pearly Beach	Ward 11	CCTV CAMERAS	L Smith	Opera ting Cash-WSP	50 000		50 000
Overstr and	Overs trand	CCTV CAMERAS	L Smith	Land Sales	500 000		500 000

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

571

1. Various CCTV installations are mentioned for different wards.
2. Ward 13 is not included (Even though the Caravan Park has been promised cameras at various occasions).
3. We see a separate R500 000 CCTV item which is not specified for a ward. What will this be used for?

We urgently await your reply

Abner Ingheis
For: Onrus-Vermont SRA Steering committee & Onrus-Vermont Neighbourhood watch



ANNEXURE L

TABLED BUDGET CONFORMANCE, LG MTEC 3 ASSESSMENT & OVERSTRAND RESPONSE

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Western Cape Government
Provincial Treasury

Ms N Silulwane
Local Government Budget Office
Email: Nobahle.Silulwane@westerncape.gov.za
tel: +27 021 483 9265 fax: +27 021 483 4680

Reference: PTR 13/5/1 (2019/20)

Private Bag X9165
CAPE TOWN
8000

The Municipal Manager
Overstrand Municipality
PO Box 20
HERMANUS
7200

Dear Mr Groenewald

COMPLIANCE WITH THE MUNICIPAL FINANCE MANAGEMENT ACT, MUNICIPAL BUDGETING AND REPORTING REGULATIONS, MUNICIPAL STANDARD CHART OF ACCOUNTS, MUNICIPAL SYSTEMS ACT AND ENVIRONMENTAL AND DEVELOPMENT PLANNING LEGISLATION AND GUIDELINES

Thank you for submitting the 2019/20 tabled budget, the draft reviewed IDP and supporting budget documents to Provincial Treasury subsequent to the tabling thereof in council by the Mayor on 27 March 2019 in terms of section 16(2) of the MFMA.

As you are aware sections 17 and 20 of the MFMA stipulates that the annual budget and supporting documents must be in the prescribed format. Furthermore, the Municipal Budget Reporting Regulations (MBRR) 9 and 77, read together with the applicable MFMA Circulars prescribe that all municipalities and municipal entities must prepare their annual budgets, adjustments budgets and in-year reports for the 2019/20 MTREF in accordance with the Municipal Budget and Reporting Regulations. Municipalities and municipal entities are also expected to comply with mSCOA regulations with effect from 1 July 2017. In this regard, municipalities must comply with:

- Submission of the A-Schedules Excel formats (Version 6.3) to NT and PT in electronic format (by Wednesday 3 April 2019) and hard copy (by 5 April 2019); and
- Successful submission of the mSCOA data strings to the NT LG Database (by 3 April 2019).

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Budget Tabling and Submission Compliance Assessment:

Tabling	**Compliance Due Date**	**Yes/No**
A-Schedules (Version 6.3)	29 March 2019	Yes
Submission	**Compliance Due Date**	
A-Schedules (Version 6.3) - ecopy	3 April 2019	Yes
A-Schedules (Version 6.3) - hard copy	5 April 2019	Yes
mSCOA data strings TABB	3 April 2019	Yes
mSCOA data strings PRTA	3 April 2019	No

Provincial Treasury has reviewed the tabled budget documentation and found it complies with the MFMA Circular 94 requirements as per the table above. As Accounting Officer please ensure compliance with MFMA Circular 94 requirements.

In addition, Provincial Treasury, together with the Department of Environmental Affairs and Development Planning reviewed the tabled budget and related documents to assess if the documents conform to the requirements of the MFMA, MBRR, mSCOA (Version 6.3), MFMA Circulars, MSA and Environmental and Development Planning Legislation and Guidelines.

The findings and recommendations flowing from the review of the submitted documents are attached hereto:

- *Appendix B1*: General compliance overview of the 2019/20 MTREF Budget and related documentation in terms of the applicable legislation, regulations and guidelines.
- *Appendix B2*: Specific compliance findings on the A-Schedules and supporting budget schedules.

The Municipality is requested to consider the issues highlighted and to ensure that it is granted the necessary attention as may be required when the final MTREF Budget for 2019/20 is prepared.

Please do not hesitate to contact our offices should you require any assistance.

Yours faithfully

MR M BOOYSEN
pp HEAD OFFICIAL: PROVINCIAL TREASURY
DATE: 5 April 2019

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Western Cape Government

APPENDIX B1

COMPLIANCE CHECKLIST

The table below outlines the conformance assessment of the Municipality's 2019/20 MTREF Budget, IDP & SDF.

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
Spatial Development - Implementation of SDF (DEA&DP)				
1	*Was the SDF adopted as a part of the IDP by the municipal council?	Yes	The municipality has verbally confirmed that the current SDF (2006) was approved together with the IDP. The minutes of a mayoral committee meeting held on the 31ST of May 2017, confirm that the 2006 SDF was adopted as a Sectoral Plan of the IDP.	The SDF is currently under review. Although it was the intention of the municipality to adopt the revised SDF together with the IDP in May 2019, it will now only be adopted later in the 2019/2020 financial year.
2	*Was a notice regarding the proposed Municipal SDF published in the Provincial Gazette inviting the public to submit written comment?	Partly compliant	The municipality verbally confirmed that a notice was placed in the Gazette for the 2006 SDF. The current SDF review has not reached this point in the process yet.	N/A

OVERSTRAND MUNICIPALITY
2019 -05- 23

575

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
3	*Was a notice of the proposed Municipal SDF placed in the media inviting the public to submit written comment?	Partly compliant	The municipality verbally confirmed that a notice was placed in the media.*The current SDF review has not reached this point in the process yet.*	N/A
4	*Was a notice placed in the Provincial Gazette making known the adoption of the Municipal SDF?	Partly compliant	A notice was not placed in the Provincial Gazette for the 2006 SDF. The current SDF review has not reached this point in the process yet.	N/A
5	*Was the adopted SDF submitted to the Provincial Minister within 10 days of the adoption?	Partly compliant	The current SDF review has not reached this point in the process yet.	N/A
6	In the instance where the MEC requested an adjustment to the SDF or an amended SDF, were these matters resolved?	Yes	In the official IDP Assessment letter to the Mayor of Overstrand in 2018, no immediate adjustments were requested on the SDF.	The municipality is encouraged to ensure that the content and process requirements, set out in SPLUMA and LUPA, are met as far as possible in the SDF Review process currently underway.
7	Is the budget allocation within the IDP responsive to the capital investment framework of the SDF?	Partly compliant	The SDF (which includes the IDF, GMS and various precinct plans) does not include a Capital Investment Framework.	The SDF review currently underway must ensure that the SDF includes a Capital Investment Framework/Capital Expenditure Framework and a Implementation Plan as set out in the applicable legislation.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
8	Does the municipality have strategies in place that give effect to the principle of Spatial Justice, including settlement restructuring? (Possible information which could be used to assess this includes IDP budget allocation and relevant planning decisions.)	Yes	The Growth Management Strategy of Overstrand Municipality,(2011) contains a number of programs that speak to the principle of spatial justice, such as the Integrated Residential Development Programme, the Upgrading of Informal Settlements Programme and the Social Housing Programme.	It is assumed that the SDF currently under review will contain strategies which give effect o the principle of Spatial Justice.
9	Does the municipality have strategies in place that give effect to the principle of Spatial Sustainability? (Possible information which could be used to assess this may include IDP budget allocation and relevant planning decisions.)	Yes	The Municipality has a Growth Management Strategy which speaks to densification, development that is sensitive to the character , heritage and environmental conditions, of each town. Furthermore it speaks to the need to integrate, update and rationalize service provision and infrastructure planning. Therefore it could be argued that a strategy is in place to give effect to the principle of spatial sustainability.	It is recommended that the IDP speaks with one voice when it comes to the principle of spatial sustainability. On one hand reference is made to how low density sprawl is a concern and how undeveloped areas and agricultural land are increasingly being consumed by urban development whereas on the other hand on page 122 of the IDP reference is made to how "Provincial Governments Strategies are often generic and not practical at ground level". The IDP goes on to say that"spatial planning problems arise as a result of a tight urban edge". From the aforementioned it would appear that spatial sustainablity is supported through compaction, but then undermined by not wanting a tight urban edge.

OVERSTRAND MUNICIPALITY
2019 -05- 23

577

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
10	Does the municipality have strategies in place that give effect to the principle of Efficiency? (Possible information which could be used to assess this includes IDP budget allocation and relevant planning decisions.)	Yes	As part of a Turn Around Strategy, the Municipality has a Water Conservation and Demand Management Plan. This looks at amoungst other things, the replacement of aging water pipes and meters; focused leak detection and repairs and the maximisation of the use of treated waste water effluent for irrigation purposes. A 3 year infrastructure external loan has been taken up to implement specific water and sewerage projets from 2018 to 2021. The focus on water conservation and repairing any issues that result in the loss of water will assist in making the Municipality more efficient.	It is assumed that the SDF currently under review will contain strategies which give effect o the principle of Efficiency
11	Does the municipality have strategies in place that give effect to the principle of Spatial Resilience, excluding climate change mitigation and adaptation, which is covered elsewhere? (Possible information which could be used to assess this may include IDP budget allocation and relevant planning decisions.)	Yes	In the IDP, it is stated that the Municipality supports the Provincial Department of Human Settlements Strategic Plan, which has the aim of enabling a resilient, sustainable, quality and inclusive living environment . In part this resilience will be through integrating low cost housing projects into existing suburbs.	It is assumed that the SDF currently under review will contain strategies which give effect o the principle of Spatial Resilience.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
Development Management (DEA&DP)				
12	*Does the municipality comply with the following obligations to regulate for the aspects as stipulated in LUPA/By-law?			
	(a) The development, adoption, amendment and review of a zoning scheme for the municipal area.	Fully compliant		
	*(b) The procedures in terms of which the municipality receives, considers and decides on land use applications.	Fully compliant		
	*(c) The procedures in terms of which the municipality facilitates public participation in its consideration of land use applications.	Fully compliant		
	*(d) The criteria for deciding on land use applications.	Fully compliant		
	*(e) The imposition of conditions of approval for land use applications.	Fully compliant		
	*(f) The procedures applicable after a land use application has been approved.	Fully compliant		
	*(g) The enforcement by the municipality of its by-laws and decisions with regard to land use planning.	Fully compliant		
13	*Does the Municipal Planning By-law regulate for the development, adoption and review of a Zoning Scheme?	Yes		

OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
14	*Did the municipality adopt and approve a single zoning scheme for its entire area?		To be decided by the Municipal Council	
15	In the instance where the municipality has not yet adopted a single Zoning Scheme, what are the steps being taken to put the process in place?	Fully compliant		
16	*Does the new integrated zoning scheme comply with the minimum requirements prescribed by LUPA?	Partly compliant		
17	*Did the municipality comply with the minimum requirements for public participation when drafting, adopting and approval of the Integrated Zoning Scheme as per LUPA/By-law?	Yes		
18	*Did the municipality establish an intergovernmental steering committee for the compilation or review of its Integrated Zoning Scheme?	No		
19	*If the municipality established an intergovernmental steering committee, does the committee comply to the minimum requirements in LUPA?	No		
20	If the municipality did not establish an intergovernmental steering committee, was the IZS submitted to the MEC for comment?	Yes		

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
21	*Did the municipality place a notice in the Provincial Gazette regarding the adoption of the Zoning Scheme?	Yes		
22	Does the new Integrated Zoning Scheme contain a current (up-to-date) zoning map?	Yes		
23	Are deviations from the zonings indicated in a Zoning Register?	Yes		
24	Did the municipality incorporate land into the zoning scheme that immediately before the commencement of LUPA, was not regulated by a zoning scheme or town planning scheme, including land that was regulated by the Rural Areas Act?	Yes		
25	*Does the municipality refer all applications listed in section 45(a) to (f) of LUPA to the provincial department for comment?	Yes		
26	What percentage of applications were not dealt with within the prescribed time periods?	Fully compliant		
27	*Does the municipality adhere to the prescriptions of sections 50 - 52 of LUPA with regard to notifications of decisions, right of appeal and referrals to Provincial Government for comment, and to what extent?	Yes		

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
28	Does the municipality have capacity in registered planners to perform all their planning functions in accordance with the prescriptions of the legislation?	Yes		
29	Has the municipality budgeted for the appointment of town and regional planners in future?	No		
30	*Has the municipality kept and maintained a written record of all applications submitted and the reasons for decisions in respect of such applications for the amendment of its Land Use Scheme?	Yes		
31	Does the municipality spatially depict land use decisions via a GIS or other system?	Yes		

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

582

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
Coastal Management (coastal municipalities only) - Coastal municipalities: Municipalities whose areas of jurisdiction include sections of coastline (DEA&DP)				
32	Does your Municipality have a coastline?	Yes		
33	Has the district municipality entered into an agreement with the Local Municipality with respect to the designation of coastal access strips of land in terms of ICMA?	No	No agreement has been entered into between district and local municipalities wrt the designation of coastal access land.	The Overberg Coastal Access Audit and Pilot Study for Overberg District will guide/inform any agreements entered into.
34	Has a coastal access audit been conducted for your municipal coastline?	Yes	The Overberg Coastal Access Audit and Pilot Study was concluded.	The Overberg Coastal Access Audit and Pilot Study is a District wide study that will guide/inform all actions pertaining to the facilitation of public coastal access. The outcomes and recommendations of this study will be presented to the relevant MM's for uptake and implementation with support from the Department.
35	*Has the municipality adopted a coastal access by-law?	No		The Overberg Coastal Access Audit and Pilot Study (conducted under the auspices of the Provincial Coastal Access Strategy and Plan) will guide/ inform all actions pertaining to the facilitation of public coastal access. The Department has developed a Model Coastal Access By-law which is currently in a vetting process with DotP and provides a framework for all coastal municipalities for the development and adoption of the own Coastal Access By-law. The By-law will be made available to all the local municipalities for their consideration and implementation.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

583

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
36	*Has your municipality designated strips of land as coastal access land in terms of the by-law?	No	The Overberg Coastal Access Audit and Pilot Study made recommendations for the designation of coastal access land in the Overstrand Municipality in terms of ICMA. These recommendations will be presented to the relevant MM's for consideration.	The Overberg Coastal Access Audit and Pilot Study (conducted under the auspices of the Provincial Coastal Access Strategy and Plan) will guide/inform all actions pertaining to the facilitation of public coastal access. The Department has developed a Model Coastal Access By-law which is currently in a vetting process with DotP and provides a framework for all coastal municipalities for the development and adoption of the own Coastal Access By-law. The By-law will be made available to all the local municipalities for their consideration and implementation with support from the Department.
37	*Did the municipality do all of the following when designating (or withdrawing) coastal access land: (a) Assess the potential environmental impacts of doing so (33%); (b) Consult with interested and affected parties (33%); and (c) Give notice of the intended designation (or withdrawal) to the owner of the land? (33%)	Partly compliant	The Overberg Coastal Access Audit and Pilot Study makes recommendations for the facilitation of public coastal access. Assessment of environmental impacts with facilitating public coastal access at the pilot site was conducted in accordance with the ICM Act and WCPCASP requirements. These outcomes and recommendations of the pilot study will be presented to the relevant MM's for consideration and implementation with support from the Department.	The Overberg Coastal Access Audit and pilot study was concluded. The pilot study highlighted the potential environmental considerations or impacts and an assessment of impacts was conducted in accordance with the ICM Act and WC PCASP requirements. The outcomes and recommendations of the pilot study will be presented to the relevant MM's for consideration and implementation with support from the Department.

OVERSTRAND MUNICIPALITY OVERSTRAND MUNISIPALITEIT 2019 -05- 23

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
38	*If your coastal municipality has designated coastal access land, have they complied with all of the requirements of 20(1) of the ICMA, where appropriate? In particular: (1) Erection of appropriate signage; (2) Provision of appropriate facilities/amenities for the usage of the coastal access land; (3) Developed any by-laws pertaining to the control and protection of coastal access land.			The WC Coastal Access Strategy and Plan; the Model Coastal Access By-law as well as the Overberg Coastal Access Audit and Pilot Study (conducted under the auspices of the Provincial Coastal Access Strategy and Plan) will guide/inform all actions pertaining to the facilitation of public coastal access.
39	*Has your Municipality determined or adjusted a coastal boundary for coastal access land?	No	No coastal boundaries were determined or adjusted.	The Overberg Coastal Access Audit and Pilot Study was concluded. The study identifies challenges and makes recommendations along the coastline pertaining to public coastal access for consideration and implementation by the municipality.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
40	*Did you take into account all considerations as set out in section 29 of ICMA, i.t.o.: (a) The kind of public access required; (b) Any potential adverse effects that public access may cause; (c) The need for parking, recreational and ablution facilities; (d) Any existing rights of way, public servitudes or customary means of gaining access to the seashore and coastal waters; (e) The need to protect any coastal protected areas; and (f) The importance of not restricting the rights of land owners unreasonably.		The Overberg Coastal Access Audit and Pilot Study currently was concluded and makes recommendations at various public access sites for consideration and implementation by the municipality.	The WC Coastal Access Strategy and Plan; the Model Coastal Access By-law as well as the Overberg Coastal Access Audit and Pilot Study (conducted under the auspices of the Provincial Coastal Access Strategy and Plan) highlights potential environmental considerations or impacts that will need to be assessed per the identified access land/strip(s).
41	*Has your municipality delineated the coastal management line(s) on a map or maps that form part of its zoning scheme?	Partly compliant	Although not yet established by the MEC, the management lines are being included in relevant municipal planning documents. The CML for the Overberg District was delineated in collaboration with the District and relevant local municipalities. The CML and associated coastal risk overlays was provided to the municipality for inclusion in their SDFs and applicable zoning schemes.	The Department is in the process of finalising the implementation mechanism for the CML and coastal overlay. The Overstrand Municipality have commenced with the process of inclusion of risk information into the zoning scheme.
42	*Has the coastal municipality adopted a Coastal Management Programme (CMP) or any amendments subsequent to a review?	No	CMP was adopted by the District council on condition that funding is secured for implementation.	Funding sources should be investigated and alternate mechanisms for project funding should be sourced if Municipal budgets are not sufficient. Alternatively these CMP projects should be prioritised where appropriate within the Municipal IDP.

OVERBERG/STRAND MUNICIPALITY
OVERSTRAND MUNISIPALITEIT
2019 -05- 23

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
43	*Was the CMP subjected to a public participation process?	Yes	PPP was held and CMP as adopted by District Council and the municipalities participated fully in its development.	DEA&DP has provided comment to ensure alignment with NCMP and PCMP.
44	*Does your CMP comply with all the requirements as set out in Section 49(1) and 49(2) of the ICMA?		CMP was adopted by District Council.	DEA&DP has provided comment to ensure alignment with NCMP and PCMP.
45	What percentage of awareness and/or education initiatives as indicated in your CMP were implemented during the past financial year.	Fully compliant	IDP refers to development of an Awareness and Education Strategy and Environmental Awareness and Education Campaigns undertaken and also the municipalities participation therein.	Continued participation in these programmes.
46	Are the municipality's development plans (e.g. IDP, land development plan) aligned with the Municipal Coastal Management Plan, national coastal management programme and the provincial coastal management programme?	Fully compliant	CMP was adopted by District Council.	DEA&DP has provided comment to ensure alignment with NCMP and PCMP.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand

Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
47	*What percentage of listed Public Launch Sites 'PLS' in this municipality have an Operational Plan?	Non-compliant		The DEA&DP has developed a concept OP for municipalities. The SD: Coastal Management is available to assist municipalities in drafting the OPs for each PLS within their jurisdiction.
48	Has the municipality or any other stakeholder formally requested the MEC to **list** additional launch sites as a PLS in the current financial cycle?	Yes	A request was received to list Hawston as a PLS. The Department has engaged DAFF in order to facilitate the process.	
49	Has the municipality formally requested the MEC to **delist** one or more launch sites as a PLS in the current financial cycle?	Yes	The Department received a request to delist a few sites. Additional information was requested in order for the process to be carried forward.	
50	Has the municipality applied to the National Minister: Environmental Affairs to request the approval of an access fee or access fees ('access fees' as defined in NEM:ICMA) for PLSs where these types of fees are currently being charged or is intended to be charged?	No		
51	Does the signage erected at all public launch sites depict the status of the launch sites (i.e. listed public launch site or, no launching allowed).	Partly compliant	Provincial Government Branded PLS signage was issued to all municipalities for PLS sites.	Department conducted an audit in some of the Overberg sites in December 2018, the findings was that some of the sites do not have the Branded PLS signs which were previously provided by the Department
52	Does the municipality have an estuary/ies within its municipal area?	Yes		The Overstrand Municipality has the following estuaries within the municipal area: Rooiles, Buffels. Palmiet, Kleinmond/Bot, Klein, Uilkraals, Onrus

OVERSTRAND MUNICIPALITY
OVERSTRAND MUNISIPALITEIT
2019-05-23

588

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
53	*What percentage of estuary/ies, under the Municipality's responsibility, have (draft) Estuarine Management Plans in line with the NEM Protocol?	Partly compliant	100% of the estuaries have a draft EMP. However, the Onrus EMP has not been assessed in tersms of the NeM Protocol.	DEA&DP, through the EMFIS project undertook the updating and drafting of the most of the EMPs, except the Onurs. The Onrus EMP was completed by a private individual.
54	*Has the Municipality followed the PPP as described in the NEM Protocol for each EMP?	No		Once the EMPs have been officially handed over to the Municipality and an implementation protocol signed, they will need to be subjected to the final PPP requirements (including gazetting) as per the NEMP.
55	*Has the Municipality, as the responsible management authority, submitted relevant EMPs to the MEC for approval?	No		The EMPs have not been submitted to the MEC.
56	*What percentage of approved EMPs has the Municipality, as the responsible management authority, adopted?	No		The EMPs have not been submitted to the MEC.
57	Has the EMP been incorporated into the broader Municipal Coastal Management Programme?	Partly compliant		The District Municipality completed their review of the CMP in 2018. The EMPs have been highlighted as a high priority area in the District CMP.
58	*Has the EMP been reviewed by the municipality at least every 5 years?	No		The EMPs have not been submitted to the MEC and adopted and thus is not yet due for a review.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

589

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
Biodiversity (DEA&DP)				
59	Did the municipality assign correct spatial planning categories (Core 1 and/or the highest conservation priority) to Critical Biodiversity Areas (CBAs) and Ecological Support Areas (ESAs) in the current SDF?	Yes	Table 5 Pg. 61 and Map 28.	
60	Does the municipality have a management plan or programme for eradicating alien invasive species?	No	No alien invasive plan tabled.	it is recommended that municipality develops the alien clearing and monitoring plan in compliance with provision of NEM:BA.
61	How many hectares (ha) of alien invasive plants have been cleared per annum?	No		
62	How many hectares (ha) of land that has already been cleared of alien invasive species received follow-up management per annum?	No		it is recommended that municipality develops the alien clearing and monitoring plan in compliance with provision of NEM:BA.

590

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
Air Quality Management (DEA&DP)				
63	*Has the Municipality adopted Air Quality By-laws?	Non-compliant	No air quality By-law was developed	It is recommended that the municipality develops a by-law as per section 11(1) of the NEM: AQA. A consultative process to be followed before the by-law is passed as per section 11(4) of the NEM: AQA.
64	*Was a public participation process followed before the by-laws were adopted?	Non-compliant		
65	*Does your Municipality have a designated Air Quality Officer for co-ordinating matters pertaining to air quality management in the Municipality?	Fully compliant	An AQO is designated and the appointment letter was received by the DEA&DP.	
66	*Does your Municipality have an Air Quality Management Plan?	Fully compliant		
67	*Has the Air Quality Management Plan been adopted/approved by Council?	Fully compliant		
68	*Has the Air Quality Management Plan been included in the IDP?	Fully compliant		

OVERSTRAND MUNICIPALITY
2019 -05- 23

591

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
69	*Did the Municipality include the following in the AQMP as per NEMA: AQA: (a) Measures to improve air quality (12.5%) (b) Identification and reduction of the negative impact on human health and the environment of poor air quality (12.5%) (c) Address the effects of emissions from the use of fossil fuels in residential applications (12.5%) (d) Address the effects of emissions from industrial sources (12.5%) (e) Address the effects of emissions from any point or non-point sources (12.5%) (f) Information on the implementation of the Republic's obligations in respect of international agreements (12.5%) (g) Measures to give effect to best practice in air quality management (12.5%) (h) Describe how the municipality will give effect to its air quality management plan (12.5%)	Fully compliant		
	Has the Municipality reported on the implementation of the Air Quality Management Plan in the annual report submitted in terms of NEMA?	Fully compliant	Through coordination by the Overberg District Municipality, the Overstrand Municipality provides information for input into the Western Cape State of Air Report.	

OVERSTRAND MUNICIPALITY 2019-05-23

592

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
71	*Did the Municipality report on the following in terms of implementation of the air quality management plan: (a) Air quality management initiatives undertaken by it during the reporting period (20%) (b) The level of its compliance with ambient air quality standards (10%) (c) Measures taken by it to secure compliance with those standards (20%) (d) its compliance with any priority area air quality management plans applicable to it (20%) (e) Its air quality monitoring activities (20%) (f) Development of emissions inventories (10%)	Partly compliant		It is recommended that the municipality monitor ambient air quality; and point, non-point and mobile source emissions as per section 8 of the NEM: AQA.
72	Has your Municipality conducted air quality awareness campaigns?	Non-compliant		It is recommended that the municipality implements ambient air quality awareness raising.
73	Is your Municipality responsible for Atmospheric Emission Licensing?	No	N/A	
74	How many Atmospheric Emission Licences did your Municipality issue per quarter?	No	N/A	

OVERSTRAND MUNICIPALITY
2019-05-23

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
Waste Management (DEA&DP)				
75	*Has the municipality designated, in writing, a Waste Management Officer?	Non-compliant	The Council Resolution of the Waste Management Officer`s designation must be forwarded to the Directorate: Waste Management	The newly appointed Waste Management Officer in Overstrand must be officially designated.
76	*Has the municipality's current IWMP been approved by their municipal council?	Fully compliant	IDP 2017/2018 - 2021/2022	
77	*Has the municipality submitted their IWMP to the MEC for assessment and endorsement?	Fully compliant	DEA&DP's IWMP Assessment Report for Overstrand Municipality	
78	*Did the municipality follow a consultative process w.r.t. the development of their IWMP as contemplated in section 29 of the Municipal Systems Act? Provide proof.	Fully compliant	4th Generation IWMP 2015	
79	*Is the IWMP integrated in the Municipal IDP?	Fully compliant	IDP 2017/2018 - 2021/2022	
80	*Does the municipality report on the implementation of the IWMP in the Annual Report?	Fully compliant	Draft Audited Annual Report 2019	
81	*Does the municipality's IWMP meet the minimum requirements as stipulated in the **National Environmental Management: Waste Act** (NEM: WA)?	Fully compliant	DEA&DP's IWMP Assessment Report for Overstrand Municipality	Any recommendations provided in DEA&DP's IWMP Assessment Report must be incorporated into the plan.
82	*Are your waste management facilities registered on **Integrated Pollutant and Waste Information System** (IPWIS)?	Yes	IPWIS registration number	

OVERSTRAND MUNICIPALITY 2019 -05- 22 RECEIVED

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
83	Indicate the number of operating waste management facilities with quantification systems.	Yes	Two (2) waste management facilities utilise the Waste Calculator and the other facility has a weighbridge	
84	Does the municipality report the waste quantities on IPWIS?	Fully compliant	As can be seen from online IPWIS reporting	
85	*What is the total percentage of waste diversion for the municipal area (including both municipal and private)?		46,69% diversion rate for 2017 and 51% diversion rate for 2018	
86	Indicate if your current integrated waste management infrastructure can accommodate the projected waste quantities over the next 5 years.	Yes	The municipality have various drop-offs and transfer stations available. The Municipality uses Karwyderskraal and Gansbaai WDF to dispose of waste. Karwyderskraal WDF is in the process of installing a new cell.	The maintenance and protection against vandalism of current infrastructure needs to be implemented.
87	*Are internal (quarterly) compliance audits being conducted at all waste facilities?	Fully compliant	Internal Audits are performed at the licenced facilities.	None
88	*Are external (annual) compliance audits being conducted at all waste facilities?	Partly compliant	Not all licenced facilities are being externally audited. External audits have been received for Karwyderskraal WDF, Gansbaai WDF, Hermanus WTS and Kleinmond WTS.	All licenced facilities are required to be audited, including the closed waste disposal facilities.
89	*Are all internal and external audits submitted to the department?	Fully compliant	Audit reports have been received.	None
90	Indicate the total number of operating waste management facilities.	Yes	13	None
91	*Does the municipality have an Integrated Waste Management By-law?	Yes	Integrated Waste Management By-law, 12 July 2013.	No comment

OVERSTRAND MUNICIPALITY 2019-05-23

595

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
92	*Is the by-law aligned to the NEM: WA?	Yes	The By-law was published in 2013 and considered the requirements of the Waste Act.	No comment
93	Are there measures to divert waste from landfill incorporated into your IWMP?	Yes		
94	Has your municipality implemented any waste minimisation initiatives?	Yes	Municipality supports buy back centre in Hermanus and swop shops by collecting the waste and doing regular awareness at swop shop centres.	It is recommended the Municipality do more in informal and low income areas with regards to waste minimisation/recycling systems or infrastructure and to challenge current attitudes towards waste in these areas.
95	Which waste minimisation system has been implemented in the municipality?		The Municipality has a variety of systems in place. Municipality supports buy back centre in Hermanus and swop shops by collecting the waste and doing regular awareness at swop shop centres. 84% of households receive a recovery at source service. Igloos are provided and residents can take recyclables to drop-offs. A Green waste system include drop off facilities and the chipping and composting of it. The following facilities form the heart of the municipality's minimisation system: The Gansbaai landfill MRF, Stanford Drop-off, Voëlklip Drop off, Voëlklip Week End Drop-off, Hermanus Transfer Station, Onrus Week End Drop-off, Kleinmond Transfer Station and Betties Bay drop-off have special bins for recyclables.	It is recommended the Municipality do more in informal and low income areas with regards to waste minimisation/recycling systems or infrastructure and to challenge current attitudes towards waste in these areas.

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
96	Does the municipality have any waste management awareness initiatives?		**Signage:** The Municipality use signage to direct residents to drop offs, transfer stations and landfills. **Various advertising boards** are erected throughout the Municipal area for the promotion and encouragement of responsible waste management and waste minimisation. **Pamphlets:** Residents are made aware via a monthly news bulletin and in season time they hand out pamphlets to inform holiday makers about their services, including their recycling initiatives. **DEA Awareness:** YJIW also creates awareness about recycling at taxi ranks, schools, door-to-door and beaches. Whale Coast Conservation has Youth Environment Programme. **Community/Business Awareness:** The Municipality give talks about recycling at swop shops. The Municipality communicate with residents via the **Overstrand News Bulletin** through the municipal monthly account. Talks at organizations, schools etc. to spread awareness throughout the Overstrand forms an important part of the Municipality's talks.	It is recommended the Municipality's awareness strategy extend to informal and low income areas assist with the challenge of changing current attitudes towards waste in these areas.

OVERSTRAND MUNISIPALITEIT OVERSTRAND MUNICIPALITY 2019-05-23

597

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
Climate Change (DEA&DP)				
97	Are climate change mitigation (low carbon) responses included in the municipality's IDP?	Yes	The municipality was involved in the development of the Overberg Climate Change Strategy; the municipality is also planning to establish their own climate change strategy. The municipality plans to implement or has already implemented the following measures: SSEG guidelines and tariffs have been implemented; LED streetlight project; implementation of energy efficiency measures as well as improve public transport in the municipality, incl. a NMT strategy; install SWHs in municipal-owned housing; introduce a energy efficient water heater by-law; drive renewable energy initiatives. The municipality is planning an energy audit on all municipal offices and buildings. A municipal Climate Change Response Strategy is referred to, but it is unclear if this is already completed or planned to be developed sometime in the future.	
98	Are there budget and capacity allocated for climate change mitigation responses?	No	None evident.	

598

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
99	Are climate change adaptation (risk reduction) responses included in the municipality's IDP?	Yes	The municipality has identified climate change risks, and was involved in the development of the Overberg Climate Change Strategy; the municipality is also planning to establish their own climate change strategy. The municipality has started diversifying water sources to avoid dependence on surface water (incl. water re-use and seawater desalination); CMLs to be incorporated into the IDP, IDF, SDF, Zoning scheme; the municipality will ensure that coastal development and planning provides for the effects of climate change; ecosystem restoration/green infrastructure protection; roll out an invasive species management programme; dune management to protect infrastructure from coastal processes; all new buildings to have rainwater harvesting features.	
100	Are there budget and capacity allocated for climate change adaptation responses?	No	It is implied that the Overstrand Environmental Section is responsible for climate change response, but this is not explicit.	
Pollution Management (DEA&DP)				
101	*Is there a dedicated line function or person responsible for coordinating and managing incidents in terms of section 30 of the National Environmental Management Act?	Partially	Communication with the Overstrand Municipality. Written confirmation of the line function or person responsible for incidents in the municipality is still outstanding.	Written confirmation of persons responsible for incidents must be provided via the office of the Municipal Manager. No formal confirmation has been provided in this regard. Further inputs will be made later in the year.

OVERSTRAND MUNICIPALITY 2019 -05- 23

599

WC032 Overstrand				
Findings and Recommendations				
Parameter		Non-compliant/ Partly compliant/ Fully compliant OR Yes/No	Evidence	Recommendations
102	*Is a standard operating procedure or agreement in place with regard to cooperation between the local and district municipality, including disaster management in terms of the management of such incidents?	No	No formal arrangement to cooperate in the management of incidents is in place.	Engagements will be commissioned later in the year to commence with efforts in this regard.
103	*Is a database kept and available with complete records of all incidents which occurred in the area of jurisdiction of the municipality?	No	No indication or confirmation in this regard has been provided by the municipality.	A database to log and manage incident information must be prioritised.
104	*Has the requirements of section 30 of the National Environmental Management Act been incorporated in any by-laws, regulations and/or any other strategic programmes/plans?	No	No evidence in this regard has been shared with the Directorate: Pollution and Chemicals Management.	Proof to be provided of how incident information is utilised in guiding strategic matters.
105	*Is a system for monitoring compliance and taking enforcement action in place with respect to S30 incidents and/or contaminated land cases?	No	No information in this regard has been shared with the Department.	Engagements will aim to understand these aspects.
106	Is the national contaminated land register considered when rezoning applications are processed to prevent the transfer of contaminated land to unsuspecting parties? Is the department consulted when rezoning applications involving contaminated land are dealt with?	No	No evidence in this regard has been shared with the Directorate: Pollution and Chemicals Management.	Consideration of contaminated land management aspects must be incorporated into the rezoning process of the municipality.

009

WC032 Overstrand				
Findings and Recommendations				
Parameter		**Non-compliant/ Partly compliant/ Fully compliant OR Yes/No**	**Evidence**	**Recommendations**
Completeness of draft SDBIP (PT: LGBO)				
107	Does the municipality provide an overview of the budget and IDP review process?	Yes	Budget documentation	
108	Has the municipality documented its draft Service Level Standards as part of the budget documentation?	Fully compliant	Service level standards in budget documentation	
109	Is the municipality's budget (SA4, SA5 and SA6) reflective of the IDP strategic objectives?	Fully compliant	SA4, SA5, SA6	
110	Draft SDBIP (top-level) has been prepared and included in line with MBRR 14.	Yes	Draft SDBIP, MBRR Reg 14	
111	Draft SDBIP (top-level) has been prepared and included - in line with Circular 13.		Draft SDBIP, MFMA Circular 13	
	(a) Component 1: Monthly projections of Revenue to be collected per source.	Fully compliant		
	(b) Component 2: Monthly projections of Expenditure and revenue for each vote.	Fully compliant		
	(c) Component 3: Quarterly projections of service delivery targets and performance indicators for each vote.	Fully compliant		
	(d) Component 4: Ward information for expenditure and service delivery.	Fully compliant		
	(e) Component 5: Detailed Capital Works Plan broken down per ward over 3 years.	Fully compliant		

Legislative requirement

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

601

2019/20 Draft Medium Term Revenue and Expenditure Framework - Checklist of Compliance to Municipal Budget and Reporting Regulations (Government Gazette 32141)																
WC032 Overstrand		2019/20	Draft	Hard copy			Verification/Reconciliation of Electronic Submission to Budget Tables Included in Budget Report and Document									
	Main Compliance Component	Sub Component/ Explanation	Ref.	Assessment		Description/ Rating	Audited Actual Current Year -3	Audited Actual Current Year -2	Audited Actual Current Year -1	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 0	Budget Year +1	Budget Year +2
0100	**Procedural compliance**														
0105	Draft NT/REF Tabled 90 days prior to new financial year	Verify that the budget was tabled by 31 March	MFMA s. 16(2)			Compliant									
0106	Grant Budget (SA18) is aligned to DoRA	Verify if the grant allocations reconcile to DoRA	MFMA s. 21(2)(c)			Compliant									
0107	Correct version of Schedule A1	Verify electronic submission version	MBRR r. 9			Compliant									
0108	Table of Contents	Verification of inclusion in budget report/document	MBRR (Schedule A) r. 2			Compliant									
0200	**Annual Budget**														
0205	Mayors Report	Verification of inclusion in budget report/document	MBRR (Schedule A) r. 3			Complete									
0206	Resolutions	Verification of inclusion in budget report/document	MBRR (Schedule A) r. 4			Complete									
0207	Executive Summary	Verification of inclusion in budget report/document	MBRR (Schedule A) r. 5			Complete									
0300	**Annual Budget Tables A1 to A10: No Municipal Entities**														
0305	Table A1: Budget Summary	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0306	Table A2: Budgeted Financial Performance (Revenue and Expenditure by standard classification)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0307	Table A3: Budgeted Financial Performance (Revenue and Expenditure by municipal vote)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0308	Table A4: Budgeted Financial Performance (Revenue and Expenditure)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0309	Table A5: Budgeted Capital Expenditure by Vote, Standard Classification & Funding Source)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0310	Table A6: Budgeted Financial Position	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0311	Table A7: Budgeted Cash Flow	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0312	Table A8: Cash backed reserves/accumulated surplus reconciliation	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0313	Table A9: Asset Management	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0314	Table A10: Basic service delivery measurement	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 8			Fully completed									
0400	**Supporting Documentation**														
0405	Overview of Budget Process	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 10			Complete									
0406	Overview of alignment of annual budget with IDP	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 11			Complete									
0407	Measurable performance objectives and indicators	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 12			Complete									
0500	**Budget Related Policies**	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 15		Date of revision										
0505	Tariff Policy on Property Rates	Must be included if service is rendered	MBRR r. 7 (footnote 1)			Complete									
0506	Tariff Policy on Electricity	Must be included if service is rendered	MBRR r. 7 (footnote 1)			Complete									
0507	Tariff Policy on Water	Must be included if service is rendered	MBRR r. 7 (footnote 1)			Complete									
0508	Tariff Policy on Sanitation	Must be included if service is rendered	MBRR r. 7 (footnote 1)			Complete									
0509	Tariff Policy on Refuse Removal/Solid Waste	Must be included if service is rendered	MBRR r. 7 (footnote 1)			Complete									
0510	Municipal Property Rates Policy	As informed by the Municipal Property Rates Act	MBRR r. 7 (footnote 1)			Complete									
0511	Credit Control and Debt Collection Policy	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0512	Cash Management and Investment Policy	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0513	Borrowing Policy	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0514	Funding and Reserves Policy	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0515	Policy related to long-term financial planning	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0516	Supply Chain Management Policy	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0517	Policy related to the Management and Disposal of Assets	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0518	Policy relating to dealing with infrastructure investment and capital projects	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0519	Indigents Policy	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0520	Budget Implementation and Management Policy	If not included, verify reference given	MBRR r. 7 (footnote 1)			Complete									
0600	**Supporting Documentation contd...**														
0605	Budget Assumptions	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 16			Complete									
0606	Overview of Budget Funding including funding compliance (Table SA10)	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 17			Complete									
0607	Expenditure on grant allocations and grant programmes	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 18			Complete									
0608	Allocations/grants made by the municipality	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 19			Complete									
0609	Councillor and board member allowances and employee benefits	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 20			Complete									
0610	Monthly Targets for revenue, expenditure and cash flow	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 21			Complete									
0611	Draft Service Delivery and Budget Implementation Plans (SDBIP)	Verification of inclusion in budget report/document	MBRR (Schedule A) r. 22			Complete									
0612	Service Delivery Agreements of Municipal Entities (if applicable)	Verification of inclusion in budget report/document	MBRR (Schedule A) r. 25	N/A											
0613	Annual budgets of municipal entities (if applicable)	Verification of inclusion in budget report/document	MBRR (Schedule A) r. 25	N/A											
0614	Quality Certificate	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 26			Complete									
0615	Capital expenditure details	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 27			Complete									
0616	Legislation Compliance Status	Is there a paragraph/section included on this aspect	MBRR (Schedule A) r. 28			Complete									
0617	Quality Certificate (signed)	Verification of inclusion in budget report/document	MBRR (Schedule A) r. 31			Complete									

	2019/20 Draft Medium Term Revenue and Expenditure Framework - Checklist of Compliance to Municipal Budget and Reporting Regulations (Government Gazette 32141)														
	WC032 Overstrand	2019/20	Draft	Hard copy			Verification/Reconciliation of Electronic Submission to Budget Tables Included in Budget Report and Document								
	Main Compliance Component	Sub Component/ Explanation	Ref.	Assessment		Description/ Rating	Audited Actual Current Year -3	Audited Actual Current Year -2	Audited Actual Current Year -1	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 0	Budget Year +1	Budget Year +2
0700	Supporting Tables SA1 to SA37														
0705	SA1: Supporting Detail to Budgeted Financial Performance	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0706	SA2: Matrix Financial Performance Budget (revenue source/expenditure type and dept)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify
0707	SA3: Supporting detail to Budgeted Financial Position	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0708	SA4: Reconciliation of IDP, Strategic Objectives and Budget (Revenue)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0709	SA5: Reconciliation of IDP, Strategic Objectives and Budget (Operating Expenditure)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0710	SA6: Reconciliation of IDP, Strategic Objectives and Budget (Capital Expenditure)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0711	SA7: Measurable Performance Objectives	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0712	SA8: Performance Indicators and Benchmarks	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0713	SA9: Social, Economic and Demographic Statistics and Assumptions	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0714	SA10: Funding Measurement	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0715	SA11: Property Rates Summary	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0716	SA12a: Property Rates by category (current year)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0717	SA12b: Property Rates by category (budget year)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0718	SA13a: Service Tariffs by Category	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0719	SA13b: Service Tariffs by Category (explanatory)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0720	SA14: Household Bills	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0721	SA15: Investment Particulars by Type	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0722	SA16: Investment Particulars by Type	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify
0723	SA17: Borrowing	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0724	SA18: Transfers and Grant Receipts	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0725	SA19: Expenditure on Transfers and Grant Programme	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0726	SA20: Reconciliation of Transfers, Grant Receipts and Unspent Funds	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0727	SA21: Transfers and Grants made by the Municipality	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0728	SA22: Summary Councillor and Staff Benefits	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed									
0729	SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify
0730	SA24: Summary of Personnel Numbers	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify			Unable to verify	Unable to verify		Unable to verify	Unable to verify
0731	SA25: Budgeted Monthly Revenue and Expenditure	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify			
0732	SA26: Budgeted Monthly Revenue and Expenditure (Municipal Vote)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify			
0733	SA27: Budgeted Monthly Revenue and Expenditure (Standard Classification)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify			
0734	SA28: Budgeted Monthly Capital Expenditure (Municipal Vote)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify			
0735	SA29: Budgeted Monthly Capital Expenditure (Standard Classification)	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify			
0736	SA30: Budgeted Monthly Cash Flow	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify			
0737	SA31: Aggregated entity budget	Rate completeness of table on scale from 0 to 4	MBRR (Schedule A) r. 30				Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify
0738	SA32: List of External Mechanisms	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify
0739	SA33: Contracts having Future Budgetary Implications	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 28			Fully completed	Unable to verify	Unable to verify	Unable to verify		Unable to verify	Unable to verify			
0740	SA34a: Capital Expenditure on New Assets by Asset Class	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 28			Fully completed									
0741	SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 28			Fully completed				Unable to verify	Unable to verify	Unable to verify			
0742	SA34c: Repairs and Maintenance Expenditure by Asset Class	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 28			Fully completed									
0743	SA34d: Depreciation by Asset Class	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 28			Fully completed									
0748	SA34e: Capital Expenditure on the Upgrading of Existing Assets by Asset Class	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 28			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify			
0744	SA35: Future Financial Implications of the Capital Budget	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 28			Fully completed									
0745	SA36: Detail Capital Budget	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 28			Fully completed	Unable to verify	Unable to verify		Unable to verify	Unable to verify				
0746	SA37: Projects Delayed from Previous Financial Years	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29	2		Substantially completed with missing information	Unable to verify	Unable to verify	Unable to verify		Unable to verify			Unable to verify	Unable to verify
0747	SA38: Detail Operational Projects	Rate completeness of table on scale from 0 to 3	MBRR (Schedule A) r. 29			Fully completed	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify	Unable to verify			

Rating	Compliance assessment rating scale	Description
3	Full compliance (table presented with all information completed)	Fully completed
2	Partial compliance (table presented with approximately 50% of information displayed)	Substantially completed with missing information
1	Minimal compliance (table presented with minimal information)	Presented but with numerous information gaps
0	Zero compliance (table etc not presented)	Not presented

Mail to: gertaqueries@treasury.gov.za

OVERSTRAND MUNISIPALITEIT 2019 -05- 23 OVERSTRAND MUNICIPALITY

Western Cape Government

OVERSTRAND MUNICIPALITY

LG MTEC INTEGRATED PLANNING AND BUDGETING ASSESSMENT: ANALYSIS OF MUNICIPAL IDP, SDF AND BUDGET

Western Cape Government

APRIL 2019

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

TABLE OF CONTENTS

LIST OF ACRONYMS....3

SECTION 1: INTRODUCTION....5

SECTION 2: PUBLIC VALUE CREATION....6

SECTION 3: ECONOMIC SUSTAINABILITY....13

SECTION 4: FINANCIAL SUSTAINABILITY....21

SECTION 5: KEY FINDINGS, RISKS AND RECOMMENDATIONS....42

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

LIST OF ACRONYMS

AQMP	Air Quality Management Plan
BESP	Built Environment Support Programme
CBA	Critical Biodiversity Area
CBD	Central Business District
CMLs	Coastal Management Lines
CMP	Coastal Management Plan
CMP	Coastal Management Programme
CPP	Coastal Private Property
CSIR	Council for Scientific and Industrial Research
DCAS	Department of Cultural Affairs and Sport
DEA&DP	Department of Environmental Affairs and Development Planning
DHS/DOHS	Department of Human Settlements
DLG	Department of Local Government
DM	District Municipality
DWA	Department of Water Affairs
EFZ	Estuary Functional Zone
EIAs	Environmental Impact Assessments
EO	Environmental Officer
EPWP	Expanded Public Works Programme
FBE	Free Basic Electricity
HSP	Human Settlement Plan
ICM Act	Integrated Coastal Management Act
IDP	Integrated Development Plan
IGP	Infrastructure Growth Plan
IIAMP	Integrated Infrastructure Asset Management Plan
IIF	Infrastructure Investment Framework
IPSS	Integrated Performance Support System
IPWIS	Integrated Pollutant and Waste Information System
ISDF	Integrated Strategic Development Framework
ITP	Integrated Transport Plan
IWMP	Integrated Waste Management Plan
IYM	In-year Monitoring

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

JOC	Joint Operations Centre
kl	kilolitre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt hour (1000 watt hours)
LED	Local Economic Development
LUPO	Land Use Planning Ordinance
MBRR	Municipal Budget and Reporting Regulations
MDG	Millennium Development Goal
MI	Municipal Infrastructure
MIG	Municipal Infrastructure Grant
MIP	Municipal Infrastructure Plan
MMP	Maintenance Management Plan
MVA	Megavolt Amperes (1 Million volt amperes)
MWh	Megawatt hour (1 Million watt hours)
NDHS	National Department of Human Settlements
NEM: AQA	National Environmental Management: Air Quality Act
NEMP	National Estuarine Management Protocol
NRW	Non-revenue Water
O&M	Operations and Maintenance
PMS	Performance Management Systems
RMAs	Responsible Management Authorities
RMP	Road Management Plan
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SOP	Standard Operating Procedure
SWMP	Stormwater Management Plan
WC	Water Conservation
WDFs	Waste Disposal Facilities
WDM	Water Demand Management
WSDP	Water Service Development Plan
WTW	Water Treatment Works
WWTW	Wastewater Treatment Works

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SECTION 1: INTRODUCTION

The annual assessment of municipal Integrated development plans and budgets presents an opportunity to deepen and strengthen existing partnerships, as well as identify new areas for collaboration to further demonstrate *'Consolidation for Maximum Citizen Impact'*. The importance of this assessment is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32 of 2000 (MSA), the MSA Regulations and the Local Government Municipal Finance Management Act 56 of 2003 (MFMA). Provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring and support role to municipalities as stipulated by the Constitution. In addition, the assessments provide an indication of the ability and readiness of municipalities to deliver on their legislative and constitutional mandates.

This report encapsulates comments by the Western Cape Provincial Government on the draft 2019/20 MTREF Budget, 2019/20 reviewed Integrated Development Plan (IDP) and Spatial Development Framework (SDF).

The assessment covers the following key areas:

- Conformance with the MFMA, MSA & Municipal Budget and Reporting Regulations (MBRR);
- Responsiveness of draft budget, IDP and SDF; and
- Credibility and sustainability of the Budget.

The MBRR A-Schedules, budget documentation, IDP and SDF submitted by the Municipality are the primary sources for the analysis. The quality of this assessment report therefore depends on the credibility of the information contained in the documents submitted by the Municipality.

The Provincial Government plans to meet the executives of your Municipality on 6th May 2019 where the key findings and recommendations of this report will be presented and deliberated upon. The planned engagement will contextualise the Municipality's challenges and responses as taken up in the draft budget, IDP, Local Economic Development (LED), SDF and various other strategies and plans.

All the information related to the assessment and analysis of the annual budget, IDP and SDF are found in the report below.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SECTION 2: PUBLIC VALUE CREATION

2.1 INTRODUCTION

Public Value is defined as putting the public at the centre of service delivery to continuously improve the quality of life for all within the focus of the mandate of the institution.

This section seeks to provide an overview of the current socio-economic reality of the municipal area, assesses the alignment of the budget to the Municipality's Integrated Development Plan's Strategic Objectives as well provides an environmental analysis of the Municipality and how it collectively contributes to achieving maximum public value and citizen impact.

2.2 SOCIO-ECONOMIC CONTEXT AND IMPLICATIONS

Table 1 presents the Socio-Economic Context of Overstrand Municipality.

Table 1: Socio-Economic Context

Key Socio-Economic Indicators	NDP Goals	Local Context	Implications
Demographics	0.5% - 1% per annum by 2030 (Nationally)	Estimated population growth of 2.0% per annum between 2018 and 2024 (SEPLG 2018)	The increased population growth will place a strain on the municipal services as well maintaining existing infrastructure.
Economy	Economic growth needs to exceed 5 percent a year on average	1.4% in 2015; 0.9% in 2016; 1.4% in 2017e	Current economic growth rates are below the NDP target of 5 per cent. This should be seen in the context of low economic growth nationally (0.6 per cent) and provincially (1.2 per cent) in 2016. A slowdown in economic activity may result in job losses and inability of households to pay for services leading to reduced municipal revenues.
Unemployment	14% by 2020	16.6% (2017) (SEPLG, 2018)	Unemployment have a direct impact on household income and ability to pay for services and further put a strain on municipal resources i.e. in terms of providing services to indigent households.
Education	A learner retention ratio of 90 per cent	Grade 12 Dropout rate-28.6% (SEP-LG 2018)	High dropout rates aggravates the high unemployment rate as early school leavers are low skilled, unemployable and contribute to the demand for indigent support.
Health	Maternal mortality to fall from 500 to 100 per 100 000 live births	Maternal Mortality was 0.0 per 100 000 live births in 2017/18. (SEP-LG 2018)	An improvement in health outcomes over the period indicates an improvement in overall development.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Key Socio-Economic Indicators	NDP Goals	Local Context	Implications
Poverty	For zero households to be below the R418 monthly income poverty line	15,9 per cent of the had no income (households below the poverty line) (MERO/SEPLG, 2018)	Lower per capita income amidst constraining economy and population increase; income inequality and Gini coefficient; Human Development Index is improving; poverty translates to greater reliance on social support structures.
Safety and Security	For all citizens to feel safe and free of the fear of crime	40 murders per 100 000 people (SEP-LG 2018)	High crime rate is closely linked to other social-ills, crime hampers growth, discourages investment and capital accumulation, cycle of crime and poverty.

- The 2018 Socio–Economic Profile (SEP-LG) of the Overstrand Municipality indicates that the municipal area has a growing population, high unemployment, and high levels of inequality as reflected by the Gini-Coefficient, high dropout rates, and high crime rates. The 2019/20 draft reviewed IDP takes cognisance of these socio-economic issues.

- Comparison to the National Development Plan (NDP) targets as reflected in the table above, indicates that the Overstrand Municipal Area has already met the targets for maternal mortality. The NDP targets relating to poverty, unemployment, learner retention and crime rates still needs to be achieved. This would then require an intergovernmental approach between the community and the three spheres of Government.

- Overstrand's strategic objectives alignment with the key policy directives on the global, national, provincial and district level is dealt with in chapter 7 of the 2019/20 draft reviewed IDP. The strategic objectives are aligned to Sustainable Development Goals (SDG's), National Development Plan (NDP), the Provincial Strategic Plan, the Provincial Game Changers as well as the Overberg District Municipality's strategic objectives.

2.3 INTEGRATED PLANNING ANALYSIS

An Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council term of office.

Each municipal council must annually review and may amend the IDP of the Municipality. Should the review process determine that an amendment is required, municipalities are to follow the process as stipulated in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

The 2019/20 IDP review of the Overstrand Municipality is the second review of the 2017 - 2022 IDP. The 2019/20 IDP review approach takes into consideration the assessment of its performance measurements and to the extent that changing circumstances so demand and subsequently amended its 2017 - 2022 IDP.

The **attached detailed IDP report (Appendix A)** encapsulates comments by various sector departments including the Departments of Agriculture; Economic Development and Tourism; Cultural Affairs and Sport; Community Safety; Health; Human Settlements; Local Government; Social Development; Water and Sanitation; and Western Cape Education Department.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.4 MUNICIPAL BUDGET ALLOCATIONS TO IDP STRATEGIC OBJECTIVES

The 2019/20 MTREF budget breakdown in terms of the strategic objectives is indicated in the table below. Overstrand Municipality budgeted for a total operating expenditure of R1.25 billion and total capital budget of R232 .2 million in the 2019/20 financial year.

Table 2: Strategic Objectives for the 2019/20 Medium Term Revenue and Expenditure Framework

R thousand	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22	Average Annual Growth	Budget Year 2019/20	Budget Year 2020/21	Budget Year 2021/22	Average Annual Growth
The provision of democratic, accountable and ethical governance	252 640	264 856	271 144	3.6%	4 105	30 000	30 000	170.3%
The provision and maintenance of municipal services	639 901	690 998	758 999	8.9%	146 565	94 036	76 844	-27.6%
The encouragement of structured community participation in the matters of the municipality	1 085			-100.0%	38 510	13 287	39 480	1.3%
The creation and maintenance of a safe and healthy environment	153 113	177 381	187 452	10.6%	13 632	841		-100.0%
The promotion of tourism, economic and social development	201 162	210 145	214 970	3.4%	29 395	-	8 000	-47.8%
Total Expenditure	**1 247 901**	**1 343 380**	**1 432 564**	**7.1%**	**232 206**	**138 164**	**154 324**	**-18.5%**

The Municipality's five key strategic objectives remain unchanged as derived from the 5-year IDP cycle (2017/2021) as reflected above.

The Strategic Objective: the provision of basic services and Infrastructure receives the highest priority in the 2019/20 operating expenditure budget, amounting to R639.90 million (51.3 per cent) growing by 8.9 per cent annual average over the 2019/20 MTREF period.

The Strategic Objective: the provision of democratic, accountable and ethical governance receives the second highest priority in the 2019/20 budget amounting to R252.64 million (20.3 per cent).

The Strategic Objective: the promotion of tourism, economic and social development receives the third highest priority with an allocation amounting to R201.16 million (16.1 per cent) in 2019/20, growing by 3.4 per cent on average over the 2019/20 MTREF period.

The capital budget reflects a reduction of 27.6 per cent annual average over the 2019/20 MTREF period for the Strategic Objective: provision of basic services and infrastructure.

On the other hand the capital expenditure budget reflects a 170.3 per cent growth over the 2019/20 MTREF period for the Strategic Objective: provision of democratic, accountable and ethical governance. This allocation is earmarked for finance and administration.

(2) Potential/Expected impact of resource allocations

Whilst there are always competing priorities for limited resources, the Municipality always strives through the strategic allocation of its MTREF budget to focus on bulk infrastructure projects with the intention of providing bulk and other economic and social infrastructure to address the pressing needs of its citizens.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.5 ENVIRONMENTAL ANALYSIS

The overarching focus for this assessment is on municipal sustainability.

Most of the natural environment is covered with fynbos, due to its nutrient poor soils. The Overstrand Municipality has a large network of important wetlands and river corridors many of which have been identified by the South African National Biodiversity Institute (SANBI) as Freshwater Ecosystem Priority Areas (FEPAs) and/or as Flagship Free-Flowing Rivers. According to the SANBI's Overberg Transformation Map, ± 111 500ha (65.65%), Overstrand Municipality is classified as "natural habitat", whilst the remainder comprises degraded areas (3.44%); high density alien plant infested areas (6.93%); plantations (1.78%); intensively farmed areas (15.98% - excluding extensive grazing in natural vegetation); dams (0.14%); roads (3.60%); and urban areas (2.47%).

Biodiversity consist mostly of formally conserved land in Overberg, largely due to Kogelberg Biodiversity Reserve (KBR); however, need to rework the KBR buffer and transition model to make it practicable while working to increase landscape-scale conservation efforts. Sensitive wetlands and Marine Conservation Areas are still in good condition.

Risks are mostly fires along Betty's Bay-Pringle Bay region, which has been demarcated as nodes with high growth potential in the Overstrand SDF review status quo reports. Coastal and estuarine development are increasing. Gravel roads being upgraded to tar for long stretches and several small-scale housing projects is usually a precursor to development.

The Municipality is one of few municipalities with a dedicated Environmental Management Department, illustrating their commitment in protecting biodiversity in its municipal area.

Overstrand Municipality is currently reviewing its SDF, and CapeNature is part of the team. Overstrand Municipality has drafted their Environmental Management Overlay Zones and their Regulations for Coastal Protection; Protected Area Buffer; Riverine; and Urban Conservation. Overstrand Municipality is co-ordinating its fire strategy with the fire chief office and the environmental management component.

The Municipal Area includes the Bettys Bay Marine Protected Area, the Walker Bay Whale Sanctuary Marine Protected Area, and the Kogelberg Biosphere Reserve, which is one of South Africa's six existing Biosphere Reserves. The Municipality is also the appointed management authority for three proclaimed local government nature reserves namely Fernkloof (Flagship), Kleinmond Coastal and Mountain Reserve and Rooiels Nature Reserve. The Municipality also has four projects aimed at the rehabilitation of biodiversity including the Onrus River Rehabilitation and Restoration Project; Hawston - Paddavlei Rehabilitation and Restoration Project, Stanford Mill Stream Rehabilitation and Restoration Project and the Franskraal Milkwood Forest Rehabilitation. The Municipality also developed and implemented an Environmental Management System in 2017 to measure the impacts of Municipal Service delivery on the natural environment. The Municipality also has plans for the maintenance of ecological infrastructure, fire management and alien invasive species management.

The draft alien clearing management plan submitted to the National Department of Environmental Affairs is noted. However, it is proposed that the Municipality allocate specific funding to do clearing in specific priority areas such as water catchment areas. This is important especially because of the drought crises we are facing in the Western Cape. Fires are also listed as the most common threat to biodiversity and perhaps this should also be

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

listed as an urgent project with appropriate funding. The IDP and SDF should expand on the how WCBSP has taken climate change into consideration and make the link as to how to use the WCBSP as a key informant that will help to reduce disaster risk to settlements. CapeNature is currently engaging on the SDF which may influence the IDP going forward.

The designated Waste Management Officer (WMO) has recently resigned, and a new WMO has been appointed. However, the appointed WMO still needs to be designated in terms of section 10 of the Waste Act. Overstrand Municipality reports annually on their performance, including their performance in terms of waste management. Their Integrated Waste Management Plan: Annual Report January 2019 (draft) aims to determine whether the action plans and implementation items in the IWMP are being implemented and to what extent.

The Overstrand Municipality has taken over the management of the Overberg District Municipalities waste management facility namely Karwyderskraal landfill since May 2015. This facility is also required to register and report on Integrated Pollutant and Waste Information System (IPWIS) and is currently Fully Compliant in this regard. Risks in terms of waste information includes staff shortages, staff turnaround, lack of proper record keeping and lack of funding for waste information purposes. **The Municipality is managing their facilities very well and achieve high compliance ratings during audits however Vandalism is a matter of concern. The Kleinmond WTS had been vandalised. The Facility is still being used. The Hermanus Material Recover Facility (MRF) was totally burnt down. No waste is currently being recycled at the Hermanus MRF.**

Climate change is generally increasing the risk profiles of Western Cape municipalities associated with increased likelihood of drought and ongoing water scarcity, flash floods, coastal inundation, heat waves and extreme temperatures and increased fire risk leading to run away and uncontrollable fires. For more information on your location -specific changing risk profiles, please refer to your District's Climate Change Response Strategy/Framework, the Climate Change Advisory sent to your municipality by DEA&DP in 2016, the Disaster Management Risk Profile for your municipality (which will include climate change risks) as well as the Provincial Risk Profile which will be released by WCG in 2020.

From a mitigation perspective, municipalities have a role to play in reducing emissions in their own operations and encouraging their residents to move to a low carbon future. A particular action that municipalities can support is allowing Small-Scale Embedded Generation (SSEG)and putting in place appropriate tariffs that support residential, commercial and industrial consumers to invest in renewable energy, which the Municipality currently allows although work on the tariffs and policies is still underway.

The Overstrand Municipality is under severe strain with regards to coastal resource use (marine living resources, specifically poaching), exploitation of estuarine resources and access thereto, as well as coastal vulnerabilities (illegal ORV and coastal erosion).

The CML establishment process has been approved by the Provincial MEC and requires a final round of stakeholder engagement as per the Integrated Coastal Management Act No 24 of 2008 (ICM,2008). Although the Department is still in the process of finalising the implementation mechanism for the CML and coastal overlay, the Overstrand Municipality have including the CML and associated risk information into their zoning scheme as an Environmental Overlay Zone that will be enforceable through a bylaw. The Overberg District

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

CML's must, however, be amended to the 1:50 year risk line as the impact of erosion is already apparent along the current draft CML, which is based on the 1:20 year risk line.

As previously recognised, the risk of RMAs as identified in the NEMP not taking up the function has been realised and as such the DEA&DP is in the process of engaging with responsive municipalities to enter into arrangements via an inter-governmental agreement for the management of the identified estuaries.

The Provincial Coastal Access Strategy and Plan (PCASP) has been completed and was implemented in the Municipality. The Overberg coastal access audit and pilot study was concluded and the outcomes, specifically the outcomes of the pilot study to facilitate public access to the mouth of the Bot River estuary, must be taken up into municipal planning and IDPs. As such the District and Overstrand municipalities must enter into an agreement.

Emerging threats for the Municipality are:

- **Poor or unknown quality of the storm water effluent discharged to sea;**
- **Increased development of aquaculture facilities;**
- **Unlawful driving in the coastal zone;**
- **Lack of equitable public access to coast;**
- **Loss of CPP and threat to properties along the coast impacted by erosion as a result of increased storm surges.**

There are 16 public launch sites listed in the Overstrand, of which the Municipality has requested to delist some PLS based on an evaluation of the condition and use of the PLS's. Operational plans have been drafted for the listed sites but none have been finalised due to financial and capacity constraints. These financial constraints also impact the necessary upgrades required at PLS to bring it to the required operational standard.

The District facilitates the Municipal Coastal Committee (MCC), which is fully functional, despite the nature of challenges experienced in the District and its resource and capacity constraints. The Overstrand Municipality actively participates in the MCC. The Overberg District Municipality has an approved District CMP in conjunction with the local municipalities, however, unless adequate financial and human resources are assigned to both the districts and the local municipalities, implementation of the District CMP cannot be successfully attained.

In terms of the National Environmental Management: Air Quality Act (NEM: AQA), measures in respect of dust, noise and offensive odour is a Local Government responsibility. A By-law must be developed and adopted to ensure compliance to air quality management. As per Section 14(3) of the NEM: AQA, each municipality must designate an air quality officer from its administration. As per Section 15(2) of the NEM: AQA, each municipality must include in its IDP an Air Quality Management Plan (AQMP). The Overstrand Municipality is compliant with regards to the designated AQO and the adopted AQMP.

An AQMP budget allocation needs to be made available in the IDP. Funds should ideally cover the following: air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.5.1 Current Work Undertaken (e.g. Support/Programmes/Projects)

WCG is in the process of reviewing the Western Cape Climate Change Response Strategy and inputs from municipalities will be important in the revision. We are also working with sector departments on the development of specific sector plans and how these sectors need to respond to climate change. By mainstreaming climate change into sector functions, it will filter down to municipal decision-making and planning through the municipal support efforts provided by the various WCG sector departments.

The sub-directorate coastal management monitors municipal coastal management performance through the IPSS annually and continues to support municipalities through the implementation of the Provincial Coastal Management Programme (PCMP) and Provincial Coastal Committee and other forums as well as technical support in implementing the municipal CMPs.

The Directorate: AQM provides a supportive and oversight role to municipalities with respect to air quality management. The D: AQM hosts Quarterly Air Quality Officer's Forums and Air Quality Management Plan Working Groups 1-3; to serve as platform for Air Quality Officers to share their achievements and challenges with regards to noise, dust and offensive odour management in their jurisdictional areas. It is imperative for the Municipal Air Quality Officer to attend these Forums in order to successfully implement the mandates of air quality management, as assigned by the NEM: AQA.

2.5.2 Key Findings, Risks/Recommendations

Main risks are mostly fires along Betty's Bay-Pringle Bay region, which has been demarcated as nodes with high growth potential in the Overstrand SDF review status quo reports.

It is proposed that the Municipality allocate specific funding to do alien clearing in specific priority areas such as water catchment areas as per their alien clearing plan.

The newly appointed WMO needs to be designated in terms of section 10 of the Waste Act.

The Overstrand Municipality is under severe strain with regards to coastal resource use (marine living resources, specifically poaching), exploitation of estuarine resources and access thereto, as well as coastal vulnerabilities (illegal ORV and coastal erosion).

An AQMP budget allocation needs to be secured in the IDP. Funds should ideally cover the following: air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SECTION 3: ECONOMIC SUSTAINABILITY

3.1 INTRODUCTION

This section examines if the tabled 2019/20 MTREF Budget and Spatial Development Framework is responsive from an economic and socio-economic perspective and the Municipality's ability to meet the legitimate expectations of the community for services from its limited resources in order to effect inclusive growth and contribute towards achieving maximum citizen impact.

3.2 ECONOMIC GROWTH AND DEVELOPMENT

3.2.1 Promoting Inclusive Economic Growth

(1) Provincial and Municipal Capital Budget Expenditure 2019/20

Table 3: Comparison of Provincial and estimated Overstrand Municipal Infrastructure Expenditure: 2019/20 (R'000)

Type	2019/20		
	Provincial Infrastructure Spend	Municipal Infrastructure Spend	Total
Economic Infrastructure	**162 000**	**20 866**	**182 866**
Road Transport and Public Works	*150 000*	*20 866*	182 866
Cape Nature	2 000	-	-
Social Infrastructure	**70 512**	**21325**	**91 837**
Education	*2 000*	-	*2 000*
Health	*16 962*	-	*16 962*
Social Development	*50*	-	*50*
Housing	*51 500*	*21 325*	*72 825*
Trading Services	-	**146 565**	**146 565**
Electricity	-	*33 874*	*33 874*
Water	-	*43 461*	*43 461*
Waste Water Management	-	*41 999*	*41 999*
Waste Management	-	*27 231*	*27 231*
Other		**43 450**	**43 450**
Total Infrastructure Spend	**232 512**	**232 206**	**464 718**

Source: 2019 Western Cape EPRE (Provincial spend), National Treasury Database (Municipal spend)

The Western Cape Government (WCG) will invest an estimated R232.51 million in infrastructure within the geographical boundaries of the Overstrand Municipal area, whilst the Overstrand Municipality will commit an equal allocation of R232.21 million towards capital expansions.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The WCG will in 2019/20 invest a total of R162.00 million in ***economic infrastructure*** throughout the Overstrand. This investment will specifically be directed towards the road transport and public works function.

As part of the broader economic infrastructure allocations, an amount of R12.00 million will also be channelled towards Cape Nature to fund developments at the Kogelberg Nature Reserve i.e. repairs, maintenance, upgrades and construction of chalets and conferencing facilities.

Provincial ***social infrastructure*** spend will in 2019/20 amount to R70.51 million, directed towards housing (R51.5 million), health (R16.962 million), education (R2.0 million).

The WCG allocations towards human settlements are complimented by an R21.325 million housing investment made by the Overstrand Municipality. The allocation towards human settlements is of particular significance given ongoing service delivery protests in the Overstrand Municipal area relating to access to adequate land and housing opportunities. Housing projects in Overstrand will in 2019/20 include developments in Masakhane (R14.1 million), Zwelihle (R8.4 million) and Stanford (R7.0 million).

Allocations towards education infrastructure are limited to the construction of the Qhayiya Secondary School in the Overstrand Municipality (R2.00 million). Assessment by the department of Education through the IDP indabas indicates concerns over massive growth in the enrolment over the past 10 years specifically in Hermanus/Zwelihle.

Notable health infrastructure projects to be undertaken by the WCG in 2019/20 include upgrades and additions to the Gansbaai Clinic in the Overstrand Municipality (R13.8 million).

As per Table 3 above, total municipal capital spends towards trading services in the Overstrand is expected to amount to R146.565 million in 2019/20. These funds will be applied to expand the current basic service delivery network to new housing developments and are therefore complimenting the substantial investments made by the WCG towards the housing function.

Closer consideration of basic service delivery infrastructure allocations reveals that most of municipal capital budgets will be directed towards the water function (R43.461 million; 18.7 per cent of total capital budget). This is followed by waste water management (R41.99 million, 18.1 per cent), electricity (R33.874 million or 14.6 per cent) and waste water management functions (R27.23 million; 11.7 per cent) which attests of efforts by the Municipality to maintain catalytic infrastructure and to roll-out an entire basic services package to new residents.

(2) Potential/Expected Impact of resource allocations

Investment, particularly in roads infrastructure unlocks the economic potential of towns as transport corridors and enable greater connectivity with markets thus creating the potential for economic growth and development in the area. It is therefore essential that interconnected regions have well developed and maintained roads for the transportation of good and linkages to external markets.

Bulk infrastructure development and investment extends basic services to those it has not yet reached, as well as ensures that continued quality services can be provided to those already receiving them. This has a concomitant effect on the consumer's willingness to pay for

OVERSTRAND MUNISIPALITEIT
2019-05-23
OVERSTRAND MUNICIPALITY

services, has the potential to increase the revenue base of the Municipality and improves the quality of life of its citizens.

3.2.2 Increasing Employment Opportunities

(1) Budget allocations and Implications

The 2018 SEP-LG of Overstrand indicates that 23 502 formal jobs were created in 2016.

The socio-economic profile further indicates that the majority of workers in the Overstrand labour force was dominated by semi-skilled workers (41.0 per cent) and low skilled (39. per cent) and only 19.3 per cent were skilled in 2016.

Furthermore, during the period 2006 - 2016 the number of skilled workers increased much more than that of semi-skilled workers, a decrease was experienced in the number of low-skilled workers. An improvement in education and economic performance can contribute to a further decrease in low-skilled workers.

Unemployment in the Overstrand municipal area increased from 8.6 per cent in 2015 to 15.6 per cent in 2016 and an estimated 16.6 per cent in 2017(SEPLG 2018).

Budget Implications and conclusions

Expanded Public Works Programme (EPWP)

The Municipality facilitates an environment that will attract sectors with high value and support industries that yield employment opportunities.

The 2017/18 Annual Report indicates that the Municipality has been able to create 994 temporary job opportunities through the Expanded Public Works Programme (EPWP).

Supporting Table SA18 indicates that for the financial year 2019/20, the grant funding for EPWP amount to R2.635 million. With the current allocation the Municipality plan to create 1 000 job opportunities through EPWP programme and as per set targets for the financial year 2019/20.

(2) Potential/Expected Impact of resource allocations

- The investment in LED and thorough implementation of the municipalities LED strategies will have positive externalities for the local economy as well as for the region. Collaboration through partnerships between the public and private sector as well as academia could enhance the effectiveness of the strategies employed and have a greater collective impact on the outcome of the strategies and maximise benefits to society.
- The creation of the job opportunities through EPWP and LED will provide poverty relief by bringing much needed income to households particularly if those jobs could be translated into permanent employment opportunities. This may in turn reduce the number of indigent households within the area and consequently reduce the number of households reliant on the Municipality for free basic services.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- The provision of employment opportunities also provides those involved with work experience and related skills and making candidates more employable and attractive to future employers.

3.2.3 Creating Public Value through Basic Services Provision

(1) Provision of basic services

Water

- The Municipality's risk register cites limited water resources as one of the top risks faced by the Municipality; these includes limited water resources, and the high cost of desalination in order to utilise seawater.

- The 2017/18 Annual Report specifies that a water demand management strategy is in place as part of the Municipality's Turn Around Strategy, with the focus to keep water demand under control and to decrease water losses

- According to Table A10 information presented in the budget, 29 174 households in Overstrand Municipality will be provided with piped water inside dwelling in 2019/20 and an additional 3 052 households will be provided with at least minimum service level. The Municipality also plan to provide services to informal households on invaded land with available funding.

Sanitation/Sewage

- Table A10 indicates that Sanitation will be provided to at least 29 165 households in 2019/20 and is expected to reach 30 941 households in 2021/22.

- Supporting table SA7 indicates that 29 841 formal households will be provided with sanitation. An additional 770 informal households will be provided with sanitation services. The Municipality further plan to provide an additional 120 households who occupy invaded land. The standard for sanitation provided is 1:5 households which can be improved for citizen impact.

Electricity

- Table A10 indicates the Municipalities intention to provide electricity to 26 491 households in 2019/20 and to increase this to 26 742 households in 2021/22. There is a growth in the number of households receiving prepaid electricity.

Refuse removal

- The 2017/18 Annual report reflects that 32 695 households had refuse removed once a week.

- Table A10 reflects a service target of 32 695 households for refuse removal increasing to 34 686 households in 2021/22.

- While Table SA7 indicates the intention to provide 32 990 formal households in Overstrand Municipality with refuse removal services throughout the 2019/20 MTREF period.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Housing

- The 2017/18 Annual Report indicates a growing housing backlog (housing waiting list) at 7 814 housing units. Progress regarding housing development for the reporting period is included in the Annual Report, however, the projects were not completed due to riots in the municipal area.
- Table SA9 indicates that 32 964 households have access to formal households while 4 764 resides in informal households.
- The Annual Report specifies that the housing backlogs will be dealt with progressively through a number of programs such as IRDP, UISP, Institutional Subsidy Programme and GAP housing.

Provision of free basic services

- As a response to poverty alleviation, the 2017/18 audited outcomes reflect that 7 400 households received free basic services as prescribed by the national policy.
- Table A10 indicates the Municipality's plan to provide free basic services to 8 300 households in 2019/20 increasing to approximately 9 200 households in 2021/22. This indicates growth in indigent's households and the need to provide additional relief to indigent households.
- SA7 indicates that free basic sanitation, refuse, electricity and water services will be provided to 7 400 indigent households in 2019/120 and this number is expected to remain the same in the two outer years of the 2019/20 MTREF period.

Budget Implications and conclusions

- The 2019/20 draft operating expenditure budget allocates R639.90 million towards trading services (51.3 per cent); electricity distribution receives the majority of this amount, a total of R363.84 million as reflected in Municipality's A-Schedule Table A2.
- Water receives the second highest priority in the operating budget at R117.498 million; followed by waste water management and waste management as reflected in Municipality's A-Schedule Table A2.
- The major capital expenditure planned for 2019/20 amounts to R146.57 million allocated to trading services (63.1 per cent). Of this allocation water management (43.46 million) and waste water management (R41.999 million) receives priority, this is followed by energy budgeted at R33.87 million and R27.23 million for waste management.
- Almost R84.05 million in 2019/20 is earmarked for the social package of services to assist the poor for free basic services such as electricity, refuse removal, water, and sanitation as reflected in Municipality's A-Schedule Table A10.

(2) Potential/Expected Impact of resource allocations

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Potential/Expected Impact of resource allocations

- The allocation towards human settlements is of particular significance given ongoing service delivery protests in the Overstrand Municipal area relating to access to adequate land and housing opportunities.
- The current housing allocation and those in the pipeline is expected to increase access to housing, although it is still not sufficient to meet the demand for housing within the municipal area. Land tenure has the potential to redress the inequalities of the past and serve as a financial tool to improve the economic status of the landowner whilst contributing to the local economy.
- Free basic service allocations will bring much needed poverty relief to indigent households within the municipal area; given that the Municipality has intention to provide free basic services to 8 300 households in 2019/20.

3.3 UTILISING PROCUREMENT PLANNING AS A LEVER TO IMPROVE PLANNING, BUDGETING AND PROCUREMENT STRATEGIES

The alignment between the budgeting and procurement planning process has become increasingly important based on recent statistics within municipalities in terms of the optimal and effective utilisation of their budgets. For this reason, the compilation of a demand plan and procurement plan needs to complement the Integrated Development Plan (IDP), municipal SDBIP, linked to the budget to ensure that funding for the acquisition of goods and services are available.

Procurement planning is becoming a national concern, hence National Treasury issued MFMA Circular No. 94 requiring the Accounting Officer to submit the procurement plan together with the Budget, Service Delivery and Budget Implementation Plan (SDBIP) in an effort to address the weak planning processes, as slow spending of capital budgets has a negative impact on service delivery.

By developing a procurement plan that takes into account environmental and social aspects in addition to traditional economic or financial considerations in conjunction with the demand plan to source items of a strategic nature and where possible source alternate suppliers or alternate commodities.

The purpose of this analysis is to provide a current status of the implementation of a demand management system by illustrating the potential influences procurement planning has on the local economy and citizens by ensuring an alignment between the IDP, budget, SDBIPS and procurement plans and ensuring service delivery objectives are met. Furthermore, to ensure that key socio-economic status indicators are influenced by the procurement planning activities within the Municipality.

In order to ensure maximum citizen impact key projects identified on the procurement plan needs to be prioritised as an effort to improve the delivery of municipal services and impact on the economic status from a citizen focus perspective.

It must be noted that the Municipality reports on its procurement planning processes and activities, listed on the procurement plan, however the spending against planned procurement are not tracked and monitored, hence no analysis could be done in terms of planned and actual figures.

OVERSTRAND MUNICIPALITY
2019 -05- 23

This is indicative that the Municipality needs to implement a monitoring of actual expenditure against planned procurement in order to minimise the delays in procurement.

It must be noted that the Overstrand Municipality has challenges in the following areas which are related to the procurement planning process, i.e.:

- User-departments not adhering to committed timeframes as captured in the procurement plan; and
- Planning challenges by end-user departments and a need for improved monitoring given the capacity constraints.

Procurement planning should be utilised as a strategic tool to drive LED with key linkages and partnerships within the Municipality that draws a nexus between its IDP, budget planning processes that are associated with procurement initiatives. Utilising procurement as a strategic enabler seeks to create an opportunity for role-players to not only engage on the key socio-economic challenges, but more importantly to share experiences which contribute to all stakeholders working together to uplift and grow our communities and grow the local economy.

In view of the above the Provincial Treasury is in the process of putting together a procurement planning toolkit to assist municipalities in the procurement planning process that is aligned to its budget and IDP. From the perspective of the Municipality it is therefore imminent that the Municipality puts in place a stakeholder engagement plan to facilitate such engagements with its Programme and sub-Programme managers. Key linkages with its LED component must also be established to support the procurement planning and an economically sustainable delivery model.

3.3.1 Responsiveness: Main Points and Risks/Findings

- Improved planning by end-user departments to ensure adherence to committed timeframes as captured in the procurement plan;
- Implementation of proper monitoring tool for procurement planning;
- Drive a process of accountability amongst project managers; and
- Utilise the procurement as a lever to positively impact socio-economic challenges.

3.4 SPATIAL ALIGNMENT, RESPONSIVENESS AND PERFORMANCE

With the Overstrand SDF Review process underway, this provides the ideal time to ensure that both a Capital Expenditure Framework and Implementation Plan are included in the SDF. The latter components of an SDF are key to ensuring that SDF's move beyond being visionary/high level documents, to a framework that facilitates the implementation of the principles of spatial justice, spatial sustainability, spatial resilience and efficiency. The implementation of these principles is far more likely to be achieved if the requirements of an IP, which include budgets, targets, dates and required resources, are met as per the planning legislation.

3.5 SPATIAL ALIGNMENT, RESPONSIVENESS AND PERFORMANCE

With the Overstrand SDF Review process underway, this provides the ideal time to ensure that both a Capital Expenditure Framework and Implementation Plan are included in the SDF. The latter components of an SDF are key to ensuring that SDF's move beyond being

OVERSTRAND MUNISIPALITEIT 2019 -05- 23 OVERSTRAND MUNICIPALITY

visionary/high level documents, to a framework that facilitates the implementation of the principles of spatial justice, spatial sustainability, spatial resilience and efficiency. The implementation of these principles is far more likely to be achieved if the requirements of an IP, which include budgets, targets, dates and required resources, are met as per the planning legislation.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SECTION 4: FINANCIAL SUSTAINABILITY

4.1 REVIEW OF THE AUDITED ANNUAL FINANCIAL STATEMENTS

4.1.1 The Financial Health and Performance - year ended 30 June 2018

The assessment of the financial health and performance is an integrated process involving a review of the Municipality's audited annual financial statements and audit report using selected financial ratios/norms. The results of the financial ratios/norms are used to support financial decisions and to identify factors which may influence the financial stability of the Municipality. It is also to enable timely corrective actions where service delivery may be at risk. The assessment is based on the 2016, 2017 and 2018 audited financial years which forms the basis for the 2019/20 budget. The assessment is according to the selected key financial ratios/norms as per National Treasury MFMA Circular No. 71, as submitted by the Municipality. Provincial Treasury has utilised these ratios for making certain assumptions and recommendations that might assist the Municipality to further improve its budget assumptions.

The Financial Performance as per the Audited Annual Financial Statement

Table below provides the financial ratio and norms for Overstrand Municipality.

Table 4: Financial ratios and norms

Financial ratios		Norms	2016 Audited	2017 Audited	2018 Audited	Comments
Asset Management						
1.	Capital Expenditure to Total Expenditure	**10 - 20%**	9.1%	8.5%	9.6%	Ratio results are not within the NT norm. Reflects lower spending on infrastructure and a potential risk to service delivery.
2.	Impairment of Property, Plant and Equipment, Investment Property and Intangible Assets (Carrying Value)	**0.00%**	20.4%	0.2%	0.1%	A declining trend is evident. Root causes to be determined and measures put in place to prevent future impairment.
3.	Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value)	**8%**	3.2%	3.3%	4.5%	An increasing trend is evident, however it remains below the NT norm. Significant risk of PPE having reduced useful lives if adequate maintenance is not provided.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Financial ratios		Norms	2016 Audited	2017 Audited	2018 Audited	Comments
Debtors Management						
4.	Bad Debts Written-off as % of Provision for Bad Debt	**100%**	23.6%	5.4%	3.7%	A declining trend is evident. Alignment between provision and write-off as per norm to be targeted.
Liability Management						
5.	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure	**6 - 8%**	7.4%	7.3%	7.7%	A fluctuating trend is evident. Ratio result remains within the NT norm.
6.	Debt (Total Borrowings)/Revenue	**<45%**	49.9%	49.8%	46.2%	A declining trend is evident. Not within the NT norm. High debt/revenue levels are evident.
Efficiency Management						
7.	Net Surplus/Deficit Refuse	**≥ 0%**	20.6%	3.0%	-1.2%	A declining trend is evident. Ratio results outside of the norm in the 2017/18 financial year. The reasons for the service running at a deficit: The rising cost of refuse removal not taken into account with tariff-setting. This matter to be urgently addressed in the budget to reverse the trend.
Revenue Management						
8.	Revenue Growth (%) - Excluding capital grants	**=CPI** CPI	24.7% 6.4%	7.1% 5.3%	3.8% 4.7%	A declining trend is evident. Below CPI in the 2017/18 financial year, indicative of negative growth.
Expenditure Management						
9.	Creditors Payment Period (Trade Creditors)	**30 days**	21 days	27 days	42 days	An increasing trend is evident taking the ratio outside of the NT norm, which is legislated. Underlying reasons to be determined and rectified to comply with the norm.
10.	Contracted Services % of Total Operating Expenditure	**2 - 5%**	12.0%	15.7%	16.8%	An increasing trend is evident. Not within the NT norm. Underlying reasons to be determined and alignment to norm targeted.
Grant Dependency						
11.	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	**N/A**	35.3%	53.0%	34.8%	Ratio reveals a significant dependence on grant funding.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Financial ratios		Norms	2016 Audited	2017 Audited	2018 Audited	Comments
12.	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure	**N/A**	3.3%	14.3%	16.5%	An increasing trend is evident reflecting an increase in own funding for capital expenditure. High debt level would see would see this funding component increase further.
13.	Own Source Revenue to Total Operating Revenue (Including Agency Revenue)	**N/A**	88.1%	87.5%	88.7%	Ratio is fairly stable and indicates significant portion of own source revenue.
Budget Implementation						
14.	Capital Expenditure Budget Implementation Indicator	**95 - 100%**	90.6%	106.5%	90.2%	A fluctuating trend is evident. The reason for the underspending to be investigated and causes to be factored into budget.

Summary and recommendations

- Repairs and maintenance spending should be considered in light of the Municipality's underspending versus the NT norm.

Asset Management

- Capital spend is below the norm. Spend on repairs and maintenance also below norm and Impairments could be as a consequence of insufficient maintenance of assets.

Debtors Management

- Write-off to be aligned to provision for bad debts.

Liability Management

- Debt ratio to revenue has moved outside norm and interventions required to realign to norm.

Efficiency Ratios

- Deficit in Refuse requires attention. Ratio has shown a significant decline over the period under review. Measures to be put in place to address further decline.

Revenue Management

- Growth below CPI indicative of negative growth.

Expenditure Management

- Creditors' payment period to be aligned to legislated norm. Contracted Services above norm and requires attention.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Grant Dependency

- High dependency on grant funding for capital. Own source operating revenue improvement noted.

Budget Implementation

- Capital underspend to be investigated and factored into budget.

4.2 REVIEW OF THE NEW (2019/20) MTREF

4.2.1 Expected Outcome for Current Financial Year

Purpose: To consider current year and past revenue streams and spending trends that may have an impact on future budgetary provisions.

Table 5: Budgeted Performance against Audited Performance

WC032 - Table A1 Budget Summary	2016/17				2017/18				2018/19			
R thousands	Adjusted Budget	Audited Outcome	Difference	Diff %	Adjusted Budget	Audited Outcome	Difference	Diff %	Original Budget	Adjusted Budget	Difference	Diff %
Financial Performance												
Property rates	189 791	197 104	7 313	3.9%	214 752	214 845	94	0.0%	234 998	234 998	–	0.0%
Service charges	606 116	571 114	(35 002)	-5.8%	586 146	590 194	4 047	0.7%	613 718	624 718	11 000	1.8%
Investment revenue	15 489	20 347	4 858	31.4%	19 462	30 285	10 823	55.6%	21 001	29 201	8 200	39.0%
Transfers recognised - operational	121 725	114 411	(7 313)	-6.0%	129 217	116 421	(12 796)	-9.9%	130 566	118 186	(12 380)	-9.5%
Other own revenue	71 183	99 952	28 769	40.4%	96 062	121 494	23 432	23.9%	79 944	76 194	(3 750)	-4.7%
Total Revenue (excluding capital transfers and contributions)	1 004 305	1 002 928	(1 377)	-0.1%	1 047 640	1 073 241	25 600	2.4%	1 080 228	1 083 298	3 070	0.3%
Employee costs	310 496	302 363	(8 133)	-2.6%	329 165	296 536	(32 629)	-9.9%	367 024	374 114	7 089	1.9%
Remuneration of councillors	9 597	9 355	(242)	-2.5%	10 253	10 138	(115)	-1.1%	10 972	10 972	–	0.0%
Depreciation & asset impairment	127 347	132 532	5 185	4.1%	130 287	134 400	4 113	3.2%	130 362	130 362	–	0.0%
Finance charges	46 421	45 913	(508)	-1.1%	47 440	46 129	(1 311)	-2.8%	47 834	47 834	–	0.0%
Materials and bulk purchases	276 555	266 341	(10 214)	-3.7%	273 537	263 898	(9 639)	-3.5%	296 190	290 619	(5 571)	-1.9%
Transfers and grants	57 479	1 898	(55 581)	-96.7%	1 778	1 800	22	1.2%	500	500	–	0.0%
Other expenditure	245 159	236 710	(8 449)	-3.4%	259 737	240 552	(19 185)	-7.4%	281 361	300 074	18 713	6.7%
Total Expenditure	1 072 964	995 023	(77 941)	-7.3%	1 052 197	993 453	(58 744)	-5.6%	1 134 245	1 154 476	20 232	1.8%
Surplus/(Deficit)	(68 659)	7 905	76 565	-111.5%	(4 556)	79 788	84 344	-1851.1%	(54 017)	(71 179)	(17 162)	31.8%
Transfers recognised - capital	36 381	33 681	(2 700)	-7.4%	73 441	64 248	(9 193)	-12.5%	61 968	66 072	4 104	6.6%
Contributions recognised - capital & contributed assets	–	–	–		–	–	–		–	–	–	
Surplus/(Deficit) after capital transfers & contributions	(32 278)	41 587	73 865	-228.8%	68 885	144 036	75 151	109.1%	7 951	(5 106)	(13 057)	-164.2%
Share of surplus/ (deficit) of associate	–	–	–		–	–	–		–	–	–	
Surplus/(Deficit) for the year	(32 278)	41 587	73 865	-228.8%	68 885	144 036	75 151	109.1%	7 951	(5 106)	(13 057)	-164.2%
			–									
Capital expenditure & funds sources			–									
Capital expenditure	86 266	91 868	5 602	6.5%	116 620	105 207	(11 412)	-9.8%	194 237	174 748	(19 489)	-10.0%
Transfers recognised - capital	35 381	43 214	7 832	22.1%	73 436	68 640	(4 796)	-6.5%	62 068	66 172	4 104	6.6%
Public contributions & donations	1 462		(1 462)	-100.0%	–		–					
Borrowing	35 854	35 550	(304)	0.0%	23 200	19 199	(4 001)	0.0%	88 650	53 624	(15 026)	-21.9%
Internally generated funds	13 569	13 104	(465)	-3.4%	19 983	17 369	(2 615)	-13.1%	63 519	54 952	(8 567)	-13.5%
Total sources of capital funds	86 266	91 868	5 602	6.5%	116 620	105 207	(11 412)	-9.8%	194 237	174 748	(19 489)	-10.0%

Source: 2019/20 MTREF Budget 2016/17 and 2017/18 Annual financial Statements and LG Database

Findings, risks and recommendations

The Municipality in aggregate has performed well, with the implementation of the operating budget for the past two audited financial years. The Municipality has been conservative in the Investment revenue and other revenue projections which has resulted in variances in excess of 43 per cent and 32 per cent on average respectively when comparing the adjusted budget to the audited outcome.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The Municipality reported a variance in the 2017/18 AFS for employee costs which could be as a result of having more vacant posts than anticipated as it was already adjusted downwards during that year.

Depreciation recorded over performances in both 2016/17 and 2017/18 financial years. The 2019 MTREF budget projection is not in line with past performances and capital budget in the current and 2019 MTREF years.

In terms of capital budget performance, the Municipality has underspent in 2017/18 by 9.8 per cent and overspent by 6.5 per cent in 2016/17 financial year as reflected in the above table. For the current financial year, the year-to-date for capital expenditure is at 26.7 per cent against the adjusted budget of R174.75 million, which is low given the remaining period in the financial year.

In view of the above findings it is recommended that the Municipality consider current and past spending trends which set the baseline and therefore have an impact on future budgetary provisions.

4.2.2 Budget Overview

Table 6: Budget Overview

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	28 February 2019	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Revenue (excluding capital transfers and contributions)	930 691	1 002 928	1 073 241	1 080 226	1 093 298	746 114	1 167 263	1 268 160	1 392 313
Total Expenditure	937 727	995 023	993 453	1 134 245	1 164 478	684 584	1 247 901	1 343 380	1 432 564
Surplus/(Deficit)	(7 036)	7 906	79 788	(54 017)	(71 179)	61 530	(80 639)	(75 220)	(40 251)
Non-Cash Items									
Depreciation & asset impairment	122 909	132 532	134 400	130 362	130 362	86 907	131 285	130 630	130 222
Restated Result	**115 874**	**148 437**	**214 188**	**76 345**	**59 184**	**148 437**	**50 647**	**55 410**	**89 971**
Capital expenditure & funds sources									
Capital expenditure	**348 019**	**410 203**	**433 682**	**528 041**	**563 550**	**46 578**	**553 562**	**413 093**	**425 913**
Transfers recognised - capital	103 326	87 452	80 137	91 804	105 074	14 643	191 088	91 448	95 699
Public contributions & donations	-	6 878	280	-	-	-	-	-	-
Borrowing	42 566	4 581	-	160 000	160 000	8 384	160 000	120 000	100 000
Internally generated funds	202 127	311 294	353 265	276 237	297 476	23 643	202 474	201 645	229 214
Total sources of capital funds	348 019	410 203	433 682	528 041	563 550	46 578	553 562	413 093	425 913
Cash flows									
Cash/cash equivalents at the year end	174 790	259 815	474 967	380 242	469 014	525 679	499 538	437 985	425 211

Source: 2019/20MTREF Budget, Main Schedules A1 and A4

Findings

The Municipality has tabled operating deficit budgets caused mainly by non-cash items such depreciation and asset impairment which are decreasing over the MTREF period. The operating deficit reflects a gradual improvement over the MTREF years which is a positive indication of a steady inflow of revenue to be realised. Depreciation is decreasing over the MTREF and is therefore slightly contributing to the decreasing operating deficit over the MTREF.

THE MUNICIPALITY'S BOOK VALUE OF PROPERTY PLANT AND EQUIPMENT (PPE) IS PROJECTED TO INCREASE, ON AVERAGE, BY 1.25 PER CENT OVER THE MTREF PERIOD.

OVERSTRAND MUNICIPALITY
2019 -05- 23
OVERSTRAND MUNICIPALITY

HOWEVER, THE DEPRECIATION AND ASSET IMPAIRMENT BUDGET AMOUNTS SHOWS A GRADUAL DECREASE OVER THE 2019/20 MTREF PERIOD.

Circular No. 55 states that over a medium term, a Municipality should budget for a moderate surplus on its financial performance budget in order to contribute to the funding of capital budget.

DEPRECIATION IS A NON-CASH EXPENDITURE ITEM, WHICH SHOULD BE SUPPORTED BY CASH SURPLUSES TO MAKE PROVISION FOR THE WRITE-OFFS AND REPLACEMENT OF ASSETS IN THE FUTURE. DEPRECIATION SEEMS TO BE PARTIALLY CASH-BACKED FOR THE 2019/20 MTREF.

The operating revenue increases by an average of 8.7 per cent and the operating expenditure by an average of 7.5 per cent over the MTREF therefore resulting in a decreasing trend in operating deficits. The Municipality is commended for driving costs down in relation to an increased revenue margin over the MTREF.

The growth in operating expenditure is still well above the inflation cap over the MTREF. In addition, the increased cost of water and bulk electricity purchase and other infrastructure demands are placing upward pressure on tariffs and causes continuous increases outside the parameters of inflation targets, which is not sustainable. The Municipality is encouraged to explore further efficiencies to reduce the impact on consumers.

4.2.3 Review of the Budget Assumptions

Purpose: To establish whether the budget documents provide minimum information/narratives/explanations to inform/motivate budgetary provisions.

Table 7: Assessment Criteria

No.	Description of the Budget Assumptions
1.	The forecasted CPIX is estimated at 5.2% for 2019/20, 5.4% for 2020/21 and 5.4% for the 2021/22 financial years.
2.	The 2019/20 budget was prepared on a projected revenue collection rate of above 99% of annual billing. Cash flow is assumed to be 99.5% of billings from an increased collection of arrear debt which is in line with current collection rates.
3.	The following principles and tariff increases, based on the cost reflectiveness of the tariffs are proposed: ● Property Rates = 5.7%. ● Electricity = basic levy increases by 17.5% and consumption by 14% (with a free 50 kWh per month to indigent households only, to be taken from the Equitable share). ● Water = Basic levy increase by 5.7% and the first consumption step (0 - 6 kl) 11.5%. ● Sanitation = 5.7% ● Refuse removal = 12.9%.
4.	Cost containment measures were provided for in the budget documentation.
5.	Employment related costs for the entire MTREF period were budgeted at an annual increase of **8.2%** (inclusive of annual notch increases). The Municipality projected an increase of **6.2%** + average notch adjustment for 2019/20.
6.	Bulk electricity purchases are projected to increase by **15.6%**.
7.	The Municipality projected to achieve performance of **99%** on the operational expenditure.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
26
OVERSTRAND MUNICIPALITY

No.	Description of the Budget Assumptions
8.	The municipal social package for free basic services are budgeted for 8 300 registered indigents to be reviewed monthly consist of 6 kl of free water, 50 kWh of electricity per 30-day period, sewer services and weekly refuse removal.
9.	The external loans to be taken up to fund the capital budget over the MTREF period are **R178.30** million excluding roll-over borrowing.

Findings, risks and recommendations

The overall budget assumptions are credible, reasonable and aligned to National Treasury guidelines however the following needs to be considered during the adoption of the final budget:

THE BUDGET DOCUMENT REFLECT TARIFFS INCREASES ABOVE THE INFLATION RATE, WHICH COULD RESULT IN POSSIBLE HIGHER LEVELS OF NON-PAYMENT. THE MUNICIPALITY IS ENCOURAGED TO ENSURE THAT THE PROPOSED TARIFFS REPRESENT A BALANCE BETWEEN AFFORDABILITY AND THE BULK PURCHASES COST AND THE COST OF INFRASTRUCTURE.

THE MUNICIPALITY BUDGETED A 99 PER CENT COLLECTION RATE FOR PROPERTY RATES AND SERVICE CHARGES; DURING THE FINAL ADOPTION OF THE ANNUAL BUDGET. THE MUNICIPALITY SHOULD CONSIDER TO REVIEW ITS COLLECTION RATE AS A PRUDENT MEASURE AGAINST THE BACKGROUND INFLATION TARIFF ADJUSTMENTS. THE PROPOSED ELECTRICITY TARIFF INCREASES WHICH WILL INCREASE BY 14.2 PER CENT AND BASIC LEVY BY 17.5 PER CENT COULD IMPACT ON THE AFFORDABILITY OF THE MUNICIPAL BILL.

Local government is at the forefront of service delivery. It plays a vital role in stimulating and promoting economic growth through fiscal prudence in budgetary planning and implementation, as well as improving governance and financial management. To this end, applying the principles of ***Integrated Management*** continues to shape the **Whole of Government Approach** between all stakeholders to strengthen joint planning and **maximise citizen impact.**

The municipal budget is therefore a key planning document structuring support from all spheres of government to foster the WOSA approach and ensuring maximum citizen impact.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

4.2.4 Adequacy of Revenue Management Framework

Table 8: Assessment Criteria

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source											
Property rates	2	164 486	197 104	214 845	234 998	234 998	234 998	–	240 070	254 464	269 721
Service charges - electricity revenue	2	324 599	334 765	349 380	362 784	362 784	362 784	–	398 278	456 672	524 974
Service charges - water revenue	2	114 179	115 070	111 010	118 781	124 781	124 781	–	118 842	125 972	133 531
Service charges - sanitation revenue	2	72 651	66 890	72 064	73 164	76 164	76 164	–	77 810	82 479	87 427
Service charges - refuse revenue	2	61 689	54 369	57 741	60 990	60 990	60 990	–	70 121	79 413	89 945
Rental of facilities and equipment		9 915	11 613	12 324	3 679	3 679	3 679		3 515	3 708	3 921
Interest earned - external investments		12 209	20 347	30 285	21 001	29 201	29 201		28 000	29 680	31 461
Interest earned - outstanding debtors		2 735	2 671	3 022	3 700	3 705	3 705		4 151	4 400	4 664
Dividends received											
Fines, penalties and forfeits		21 682	38 715	32 500	34 965	30 165	30 165		27 317	28 956	30 682
Licences and permits		2 423	2 525	2 527	2 447	2 447	2 447		2 329	2 459	2 578
Agency services		3 211	3 480	4 149	3 726	4 526	4 526		4 726	5 008	5 307
Transfers and subsidies		103 629	114 411	116 421	130 566	118 186	118 186		156 555	157 468	168 542
Other revenue	2	29 653	34 706	38 895	31 427	31 672	31 672	–	36 549	37 496	39 560
Gains on disposal of PPE		7 631	6 242	26 077							
Total Revenue (excluding capital transfers and contributions)		930 691	1 002 928	1 073 241	1 080 228	1 083 298	1 083 298	–	1 167 263	1 268 180	1 392 313

Source: Overstrand A1 schedule

Findings, risks and recommendations

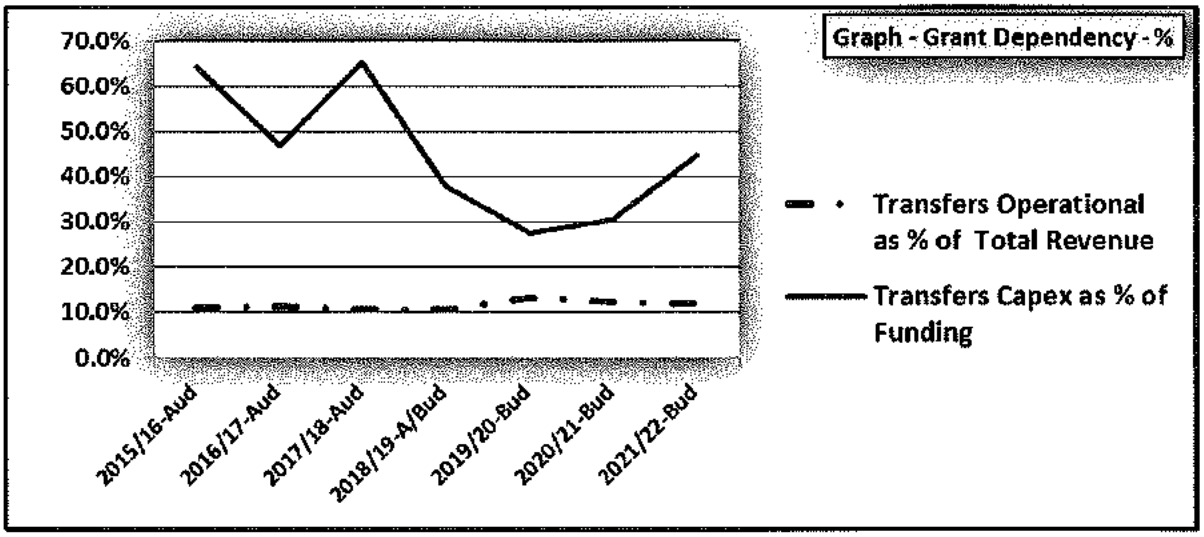
The operating revenue in aggregate shows an increase of 8.7 per cent over the 2019/20 MTREF, however if operating grants are excluded growth from own funds are projected to increase by 8.3 per cent. The most significant components of the operating revenue budget are service charges – electricity (34.1 per cent), property rates (20.6 per cent) and water services (10.2 per cent).

PROPERTY RATES ARE THE SECOND HIGHEST COMPONENT OF THE OPERATING REVENUE BUDGET AND REPRESENT 20 PER CENT ON AVERAGE OVER THE MTREF. PROPERTY RATES REVENUE ARE PROJECTED TO INCREASE BY 2.2 PER CENT FOR 2019/20 COMPARED TO THE 5.7 PER CENT INCREASE IN THE TARIFF. MARKET VALUE WILL INCREASE BY R13.16 MILLION WHILE THE CURRENT YEAR (SA12A) TO 2019/20 (SA12B) REMAIN UNCHANGED FOR ALL CATEGORIES OF CUSTOMERS. THIS COULD INDICATE NO FURTHER DEVELOPMENTS IN THE AREA AS ONLY EXPANSIONS/ADDITIONS ON CURRENT PROPERTIES. CIRCULAR NO. 89 STIPULATES THAT MORE EFFORT IS REQUIRED TO MAXIMISE REVENUE DERIVED FROM PROPERTY RATES. CIRCULAR NO. 93 FURTHER REQUIRES THE SUBMISSION OF THE RECONCILIATION BETWEEN THE GENERAL VALUATION ROLL AND THE FINANCIAL SYSTEM WHICH WILL PROVIDE THE SUPPORT ON PROJECTED INCREASES.

Operating **transfers recognised** account for 13.4 per cent of the total operating revenue which is an indication that the Municipality is self-supporting. The Municipality is commended for its efforts to be self-sustaining to fund own daily operations as depicted in the graph below.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Figure 1: Grant Dependency



Source: Budget Funding Assessment Tool

Electricity is a significant component of the operating revenue budget, representing 34.1 per cent with the revenue growth that is increasing by 9.8 per cent in 2019/20. The tariff increase of 17.5 per cent by the Municipality on the basic charge is above the NERSA's anticipated increases. The Municipality acknowledged the huge increase and cited to mitigate the disparity between fixed and variable costs which were the reason for such tariff increase.

NOTWITHSTANDING THE COST PRESSURE RESULTING FROM THE INCREASED CAPITAL INVESTMENT AND INCREASES IN THE BULK PURCHASES TARIFF, THE MUNICIPALITY MUST TAKE INTO CONSIDERATION THE AFFORDABILITY OF THE POOR/LOW INCOME HOUSEHOLDS, WHO ARE NON-INDIGENT. THE MUNICIPALITY SHOULD CONSIDER TO WHAT EXTENT A PORTION OF THE EQUITABLE SHARE CAN ALLEVIATE THE INCREASE IN BASIC CHARGE TO REDUCE THE IMPACT ON LOW INCOME HOUSEHOLDS. AN EXCESSIVE BASIC SERVICE LEVY MAY RESULT TO MANY HOUSEHOLDS' ELECTRICITY CUT OFF WHEN IMPLEMENTING CREDIT CONTROL AND DEBT COLLECTION INITIATIVES AND CAN ADVERSELY AFFECT THE QUALITY OF LIFE OF CITIZENS.

The current economic climate with a high inflation rate and slow economic growth are continuously exerting pressure on the consumer. In order to assist the community consideration should be given by not overburdening consumers while pursuing municipal financial sustainability.

Water revenue amounts to R118.84 million and constitute 10.2 per cent of the total revenue. It decreased by 4.8 per cent in 2019/20 due to the above inflation tariff rates charged in the previous years. The Municipality is commended for its investment in water sources and infrastructure during the previous financial year which ensures sustainability during the prevailing drought conditions.

The 2017/18 Annual Report highlighted the aging municipal infrastructure as part of the challenges that are faced by Municipality particularly to the provision of water to its communities. The Municipality is applauded for the replacement of the domestic water meters to address the challenge of aging infrastructure. Notwithstanding such efforts the Municipality is advised to monitor the municipal consumption regularly to manage water

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
29
OVERSTRAND MUNICIPALITY

losses. Furthermore, it is important for the Municipality to ring-fence a portion of the surpluses for future expansion or renewing of aging infrastructure.

The average growth of revenue in respect of **Sanitation charges** over the MTREF amounts to 4.7 per cent. The service does not yield a surplus in the current year of 2018/19, however in s in 2019/20 it is projected to cover the full cost of providing the service before transfers by 26.2 per cent due to a significant cut in expenditure (according to A2). It should be noted that the above Table 8 excludes the departmental costs or internal billings.

Waste management revenue will increase by an average of 13.8 per cent over the MTREF with a tariff increase of 12.86 per cent in 2019/20. The Municipal MFMA Budget Circular No. 93 indicates that municipalities should justify increases in excess of the 5.6 per cent and could result in amplified levels of non-payment by the consumers. However, it is noted that the Municipality will revise the solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The waste management revenue is projected to be increasing throughout the MTREF period, which is aligned to solid waste strategy stated above. Provincial Treasury note the agreement with between the Overstrand and Overberg District Municipality with regards the rendering of Waste Management services by the District Municipality. The Municipality is commended for fostering such partnerships to ensure whole of society approach.

Table 9: Surplus/Deficit of trading services

Description	2015/16	2016/17	2017/18	2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue (A4):	**573 118**	**571 114**	**590 194**	**624 718**	**665 059**	**744 536**	**835 077**
Service charges - electricity revenue	324 599	334 765	349 380	362 784	398 278	456 672	524 974
Service charges - water revenue	114 179	115 070	111 010	124 781	118 842	125 972	133 531
Service charges - sanitation revenue	72 651	66 890	72 064	76 164	77 810	82 479	87 427
Service charges - refuse revenue	61 689	54 389	57 741	60 990	70 121	79 413	89 945
Expenditure (A2):	**434 352**	**515 721**	**490 339**	**668 712**	**639 901**	**690 998**	**758 999**
Energy sources	261 110	313 992	295 386	362 764	383 841	399 647	451 928
Water management	67 325	65 931	66 052	126 404	117 498	123 154	129 909
Waste water management	57 091	63 101	64 937	97 078	84 386	90 967	95 810
Waste management	48 826	72 697	63 964	82 466	74 176	77 230	81 351
Cost of Free Basic Services (SA 1)	**3 535**	**5 174**	**6 813**	**79 256**	**84 049**	**111 366**	**122 286**
Energy sources	2 215	3 448	4 681	33 723	33 656	45 379	50 690
Water management	1 320	1 726	2 132	14 612	14 234	18 603	20 145
Waste water management	–	–	–	15 697	17 938	23 495	25 498
Waste management	–	–	–	15 223	18 220	23 890	25 952
Surplus/Deficit	**142 302**	**60 568**	**106 669**	**35 261**	**109 198**	**164 984**	**199 164**
Energy sources	65 704	24 221	58 675	33 744	68 093	102 403	123 736
Water management	48 174	50 865	47 090	12 989	15 578	21 421	23 767
Waste water management	15 560	3 789	7 127	(5 217)	11 362	15 006	17 115
Waste management	12 863	(18 306)	(6 223)	(6 254)	14 164	26 073	34 545
Surplus/Deficit %							
Energy sources	20.2%	7.2%	16.8%	9.3%	17.1%	22.4%	23.6%
Water management	42.2%	44.2%	42.4%	10.4%	13.1%	17.0%	17.8%
Waste water management	21.4%	5.7%	9.9%	-6.8%	14.6%	18.2%	19.6%
Waste management	20.9%	-33.7%	-10.8%	-10.3%	20.2%	32.8%	38.4%

Source: A4 Trading revenue (excl. capital grants), A2 Trading Expenditure and SA 1 – 2019/20 A Schedule

Findings and recommendations



For the purpose of this section the revenue reflected in Table 9 above indicates the municipal services charges revenue which excludes subsidies and rebates. In addition to this, A2 provide the expenditure information less the National Treasury allocation for Cost of Free Basic Services for trading services since it is already exempted on the revenue side.

The above table indicate that all the trading services will generate a surplus in the 2019/20 MTREF. In aggregate the trading services are yielding a surplus of R157.76 million of which electricity is the main contributor indicating that the Municipality is heavily reliant on it as a major revenue source.

4.2.5 Adequacy of Expenditure Management Framework

Table 10: Operating Expenditure 2019/20 MTREF

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue &		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Employee related costs	274 564	302 363	296 536	367 024	374 114	374 114	397 991	423 094	448 067
Remuneration of councillors	8 568	9 265	10 138	10 972	10 972	10 972	11 006	11 501	12 020
Debt impairment	13 785	22 221	18 013	23 492	23 492	23 492	24 902	26 396	27 979
Depreciation & asset impairment	122 909	132 532	134 400	130 362	130 362	130 362	131 285	130 830	130 222
Finance charges	46 207	45 913	46 129	47 834	47 834	47 834	51 549	54 249	56 058
Bulk purchases	194 620	217 523	225 844	238 588	238 588	238 588	275 880	319 000	368 859
Other materials	19 695	48 818	38 054	57 602	52 031	52 031	68 202	70 960	71 577
Contracted services	112 447	156 726	167 065	193 637	207 243	207 243	205 146	230 738	236 378
Transfers and grants	51 090	1 898	1 800	500	500	500	- 500	525	551
Other expenditure	93 542	50 631	55 475	64 232	69 339	69 339	81 441	76 087	80 852
Loss on disposal of PPE	392	8 133	–	–	–	–	–	–	–
Total Expenditure	937 727	995 023	993 453	1 134 245	1 154 476	1 154 476	1 247 901	1 343 380	1 432 564

Source: Overstrand Municipality, Draft Budget, 2019/20, A1 schedule, A4

Findings and recommendations

The **Operating expenditure** in aggregate increased by 8.09 per cent. Employee related costs (31.89 per cent), bulk purchases (22.11 per cent) and contracted service (16.44 per cent) are the main expenditure drivers for the 2019/20 MTREF.

Employee related costs on average constitute 31.89 per cent of the total operating expenditure budget over the 2019/20 MTREF and projected at the growth rate of 6.2 per cent. The measurement is within the national norm of between 25 - 40 per cent. In view of the current economic outlook, the Municipality is encouraged to promote staff efficiencies to drive down cost of delivering services without affecting quality of service delivery.

Contracted Services amount to R205.15 million in 2019/20 and constitute 16.44 per cent of the total operating expenditure for 2019/20 which is well above the recommend national threshold of 5 per cent. The main contributions of contracted services are contractors (averaging R98.70 million over the MTREF), outsourced services (averaging R93.62 million over the MTREF) and consultants and professional services (averaging R98.70 million over the MTREF) as reflected on SA1.

Depreciation and asset impairment is projected to increase by only 0.71 per cent or R923 thousand for 2019/20 budget, although the Municipality is expanding its infrastructure over the MTREF as per Schedule A9. The depreciation constitutes an average of 10.52 per

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

cent the total operating expenditure budget. It is advised that the Municipality review the projections in line with recommendations made in section: budget overview.

Bulk purchases amount to R275.88 million which constitutes 22.11 per cent of the total operating expenditure budget for 2019/20. The year-on-year increase is 15.63 per cent and the upward pressure is driven by resource scarcity and the ongoing difficulties in the national and local economy.

Repairs and maintenance amount on average to 5.6 per cent of the asset base which is below the national norm of 8 per cent. The Municipality is regressing from the current year percentage of 6.6 per cent, however it has improved when comparing to the most recent audit outcome (2017/18) of 4.6 per cent and is gradually moving towards the norm. As per the guidelines of MFMA Circular No. 55, the Municipality is required to provide a detailed explanations and assurance that the budgeted amount is adequate to secure the on-going health of the infrastructure assets as supported by the asset management plan.

As reflected in A-Schedule SA 1, repairs and maintenance amounts to R195.74 million or 15.7 per cent of the total operating budget of 2019/20 and this indicates a regression when compared to the current year adjustment budgeted amount of R231.96 million. Considering that repairs and maintenance was identified as a strategic imperative for the aging infrastructure, it is imperative for the Municipality to embark on the maintenance performance monitoring strategy on critical infrastructure to identify and prevent systemic failures, particular on those with high cost as well as its impact on core service delivery.

Provincial Treasury noted the Municipality's efforts to critically review its operating expenditure amounts. It is recommended that the Municipality continue to adhere to the cost containment policy which will ensure value for money, curbing non-essential activities and wastages.

4.2.6 Adequacy of Capital Budget

The budget narratives provide sufficient evidence that the 2019/20 MTREF capital budget is informed by the IDP objectives and that Council took cognisance of public involvement of Ward Committees and the community when drafting the budget.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Table 11: Capital Budget 2019/20 MTREF

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional											
Governance and administration		4 809	957	6 346	6 331	7 472	7 472	–	4 105	30 000	30 000
Executive and council			72		20	572	572		10		
Finance and administration		4 809	885	6 346	6 311	6 900	6 900		4 095	30 000	30 000
Internal audit											
Community and public safety		32 729	14 135	44 658	67 710	54 084	54 084	–	52 142	14 128	39 480
Community and social services		3 169	644	1 929	4 999	5 249	5 249		2 330		
Sport and recreation		3 311	1 887	6 427	8 057	8 007	8 007		14 856		
Public safety		284	996	2 517	9 186	6 556	6 556		13 832	841	
Housing		25 965	10 658	34 180	35 467	34 271	34 271		21 325	13 287	39 480
Health											
Economic and environmental services		13 226	13 279	12 023	16 821	14 551	14 551	–	29 395	–	8 000
Planning and development			1 540		5 725	1 720	1 720		8 528		–
Road transport		13 226	11 739	12 023	13 096	12 831	12 831		20 866		8 000
Environmental protection											
Trading services		44 369	63 496	42 788	111 375	98 642	98 642	–	146 585	94 036	78 844
Energy sources		16 237	30 496	16 268	24 772	20 456	20 456		33 874	32 000	30 000
Water management		14 232	15 772	3 257	30 077	21 945	21 945		43 481	40 075	13 481
Waste water management		11 875	17 217	21 523	54 987	54 744	54 744		41 999	21 961	33 363
Waste management		25	12	1 739	1 540	1 497	1 497		27 231		
Other											
Total Capital Expenditure - Functional	3	95 133	91 868	105 207	194 237	174 748	174 748	–	232 206	138 164	154 324
Funded by:											
National Government		31 647	25 530	21 788	25 901	30 445	30 445		39 010	28 036	29 513
Provincial Government		29 004	7 681	42 481	36 067	35 628	35 628		25 125	14 128	39 480
District Municipality						–	–				
Other transfers and grants		743	10 002	4 372	100	100	100				
Transfers recognised - capital	4	61 394	43 214	68 640	62 068	66 172	66 172	–	64 135	42 164	68 993
Public contributions & donations	5										
Borrowing	6	27 189	35 550	19 199	68 650	53 624	53 624		89 013	54 000	50 000
Internally generated funds		6 549	13 104	17 369	63 519	54 952	54 952		79 059	42 000	35 331
Total Capital Funding	7	95 133	91 868	105 207	194 237	174 748	174 748	–	232 206	138 164	154 324

Source: Overstrand Municipality, Draft Budget, 2019/20, A1 schedule, A5

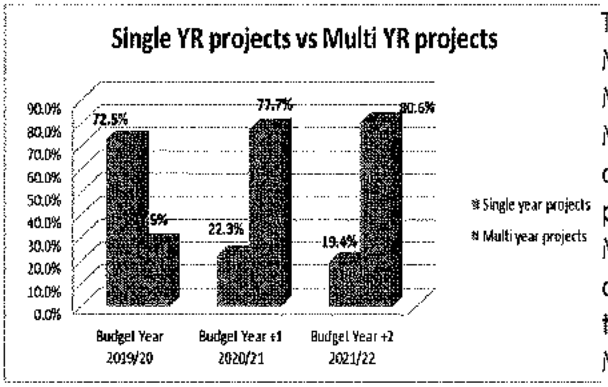
Findings and recommendations

The monthly projected spending is in line with the previous year's trends in terms of the increases during the second half of the financial year as depicted in SA 29, however not in line with current year's performance. The Municipality anticipates to utilise 46.4 per cent of the capital budget by February 2020 which is reasonably higher than the current year expenditure rate of 26.7 per cent as at February 2019. The Municipality achieved an average capital spending of 94.6 per cent over the last four (4) financial years with the lowest percentage of 89.5 per cent being achieved in 2014/15 budget year.

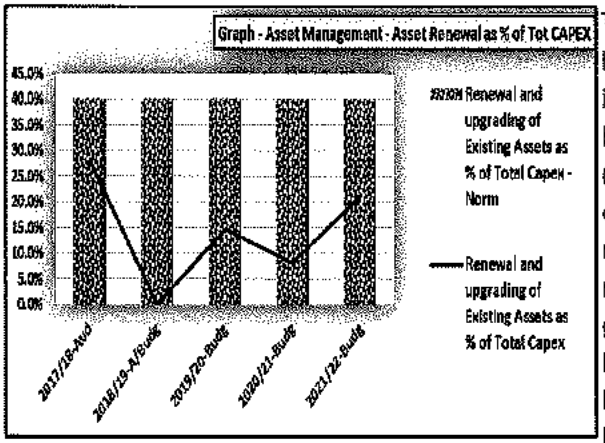
The Municipality has projected to increase its capital budget by 32.9 per cent or R55.56 million in 2019/20 and this is due to increases in trading services, community and public safety and economic and environmental services. Given the substantial increase in 2019/20, the Municipality should put measures in place to mitigate the risk of underspending. It is recommended that procurement processes are started earlier to ensure timeous spending of the capital budget.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

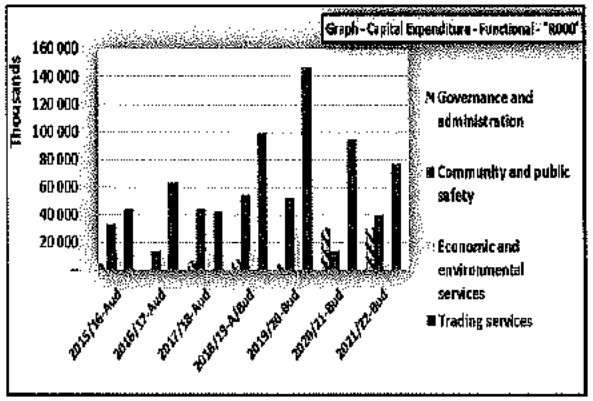
Figure 2: Capital Expenditure



The 2019/20 capital budget indicates that the Municipality incorporate section 16(3) of the MFMA into the budgeting process, as the Municipality allocated 61.9 per cent of capital budget allocation for multi-year projects over the 2019/20 MTREF. The Municipality is encouraged to maintain the appropriation of large capital budgets for three financial years, thus enabling the Municipality to improve on their planning and initial procurement processes for capital projects.



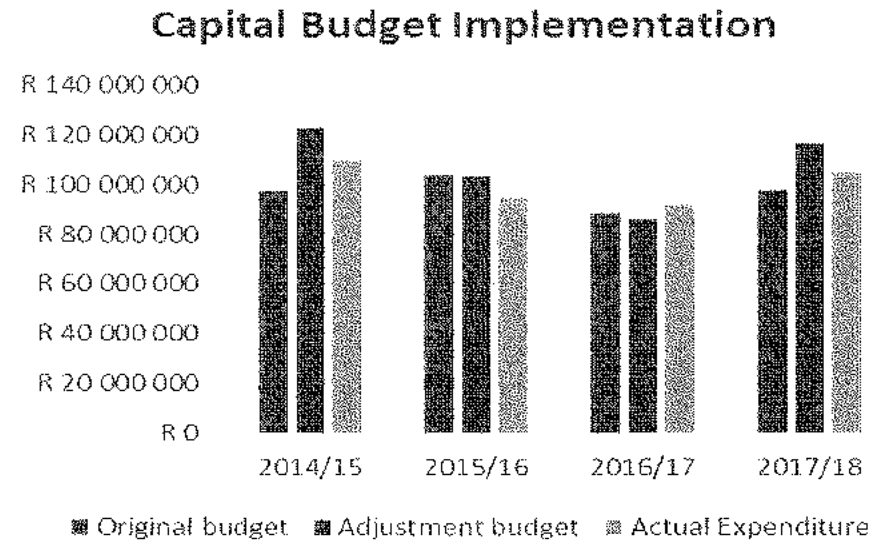
The allocated budget to secure the on-going health of the Municipality's existing infrastructure is low and the Municipality has budgeted an average of R7.08 million (4.1 per cent) and R18.84 million (10.8 per cent) of the total capital budget for the renewal and upgrade of existing assets respectively, which is below the national guideline of 40 per cent as per MFMA Circular No. 55. In the current year (2018/19) the Municipality did not separate its capital budget between upgrading and renewal of assets as reflected in A-Schedule A9. Asset maintenance is one of the key strategic planning factors of the budget, however performance remains below the NT norms outlined in Circular No. 55. This may indicate that future rate payers may carry the burden of current rate payer.



The Municipality allocated 63.1 per cent of the capital budget towards trading services which is revenue generating assets. It is thus evident that the capital budget of Overstrand Municipality is largely vested in trading services. The Municipality has tried to evenly distribute the budget of trading services across the different services with water management making up 18.7 per cent of the budget and waste water management making 18.1 per cent. The lowest allocation was for waste management with an allocation of 7.7 per cent of the trading services budget.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Figure 3: Capital Budget Implemented



Source: Overstrand Municipality, LG Database, Draft Budget, 2019/20, A1 schedule, A5

Findings and recommendations

Capital Funding

CAPITAL GRANTS AMOUNTS TO AN AVERAGE OF 27.6 PER CENT OVER THE 2019/20 MTREF CAPITAL BUDGET, INDICATING A SLIGHT DEPENDENCY ON CAPITAL GRANTS AND SUBSIDIES. NO UNSPENT CONDITIONAL GRANTS WERE REPORTED IN THE 2017/18 AUDIT OUTCOME REPORT WHICH IS COMMENDABLE. HOWEVER, FOR THE CURRENT YEAR THE MUNICIPALITY ONLY SPENT 13.7 PER CENT OF ITS CONDITIONAL CAPITAL GRANTS AS AT 28 FEBRUARY 2019 WHICH IS A CONCERN. THE MUNICIPALITY IS CAUTIONED AGAINST A SLOW SPENDING RATE AS IT WILL RESULT IN RETENTION OR WITHHOLDING OF CONDITIONAL GRANTS SHOULD THEY NOT BE FULLY SPENT BY THE END OF THE FINANCIAL YEAR.

The Municipality intends to take up external borrowings of R178.30 million over the MTREF and rolled over borrowing amounts to R14.70 million resulting in total borrowings of R193.01 million over the MTREF. The gearing ratio for the 2019/20 financial year is above the 45 per cent norm as prescribed by National Treasury in Circular No. 71. The Municipality to take into cognizance the impact of the additional borrowings and the pressure it will put on the tariffs that can result to affordability challenges by citizens given the current economic pressures. Furthermore, it has been noted that the other capital expenditure amounting to R156.39 million is funded from internally generated funds over the MTREF.

4.3 ESTABLISH THE LEVEL OF FUNDING THE BUDGET

4.3.1 Table A4 – Surplus/Deficit

The purpose is to assess the overall credibility of the budget in terms of surplus/deficit. Based on a comparison between the A4 (Financial Performance) and the A7 (Cash flow Statement) (supporting Schedule SA30) the Municipality reported an operating deficit over the MTREF period and a positive budgeted cash flow. The A4 (Financial Performance)

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Indicated a deficit of R20.30 million (2019/20), R33.06 million (2020/21) and a surplus of R28.74 million (2021/22). The A7 (Budgeted Cash Flow) indicated a surplus of R459.54 million (2019/20), R437.07 million (2020/21) million and R425.21 million (2021/22).

Revenue projections as extracted from A4 and A7 and depicted in the table below, reflect that the anticipated collection rate for property rates and service charges averages 99.6 per cent over the MTREF, however the collection rate from other revenue is much lower at an average rate of 78.3 per cent over the MTREF. This is largely influenced by the projected revenue collection of fines which is 11.5 per cent projected for 2019/20 which is not in line with trends outlined on page 32 of the AFS stating 37 per cent.
Refer to Impairment for traffic fines, resulting from the implementation of IGRAP1

The collection rate on pg.37 of the AFS is the average annual collection rate (% fines collected in total over a three year period) as opposed to the projected annual collection rate, i.e. fines collected in 2019/20 iro fines issued in 2019/20.

Table 12: Cash collection projections

REVENUE PROJECTIONS - MUNICIPAL INFORMATION FOR BILLING vs COLLECTIONS							
RATES	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	TABLE A4						
Rates Billing - Table A4	164 486	197 104	214 845	234 998	240 070	254 464	269 721
	TABLE A7						
Rates Collection - Table A7	163 442	195 733	213 851	233 401	238 976	253 350	268 590
	99.4%	99.3%	99.5%	99.3%	99.5%	99.6%	99.6%
SERVICE CHARGES	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	TABLE A4						
Service charges - electricity revenue - Billing Table A4	324 589	334 765	349 380	362 784	398 278	456 872	524 974
Service charges - water revenue - Billing Table A4	114 179	115 070	111 010	124 781	118 842	125 972	133 531
Service charges - sanitation revenue - Billing Table A4	72 651	66 890	72 064	76 164	77 810	82 479	87 427
Service charges - refuse revenue - Billing Table A4	61 889	54 389	57 741	60 990	70 121	79 413	89 945
	TABLE A7						
Service Charges Collection - Table A7	570 606	568 538	589 413	620 473	662 029	741 277	832 373
	99.6%	99.5%	99.9%	99.3%	99.5%	99.6%	99.6%
OTHER REVENUE	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	TABLE A4						
Rental of facilities and equipment - Billing Table A4	9 915	11 613	12 324	3 679	3 515	3 708	3 921
Fines, penalties and forfeits - Billing Table A4	21 682	38 715	32 500	30 165	27 317	28 950	30 682
Licences and permits - Billing Table A4	2 423	2 525	2 527	2 447	2 329	2 450	2 576
Agency services - Billing Table A4	3 211	3 480	4 149	4 526	4 726	5 008	5 307
Other revenue - Billing Table A4	29 853	34 706	38 895	31 672	35 549	37 496	39 560
	TABLE A7						
Other Revenue Collection - Table A7	65 164	73 850	75 919	51 287	68 922	54 847	57 739
	97.4%	81.1%	84.0%	70.6%	93.9%	70.7%	70.4%

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

4.3.2 Financial Position

Purpose

To undertake an assessment of the overall credibility of the budget funding (Table A6) and to establish the working capital requirements.

The table below depicts Ratio Analysis with Trends over the MTREF:

Table 13: Ratio Analysis

	2017	2018	2019	2020	2021	2022
Cash/Cost Coverage Ratio (Excl. Unspent Conditional Grants)	4 Months	6 Months	6 Months	5 Months	4 Months	4 Months
Current Ratio	2.25	2.91	3.07	2.56	2.40	2.60
Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure	7%	8%	7%	7%	7%	7%
Debt (Total Borrowings)/Revenue	50%	46%	48%	49%	46%	42%

Financial Position

The analysis of Table A6 (Budgeted Financial Position) indicates that the Municipality has reported positive working capital that demonstrates that it has enough funds to meet its short-term liabilities over the MTREF period. Table A8 below demonstrates that the Municipality has budgeted to achieve a positive working capital over the MTREF period. Upon analysing, it has been noted that the prior financial reveals that the Municipality had unspent grants amounting to R21.9 million and R6.5 million in 2015/16 to 2017/18 financial years. The Municipality has not budgeted for unspent conditional grants over the MTREF period as reflected in the below table. The Municipality is advised to reconsider its projections on the Table A8 on the disclosure of the unspent grants since they affect the calculation of the working capital.

Noted

FINANCIAL SERVICES

Cash and cash Equivalents

The Municipality continued to budget for a positive cash and cash equivalents throughout the MTREF financial years of R459 million; R437 million and R425 million for 2019/20, 2020/21 and 2021/22 respectively as reflected in Table A6, A7 and A8. Although the Municipality showed a decrease of its cash and cash equivalents over the MTREF budget, it depicts that it is sustainable.

Current Ratio

Table 13 shows that the Municipality's budgeted current ratio shows a fluctuating performance that is above the National Treasury Norm of 1.5 to 2.1. The budgeted current ratio is reported to be 2.56; 2.40 and 2.60 for the 2019/20, 2020/21 and 2021/22 years respectively. This ratio indicates that the Municipality has adequate financial resources to

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

settle its short-term debts. This is also an indication that the Municipality is not exposed to any liquidity risk.

Cash Cover Ratio

The cost coverage ratio continues to be above the NT Norm of between 1 - 3 months. The Municipality reflects a budgeted cost coverage of 5 times 2019/20; and 4 times in both 2020/21 and 2021/22. This indicates that the Municipality has sufficient cash resources to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month. This clearly shows that the Municipality's cash and cash equivalents are improving year on year over the MTREF period.

Debt (Total Borrowings) to total Operating Revenue

The ratio is budgeted to improve from 49 per cent in the 2019/20 financial year to 42 per cent in the 2021/22 financial year and indicates that the Municipality still has the capacity to take increase funding from borrowings in 2021/22 financial year, however, this should be considered within the cash flow requirements of the Municipality. The ratio in both financial years 2019/20 and 2020/21 are above the National Treasury norm of 45 per cent except for 2021/22 financial year. Although the Municipality will generate adequate revenue and cash from its operations to service the additional debt, it should be noted any additional loans that will be taken must be considered in lieu of other factors that will have an impact on the Municipality's cash flow pressure. The Municipality is advised to ensure that any additional loans taken over time do not result in a ratio that is above the acceptable norm of 45 per cent.

Capital Cost (Interest Paid and Redemption/Total Operating Expenditure)

The Municipality reported capital cost of 7.4 per cent, 7.4 per cent and 7.3 per cent which are in line with the National Treasury Norm of 6 - 8 per cent over the MTREF period. This ratio indicates that the Municipality has capacity to take on additional financing from borrowings to invest in infrastructure projects. Emerging from the reported cost of capital ratio, the Municipality should be cautious not put its revenue under pressure since the ratio is close to the limits set up by National Treasury.

4.3.3 Cash and Borrowings

Purpose: To undertake an assessment of the overall credibility of the budget funding (Table A7) and of the projected cash and cash equivalents over the MTREF.

The Municipality will be taking borrowings amounting to R89 million for 2019/20; R54 million for 2020/21 FY and R50 million for 2021/22 to fund capital expenditure as reflected in A5. This reflects a year on year increase of 179 per cent in 2019/20 and 66 per cent in 2020/21 and a decrease of 7 per cent in 2021/22.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

4.3.4 Application of Cash and Investments

Purpose - To assess the Municipality's application of available cash and investments (reference to Circular No. 42 and Table A8).

Table 14: Cash Backed reserves

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and investments available											
Cash/cash equivalents at the year end	1	174,780	259,815	474,967	380,242	499,014	499,014	–	459,538	437,065	425,211
Other current investments > 90 days		–	–	0	(0)	(0)	(0)	–	–	–	–
Non current assets - investments	1	29,740	37,982	44,595	50,546	50,546	50,546	–	57,885	65,460	73,191
Cash and investments available:		204,521	297,796	519,562	430,789	539,560	539,560	–	517,424	502,525	498,401
Application of cash and investments											
Unspent conditional transfers		–	–	–	–	3,800	3,800	–	–	–	–
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2										
Other working capital requirements	3	(30,636)	(20,707)	5,009	(36,964)	(18,462)	(18,462)	–	(12,039)	(17,743)	(36,556)
Other provisions											
Long term investments committed	4	29,740	37,982	44,595	50,546	50,546	50,546	–	57,885	65,460	73,191
Reserves to be backed by cash/investments	5	2,177	3,251	3,259	3,300	3,300	3,300	–	3,340	3,350	3,370
Total Application of cash and investments:		1,281	20,526	52,862	16,883	39,184	39,184	–	49,186	51,067	40,005
Surplus(shortfall)		203,239	277,271	466,700	413,906	500,376	500,376	–	468,237	451,459	458,397

Source: Overstrand Municipality, Draft Budget, 2019/20, A1Source: Annual Budget Schedule A8

The Municipality has taken into consideration the required applications against the cash and cash equivalents as reflected above except for the unspent grants and other provisions such as long service awards, rehabilitation of sites, and post-employment health benefits. The Municipality reported short term portion of the unspent grants of R3.6 million; provisions of R26.1 million as reflected in the 2017/18 AFS. It has been noted that the amount for provision includes rehabilitation, long service awards, leave pay, bonuses and gratifications. Although the Municipality have not included these applications the budget remained funded and sustainable over the MTREF period. Therefore, the Municipality is advised to take into cognisance all the required application in line with the MFMA Circular No. 42 and No. 74 as well the Municipality's Funding Reserves, and Provision Policy during its final MTREF budget adoption.

Noted, clarification required.

FINANCIAL SERVICES

4.4 SUSTAINABILITY OVER 2019/20 MTREF

4.4.1 Service Delivery, Financial and Operational Sustainability and Asset Management

The Municipality's cash flow statement and the cash backed reserves for the outer two years indicate that the budget is sustainable and that the principles of multi-year budgeting over the MTREF are applied.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
39
OVERSTRAND MUNICIPALITY

Funding Compliance

Table 15: Schedule SA10: Funding Measurement

Description	MFMA section	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funding measures											
Cash/cash equivalents at the year end - R'000	18(1)b	1	174 780	259 815	474 967	380 242	489 014	489 014	459 539	437 065	425 211
Cash + investments at the yr end less applications - R'000	18(1)b	2	203 239	277 271	466 700	413 906	500 376	500 376	468 237	451 458	458 397
Cash year end/monthly employee/supplier payments	18(1)b	3	2.7	3.8	6.9	4.7	5.9	5.9	5.1	4.5	4.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	53 616	41 587	144 036	7 951	(5 106)	(5 106)	(20 304)	(33 056)	28 742
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(1.8%)	(1.2%)	(0.6%)	(4.7%)	(5.0%)	(0.7%)	4.4%	4.7%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	99.0%	97.2%	97.9%	96.9%	96.7%	96.7%	98.7%	97.1%	97.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	1.9%	2.9%	2.2%	2.8%	2.7%	2.7%	2.8%	2.6%	2.5%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	92.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	88.9%	61.7%	82.0%	40.9%	49.7%	49.7%	44.2%	56.3%	58.6%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10							0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	4.9%	6.3%	10.0%	(4.2%)	0.0%	(11.4%)	2.3%	2.3%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(33.8%)	(24.5%)	(49.1%)	0.0%	0.0%	(64.4%)	(84.7%)	(100.0%)
R&M % of Property Plant & Equipment	20(1)(vi)	13	3.1%	3.4%	4.6%	6.3%	6.6%	6.6%	5.4%	5.6%	5.9%
Asset renewal % of capital budget	20(1)(vi)	14	16.7%	37.5%	28.2%	0.0%	0.0%	0.0%	2.6%	3.5%	6.3%

Source: Overstrand Municipality, Draft Budget, 2019/20, A1Source: Annual Budget Schedule SA10

Findings

The cash at year end versus employee and supplier payments shows a decrease from 5.1 times in 2019/20 to 4.1 times in 2021/22. The purpose of this ratio is to measure if the Municipality is able to meet its monthly payments when they fall due or an unexpected disaster threatens revenue collection. The ratio indicates that the Municipality have sufficient cash to operate over 4 months should no revenue be generated.

The Capital payments % of capital expenditure ratio assessed the extent to which budgeted capital expenditure will be spent during the budget year and the Municipality projected to spend 100 per cent. However, the past trends indicate an aggregated spending of 94.6 per cent since 2014/15 to 2017/18 as per the audited AFS, therefore it is noted with concern that the Municipality will achieve the target considering the historical trends.

The Borrowing as a % of capital expenditure (less transfers, grants and contributions) it has been noted that the Municipality's capital budget will be financed more from borrowings representing 38.33 per cent of the total capital expenditure, which implies that the Municipality is grants dependent to finance its capital expenditure over the MTREF period.

4.4.2 Service Delivery, Financial and Operational Sustainability and Asset Management

- The tabled municipal Budget is credible, sustainable and funded however the following should be considered with the finalisation of the final budget for adoption:

- The current economic climate continuously exert pressure on the consumer and it is important that all levels of government partner to ensure maximum citizen impact. Through this initiative, the Municipality should strike a balance between affordability (lessen the burden on consumers) while still safeguarding municipal sustainability.

- The Depreciation budget is declining over the MTREF and should be supported by cash surpluses to make provision for the write-offs and replacement of assets in the future.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- Asset maintenance is one of the key strategic planning factors of the budget, however performance remains below the NT norms outlined in Circular No. 55. This may indicate that future rate payers carry the burden of current rate payer.
- Repairs and maintenance amount to R195.74 million or 15.7 of the total operating budget of 2019/20 and have regressed from the current year adjustment budget amount of R231.96 million. The Municipality should further endeavour to do formal maintenance performance monitoring on critical infrastructure in order to identify and prevent systemic failures, particular those that have high cost and high impact on core service delivery.
- Staff efficiencies should be promoted to drive down cost of delivering services without compromising quality of service delivery.
- Slow spending on current grants may result in retention or withholding of grants and delay service delivery.
- Own funds contributed to capital investment should be monitored as a portion will be funded by current operations.

4.4.3 Forecasting and Multi-Year Budgeting

On assessment of supporting Tables SA25 to SA30 it is evident that Overstrand has taken into account seasonal fluctuations as well as making provision for budgeting for multi-year projects.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SECTION 5: KEY FINDINGS, RISKS AND RECOMMENDATIONS

The Municipality has exercised strict financial discipline and maintained a funded financial position. This section outlines the main points and risks/recommendations based on the LG MTEC Assessment. In adopting the 2019/20 MTREF budget, the following potential risks and recommendations need to be carefully considered:

Responsiveness:

- The 2018 Socio-Economic Profile of the Overstrand Municipality indicates that the Overstrand municipal area has a wide array of socio-economic challenges which is also documented in the Municipality's draft reviewed IDP.
- Reconciliation of the Strategic objective to the IDP sees strategic objective "the provision of Basic Services and Infrastructure" receiving top priority in the total expenditure budget. However, the reconciliation of the strategic objectives (capital expenditure) mirrors an upward shift of the strategic objective Good Governance over the MTREF.
- Both the provincial and municipal spend prioritises economic infrastructure as a lever to promote economic growth.
- In terms of investment in social infrastructure; allocation towards human settlements is of particular significance given ongoing service delivery protests in the Overstrand Municipal area relating to access to adequate land and housing opportunities.
- The 2019/20 MTREF Municipal Budget indicates the intention by the Municipality to provide basic services to formal households, informal households and households in invaded land.
- Institutionalised demand and procurement planning within the senior management's key performance indicator (KPI) to measure the performance of each departments' projects/contracts. This will encourage the adherence to committed procurement dates by user departments.

ROCHELLE

- Drive a process of accountability amongst project managers by means of monthly performance management meetings.
- Implementation of an effective monitoring tool to address the procurement planning processes against the planned versus the actuals.
- The Municipality must ensure that key linkages with its LED component is established to support the procurement planning and an economically sustainable delivery model.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

Credibility:

The tabled municipal Budget is credible, sustainable and funded however the following should be considered with the finalisation of the final budget adoption:

- Local government is at the forefront of service delivery. It plays a vital role in stimulating and promoting economic growth through fiscal prudence in budgetary planning and implementation, as well as improving governance and financial management. To this end, applying the principles of Integrated Management continues to shape the Whole of Government Approach between the Western Cape Government and Western Cape Municipalities to strengthen joint planning and maximise citizen impact.

- External pressures such as lower than anticipated national tax collection; an increasing public-sector wage bill and an increasing debt to GDP ratio will lead to projected larger fiscal deficits and higher government debt, amid the slower growth, a weaker rand and higher inflation. In addition, municipal risks include the rising cost of delivering services, impact of the economy on revenue raising capabilities, the prevailing drought, fire and climate change, the extent of crime and risks to infrastructure delivery.

- It is therefore imperative that these economic, service delivery and budgetary risk forms an integral part of planning and also budgetary projections made by the Municipality.

- Fiscal discipline is imperative in our current economic climate and therefore the Municipality should continue to exercise sound financial management. The Municipality is commended for building reserves and for continuously finding a balance between addressing the need within the available resources resulting in a funded budget over the MTREF amid the persistent fiscal constraints.

The Municipality is further encouraged to consider the following:

- The current economic climate continuously exert pressure on the consumer and it is important that all levels of government partner to ensure maximum citizen **impact**. Through this initiative, **the Municipality should strike a balance affordability (lessen the burden on consumers)** while still safeguarding municipal sustainability. It is against this backdrop that the Municipality should review increasing tariffs outside the parameters of inflation versus the needs of infrastructure and cost of bulk purchases.

- Asset maintenance is one of the key strategic planning factors of the budget, however performance remains below the NT norms outlined in Circular No. 55. This may indicate that future rate payers carry the burden of current rate payer.

- The depreciations budget amount is reducing over the MTREF which are contributing to the reduced operating deficit. This amount should be supported by cash surpluses to make provision for the write-offs and replacement of assets in the future.

- Repairs and maintenance amount to R195.74 million or 15.7 of the total operating budget of 2019/20 and have regressed from the current year adjustment budget amount of R231.96 million. The Municipality should further endeavour to do formal maintenance performance monitoring on critical infrastructure in order to identify and prevent systemic failures, particular those that have high cost and high impact on core service delivery.

- **MIKE**

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

- Own funds contributed to capital investment should be monitored as a portion funded by current operations. The gearing ratio is within the norm however still high. Additional loans over the MTREF coupled with the high tariff increases in 2019/20 could impact on the affordability.

- Slow spending on current grants may result in retention or withholding of grants and delay service delivery. This should also be considered as a commitment in schedule A8 if the Municipality foresee to unspent grants.

- Staff efficiencies should be promoted to drive down cost of delivering services while continuously delivering services at a sustainable level.

- The Municipality should take into cognisance the budgeted unspent grant when reviewing the final budget unless there is absolute assurance that it will spent all the conditional grant allocations.

- The continuous improvements of its cash flow to maintain the positive financial position.

- To maintain and improve on its current a, liquidity and cash coverage ratio beyond the MTREF period to maintain its sustainability.

- The taking on of the borrowings over the MTREF will put more pressure on the tariffs to be outside the inflation parameters and can result to unaffordability for consumers and are not sustainable for a long period. When considering the tariff increases to recoup the repayments of loans, a financial outlook that is exacerbated by fiscal constraints should be taken into account.

- Other provisions and employee benefits were omitted as part of the application to be set of against the cash and cash equivalents and based on the historical trends the Municipality has provided for the omitted line items stated above. This have an impact of the available funds to the Municipality. The Municipality should consider the inclusion of the other provisions in the final budget.



Western Cape Government

Appendix A

OVERSTRAND MUNICIPALITY

LG MTEC INTEGRATED PLANNING ASSESSMENT: ANALYSIS OF MUNICIPAL INTEGRATED DEVELOPMENT PLAN

Department of Local Government

APRIL 2019

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

TABLE OF CONTENTS

LIST OF ACRONYMS....3

SECTION 1: INTRODUCTION....4

SECTION 2: INTEGRATED PLANNING ANALYSIS....5

SECTION 3: CONCLUSION....11



LIST OF ACRONYMS

DMP	Disaster Management Plan
DOA	Department of Agriculture
DRA	Disaster Risk Assessment
IDP	Integrated Development Plan
ITP	Integrated Transport Plan
LED	Local Economic Development
MERO	Municipal Economic Review and Outlook
MSA	Local Government Municipal Systems Act 32 of 2000
MTREF	Medium Term Revenue and Expenditure Framework
SDF	Spatial Development Framework
SEP LG	Municipal Socio-Economic Profile

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SECTION 1: INTRODUCTION

An Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council term of office.

Each municipal council must annually review and may amend the IDP of the municipality. Should the review process determine that an amendment is required, municipalities are to follow the process as stipulated in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

The 2019/20 IDP review of the IDP of Overstrand Municipality (the Municipality) is the second of the 2017 - 2022 IDP. The 2019/20 IDP review approach takes into consideration the assessment of the performance measurements of the Municipality and to the extent that changing circumstances so demand.

This report encapsulates comments by various sector departments including the Departments of Agriculture; Cultural Affairs and Sport; Community Safety; Health; Human Settlements; Local Government, Social Development; Water and Sanitation; and Western Cape Education Department.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SECTION 2: INTEGRATED PLANNING ANALYSIS

2.1 IDP OVERVIEW

The Municipality followed a process of reviewing their 2017 - 2022 IDP in line with the Local Government Municipal Systems Act 32 of 2000 MSA. The Municipality has also received a clean unqualified audit opinion for the 2017/18 financial year.

The 2019/20 Draft Reviewed IDP reflects an in-depth socio-economic analysis of the municipal area. The Municipal Socio-Economic Profile (SEP-LG) indicates that Overstrand currently has a population of 102 024, rendering it the second largest municipal area within the Overberg District. This total is estimated to increase to 115 121 by 2024 which equates to a 2.0 per cent average annual growth rate. The estimated population growth rate of the Municipality is therefore below the estimated population growth of the Overberg of 2.6 per cent over the same period. The increased population growth will place increased pressure on the municipal resources to develop new as well as maintain existing infrastructure.

The 2019/20 Draft Reviewed IDP reflects that Zwelihle (wards 5, 6 and 12), has the largest population in the Municipality, totaling 23 097 residents as projected for 2018 projection. During 2018 the Zwelihle area experienced land invasions resulting in an estimated 5 000 population increase in the area. Therefore, the 2018 projected population of 23 097 for Zwelihle excludes the estimated 5 000 population increase due to land invasions. The municipality aims to provide water and sanitation services where land invasions occurred within funding available.

The 2019/20 Draft Review IDP reflects that the top three main reasons for moving to the Municipality were to look for paid work (2.47%), followed by retirement (1.77%) and moving as a household with a household member for health (1.65%).

The on-going In-migration into the Municipality will place increasing demands on the infrastructure and available space for urban growth. The increased urban footprint in the area needs careful management as it could have a negative impact on the natural environment.

2.2 MUNICIPAL INFRASTRUCTURE

2.2.1 Basic Service Provision

The 2019/20 Draft Reviewed IDP reflects that the Municipality provides the status of basic services and all the urban and informal areas of the Municipality have access to at least a basic refuse removal service. No refuse removal service exists in the rural areas and farming communities, however, all the rural areas have access to drop off facilities and landfill sites.

The 2019/20 Draft Reviewed IDP also reflects formal and informal settlements in the urban areas of the Municipality have access to at least basic water and sanitation services, however, there are still small backlogs in terms of water and sanitation services in the rural areas of the Municipality. The National Strategic Framework for Water Services reflects that farm owners are water services intermediaries, and are therefore responsible for the provision of water services to people living on their property. This provision is also included in the Overstrand Water Services bylaw.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The 2019/20 Draft Review IDP also indicates that water and sanitation services are provided where land invasions occurred, however, this is provided within budget constraints. The Municipality also reflects that there is an electricity services backlog, but is addressed in the 5-year housing plan.

2.2.2 Municipal Infrastructure Planning

During the Technical Integrated Municipal Engagements held in February 2019, the Municipality was requested to submit a 3-year Infrastructure Capital Plan and Financial Plan which should be based on a development forecast, but also aligned with the Spatial Development Framework and growth plans per town within the Municipality. The plan should also show integration between human settlements and other infrastructure and services grants i.e. Human Settlements Development Grant, Municipal Infrastructure Grant as well as counter funding from the Municipality.

It is recommended that:

- The Municipality include a 3-year Infrastructure Capital Plan and Financial Plan, which is based on a development forecast and is also aligned to the SDF, for each town, in the Final Reviewed IDP.

2.2.3 Energy

The Western Cape Government and City of Cape Town conducted an assessment of the likelihood of load shedding for the remainder of 2019 and beyond. This assessment was based on the input of various experts and energy documents

The factors that will influence whether load shedding take place include the ability of existing power plants to produce power, insufficient diesel for diesel-fired power plants, Eskom's financial situation, Eskom's generating capacity, the supply and availability of coal and a growth in demand should the economy grow.

In assessing each of these factors and weighing them up as a whole, the Western Cape Government is of the view that during 2019, its residents and businesses should prepare for stages 1 - 2 of load shedding during winter. This could increase to stages 3 - 4 if there are one or more unplanned events (such as an unplanned outage at one or more plants or labour disruptions). There is a lower likelihood of load shedding in summer, but it can still occur as a significant portion of the fleet is removed for planned maintenance.

Whether the risk of load shedding continues into 2020 depends on what happens with the various factors outlined above. The expectation is that due to Eskom's aging infrastructure and decommissioning of coal-fired plants, load shedding will continue for the next 3 - 5 years.

It is recommended that:

- In line with the resolutions of the Premier's Coordinating Forum held on 25 February 2019, all municipalities should ensure that Municipal Emergency Preparedness Teams are put in place and that the Pre-Incident, Incident and Post-Incident Plan are developed. Furthermore, all municipalities are encouraged to commence with the development of necessary regulatory frameworks that would facilitate them deriving value from the opportunities posed by the current energy crisis.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.2.4 Transport and roads

The 2019/20 Draft Reviewed IDP reflects on the approved Integrated Transport Plan (ITP) for the Municipality which was approved in 2012, and reviewed in March 2013. The 2019/20 Draft Reviewed IDP also reflects that the District Municipality has an approved District Integrated Transport Plan (DITP), which was facilitated through the Overberg District Municipality. The DITP incorporates the transport needs of all local municipalities in the Overberg District, (including Overstrand), as well as the infrastructure projects relating to the upgrading and maintenance of roads.

2.3 HUMAN SETTLEMENTS

The 2019/20 Draft Reviewed IDP includes a comprehensive progress report on the delivery of housing projects for the last seven years, which demonstrates the Municipality's continuous commitment towards addressing the housing backlog. The 2019/20 Draft Reviewed IDP furthermore includes a complete housing pipeline, which considers a range of programmes, as well as a detailed budget breakdown per project. However, this should be aligned with business plan commitments as received from Department of Human Settlements.

The 2019/20 Draft Reviewed IDP reflects that Overstrand experienced high in-migration, as well as a high population growth rate, and securing new land parcels for future human settlement development is therefore imperative.

2.4 DISASTER MANAGEMENT

2.4.1 Institutional Capacity

The 2019/20 Draft Reviewed IDP indicates there is insufficient budget and capacity for disaster management and was communicated in the previous assessment. Upon commencement on implementation of the Disaster Management Amendment Act (2015), Section 43 has been amended to include distinct obligations on local municipalities to establish and institutionalise capacity to develop and co-ordinate disaster management plans and the implementation of a disaster management function within the municipality.

2.4.2 Risk Reduction Planning

The Provincial Disaster Management Centre recently completed a Disaster Risk Assessment for the Municipality which identifies all the hazards and disaster risks prevalent in the area. The draft 2019/20 Reviewed IDP reflects that risk reduction programmes have been implemented, however no details are reflected.

2.4.3 Preparedness

The 2019/20 Draft Reviewed IDP mentions the approved 2018/19 disaster management plan, which was approved by Council. Disaster Management linkages are provided as per the relevant IDP objectives and the Disaster Management Plan is also attached to the 2019/20 Draft Reviewed IDP.

It is recommended that:

- It is recommended that the Municipality reflect in the 2019/20 Adopted IDP the high risk hazards identified in the 2018/19 Disaster Risk Assessment report.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.5 LOCAL ECONOMIC DEVELOPMENT

The 2019/20 Draft Reviewed IDP reflects that the Local Economic Development Strategy was initially adopted in 2007 and a review done in the 2017/2018 financial year. LED strategies form part of and is aligned with the Spatial Development Framework. The Municipality also has an approved Growth and Development Strategy, which is currently being reviewed.

The 2019/20 Draft Reviewed IDP reflects that economic growth is supported by the three top performing sectors i.e. Finance, Insurance, real estate and business services 24.3%, Wholesale and retail trade, catering and accommodation at 19.2%, and Manufacturing 14.7% respectively.

The 2019/20 Draft Reviewed IDP reflects that economic growth is stronger in sectors that do not provide the greatest employment opportunities such as the services sector. Slow growth is experienced in sectors such as manufacturing and construction and can be improved by ensuring that the Municipality attracts the right industries in the area to avoid jobless growth. The poverty headcount reflected in the 2019/20 Draft Reviewed IDP, shows that the number of poor people within the Municipality increased from 1.0% of the population in 2011 to 1.6% in 2016. The increasing poverty headcount is a concern as it may strain municipal financial resources.

2.6 SOCIAL SERVICES AND RELATED PROGRAMMES

2.6.1 Education

The 2019/20 Reviewed Draft IDP reflects that the literacy rate in the Municipality was recorded at 87.5 per cent in 2011, which is higher than the average literacy rates of the Overberg District at 81.1 per cent and the rest of South Africa at 80.9 per cent, but on par with the Western Cape at 87.2 per cent.

Learner enrolment in the Municipality increased by 2.2 per cent from 11 436 in 2015 to 11 696 in 2016 and increased at a higher rate of 4.4 per cent to 12 211 learners in 2017. This could be attributed to a number of factors including demographics and socio-economic context.

The 2019/20 Draft Reviewed IDP reflects that due to the tough economic climate, schools have been reporting an increase in parents being unable to pay their school fees. Nevertheless, the proportion of no-fee schools has remained at 70.6 per cent between 2015 and 2017.

2.6.2 Community Safety

The 2019/20 Draft Reviewed IDP reflects that the Municipality has an approved Community Safety Plan that incorporates Traffic, Law Enforcement and Fire Services and also formed a Municipal Community Safety Forum that meets annually.

2.6.3 Culture Affairs and Sport

The 2019/20 Draft Review IDP reflects that there is a need for mobile libraries services in some wards and it is noted that the Kleinmond and Hawston libraries received funding for upgrading during the 2018/19 financial year.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

The 2019/20 Draft Reviewed IDP reflects efforts to provide sports and recreation for all its inhabitants including people with disabilities.

2.6.4 Social Development

The 2019/20 Draft Reviewed IDP reflects that the municipality has a key social development role to play through designing an integrated and holistic approach that recognizes the special needs of vulnerable groups, i.e.: children, youth, women, people with disabilities, the elderly and people infected and affected by HIV/AIDS. Ensuring that these vulnerable groups have access to services and opportunities are particularly important from a social development perspective. The 2019/20 Draft Reviewed IDP reflects that the Local Economic Department assists the youth through the creation of employment opportunities and skills development projects and regular community outreach programmes in communities.

2.6.5 Thusong Programme

The Municipality reflects the Thusong programme which is owned and managed by the Municipality. The 2019/20 Draft Reviewed IDP reflects that 25 647 government services and information was accessed by citizens during the 2018/19 financial year. An emergency Thusong Outreach took place 3 - 4 October 2018 in Zwelihle and 2 426 government services and information was accessed by citizens. With an unemployment rate of 16.6 per cent, programmes such as the Thusong are important to assist with increased access to government services, opportunities and information.

It is recommended that:

- The Municipality should partner with the Department of Local Government in expanding the basket of services to include additional economic and social development programmes.

2.7 INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

2.7.1 Organisational Structure

Institutional capacity and development coupled with transformation, are critical for implementing any strategic plan. Institutions are the primary facilitators of social and economic development. They have an important redistributive role to play in making allocation of resources and the protection of the under privileged.

In terms of the Appointment and Conditions of Employment of Senior Managers Regulations, 2014, the organisational structure of each municipality needs to be reviewed after the adoption of an IDP. The 2019/20 Draft Reviewed IDP reflects the annual review of the organisational efficiency and improvement, as well as the necessary amendments to the organisation structure.

2.7.2 Key Institutional Challenges and Risk Impact on IDP Implementation

The 2019/20 Draft Reviewed IDP reflects that an organogram for the municipality has 1 165 posts as at the end of January 2019. 109 posts were vacant at the end of January 2019, resulting in a vacancy rate of 9 per cent. The 2019/20 Draft Reviewed IDP also reflects that Municipality's current Employment Equity Plan covers the period 1 July 2014 till 30 June 2018.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

2.8 PUBLIC PARTICIPATION

The Municipality has two distinct structures through which formalised public participation with its communities takes place i.e. Ward Committees as well as the Overstrand Municipal Advisory Forum.

The 2019/20 Draft Reviewed IDP reflects that the Municipality managed to implemented and maintain a successful ward committee system in all wards since 2003. Ward committees are acknowledged and respected as official public participation structures of the Municipality. An average number of nine meetings which are open to the public, per ward committee are held per annum. The meetings include four quarterly statutory report back meetings. The 2019/20 Draft Reviewed IDP also reflects the approval of a Public Participation Policy in September 2016.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY

SECTION 3: CONCLUSION

The 2019/20 Draft Reviewed IDP conforms with all the requirements as stipulated in Section 26 of the MSA. The strategic trajectory of the Municipality remains unchanged and reflects adequate alignment with the global, national, provincial, district and local policy directives. The Municipalities strategic goals and objectives which give effect to the Municipality's vision and mission.

The 2019/20 Draft Review IDP includes the draft Top Layer Service Delivery Budget Implementation Plan, which includes the prescribed key performance indicators, and targets, aligned to the Municipality's strategic objectives and strategic goals, however, it would be advisable if the Municipality could link the budget to community priorities, to enhance citizen participation.

OVERSTRAND MUNISIPALITEIT
2019 -05- 23
OVERSTRAND MUNICIPALITY


Munisipaliteit • U-Masipala • Municipality
OVERSTRAND
Strategic Integrated Municipal Engagement:
LG MTEC 2019
Overstrand Municipality
06 May 2019

659

Key Responses i.r.o. Main Findings 2019/20

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

Municipaliteit • U-Masipala • Municipality
OVERSTRAND

660

Integrated Development Planning

How does the socio-economic reality inform the IDP?

Chapter 2 in the 2019/20 draft reviewed IDP takes cognisance of the socio-economic issues facing the Municipality.

In summary Overstrand Municipality is characterised by:

- Increased population growth;
- Population growth exceeds economic growth;
- Increased need for low cost and affordable housing and land for said housing development (* land invasions and protest action);
- Increased need for socio-economic facilities (e.g. education facilities due to increased 2019 learner enrolment);
- 32.7 per cent of households fall within the low income bracket (implications for affordability of municipal services and long term financial sustainability of municipality).

OVERSTRAND MUNICIPALITY
2019 -05- 23

Integrated Development Planning

Transport and roads

"The 2019/20 Draft Reviewed IDP reflects on the approved Integrated Transport Plan (ITP) for the Municipality which was approved in 2012, however it should be noted ***that there is a more recent 2015/16 ITP () which was approved by Council in April 2018.*** *The 2019/20 Draft Review IDP reflects that the ITP will be updated during the 2019/20 financial year and reviewed again during 2020/21 financial year. The 2019/20 Draft Review IDP also states that the Overstrand Transport Plan will serve along with the ITP as the Road Transport Plan for the Municipality."*

Response: The highlighted text above is incorrect. The 2012 approved ITP is the most recent version.

299

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

OVERSTRAND

Integrated Development Planning

Human Settlements

"The 2019/20 Draft Reviewed IDP reflects that Overstrand experienced high in-migration, as well as a high population growth rate, and securing new land parcels for future human settlement development is therefore imperative.

It is recommended that:

The Municipality include the business plan commitments as received by Department Human Settlements."

Response: The Municipal Housing Pipeline and the Provincial Business Plan are aligned and is included in the IDP.

"The Municipality consider undertaking a land audit exercise to identify vacant, under utilised or derelict land for densification, urban restructuring and spatial targeting."

Response: Land audit and densification, urban restructuring and spatial targeting is included in the Overstrand Growth Management Strategy of 2010. The Strategy is currently updated together with the SDF.

663

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

Integrated Development Planning

Thusong Programme

"The Municipality reflects the Thusong programme which is owned and managed by the Municipality. The 2019/20 Draft Reviewed IDP reflects that 25 647 government services and information was accessed by citizens during the 2018/19 financial year. An emergency Thusong Outreach took place 3 - 4 October 2018 in Zwelihle and 2 426 government services and information was accessed by citizens. With an unemployment rate of 16.6 per cent, programmes such as the Thusong are important to assist with increased access to government services, opportunities and information.

It is recommended that:

The Municipality should partner with the Department of Local Government in expanding the basket of services to include additional economic and social development programmes."

Response: Director: Local Economic Development and Social Development: I concur with the recommendation and further discussions will be pursued with the Director: Community Services.

664

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

Integrated Development Planning

Key Institutional Challenges and Risk Impact on IDP Implementation

"The 2019/20 Draft Reviewed IDP reflects that an organogram for the municipality has 1 165 posts as at the end of January 2019. 109 posts were vacant at the end of January 2019, resulting in a vacancy rate of 9 per cent. The 2019/20 Draft Reviewed IDP also reflects the Municipality's current Employment Equity Plan covers the period 1 July 2014 till 30 June 2018.

The Municipality reflects that the vacancies cannot be filled due to a lack of funding however, emphasis will be placed on the vacancies in order to ensure that the structure and the budget is fully linked. ***The 2019/20 Draft Reviewed IDP also reflects that the Municipality will develop a human resources strategy during the 2018/19 financial year, and flowing from the strategy a total review will be eminent.***

It is recommended that:

The Municipality include the progress of the human resources strategy and the alignment in the future reviews of the 2017 - 2022 IDP."

Response: The highlighted statement above is incorrect and does not reflect within our IDP.

Currently Overstrand Municipality has a Human Resources Procedural Manual that sets out the required processes or procedures to be followed in dealing with personnel matters. Furthermore the Human Resources Manual is compiled to provide information and guidance to Human Resources Managers – practitioners, as well as line managers.

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

Municipality • U-Masipala • Munisipaliteit
OVERSTRAND

665

Spatial Planning & Development Analysis

"How does the socio-economic reality inform Spatial Planning?"

Socio economic changes in reality are taking place fast and dramatic.

Spatial Planning to allow for flexibility in order to adapt quicker to socio economic trend and changes.

Spatial Planning to allow for more diverse planning and strategies.

Spatial Planning to subscribe to principles of Spatial justice, resilience, sustainability and efficiencies as priority for implementation.

999

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

OVERSTRAND

Spatial Planning & Development Analysis

"The Municipality was requested to submit a 3-year Infrastructure Capital Plan and Financial Plan which should be based on a development forecast, but also aligned with the Spatial Development Framework and growth plans per town within the Municipality. The plan should also show integration between human settlements and other infrastructure and services grants i.e. Human Settlements Development Grant, Municipal Infrastructure Grant as well as counter funding from the Municipality. The Municipality include a 3-year Infrastructure Capital Plan and Financial Plan, which is based on a development forecast and is also aligned to the SDF, for each town, in the Final Reviewed IDP."

667

Response: Larger capital projects to be listed in accordance with Municipal Strategies and Policies.

Prioritizing of the above according to the budget.

Budgeting for the above to be determined in the IDP Review and budget process.

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

OVERSTRAND

Environmental Analysis

'The draft alien clearing management plan submitted to the National Department of Environmental Affairs is noted. However, it is proposed that the Municipality allocate specific funding to do clearing in specific priority areas such as water catchment areas. This is important especially because of the drought crises we are facing in the Western Cape. Fire are also listed as the most common threat to biodiversity and perhaps this should also be listed as an urgent project with appropriate funding. The IDP and SDF should expand on the how WCBSP has taken climate change into consideration and make the link as to how to use the WCBSP as a key informant that will help to reduce disaster risk to settlements. CapeNature is currently engaging on the SDF which may influence the IDP going forward."

668

Response: *The Environmental Management Department developed a draft Alien Clearing Strategy that has been The draft alien clearing management plan submitted to the National Department of Environmental Affairs, but still needs to be refined. The Environmental Department and the Disaster, Fire and Rescue Department has embarked on the development of a Fire Management Plan for the next 5 years. This living document includes the management of areas to reduce the risk of fires by ensuring the implementation of block burns, fire breaks and fuel load reduction. The Plan includes priority areas, time frames and budgets. This document will be presented at the EMT by June 2019.*

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

OVERSTRAND

Environmental Analysis

"The Provincial Coastal Access Strategy and Plan (PCASP) has been completed and was implemented in the Municipality. The Overberg coastal access audit and pilot study was concluded and the outcomes, specifically the outcomes of the pilot study to facilitate public access to the mouth of the Bot River estuary, must be taken up into municipal planning and IDPs. As such the District and Overstrand municipalities must enter into an agreement.

Emerging threats for the Municipality are:

"Poor or unknown quality of the storm water effluent discharged to sea;"
The proposed coastal access will not have an increase in stormwater run-off. Stormwater run-off comes from the existing housing developments on site. However the municipality will have to provide services such as ablution facilities, refuse removal and parking.

699

"Increased development of aquaculture facilities;"
There are no aquaculture facilities located or planned at the mouth of the Bot River estuary.

"Unlawful driving in the coastal zone;"
Vehicles cannot access the coastline from the mouth of the Bot River estuary. The only pedestrian access is via a wooden footbridge, during open and closed mouth condition

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

Environmental Analysis

"Lack of equitable public access to coast;"
The Provincial coastal access assessment addresses all the access points within the Overstrand region.

"Loss of CPP and threat to properties along the coast impacted by erosion as a result of increased storm surges."
The Environmental Management Overlay zones (which is currently in draft form) will address development along the coastal zone. These zones will have specific regulations to guide development.

"From a mitigation perspective, municipalities have a role to play in reducing emissions in their own operations and encouraging their residents to move to a low carbon future. A particular action that municipalities can support is allowing Small-Scale Embedded Generation (SSEG)and putting in place appropriate tariffs that support residential, commercial and industrial consumers to invest in renewable energy, which the Municipality currently allows although work on the tariffs and policies is still underway."

Response: Guidelines and tariffs are already in place. Integrated into Electricity Supply By-law.

OVERSTRAND MUNICIPALITY
2019 -05- 23

Environmental Analysis

"It is proposed that the municipality allocate specific funding to do alien clearing in specific priority areas such as water catchment areas as per their alien clearing plan."

Response: The Environmental Section of the Municipality has identified priority areas in the draft Alien Clearing Strategy and does request funding on a yearly basis according to these priorities.

"An AQMP budget allocation needs to be made available in the IDP. Funds should ideally cover the following: air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies."

671

Response: Before funding is made available for air quality monitoring, the positions in order to fulfil these tasks need to be approved within the Environmental Section because there is currently no capacity to fulfil these tasks.

"The newly appointed WMO needs to be designated in terms of section 10 of the Waste Act."

Response: A recommendation to amend the municipality's delegations to this effect was made

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

OVERSTRAND

Environmental Analysis

How does the socio-economic reality inform the environment?

The current population growth or influx of residents in the town puts pressure on the natural resources of the area in the following ways;

- increased pressure in terms of water provision

- increased pressure on the availability of land for housing developments, we are finding that more and more of our open spaces are being transformed to residential developments

- residential developments are accompanied by infrastructure development such as roads, pipelines, sewer pump stations,

- due to the inequality in our economy, basic service provision is a priority.

- On the opposite end, the economic sector is tourism orientated, focusing on the natural environment (which is not considered a priority)

672

OVERSTRAND MUNICIPALITY
2019 -05- 23

Public Value Creation

How does the socio-economic reality inform the creation of public value?

- In the process of developing the IDP and the budget, Council make a decision that the municipality must take responsibility therefore the issues outlined become "public issues".
- In the process, the municipality collaborates with stakeholders across communities based on the public value they hold, in the process these are enhanced by the municipality action.
- The municipality introduced a process of performance evaluation of managers and middle management to intentionally create public value throughout, promoting efficiency, effectiveness and fairness at all times.
- Accountable and transparent governance (democratically elected leaders, budget and IDP roadshows demystifying budgets and agreeing on issues to be addressed per ward, ward based budget allocation emanating from consultative workshops on community priorities, council meetings held consistently for unanimous decision-making).

673

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

Public Value Creation continued...

- Maintaining clean audits for six years in a row;
- Basing the IDP on the current realities as outlined in the socio-economic profile as supported and developed by provincial treasury;

- **APPROACH**
- Introducing social responsibility, triple bottom-line approach as a concern for people and its earth;
- High percentage of 94.0% of refuse removal, 99.1% of water, 99.2% of electricity, 96.9% of sanitation and 79.1% of housing is a realisation that the public deserves better healthy living conditions;
- Electrification and provision of clean drinking water to informal settlements;
- Innovation to ensure citizen participation through improved technology for easy access (collaborator and any other creative IT programmes for community interface);
- Housing delivery to ensure effective human settlement – constant mapping of the communities to understand the demand;
- Roll-out of economic infrastructure that promotes economic development and linkages for communities to access their workplace.

674

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

OVERSTRAND

Public Value Creation continued...

- Focus on employees: encouraging personal development, introduction of succession planning policies and creating a democratic space to deal with employees issues;
- Focus on society and community: supporting local initiatives that promote peace, security, diversity and integrated communities and the respect of human rights/dignity and our (municipality's) obligation to society;
- Focus on environment: treating the environment with due care through sustainable practises that preserve the environment for the future generation;
- Capacity building and promotion of entrepreneurship to promote economic participation and address jobless (contractor development programme and consideration of the PPPFA and its regulations in procurement);
- Adherence to the service delivery charters for efficient service delivery (included in the IDP);

675

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

Municipaliteit • U-Masipala • Municipality OVERSTRAND

Budget Responsiveness: Economic Sustainability

How does the socio-economic reality inform economic sustainability?

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 has taken into account an increased projection relating to the demand for municipal indigent support.

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.

Important to note that the context of the 2019/20 budget must be considered in view of a considerable challenging 2018/19 year with regard to provision of emergency housing and related basic service rendering in this regard, as well as providing for expenditure related to the devastating wild fires experienced during January 2019. Both these instances were addressed from a budgetary provision perspective in tabling adjustments budgets for unforeseen and unavoidable expenditure as announced by the Executive Mayor in Council on the two respective occasions.

676

OVERSTRAND MUNICIPALITY
RECEIVED
2019 -05- 23

Budget Responsiveness: Economic Sustainability

"Capital spend is below the norm. Spend on repairs and maintenance also below norm and Impairments could be as a consequence of insufficient maintenance of assets."
Response: The capital budget of R232,2m for 2019/20 is 32,9 per cent more when compared to the 2018/2019 Adjustments Budget. The increase is mainly due to roll-over projects amounting to R36,6m from the 2018/19 adjustments budget and the year-on-year fluctuation and allocation of the Housing grant between operating (top structures) and capital (services infrastructure).

"Write-off to be aligned to provision for bad debts."
Response: The provision of debt impairment and write-off of bad debts for consumer accounts has been determined based on an annual collection rate of close to 100 per cent and the Debt Write-off Policy of the Municipality. For the 2019/20 financial year this amount equates to R0,7m. Impairment for traffic fines, resulting from the implementation of IGRAP1, has been budgeted according to the trends from the three previous financial years and amounts to R24,2m.

"Debt ratio to revenue has moved outside norm and interventions required to realign to norm."
Response: Finance charges comprise 4,1 per cent of operating expenditure. The gearing ratio of borrowing to revenue is expected to be 44,5 per cent for 2019/20, which is below the outer proposed limit of National Treasury.

617

OVERSTRAND MUNICIPALITY 2019-05-23

We belong We care We serve

OVERSTRAND

Budget Responsiveness: Economic Sustainability

"Deficit in Refuse requires attention. Ratio has shown a significant decline over the period under review. Measures to be put in place to address further decline."

Response: The statement is false. Refer to the Costing of Services in Draft Budget Report. The budget for this service reflects a surplus of 4.13%, in comparision with the current year budget (2.25% surplus)

A tariff increase of 12,86% is set for 2019/20, in view of the increased costs to be incurred by Overstrand Municipality in dumping at the newly constructed Karwyderskraal Cell 4, with another contributing cost the moving of the Hermanus Waste Management Facility, for will borrowing will be incurred. Services relevant to refuse removal, refuse dumps and solid waste disposal mechanisms must comply with stringent legislative requirements such as the NEMA. 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

678

"Growth below CPI indicative of negative growth."

Response: Total operating revenue (Table 1a) indicates an increase in revenue of 6,8 per cent for the 2019/20 financial year when compared to the 2018/2019 Adjustments Budget. For the two outer years, operational revenue will increase by 6,7 and 11,5 per cent respectively. The fluctuations of revenue in Table 1(a) are informed mainly by the allocation of the Housing grant between operating (top structures) and capital (infrastructure) in the respective financial years.

OVERSTRAND MUNICIPALITY REGISTRATION UNIT 2019 -05- 23

We belong We care We serve

OVERSTRAND

Budget Responsiveness: Economic Sustainability

"Creditors' payment period to be aligned to legislated norm. Contracted Services above norm and requires attention."

Response: Contracted services have been identified as an area for the municipality to implement efficiencies. As part of the compilation of the 2019/20 MTREF this group of expenditure was critically evaluated and operational efficiencies are being enforced. In the 2019/20 financial year, this group of expenditure totals R195,7m. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses.

"High dependency on grant funding for capital. Own source operating revenue improvement noted."

Response: 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 2019/20, capital transfers total R64,1 million, of which R21,3 million represents Department of Human Settlements grant for infrastructure related to various housing projects. Borrowing has been provided at R89 million, finance leases (nil) and internally generated funding totalling R79 million.

679

"Capital underspend to be investigated and factored into budget."

Response: The impact of outstanding approvals with regard to grant funding projects (roll-overs) representing a large chunk of the capital budget (e.g. Housing), remains a challenge as this is an area where we have no authority in fast tracking these processes/decision. The K9 Unit grant funding (R3.8m will also be a roll-over) Refer to the DMP, as the planning document for procurement processes included in the Draft Budget report.

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

OVERSTRAND

Budget Responsiveness: Economic Sustainability

"Institutionalised demand and procurement planning within the senior management's key performance indicator (KPI) to measure the performance of each departments' projects/contracts. This will encourage the adherence to committed procurement dates by user departments."

Response: Procurement planning and monitoring of the performance of contracts are included as corporate KPI's in the departmental SDBIP's and performance agreements of the Directors.

"The Municipality must ensure that key linkages with its LED component are established to support the procurement planning and an economically sustainable delivery model."

Response: The municipality has a contractor development policy that inform procurement strategies (earmarked for revision). Budget holders are required to identify opportunities for sub-contracting, applying prequalifying to designated groups, social responsibility criteria and other empowerment initiatives during the compilation of the demand management plan.

OVERSTRAND MUNICIPALITY
OVERSTRAND MUNICIPALITY
2019 -05- 23
089

We belong We care We serve

Budget Responsiveness: Economic Sustainability

"Repairs and maintenance amount to R195.74 million or 15.7 of the total operating budget of 2019/20 and have regressed from the current year adjustment budget amount of R231.96 million. The Municipality should further endeavour to do formal maintenance performance monitoring on critical infrastructure in order to identify and prevent systemic failures, particular those that have high cost and high impact on core service delivery."

Response: 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 previous years' figures. During the compilation of the 2019/20 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. As part of the 2019/20 MTREF this strategic imperative remains a priority. In relation to the total operating expenditure, repairs and maintenance comprises on average 15,3 per cent of the budget over the respective financial years of the MTREF.

Also noteworthy that the municipality has expanded on implementation of Repairs and Maintenance allocated as projects in terms of the mSCOA version 6.3, which distorted the year-on-year comparative figures.

681

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

OVERSTRAND

Credibility and Sustainability

Total operating revenue indicates an increase in revenue of 6,8 per cent for the 2019/20 financial year when compared to the 2018/2019 Adjustments Budget. For the two outer years, operational revenue will increase by 6,7 and 11,5 per cent respectively. The fluctuations of revenue are informed mainly by the allocation of the Housing grant between operating (top structures) and capital (infrastructure) in the respective financial years.

Total operating expenditure for the 2019/20 financial year has been appropriated at R1,248bn and translates into a budgeted deficit of R80,6m (excluding capital grants) and a deficit of R20,3m (including capital grants). When compared to the 2018/2019 Adjustments Budget, operating expenditure has increased by 8,1 per cent in the 2019/20 budget and increases by 7,7 and 6,6 per cent for each of the respective outer years of the MTREF.

The capital budget of R232,2m for 2019/20 is 32,9 per cent more when compared to the 2018/2019 Adjustments Budget. The increase is mainly due to roll-over projects amounting to R36,6m from the 2018/19 adjustments budget and the year-on-year fluctuation and allocation of the Housing grant between operating (top structures) and capital (services infrastructure.

OVERSTRAND MUNICIPALITY
2019 -05- 23

Credibility and Sustainability

"The Municipality has tabled operating deficit budgets caused mainly by non-cash items such depreciation and asset impairment which are decreasing over the MTREF period. The operating deficit reflects a gradual improvement over the MTREF years which is a positive indication of a steady inflow of revenue to be realised. Depreciation is decreasing over the MTREF and is therefore slightly contributing to the decreasing operating deficit over the MTREF.

The Municipality's book value of property plant and equipment (PPE) is projected to increase, on average, by 1.25 per cent over the MTREF period. However, the depreciation and asset impairment budget amounts shows a gradual decrease over the 2019/20 MTREF period."

Response:

- WIP / Rollover projects are not yet capitalized to the asset register and do not incur depreciation. WIP additions in 2017/18 were about 80m compared to capital additions of R31 during 2017/18.
- Age of assets nearing end of life.
- Review of useful life assessments results in decreased estimates
- Redundant assets only are sold at auction. At the time they are fully depreciated or close to being fully depreciated and does not affect the depreciation amount significantly.
- Intangible assets purchased with infinite lifetimes.
- Some intangible assets reached end of life, resulting in lower depreciation charges.

683

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

Credibility and Sustainability

"Depreciation is a non-cash expenditure item, which should be supported by cash surpluses to make provision for the write-offs and replacement of assets in the future. Depreciation seems to be partially cash-backed for the 2019/20 MTREF."

Response: 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 R131,3m for the 2019/20 financial year and equates to 10,5 per cent of the total operating expenditure. Note that the implementation of the GRAP 17 accounting standard meant bringing a range of assets previously 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.

"The analysis of Table A6 (Budgeted Financial Position) indicates that the Municipality has reported positive working capital that demonstrates that it has enough funds to meet its short term liabilities over the MTREF period. Table A8 below demonstrates that the Municipality has budgeted to achieve a positive working capital over the MTREF period. Upon analysing, it has been noted that the prior financial reveals that the Municipality had unspent grants amounting to R21.9 million and R6.5 million in 2015/16 to 2017/18 financial years. The Municipality has not budgeted for unspent conditional grants over the MTREF period as reflected in the below table. The Municipality is advised to reconsider its projections on the Table A8 on the disclosure of the unspent grants since they affect the calculation of the working capital."

Response: Noted. We will update Table A6 & A8.

We belong We care We serve

Municipaliteit • U-Masipala • Municipality
OVERSTRAND

OVERSTRAND MUNICIPALITY
2019-05-23

2019 Strategic Integrated Municipal Engagement: LG MTEC 26

684

Credibility and Sustainability

"The Municipality has taken into consideration the required applications against the cash and cash equivalents as reflected above except for the unspent grants and other provisions such as long service awards, rehabilitation of sites, and post-employment health benefits. The Municipality reported short term portion of the unspent grants of R3.6 million; provisions of R26.1 million as reflected in the 2017/18 AFS. It has been noted that the amount for provision includes rehabilitation, long service awards, leave pay, bonuses and gratifications. Although the Municipality have not included these applications the budget remained funded and sustainable over the MTREF period. Therefore, the Municipality is advised to take into cognisance all the required application in line with the MFMA Circular No. 42 and No. 74 as well the Municipality's Funding Reserves, and Provision Policy during its final MTREF budget adoption.."

685

Response: Noted, We will update Table A8.

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

OVERSTRAND

Credibility and Sustainability

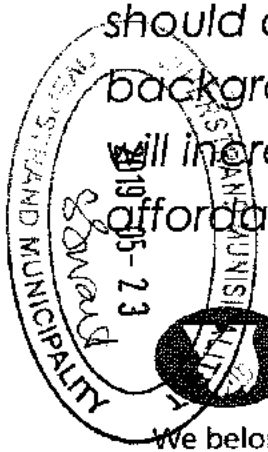
"The budget document reflect tariffs increases above the inflation rate, which could result in possible higher levels of non-payment. The Municipality is encouraged to ensure that the proposed tariffs represent a balance between affordability and the bulk purchases cost and the cost of infrastructure."

Response:

- The draft Electricity tariff on the budget was projected. The basket for electricity services will not exceed the NERSA guidelines, current 13.07%.
- Refuse tariff increase above inflation rate due to new disposal cell.

689

"The Municipality budgeted a 99 per cent collection rate for property rates and service charges; during the final adoption of the annual budget. The Municipality should consider to review its collection rate as a prudent measure against the background inflation tariff adjustments. The proposed electricity tariff increases which will increase by 14.2 per cent and basic levy by 17.5 per cent could impact on the affordability of the municipal bill."





OVERSTRAND

Credibility and Sustainability

Response: The statement w.r.t. electricity tariff increases does not acknowledge the structure of these tariffs to stay within the Nersa recommended increase. Overstrand Municipality budgeted for a 99% collection rate for property rates and services and actively pursues credit control and debt collection to ensure the timeous collection of monies.

The electricity tariff increases as follows:

Basic Fee 15%	0 – 350 kWh 12%
351 – 600 kWh 12.6%	> 600 kWh 12.7%

The basket increase overall with 13.07% as approved by NERSA bearing the following in mind:

Overstrand Municipality can be classified to a large as extent as a holiday town, the consumption patterns are thus different from the norm. Tt was decided to make the pre-paid tariff cheaper than that of the credit meter, to encourage domestic and commercial consumers to convert to pre-paid, and importantly, to acknowledge the fact that payment for units purchased is received immediately. The consumers can utilise deposits on hand to convert to pre-paid meters to ensure affordability.

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

OVERSTRAND

687

Credibility and Sustainability

"Property rates are the second highest component of the operating revenue budget and represent 20 per cent on average over the MTREF. Property rates revenue are projected to increase by 2.2 per cent for 2019/20 compared to the 5.7 per cent increase in the tariff. Market value will increase by R13.16 million while the current year (SA12a) to 2019/20 (SA12b) remain unchanged for all categories of customers. This could indicate no further developments in the area as only expansions/additions on current properties. Circular No. 89 stipulates that more effort is required to maximise revenue derived from property rates. Circular No. 93 further requires the submission of the reconciliation between the General Valuation Roll and the financial system which will provide the support on projected increases."

888

Response: The revenue projection for rates will be reviewed. The new valuation roll will be in effect from 01 July 2021. A Supplementary Valuation Roll is implemented annually. Reconciliations are performed on a monthly basis. Please keep in mind that the wild fires experienced in January 2019, destroyed properties in Bettysbaai, Hermel & Aarde Valley and Franskraal, impacting on property values and revenue.

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

Municipality • U-Masipala • Munisipaliteit
OVERSTRAND

Credibility and Sustainability

"Asset maintenance is one of the key strategic planning factors of the budget, however performance remains below the NT norms outlined in circular 55. This may indicate that future rate payers carry the burden of current rate payers."

Response: During the compilation of the 2019/20 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. As part of the 2019/20 MTREF this strategic imperative remains a priority. In relation to the total operating expenditure, repairs and maintenance comprises on average 15,3 per cent of the budget over the respective financial years of the MTREF.

"Notwithstanding the cost pressure resulting from the increased capital investment and increases in the bulk purchases tariff, the Municipality must take into consideration the affordability of the poor/low income households, who are non-indigent. The Municipality should consider to what extent a portion of the equitable share can alleviate the increase in basic charge to reduce the impact on low income households. An excessive basic service levy may result to many households' electricity cut off when implementing credit control and debt collection initiatives and can adversely affect the quality of life of citizens."

Response: The Municipality has implemented Inclining Block tariffs to assist the poor/low income households. Consumers can apply for free basic services and will be registered as Indigents in the instance that they qualify to criteria (Indigent Policy).

689

OVERSTRAND MUNICIPALITY 2019-10-23

We belong We care We serve

Credibility and Sustainability

"Capital grants amounts to an average of 27.6 per cent over the 2019/20 MTREF capital budget, indicating a slight dependency on capital grants and subsidies. No unspent conditional grants were reported in the 2017/18 audit outcome report which is commendable. However, for the current year the Municipality only spent 13.7 per cent of its conditional capital grants as at 28 February 2019 which is a concern. The Municipality is cautioned against a slow spending rate as it will result in retention or withholding of conditional grants should they not be fully spent by the end of the financial year.

Response: The Expenditure for the MIG was 43.78% at February 2019 and will be spent 100% at the end of June 2019. The Housing Projects Capital Expenditure was 26% at February 2019 due to approvals not being received from Department of Human Settlements on time to execute on housing projects. Approvals have been received since then and spending will therefore increase.

069

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

OVERSTRAND

Credibility and Sustainability

"Revenue projections as extracted from A4 and A7 and depicted in the table below, reflect that the anticipated collection rate for property rates and service charges averages 99.6 per cent over the MTREF, however the collection rate from other revenue is much lower at an average rate of 78.3 per cent over the MTREF. This is largely influenced by the projected revenue collection of fines which is 11.5 per cent projected for 2019/20 which is not in line with trends outlined on page 32 of the AFS stating 37 per cent."

691

Response: The collection rate on pg.37 of the AFS is the average annual collection rate (% fines collected in total over a three year period) as opposed to the projected annual collection rate, i.e. fines collected in 2019/20 iro fines issued in 2019/20.

OVERSTRAND MUNICIPALITY
2019 -05- 23


We belong


We care


We serve

OVERSTRAND

Key Areas of Collaboration and maximising existing IGR vehicles

692

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

OVERSTRAND

Areas of Collaboration and Maximizing Existing IGR Vehicles

- Making LED strategies relevant to planning, economic planning and Spatial planning;
- Maximising economic benefit through SCM/LED including related programmes;
- Regional socio-economic development to maximise local impact;

693

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

OVERSTRAND

Risk and opportunities towards strategic priorities

694

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

Municipality • U-Masipala • Munisipaliteit
OVERSTRAND

Risk and Opportunities towards Strategic Priorities

STRATEGIC OBJECTIVE: SOCIAL AND ECONOMIC DEVELOPMENT

- **Support for access to assistance in accessing livelihoods (e.g. social-welfare benefits that might be available given the limited availability and proximity to government offices**
- Assistance provided specifically to:
    - women to secure immediate financial support and promote opportunities for them to achieve and sustain income;
    - shelters to remove one of the greatest barriers to leaving abusive situations that exist for women and homelessness.
- The negative consequences of over population and overcrowding;
- Slow economic growth and its ability to accommodate new entrants in the labour market;
- Skills alignment and poverty;

695

OVERSTRAND MUNICIPALITY 2019 -05- 23

We belong We care We serve

OVERSTRAND

Risk and Opportunities towards Strategic Priorities

- Economic Climate reduces tourism income & influx of visitors
- Unemployment (Equitable Share)
- Fuel Price increases
- Housing
- Civil Unrest
- Fires / Drought

969

OVERSTRAND MUNICIPALITY 2019-05-23

We belong We care We serve

OVERSTRAND

Conclusion and way forward

697

OVERSTRAND MUNICIPALITY
2019 -05- 23


We belong


We care


We serve

OVERSTRAND

Conclusion and way forward

The engagements must be extended to the establishment of work streams in the Province to suggest methodology approach and best practises to cross cutting issues;

Consider mainstreaming socio-economic challenges within departments both at local and provincial level.

698

OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

OVERSTRAND

Thank you

699

OVERSTRAND MUNISIPALITEIT
OVERSTRAND MUNICIPALITY
2019 -05- 23

We belong We care We serve

Munisipaliteit • U-Masipala • Municipality
OVERSTRAND