

OVERSTRAND MUNICIPALITY



BUDGET REPORT 2020/2021

2020/21 TO 2022/23
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**

Table of Contents

PART 1 – ANNUAL BUDGET	ERROR! BOOKMARK NOT DEFINED.
1.1 MAYOR’S REPORT.....	ERROR! BOOKMARK NOT DEFINED.
1.2 COUNCIL RESOLUTION.....	1
1.3 EXECUTIVE SUMMARY	2
1.4 OPERATING REVENUE FRAMEWORK.....	7
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.....	55
2.4 OVERVIEW OF BUDGET RELATED-POLICIES.....	63
2.5 OVERVIEW OF BUDGET ASSUMPTIONS	65
2.6 OVERVIEW OF BUDGET FUNDING	66
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.....	100
2.14 OTHER SUPPORTING DOCUMENTS.....	101
2.15 MUNICIPAL MANAGER’S QUALITY CERTIFICATE.....	115

List of Tables

Table 1 Consolidated Overview of the 2020/21 MTREF.....	6
Table 2 Summary of revenue classified by main revenue source	8
Table 3 Percentage growth in revenue by main revenue source.....	8
Table 4 Operating Transfers and Grant Receipts.....	9
Table 5 Costing of services	10
Table 6 Comparison of proposed rates to be levied for the 2020/21 financial year	13
Table 7 Comparison between current water charges and increases (Domestic).....	14
Table 8 Comparison between current electricity charges and increases (Domestic)	15
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 2020/21 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

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	57
Table 32 MBRR Table SA8 - Performance indicators and benchmarks	60
Table 33 Breakdown of the operating revenue over the medium-term	66
Table 34 Proposed tariff increases for 2020/2021	68
Table 35 MBRR SA15 – Detail Investment Information	68
Table 36 MBRR SA16 – Investment particulars by maturity	69
Table 37 Sources of capital revenue over the MTREF	69
Table 38 MBRR Table SA18 - Capital transfers and grant receipts	70
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

Table 62 MBRR Table SA1 - Supporting detail to budgeted financial performance	101
Table 63 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)	104
Table 64 MBRR Table SA3 – Supporting detail to Statement of Financial Position	105
Table 65 MBRR Table SA9 – Social, economic and demographic statistics and assumptions	106
Table 66 MBRR SA11 – Property rates summary	107
Table 67 MBRR SA12a – Property rates by category (current year)	108
Table 68 MBRR SA12b – Property rates by category (budget year).....	109
Table 69 MBRR SA13a – Service tariffs by category	110
Table 70 MBRR SA13b – Service tariffs by category (explanatory)	111
Table 71 MBRR SA32 – List of external mechanisms.....	112
Table 72 MBRR SA38 – Consolidated detailed operational projects.....	113
Table 73 MBRR SA33 – Contracts having future budgetary implications.....	114

List of Figures

Figure 1 Main operational expenditure categories for the 2020/21 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 2020/21 MTREF.....	67
Figure 8 Sources of capital revenue for the 2020/21 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 6.4.1 (27 February 2020) & 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 98 & 99, PT Circular 4 of 2020 and NT Financial ratios and norms
Annexure I	mSCOA Regulations & Implementation
Annexure J	Procurement Plan
Annexure K	Budget Comments and Responses
Annexure L	Provincial Treasury – SIME: LG MTEC Assessment and Overstrand Municipality’s Response

Abbreviations and Acronyms

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

Part 1 – Annual Budget

1.1 Mayor's Report

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

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

1.2 Council Resolution

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

RECOMMENDATION TO THE COUNCIL:

1. that in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) the annual budget of the Overstrand Municipality for the 2020/21 to 2022/23 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved** as set out in the following schedules:

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

2. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) the property rates reflected in **Annexure A, be imposed** for the budget year 2020/21;
3. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tariffs and charges reflected in **Annexure A, be approved** for the budget year 2020/21;
4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the 3rd draw down of the proposed three year borrowing programme for external loans amounting to R54 million per year.
5. that the following schedules be noted:

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

6. that **cognisance be taken** of the letters of comment received from the community and the SIME: LG MTEC Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexure K & L respectively of the budget report; and
7. that **cognisance be taken** of the 2020/2021 Budget Report.

1.3 Executive Summary

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

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

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

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

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

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

It should be noted that the draft Budget Report advised at the time of tabling the Draft Budget for 2020/21 in Council on 25 March 2020, as follows:

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

It is foreseen that a nation-wide lockdown will be announced within the next few days, since countries that have acted with more stringent measures, are far more effective in controlling the spread of the disease. Against this backdrop, a proviso is now already relevant, implying that even more emphasis be placed on responsible spending in view of the uncertainty as mentioned and the possible impact on the municipality's operations and finances. The compilation of this budget followed due process over many months and are thus at this stage representing the known and planned status."

Subsequent to tabling of the draft budget, the dire situation with regard to the state of the national economy which unfolded is regarded a matter of extreme concern for all role-players in the private sector (including manufacturing, business and corporate sector), as well as for the three spheres of government (national- provincial and municipal).

The Overstrand municipality considered before-mentioned scenario, as well as the position of our local economy at two budget steering committee meetings held in the first week of May, together with all comments received recently, in response to the public participation period advertised for inputs on the Draft Budget.

The impact of the Covid-19 pandemic has already proven to have far reaching consequences for the country, resulting in an economic, health, and humanitarian crisis. This subsequent effect will also result in a loss in revenue, also anticipated with regard to allocation of grants by national- and provincial spheres of government to municipalities, thus negatively impacting on cashflows of municipalities.

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

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

In view of these major financial risks and constraints facing the municipality at this point in time, and with the duration and extent of a worsening scenario currently not predictable with certainty, these expenditure items that contributed to a substantial increase in expenditure, as well as revenue projections that had to be adjusted downwards was considered by the Budget Steering Committee in finalising the 2020/21 budget, and allowed for the necessary amendments to draft budgeted amounts, in order to table the municipality's final budget for 2020/2021 in council before the end of May 2020, at least 30 days (31 May) before the start of the financial year.

The respective municipal directorates have subsequently reviewed the Draft Budget and proposed tariffs for 2020/2021, inclusive of an adjustment of Electricity tariffs.

It is now proposed that draft tariffs as previously recommended in the draft budget for 2020/21 for basic services, as well as almost all sundry tariffs as included in the List of Rates, Tariffs, Tariff Structures and Charges, now be increased with 4.5 per cent across the board, inclusive of the first 6 kl of water consumed, to ensure that these factors now impacting on the final budget as discussed, are accommodated to the extent that it is affording the municipality to comply to financial viability principles. Electricity tariffs are now adjusted with 6.22 per cent, aligned with the DETERMINATION OF THE MUNICIPAL TARIFF GUIDELINE INCREASE FOR THE FINANCIAL YEAR 2020/21 AND THE REVISION OF MUNICIPAL TARIFF BENCHMARKS as published, in accordance with the decision of the National Energy Regulator of South Africa (NERSA) of 14 May 2020.

The Municipality remains alert and sensitive with regard to the impact of the COVID-19 Disaster on the municipality referring to the response and compliance required from the municipality in terms of the Disaster Management Regulations, inclusive of the severe impact on our human and fiscal resources, to ensure that expenditure incurred does not exceed the trend in revenue generated to fund the budget. The impact is currently already substantial, causing re-alignment of current budget allocation available for this purpose up to the end of the current municipal financial year (30 Junie 2020).

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

The mSCOA chart is reviewed on an annual basis by the National Treasury, to address implementation challenges and correct chart related errors. Towards this end, Version 6.4 was released with MFMA Budget Circular No 98. Version 6.4.1 of the chart, issued on 27 February 2020, will be effective from 2020/21 and must be used to compile the 2020/21 MTREF.

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

The following are extracts from the preamble to the regulations:

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

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

The segments classification consists of the following:

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

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

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

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

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

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

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

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

National Treasury issued MFMA Budget Circulars No. 98 & 99 for guidance for the compilation of the 2020/21 MTREF. A revised A Schedule – mSCOA Version 6.4.1 (Municipal annual budgets and MTREF & supporting tables) (27 February 2020) was also issued.

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

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

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

- The on-going difficulties in the national and local economy;
- Ever aging water, roads, sewage and electricity infrastructure;
- Sustainable refuse disposal;
- The need to reprioritise projects and expenditure within the existing resource envelope;
- The cost of bulk electricity;
- Revenue recovery from cost reflective core municipal services;
- Wage increases for municipal staff that have exceeded headline consumer inflation in the past, as well as the need to restructure certain components for operational efficiencies;
- Affordability of capital projects and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2020/21 MTREF process;
- Maintaining a positive cash flow; and
- Ensuring financial sustainability.

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

- The 2019/2020 Adjustments Budget priorities and targets, as well as the base line allocations contained in the Budget Circulars informed the upper limits for the new baselines for the 2020/21 annual budget;
- Service level standards were used to inform the measurable objectives, targets and any backlog eradication goals;
- Tariffs and property rates increases should aim to be affordable;
- Some price increases in the input costs of services are beyond the control of the municipality, for instance the cost of fuel, chemicals and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure maintenance and backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- The following cost saving measures were applied:
 - The principle of a minimal increase in non-core general expenses unless valid motivations such as contractual inflation adjustments dictate.
 - Municipal Cost Containment Regulations, 2019.

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

Table 1 Consolidated Overview of the 2020/21 MTREF

(a) Total Revenue (including capital grants)

R thousand	Budget Year 2019/20	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23			
Revenue	1,328,349	1,287,492	1,363,658	1,462,847	-3.1%	5.9%	7.3%
Expenditure	1,293,006	1,342,010	1,402,198	1,471,786	3.8%	4.5%	5.0%
Surplus / (Deficit)	35,343	(54,518)	(38,541)	(8,939)			
Capital	275,733	303,738	197,162	154,378	10.2%	-35.1%	-21.7%

(b) Total Revenue (excluding capital grants)

R thousand	Budget Year 2019/20	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23			
Revenue	1,279,516	1,256,873	1,321,188	1,425,319	-1.8%	5.1%	7.9%
Expenditure	1,293,006	1,342,010	1,402,198	1,471,786	3.8%	4.5%	5.0%
Surplus / (Deficit)	(13,491)	(85,137)	(81,011)	(46,467)			
Capital	275,733	303,738	197,162	154,378	10.2%	-35.1%	-21.7%

Total revenue (including capital grants) to expenditure (Table 1a) indicates declining deficits over the 2020/21 MTREF.

Total operating revenue (Table 1a) indicates a decrease in revenue of 3,1 per cent for the 2020/21 financial year when compared to the 2019/2020 Adjustments Budget. For the two outer years, operational revenue will increase by 5,9 and 7,3 per cent respectively. Revenues in Table 1(a) are as informed by fluctuations in the allocation of the Housing grant between operating (top structures) and capital (infrastructure) in the respective financial years.

Total operating expenditure for the 2020/21 financial year has been appropriated at R1,342bn and translates into a budgeted deficit of R85,1m (excluding capital grants) and a deficit of R54,5m (including capital grants). When compared to the 2019/2020 Adjustments Budget, operating expenditure has increased by 3,8 per cent in the 2020/21 budget and increases by 4,5 and 5 per cent for each of the respective outer years of the MTREF.

It should be noted that although the 2020/2021 operational budget and indicative years indicate budgeted deficits (Table 1b), this does not reflect the actual cash position. This phenomenon will continue for the foreseeable future. These circumstances arose as the result of the implementation of GRAP, with special reference to GRAP 17 (Property, Plant and Equipment-PPE). The asset value before depreciation is in excess of R5,9 billion, which relates to substantially high depreciation charges. Although accurately reflecting asset value, the cost of a substantial portion of these assets had been fully redeemed previously, but the useful life of assets was extended as well as ever increasing assets funded by grants. The replacement thereof can thus not be recouped via current tariffs as this would lead to taxation in advance of need and no reserves may be established for these purposes. The principle of recovering actual cash costs during each financial period is adhered to.

The capital budget of R303,7m for 2020/21 is 10,2 per cent more when compared to the 2019/2020 Budget. The increased own funding from surplus is due to cash previously generated from operations, which also includes an amount from land sales.

Further projects from the proceeds of land sales were prioritised, subject to maintaining minimum financial sustainability levels. The capital programme decreases to R197,2m and to R154,4m in the outer years, which is above the estimated minimum of R100m required annually to sustain capital infrastructure. Own funding (new borrowings) is anticipated at R54m. New borrowings contribute to

23,5 % of the funding over the 2020/21 MTREF. Internally generated funds contribute 29,7% and capital grants 15,3%. 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 38,9% and at the end of the 2020/21. The repayment of capital and interest (debt services costs) remains within the NT acceptable norm band. Consequently, the capital budget reflects an increase compared to the previous three years.

1.4 Operating Revenue Framework

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

The municipality's revenue strategy is built around the following key components:

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

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

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

Revenue generated from rates and services forms a significant percentage of the revenue basket for the Municipality. Rates and services revenues comprise 73,7% of the total operating revenue mix for 2020/21. For the 2020/2021 financial year, revenue from rates and services charges totals R925,9m. This increases to R925,8m, R969,2m and R1,057bn in the respective financial years of the MTREF.

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

Table 2 Summary of revenue classified by main revenue source

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source									
Property rates	197,104	215,763	233,274	242,150	242,950	242,950	262,551	275,226	288,402
Service charges - electricity revenue	334,765	349,298	378,668	398,868	403,868	403,868	386,294	403,262	463,064
Service charges - water revenue	115,070	110,932	129,971	127,320	128,820	128,820	128,520	134,919	141,638
Service charges - sanitation revenue	66,890	72,106	77,772	80,020	81,020	81,020	78,913	82,858	87,000
Service charges - refuse revenue	54,389	57,775	61,788	70,122	69,242	69,242	69,482	72,955	76,602
Rental of facilities and equipment	11,613	5,616	6,341	3,562	3,562	3,562	3,627	3,803	3,990
Interest earned - external investments	20,347	30,320	41,767	28,010	35,860	35,860	31,400	32,975	34,615
Interest earned - outstanding debtors	2,671	3,854	4,193	4,151	4,451	4,451	4,673	4,906	5,145
Fines, penalties and forfeits	38,715	31,638	24,734	32,552	32,552	32,552	29,564	31,039	32,587
Licences and permits	2,525	2,527	2,526	2,462	2,462	2,462	2,385	2,498	2,618
Agency services	3,480	4,149	4,913	4,700	5,200	5,200	4,938	5,184	5,442
Transfers and subsidies	114,411	116,458	118,976	152,183	125,794	125,794	131,840	141,735	154,275
Other revenue	34,706	48,492	63,142	27,416	143,735	143,735	115,686	122,827	122,940
Gains	6,242	28,096					7,000	7,000	7,000
Total Revenue (excluding capital transfers and contributions)	1,002,928	1,077,023	1,148,067	1,173,517	1,279,516	1,279,516	1,256,873	1,321,188	1,425,319

Table 3 Percentage growth in revenue by main revenue source

Description	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework					
		Budget Year 2020/21		Budget Year +1 2021/22		Budget Year +2 2022/23	
Revenue By Source							
Property rates	242,950	262,551	8.07%	275,226	4.83%	288,402	4.79%
Service charges - electricity revenue	403,868	386,294	-4.35%	403,262	4.39%	463,064	14.83%
Service charges - water revenue	128,820	128,520	-0.23%	134,919	4.98%	141,638	4.98%
Service charges - sanitation revenue	81,020	78,913	-2.60%	82,858	5.00%	87,000	5.00%
Service charges - refuse revenue	69,242	69,482	0.35%	72,955	5.00%	76,602	5.00%
Rental of facilities and equipment	3,562	3,627	1.83%	3,803	4.86%	3,990	4.91%
Interest earned - external investments	35,860	31,400	-12.44%	32,975	5.02%	34,615	4.97%
Interest earned - outstanding debtors	4,451	4,673	4.99%	4,906	4.99%	5,145	4.87%
Fines	32,552	29,564	-9.18%	31,039	4.99%	32,587	4.99%
Licences and permits	2,462	2,385	-3.13%	2,498	4.73%	2,618	4.81%
Agency services	5,200	4,938	-5.04%	5,184	4.98%	5,442	4.98%
Transfers recognised - operational	125,794	131,840	4.81%	141,735	7.51%	154,275	8.85%
Other revenue	143,735	115,686	-19.51%	122,827	6.17%	122,940	0.09%
Gains on disposal of PPE		7,000		7,000		7,000	
Total Revenue (excluding capital transfers and contributions)	1,279,516	1,256,873	-1.77%	1,321,188	5.12%	1,425,319	7.88%

The above table, relating to percentage increases for the different revenue categories, could reflect percentage changes that are not consistent with the annual tariff increases. This would be due to the baseline for 2019/20 and the subsequent adjustments budget and further reclassifications of revenue categories relating to mSCOA. The determination of proposed revenue for 2020/21 has been based on the current statistics available, limited growth and pending slump in economic activity due to the coronavirus.

After collective service charges, property rates are the second largest revenue source. The third largest source is operational grants from national and provincial government, which is showing

growth over the MTREF. This is followed by other revenue which consists of various items such as revenue received from permits and licenses, building plan fees, connection fees, advertisement fees and construction contracts relating to low cost housing etc, interest on investments and fines. Departments delivering these services have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective.

Operating grants and transfers total R131,8m in the 2020/21 financial year. This increases in the outer years to R141,7 in 2021/22 and R154,3 in 2022/23 respectively, of the MTREF. Fluctuations may occur due to housing grant allocations and the splitting thereof between operating and capital budgets. The housing allocation for the building of top structures for housing development amounts to R130,5m over the MTREF. Equitable share increases over the 3 year MTREF period, from the current 2019/20 adjustments budget by 29% in terms of the equitable share formula, after the release of the 2011 census figures, as a result of the population growth in the Overstrand area.

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

Table 4 Operating Transfers and Grant Receipts

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

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services was taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Inflation (CPI) is currently within the 3 to 6 per cent target band of the South African Reserve Bank's inflation targets, with very little change in inflation forecasts over the 2020/21 MTREF. Municipalities should justify increases in excess of the 4,6 per cent projected inflation target as indicated in Municipal Budget Circular 99. Excessive increases are by nature fundamentally likely to be counterproductive, which could result in possible higher levels of non-payment.

The increase in property rates has been set at 4,5%. Furthermore, average increases in water, refuse and sewage service charges are also set at 4,5%, with the exception of electricity tariffs.

The percentage increase of Eskom bulk tariffs charged to municipalities has been set at 6,9% by NERSA. The revised overall tariff increases for municipal electricity tariffs are based on the latest approved tariffs of 6,22%, for the electricity basket, as published in the NERSA guidelines for municipal tariff increases.

The following table sets out the costing of services. It should be noted that the revised budget presentation for the costing of services relating to FBS, in comparison with previous years' revenue accrual of subsidies for basic services to indigents, are now reflected as a reduction of revenue. The portion of the Equitable Share equal to the cost and revenue cost of FBS to indigents has since 1 July 2017 been reflected as revenue to the relevant service. This is to ensure that the tariffs for these services are not unduly burdened as a result of the revised budget presentation.

Table 5 Costing of services

COSTING OF SERVICES	Original Budget 2019/2020	Original Budget 2020/2021
Service : ELECTRICITY		
Bulk Purchases	275 879 707	270 260 407
Contracted Services	3 516 647	5 379 734
Depreciation and Amortisation	25 389 635	26 767 035
Employee Related Cost	25 335 720	26 916 012
Interest, Dividends and Rent on Land	16 888 399	16 665 256
Inventory Consumed	5 387 015	6 601 986
Operational Cost	11 295 091	1 585 662
Debt Impairment & Bad Debt	148 400	179 193
Costing: Overheads (Dept charges)	54 240 731	56 898 527
TOTAL EXPENDITURE	418 081 345	411 253 812
** INCOME		
** Ex Rev: Service Charges	-396 272 716	-386 244 069
** Ex Rev: Sales Goods Services	-2 485 000	-1 040 000
** Non-Ex Rev: Fine Penlt Forft	-130000	-73 000
** Cost of Free Basic Services	-31 587 861	-35 864 520
TOTAL INCOME	-430 475 577	-423 221 589
(SURPLUS)/DEFICIT	-12 394 232	-11 967 777
	2.88%	2.83%
Service : WATER		
Contracted Services	48 761 354	51 255 752
Depreciation and Amortisation	27 518 895	28 605 471
Employee Related Cost	10 957 224	12 407 531
Interest, Dividends and Rent on Land	19 582 115	20 731 973
Inventory Consumed	3 480 924	3 636 024
Operational Cost	6 534 529	7 350 776
Debt Impairment & Bad Debt	148 400	179 193
Costing: Overheads (Dept charges)	15 955 064	14 225 606
TOTAL EXPENDITURE	132 938 505	138 392 326
** INCOME		
** Ex Rev: Service Charges	-126 000 000	-127 970 000
** Ex Rev: Sales Goods Services	-870 100	-270 100
** Non-Ex Rev: Fine Penlt Forft	-75 000	-70 000
** Cost of Free Basic Services	-13 650 111	-14 225 280
TOTAL INCOME	-140 595 211	-142 535 380
(SURPLUS)/DEFICIT	-7 656 706	-4 143 055
	5.45%	2.91%

COSTING OF SERVICES	Original Budget 2019/2020	Original Budget 2020/2021
	Service : WASTE WATER MANAGEMENT	
Contracted Services	21 149 359	22 087 328
Depreciation and Amortisation	16 475 336	19 905 553
Employee Related Cost	17 381 388	14 905 028
Interest, Dividends and Rent on Land	11 400 824	12 072 994
Inventory Consumed	4 069 819	4 423 528
Operational Cost	1 275 041	1 484 115
Debt Impairment & Bad Debt	148 400	179 193
Costing: Overheads (Dept charges)	16 092 176	16 880 693
TOTAL EXPENDITURE	87 992 343	91 938 432
** INCOME		
** Ex Rev: Service Charges	-80 000 000	-78 913 000
** Cost of Free Basic Services	-17 202 168	-17 966 670
TOTAL INCOME	-97 202 168	-96 879 670
(SURPLUS)/DEFICIT	-9 209 825	-4 941 238
	9.47%	5.10%
Service : WASTE MANAGEMENT		
Contracted Services	28 811 275	29 161 534
Depreciation and Amortisation	2 259 397	3 172 385
Employee Related Cost	31 198 620	31 990 104
Interest, Dividends and Rent on Land	1 687 926	357 621
Inventory Consumed	2 879 025	3 605 481
Operational Cost	631 831	782 670
Debt Impairment & Bad Debt	148 400	179 193
Provision	3 913 572	4 109 251
Costing: Overheads (Dept charges)	10 536 207	11 052 481
TOTAL EXPENDITURE	82 066 253	84 410 720
** INCOME		
** Ex Rev: Service Charges	-68 720 400	-69 481 600
** Ex Rev: Sales Goods Services	-27 000	-9 300
** Cost of Free Basic Services	-17 472 080	-18 267 990
TOTAL INCOME	-86 219 480	-87 758 890
(SURPLUS)/DEFICIT	-4 153 227	-3 348 170
	4.82%	3.82%
Notes:		
1. The Secondary costs (overheads) are consistent with previous allocations plus 4,9% inflation		

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

1.4.1 Property Rates

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

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

The following stipulations in the Property Rates Policy are highlighted:

TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	No exemptions. Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the <u>difference between Bus and Res. rate</u> : 1 -2 X lettable room: 100% 3 X lettable rooms: 75% 4 X lettable rooms: 50% 5 X lettable rooms: 25%
BUSO	General Tax: Tourism and recreational resorts outside the municipal urban areas	Hotels, Guest Houses, Cottages, Caravan parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas.
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes, small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax. A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued and an additional rebate of 20% of the levy calculated on such properties, is granted. Rebate to qualifying property owners as indicated under "Other Rebate"
RESO	General Tax: Residential properties outside the municipal urban area	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes	50% of the tax applicable on residential property in urban areas. Rebate to qualifying property owners as indicated under "Other Rebate"
FARMS	General Tax: Farming Properties	Smallholdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of a property for the purpose of ecotourism or for the trading in or hunting of game.
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes.	Not rateable in terms of section 17(1)(e) of the act.
PR100 PR050 PR040	Other Rebates	Single residential properties, Group Housing, Retirement Villages, Flats, Sectional Schemes	<ul style="list-style-type: none"> - Property zoned single residential must be occupied permanently by the applicant; - The applicant must be the registered owner; - Applicant may not be the registered owner of more than one property <ul style="list-style-type: none"> • A rebate of 100% to approved applicants, in terms of the Property Rates Policy, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month; • A rebate of 50% to approved applicants, in terms of the Property Rates Policy, who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month; • A rebate of 40% to approved applicants, in terms of the Property Rates, who are older than 60 with a gross monthly household income of more than four times (4X) but less than eight times (8X) of state funded social pensions per month.

The following table sets out the categories of rateable properties for purposes of levying rates and the proposed rates for the 2020/21 financial year, to increase from 1 July 2020:

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

RATES TARIFFS						1.0450
Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2015					
RATE1*	Commercial Land with Improvements	0.009028	0.009028	0.008639	0.008639	4.5000%
RATE2*	Residential Land with Improvements	0.005960	0.005960	0.005703	0.005703	4.5000%
	<i>* See attached schedule of Exemptions and Rebates applicable</i>					
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)	0.001490	0.001490	0.001426	0.001426	4.5000%
RATE8	Undeveloped erven	0.008160	0.008160	0.007809	0.007809	4.5000%
RATE9	Government Properties: Commercial	0.009028	0.009028	0.008639	0.008639	4.5000%
RAT10	Government Properties: Residential	0.005960	0.005960	0.005703	0.005703	4.5000%
	Special Rating Areas					
RAT11	HSRA (Hermandus)	0.000610	0.000610	new	new	
RAT12	KSRA (Kleinmond)	0.000500	0.000500	new	new	
RAT13	OVSRA (Onrus-Vermont)	0.00035	0.00035	new	new	
PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES						

1.4.2 Sale of Water and Impact of Tariff Increases

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

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

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

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

Tariff increases as from 1 July 2020 are indicated in the list of tariffs in Annexure C. The 6 kℓ free water per 30-day period has since 2014 only been granted to registered indigents. The third level of phasing in the increases in the 0 – 6 kℓ category as implemented during 2013/14, to recover minimum cost of the production of water, further postponed in 2014/15, has been further phased-in. The increases in the 0 – 6 kℓ category for this budget will be the same as the general 4,5% increase.

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

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

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
W1	BASIC CHARGE					
W1A1	Basic Monthly Charge per erf/unit per month	142.64	164.04	136.50	156.98	4.50%
W1A2A	Basic Monthly Subsidy : Residential Indigent as per paragraph A of the Indigent Policy per erf/unit per month	142.64	164.04	136.50	156.98	4.50%
W1A2B	Basic Monthly Subsidy: Residential Indigent as per paragraph B, C & D of the Indigent Policy per erf/unit per month	129.14	148.51	129.14	148.51	0.00%
W1A3	Infrastructure					
W1A3A	Fixed Infrastructure Basic Charge per erf/unit per month	15.45	17.77	15.45	17.77	0.00%
W1A3B	Fixed Infrastructure Basic Charge per erf/unit per month	8.41	9.67	8.41	9.67	0.00%
W1A3C	Subsidised Fixed Infrastructure Basic Charge	8.41	9.67	8.41	9.67	0.00%
	Normal Tariff & Level 1 water restrictions					
W1B1	0 - 6 kl per kl	5.85	6.73	5.60	6.44	4.50%
W1B2	7 - 18 kl per kl	11.99	13.78	11.47	13.19	4.50%
W1B3	19 - 30 kl per kl	19.45	22.36	18.61	21.40	4.50%
W1B4	31 - 45 kl per kl	29.95	34.44	28.66	32.96	4.50%
W1B5	46 - 60 kl per kl	38.89	44.73	37.22	42.80	4.50%
W1B6	>60kl per kl	51.87	59.65	49.64	57.09	4.50%

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has now published a revised bulk electricity pricing structure.

The tariffs are adjusted in terms of the NERSA determination, in order to submit tariffs to the regulator as prescribed. These tariffs were revised on the publication of the NERSA approved Municipal Tariff Guideline and Benchmarks, and are factored into the final budget.

The municipality has submitted revised tariffs, to ensure that NERSA considers and approves the application on time for implementation on 1 July 2020.

The budget reflects an increase of 6,22%, for municipal consumers of electricity.

The increase in basic charges as well as the respective brackets of the Inclining Block Tariffs (0-350 kWh, 351-600kWh, and >600kWh), also proposed at 6,22%.

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

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

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

Tariff Code	Detail		2020/2021		2019/2020		
			Exclude VAT	Include VAT	Exclude VAT	Include VAT	
E1A	Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1A1	Basic Monthly charge per meter	R	356.20	409.63	335.34	385.64	6.22%
	kWH Unit cost						
E1A2	IBT BLOCK 1 0 - 350 kWh	c	136.67	157.17	128.67	147.97	6.22%
E1A3	IBT BLOCK 2 351 - 600 kWh	c	200.72	230.83	188.97	217.32	6.22%
E1A4	IBT BLOCK 3 > 600 kWh	c	246.62	283.61	232.18	267.01	6.22%
E1B	Two-Part Tariff: Pre-paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1B1	Basic Monthly charge per meter	R	356.20	409.63	335.34	385.64	6.22%
	kWH Unit cost						
E1B2	IBT BLOCK 1 0 - 350 kWh	c	126.24	145.18	118.85	136.68	6.22%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	189.15	217.52	178.07	204.78	6.22%
E1B4	IBT BLOCK 3 > 600 kWh	c	237.06	272.62	223.18	256.66	6.22%

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 6,22% for the respective inclining blocks. The reduced tariffs for prepaid meters, compared to conventional meters, will continue as in the past.

The full proposed tariffs are included in Annexure C.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 4,5 per cent for sanitation (basic & consumption) is proposed from 1 July 2020.

This is based on tariff increases related to inflation increases as mentioned earlier in this report. The following factors inform the proposed tariffs:

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

The following table compares the current and proposed tariffs:

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

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
SE7A	SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)					
SE7A1	0 - 35kl per kl (based on 70% of max 50kl water usage) - per unit per month , Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	14.32	16.46	13.70	15.76	4.50%
SE7A2	Where no municipal water is used - per RUE per month. Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	128.83	148.15	new	new	
SE8	BASIC CHARGE					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	127.12	146.19	121.65	139.90	4.50%

The full proposed tariffs are included in Annexure C.

1.4.5 Waste Removal and Impact of Tariff Increases

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

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

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

The following table compares current and proposed amounts payable from 1 July 2020:

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

Tariff Code	Detail	2020/2021		2019/2020		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
SAN1	REFUSE REMOVAL (1 removal per week of 4 bags or 1X240 Bin)					
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	193.84	222.91	185.49	213.31	4.50%

All proposed refuse tariffs are listed in Annexure C.

1.4.6 Overall impact of tariff increases on households

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

High Consumption with credit elect meter				2019/2020	2020/2021	Amount	%
Valuation		R3,500,000					
Rates				1,311.69	1,370.72	59.03	4.50
Sewer	SE7A1+SE8A			601.15	628.20	27.05	4.50
Infrastructure	Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week			185.49	193.84	8.35	4.50
Water	50 kl			1,147.06	1,198.68	51.62	4.50
VAT		15%		298.09	311.14	13.05	4.38
SUB TOTAL				3,597.02	3,756.11	159.10	4.42
Electricity Cred	1500 kWh			3,347.73	3,555.96	208.23	6.22
VAT		15%		502.16	533.39	31.23	6.22
TOTAL				7,446.91	7,845.46	398.56	5.35
Medium Consumption with prepaid elect meter				2019/2020	2020/2021	Amount	%
Valuation		R2,500,000					
Rates				931.49	973.41	41.92	4.50
Sewer	SE7A1+SE8A			361.40	377.66	16.26	4.50
Infrastructure	Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week			185.49	193.84	8.35	4.50
Water	25 kl			438.01	457.72	19.71	4.50
VAT		15%		155.77	162.41	6.65	4.27
SUB TOTAL				2,125.70	2,218.58	92.89	4.37
Electricity Prep	800 kWh			1,642.85	1,745.04	102.19	6.22
VAT		15%		246.43	261.76	15.33	6.22
TOTAL				4,014.97	4,225.37	210.40	5.24
Low Consumption with prepaid elect meter				2019/2020	2020/2021	Amount	%
Valuation		R1,000,000					
Rates				361.19	377.44	16.25	4.50
Sewer	SE7A1+SE8A			265.50	277.45	11.95	4.50
Infrastructure	Basic Charge Water, Electricity & Sewer			53.54	53.54	0.00	0.00
Refuse	1X Per Week			185.49	193.84	8.35	4.50
Water	15 kl			273.33	285.63	12.30	4.50
VAT		15%		116.68	121.57	4.89	4.19
SUB TOTAL				1,255.73	1,309.47	53.74	4.28
Electricity Prep	600 kWh			1,196.49	1,270.91	74.42	6.22
VAT		15%		179.47	190.64	11.16	6.22
SUB TOTAL				2,631.69	2,771.01	139.32	5.29
Life-Line Consumption (ONE PART) (Indigent)				2019/2020	2020/2021	Amount	%
Valuation		R50,000					
Rates				0.00	0.00	0.00	0.00
Sewer	SE7A1			19.18	20.04	0.86	4.50
Infrastructure	Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week			0.00	0.00	0.00	0.00
Water	8 kl			22.94	23.97	1.03	4.50
VAT		15%		12.57	12.86	0.28	2.26
SUB TOTAL				96.39	98.57	2.18	2.26
Electricity Pre- ₁	300 kWh			360.45	382.87	22.42	6.22
VAT		15%		54.07	57.43	3.36	6.22
TOTAL				510.91	538.87	27.96	5.47

Table 11 MBRR Table SA14 – Household bills

WC032 Overstrand - Supporting Table SA14 Household bills

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	205.32	220.57	233.78	247.14	247.14	247.14	4.50%	258.27	273.77	290.19
Electricity: Basic levy	254.78	267.52	291.60	335.34	335.34	335.34	6.20%	356.20	377.57	400.23
Electricity: Consumption	1,445.42	1,464.97	1,558.89	1,753.87	1,753.87	1,753.87	6.20%	1,862.96	1,974.74	2,093.22
Water: Basic levy	114.93	121.83	129.14	136.50	136.50	136.50	4.50%	142.64	151.20	160.27
Water: Consumption	333.62	354.92	377.69	400.93	400.93	400.93	4.50%	419.04	444.18	470.83
Sanitation	344.53	365.16	387.25	409.35	409.35	409.35	4.50%	427.84	453.51	480.72
Refuse removal	146.26	155.04	164.35	185.49	185.49	185.49	4.50%	193.84	205.47	217.80
Other	41.70	53.54	53.54	56.97	56.97	56.97	0.00%	56.97	56.97	56.97
sub-total	2,886.56	3,003.55	3,196.24	3,525.59	3,525.59	3,525.59	5.50%	3,717.76	3,937.41	4,170.23
VAT on Services	375.37	389.62	422.15	491.77	491.77	491.77		518.92	549.55	582.01
Total large household bill:	3,261.93	3,393.17	3,618.39	4,017.36	4,017.36	4,017.36	5.50%	4,236.68	4,486.96	4,752.24
% increase/-decrease		4.0%	6.6%	11.0%	-	-		5.5%	5.9%	5.9%
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	142.15	152.70	161.85	171.10	171.10	171.10	4.50%	178.80	189.53	200.90
Electricity: Basic levy	254.78	267.52	291.60	335.34	335.34	335.34	6.20%	356.20	377.57	400.23
Electricity: Consumption	571.30	574.61	608.63	683.08	683.08	683.08	6.20%	725.57	769.10	815.25
Water: Basic levy	114.93	121.83	129.14	136.50	136.50	136.50	4.50%	142.64	151.20	160.27
Water: Consumption	251.79	268.19	285.74	303.75	303.75	303.75	4.50%	317.47	336.52	356.71
Sanitation	304.18	322.39	341.89	361.40	361.40	361.40	4.50%	377.72	400.38	424.41
Refuse removal	146.26	155.04	164.35	185.49	185.49	185.49	4.50%	193.84	205.47	217.80
Other	41.70	53.54	53.54	56.97	56.97	56.97	0.00%	56.97	56.97	56.97
sub-total	1,827.09	1,915.82	2,036.74	2,233.63	2,233.63	2,233.63	5.20%	2,349.21	2,486.74	2,632.53
VAT on Services	235.89	246.84	267.17	288.75	288.75	288.75		303.86	321.61	340.43
Total small household bill:	2,062.98	2,162.66	2,303.91	2,522.38	2,522.38	2,522.38	5.20%	2,653.07	2,808.35	2,972.96
% increase/-decrease		4.8%	6.5%	9.5%	-	-		5.2%	5.9%	5.9%
Monthly Account for Household - 'Indigent'										
Household receiving free basic services										
Rates and services charges:										
Property rates	78.97	84.83	89.92	95.06	95.06	95.06	4.50%	99.34	105.30	111.62
Electricity: Basic levy	254.78	267.52	291.60	335.34	335.34	335.34	6.20%	356.20	377.57	400.23
Electricity: Consumption	351.58	351.05	371.42	415.98	415.98	415.98	6.20%	441.84	468.35	496.45
Water: Basic levy	114.93	121.83	129.14	136.50	136.50	136.50	4.50%	142.64	151.20	160.27
Water: Consumption	173.44	185.14	197.69	210.70	210.70	210.70	4.50%	220.22	233.43	247.44
Sanitation	263.82	279.62	296.53	313.45	313.45	313.45	4.50%	327.60	347.26	368.09
Refuse removal	146.26	155.04	164.35	185.49	185.49	185.49	4.50%	193.84	205.47	217.80
Other	(701.43)	(727.86)	(796.06)	(884.44)	(884.44)	(884.44)		(933.03)	(1,030.01)	(1,138.38)
sub-total	682.35	717.17	744.59	808.08	808.08	808.08	5.00%	848.65	858.57	863.52
VAT on Services	84.47	88.53	93.29	99.82	99.82	99.82		104.90	105.46	105.27
Total small household bill:	766.82	805.70	837.88	907.90	907.90	907.90	5.00%	953.55	964.03	968.79
% increase/-decrease		5.1%	4.0%	8.4%	-	-		5.0%	1.1%	0.5%

References

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

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

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2020/21 budget and MTREF is informed by the following:

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

The following table is a high level summary of the 2020/21 budget and MTREF (classified per main type of operating expenditure):

Table 12 Summary of operating expenditure by functional classification item

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Expenditure By Type									
Employee related costs	302,363	296,682	367,858	399,804	399,521	399,521	435,325	456,328	482,727
Remuneration of councillors	9,265	10,138	10,573	11,383	11,383	11,383	11,896	12,436	13,002
Debt impairment	22,221	18,013	17,949	24,902	24,902	24,902	26,263	27,577	28,955
Depreciation & asset impairment	132,532	134,846	131,104	131,285	131,285	131,285	141,877	139,714	133,277
Finance charges	45,913	46,129	44,921	51,549	51,549	51,549	51,482	52,210	52,352
Bulk purchases	217,523	225,844	242,614	275,880	280,880	280,880	270,260	290,978	313,126
Other materials	48,818	40,900	47,091	63,675	42,946	42,946	47,567	43,347	45,265
Contracted services	155,726	167,079	186,758	207,536	214,349	214,349	222,414	235,538	247,162
Transfers and subsidies	1,898	1,800	486	500	500	500	11,610	11,610	11,610
Other expenditure	50,631	55,726	58,609	83,450	103,992	103,992	123,315	132,461	144,310
Loss on disposal of PPE	8,133		610		31,700	31,700	-	-	-
Total Expenditure	995,023	997,156	1,108,572	1,249,963	1,293,006	1,293,006	1,342,010	1,402,198	1,471,786

The budgeted allocation for employee related costs and remuneration of councillors for the 2020/21 financial year totals R447,2m which equals 33,3 per cent of the total operating expenditure and is within the NT norm of 25 – 40 per cent. Of this total, the provisions relating to employee related costs amounts to R15,5m of which the majority of the amount is a long term liability (post-retirement benefits) and therefore not cash remuneration.

The current three year collective SALGBC salary agreement came into operation on 1 July 2018. Salary increases, according to the principles of the agreement, were estimated based on the average inflation for the period February 2019 to January 2020, with a minimum inflation rate of 5% plus 1,25% for the third year of the agreement. The mandate of Municipal Law Enforcement officers has been expanded so that they may now prevent, but not combat crime. To this end it was planned to increase the staff compliment for this purpose, inclusive of a number of other high priority requests from other directorates. During the review of the Draft Budget, with the COVID-19 pandemic a reality, and together with inputs received from our communities during the period allowed for public comments, to scrap all new posts included in the Draft Budget.

With effect from 1 July 2010, the Section 57 Employees (Directors) remuneration is determined by an independent consulting firm, appointed by the Employer to determine market related cost-to-employer remuneration packages. The afore-mentioned employees receive no bonuses, which principle was negotiated with them. The recommendation does compare the salaries of incumbents with similar job descriptions, whether it is the private or government sector. The remuneration model developed by the consultants for senior managers in the local government sector has been adjusted to reflect the remuneration trends in the labour market. This determination will be completed at a later stage for 2020/2021. For budgeting purposes, a similar increase as for other employees has been factored into the budget for this category of employees.

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

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The proclamation with regard to the 2019/2020 increases was published during January 2020. No indication for 2020/21 has been received to date and therefore remuneration of councillors has been factored into the 2020/21 budget at the same rate as the 2019/2020 determination.

The provision of debt impairment and write-off of bad debts for consumer accounts has been determined based on an annual collection rate of close to 100 per cent and the Debt Write-off Policy of the Municipality. The provision for impairment has however been revisited.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R141,9m for the 2020/21 financial year and equates to 10,03per cent of the total operating expenditure. Note that the implementation of the GRAP 17 accounting standard meant bringing a range of assets previously fully depreciated and not included in the assets register, back onto the assets register. This resulted in a significant increase in depreciation at implementation, relative to previous years. This aspect is further highlighted in para. 1.3 of this report.

Finance charges consist of the repayment of interest on long-term borrowing (cost of capital). Finance charges comprise 3,8 per cent of operating expenditure. The gearing ratio of borrowing to revenue is expected to be 38.9 per cent for 2020/21, which is below the outer proposed limit of National Treasury.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The proposals from the NERSA determination for Eskom, for a 6.9% bulk price increase to municipalities from 1 July 2020 has been factored into the budget appropriations and also directly informs tariff increase.

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

In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the Municipality's infrastructure. The introduction of further reclassification resulting from mSCOA caused a shift in expenditure budgeted under Repairs and maintenance as well as Contracted Services, in relation to figures in the past few years. Contracted services have been identified as an area for the municipality to implement efficiencies. As part of the compilation of the 2020/21 MTREF this group of expenditure was critically evaluated

and operational efficiencies are being enforced. In the 2020/21 financial year, this group of expenditure totals R222,4m. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses. Further details relating to contracted services can be seen in Table 62 MBRR SA1 (see page 100).

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

The following table gives a breakdown of the major expenditure categories for the 2020/21 financial year.

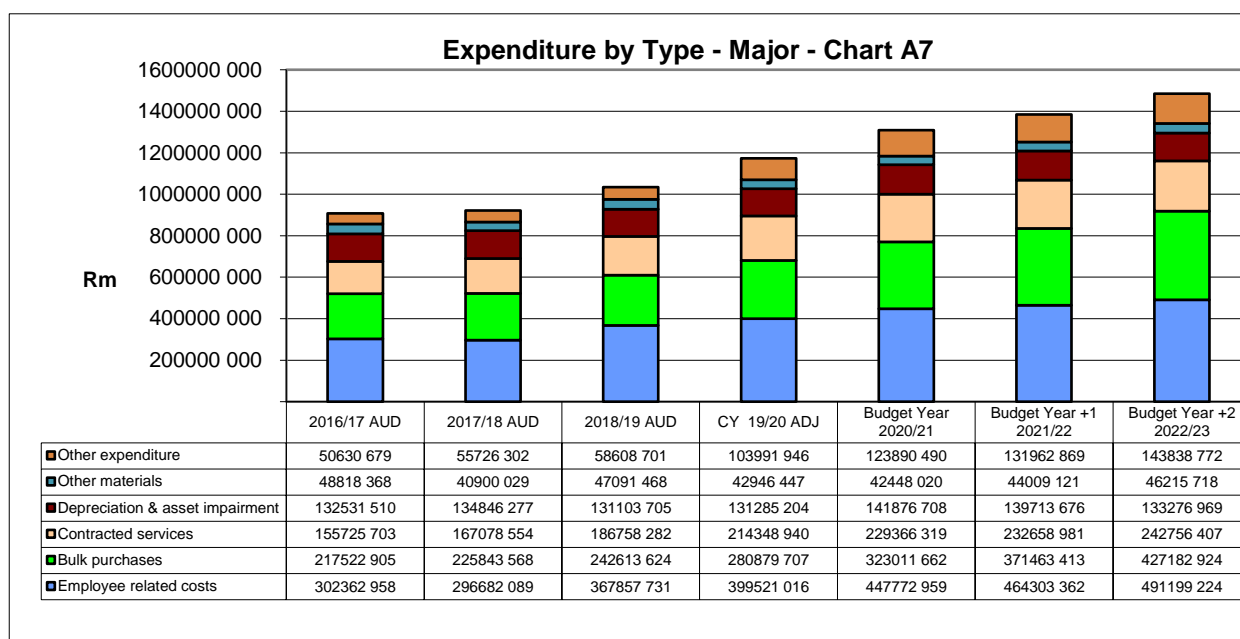


Figure 1 Main operational expenditure categories for the 2020/21 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality’s current infrastructure, the 2020/21 budget and MTREF provides for continuing in the area of asset maintenance, as informed by the asset maintenance strategy and repairs and maintenance plan of the Municipality.

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

Table 13 Operational repairs and maintenance

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Repairs and Maintenance									
by Expenditure Item									
Employee related costs	50,261	53,689	89,415	97,024	97,594	97,594	100,057	105,924	112,512
Other materials	3,500	30,000	17,594	13,845	18,645	18,645	20,206	21,281	22,374
Contracted Services	36,145	67,791	85,762	69,331	71,811	71,811	79,701	84,420	88,441
Other Expenditure	30,890	8,555	22,253	18,990	15,913	15,913	10,941	11,460	12,008
Total Repairs and Maintenance Expenditure	120,795	160,036	215,024	199,189	203,963	203,963	210,905	223,085	235,335

During the compilation of the 2020/21 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. As part of the 2020/21 MTREF this strategic imperative remains a priority. In relation to the total operating expenditure, repairs and maintenance comprises on average 15.7 per cent of the budget over the respective financial years of the MTREF.

The municipality has expanded on the implementation of Repairs and Maintenance allocated as projects in terms of the mSCOA version 6.4, which distorted the year-on-year comparative figures. This is also applicable to Contracted Services. These allocations are guided by the respective owner departments.

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

Table 14 Repairs and maintenance per asset class

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	110,392	117,901	145,959	139,955	141,193	141,193	141,901	150,468	158,753
Roads Infrastructure	55,545	53,229	61,860	65,331	66,157	66,157	67,578	71,378	75,348
Storm water Infrastructure	6,392	6,017	5,765	6,600	6,375	6,375	6,159	6,363	6,721
Electrical Infrastructure	17,747	17,645	23,082	37,099	37,630	37,630	31,243	32,852	34,749
Water Supply Infrastructure	16,489	15,014	17,367	16,935	17,568	17,568	19,710	20,801	21,956
Sanitation Infrastructure	11,672	13,051	14,967	11,541	11,007	11,007	13,262	13,878	14,535
Solid Waste Infrastructure	2,546	12,946	22,918	2,220	2,269	2,269	3,691	4,926	5,164
Promenades	-	-	-	189	147	147	216	225	234
Information and Communication Infrastructure	-	-	-	40	40	40	42	44	46
Community Assets	4,867	12,289	39,801	40,198	39,293	39,293	44,758	47,164	49,867
Community Facilities	4,867	12,289	27,117	34,241	33,129	33,129	37,242	39,286	41,591
Sport and Recreation Facilities	-	-	12,685	5,957	6,164	6,164	7,516	7,878	8,276
Other assets	-	-	8,009	2,217	3,281	3,281	3,410	3,549	3,693
Intangible Assets	-	-	-	5,653	6,353	6,353	5,925	6,235	6,560
Computer Equipment	5,536	5,207	4,890	1,193	1,068	1,068	2,186	2,301	2,415
Furniture and Office Equipment	-	17,919	16,364	431	440	440	2,811	2,862	2,914
Machinery and Equipment	-	6,719	-	-	-	-	-	-	-
Machinery and Equipment	-	6,719	-	-	-	-	-	-	-
Transport Assets	-	-	-	9,542	12,335	12,335	9,914	10,506	11,133
Transport Assets	-	-	-	9,542	12,335	12,335	9,914	10,506	11,133
Total Repairs and Maintenance Expenditure	120,795	160,036	215,024	199,189	203,963	203,963	210,905	223,085	235,335

For the 2020/21 financial year, 15.7 per cent or R210.9m of the total budget will be spent on repairs and maintenance, of which R141.9m is for infrastructure. Roads infrastructure has received a significant proportion of the infrastructure allocation totalling 32.04 per cent (R67.57m), followed by community assets at 21.22 per cent (R44.75m) and electricity at 14.81 per cent (R31.24m).

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are indigent/poor or face other circumstances that limit their ability to pay for services. To receive these free/subsidised services the households are required to register in terms of the Municipality's Indigent Policy. The budgeted indigent households for 2020/21 is estimated at 7 750 and will be reviewed monthly.

The following is an extract from NT Budget Circular 85:

"The change in the treatment of cost of free basic services indicates that municipalities must not disclose the support to indigents on table SA21 "Transfers and grants". The change in the treatment of free basic services has been fully implemented during the 2017/2018 financial year.

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

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

The policy for Grants-in-aid to organisations has been reviewed and approved by Council. Advertisements requested interested parties to submit applications for grant-in-aid for the 2020/2021 financial year. The table below however reflects the decision that no Grants-in-aid to organisations will be considered for 2020/2021.

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

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

1.6 Capital expenditure

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

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

Vote Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional									
Governance and administration	957	6,342	8,659	4,105	4,105	4,105	3,075	30,000	20,000
Executive and council	72		295	10	10	10	5	-	-
Finance and administration	885	6,342	8,364	4,095	4,095	4,095	3,070	30,000	20,000
Internal audit							-	-	-
Community and public safety	14,135	44,222	68,172	64,760	127,111	127,111	93,694	52,392	37,850
Community and social services	644	2,126	5,164	3,280	2,960	2,960	18,638	4,374	-
Sport and recreation	1,837	5,427	23,923	18,770	19,055	19,055	12,731	-	-
Public safety	996	2,490	4,809	16,271	20,723	20,723	14,181	1,352	-
Housing	10,658	34,180	34,276	26,439	84,373	84,373	48,144	46,667	37,850
Health							-	-	-
Economic and environmental services	13,279	12,071	13,407	30,410	21,757	21,757	33,589	7,171	17,000
Planning and development	1,540	45	1,346	8,899	3,896	3,896	13,594	3,600	-
Road transport	11,739	12,026	12,061	21,510	17,860	17,860	19,995	3,571	17,000
Environmental protection							-	-	-
Trading services	63,498	42,619	84,872	162,402	122,760	122,760	173,381	107,599	79,528
Energy sources	30,496	16,268	28,893	34,124	29,226	29,226	21,119	46,500	31,000
Water management	15,772	3,257	12,270	48,504	39,982	39,982	52,606	35,516	22,000
Waste water management	17,217	21,523	42,210	62,843	43,241	43,241	77,217	24,384	26,528
Waste management	12	1,572	1,499	16,931	10,311	10,311	22,439	1,200	-
Other							-	-	-
Total Capital Expenditure - Functional	91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378

For 2020/21 an amount of R173,4m has been appropriated for the development of basic services infrastructure which represents 57,1 per cent of the total capital budget of R303,7m. In the outer years this amount totals R107,6m, 54,57 per cent and R79,5m, 51.5 per cent respectively for each of these financial years. Waste water infrastructure has the highest allocation at R77,2m in 2020/21 which equates to 44,5 per cent of the basic services infrastructure allocation, followed by water management at 30,3 per cent, R52,6 million, waste management 12,9 per cent, R22,4m and then electricity at 12,2 per cent, R21,1m. Over the MTREF the capital housing grant expenditure relating to housing infrastructure provision amounts to R132,7 million.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 25 MBRR A9 (Asset Management) on page 41. In addition to the MBRR Table A9, MBRR Tables SA34a, b, c & e provides a detailed breakdown of the capital programme relating to new assets construction as well as operational repairs and maintenance by asset class (refer to page 89). Some of the salient projects to be undertaken during 2020/2021 includes, amongst others:

Top 10 Capital Projects

Project Description	Ward	Amount
HERMANUS NEW WASTE MANAGEMENT FACILITY	Overstrand	17,963,569
VEHICLES COMMUNITY SERVICES	Overstrand	13,429,959
WATER MASTER PLAN IMPLEMENTATION	Overstrand	12,033,060
UPGRADE HERMANUS WELL FIELDS	Ward 04	10,500,000
NEW 4ML RESERVOIR	Ward 01	9,881,744
UPGRADE HAWSTON SPORT COMPLEX	Ward 08	9,440,000
NEW RESERVOIR FOR PRINGLE BAY	Ward 10	8,135,000
KLEINMOND - SEWER NETWORK EXTENSION	Ward 09	8,000,000
ZWELIHLE SEWER	Multi-ward HM Area	7,756,483
CBD REGENERATION PROGRAM	Ward 03	7,100,000

Furthermore, pages 90 to 93 and Annexure E contains a detailed breakdown of the capital budget per project over the medium-term.

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

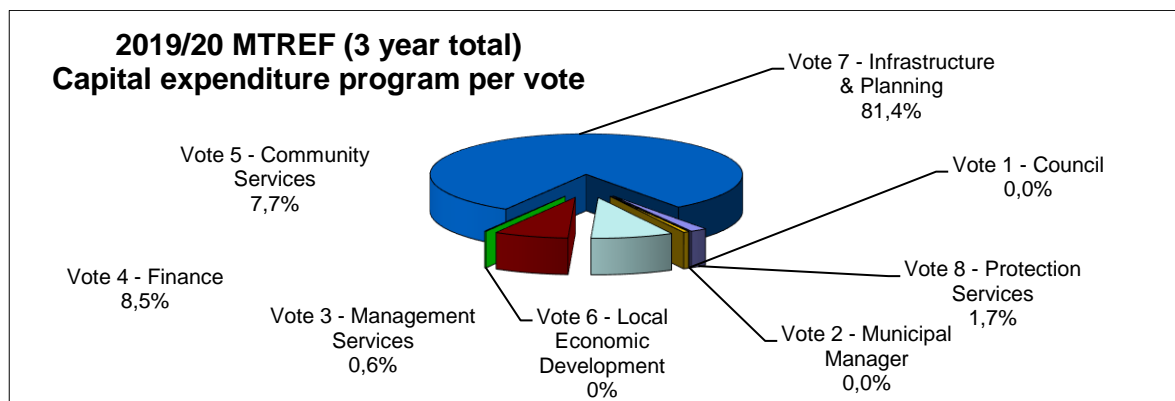


Figure 2 Capital Infrastructure Programme

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

1.6.1 Future operational cost of new infrastructure

An estimate has been included in Table 58 MBRR SA35 on page 93. Furthermore, a long term financial plan implementation policy has been developed to encompass costs over the long term. It needs to be noted that as part of the 2020/21 MTREF, this expenditure has been factored into the two outer years of the operational budget.

1.7 Annual Budget Tables

The following section of the report presents the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality’s 2020/21 final budget and MTREF to be approved and/or noted by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 17 MBRR Table A1 - Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands									
Financial Performance									
Property rates	197,104	215,763	233,274	242,150	242,950	242,950	262,551	275,226	288,402
Service charges	571,114	590,112	648,200	676,330	682,950	682,950	663,209	693,994	768,304
Investment revenue	20,347	30,320	41,767	28,010	35,860	35,860	31,400	32,975	34,615
Transfers recognised - operational	114,411	116,458	118,976	152,183	125,794	125,794	131,840	141,735	154,275
Other own revenue	99,952	124,371	105,849	74,844	191,962	191,962	167,873	177,257	179,722
Total Revenue (excluding capital transfers and contributions)	1,002,928	1,077,023	1,148,067	1,173,517	1,279,516	1,279,516	1,256,873	1,321,188	1,425,319
Employee costs	302,363	296,682	367,858	399,804	399,521	399,521	435,325	456,328	482,727
Remuneration of councillors	9,265	10,138	10,573	11,383	11,383	11,383	11,896	12,436	13,002
Depreciation & asset impairment	132,532	134,846	131,104	131,285	131,285	131,285	141,877	139,714	133,277
Finance charges	45,913	46,129	44,921	51,549	51,549	51,549	51,482	52,210	52,352
Materials and bulk purchases	266,341	266,744	289,705	339,554	323,826	323,826	317,828	334,326	358,391
Transfers and grants	1,898	1,800	486	500	500	500	11,610	11,610	11,610
Other expenditure	236,710	240,817	263,925	315,888	374,942	374,942	371,993	395,575	420,427
Total Expenditure	995,023	997,156	1,108,572	1,249,963	1,293,006	1,293,006	1,342,010	1,402,198	1,471,786
Surplus/(Deficit)	7,906	79,868	39,495	(76,446)	(13,491)	(13,491)	(85,137)	(81,011)	(46,467)
Transfers and subsidies - capital (monetary allocated)	33,681	64,263	66,060	70,194	46,216	46,216	30,619	28,470	31,628
Contributions recognised - capital & contributed assets	-	-	-	-	2,618	2,618	-	14,000	5,900
Surplus/(Deficit) after capital transfers & contributions	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)
Capital expenditure & funds sources									
Capital expenditure	91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378
Transfers recognised - capital	43,214	68,677	93,002	70,194	128,557	128,557	86,516	89,137	75,378
Borrowing	35,550	19,199	36,495	90,501	69,925	69,925	92,949	58,000	59,000
Internally generated funds	13,104	17,379	45,613	100,981	77,251	77,251	124,274	50,026	20,000
Total sources of capital funds	91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378
Financial position									
Total current assets	404,764	625,093	710,826	583,535	703,090	703,090	614,227	539,052	538,905
Total non current assets	3,702,225	3,635,642	3,688,101	3,823,679	3,813,035	3,813,035	3,982,468	4,047,750	4,076,971
Total current liabilities	180,206	221,509	222,765	234,096	212,344	212,344	254,715	262,347	283,811
Total non current liabilities	629,633	613,708	645,090	694,547	694,547	694,547	687,245	708,262	724,813
Community wealth/Equity	3,297,149	3,425,517	3,531,072	3,478,571	3,609,234	3,609,234	3,654,735	3,616,193	3,607,253
Cash flows									
Net cash from (used) operating	168,384	243,897	218,314	165,492	276,701	276,701	198,066	120,253	147,160
Net cash from (used) investing	(86,528)	(28,775)	(180,645)	(269,006)	(283,062)	(283,062)	(304,307)	(197,993)	(155,497)
Net cash from (used) financing	3,178	31	20,552	58,619	58,619	58,619	6,626	974	6,196
Cash/cash equivalents at the year end	259,815	474,967	533,188	444,120	585,446	585,446	485,812	409,045	406,905
Cash backing/surplus reconciliation									
Cash and investments available	297,796	519,562	583,711	502,005	643,312	643,312	551,272	482,339	488,319
Application of cash and investments	21,418	63,220	67,672	49,170	27,718	27,718	151,749	74,711	92,733
Balance - surplus (shortfall)	276,379	456,342	516,039	452,835	615,593	615,593	399,522	407,628	395,586
Asset management									
Asset register summary (WDV)	3,664,217	3,591,027	3,637,568	3,765,790	3,755,146	3,755,146	3,917,008	3,974,456	3,995,557
Depreciation	132,532	134,846	131,104	131,285	131,285	131,285	141,877	139,714	133,277
Renewal and Upgrading of Existing Assets	34,479	29,644	-	6,570	6,558	6,558	25,621	20,050	16,200
Repairs and Maintenance	120,795	160,036	215,024	199,189	203,963	203,963	210,905	223,085	235,335
Free services									
Cost of Free Basic Services provided	5,174	6,813	79,256	84,049	84,049	84,049	86,324	97,721	110,568
Revenue cost of free services provided	50,566	51,711	52,080	54,292	54,292	54,292	58,769	61,711	64,799
Households below minimum service level									
Water:	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 - Budget Summary

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

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

Standard Classification Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Revenue - Functional									
<i>Governance and administration</i>	315,876	334,461	327,076	317,773	334,875	334,875	336,136	351,115	361,816
Executive and council	74,405	21,599	27,347	31,168	30,953	30,953	17,821	18,077	13,470
Finance and administration	227,951	262,045	299,642	286,569	303,887	303,887	318,315	333,039	348,346
Internal audit	13,521	50,817	86	36	36	36	-	-	-
<i>Community and public safety</i>	98,890	109,158	117,527	132,968	186,499	186,499	148,846	155,347	157,184
Community and social services	3,609	4,149	8,471	8,073	8,077	8,077	8,185	8,613	9,215
Sport and recreation	10,591	8,218	29,227	24,825	24,825	24,825	10,262	8,651	9,083
Public safety	44,357	40,605	32,372	47,393	49,601	49,601	39,830	41,151	42,656
Housing	40,333	56,186	47,457	52,676	103,995	103,995	90,568	96,932	96,230
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	24,142	23,251	16,861	14,270	17,946	17,946	10,065	11,386	25,079
Planning and development	13,713	14,259	10,337	10,019	10,019	10,019	9,788	7,537	7,798
Road transport	10,419	8,970	6,229	4,206	7,882	7,882	245	3,816	17,245
Environmental protection	9	22	295	45	45	45	32	33	35
<i>Trading services</i>	597,702	674,417	752,662	778,700	789,029	789,029	792,445	845,809	918,767
Energy sources	342,621	381,333	419,560	438,026	448,910	448,910	436,955	471,967	535,700
Water management	128,180	125,375	145,980	147,953	149,453	149,453	150,392	163,869	161,113
Waste water management	72,399	95,070	110,345	105,084	103,908	103,908	114,335	114,085	119,865
Waste management	54,503	72,639	76,777	87,637	86,757	86,757	90,764	95,887	102,089
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	1,036,610	1,141,287	1,214,127	1,243,711	1,328,349	1,328,349	1,287,492	1,363,658	1,462,847
Expenditure - Functional									
<i>Governance and administration</i>	177,829	186,762	222,170	247,061	248,145	248,145	270,009	280,789	294,383
Executive and council	56,510	24,780	56,567	59,731	59,799	59,799	62,707	65,381	68,808
Finance and administration	47,972	71,864	162,935	184,233	185,249	185,249	203,733	211,664	221,611
Internal audit	73,347	90,118	2,668	3,097	3,097	3,097	3,569	3,744	3,963
<i>Community and public safety</i>	127,660	138,037	159,878	197,962	231,788	231,788	251,675	260,907	279,870
Community and social services	31,538	33,856	16,972	17,929	17,563	17,563	23,502	24,133	25,304
Sport and recreation	15,886	18,307	43,905	51,814	52,573	52,573	56,586	58,955	62,240
Public safety	72,088	73,286	80,702	94,795	98,604	98,604	119,176	119,409	125,416
Housing	8,148	12,589	18,299	33,424	63,048	63,048	52,410	58,409	66,911
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	173,813	182,017	146,841	162,841	163,988	163,988	176,095	182,774	189,619
Planning and development	78,356	85,115	36,688	44,429	43,435	43,435	51,179	52,283	54,204
Road transport	90,054	91,197	103,331	106,751	108,727	108,727	108,617	112,050	115,957
Environmental protection	5,402	5,705	6,821	11,661	11,826	11,826	16,298	18,441	19,459
<i>Trading services</i>	515,721	490,339	576,651	639,154	645,951	645,951	640,514	673,734	703,815
Energy sources	313,992	295,386	313,606	363,841	369,941	369,941	354,355	377,408	401,594
Water management	65,931	66,052	107,916	116,983	116,866	116,866	124,167	127,865	127,219
Waste water management	63,101	64,937	84,120	85,886	86,251	86,251	88,633	92,020	94,636
Waste management	72,697	63,964	71,009	72,444	72,893	72,893	73,358	76,441	80,366
<i>Other</i>	-	-	3,031	2,945	3,135	3,135	3,719	3,995	4,098
Total Expenditure - Functional	995,023	997,156	1,108,572	1,249,963	1,293,006	1,293,006	1,342,010	1,402,198	1,471,786
Surplus/(Deficit) for the year	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)

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

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

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

Vote Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote									
Vote 1 - Council	73,145	21,399	27,246	31,083	30,843	30,843	17,732	17,986	13,377
Vote 2 - Municipal Manager	12	64	86	36	36	36	-	-	-
Vote 3 - Management Services	2,031	821	1,070	844	844	844	1,416	1,416	1,416
Vote 4 - Finance	231,209	262,709	292,912	284,914	295,084	295,084	309,162	323,853	339,126
Vote 5 - Community Services	393,923	489,799	496,225	497,130	567,833	567,833	539,510	581,120	644,396
Vote 6 - Economic and Social Development & Tourism	42,387	40,605	32,267	47,393	49,601	49,601	39,830	41,151	42,656
Vote 7 - Infrastructure & Planning	3,556	2,788	2,030	2,635	2,986	2,986	4,663	2,168	2,324
Vote 8 - Protection Services	290,348	323,102	362,289	379,676	381,122	381,122	375,179	395,964	419,552
Total Revenue by Vote	1,036,610	1,141,287	1,214,127	1,243,711	1,328,349	1,328,349	1,287,492	1,363,658	1,462,847
Expenditure by Vote to be appropriated									
Vote 1 - Council	42,588	4,303	38,174	36,077	35,876	35,876	35,802	37,038	38,812
Vote 2 - Municipal Manager	3,922	4,542	5,050	5,797	6,297	6,297	7,587	8,013	8,450
Vote 3 - Management Services	40,697	43,809	46,736	56,900	55,967	55,967	57,115	59,903	62,533
Vote 4 - Finance	64,984	71,890	74,716	75,077	75,067	75,067	91,935	95,780	100,249
Vote 5 - Community Services	432,211	414,432	449,522	527,994	565,180	565,180	551,359	590,425	631,326
Vote 6 - Local Economic Development	72,087	73,272	81,089	95,150	98,890	98,890	118,272	118,386	124,302
Vote 7 - Infrastructure & Planning	10,220	10,558	10,303	13,291	14,310	14,310	19,065	18,726	20,154
Vote 8 - Protection Services	328,315	374,350	402,983	439,679	441,420	441,420	460,876	473,928	485,959
Total Expenditure by Vote	995,023	997,156	1,108,572	1,249,963	1,293,006	1,293,006	1,342,010	1,402,198	1,471,786
Surplus/(Deficit) for the year	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)

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

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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Revenue By Source									
Property rates	197,104	215,763	233,274	242,150	242,950	242,950	262,551	275,226	288,402
Service charges - electricity revenue	334,765	349,298	378,668	398,868	403,868	403,868	386,294	403,262	463,064
Service charges - water revenue	115,070	110,932	129,971	127,320	128,820	128,820	128,520	134,919	141,638
Service charges - sanitation revenue	66,890	72,106	77,772	80,020	81,020	81,020	78,913	82,858	87,000
Service charges - refuse revenue	54,389	57,775	61,788	70,122	69,242	69,242	69,482	72,955	76,602
Rental of facilities and equipment	11,613	5,616	6,341	3,562	3,562	3,562	3,627	3,803	3,990
Interest earned - external investments	20,347	30,320	41,767	28,010	35,860	35,860	31,400	32,975	34,615
Interest earned - outstanding debtors	2,671	3,854	4,193	4,151	4,451	4,451	4,673	4,906	5,145
Dividends received				-	-	-	-	-	-
Fines, penalties and forfeits	38,715	31,638	24,734	32,552	32,552	32,552	29,564	31,039	32,587
Licences and permits	2,525	2,527	2,526	2,462	2,462	2,462	2,385	2,498	2,618
Agency services	3,480	4,149	4,913	4,700	5,200	5,200	4,938	5,184	5,442
Transfers and subsidies	114,411	116,458	118,976	152,183	125,794	125,794	131,840	141,735	154,275
Other revenue	34,706	48,492	63,142	27,416	143,735	143,735	115,686	122,827	122,940
Gains on disposal of PPE	6,242	28,096		-	-	-	7,000	7,000	7,000
Total Revenue (excluding capital transfers and contributions)	1,002,928	1,077,023	1,148,067	1,173,517	1,279,516	1,279,516	1,256,873	1,321,188	1,425,319
Expenditure By Type									
Employee related costs	302,363	296,682	367,858	399,804	399,521	399,521	435,325	456,328	482,727
Remuneration of councillors	9,265	10,138	10,573	11,383	11,383	11,383	11,896	12,436	13,002
Debt impairment	22,221	18,013	17,949	24,902	24,902	24,902	26,263	27,577	28,955
Depreciation & asset impairment	132,532	134,846	131,104	131,285	131,285	131,285	141,877	139,714	133,277
Finance charges	45,913	46,129	44,921	51,549	51,549	51,549	51,482	52,210	52,352
Bulk purchases	217,523	225,844	242,614	275,880	280,880	280,880	270,260	290,978	313,126
Other materials	48,818	40,900	47,091	63,675	42,946	42,946	47,567	43,347	45,265
Contracted services	155,726	167,079	186,758	207,536	214,349	214,349	222,414	235,538	247,162
Transfers and subsidies	1,898	1,800	486	500	500	500	11,610	11,610	11,610
Other expenditure	50,631	55,726	58,609	83,450	103,992	103,992	123,315	132,461	144,310
Loss on disposal of PPE	8,133		610		31,700	31,700	-	-	-
Total Expenditure	995,023	997,156	1,108,572	1,249,963	1,293,006	1,293,006	1,342,010	1,402,198	1,471,786
Surplus/(Deficit)	7,906	79,868	39,495	(76,446)	(13,491)	(13,491)	(85,137)	(81,011)	(46,467)
Transfers and subsidies - capital (monetary all	33,681	64,263	66,060	70,194	46,216	46,216	30,619	28,470	31,628
Transfers and subsidies - capital (monetary all	-	-	-	-	-	-	-	14,000	5,900
Transfers and subsidies - capital (in-kind - all)					2,618	2,618	-	-	-
Surplus/(Deficit) after capital transfers & contributions	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)
Taxation				-	-	-	-	-	-
Surplus/(Deficit) after taxation	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)
Attributable to minorities				-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)
Share of surplus/ (deficit) of associate				-	-	-	-	-	-
Surplus/(Deficit) for the year	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)

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

1. Total operating revenue is R1,293 billion in 2019/2020 and indicates an increase to R1,257 billion in 2020/21.
2. Revenue to be generated from property rates is R243 million in the 2019/2020 financial year and increases to R262,6 million by 2020/21 which represents 20,89 per cent of the operating revenue base of the Municipality and therefore remains a significant funding source for the municipality.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R682,9 million for the 2019/2020 financial year and indicates an increase to R663,2 million by 2020/21. For the 2020/21 financial year services charges amount to 52,8 per cent of the operating revenue base.
4. Transfers recognised – operating grants includes the local government equitable share and other operating grants from national and provincial government.
5. The following graph illustrates the major expenditure items per type.

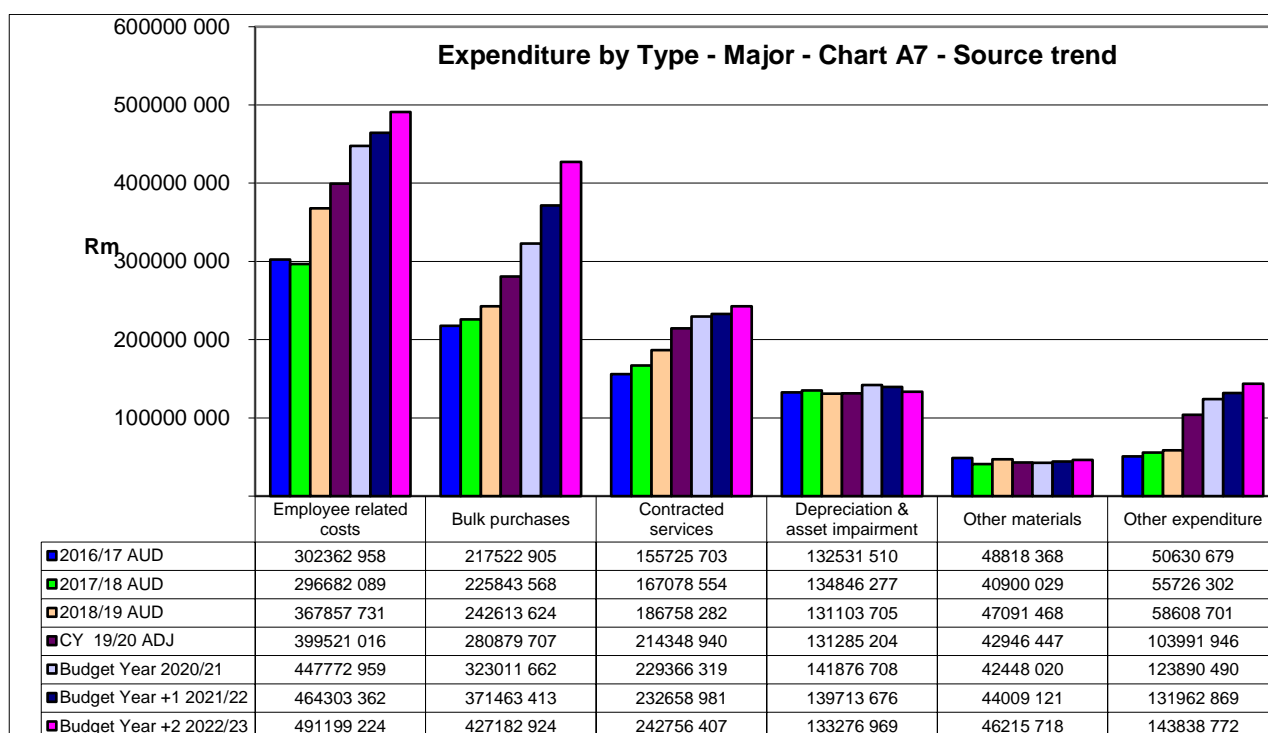


Figure 3 Expenditure by major type

6. Bulk purchases have significantly increased over the 2016/17 to 2022/23 period escalating from R217,5 million to R313,1 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom over the past years. The change in the trend for contracted services also relates to the reclassification of expenditure resulting from mSCOA implementation.
7. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

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

Vote Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	30,000	20,000
Vote 5 - Infrastructure & Planning	30,496	-	63,169	40,128	92,716	92,716	108,693	133,601	104,550
Vote 6 - Protection Services	-	-	4,809	5,588	-	-	-	-	-
Vote 7 - Economic and Social Development & Tourism	-	-	-	-	-	-	-	-	-
Vote 8 - Community Services	53,713	-	66,541	54,583	42,897	42,897	-	-	-
Capital multi-year expenditure sub-total	84,209	-	134,520	100,298	135,613	135,613	108,693	163,601	124,550
Single-year expenditure to be appropriated									
Vote 1 - Council & Mayor's Office	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager & Internal Audit	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	72	6,346	295	3,975	3,975	3,975	3,015	-	-
Vote 4 - Finance	885	-	-	30	30	30	60	-	-
Vote 5 - Infrastructure & Planning	1,540	16,315	28,195	45,186	43,870	43,870	117,721	26,636	29,828
Vote 6 - Protection Services	996	2,517	-	6,680	15,659	15,659	13,981	1,352	-
Vote 7 - Economic and Social Development & Tourism	-	-	-	7,906	2,973	2,973	842	-	-
Vote 8 - Community Services	4,167	80,077	12,100	97,601	73,611	73,611	59,426	5,574	-
Capital single-year expenditure sub-total	7,659	105,255	40,590	161,378	140,119	140,119	195,045	33,561	29,828
Total Capital Expenditure - Vote	91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378
Capital Expenditure - Functional									
Governance and administration	957	6,342	8,659	4,105	4,105	4,105	3,075	30,000	20,000
Executive and council	72	-	295	10	10	10	5	-	-
Finance and administration	885	6,342	8,364	4,095	4,095	4,095	3,070	30,000	20,000
Internal audit	-	-	-	-	-	-	-	-	-
Community and public safety	14,135	44,222	68,172	64,760	127,111	127,111	93,694	52,392	37,850
Community and social services	644	2,126	5,164	3,280	2,960	2,960	18,638	4,374	-
Sport and recreation	1,837	5,427	23,923	18,770	19,055	19,055	12,731	-	-
Public safety	996	2,490	4,809	16,271	20,723	20,723	14,181	1,352	-
Housing	10,658	34,180	34,276	26,439	84,373	84,373	48,144	46,667	37,850
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	13,279	12,071	13,407	30,410	21,757	21,757	33,589	7,171	17,000
Planning and development	1,540	45	1,346	8,899	3,896	3,896	13,594	3,600	-
Road transport	11,739	12,026	12,061	21,510	17,860	17,860	19,995	3,571	17,000
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	63,498	42,619	84,872	162,402	122,760	122,760	173,381	107,599	79,528
Energy sources	30,496	16,268	28,893	34,124	29,226	29,226	21,119	46,500	31,000
Water management	15,772	3,257	12,270	48,504	39,982	39,982	52,606	35,516	22,000
Waste water management	17,217	21,523	42,210	62,843	43,241	43,241	77,217	24,384	26,528
Waste management	12	1,572	1,499	16,931	10,311	10,311	22,439	1,200	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378
Funded by:									
National Government	25,530	21,786	30,445	39,010	39,010	39,010	37,369	28,470	31,628
Provincial Government	7,681	42,477	35,615	31,184	88,287	88,287	2,840	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocation)	10,002	4,414	26,942	-	1,259	1,259	46,306	60,667	43,750
Transfers recognised - capital	43,214	68,677	93,002	70,194	128,557	128,557	86,516	89,137	75,378
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	35,550	19,199	36,495	90,501	69,925	69,925	92,949	58,000	59,000
Internally generated funds	13,104	17,379	45,613	100,981	77,251	77,251	124,274	50,026	20,000
Total Capital Funding	91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378

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

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by functional classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. The capital expenditure amounts to R303,7 million in 2020/21.
3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality.
4. The capital programme is funded from national and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from previous year surpluses. For 2020/21, capital transfers total R86,5 million. Borrowing has been provided at R92,9 million, finance leases (nil) and internally generated funding totaling R124,3 million. These funding sources are further discussed in detail in paragraph 2.6 (Overview of Budget Funding).
5. Rolled over borrowing amounts to R39,6m.

Table 22 MBRR Table A6 - Budgeted Financial Position

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
ASSETS									
Current assets									
Cash	89,087	94,453	123,988	124,120	265,426	265,426	85,812	9,045	6,905
Call investment deposits	170,728	380,514	409,200	320,000	320,000	320,000	400,000	400,000	400,000
Consumer debtors	62,129	64,957	73,481	73,134	73,134	73,134	83,889	85,483	87,477
Other debtors	47,370	52,806	65,059	35,523	35,523	35,523	34,983	34,411	33,804
Current portion of long-term receivables	12	10	11	7	7	7	3	1	-
Inventory	35,438	32,352	39,086	30,752	9,000	9,000	9,540	10,113	10,719
Total current assets	404,764	625,093	710,826	583,535	703,090	703,090	614,227	539,052	538,905
Non current assets									
Long-term receivables	27	20	9	4	4	4	1	-	-
Investments	37,982	44,595	50,524	57,885	57,885	57,885	65,460	73,294	81,414
Investment property	155,269	113,951	119,698	114,846	121,846	121,846	121,846	121,846	121,846
Investment in Associate	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3,502,661	3,470,377	3,509,274	3,645,621	3,627,977	3,627,977	3,790,408	3,848,288	3,869,686
Biological Intangible	6,287	6,699	8,597	5,323	5,323	5,323	4,753	4,322	4,025
Total non current assets	3,702,225	3,635,642	3,688,101	3,823,679	3,813,035	3,813,035	3,982,468	4,047,750	4,076,971
TOTAL ASSETS	4,106,989	4,260,735	4,398,927	4,407,214	4,516,125	4,516,125	4,596,695	4,586,802	4,615,876
LIABILITIES									
Current liabilities									
Bank overdraft	-	-	-	-	-	-	-	-	-
Borrowing	29,580	33,448	39,725	42,244	42,244	42,244	52,751	47,751	53,190
Consumer deposits	37,039	38,462	40,020	63,074	63,074	63,074	62,074	65,799	69,747
Trade and other payables	85,793	119,809	110,010	95,207	73,455	73,455	104,604	111,692	121,894
Provisions	27,795	29,790	33,010	33,570	33,570	33,570	35,286	37,105	38,980
Total current liabilities	180,206	221,509	222,765	234,096	212,344	212,344	254,715	262,347	283,811
Non current liabilities									
Borrowing	412,495	408,658	422,933	455,453	455,453	455,453	430,260	432,508	429,318
Provisions	217,138	205,051	222,157	239,095	239,095	239,095	256,985	275,754	295,494
Total non current liabilities	629,633	613,708	645,090	694,547	694,547	694,547	687,245	708,262	724,813
TOTAL LIABILITIES	809,839	835,218	867,854	928,643	906,891	906,891	941,960	970,609	1,008,623
NET ASSETS	3,297,149	3,425,517	3,531,072	3,478,571	3,609,234	3,609,234	3,654,735	3,616,193	3,607,253
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	3,293,898	3,422,258	3,527,808	3,475,231	3,605,894	3,605,894	3,651,390	3,612,843	3,603,898
Reserves	3,251	3,259	3,264	3,340	3,340	3,340	3,345	3,350	3,355
TOTAL COMMUNITY WEALTH/EQUITY	3,297,149	3,425,517	3,531,072	3,478,571	3,609,234	3,609,234	3,654,735	3,616,193	3,607,253

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is largely aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 64 is supported by an extensive table of notes (SA3 which can be found on page 104) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 23 MBRR Table A7 - Budgeted Cash Flow Statement

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	195,733	213,851	231,322	241,063	241,862	241,862	259,513	274,775	287,860
Service charges	561,634	590,742	643,620	673,293	679,913	679,913	655,534	692,857	766,859
Other revenue	73,850	75,406	82,274	66,179	178,616	178,616	131,331	153,281	146,109
Transfers and Subsidies - Operational	119,507	131,819	118,820	152,183	125,794	125,794	131,840	141,735	154,275
Transfers and Subsidies - Capital	33,681	64,248	57,030	70,194	46,216	46,216	30,619	28,470	31,628
Interest	23,018	34,175	45,960	32,161	40,311	40,311	36,073	37,881	39,760
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(791,231)	(818,415)	(915,305)	(1,017,533)	(983,962)	(983,962)	(983,752)	(1,144,928)	(1,215,369)
Finance charges	(45,910)	(46,129)	(44,921)	(51,549)	(51,549)	(51,549)	(51,482)	(52,210)	(52,352)
Transfers and Grants	(1,898)	(1,800)	(486)	(500)	(500)	(500)	(11,610)	(11,610)	(11,610)
NET CASH FROM/(USED) OPERATING ACTIVITIES	168,384	243,897	218,314	165,492	276,701	276,701	198,066	120,253	147,160
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	2,943	81,451	(566)	-	-	-	7,000	7,000	7,000
Decrease (increase) in non-current receivables	15	8	10	10	10	10	7	3	1
Decrease (increase) in non-current investments	(4,980)	(4,980)	(4,980)	(7,339)	(7,339)	(7,339)	(7,575)	(7,834)	(8,120)
Payments									
Capital assets	(84,505)	(105,255)	(175,110)	(261,677)	(275,733)	(275,733)	(303,738)	(197,162)	(154,378)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(86,528)	(28,775)	(180,645)	(269,006)	(283,062)	(283,062)	(304,307)	(197,993)	(155,497)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							-	-	-
Borrowing long term/refinancing	30,000	30,000	54,000	74,300	74,300	74,300	54,000	50,000	50,000
Increase (decrease) in consumer deposits	-	-	-	23,028	23,028	23,028	(1,000)	3,724	3,948
Payments									
Repayment of borrowing	(26,822)	(29,969)	(33,448)	(38,709)	(38,709)	(38,709)	(46,374)	(52,751)	(47,751)
NET CASH FROM/(USED) FINANCING ACTIVITIES	3,178	31	20,552	58,619	58,619	58,619	6,626	974	6,196
NET INCREASE/ (DECREASE) IN CASH HELD	85,034	215,153	58,220	(44,895)	52,259	52,259	(99,615)	(76,767)	(2,140)
Cash/cash equivalents at the year begin:	174,780	259,815	474,967	489,014	533,188	533,188	585,426	485,812	409,045
Cash/cash equivalents at the year end:	259,815	474,967	533,188	444,120	585,446	585,446	485,812	409,045	406,905

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the expected cash levels of the Municipality indicates a decrease over the 2020/21 to 2022/23 period.
4. The 2020/21 MTREF has been informed by the planning principle of ensuring adequate cash over the medium-term.
5. Cash and cash equivalents totals R485,8 million as at the end of the 2020/21 financial year and is estimated to decrease to R406,9 million by 2022/23.

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	259,815	474,967	533,188	444,120	585,446	585,446	485,812	409,045	406,905
Other current investments > 90 days	-	(0)	-	(0)	(20)	(20)	(0)	(0)	0
Non current assets - Investments	37,982	44,595	50,524	57,885	57,885	57,885	65,460	73,294	81,414
Cash and investments available:	297,796	519,562	583,711	502,005	643,312	643,312	551,272	482,339	488,319
Application of cash and investments									
Unspent conditional transfers	6,474	21,776	12,590	5,636	5,636	5,636	-	-	-
Unspent borrowing	15	10,450	38,199	-	-	-	88,700	-	-
Statutory requirements	-	-	-	-	-	-	-	-	-
Other working capital requirements	(26,304)	(16,860)	(36,904)	(17,691)	(39,143)	(39,143)	(9,865)	(6,248)	3,434
Other provisions							4,109	4,315	4,530
Long term investments committed	37,982	44,595	50,524	57,885	57,885	57,885	65,460	73,294	81,414
Reserves to be backed by cash/investments	3,251	3,259	3,264	3,340	3,340	3,340	3,345	3,350	3,355
Total Application of cash and investments:	21,418	63,220	67,672	49,170	27,718	27,718	151,749	74,711	92,733
Surplus(shortfall)	276,379	456,342	516,039	452,835	615,593	615,593	399,522	407,628	395,586

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. As part of the budgeting and planning guidelines that informs the compilation of the 2020/21 MTREF the end objective of the medium-term framework is to ensure the budget is funded and aligned to section 18 of the MFMA.
5. As can be seen the budget has been modelled to ensure that the budget is funded.

Table 25 MBRR Table A9 - Asset Management

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CAPITAL EXPENDITURE									
Total New Assets	57,389	75,610	175,110	214,907	234,242	234,242	215,433	153,858	108,850
<i>Roads Infrastructure</i>	2,260	10,003	12,061	19,683	16,033	16,033	19,795	3,571	17,000
<i>Storm water Infrastructure</i>	-	255	7,247	23,841	18,641	18,641	16,384	7,864	-
<i>Electrical Infrastructure</i>	30,496	15,449	28,893	23,801	18,999	18,999	12,768	45,500	24,000
<i>Water Supply Infrastructure</i>	5,276	627	12,270	42,344	35,423	35,423	29,547	5,732	6,000
<i>Sanitation Infrastructure</i>	5,718	-	34,963	24,093	11,949	11,949	20,576	4,000	4,000
<i>Solid Waste Infrastructure</i>	8,930	105	1,499	10,000	4,500	4,500	18,479	1,200	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	52,681	26,438	96,933	143,762	105,545	105,545	117,549	67,866	51,000
Community Facilities	2,212	3,229	30,804	12,420	7,959	7,959	12,743	9,026	-
Sport and Recreation Facilities	-	5,427	-	380	50	50	50	-	-
Community Assets	2,212	8,656	30,804	12,800	8,009	8,009	12,793	9,026	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	2,497	4,372	3,092	9,034	10,029	10,029	4,825	300	-
Housing	-	34,180	34,276	26,439	84,373	84,373	48,144	46,667	37,850
Other Assets	2,497	38,552	37,368	35,472	94,402	94,402	52,970	46,967	37,850
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	1,593	1,346	4,200	4,220	4,220	7,896	-	-
Furniture and Office Equipment	-	205	295	280	280	280	1,025	-	-
Machinery and Equipment	-	166	1,428	900	1,400	1,400	760	-	-
Transport Assets	-	-	6,936	17,493	20,385	20,385	22,440	30,000	20,000
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	34,479	29,644	-	6,570	6,558	6,558	25,621	20,050	16,200
<i>Roads Infrastructure</i>	11,809	2,020	-	10	10	10	-	-	-
<i>Storm water Infrastructure</i>	-	10,677	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>	-	819	-	-	-	-	1,000	1,000	-
<i>Water Supply Infrastructure</i>	10,496	2,629	-	2,560	2,548	2,548	20,560	18,400	15,500
<i>Sanitation Infrastructure</i>	9,169	10,591	-	4,000	4,000	4,000	4,061	650	700
<i>Solid Waste Infrastructure</i>	1,740	1,634	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	33,214	28,370	-	6,570	6,558	6,558	25,621	20,050	16,200
Community Facilities	1,265	1,217	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Community Assets	1,265	1,217	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	57	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Total Upgrading of Existing Assets	-	-	-	40,200	34,933	34,933	62,684	23,254	29,328
<i>Roads Infrastructure</i>	-	-	-	-	-	-	200	-	-
<i>Storm water Infrastructure</i>	-	-	-	3,160	3,160	3,160	13,057	-	-
<i>Electrical Infrastructure</i>	-	-	-	9,750	9,750	9,750	7,350	-	7,000
<i>Water Supply Infrastructure</i>	-	-	-	3,600	2,011	2,011	2,500	11,384	500
<i>Sanitation Infrastructure</i>	-	-	-	5,662	984	984	23,138	11,870	21,828
<i>Solid Waste Infrastructure</i>	-	-	-	1,000	1,000	1,000	3,960	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	23,172	16,905	16,905	50,206	23,254	29,328
Community Facilities	-	-	-	-	-	-	976	-	-
Sport and Recreation Facilities	-	-	-	16,928	17,928	17,928	11,503	-	-
Community Assets	-	-	-	16,928	17,928	17,928	12,479	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	100	100	100	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	100	100	100	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378
<i>Roads Infrastructure</i>	14,069	12,023	12,061	19,693	16,043	16,043	19,995	3,571	17,000
<i>Storm water Infrastructure</i>	-	10,932	7,247	27,001	21,801	21,801	29,441	7,864	-
<i>Electrical Infrastructure</i>	30,496	16,268	28,893	33,551	28,749	28,749	21,119	46,500	31,000
<i>Water Supply Infrastructure</i>	15,772	3,257	12,270	48,504	39,982	39,982	52,606	35,516	22,000
<i>Sanitation Infrastructure</i>	14,887	10,591	34,963	33,755	16,933	16,933	47,776	16,520	26,528
<i>Solid Waste Infrastructure</i>	10,670	1,739	1,499	11,000	5,500	5,500	22,439	1,200	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	85,895	54,809	96,933	173,504	129,009	129,009	193,376	111,170	96,528
Community Facilities	3,477	4,446	30,804	12,420	7,959	7,959	13,719	9,026	-
Sport and Recreation Facilities	-	5,427	-	17,308	17,978	17,978	11,553	-	-
Community Assets	3,477	9,873	30,804	29,728	25,937	25,937	25,272	9,026	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	2,497	4,372	3,092	9,134	10,129	10,129	4,825	300	-
Housing	-	34,180	34,276	26,439	84,373	84,373	48,144	46,667	37,850
Other Assets	2,497	38,552	37,368	35,572	94,502	94,502	52,970	46,967	37,850
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	1,593	1,346	4,200	4,220	4,220	7,896	-	-
Furniture and Office Equipment	-	205	295	280	280	280	1,025	-	-
Machinery and Equipment	-	223	1,428	900	1,400	1,400	760	-	-
Transport Assets	-	-	6,936	17,493	20,385	20,385	22,440	30,000	20,000
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSET REGISTER SUMMARY - PPE (WDV)	3,664,217	3,591,027	3,637,568	3,765,790	3,755,146	3,755,146	3,917,008	3,974,456	3,995,557
<i>Roads Infrastructure</i>	1,042,924	1,054,313	1,068,859	1,019,303	1,015,653	1,015,653	1,002,295	972,682	956,632
<i>Storm water Infrastructure</i>	196,761	201,871	200,999	231,052	225,852	225,852	248,394	249,361	242,467
<i>Electrical Infrastructure</i>	534,751	522,972	525,175	525,147	520,345	520,345	514,928	534,892	539,362
<i>Water Supply Infrastructure</i>	505,838	481,367	465,975	496,853	488,331	488,331	512,347	520,841	520,881
<i>Sanitation Infrastructure</i>	376,119	367,433	381,878	400,735	385,133	385,133	413,216	410,433	418,878
<i>Solid Waste Infrastructure</i>	35,559	30,303	26,500	34,270	28,770	28,770	48,639	47,444	45,151
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	-	-	-	-	-	-
Infrastructure	2,691,953	2,658,258	2,669,386	2,707,359	2,664,084	2,664,084	2,739,819	2,735,653	2,723,371
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Community Assets	-	183,622	204,522	-	-	-	-	-	-
Heritage Assets	124,182	124,182	124,182	124,182	124,182	124,182	124,182	124,182	124,182
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	155,269	113,951	119,698	114,846	121,846	121,846	121,846	121,846	121,846
Operational Buildings	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Other Assets	627,851	442,613	437,294	719,198	741,417	741,417	803,760	843,792	865,595
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Intangible Assets	6,287	6,699	8,597	5,323	5,323	5,323	4,753	4,322	4,025
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	10,659	8,673	8,949	14,190	14,210	14,210	21,360	19,760	18,391
Machinery and Equipment	3,763	3,542	3,924	4,671	5,171	5,171	5,268	4,693	4,236
Transport Assets	44,254	49,487	61,016	76,020	78,912	78,912	96,019	120,208	133,910
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	3,664,217	3,591,027	3,637,568	3,765,790	3,755,146	3,755,146	3,917,008	3,974,456	3,995,557
EXPENDITURE OTHER ITEMS									
Depreciation	132,532	134,846	131,104	131,285	131,285	131,285	141,877	139,714	133,277
Repairs and Maintenance by Asset Class	120,795	160,036	215,024	199,189	203,963	203,963	210,905	223,085	235,335
<i>Roads Infrastructure</i>	55,545	53,229	61,860	65,331	66,157	66,157	67,578	71,378	75,348
<i>Storm water Infrastructure</i>	6,392	6,017	5,765	6,600	6,375	6,375	6,159	6,363	6,721
<i>Electrical Infrastructure</i>	17,747	17,645	23,082	37,099	37,630	37,630	31,243	32,852	34,749
<i>Water Supply Infrastructure</i>	16,489	15,014	17,367	16,935	17,568	17,568	19,710	20,801	21,956
<i>Sanitation Infrastructure</i>	11,672	13,051	14,967	11,541	11,007	11,007	13,262	13,878	14,535
<i>Solid Waste Infrastructure</i>	2,546	12,946	22,918	2,220	2,269	2,269	3,691	4,926	5,164
<i>Rail Infrastructure</i>	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	189	147	147	216	225	234
<i>Information and Communication Infrastructure</i>	-	-	-	40	40	40	42	44	46
Infrastructure	110,392	117,901	145,959	139,955	141,193	141,193	141,901	150,468	158,753
Community Facilities	4,867	12,289	27,117	34,241	33,129	33,129	37,242	39,286	41,591
Sport and Recreation Facilities	-	-	12,685	5,957	6,164	6,164	7,516	7,878	8,276
Community Assets	4,867	12,289	39,801	40,198	39,293	39,293	44,758	47,164	49,867
Heritage Assets	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	8,009	2,217	3,281	3,281	3,373	3,510	3,652
Housing	-	-	-	-	-	-	37	39	41
Other Assets	-	-	8,009	2,217	3,281	3,281	3,410	3,549	3,693
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	5,653	6,353	6,353	5,925	6,235	6,560
Intangible Assets	-	-	-	5,653	6,353	6,353	5,925	6,235	6,560
Computer Equipment	5,536	5,207	4,890	1,193	1,068	1,068	2,186	2,301	2,415
Furniture and Office Equipment	-	17,919	16,364	431	440	440	2,811	2,862	2,914
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	6,719	-	9,542	12,335	12,335	9,914	10,506	11,133
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	253,327	294,882	346,128	330,474	335,249	335,249	352,782	362,798	368,612
Renewal and upgrading of Existing Assets as %	37.5%	28.2%	0.0%	17.9%	15.0%	15.0%	29.1%	22.0%	29.5%
Renewal and upgrading of Existing Assets as %	26.0%	22.0%	0.0%	35.6%	31.6%	31.6%	62.2%	31.0%	34.2%
R&M as a % of PPE	3.4%	4.6%	6.1%	5.5%	5.6%	5.6%	5.6%	5.8%	6.1%
Renewal and upgrading and R&M as a % of PPE	4.0%	5.0%	6.0%	7.0%	7.0%	7.0%	8.0%	7.0%	7.0%

Explanatory notes to Table A9 - Asset Management

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

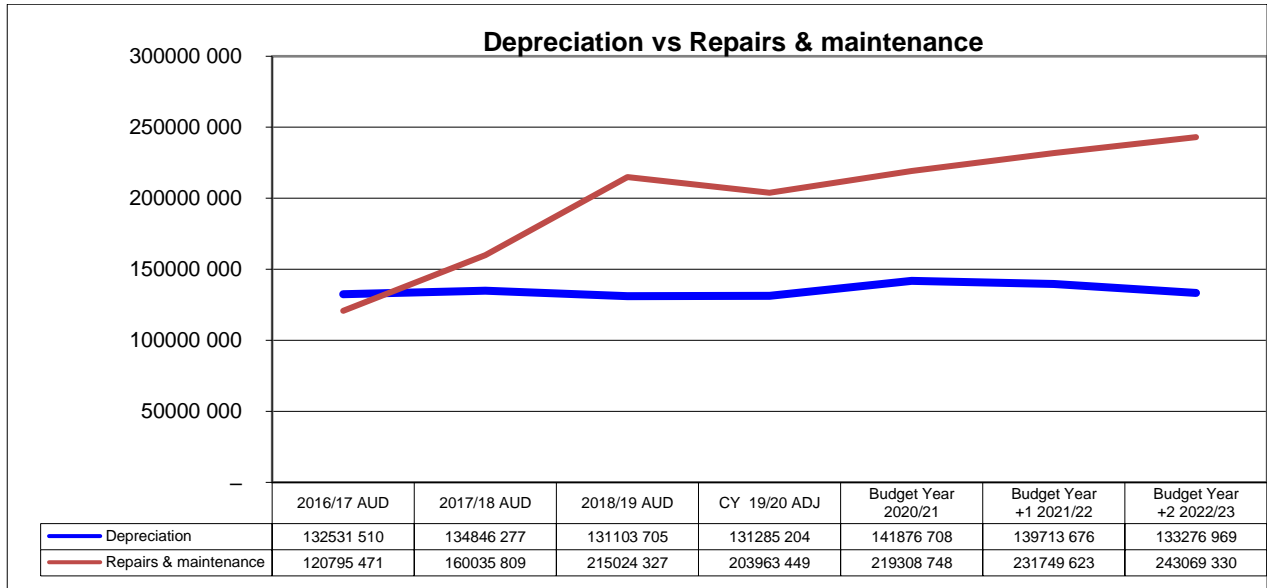


Figure 4 Depreciation in relation to repairs and maintenance over the MTREF

Table 26 MBRR Table A10 - Basic Service Delivery Measurement

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets									
Water:									
Piped water inside dwelling	34,449	29,174	29,800	29,800	29,800	29,800	30,694	31,615	32,563
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	3,067	3,052	3,620	3,620	3,620	3,620	4,650	4,900	5,000
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	37,516	32,226	33,420	33,420	33,420	33,420	35,344	36,515	37,563
Using public tap (< min.service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	37,516	32,226	33,420	33,420	33,420	33,420	35,344	36,515	37,563
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	28,841	29,165	29,631	29,631	29,631	29,631	30,520	31,436	32,379
Flush toilet (with septic tank)	-	-	-	-	-	-	-	-	-
Chemical toilet	-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	28,841	29,165	29,631	29,631	29,631	29,631	30,520	31,436	32,379
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	28,841	29,165	29,631	29,631	29,631	29,631	30,520	31,436	32,379
Energy:									
Electricity (at least min.service level)	6,356	6,112	5,831	5,587	5,587	5,587	5,343	5,099	4,855
Electricity - prepaid (min.service level)	18,530	18,814	19,464	20,243	20,243	20,243	21,022	21,801	22,580
<i>Minimum Service Level and Above sub-total</i>	24,886	24,926	25,295	25,830	25,830	25,830	26,365	26,900	27,435
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	24,886	24,926	25,295	25,830	25,830	25,830	26,365	26,900	27,435
Refuse:									
Removed at least once a week	32,029	32,695	33,105	33,105	33,105	33,105	34,098	35,121	36,175
<i>Minimum Service Level and Above sub-total</i>	32,029	32,695	33,105	33,105	33,105	33,105	34,098	35,121	36,175
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
Total number of households	32,029	32,695	33,105	33,105	33,105	33,105	34,098	35,121	36,175
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	7,418	7,385	7,630	7,700	7,700	7,700	7,750	8,000	8,240
Sanitation (free minimum level service)	7,418	7,385	7,630	7,700	7,700	7,700	7,750	8,000	8,240
Electricity/other energy (50kwh per household per month)	7,418	7,385	7,630	7,700	7,700	7,700	7,750	8,000	8,240
Refuse (removed at least once a week)	7,418	7,385	7,630	7,700	7,700	7,700	7,750	8,000	8,240
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	1,726	2,132	14,612	14,234	14,234	14,234	14,225	15,517	16,892
Sanitation (free sanitation service to indigent households)	-	-	15,697	17,938	17,938	17,938	17,967	19,640	21,422
Electricity/other energy (50kwh per indigent household per month)	3,448	4,681	33,723	33,656	33,656	33,656	35,865	42,575	50,430
Refuse (removed once a week for indigent households)	-	-	15,223	18,220	18,220	18,220	18,268	19,989	21,824
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	-	-	-	-	-	-	-	-	-
Total cost of FBS provided	5,174	6,813	79,256	84,049	84,049	84,049	86,324	97,721	110,568
Highest level of free service provided per household									
Property rates (R value threshold)	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	4	4	4	4	4	4	4	4	4
Sanitation (Rand per household per month)	69	73	78	82	82	82	86	91	96
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) (impermissible values per section 17 of MPRA)	2,135	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA	48,431	51,711	50,983	54,042	54,042	54,042	58,504	61,430	64,501
Water (in excess of 6 kilolitres per indigent household per month)	-	-	779	250	250	250	265	281	298
Sanitation (in excess of free sanitation service to indigent households)	-	-	318	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	50,566	51,711	52,080	54,292	54,292	54,292	58,769	61,711	64,799

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

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. Good progress is being made with the eradication of current services backlogs. Housing remains a challenge.
 - a. Electricity services – the current backlog has provisionally been eliminated.
3. The budget provides for 7 750 households to be registered as indigent in 2020/21, and therefore entitled to receiving Free Basic Services. The number is set to increase over the MTREF, especially by poor people seeking economic opportunities.
4. It is anticipated that the cost of these Free Basic Services will amount to R86.32million in 2020/21. This is covered by the municipality's equitable share allocation from national government.
5. In addition to the Free Basic Services, other rates rebates also apply to households.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

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

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

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

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

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2019) a time schedule that sets out the process to prepare the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on 28 August 2019. Key dates applicable to the process are as follows:

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

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

2.1.2 IDP and Service Delivery and Budget Implementation Plan

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

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

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

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

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

2.1.3 Financial Modelling and Key Planning Drivers

Strategic objectives of the compilation of the 2020/21 MTREF include the undertaking of extensive financial modelling to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2019/20 MTREF:

- Municipality growth
- Policy priorities and strategic objectives

- Asset maintenance
- Economic climate (trends, inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2018/2019 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circular 98 & 99 was taken into consideration in the planning and prioritisation process.

The municipality has expanded on the implementation of Repairs and Maintenance allocated as projects in terms of the mSCOA version 6.4, which distorted the year-on-year comparative figures. This is also applicable on Contracted Services. These allocations are guided by the respective owner departments.

Emphasis is placed on the Municipal Cost Containment Regulations, 2019 as published in June 2019, and took effect on 1 July 2019. Cost containment has already been implemented across the organisation over the past three years. The measures as per the Cost Containment Circular in place prior to 2019/20, was incorporated to a large extent in existing policies.

2.1.4 Community Consultation on the Draft Budget

The draft 2020/21 MTREF, was tabled in Council on 25 March 2020 and made available to the community as follows:

Copies of the document could be viewed:

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

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

A delegation of the municipality, consisting of the Executive Mayor, MMC for Finance, other full time Councillors, Municipal Manager and Area Managers, all Directors and officials from the Budget Office and Strategic Planning Office, engaged the community at the Mini OMAF's with ward committees from the respective administration areas to present the draft budget for engagement with the public.

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

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

Submissions received during the community consultation process and additional information regarding revenue and expenditure and capital projects were considered by the Budget Steering Committee at a meeting held on 5 May 2020 for the finalisation of the 2020/2021 Budget. Comments from the community and the municipality's responses thereto are included as an Annexure to the final report.

2.2 Overview of alignment of annual budget with IDP

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

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

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

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2020/21 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 27 IDP Strategic Objectives

2020/21 MTREF
The provision of democratic, accountable and ethical governance
The provision and maintenance of municipal services
The encouragement of structured community participation in the matters of the municipality
The creation and maintenance of a safe and healthy environment
The promotion of tourism, economic and social development

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

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

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

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

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

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

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

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

Integrated Social Services for empowered and sustainable communities

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

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

- Optimising effective community participation in the ward committee system; and

- Implementing Batho Pele in the revenue management strategy.

Promote sound governance through:

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

Ensure financial sustainability through:

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

Optimal institutional transformation to ensure capacity to achieve set objectives

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

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

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

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

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

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

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

The 2020/21 MTREF has therefore been directly informed by the 3rd review of the 2018/2022 IDP process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

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

Strategic Objective	Goal	Goal Code	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
The provision of democratic, accountable and ethical governance	Good Governance	1	315,623	334,461	327,076	317,773	334,875	334,875	336,136	351,115	361,816
The provision and maintenance of municipal services	Basic Service Delivery	2	600,303	674,417	752,662	778,700	789,029	789,029	792,445	845,809	918,767
The encouragement of structured community participation in the matters of the municipality	Good Governance	3									
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	54,775	52,972	70,070	85,575	83,589	83,589	109,016	114,196	114,528
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	65,909	79,437	64,318	61,663	120,856	120,856	49,895	52,537	67,735
			1,036,610	1,141,287	1,214,127	1,243,711	1,328,349	1,328,349	1,287,492	1,363,658	1,462,847

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

Strategic Objective	Goal	Goal Code	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
The provision of democratic, accountable and ethical governance	Good Governance	1	177,829	185,276	222,170	247,061	248,145	248,145	268,614	279,394	292,988
The provision and maintenance of municipal services	Basic Service Delivery	2	515,721	490,339	576,651	639,154	645,951	645,951	640,514	673,734	703,815
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	1,793	1,486	1,250	1,085	1,235	1,235	1,395	1,395	1,395
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	102,799	125,449	141,579	164,538	168,740	168,740	199,264	202,497	212,959
The promotion of tourism, economic and social development	Economic Development and	5	196,881	194,606	166,921	198,125	228,936	228,936	232,224	245,178	260,629
Total Expenditure			995,023	997,156	1,108,572	1,249,963	1,293,006	1,293,006	1,342,010	1,402,198	1,471,786

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

Strategic Objective	Goal	Goal Code	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
The provision of democratic, accountable and ethical governance	Good Governance	1	957	6,346	8,659	4,105	4,105	4,105	3,075	30,000	20,000
The provision and maintenance of municipal services	Basic Service Delivery	2	63,498	42,786	84,872	162,402	122,760	122,760	173,381	107,599	79,528
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	3,729	41,536	5,250	5,415	5,265	5,265	6,412		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	10,406	2,517	28,646	32,906	37,472	37,472	39,137	5,726	
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	13,279	12,070	47,683	56,849	106,130	106,130	81,733	53,837	54,850
Total Capital Expenditure			91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378

2.3 Measurable performance objectives and indicators

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

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

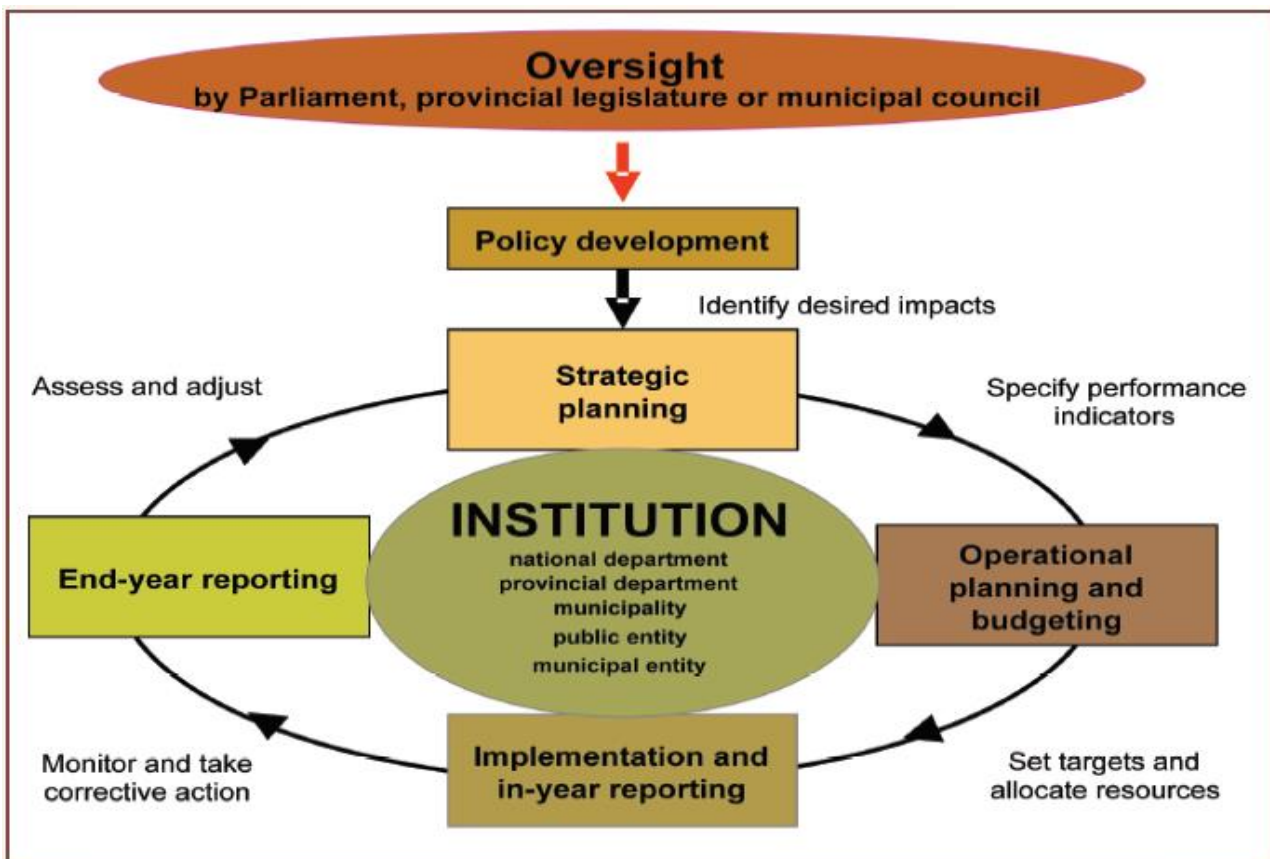


Figure 5 Planning, budgeting and reporting cycle

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

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

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

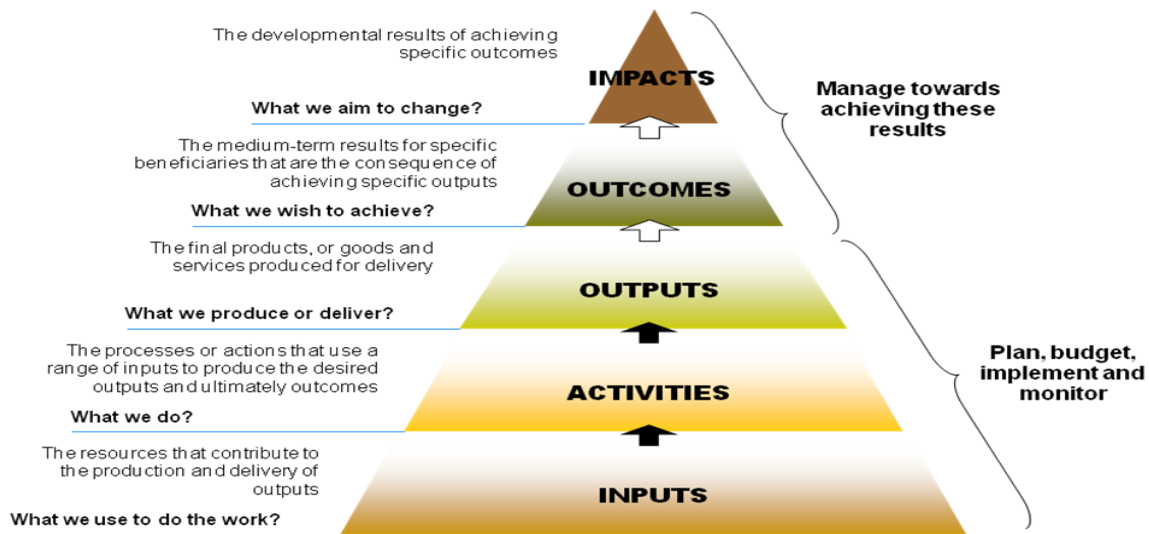


Figure 6 Definition of performance information concepts

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

Table 31 MBRR Table SA7 - Measurable performance objectives

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Council and Municipal Manager										
Council and Municipal Manager										
Municipal Manager										
Percentage of a municipality's capital budget actually spent on capital projects identified for the financial year in terms of the municipality's IDP ((Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted on capital projects)X100)	% of capital budget spent	98.0%	90.13%	99.39%	95.0%		95.0%	95.0%	95.0%	95.0%
Sign section 56 performance agreements with all directors by the end of July	Number of agreements signed	6	6	6	6		6	6	6	6
Monitor the implementation of the action plan developed to address all the issues raised in the management letter of the Auditor General and submit quarterly progress reports to Executive Mayor	Number of progress reports monitored and submitted to Executive Mayor	4	5	6	4		4	1	4	4
1st annual formal performance appraisals of the section 56 appointees for the previous financial period April to June 2020 to be completed by Sept 2020.	Number of appraisals	12	12	12	12		12	6	6	6
Draft the annual report and submit to the Auditor-General by the end of August	Draft Annual report submitted	1	1	1	1		1	1	1	1
Risk Management										
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	4	4	3	4		4	1	4	4
Submit the Final MTREF budget by the end of May	Budget submitted	1	1	1	1	1	1	1	1	1
Risk Management										
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	4	4	3	4	4	4	4	4	4

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Management Services										
Director: Management Services										
Human Resources										
92% of the approved and funded organogram filled ((actual number of posts filled divided by the funded posts budgeted) x 100)	% filled	89.0%	93.4%	92.30%	92.0%		92.0%	92.0%	92.0%	92.0%
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	The number of people from EE target groups employed	63	70	68	67		67	70	70	70
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan	% of the training budget spent on implementation of the WSP	99.5%	99.87%	100.0%	100.0%		100.0%	100.0%	100.0%	100.0%
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
Finance										
Director: Finance										
Director Finance										
Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	Ratio achieved	5.18	6.56	6.55	3		3	3	3	3
Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year)	Ratio achieved (2019/20 -Target Type was changed to Number from Percentage)	20.09%	19.96%	22.91%	12	15	15	15	15	15
Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved	9.86%	10.52%	10.02%	12.20%		12.20%	14.0%	14.0%	14.0%
Submit a reviewed long term financial plan to the CFO by the end of October	Reviewed long term financial plan submitted	1	1	1	1		1	1	1	1
Financial statements submitted to the Auditor General by 31 August	Financial statements submitted	1	1	0	1		1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements	Number of indigent households	7418	7385	7630	7450		7450	7750	8000	8240
Achieve a debt recovery rate not less than 80% (Receipts/total billed for 12 months period x 100)	% Recovered	99.44%	99.35%	98.6%	96.0%		96.0%	80.0%	80.0%	80.0%
Community Services										
Director: Community Services										
Director: Community Services										
98% of the operational conditional grant (Libraries, CDWs) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, CDWs)	86.07%	93.0%	100.0%	98.0%		98.0%	98.0%	98.0%	98.0%
m ² of roads patched and resealed according to approved Pavement Management System within available budget	m ² of roads patched and resealed	135298	112932	112982	100000		100000	106000	110000	110000
Limit unaccounted water to less than 20% ((Number of kiloliter water purified - Number of kiloliter water sold)/Number of kiloliter purified x 100)	% of water unaccounted for	19.14%	18.82%	24.25%	19.0%		19.0%	19.0%	19.0%	18.0%
Ward committee meetings held to facilitate consistent and regular communication with residents	No of ward committee meetings per ward per annum (UOM revised in 2018/19 - Number of ward committees per annum)	9	8	114	117		117	78	117	117
Provision of water to informal households (excluding invaded state owned land and private land) based on the standard of 1 water point to 25 households (MPPMR Reg 10 (a))	The number of taps installed in relation to the number of informal households (excluding invaded state owned land and private land)	252	253	285	253	285	285	300	320	320
Provision of cleaned piped water to all formal households within 200 m from households	No of formal households that meet agreed service standards for piped water	34449	29174	29800	29174	29800	29800	30396	30615	30615
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS))	Number of formal households for which refuse is removed at least once a week	32029	32695	33105	32695	33105	33105	34098	35121	35121
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week	Number of weekly removal of refuse in informal households (once per week = 52 weeks per annum)	52	52	52	52		52	52	52	52
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS))	Number of formal households for which refuse is removed at least once a week	31132	32029	32695	31754	32,990	32990	32695	33676	34686
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week	Number of weekly removal of refuse in informal households (once per week = 52 weeks per annum)	52	52	52	52		52	52	52	52

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
The provision of sanitation services to informal households (excluding invaded state owned land and private land) based on the standard of 1 toilette to 5 households (MPPMR Reg 10 (a))	The number of toilets provided in relation to the number of informal households (excluding invaded state owned land and private land)	794	794	881	794	884	884	930	980	980
Provision of sanitation services to formal residential households (A household is a residential unit being billed for the particular services rendered by way of the financial system (SAMRAS))	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	28841	29165	29631	29165	29,631	29631	30520	31436	31436
Provision of water to informal households on invaded land with available funding ("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	88	98	98	98	80	70	70
The provision of sanitation services to informal households on invaded land with available funding ("Land Invasion" refers to the illegal occupation of land, with the intention of establishing dwellings / a settlement upon it. An invasion may be by one individual or by hundreds of households).	The number of toilets provided for informal households on invaded land with available funding	no kpi set	no kpi set	120	0	130	130	105	95	95
Infrastructure & Planning										
Director: Infrastructure and Planning										
Water Treatment										
Quality of effluent comply 90% with general or special limit in terms of the Water Act (Act 36 of 1998)	% compliance	92.93%	93.5%	95.77%	90%		90.0%	90.0%	90.0%	90.0%
Quantity of potable water comply 95% with SANS 241	% compliance with SANS 241	99.0%	98.0%	98.90%	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) x 100)	% of electricity unaccounted for	7.37%	5.12%	6.45%	7.5%		7.5%	7.5%	7.5%	7.5%
Provision of Electricity: Number of metered electrical connections in formal area (Eskom Areas excluded) (Definition: refers to residential households (RH) and pensioners (RP) as per	Number of formal household that meet agreed service standards	20916	21048	21332	21048		21048	21332	21332	21332
MIG										
100% of the Municipal Infrastructure Grant (MIG) spent by 30 June (Actual MIG expenditure/Allocation received)	% Expenditure of allocated funds	100.0%	79.70%	100.00%	100.0%		100.0%	100.0%	100.0%	100.0%
Protection Services										
Director Protection Services										
Protection Services										
Arrange public awareness sessions on Protection Services	Number of sessions held	88	84	90	100		100	100	100	100
Collect R16 500 000 Public Safety Income by 30 June (Actual revenue, excluding the fine impairment amount)	R-value of public safety collected income (excluding fines impairment amount)	4035731500.0%	2016776700.0%	R 15,493,008	16500000		16500000	16,500,000	16,500,000	16,500,000
Review Community Safety Plan in three year cycle by end of October 2020 in Disaster and Fire Manangement	Plan reviewed	100.0%	no kpi set	no kpi set	100.0%		100.0%	100.0%	0.0%	0.0%
Annually review and submit Disaster Local Economic Development, Social										
Director: LED										
LED, Social Development and Tourism										
Provide four progress reports on LED, Social Development and Tourism initiatives to Council by end June 2021 (Refers to the 4th quarter report of previous financial year and three Provide a schedule of funded events to the Executive Mayor or sign off by end of July 2020	Number of progress reports on LED, Social Development & Tourism initiatives	3	3	3	4		4	4	4	4
	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	92	80	120	120		120	120	120	120
Support 50 Emerging Contractors in terms of the Emerging Contractor Development Programme by 30 June	Number of emerging contractors supported	48	43	52	50		50	50	50	50
Report on projects/ initiatives in collaboration with other stakeholders for local economic development, social development and tourism	Number of projects / initiatives collaborated on	no kpi set	3	14	12		12	12	12	12
The number of job opportunities created through the EPWP programme and as per set targets (grant agreement - FTE's, translates to 1018	Number of temporary jobs created	828	994	1048	1020		1020	1018	1018	1018

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

Table 32 MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Borrowing Management</u>										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	7.3%	7.6%	7.1%	7.2%	7.0%	7.0%	7.3%	7.5%	6.8%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	8.2%	7.9%	7.6%	8.8%	7.8%	7.8%	8.7%	8.9%	7.9%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants and contributions	61.7%	82.0%	65.8%	38.8%	50.5%	50.5%	24.9%	46.3%	63.3%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds &	12687.3%	12540.1%	12959.0%	13636.3%	13636.3%	13636.3%	12862.8%	12910.7%	12796.4%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	2.2	2.8	3.2	2.5	3.3	3.3	2.4	2.1	1.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.2	2.8	3.2	2.5	3.3	3.3	2.4	2.1	1.9
Liquidity Ratio	Monetary Assets/Current Liabilities	1.4	2.1	2.4	1.9	2.8	2.8	1.9	1.6	1.4
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		98.6%	99.8%	99.3%	99.6%	99.6%	99.6%	98.8%	99.8%	99.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	10.9%	10.9%	12.1%	9.3%	8.5%	8.5%	9.5%	9.1%	8.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))	99.5%	99.5%	99.5%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Creditors to Cash and Investments		30.5%	20.6%	18.3%	20.2%	11.6%	11.6%	21.5%	27.3%	30.0%
<u>Other Indicators</u>										
	Total Volume Losses (kW)	18113084	12858011	16537242	14613426	14613426	14613426	17426149	17948933	18033917
	Total Cost of Losses (Rand '000)	9,479	8,882	12,219	11,252	11,252	11,252	22,522	23,198	23,308
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	7.4%	5.1%	6.5%	5.5%	5.5%	5.5%	6.7%	6.9%	6.9%
	Total Volume Losses (kℓ)	1,444	1,112	1,701	1,159	1,159	1,159	1,518	1,563	1,610
	Total Cost of Losses (Rand '000)	2210.719	2132297	2308814	1969065	1969065	1969065	2248958	2316427	2385920
	% Volume (units purchased and generated less units sold)/units purchased and generated	21.3%	18.8%	24.3%	0	0	0	20.7%	20.5%	20.4%
Employee costs	Employee costs/(Total Revenue - capital revenue)	30.1%	27.5%	32.0%	34.1%	31.2%	31.2%	34.6%	34.5%	33.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	31.1%	28.5%	33.0%	35.0%	32.1%	32.1%	35.6%	35.5%	34.8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	12.0%	14.9%	18.7%	17.0%	15.9%	15.9%	16.8%	16.9%	16.5%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	17.8%	16.8%	15.3%	15.6%	14.3%	14.3%	15.4%	14.5%	13.0%
<u>IDP regulation financial viability indicators</u>										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	13.9	12.1	14.5	12.9	12.9	12.9	12.4	13.5	14.5
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	14.0%	14.5%	15.6%	11.8%	11.7%	11.7%	12.8%	12.3%	11.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3.8	6.8	6.8	4.9	6.4	6.4	5.1	4.1	3.8

2.3.1 Performance indicators and benchmarks

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

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

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

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Overstrand's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2020/21 MTREF:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing remains steady. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over the MTREF is 32 per cent which indicates that the amount available from own sources to finance capital has shown an increase. This is as a result of utilising a portion of surpluses as they became available, as well as land sales.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2011/2012 MTREF the potential of smoothing out the debt profile over the longer term was investigated and borrowing was capped at 60% in the borrowing policy. The gearing on borrowing had to be reduced by 10 per cent over a period of ten years as started in 2012. To date this has now been achieved, with the indication that the 2020/21 budget year is estimated to end just below 40%.

2.3.1.2 Safety of Capital

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

2.3.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a bottom limit of 1.5, therefore at no point in time should this ratio be less than 1.5. Over the 2020/21 MTREF the current ratio is 2,41, decreasing to 1,9 by

2022/2023. National Treasury has set a current ratio minimum of 1.5 in circular 71. Going forward it will be necessary to preserve this ratio, notwithstanding that it could tie up cash needed for capital investment.

- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Overstrand Municipality's liquidity ratio is at an average of more than 2 over the MTREF. The liquidity includes consumer deposits and provisions which are not likely to be realised in the short term. As part of the longer term financial planning objectives this ratio should be preserved as mentioned, notwithstanding that it could tie up cash needed for capital investment.

2.3.1.4 Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

2.3.1.5 Creditors Management

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

2.3.1.6 Other Indicators

- The electricity distribution losses have been managed downwards from 8.3 per cent in the 2010/2011 financial year to 7 per cent over the MTREF. This includes measureable technical losses, which further reduces the percentage of losses. The initiatives to ensure these targets are achieved include managing illegal connections, regular meter audits and managing theft of electricity by rolling out smart metering systems, including prepaid meters. It should be noted that technical losses range substantially below 10 per cent over the Overstrand area. When taking this into consideration it is evident that distribution losses are well managed.
- The water distribution losses have been significantly reduced from 27,4 per cent in 2009/10 to 20 per cent over the 2020/21 MTREF. This has been achieved with investing in the upgrading of water reticulation infrastructure, which is set to continue over the MTREF. Active attention is also given to reported leaks by the public and a further measure is to install flow limiters.
- Employee costs as a percentage of operating revenue remains stable. This is primarily owing to limited expansion of the personnel structure.
- In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base

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

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

For the 2020/21 financial year 7 750 registered indigents have been provided for in the budget. In terms of the municipality's indigent policy, registered households are entitled to 6kl free water, 50 kWh of electricity on qualifying in terms of the particular Indigent Policy requirements, weekly refuse removal and, where applicable, sewer services which includes sewage output based on 70% of the water consumption and the latest infrastructure levy for water and waste water. Further subsidies are capped at the full revenue cost of the basic services provided above. Households with a property valuation of R220 000 qualify upon registration as indigents, for particular subsidised levels.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 26 MBRR A10 (Basic Service Delivery Measurement) on page 45.

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

2.3.3 Providing clean water and managing waste water

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

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

The following is briefly the challenges facing the municipality:

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

2.4 Overview of budget related-policies

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

2.4.1 Customer Care, Credit Control and Debt Collection Policy

The 2020/21 MTREF has been prepared on the basis of achieving an average debtors' collection rate in excess of 99 per cent on current billings up to March 2020. The current collection rate up to March 2020 is in excess of 99 per cent. In addition the collection of debt in excess of 90 days has been prioritised, as well as debt older than two years, where interest could be waived, subject to a signed agreement for the remainder of the debt.

2.4.2 Asset Management Policy

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

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

2.4.3 Budget Policy

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

2.4.4 Supply Chain Management Policy

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

2.4.5 Virement Policy

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

2.4.6 Investment, Liquidity & Cash Management Policy

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

2.4.7 Tariff Policy

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

2.4.8 Long term Financial Planning & Implementation Policy

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

2.4.9 Contract Management Policy

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

2.4.10 Pay Day Policy

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

The following policies have also been subject to review:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;

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

2.5 Overview of budget assumptions

2.5.1 External factors

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

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2020/21 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and fuel; and
- The increase in the cost of remuneration. Employee related costs comprise 32,43 per cent of total operating expenditure in the 2020/21 MTREF and therefore increases above inflation places a disproportionate upward pressure on the expenditure budget

2.5.3 Interest rates for borrowing and investment of funds

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

2.5.4 Collection rate for revenue services

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

The revenue collection rate is currently expressed as a percentage (99,9%) of annual billings up to March 2020. Cash flow is expected to be less than this historic performance up to date, due to the impact of the COVID-19 virus and subsequent lockdown from end of March 2020.

2.5.5 Growth or decline in tax base of the municipality

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

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household

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

2.5.6 Salary increases

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

2.5.7 Impact of national, provincial and local policies

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

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

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

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

It is estimated that a spending rate of 99 per cent could be achieved on operating expenditure and 95 per cent on the capital programme for the 2020/21 MTREF.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

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

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

Description	2020/21 Medium Term Revenue & Expenditure Framework		
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand			
Revenue By Source			
Property rates	262,551	275,226	288,402
Service charges	663,209	693,994	768,304
Rental of facilities and equipment	3,627	3,803	3,990
Interest earned	36,073	37,881	39,760
Transfers recognised - operational	131,840	141,735	154,275
Other revenue	159,573	168,548	170,587
Total Revenue (excluding capital transfers and contributions)	1,256,873	1,321,188	1,425,319

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

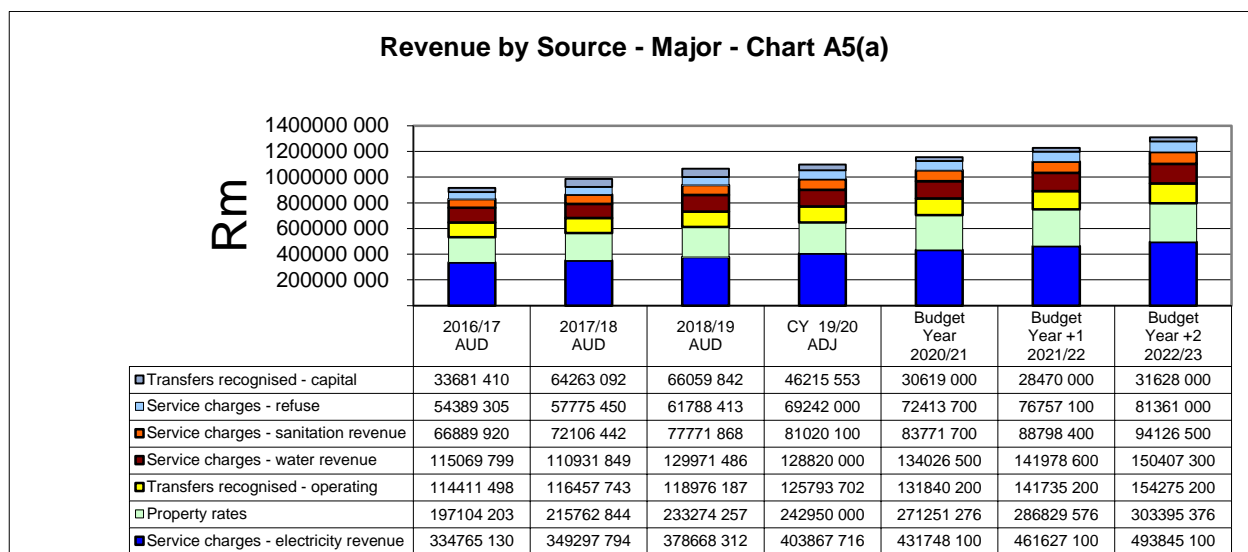


Figure 7 Breakdown of operating revenue over the 2020/21 MTREF

The following grants have been published in the DORA:

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

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

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

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 99 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;

- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements; and
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004), as amended (MPRA).

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

Table 34 Proposed tariff increases for 2020/2021

Description	Current Year 2019/20	Budget Year 2020/21 % incr.	Budget Year 2020/21
Rand/cent			
Monthly Account for Household - 'Affordable Range'			
Rates and services charges:			
Property rates	171.10	4.5%	178.80
Electricity : Basic levy	335.34	6.2%	356.20
Electricity : Consumption	683.08	6.2%	725.57
Water: Basic levy	136.50	4.5%	142.64
Water: Consumption	303.75	4.5%	317.47
Sanitation	361.40	4.5%	377.72
Refuse removal	185.49	4.5%	193.84
Other	56.97	—	56.97
sub-total	2,233.63	5.2%	2,349.21
VAT on Services	288.75		303.86
Total small household bill:	2,522.38	5.2%	2,653.07
% increase/-decrease	—		5.2%

Refer to Annexure C for Tariffs increases

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

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

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

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

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

Table 35 MBRR SA15 – Detail Investment Information

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

Table 36 MBRR SA16 – Investment particulars by maturity

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

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

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2020/21 medium-term capital programme:

Table 37 Sources of capital revenue over the MTREF

Vote Description	2020/21 Medium Term Revenue & Expenditure Framework		
	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand			
Funded by:			
National Government	37,369	28,470	31,628
Provincial Government	2,840	—	—
District Municipality	—	—	—
Transfers and subsidies - capital (monetary)	46,306	60,667	43,750
Transfers recognised - capital	86,516	89,137	75,378
Borrowing	92,949	58,000	59,000
Internally generated funds	124,274	50,026	20,000
Total Capital Funding	303,738	197,162	154,378

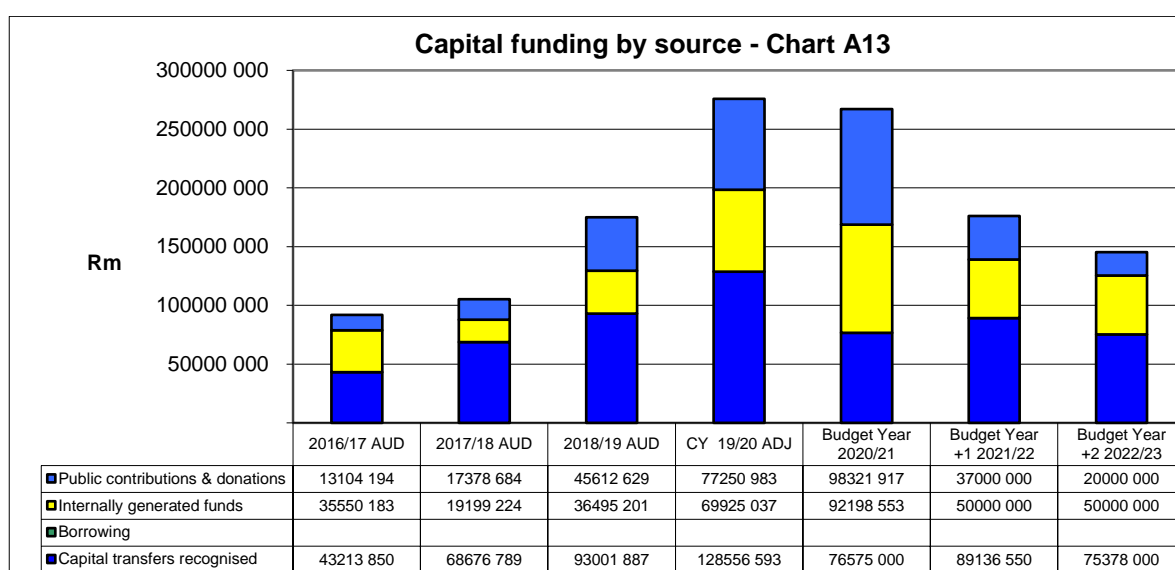


Figure 8 Sources of capital revenue for the 2020/21 financial year

Capital grants and receipts equates to 28,5 per cent of the total funding source which represents R86,5 million for the 2020/21 financial year.

Table 38 MBRR Table SA18 - Capital transfers and grant receipts

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
RECEIPTS:									
Capital Transfers and Grants									
National Government:	26,030	26,330	25,901	39,010	39,010	39,010	29,887	28,470	31,628
Municipal Infrastructure Grant (MIG)	21,030	22,330	21,639	32,010	32,010	32,010	21,887	23,470	24,628
INEP	5,000	4,000	4,262	7,000	7,000	7,000	8,000	5,000	7,000
Provincial Government:	10,490	42,992	25,463	28,281	10,324	10,324	732	-	-
Human Settlements Development Grant	8,290	36,661	25,463	26,439	6,981	6,981	-	-	-
Library Services Grant	1,000	-	-	-	-	-	-	-	-
Unit	-	-	-	-	-	-	-	-	-
Other grant providers:									
Private Enterprises	-	-	-	-	-	-	-	14,000	5,900
Total Capital Transfers and Grants	36,520	69,322	51,364	67,291	49,334	49,334	30,619	42,470	37,528

Borrowing still remains a significant funding source (one-third) for the own capital programme over the medium-term with an estimated R140 million new borrowing.

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

Table 39 MBRR Table SA17 - Detail of borrowings

Borrowing - Categorised by type	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Annuity and Bullet Loans	312,495	308,658	322,933	355,453	355,453	355,453	330,260	332,508	329,318
Long-Term Loans (non-annuity)	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Instalment Credit	-	-	-	-	-	-	-	-	-
Financial Leases	-	-	-	-	-	-	-	-	-
Total Borrowing	412,495	408,658	422,933	455,453	455,453	455,453	430,260	432,508	429,318
Unspent Borrowing - Categorised by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)	15	10,450	38,199	-	-	-	88,700	-	-
Municipality sub-total	15	10,450	38,199	-	-	-	88,700	-	-
Total Unspent Borrowing	15	10,450	38,199	-	-	-	88,700	-	-

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 R124,2 million in 2020/21.

It should be noted that the level of borrowings decreases over the MTREF, from R92m in 2020/2021 to R59m in 2022/2023.

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

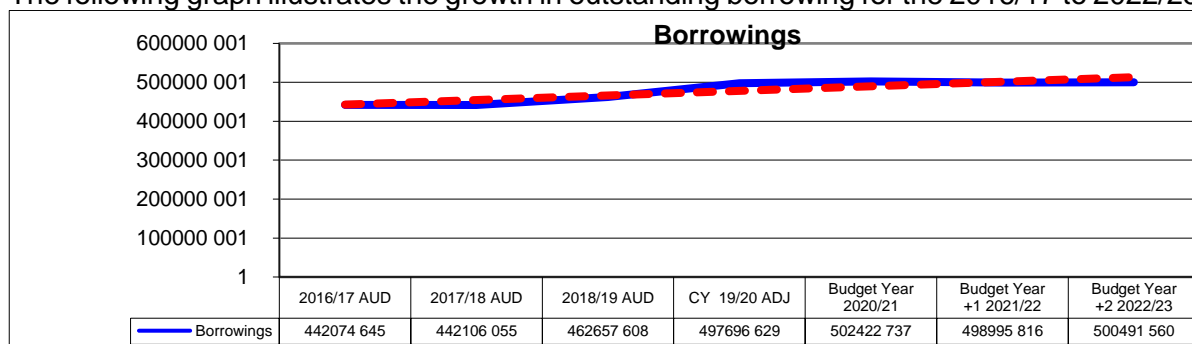


Figure 9 Growth in outstanding borrowing (long-term liabilities)

Cash Flow Management

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

Table 40 MBRR Table A7 - Budgeted cash flow statement

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	195,733	213,851	231,322	241,063	241,862	241,862	259,513	274,775	287,860
Service charges	561,634	590,742	643,620	673,293	679,913	679,913	655,534	692,857	766,859
Other revenue	73,850	75,406	82,274	66,179	178,616	178,616	131,331	153,281	146,109
Government - operating	119,507	131,819	118,820	152,183	125,794	125,794	131,840	141,735	154,275
Government - capital	33,681	64,248	57,030	70,194	46,216	46,216	30,619	28,470	31,628
Interest	23,018	34,175	45,960	32,161	40,311	40,311	36,073	37,881	39,760
Dividends							-	-	-
Payments									
Suppliers and employees	(791,231)	(818,415)	(915,305)	(1,017,533)	(983,962)	(983,962)	(983,752)	(1,144,928)	(1,215,369)
Finance charges	(45,910)	(46,129)	(44,921)	(51,549)	(51,549)	(51,549)	(51,482)	(52,210)	(52,352)
Transfers and Grants	(1,898)	(1,800)	(486)	(500)	(500)	(500)	(11,610)	(11,610)	(11,610)
NET CASH FROM/(USED) OPERATING ACTIVITIES	168,384	243,897	218,314	165,492	276,701	276,701	223,337	144,301	120,029
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	2,943	81,451	(566)	-	-	-	7,000	7,000	7,000
Decrease (increase) in non-current receivables	15	8	10	10	10	10	7	3	1
Decrease (increase) in non-current investments	(4,980)	(4,980)	(4,980)	(7,339)	(7,339)	(7,339)	(7,575)	(7,834)	(8,120)
Payments									
Capital assets	(84,505)	(105,255)	(175,110)	(261,677)	(275,733)	(275,733)	(303,738)	(197,162)	(154,378)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(86,528)	(28,775)	(180,645)	(269,006)	(283,062)	(283,062)	(304,307)	(197,993)	(155,497)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							-	-	-
Borrowing long term/refinancing	30,000	30,000	54,000	74,300	74,300	74,300	54,000	50,000	50,000
Increase (decrease) in consumer deposits	-	-	-	23,028	23,028	23,028	(1,000)	3,724	3,948
Payments									
Repayment of borrowing	(26,822)	(29,969)	(33,448)	(38,709)	(38,709)	(38,709)	(46,374)	(52,751)	(47,751)
NET CASH FROM/(USED) FINANCING ACTIVITIES	3,178	31	20,552	58,619	58,619	58,619	6,626	974	6,196
NET INCREASE/ (DECREASE) IN CASH HELD	85,034	215,153	58,220	(44,895)	52,259	52,259	(99,615)	(76,767)	(2,140)
Cash/cash equivalents at the year begin:	174,780	259,815	474,967	489,014	533,188	533,188	585,426	485,812	409,045
Cash/cash equivalents at the year end:	259,815	474,967	533,188	444,120	585,446	585,446	485,812	409,045	406,905

The above table shows that cash and cash equivalents of the Municipality reflects steady growth from the 2016/2017 to 2019/2020 financial years. For the 2020/21 MTREF the budget has been prepared to ensure acceptable levels of cash and cash equivalents over the medium-term with cash levels anticipated to remain stable.

2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

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

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

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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash and investments available									
Cash/cash equivalents at the year end	259,815	474,967	533,188	444,120	585,446	585,446	485,812	409,045	406,905
Other current investments > 90 days	-	(0)	-	(0)	(20)	(20)	(0)	(0)	0
Non current assets - Investments	37,982	44,595	50,524	57,885	57,885	57,885	65,460	73,294	81,414
Cash and investments available:	297,796	519,562	583,711	502,005	643,312	643,312	551,272	482,339	488,319
Application of cash and investments									
Unspent conditional transfers	6,474	21,776	12,590	5,636	5,636	5,636	-	-	-
Unspent borrowing	15	10,450	38,199	-	-	-	88,700	-	-
Statutory requirements	-	-	-	-	-	-	-	-	-
Other working capital requirements	(26,304)	(16,860)	(36,904)	(17,691)	(39,143)	(39,143)	(9,865)	(6,248)	3,434
Other provisions							4,109	4,315	4,530
Long term investments committed	37,982	44,595	50,524	57,885	57,885	57,885	65,460	73,294	81,414
Reserves to be backed by cash/investments	3,251	3,259	3,264	3,340	3,340	3,340	3,345	3,350	3,355
Total Application of cash and investments:	21,418	63,220	67,672	49,170	27,718	27,718	151,749	74,711	92,733
Surplus(shortfall)	276,379	456,342	516,039	452,835	615,593	615,593	399,522	407,628	395,586

From the above table it can be seen that the cash and investments total R643,3 million in the 2019/2020 financial year and decrease to R551,3 million in 2020/21, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. Stringent measures have been implemented by NT regarding unspent grants.
- Unspent borrowing amounting to R88,7m from the previous financial year is anticipated. Borrowings are only drawn down once substantial expenditure has incurred against the particular projects.
- Provisions for statutory requirements could include VAT owing to SARS at year end.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. For the purpose of the cash backed reserves and accumulated surplus reconciliation, at least two months operational expenditure is covered at all times. It needs to be noted that although this can be considered prudent, the desired cash levels should be 90 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the Municipality to meet its creditor obligations.
- Long term investments consist primarily of the sinking funds for the repayment of future borrowings. The sinking fund value is held within long term investments and must be 'held to maturity' and is not available for spending.

When considering the funding requirements of section 18 and 19 of the MFMA, it needs to be noted that for all practical purposes the 2020/21 MTREF is funded, from a pure cash flow perspective (cash out flow versus cash inflow), and is therefore credible. The challenge for the Municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

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

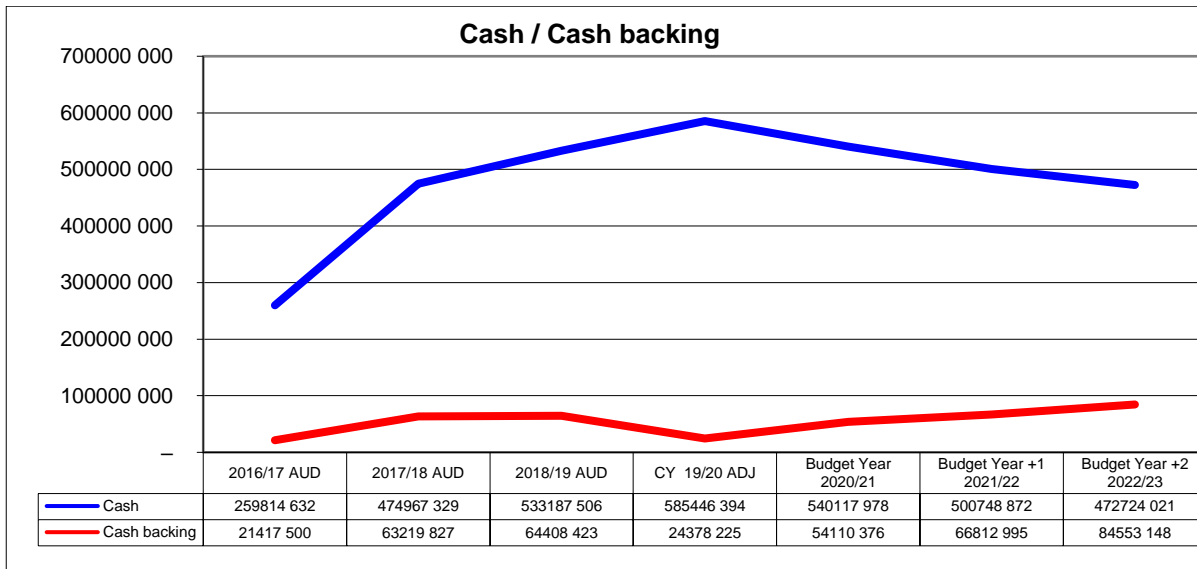


Figure 10 Cash and cash equivalents / Cash backed reserves and accumulated funds

2.6.4 Funding compliance measurement

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

Table 42 MBRR SA10 – Funding compliance measurement

Description	MFMA section	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funding measures										
Cash/cash equivalents at the year end - R'000	18(1)b	259,815	474,967	533,188	444,120	585,446	585,446	485,812	409,045	406,905
Cash + investments at the yr end less applications - R'000	18(1)b	276,379	456,342	516,039	452,835	615,593	615,593	399,522	407,628	395,586
Cash year end/monthly employee/supplier payments	18(1)b	4.1	7.4	7.3	5.4	7.0	7.0	5.1	4.1	3.8
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	(1.1%)	3.4%	(1.8%)	(5.2%)	(6.0%)	(6.0%)	(1.3%)	3.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	96.4%	97.5%	97.0%	98.7%	98.4%	98.4%	96.3%	98.4%	97.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	2.9%	2.2%	2.0%	2.7%	2.7%	2.7%	2.8%	2.8%	2.7%
Capital payments % of capital expenditure	18(1)c;19	92.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	61.7%	82.0%	65.8%	38.8%	50.5%	50.5%	24.9%	46.3%	63.3%
Grants % of Govt. legislated/gazetted allocations	18(1)a							100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	7.5%	17.6%	(21.6%)	0.0%	0.0%	9.4%	0.9%	1.2%
Long term receivables % change - incr(decr)	18(1)a	N.A.	(24.5%)	(56.8%)	(58.0%)	0.0%	0.0%	(84.7%)	(100.0%)	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	3.4%	4.6%	6.1%	5.5%	5.6%	5.6%	5.6%	5.8%	6.1%
Asset renewal % of capital budget	20(1)(vi)	37.5%	28.2%	0.0%	2.5%	2.4%	2.4%	8.4%	10.2%	10.5%
Total Operating Revenue		1,002,928	1,077,023	1,148,067	1,173,517	1,279,516	1,279,516	1,256,873	1,321,188	1,425,319
Total Operating Expenditure		995,023	997,156	1,108,572	1,249,963	1,293,006	1,293,006	1,342,010	1,402,198	1,471,786
Operating Performance Surplus/(Deficit)		7,906	79,868	39,495	(76,446)	(13,491)	(13,491)	(85,137)	(81,011)	(46,467)
Revenue										
% Increase in Total Operating Revenue			7.4%	6.6%	2.2%	9.0%	0.0%	(1.8%)	5.1%	7.9%
% Increase in Property Rates Revenue			9.5%	8.1%	3.8%	0.3%	0.0%	8.1%	4.8%	4.8%
% Increase in Electricity Revenue			4.3%	8.4%	5.3%	1.3%	0.0%	(4.4%)	4.4%	14.8%
% Increase in Property Rates & Services Charges			4.9%	9.4%	4.2%	0.8%	0.0%	(0.0%)	4.7%	9.0%
Expenditure										
% Increase in Total Operating Expenditure			0.2%	11.2%	12.8%	3.4%	0.0%	3.8%	4.5%	5.0%
% Increase in Employee Costs			(1.9%)	24.0%	8.7%	(0.1%)	0.0%	9.0%	4.8%	5.8%
% Increase in Electricity Bulk Purchases			3.8%	7.4%	13.7%	1.8%	0.0%	(3.8%)	7.7%	7.6%
R&M % of PPE		3.4%	4.6%	6.1%	5.5%	5.6%	5.6%	5.6%	5.8%	6.1%
Asset Renewal and R&M as a % of PPE		4.0%	5.0%	6.0%	7.0%	7.0%	7.0%	8.0%	7.0%	7.0%
Debt Impairment % of Total Billable Revenue		2.9%	2.2%	2.0%	2.7%	2.7%	2.7%	2.8%	2.8%	2.7%
Capital Revenue										
Internally Funded & Other (R'000)		13,104	17,379	45,613	100,981	77,251	77,251	124,274	50,026	20,000
Borrowing (R'000)		35,550	19,199	36,495	90,501	69,925	69,925	92,949	58,000	59,000
Grant Funding and Other (R'000)		43,214	68,677	93,002	70,194	128,557	128,557	86,516	89,137	75,378
Internally Generated funds % of Non Grant Funding		26.9%	47.5%	55.6%	52.7%	52.5%	52.5%	57.2%	46.3%	25.3%
Borrowing % of Non Grant Funding		73.1%	52.5%	44.4%	47.3%	47.5%	47.5%	42.8%	53.7%	74.7%
Grant Funding % of Total Funding		47.0%	65.2%	53.1%	26.8%	46.6%	46.6%	28.5%	45.2%	48.8%
Capital Expenditure										
Total Capital Programme (R'000)		91,868	105,255	175,110	261,677	275,733	275,733	303,738	197,162	154,378
Asset Renewal		34,479	29,644	-	6,570	6,558	6,558	25,621	20,050	16,200
Asset Renewal % of Total Capital Expenditure		37.5%	28.2%	0.0%	2.5%	2.4%	2.4%	8.4%	10.2%	10.5%
Cash										
Cash Receipts % of Rate Payer & Other		96.4%	97.5%	97.0%	98.7%	98.4%	98.4%	96.3%	98.4%	97.7%
Borrowing										
Capital Charges to Operating		7.3%	7.6%	7.1%	7.2%	7.0%	7.0%	7.3%	7.5%	6.8%
Borrowing Receipts % of Capital Expenditure		61.7%	82.0%	65.8%	38.8%	50.5%	50.5%	24.9%	46.3%	63.3%
Reserves										
Surplus/(Deficit)		276,379	456,342	516,039	452,835	615,593	615,593	399,522	407,628	395,586
Free Services										
Free Basic Services as a % of Equitable Share		7.1%	8.1%	82.5%	78.8%	78.8%	78.8%	73.6%	75.5%	78.0%
Free Services as a % of Operating Revenue (excl operational transfers)		5.7%	5.4%	5.1%	5.3%	4.7%	4.7%	5.2%	5.2%	5.1%
High Level Outcome of Funding Compliance										
Total Operating Revenue		1,002,928	1,077,023	1,148,067	1,173,517	1,279,516	1,279,516	1,256,873	1,321,188	1,425,319
Total Operating Expenditure		995,023	997,156	1,108,572	1,249,963	1,293,006	1,293,006	1,342,010	1,402,198	1,471,786
Surplus/(Deficit) Budgeted Operating Statement		7,906	79,868	39,495	(76,446)	(13,491)	(13,491)	(85,137)	(81,011)	(46,467)
Surplus/(Deficit) Considering Reserves and Cash Backing		276,379	456,342	516,039	452,835	615,593	615,593	399,522	407,628	395,586
MTREF Funded (1) / Unfunded (0)		1	1	1	1	1	1	1	1	1
MTREF Funded ü / Unfunded ü		✓	✓	✓	✓	✓	✓	✓	✓	✓

2.6.4.1 Cash/cash equivalent position

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

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2020/21 MTREF indicates R485,8million, R409,1 million and R406,9 million for each respective financial year.

2.6.4.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 41, on page 72. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.4.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as services boycotts. The ratio is above 4 over the 2020/21 MTREF.

2.6.4.4 Surplus/deficit excluding depreciation offsets

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

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

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

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is projected at 4.6 per cent). Refer to Annexure B for Rates, Tariffs and Service Charges.

2.6.4.6 Cash receipts as a percentage of ratepayer and other revenue

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

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

2.6.4.7 Debt impairment expense as a percentage of billable revenue

Overstrand Municipality has provided for adequate Debt impairment.

2.6.4.8 Capital payments percentage of capital expenditure

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

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

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 43, 53 and 74 per cent of own funded capital.

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

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

2.6.4.11 Consumer debtors change (Current and Non-current)

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

2.6.4.12 Repairs and maintenance expenditure level

This measure must be considered within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 56 MBRR SA34C on page 91.

2.6.4.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The new mSCOA Framework has further categorised asset classes. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 55 MBRR SA34a on page 89.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 43 MBRR SA19 - Expenditure on transfers and grant programmes

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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year							-	-	-
Current year receipts	76,347	88,073	99,544	110,882	110,882	110,882	121,368	131,023	143,389
Conditions met - transferred to revenue	76,347	88,073	99,544	110,882	110,882	110,882	121,368	131,023	143,389
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Provincial Government:									
Balance unspent at beginning of the year	2,944	(10,418)	(3,596)	2,909	1,433	1,433	-	-	-
Current year receipts	41,312	38,803	23,028	38,392	13,478	13,478	10,472	10,712	10,886
Conditions still to be met - transferred to liabilities	6,192	-	-	-	-	-	-	-	-
District Municipality:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Other grant providers:									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue	114,411	116,458	118,976	152,183	125,794	125,794	131,840	141,735	154,275
Total operating transfers and grants - CTBM	6,192	-	-	-	-	-	-	-	-
Capital transfers and grants:									
National Government:									
Balance unspent at beginning of the year							7,482		
Current year receipts	26,030	26,330	25,901	39,010	39,010	39,010	29,887	28,470	31,628
Conditions met - transferred to revenue	26,030	26,330	25,901	39,010	39,010	39,010	37,369	28,470	31,628
Provincial Government:									
Balance unspent at beginning of the year	1,440	(682)	14,695	2,903	(501)	(501)	750		
Current year receipts	10,490	43,028	25,463	28,281	10,324	10,324	732	-	-
Conditions met - transferred to revenue	11,930	42,346	40,159	31,184	9,823	9,823	1,482	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Balance unspent at beginning of the year	-	-	-	-	-	-	1,708	14,000	5,900
Current year receipts	5,254	-	26,942	-	-	-	-	-	-
Conditions met - transferred to revenue	5,254	-	26,942	-	-	-	1,708	14,000	5,900
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue	43,214	68,676	93,002	70,194	48,833	48,833	40,560	42,470	37,528
Total capital transfers and grants - CTBM	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	157,626	185,134	211,978	222,377	174,627	174,627	172,400	184,205	191,803
TOTAL TRANSFERS AND GRANTS - CTBM	6,192	-	-	-	-	-	-	-	-

2.8 Councillor and employee benefits

Table 45 MBRR SA22 - Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	8,608	9,056	9,467	10,317	10,317	10,317	10,786	11,326	11,892
Pension and UIF Contributions			-	-	-	-	-	-	-
Medical Aid Contributions			-	-	-	-	-	-	-
Motor Vehicle Allowance			-	-	-	-	-	-	-
Cellphone Allowance	657	1,081	1,106	1,066	1,066	1,066	1,110	1,110	1,110
Housing Allowances							-	-	-
Other benefits and allowances							-	-	-
Sub Total - Councillors	9,265	10,138	10,573	11,383	11,383	11,383	11,896	12,436	13,002
Senior Managers of the Municipality									
Basic Salaries and Wages	9,944	10,489	11,036	11,292	11,292	11,292	12,506	13,262	14,066
Pension and UIF Contributions			-	-	-	-	-	-	-
Medical Aid Contributions			-	-	-	-	-	-	-
Overtime			-	-	-	-	-	-	-
Performance Bonus		103	187	109	109	109	260	276	293
Motor Vehicle Allowance			-	-	-	-	-	-	-
Cellphone Allowance	158	187	187	187	187	187	187	187	187
Housing Allowances			-	-	-	-	-	-	-
Other benefits and allowances			7				-	-	-
Payments in lieu of leave							-	-	-
Long service awards							-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	10,102	10,779	11,416	11,588	11,588	11,588	12,952	13,725	14,546
Other Municipal Staff									
Basic Salaries and Wages	175,723	206,677	214,176	245,260	244,146	244,146	259,838	273,486	289,195
Pension and UIF Contributions	30,114	33,240	36,580	41,471	41,366	41,366	48,588	51,441	54,519
Medical Aid Contributions	10,523	11,195	12,035	14,459	14,588	14,588	18,241	18,425	19,867
Overtime	15,613	18,388	34,501	29,320	29,325	29,325	32,190	33,522	35,617
Performance Bonus			-		34	34	462	486	510
Motor Vehicle Allowance	7,602	7,850	7,897	7,947	8,077	8,077	8,032	8,167	8,213
Cellphone Allowance	1,483	2,013	1,887	2,067	2,067	2,067	2,378	2,380	2,402
Housing Allowances	5,064	5,482	2,350	2,567	2,630	2,630	2,870	3,045	3,235
Other benefits and allowances	26,841	14,215	26,930	30,363	30,939	30,939	34,737	35,866	38,048
Payments in lieu of leave	1,385	772	2,532	1,125	1,125	1,125	-	-	-
Long service awards	1,836	6,054	2,598	2,062	2,062	2,062	-	-	-
Post-retirement benefit obligations	16,076	(19,984)	14,955	11,571	11,571	11,571	15,035	15,787	16,576
Sub Total - Other Municipal Staff	292,261	285,903	356,441	388,216	387,933	387,933	422,373	442,603	468,181
Total Parent Municipality	311,628	306,820	378,431	411,187	410,904	410,904	447,221	468,764	495,729
TOTAL SALARY, ALLOWANCES & BENEFITS	311,628	306,820	378,431	411,187	410,904	410,904	447,221	468,764	495,729
TOTAL MANAGERS AND STAFF	302,363	296,682	367,858	399,804	399,521	399,521	435,325	456,328	482,727

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

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

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum							
Councillors							
Speaker	1	730 076	-	44 400	-	-	774 476
Chief Whip		-	-	-	-	-	-
Executive Mayor	1	912 588	-	44 400	-	-	956 988
Deputy Executive Mayor	1	730 099	-	44 400	-	-	774 499
Executive Committee	5	3 422 220	-	222 000	-	-	3 644 220
Total for all other councillors	17	6 888 712	-	754 800	-	-	7 643 512
Total for all other councillors	25	12 683 695	-	1 110 000			13 793 695
Senior Managers of the Municipality							
Municipal Manager (MM)	1	1 857 391	-	27 540	260 000	-	2 144 931
Chief Finance Officer	1	1 823 376	-	24 480	-	-	1 847 856
Director Management Services	1	1 683 168	-	27 540	-	-	1 710 708
Director Community Services	1	1 745 398	-	27 540	-	-	1 772 938
Director Protection Services	1	1 633 320	-	27 540	-	-	1 660 860
Director Infrastructure & Planning	1	1 830 246	-	24 480	-	-	1 854 726
Director LED	1	1 672 601	-	27 540	-	-	1 700 141
Total Senior Managers of the Municipality	7	12 245 500	-	186 660	260 000		12 692 160
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	32	24 929 195	-	1 296 660	260 000		26 485 855

Table 47 MBRR SA24 – Summary of personnel numbers

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

2.9 Monthly targets for revenue, expenditure and cash flow!

Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source															
Property rates	21,879	21,879	21,879	21,879	21,879	21,879	21,879	21,879	21,879	21,879	21,879	21,879	262,551	275,226	288,402
Service charges - electricity revenue	32,191	32,191	32,191	32,191	32,191	32,191	32,191	32,191	32,191	32,191	32,191	32,191	386,294	403,262	463,064
Service charges - water revenue	10,710	10,710	10,710	10,710	10,710	10,710	10,710	10,710	10,710	10,710	10,710	10,710	128,520	134,919	141,638
Service charges - sanitation revenue	6,576	6,576	6,576	6,576	6,576	6,576	6,576	6,576	6,576	6,576	6,576	6,576	78,913	82,858	87,000
Service charges - refuse revenue	5,790	5,790	5,790	5,790	5,790	5,790	5,790	5,790	5,790	5,790	5,790	5,790	69,482	72,955	76,602
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	302	302	302	302	302	303	302	302	302	302	302	303	3,627	3,803	3,990
Interest earned - external investments	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	31,400	32,975	34,615
Interest earned - outstanding debtors	389	389	389	389	389	390	389	389	389	389	389	390	4,673	4,906	5,145
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2,463	2,463	2,463	2,463	2,463	2,465	2,463	2,463	2,463	2,463	2,463	2,465	29,564	31,039	32,587
Licences and permits	198	198	199	198	198	200	198	198	199	198	198	200	2,385	2,498	2,618
Agency services	412	412	412	412	412	412	412	412	412	412	412	412	4,938	5,184	5,442
Transfers and subsidies	10,803	10,803	11,353	10,803	10,803	11,353	10,803	10,803	11,353	10,803	10,803	11,353	131,840	141,735	154,275
Other revenue	9,630	9,630	9,656	9,630	9,630	9,658	9,630	9,630	9,656	9,630	9,630	9,674	115,686	122,827	122,940
Gains on disposal of PPE	583	583	583	583	583	583	583	583	583	583	583	583	7,000	7,000	7,000
Total Revenue (excluding capital transfers and	104,545	104,545	105,121	104,545	104,545	105,127	104,545	104,545	105,121	104,545	104,545	105,144	1,256,873	1,321,188	1,425,319
Expenditure By Type															
Employee related costs	36,011	36,011	36,011	36,011	36,084	36,011	36,011	36,011	36,011	36,011	36,011	39,127	435,325	456,328	482,727
Remuneration of councillors	991	991	991	991	991	991	991	991	991	991	991	991	11,896	12,436	13,002
Debt impairment	2,189	2,189	2,189	2,189	2,189	2,189	2,189	2,189	2,189	2,189	2,189	2,189	26,263	27,577	28,955
Depreciation & asset impairment	11,823	11,823	11,823	11,823	11,823	11,823	11,823	11,823	11,823	11,823	11,823	11,824	141,877	139,714	133,277
Finance charges	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	51,482	52,210	52,352
Bulk purchases	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	270,260	290,978	313,126
Other materials	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,965	47,567	43,347	45,265
Contracted services	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,537	222,414	235,538	247,162
Transfers and subsidies	967	967	967	967	967	967	967	967	967	967	967	968	11,610	11,610	11,610
Other expenditure	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	10,106	12,155	123,315	132,461	144,310
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	111,397	111,397	111,397	111,397	111,469	111,397	111,397	111,397	111,397	111,397	111,397	116,567	1,342,010	1,402,198	1,471,786
Surplus/(Deficit)	(6,852)	(6,852)	(6,276)	(6,852)	(6,924)	(6,271)	(6,852)	(6,852)	(6,276)	(6,852)	(6,852)	(11,423)	(85,137)	(81,011)	(46,467)
Transfers and subsidies - capital (monetary allocation)	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	30,619	28,470	31,628
Transfers and subsidies - capital (monetary allocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	14,000	5,900
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(4,301)	(4,301)	(3,725)	(4,301)	(4,373)	(3,719)	(4,301)	(4,301)	(3,725)	(4,301)	(4,301)	(8,872)	(54,518)	(38,541)	(8,939)
Surplus/(Deficit)	(4,301)	(4,301)	(3,725)	(4,301)	(4,373)	(3,719)	(4,301)	(4,301)	(3,725)	(4,301)	(4,301)	(8,872)	(54,518)	(38,541)	(8,939)

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote															
Vote 1 - Council	1,478	1,478	1,478	1,478	1,478	1,478	1,478	1,478	1,478	1,478	1,478	1,478	17,732	17,986	13,377
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	118	118	118	118	118	118	118	118	118	118	118	118	1,416	1,416	1,416
Vote 4 - Finance	25,762	25,762	25,762	25,762	25,762	25,762	25,762	25,762	25,762	25,762	25,762	25,778	309,162	323,853	339,126
Vote 5 - Community Services	44,959	44,959	44,959	44,959	44,959	44,960	44,959	44,959	44,959	44,959	44,959	44,960	539,510	581,120	644,396
Vote 6 - Economic and Social Development	3,136	3,136	3,686	3,136	3,136	3,686	3,136	3,136	3,686	3,136	3,136	3,686	39,830	41,151	42,656
Vote 7 - Infrastructure & Planning	389	389	389	389	389	389	389	389	389	389	389	389	4,663	2,168	2,324
Vote 8 - Protection Services	31,255	31,255	31,281	31,255	31,255	31,286	31,255	31,255	31,281	31,255	31,255	31,287	375,179	395,964	419,552
Total Revenue by Vote	107,097	107,097	107,673	107,097	107,097	107,678	107,097	107,097	107,673	107,097	107,097	107,696	1,287,492	1,363,658	1,462,847
Expenditure by Vote to be appropriated															
Vote 1 - Council	2,814	2,814	2,814	2,814	2,814	2,814	2,814	2,814	2,814	2,814	2,814	4,843	35,802	37,038	38,812
Vote 2 - Municipal Manager	605	605	605	605	677	605	605	605	605	605	605	865	7,587	8,013	8,450
Vote 3 - Management Services	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	57,115	59,903	62,533
Vote 4 - Finance	7,645	7,645	7,645	7,645	7,645	7,645	7,645	7,645	7,645	7,645	7,645	7,845	91,935	95,780	100,249
Vote 5 - Community Services	45,947	45,947	45,947	45,947	45,947	45,947	45,947	45,947	45,947	45,947	45,947	45,948	551,359	590,425	631,326
Vote 6 - Economic and Social Development	9,783	9,783	9,783	9,783	9,783	9,783	9,783	9,783	9,783	9,783	9,783	10,663	118,272	118,386	124,302
Vote 7 - Infrastructure & Planning	1,439	1,439	1,439	1,439	1,439	1,439	1,439	1,439	1,439	1,439	1,439	3,234	19,065	18,726	20,154
Vote 8 - Protection Services	38,406	38,406	38,406	38,406	38,406	38,406	38,406	38,406	38,406	38,406	38,406	38,410	460,876	473,928	485,959
Total Expenditure by Vote	111,397	111,397	111,397	111,397	111,469	111,397	111,397	111,397	111,397	111,397	111,397	116,567	1,342,010	1,402,198	1,471,786
Surplus/(Deficit) before assoc.	(4,301)	(4,301)	(3,725)	(4,301)	(4,373)	(3,719)	(4,301)	(4,301)	(3,725)	(4,301)	(4,301)	(8,872)	(54,518)	(38,541)	(8,939)
Surplus/(Deficit)	(4,301)	(4,301)	(3,725)	(4,301)	(4,373)	(3,719)	(4,301)	(4,301)	(3,725)	(4,301)	(4,301)	(8,872)	(54,518)	(38,541)	(8,939)

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional																
Governance and administration	28,010	28,010	28,010	28,010	28,010	28,012	28,010	28,010	28,010	28,010	28,010	28,027	336,136	351,115	361,816	
Executive and council	1,485	1,485	1,485	1,485	1,485	1,487	1,485	1,485	1,485	1,485	1,485	1,487	17,821	18,077	13,470	
Finance and administration	26,525	26,525	26,525	26,525	26,525	26,525	26,525	26,525	26,525	26,525	26,525	26,541	318,315	333,039	348,346	
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Community and public safety	12,220	12,220	12,770	12,220	12,220	12,773	12,220	12,220	12,770	12,220	12,220	12,774	148,846	155,347	157,184	
Community and social services	682	682	682	682	682	684	682	682	682	682	682	685	8,185	8,613	9,215	
Sport and recreation	855	855	855	855	855	856	855	855	855	855	855	856	10,262	8,651	9,083	
Public safety	3,136	3,136	3,686	3,136	3,136	3,686	3,136	3,136	3,686	3,136	3,136	3,686	39,830	41,151	42,656	
Housing	7,547	7,547	7,547	7,547	7,547	7,548	7,547	7,547	7,547	7,547	7,547	7,548	90,568	96,932	96,230	
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Economic and environmental services	839	839	839	839	839	840	839	839	839	839	839	840	10,065	11,386	25,079	
Planning and development	815	815	815	815	815	817	815	815	815	815	815	817	9,788	7,537	7,798	
Road transport	20	20	20	20	20	20	20	20	20	20	20	21	245	3,816	17,245	
Environmental protection	3	3	3	3	3	3	3	3	3	3	3	3	32	33	35	
Trading services	66,029	66,029	66,054	66,029	66,029	66,054	66,029	66,029	66,054	66,029	66,029	66,054	792,445	845,809	918,767	
Energy sources	36,413	36,413	36,413	36,413	36,413	36,413	36,413	36,413	36,413	36,413	36,413	36,413	436,955	471,967	535,700	
Water management	12,533	12,533	12,533	12,533	12,533	12,533	12,533	12,533	12,533	12,533	12,533	12,533	150,392	163,869	161,113	
Waste water management	9,520	9,520	9,545	9,520	9,520	9,545	9,520	9,520	9,545	9,520	9,520	9,545	114,335	114,085	119,865	
Waste management	7,564	7,564	7,564	7,564	7,564	7,564	7,564	7,564	7,564	7,564	7,564	7,564	90,764	95,887	102,089	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue - Functional	107,097	107,097	107,673	107,097	107,097	107,678	107,097	107,097	107,673	107,097	107,097	107,696	1,287,492	1,363,658	1,462,847	
Expenditure - Functional																
Governance and administration	22,287	22,287	22,287	22,287	22,359	22,287	22,287	22,287	22,287	22,287	22,287	24,778	270,009	280,789	294,383	
Executive and council	5,029	5,029	5,029	5,029	5,101	5,029	5,029	5,029	5,029	5,029	5,029	7,318	62,707	65,381	68,808	
Finance and administration	16,961	16,961	16,961	16,961	16,961	16,961	16,961	16,961	16,961	16,961	16,961	17,163	203,733	211,664	221,611	
Internal audit	297	297	297	297	297	297	297	297	297	297	297	297	3,569	3,744	3,963	
Community and public safety	20,781	20,781	20,781	20,781	20,781	20,781	20,781	20,781	20,781	20,781	20,781	23,081	251,675	260,907	279,870	
Community and social services	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,959	23,502	24,133	25,304	
Sport and recreation	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,715	4,716	56,586	58,955	62,240	
Public safety	9,740	9,740	9,740	9,740	9,740	9,740	9,740	9,740	9,740	9,740	9,740	12,038	119,176	119,409	125,416	
Housing	4,368	4,368	4,368	4,368	4,368	4,368	4,368	4,368	4,368	4,368	4,368	4,368	52,410	58,409	66,911	
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Economic and environmental services	14,643	14,643	14,643	14,643	14,643	14,643	14,643	14,643	14,643	14,643	14,643	15,021	176,095	182,774	189,619	
Planning and development	4,233	4,233	4,233	4,233	4,233	4,233	4,233	4,233	4,233	4,233	4,233	4,611	51,179	52,283	54,204	
Road transport	9,051	9,051	9,051	9,051	9,051	9,051	9,051	9,051	9,051	9,051	9,051	9,052	108,617	112,050	115,957	
Environmental protection	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	16,298	18,441	19,459	
Trading services	53,376	53,376	53,376	53,376	53,376	53,376	53,376	53,376	53,376	53,376	53,376	53,378	640,514	673,734	703,815	
Energy sources	29,530	29,530	29,530	29,530	29,530	29,530	29,530	29,530	29,530	29,530	29,530	29,530	354,355	377,408	401,594	
Water management	10,347	10,347	10,347	10,347	10,347	10,347	10,347	10,347	10,347	10,347	10,347	10,348	124,167	127,865	127,219	
Waste water management	7,386	7,386	7,386	7,386	7,386	7,386	7,386	7,386	7,386	7,386	7,386	7,387	88,633	92,020	94,636	
Waste management	6,113	6,113	6,113	6,113	6,113	6,113	6,113	6,113	6,113	6,113	6,113	6,114	73,358	76,441	80,366	
Other	310	310	310	310	310	310	310	310	310	310	310	310	3,719	3,995	4,098	
Total Expenditure - Functional	111,397	111,397	111,397	111,397	111,469	111,397	111,397	111,397	111,397	111,397	111,397	116,567	1,342,010	1,402,198	1,471,786	
Surplus/(Deficit)	(4,301)	(4,301)	(3,725)	(4,301)	(4,373)	(3,719)	(4,301)	(4,301)	(3,725)	(4,301)	(4,301)	(8,872)	(54,518)	(38,541)	(8,939)	

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Multi-year expenditure to be appropriated															
Vote 1 - Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	20,000
Vote 5 - Community Services	1,381	1,631	7,155	6,881	11,531	9,255	11,981	8,831	13,005	11,331	12,681	13,026	108,693	133,601	104,550
Vote 6 - Economic and Social Development & Tourism	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	1,381	1,631	7,155	6,881	11,531	9,255	11,981	8,831	13,005	11,331	12,681	13,026	108,693	163,601	124,550
Single-year expenditure to be appropriated															
Vote 1 - Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	83	83	83	433	533	288	683	283	83	88	83	288	3,015	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	20	20	20	-	-	60	-	-
Vote 5 - Community Services	6,876	6,876	7,601	8,076	10,576	8,368	8,376	11,239	9,801	10,876	9,332	19,726	117,721	26,636	29,828
Vote 6 - Economic and Social Development & Tourism	-	-	1,119	400	400	2,054	-	390	2,241	690	120	6,568	13,981	1,352	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	23	200	150	350	97	-	23	842	-	-
Vote 8 - Protection Services	465	775	2,085	2,128	2,038	6,784	4,818	8,735	9,320	3,686	1,897	16,695	59,426	5,574	-
Capital single-year expenditure sub-total	7,424	7,734	10,887	11,037	13,547	17,517	14,077	20,818	21,815	15,457	11,433	43,300	195,045	33,561	29,828
Total Capital Expenditure	8,805	9,365	18,043	17,918	25,078	26,772	26,059	29,649	34,820	26,789	24,114	56,325	303,738	197,162	154,378

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

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional															
<i>Governance and administration</i>	83	83	83	433	533	288	683	303	103	108	83	288	3,075	30,000	20,000
Executive and council	-	-	-	-	-	-	-	-	-	5	-	-	5	-	-
Finance and administration	83	83	83	433	533	288	683	303	103	103	83	288	3,070	30,000	20,000
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	600	600	5,519	5,281	8,689	10,258	11,735	9,153	11,284	6,513	5,028	19,034	93,694	52,392	37,850
Community and social services	-	-	-	431	-	3,765	3,295	3,933	4,213	1,078	278	1,646	18,638	4,374	-
Sport and recreation	600	600	600	650	689	639	840	1,030	1,030	895	830	4,325	12,731	-	-
Public safety	-	-	1,119	400	400	2,054	-	390	2,241	740	120	6,718	14,181	1,352	-
Housing	-	-	3,800	3,800	7,600	3,800	7,600	3,800	3,800	3,800	3,800	6,344	48,144	46,667	37,850
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	1,212	1,522	1,797	1,462	1,729	2,187	1,600	3,995	4,446	2,047	1,937	9,655	33,589	7,171	17,000
Planning and development	620	620	620	620	620	853	920	2,736	3,036	917	820	1,208	13,594	3,600	-
Road transport	592	902	1,177	842	1,109	1,334	679	1,259	1,410	1,130	1,117	8,447	19,995	3,571	17,000
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	6,909	7,159	10,644	10,742	14,127	14,040	12,040	16,198	18,987	18,120	17,066	27,348	173,381	107,599	79,528
Energy sources	821	1,071	995	821	1,571	1,552	1,821	2,071	1,995	1,821	3,471	3,110	21,119	46,500	31,000
Water management	3,773	3,773	4,531	3,773	4,773	4,531	3,773	3,773	5,031	4,273	4,673	5,931	52,606	35,516	22,000
Waste water management	785	785	3,588	4,603	6,253	6,427	4,417	7,760	9,632	9,447	6,742	16,778	77,217	24,384	26,528
Waste management	1,530	1,530	1,530	1,545	1,530	1,530	2,030	2,594	2,330	2,580	2,180	1,530	22,439	1,200	-
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	8,805	9,365	18,043	17,918	25,078	26,772	26,059	29,649	34,820	26,789	24,114	56,325	303,738	197,162	154,378

Table 53 MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Receipts By Source																
Property rates	21,626	21,626	21,626	21,626	21,626	21,626	21,626	21,626	21,626	21,626	21,626	21,626	21,626	259,513	274,775	287,860
Service charges - electricity revenue	31,819	31,819	31,819	31,819	31,819	31,819	31,819	31,819	31,819	31,819	31,819	31,819	31,819	381,824	402,602	462,194
Service charges - water revenue	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586	10,586	127,033	134,698	141,372
Service charges - sanitation revenue	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	78,000	82,722	86,837
Service charges - refuse revenue	5,723	5,723	5,723	5,723	5,723	5,723	5,723	5,723	5,723	5,723	5,723	5,723	5,723	68,678	72,835	76,458
Rental of facilities and equipment	299	299	299	299	299	299	299	299	299	299	299	300	300	3,585	3,797	3,983
Interest earned - external investments	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	2,617	31,400	32,975	34,615
Interest earned - outstanding debtors	389	389	389	389	389	390	389	389	389	389	389	390	390	4,673	4,906	5,145
Fines, penalties and forfeits	350	350	350	350	350	351	350	350	350	350	350	351	351	4,197	4,403	4,619
Licences and permits	198	198	199	198	198	200	198	198	199	198	198	200	200	2,385	2,498	2,618
Agency services	412	412	412	412	412	412	412	412	412	412	412	412	412	4,938	5,184	5,442
Transfer receipts - operational	10,803	10,803	11,353	10,803	10,803	11,353	10,803	10,803	11,353	10,803	10,803	11,353	11,353	131,840	141,735	154,275
Other revenue	9,675	9,675	9,701	9,675	9,675	9,703	9,675	9,675	9,701	9,675	9,675	9,719	9,719	116,226	137,399	129,446
Cash Receipts by Source	100,996	100,996	101,572	100,996	100,996	101,578	100,996	100,996	101,572	100,996	100,996	101,595	101,595	1,214,291	1,300,530	1,394,863
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocated)	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	2,552	30,619	28,470	31,628
Transfers and subsidies - capital (monetary allocated)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	583	583	583	583	583	583	583	583	583	583	583	583	583	7,000	7,000	7,000
Borrowing long term/refinancing	-	-	-	-	-	54,000	-	-	-	-	-	-	-	54,000	50,000	50,000
Increase (decrease) in consumer deposits	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(1,000)	3,724	3,948
Decrease (increase) in non-current receivables	1	1	1	1	1	1	1	1	1	1	1	1	1	7	3	1
Decrease (increase) in non-current investments	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(631)	(7,575)	(7,834)	(8,120)
Total Cash Receipts by Source	103,417	103,417	103,993	103,417	103,417	157,999	103,417	103,417	103,993	103,417	103,417	104,016	104,016	1,297,341	1,381,894	1,479,320
Cash Payments by Type																
Employee related costs	34,939	34,939	34,939	34,939	35,011	34,939	34,939	34,939	34,939	34,939	34,939	38,055	38,055	422,456	442,816	468,539
Remuneration of councillors	991	991	991	991	991	991	991	991	991	991	991	991	991	11,896	12,436	13,002
Finance charges	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	4,290	51,482	52,210	52,352
Bulk purchases - Electricity	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	22,522	270,260	290,978	313,126
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,964	3,965	3,965	47,567	43,347	45,265
Contracted services	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,534	18,537	18,537	222,414	235,538	247,162
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	967	967	967	967	967	967	967	967	967	967	967	968	968	11,610	11,610	11,610
Other expenditure	592	592	592	592	592	592	592	592	592	592	592	2,642	2,642	9,158	119,813	128,276
Cash Payments by Type	86,800	86,800	86,800	86,800	86,872	86,800	86,800	86,800	86,800	86,800	86,800	91,969	91,969	1,046,844	1,208,747	1,279,331
Other Cash Flows/Payments by Type																
Capital assets	8,805	9,365	18,043	17,918	25,078	26,772	26,059	29,649	34,820	26,789	24,114	56,325	56,325	303,738	197,162	154,378
Repayment of borrowing	1,778	1,289	1,173	8,124	953	8,581	1,862	-	2,597	8,562	1,012	10,442	10,442	46,374	52,751	47,751
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	97,384	97,455	106,016	112,842	112,904	122,153	114,721	116,449	124,218	122,151	111,927	158,736	158,736	1,396,956	1,458,660	1,481,460
NET INCREASE/(DECREASE) IN CASH HELD	6,034	5,963	(2,023)	(9,425)	(9,486)	35,846	(11,304)	(13,032)	(20,225)	(18,734)	(8,510)	(54,720)	(54,720)	(99,615)	(76,767)	(2,140)
Cash/cash equivalents at the month/year begin:	585,426	591,460	597,423	595,400	585,975	576,489	612,335	601,031	587,999	567,775	549,041	540,531	540,531	585,426	485,812	409,045
Cash/cash equivalents at the month/year end:	591,460	597,423	595,400	585,975	576,489	612,335	601,031	587,999	567,775	549,041	540,531	485,812	485,812	485,812	409,045	406,905

2.10 Annual budgets and SDBIP

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

2.11 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy all contracts awarded beyond the medium-term revenue and expenditure framework (three years) are listed in Table 73 on page 113. In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

2.12 Capital expenditure details

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

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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	52,681	26,438	96,933	143,762	105,545	105,545	117,549	67,866	51,000
Roads Infrastructure	2,260	10,003	12,061	19,683	16,033	16,033	19,795	3,571	17,000
Roads	2,260	10,003	12,061	19,683	16,033	16,033	19,795	3,571	17,000
Storm water Infrastructure	-	255	7,247	23,841	18,641	18,641	16,384	7,864	-
Drainage Collection	-	-	-	-	500	500	600	-	-
Electrical Infrastructure	30,496	15,449	28,893	23,801	18,999	18,999	12,768	45,500	24,000
HV Transmission Conductors	30,496	-	-	-	-	-	-	-	-
MV Substations	-	-	-	6,956	6,260	6,260	696	38,000	17,000
MV Networks	-	15,449	28,893	16,845	12,739	12,739	12,072	7,500	7,000
LV Networks	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	5,276	627	12,270	42,344	35,423	35,423	29,547	5,732	6,000
Dams and Weirs	-	-	-	-	-	-	-	-	-
Boreholes	-	-	-	2,000	6,153	6,153	10,500	-	-
Reservoirs	-	-	12,270	16,273	12,648	12,648	18,017	3,000	3,000
Water Treatment Works	5,276	627	-	2,150	6,153	6,153	-	-	-
Bulk Mains	-	-	-	-	-	-	-	-	-
Distribution	-	-	-	21,921	10,469	10,469	1,030	-	-
Sanitation Infrastructure	5,718	-	34,963	24,093	11,949	11,949	20,576	4,000	4,000
Pump Station	-	-	-	300	600	600	-	-	-
Reticulation	-	-	34,963	14,358	7,438	7,438	20,576	4,000	4,000
Waste Water Treatment Works	5,718	-	-	9,435	3,911	3,911	-	-	-
Solid Waste Infrastructure	8,930	105	1,499	10,000	4,500	4,500	18,479	1,200	-
Waste Drop-off Points	8,930	105	1,499	10,000	4,500	4,500	515	-	-
Community Assets	2,212	8,656	30,804	12,800	8,009	8,009	12,793	9,026	
Community Facilities	2,212	3,229	30,804	12,420	7,959	7,959	12,743	9,026	-
Halls	2,212	437	-	-	-	-	26	-	-
Crèches	-	100	559	793	718	718	475	-	-
Fire/Ambulance Stations	-	2,440	-	-	-	-	-	-	-
Testing Stations	-	-	4,809	1,100	1,100	1,100	-	1,052	-
Libraries	-	-	1,132	-	-	-	772	4,374	-
Cemeteries/Crematoria	-	251	381	1,500	980	980	1,292	-	-
Parks	-	-	-	526	526	526	202	-	-
Public Open Space	-	-	23,923	5,321	4,636	4,636	5,735	-	-
Nature Reserves	-	-	-	2,300	-	-	2,100	3,600	-
Public Ablution Facilities	-	-	-	880	-	-	1,383	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	5,427	-	380	50	50	50	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	5,427	-	380	50	50	50	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Other assets	2,497	38,552	37,368	35,472	94,402	94,402	52,970	46,967	37,850
Operational Buildings	2,497	4,372	3,092	9,034	10,029	10,029	4,825	300	-
Municipal Offices	2,497	4,372	3,092	9,034	10,029	10,029	4,825	300	-
Housing	-	34,180	34,276	26,439	84,373	84,373	48,144	46,667	37,850
Social Housing	-	34,180	34,276	26,439	84,373	84,373	48,144	46,667	37,850
Computer Equipment	-	1,593	1,346	4,200	4,220	4,220	7,896	-	-
Computer Equipment	-	1,593	1,346	4,200	4,220	4,220	7,896	-	-
Furniture and Office Equipment	-	205	295	280	280	280	1,025	-	-
Furniture and Office Equipment	-	205	295	280	280	280	1,025	-	-
Machinery and Equipment	-	166	1,428	900	1,400	1,400	760	-	-
Transport Assets	-	-	6,936	17,493	20,385	20,385	22,440	30,000	20,000
Transport Assets	-	-	6,936	17,493	20,385	20,385	22,440	30,000	20,000
Total Capital Expenditure on new assets	57,389	75,610	175,110	214,907	234,242	234,242	215,433	153,858	108,850

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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	33,214	28,370	-	6,570	6,558	6,558	25,621	20,050	16,200
Roads Infrastructure	11,809	2,020	-	10	10	10	-	-	-
Roads	11,809	2,020	-	10	10	10	-	-	-
Storm water Infrastructure	-	10,677	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	819	-	-	-	-	1,000	1,000	-
MV Networks	-	819	-	-	-	-	-	-	-
Water Supply Infrastructure	10,496	2,629	-	2,560	2,548	2,548	20,560	18,400	15,500
Dams and Weirs	-	-	-	-	-	-	-	-	-
Water Treatment Works	10,496	-	-	-	-	-	-	-	-
Distribution	-	2,629	-	2,560	2,548	2,548	18,760	18,000	15,000
Sanitation Infrastructure	9,169	10,591	-	4,000	4,000	4,000	4,061	650	700
Waste Water Treatment Works	9,169	10,591	-	-	-	-	-	-	-
Solid Waste Infrastructure	1,740	1,634	-	-	-	-	-	-	-
Waste Transfer Stations	1,740	1,634	-	-	-	-	-	-	-
Community Assets	1,265	1,217	-	-	-	-	-	-	-
Community Facilities	1,265	1,217	-	-	-	-	-	-	-
Halls	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	34,479	29,644	-	6,570	6,558	6,558	25,621	20,050	16,200
<i>Renewal of Existing Assets as % of total capex</i>	<i>0.0%</i>	<i>28.2%</i>	<i>0.0%</i>	<i>2.5%</i>	<i>2.4%</i>	<i>2.4%</i>	<i>8.4%</i>	<i>10.2%</i>	<i>10.5%</i>
<i>Renewal of Existing Assets as % of deprecn"</i>	<i>26.0%</i>	<i>22.0%</i>	<i>0.0%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>5.0%</i>	<i>18.1%</i>	<i>14.4%</i>	<i>12.2%</i>

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	110,392	117,901	145,959	139,955	141,193	141,193	141,901	150,468	158,753
Roads Infrastructure	55,545	53,229	61,860	65,331	66,157	66,157	67,578	71,378	75,348
<i>Roads</i>	55,545	53,229	61,860	62,398	62,598	62,598	63,837	67,447	71,216
<i>Road Structures</i>				2,933	3,558	3,558	3,741	3,932	4,132
Storm water Infrastructure	6,392	6,017	5,765	6,600	6,375	6,375	6,159	6,363	6,721
<i>Drainage Collection</i>			5,765	3,339	3,214	3,214	2,811	2,975	3,169
<i>Storm water Conveyance</i>	6,392	6,017		3,262	3,162	3,162	3,348	3,389	3,551
Electrical Infrastructure	17,747	17,645	23,082	37,099	37,630	37,630	31,243	32,852	34,749
<i>Power Plants</i>				12,895			-	-	-
<i>HV Transmission Conductors</i>	17,747	17,645		-	-	-	42	43	43
<i>MV Networks</i>			23,082	20,741	34,048	34,048	28,758	30,284	32,060
<i>LV Networks</i>				3,462	3,583	3,583	2,443	2,525	2,646
Water Supply Infrastructure	16,489	15,014	17,367	16,935	17,568	17,568	19,710	20,801	21,956
<i>Water Treatment Works</i>	16,489	15,014					-	-	-
Sanitation Infrastructure	11,672	13,051	14,967	11,541	11,007	11,007	13,262	13,878	14,535
<i>Reticulation</i>				726	726	726	-	-	-
<i>Waste Water Treatment Works</i>	11,672	13,051	14,967	10,671	10,137	10,137	13,262	13,878	14,535
<i>Outfall Sewers</i>				143	143	143	-	-	-
<i>Toilet Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	2,546	12,946	22,918	2,220	2,269	2,269	3,691	4,926	5,164
<i>Waste Transfer Stations</i>	2,546	12,946	22,918	427	436	436	1,450	1,522	1,597
<i>Waste Processing Facilities</i>				74	129	129	836	1,759	1,845
<i>Waste Drop-off Points</i>				1,433	1,433	1,433	1,065	1,111	1,159
<i>Waste Separation Facilities</i>				230	230	230	258	450	475
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	189	147	147	216	225	234
Information and Communication Infrastructure	-	-	-	40	40	40	42	44	46
Community Assets	4,867	12,289	39,801	40,198	39,293	39,293	44,758	47,164	49,867
Community Facilities	4,867	12,289	27,117	34,241	33,129	33,129	37,242	39,286	41,591
<i>Halls</i>			4,287	3,875	4,079	4,079	4,885	5,151	5,432
<i>Fire/Ambulance Stations</i>				912	912	912	385	402	419
<i>Testing Stations</i>				13	113	113	124	129	135
<i>Libraries</i>			28	164	170	170	191	199	207
<i>Cemeteries/Crematoria</i>			1,059	978	938	938	1,047	1,077	1,134
<i>Police</i>				258	324	324	518	542	564
<i>Parks</i>				23,822	23,580	23,580	27,196	28,750	30,510
<i>Public Open Space</i>	4,867	12,289	21,743	4,219	2,964	2,964	2,647	2,777	2,922
Sport and Recreation Facilities	-	-	12,685	5,957	6,164	6,164	7,516	7,878	8,276
<i>Outdoor Facilities</i>			12,685	5,957	6,164	6,164	7,516	7,878	8,276
Other assets	-	-	8,009	2,217	3,281	3,281	3,410	3,549	3,693
Operational Buildings	-	-	8,009	2,217	3,281	3,281	3,373	3,510	3,652
Intangible Assets	-	-	-	5,653	6,353	6,353	5,925	6,235	6,560
Computer Equipment	5,536	5,207	4,890	1,193	1,068	1,068	2,186	2,301	2,415
Computer Equipment	5,536	5,207	4,890	1,193	1,068	1,068	2,186	2,301	2,415
Furniture and Office Equipment	-	17,919	16,364	431	440	440	2,811	2,862	2,914
Furniture and Office Equipment	-	17,919	16,364	431	440	440	2,811	2,862	2,914
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	6,719	-	9,542	12,335	12,335	9,914	10,506	11,133
Transport Assets	-	6,719	-	9,542	12,335	12,335	9,914	10,506	11,133
Total Repairs and Maintenance Expenditure	120,795	160,036	215,024	199,189	203,963	203,963	210,905	223,085	235,335

Table 57 MBRR SA34d – Depreciation by asset class

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

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

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on upgrading of existing assets	-	-	-	23,172	16,905	16,905	50,206	23,254	29,328
Infrastructure	-	-	-	-	-	-	200	-	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	3,160	3,160	3,160	13,057	-	-
<i>Drainage Collection</i>	-	-	-	-	-	-	-	-	-
<i>Storm water Conveyance</i>	-	-	-	9,750	9,750	9,750	7,350	-	7,000
<i>Attenuation</i>	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
<i>MV Networks</i>	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-
<i>Distribution</i>	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	5,662	984	984	9,218	800	8,828
<i>Pump Station</i>	-	-	-	-	-	-	5,400	6,450	8,000
<i>Reticulation</i>	-	-	-	-	-	-	-	620	-
<i>Capital Spares</i>	-	-	-	-	-	-	2,500	-	-
Solid Waste Infrastructure	-	-	-	1,000	1,000	1,000	1,460	-	-
<i>Landfill Sites</i>	-	-	-	-	-	-	-	-	-
<i>Waste Transfer Stations</i>	-	-	-	-	-	-	-	-	-
<i>Waste Processing Facilities</i>	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	16,928	17,928	17,928	12,479	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	976	-	-
Community Assets	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
<i>Halls</i>	-	-	-	-	-	-	-	-	-
<i>Fire/Ambulance Stations</i>	-	-	-	-	-	-	-	-	-
<i>Libraries</i>	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	16,928	17,928	17,928	11,503	-	-
<i>Outdoor Facilities</i>	-	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>	-	-	-	100	100	100	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	-	-	-	40,200	34,933	34,933	62,684	23,254	29,328

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

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

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

Table 60 MBRR SA36 - Detailed capital budget per municipal vote

WC032 Overstrand - Supporting Table SA36 Detailed capital budget

R thousand	Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2020/21 Medium Term Revenue & Expenditure Framework					
												Audited Outcome 2019/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
Parent municipality:																	
List all capital projects grouped by Function																	
	EXECUTIVE & COUNCIL											255	10				
	FINANCE AND ADMINISTRATION	MINOR ASSETS - COUNCIL	New	Responsive, accountable, effective and efficient local government	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand Wide	8,364	4,055	5			
		EMERGENCY AND OPERATIONAL DIGITAL RADIO SYSTEMS	New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			600			
		UPS REPLACEMENT	New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.412684, 19.172642	-34.412684, 19.172642			300			
		DATA CENTRE VIRTUAL SERVER HOST REPLACEMENT EOL	New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.413470, 19.221698	-34.413470, 19.221698			200			
		DR HOST SERVER WITH ATTACHED STORAGE - REPLACEMENT EOL	New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			300			
		NEW HIGH SITE - HAINSTON MOUNTAIN	New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.413470, 19.221698	-34.413470, 19.221698			600			
		MINOR ASSETS FINANCE	New	Responsive, accountable, effective and efficient local government	Governance	1	Computer Equipment	Other	Overstrand	-34.417224, 19.238227	-34.417224, 19.238227			60			
		MINOR ASSETS MANAGEMENT SERVICES	New	Responsive, accountable, effective and efficient local government	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			10			
		MINOR ASSETS ICT ORGANIZATION WIDE	New	Responsive, accountable, effective and efficient local government	Governance	1	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand			1,000			
		SURPLUS	New	Responsive, accountable, effective and efficient local government	Governance	1	Transport Assets	Other	Overstrand	Overstrand	Overstrand				15,000	10,000	
		SURPLUS NON TARIFF INFRASTRUCTURE PROJECTS	New	A capable, ethical and developmental state	Governance	1	Transport Assets	Other	Overstrand	Overstrand	Overstrand Wide				15,000	10,000	
	PUBLIC SAFETY											4,809	20,723				
		UPGRADING OF FACILITIES ABLUTION BLOCK ICS CENTRE	Upgrading	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand			1,000			
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Other	Overstrand	Overstrand	Overstrand			1,500			
		UPGRADING OF FACILITIES - FIRE SERVICES BUILDING (F1/2)	Upgrading	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand			50			
		RAISING GANSBAAI FIRE STATION ROOF	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand				300		
		ESTABLISHING OF A K9I STATION - GANSBAAI	New	All people in South Africa are and feel safe	Governance	4	Community Facilities	Testing Stations	Overstrand	Overstrand	Overstrand				1,052		
		SAFE GUARDING(FENCING) OF WARD 06 ELECTRICAL MINI SUBSTATION	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Ward 06	19°21'70"E 34°43'20"S	19°21'70"E 34°43'20"S			100			
		CHANGE EXIT OF KLEMMOND FIRE STATION	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand			300			
		SPEED CAMERA AND EQUIPMENT FOR INHOUSE SPEED ENFORCEMENT	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Other	Overstrand	Overstrand	Overstrand			1,000			
		ADDITIONAL OFFICES LAW ENFORCEMENT AT BESKEMHOUTSKLOOF FARM	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand			500			
		CCTV SECURITY AT BESKEMHOUTSKLOOF FARM	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Overstrand	Overstrand	Overstrand			300			
		ACCESS CONTROL	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Offices	Overstrand	Overstrand	Overstrand			100			
		SECURITY FENCING COMMUNAL SPORTSGROUNDS	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Other	Ward 02	-34.582618, 19.353871	-34.582618, 19.353871			50			
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 03	34°23'52.81"S 19°15'58.13"E	34°23'52.81"S 19°15'58.13"E			200			
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 04	19.212 -34.400 Degrees	19.212 -34.400 Degrees			150			
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 05	19°21'80"E 34°42'80"S	19°21'80"E 34°42'80"S			120			
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 06	19°21'70"E 34°43'20"S	19°21'70"E 34°43'20"S			150			
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 08	19°12'70"E 34°39'70"S	19°12'70"E 34°39'70"S			120			
		SAFETY CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 09	19°02'06"E 34°20'23"S	19°02'06"E 34°20'23"S			100			
		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			
		VEHICLES-PUBLIC SAFETY (F6)	New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			1,358			
		VEHICLES-PUBLIC SAFETY (F6)	New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand			350			
		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	19349-34597	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°12'70"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	19°02'06"E 34°20'23"S	19°02'06"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			

Detailed capital budget per municipal vote (continued)

Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2019/20	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
PLANNING & DEVELOPMENT	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	Ward 04	19 212 -34 400 Degrees	19 212 -34 400 Degrees			250			
	CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Overstrand					226			
	CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Wards 12	34°25'25.77"S 19°12'31.21"E	34°25'25.77"S 19°12'31.21"E			150			
	MINOR ASSETS PROTECTION SERVICES (F1/2)	New	All people in South Africa are and feel safe	Governance	4	Machinery and Equipment	Other	Overstrand					400			
	MINOR ASSETS PROTECTION SERVICES (F2/2)	New	All people in South Africa are and feel safe	Governance	4	Machinery and Equipment	Other	Overstrand					85			
	VEHICLES-PUBLIC SAFETY (F1/2)	New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand					2,839			
	VEHICLES-PUBLIC SAFETY (F2/2)	New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand					732			
												1,346	3,896			
	MINOR ASSETS LED	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand	Overstrand			45		
	BUILDING CONTROL OFFICE EXTENSION	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Operational Buildings	Other	Overstrand	Overstrand	Overstrand	Overstrand			1,000		
	INFORMAL TRADING STALLS SWARTMANT TRADING	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Community Facilities	Other	Ward 05	19°21'18.0"E 34°42'50"S	19°21'18.0"E 34°42'50"S			397			
UPGRADING OF TOURISM OFFICES RENOVATIONS	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Operational Buildings	Other	Overstrand	Overstrand	Overstrand	Overstrand			400			
ECC CENTRE ESTABLISHMENT	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Community Facilities	Crèches	Overstrand	Overstrand	Overstrand	Overstrand			475			
HWITSON INDUSTRIAL BUSINESS HUB	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Community Facilities	Public Open Space	Ward 08	19 134 -34 396 Degrees	19 134 -34 396 Degrees			4,871				
PURCHASE OF ERF 8643-KLENNMOND (KCH)-TRANSFER FEES	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Community Facilities	Public Open Space	Ward 09	19°02'06"E 34°20'23"S	19°02'06"E 34°20'23"S			5				
HWITSON "LANG ERVIE" TRANSFERS	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Community Facilities	Public Open Space	Ward 08	19°02'50"E 34°35'50"S	19°02'50"E 34°35'50"S			150				
VEHICLES-PLANNING DEVELOPMENT	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Transport Assets	Other	Overstrand	Overstrand	Overstrand	Overstrand			3,731			
FERNKLOOF NATURE RESERVE FACILITIES (F1/2)	New	Responsive, accountable, effective and efficient local government	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 NATURE RESERVE FACILITIES (F2/2)	New	Responsive, accountable, effective and efficient local government	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				3,600			
MINOR ASSETS INFRASTRUCTURE PLANNING	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand	Overstrand			420			
											5,164	2,960				
COMMUNITY AND SOCIAL SERVICES																
MINOR ASSETS COMMUNITY SERVICES	New	A capable, ethical and developmental state	Inclusion and access	3	Furniture and Office Equipment	Other	Overstrand	Overstrand	Overstrand	Overstrand Wide			760			
VEHICLES COMMUNITY SERVICES	New	A capable, ethical and developmental state	Inclusion and access	3	Transport Assets	Other	Overstrand	Overstrand	Overstrand	Overstrand			13,430			
SHELTER FOR COMMUNITIES AT TAXI RANK	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Taxi Ranks/Bus Terminals	Ward 03	19 210 -34 418	19 210 -34 418			300				
BEAUTIFICATION OF ENTRANCES TO KLENNMOND	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Open Space	Mul-ward KM Area	34°20'17.2"E 19°02'20.4"E	34°20'17.2"E 19°02'20.4"E			150				
ABLUTION FACILITIES ONRUS SWIMMING BEACH PHASE 2 (F1/2)	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S			750				
ABLUTION FACILITIES - ONRUS SWIMMING BEACH(F2/2)	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Ablution Facilities	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S			633				
SHELTER FOR COMMUNITIES, TAXI RANK	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Taxi Ranks/Bus Terminals	Ward 03	19 210 -34 418	19 210 -34 418			108				
RETAINING WALL SECTION 9TH AVENUE SPAR	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Open Space	Ward 09	34°20'17.2"E 19°01'55.6"E	34°20'17.2"E 19°01'55.6"E			26				
KITCHEN EQUIPMENT OVERHILLS COMMUNITY HALL	New	A capable, ethical and developmental state	Inclusion and access	3	Furniture and Office Equipment	Other	Ward 10	34°20'11.0"E 19°00'24.4"E	34°20'11.0"E 19°00'24.4"E			26				
UPGRADING OF ZWELHLE TAXI RANK STALLS	Upgrading	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Taxi Ranks/Bus Terminals	Ward 06	19°21'07"E 34°43'20"S	19°21'07"E 34°43'20"S			360				
CEMETERY INFRASTRUCTURE	Renewal	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Cemeteries/Crematoria	Ward 10	34°20'07.1"S 18°59'47.1"E	34°20'07.1"S 18°59'47.1"E			1,292				
LIBRARIES																
ZWELHLE LIBRARY	New	A capable, ethical and developmental state	Inclusion and access	4	Community Facilities	Libraries	Ward 05	34 427 19 217 Degrees	34 427 19 217 Degrees			772	4,374			
SPORT & RECREATION																
UPGRADE HWITSON SPORT COMPLEX (F1/2)	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19 126 -34 384 Degrees	19 126 -34 384 Degrees		23,923	19,055	2,021			
UPGRADE HWITSON SPORT COMPLEX (F1/2)	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19 126 -34 384 Degrees	19 126 -34 384 Degrees				5,182			
UPGRADE HWITSON SPORT COMPLEX (F2/2)	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19 126 -34 384 Degrees	19 126 -34 384 Degrees				600			
UPGRADE HWITSON SPORT COMPLEX (F3/2)	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 08	19 126 -34 384 Degrees	19 126 -34 384 Degrees				1,637			
UPGRADING OF SOCCER FIELD SOCCER STAND	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facilities	Ward 01	-34.591601, 19.358348	-34.591601, 19.358348				100			
UPGRADING WARD 5 PLAY PARK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 05	19°21'18.0"E 34°42'50"S	19°21'18.0"E 34°42'50"S				80			
OUTDOOR GYM EQUIPMENT MOUNTAIN VIEW BOWLS CLUB AREA	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Sport and Recreation Facilities	Other	Ward 09	34°20'16.1"S 19°00'56.9"E & 34°20'19.6"S 19°02'09.7"E	34°20'16.1"S 19°00'56.9"E & 34°20'19.6"S 19°02'09.7"E				50			
WALKWAY TO PALMETO BEACH	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 09	34°20'43.8"S 19°00'24.0"E	34°20'43.8"S 19°00'24.0"E				40			
PLAYPARK EQUIPMENT DAWIDSKRAAL & MALKOPSVLEI	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Wards 10	34°21'22.6"S 18°55'16.0"E & 34°21'22.4"S 18°54'18.0"E	34°21'22.6"S 18°55'16.0"E & 34°21'22.4"S 18°54'18.0"E				50			
MOODITSIG PLAY GROUND	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Wards 10	34°21'14.9"S 18°52'51.9"E	34°21'14.9"S 18°52'51.9"E				26			
PLAYPARK EQUIPMENT PROTEADORP	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Wards 10	34°20'19.2"S 19°00'39.9"E	34°20'19.2"S 19°00'39.9"E				26			
BUS STOPS INCL. REPAIRING REPLACEMENT OF ONE AT SIYABULELA OVERHILLS &	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Wards 10	34°20'19.1"S 19°00'37.5"E	34°20'19.1"S 19°00'37.5"E				26			
UPGRADE OF PUBLIC BOAT LAUNCHING SITE ABLUTIONS DU TOIT STREET	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Wards 11	19 609 & 34 751	19 609 & 34 751				70			
UPGRADING WARD 12 PLAY PARKS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Wards 12	34 424 19 212 Degrees	34 424 19 212 Degrees				210			
UPGRADING SIYAKHA EDUCARE CENTRE PLAY PARK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Wards 12	34 424 19 212 Degrees	34 424 19 212 Degrees				50			
FENCING DOG PARK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 13	19 176 -34 400	19 176 -34 400				100			
UPGRADING OF MOUNT PLEASANT SPORTSGROUND FLOODLIGHTS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 04	19°21'07"E 34°42'00"S	19°21'07"E 34°42'00"S				1,963			
UPGRADING WALL AT MOUNT PLEASANT SPORTSGROUND	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 04	19°21'07"E 34°42'00"S	19°21'07"E 34°42'00"S				500			
HOUSING																
LOH SERVICES CONSTRUCTION CONTRACTS	New	Spatial integration, human settlements and local government	Spatial integration	4	Housing	Social Housing	Overstrand	Overstrand	Overstrand	Overstrand Wide	34,276	84,373	45,556	46,667	37,850	
HWITSON, UPGRADE INTERSECTION RAJ/GEORGE VLIJOEN STREET	Upgrading	Spatial integration, human settlements and local government	Spatial integration	4	Housing	Social Housing	Ward 08	19 126 -34 384 Degrees	19 126 -34 384 Degrees			2,188				

Detailed capital budget per municipal vote (continued)

Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ROADS											12,061	17,860			
	SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	34°36'19.7"S 19°23'50.1"E	34°36'19.7"S 19°23'50.1"E					150
	SIDEWALKS TRAFFIC CALMING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	34°35'31.6"S 19°21'38.5"E	34°35'31.6"S 19°21'38.5"E					200
	SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	34°35'54.3"S 19°20'45.7"E	34°35'54.3"S 19°20'45.7"E					250
	TRAFFIC CALMING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19 210 -34 418	19 210 -34 418					100
	MOUNT PLEASANT SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19 233 -34 425	19 233 -34 425					100
	TRAFFIC CALMING MOUNT PLEASANT	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19 212 & -34 414	19 212 & -34 414					50
	TRAFFIC CALMING WESTCLIFF	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 04	19°22'20"E 34°42'50"S	19°22'20"E 34°42'50"S					175
	SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 05	19°21'80"E 34°42'80"S	19°21'80"E 34°42'80"S					100
	SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 06	19°21'00"E 34°43'10"S	19°21'00"E 34°43'10"S					150
	DEVELOPMENT AND UPGRADING OF ROADS SIDEWALKS AND PARKING AREAS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 07	19 125 -34 356	19 125 -34 356					500
	TRAFFIC CALMING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19°12'50"E 34°35'50"S	19°12'50"E 34°35'50"S					100
	CURBING AND TARRING OF SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	-34 389.1.139	-34 389.1.139					50
	DEVELOPMENT AND CONSTRUCTION OF PARKING AREA AT ERF 1229 FOR CEMETERY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19°12'50"E 34°35'50"S	19°12'50"E 34°35'50"S					50
	SPEED CALMING MEASURES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 09	34°20'25.5"S 19°01'55.5"E	34°20'25.5"S 19°01'55.5"E					24
	UPGRADING STONEWALL OR SIDEWALK AT MAIN BEACH AREA	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 09	34°20'32.6"S 19°02'11.0"E	34°20'32.6"S 19°02'11.0"E					50
	DISABLED FRIENDLY FOOTPATH IN NATURE RESERVE ROODELS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 10	34°18'17.1"S 19°49'58.4"E	34°18'17.1"S 19°49'58.4"E					26
	PAVING OF ANEMONE ROAD	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Wards 10	34°18'05.9"S 19°49'59.7"E	34°18'05.9"S 19°49'59.7"E					150
	TRAFFIC CALMING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°39'41.7"S 19°29'40.2"E	34°39'41.7"S 19°29'40.2"E					30
	NEW SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E					50
	NEW SIDEWALKS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34°27'09.0"S 19°26'54.0"E	34°27'09.0"S 19°26'54.0"E					50
	CONSTRUCTION AND UPGRADING OF ATLANTIC DRIVE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	S34°24.810' / E19°10.001	S34°24.810' / E19°10.001					370
	TRAFFIC CALMING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 13	19°17'00"E 34°41'00"S	19°17'00"E 34°41'00"S					100
	CBD REGENERATION PROGRAM	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19 243 -34 419 degrees	19 243 -34 419 degrees					7,100
	EMERGENCY HOUSING PROJECT SCHILPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 06	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E					900
	TARRING OF EXISTING GRAVEL ROADS IN SANDBAAI PERLEMOEN/GALJOEN ST	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 07	19 125 -34 356	19 125 -34 356					700
	EXTENSION OF PLEIN STREET	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19 126 -34 384 Degrees	19 126 -34 384 Degrees					500
	HWITSON PAVING TARRING OF CIRCLES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 08	19 134 -34 396 Degrees	19 134 -34 396 Degrees					800
	STANFORD (MARKPLEIN/LANGMARK/KORTMARK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	19 351 -34 590 Degrees	19 351 -34 590 Degrees					1,400
	GANSBAAI TARRING OF ROAD TO WASTE DISPOSAL SITE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	34 446248 & 19 448291	34 446248 & 19 448291					2,700
	STANFORD TARRING DE BRUYN STREET	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34 446248 & 19 448291	34 446248 & 19 448291					2,500
	SIDEWALKS OVERSTRAND	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Overstrand	-34 593026, 19 349430	-34 593026, 19 349430					750
	BLOMPARK HOUSING PROJECT BUS ROUTE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	34°35'54.86"S 19°20'49.51"E	34°35'54.86"S 19°20'49.51"E					3,571
	STANFORD HOUSING PROJECT BUS ROUTE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34 446248 & 19 448291	34 446248 & 19 448291					6,000
	MASKHANE HOUSING PROJECT BUS ROUTE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 01	19°21'39"E 34°35'30"S	19°21'39"E 34°35'30"S					6,000
ELECTRICITY											28,893	29,226			
	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F14)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14"S 19°20'3.08"E	34°37'5.14"S 19°20'3.08"E					17,000
	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F24)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14"S 19°20'3.08"E	34°37'5.14"S 19°20'3.08"E					696
	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F34)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14"S 19°20'3.08"E	34°37'5.14"S 19°20'3.08"E					7,000
	FKRAAL KBAAI BHEAD NEW 66 11KV SUBSTATION (F44)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Multi-ward Gb Area	34°37'5.14"S 19°20'3.08"E	34°37'5.14"S 19°20'3.08"E					14,000
	STREET LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Substations	Ward 03	34° 24' 33.08" S 19° 17' 05.45" E	34° 24' 33.08" S 19° 17' 05.45" E					100
	STREET LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Ward 08	34° 23' 10.38" S 19° 07' 56.24" E	34° 23' 10.38" S 19° 07' 56.24" E					15
	STREET LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Ward 13	34° 25' 00.63" S 19° 10' 23.28" E	34° 25' 00.63" S 19° 10' 23.28" E					30
	ELECTRIFICATION OF LOW COST HOUSING AREAS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	34° 25' 36.28" S 19° 13' 11.19" E	34° 25' 36.28" S 19° 13' 11.19" E					2,500
	ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	MV Networks	Overstrand	34° 39' 47.44" S 19° 20' 31.63" E	34° 39' 47.44" S 19° 20' 31.63" E					8,000
	HIGHMAST LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Ward 05	34° 25' 00.63" S 19° 10' 23.28" E	34° 25' 00.63" S 19° 10' 23.28" E					800
	BASIC SERVICES FOR EMERGENCY HOUSING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Ward 05	34° 25' 00.63" S 19° 10' 23.28" E	34° 25' 00.63" S 19° 10' 23.28" E					250
	ZITHANDE STREET LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Ward 12	34°25'25.77"S 19°12'31.21"E	34°25'25.77"S 19°12'31.21"E					377
	HERMANUS MV & LV UPGRADE/REPLACEMENT (F10)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 03	34°25'16.83"S 19°13'00.62"E	34°25'16.83"S 19°13'00.62"E					1,181
	HERMANUS MV & LV UPGRADE/REPLACEMENT (F23)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 03	34°25'16.83"S 19°13'00.62"E	34°25'16.83"S 19°13'00.62"E					3,872
	HERMANUS MV LV UPGRADE REPLACEMENT (F33)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 03	34°25'16.83"S 19°13'00.62"E	34°25'16.83"S 19°13'00.62"E					3,000
	KLEINMOND MV & LV NETWORK UPGRADE (F10)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 09	34°20'18.35"S 19°01'35.31"E	34°20'18.35"S 19°01'35.31"E					1,463
	KLEINMOND MV & LV NETWORK UPGRADE (F23)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 09	34°20'18.35"S 19°01'35.31"E	34°20'18.35"S 19°01'35.31"E					438
	KLEINMOND MV LV NETWORK UPGRADE(F33)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV 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
	HWITSON MV & LV UPGRADE/REPLACEMENT (F12)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 08	34°23'09.91"S 19°07'56.01"E	34°23'09.91"S 19°07'56.01"E					386
	HWITSON MV LV UPGRADE REPLACEMENT(F22)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV 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
	ELECTRICITY TRANSFORMERS CAPITAL REPLACEMENT CONTINGENCY	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Overstrand	34° 25' 25.83" S 19° 11' 27.49" E	34° 25' 25.83" S 19° 11' 27.49" E					1,000

Detailed capital budget per municipal vote (continued)

WATER	WATER MASTER PLAN IMPLEMENTATION (F13)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand	12,270	38,982	10,000				
	WATER MASTER PLAN IMPLEMENTATION (F23)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			300	8,000			
	WATER MASTER PLAN IMPLEMENTATION (F33)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	Overstrand	Overstrand			1,733				
	REFURBISHMENT OF BULK WATER PIPELINES	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			900	3,000	2,000		
	FENCING AT WATER INSTALLATIONS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			700	700	500		
	REPLACEMENT OF OVERSTRAND WATER PIPES(F12)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand			1,589	7,000	7,000		
	REPLACEMENT OF OVERSTRAND WATER PIPES(F22)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Overstrand	Overstrand	Overstrand			4,238				
	WATER FACILITIES CONTINGENCY (F12)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Overstrand	Overstrand	Overstrand			400	400	500		
	WATER FACILITIES (CONTINGENCY/F22)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Overstrand	Overstrand	Overstrand			500				
	NEW AML RESERVOIR (F12)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 01	19°21'32"E 34°35'27"S	19°21'32"E 34°35'27"S				7,582			
	NEW AML RESERVOIR(F22)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 01	19°21'32"E 34°35'27"S	19°21'32"E 34°35'27"S				2,300			
	UPGRADE WATER LINES	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reticulation	Ward 01	34°35'54.86"S 19°20'49.51"E	34°35'54.86"S 19°20'49.51"E					5,200		
	NEW BOOSTER PUMPSTATION VALVES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 01	19°21'39"E 34°35'30"S	19°21'39"E 34°35'30"S					2,732		
	UPGRADE BULK WATER	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	34.446248 & 19.448291	34.446248 & 19.448291					3,484		
	UPGRADE HERIMANUS WELLS FIELDS PHASE 2(F12)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 04	19.22° E -34.396° S	19.22° E -34.396° S				6,000			
	UPGRADE HERIMANUS WELLS FIELDS PHASE 1(F22)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 04	19.22° E -34.396° S	19.22° E -34.396° S				4,500			
	NEW RESERVOIR FOR PRINGLE BAY (F12)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° E / -34.349° S	18.848° E / -34.349° S				2,000			
	NEW RESERVOIR FOR PRINGLE BAY (F22)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° E / -34.349° S	18.848° E / -34.349° S				6,135			
	REFURBISHMENT OF KLENMOND BUFFELS RIVER WTW	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Water Treatment Works	Ward 10	S34.336437° / E19.006527°	S34.336437° / E19.006527°					6,000		
	KLPGAT GROITTE PUMP STATIONS REFURBISHMENT	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 02	19.378° E / -34.546° S	19.378° E / -34.546° S				900			
	ACCESS ROADS TO KLENMOND BUFFELS RIVER WTW UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Overstrand	Ward 09						1,100	2,000		
	NEW SANDBAAI RESERVOIR	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 07	19.125 -34.356	19.125 -34.356					3,000	3,000	
	NEW VOORBERG BOOSTER PUMP STATION	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	34°21'28.5"S-18°54'15.1"E	34°21'28.5"S-18°54'15.1"E					3,000		
	BASIC SERVICES FOR EMERGENCY HOUSING	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 04	19.212 -34.400 Degrees	19.212 -34.400 Degrees				100			
	EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 06	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E				680			
	EHP WATER PROVISION FOR INFORMAL SETTLEMENTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Overstrand	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E				360			
	REFURBISH ELECTRICAL PANEL STANFORD EYE FOUNTAIN	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 11	19.454° E / -34.452° S	19.454° E / -34.452° S				600			
	SEWERAGE	SEWERAGE FACILITIES CONTINGENCY	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Pump Station	Overstrand	Overstrand	Overstrand	34,963	17,951	600	650	700	
		KLENMOND SEWER NETWORK EXTENSION (F12)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 09	19.028° E / -34.338° S	19.028° E / -34.338° S				4,000	4,000	
		KLENMOND - SEWER NETWORK EXTENSION (F22)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 09	19.028° E / -34.338° S	19.028° E / -34.338° S				4,000		
		KLENMOND WWTW REFURBISH UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 10	18.986° E / -34.342° S	18.986° E / -34.342° S				5,400	3,450	8,000
		UPGRADING OF KIDBROOKE PIPELINE (F12)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 13	19.183° E / -34.413° S	19.183° E / -34.413° S				1,480		
		UPGRADING OF KIDBROOKE PIPELINE (F22)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 13	19.183° E / -34.413° S	19.183° E / -34.413° S				368		
		REHABILITATE MAIN BULK SEWER TO WWTW PH1	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 09	19.005° E / -34.337° S	19.005° E / -34.337° S				3,461		
		UPGRADE BULK SEWER SUPPLY AREA A	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 01	-34.5919.362	-34.5919.362					7,628	
		UPGRADE BULK SEWER PUMPSTATION	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 02	19°21'25"E 34°35'20"S	19°21'25"E 34°35'20"S				3,920		
		UPGRADE BULK SEWER	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 11	19.447407 ; -34.440390	19.447407 ; -34.440390					620	
		FENCING AT SEWERAGE INSTALLATIONS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand				800	800	
		GANSBAAI CBD SEWER NETWORK EXTENSION	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 02	19.352° E / -34.586° S	19.352° E / -34.586° S				4,000	4,000	
		UPGRADING OF PUMPSTATIONS RISING MAINS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Pump Station	Overstrand	Overstrand	Overstrand				4,600	4,000	5,000
		HERIMANUS WWTW UPGRADE SCREENS RAS SLUDGE DEWATERING	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 03	34° 24' 33.08" S 19° 17' 05.45" E	34° 24' 33.08" S 19° 17' 05.45" E					3,000	
		ZWELHLE SEWER (F14)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Multi-ward HM Area	19.218° E / -34.433° S	19.218° E / -34.433° S				3,000		
		ZWELHLE SEWER (F24)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Multi-ward HM Area	19.218° E / -34.433° S	19.218° E / -34.433° S				2,647		
		ZWELHLE SEWER (F34)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Multi-ward HM Area	19.218° E / -34.433° S	19.218° E / -34.433° S				1,723		
		ZWELHLE SEWER (F44)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Multi-ward HM Area	19.218° E / -34.433° S	19.218° E / -34.433° S				387		
		EMERGENCY HOUSING PROJECT SCHULPHOEK	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 06	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E				2,400		
SEWERAGE BYPASS IN SPUMELELO CORRIDOR		New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 05	34.427 19.217 Degrees	34.427 19.217 Degrees				842			
SEWERAGE PEACH HOUSE PRECINT UPGRADE		New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 06	34.431 19.215 Degrees	34.431 19.215 Degrees				1,556			
SEWERAGE BYPASS IN SPUMELELO CORRIDOR		New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Ward 12	34.424 19.212 Degrees	34.424 19.212 Degrees				1,280			
BASIC SERVICES FOR EMERGENCY HOUSING		New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Overstrand	Overstrand	Overstrand				162			
EHP SEWER PROVISION FOR INFORMAL SETTLEMENTS		New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Overstrand	34°26'23.8"S 19°27'13.6"E	34°26'23.8"S 19°27'13.6"E				650			
SEWER NETWORK UPGRADE		Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticulation	Multi-ward HM Area	19.244 -34.418 Degrees	19.244 -34.418 Degrees				500			
REFURBISH HERIMANUS WWTW TREATED EFFLUENT IRRIGATION PIPELINE		Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Treatment Works	Ward 03	19.266 -34.398 Degrees	19.266 -34.398 Degrees					1,200		

R thousand	Function	Project Description	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2020/21 Medium Term Revenue & Expenditure Framework				
												Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Expenditure Framework		
														Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
STORMWATER												7,247	25,260	5,854	4,407	
	MASAKHANE HOUSING PROJECT BULK STORMWATER	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	19,356 -34,592 degrees	19,356 -34,592 degrees			4,500	3,457		
	STANFORD HOUSING PROJECT BULK STORMWATER	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	19°27'11"E 34°36'17"S	19°27'11"E 34°36'17"S			50			
	STORMWATER AD-HOC	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 01	34°36'19.7"S 19°22'50.1"E	34°36'19.7"S 19°22'50.1"E			100			
	STORMWATER AD-HOC	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 02	34°35'08.4"S 19°21'03.5"E	34°35'08.4"S 19°21'03.5"E			100			
	STORMWATER DRAINAGE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 05	19°21'30"E 34°42'00"S	19°21'30"E 34°42'00"S			150			
	STORMWATER AND TARRING OF CIRCLES	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 08	34°22'08.9"S 19°07'56.01"E	34°22'08.9"S 19°07'56.01"E			50			
	STORMWATER AD-HOC PROTEA STREET	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	34°27'09.0"S 19°26'54.0"E	34°27'09.0"S 19°26'54.0"E			50			
	STORMWATER AD-HOC	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 11	19,447,407 ; -34,440,390	19,447,407 ; -34,440,390			1,500			
	STORMWATER NETWORK UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward HM Area	19°20'30"E 34°42'00"S	19°20'30"E 34°42'00"S			500			
	STORMWATER NETWORK UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward HM Area	19,244 -34,418 Degrees	19,244 -34,418 Degrees			500			
	STORMWATER NETWORK UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Multi-ward Gb Area	34°35'08.4"S 19°21'03.5"E	34°35'08.4"S 19°21'03.5"E			300			
	UPGRADE STORMWATER NETWORK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°20'56.9"S 19°50'01.9"E	34°20'56.9"S 19°50'01.9"E			1,000			
	STORMWATER NETWORK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	34°21'28.5"S 19°54'15.7"E	34°21'28.5"S 19°54'15.7"E			500			
	EXTENTION OF PLEN STREET	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 08	19,126 -34,384 Degrees	19,126 -34,384 Degrees			2,316			
	STORMWATER NETWORK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 06	19,207° E / -34,425° S	19,207° E / -34,425° S			420			
	UPGRADE STORMWATER NETWORK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 06	19,207° E / -34,425° S	19,207° E / -34,425° S			2,100			
	STORMWATER - PHASE 1-INDUSTRIAL AREA	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 03	19,244 -34,419 degrees	19,244 -34,419 degrees			2,500			
	STORMWATER - OVERHILLS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 10	19,006 -34,337 Degrees	19,006 -34,337 Degrees			1,220			
	STORMWATER-LIBRARY LINK & SPUMELELO CORRIDOR UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 05	34, 431 19, 215 Degrees	34, 431 19, 215 Degrees			407			
	STORMWATER-TAXI RANK TO SPUMELELO CORRIDOR UPGRADE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 06	34, 424 19, 212 Degrees	34, 424 19, 212 Degrees			814			
	STORMWATER-AMANDLA STREET LINK TO SPUMELELELO CORRIDOR	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 12	34, 424 19, 212 Degrees	34, 424 19, 212 Degrees			4,500			
	STORMWATER MAIN RD HIGH STREET	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water Conveyance	Ward 03	19,244 -34,419 degrees	19,244 -34,419 degrees						
WASTE MANAGEMENT												1,499	10,311			
	HERMANUS NEW WASTE MANAGEMENT FACILITY(F1)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19,207° E / -34,425° S	19,207° E / -34,425° S			8,300			
	HERMANUS NEW WASTE MANAGEMENT FACILITY(F2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19,207° E / -34,425° S	19,207° E / -34,425° S			8,600			
	HERMANUS NEW WASTE MANAGEMENT FACILITY(F3)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19,207° E / -34,425° S	19,207° E / -34,425° S			1,064			
	GANSBAAI LANDFILL SITE FENCE	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Landfill Sites	Ward 02	19° 12' 24.28" E / -34° 25' 21.27" S	19° 12' 24.28" E / -34° 25' 21.27" S			2,500			
	HERMANUS TRANSFER STATION: NEW BOUNDARY WALL	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Overstrand	19,207° E / -34,425° S	19,207° E / -34,425° S				1,200		
	WHEELIE BINS 140L	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 02	19,343 -34,595 Degrees	19,343 -34,595 Degrees			500			
	BINS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Drop-off Points	Ward 08	19,126 -34,384 Degrees	19,126 -34,384 Degrees			15			
	HIGH RISK PARAMETER FENCING KLEINMOND TRANSFER STATION	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer Stations	Ward 10	34°20'21.16"S 19° 01' 34.39" E	34°20'21.16"S 19° 01' 34.39" E			460			
	HIGH RISK FENCING SOLID WASTE TRANSFER STATION	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Processing Facilities	Ward 06	19,207° E / -34,425° S	19,207° E / -34,425° S			1,000			
												175,110	275,733	303,738	197,162	154,378

Table 61 MBRR SA37 - Projects delayed from previous financial year

R thousand	Function	Project name	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Current Year 2019/20		2020/21 Medium Term Revenue & Expenditure Framework		
												Original Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	PUBLIC SAFETY	BUILDING RENOVATIONS FARM 585/3	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Office	Ward 04	19.212 -34.400 Deg	19.212 -34.400 Degrees	1,421		1,421		
		VEHICLES-PUBLIC SAFETY (F5/6)	New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand	1,358	1,358	1,358		
		VEHICLES-PUBLIC SAFETY (F6/6)	New	All people in South Africa are and feel safe	Governance	4	Transport Assets	Other	Overstrand	Overstrand	Overstrand		350	350		
		UPGRADING OF FACILITIES - FIRE SERVICES BUILDING	Upgrading	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Office	Overstrand	Overstrand	Overstrand	2,480		50		
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 01	19358-34592	19358-34592	100		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		50		
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 02	19.343 -34.596 Deg	19.343 -34.596 Degrees	50		50		
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 02	19.343 -34.595 Deg	19.343 -34.595 Degrees	50		50		
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 08	19°12'0"E 34°39'7"	19°12'0"E 34°39'7"S	100		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°02'06"E 34°20'2"	19°02'06"E 34°20'2"S	100		100		
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 11	19448-34457	19448-34457	100		100		
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 11	19448-34459	19448-34459	30		30		
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Ward 04	19.212 -34.400 Deg	19.212 -34.400 Degrees	50		50		
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Overstrand	Overstrand	Overstrand	250		250		
		CCTV CAMERAS	New	All people in South Africa are and feel safe	Governance	4	Computer Equipment	Other	Wards 12	34°25'25.77"S 19°12'31.2"		1,000		226		
		SAFE GUARDING(FENCING) OF WARD 06 ELECTRICAL	New	All people in South Africa are and feel safe	Governance	4	Operational Buildings	Municipal Office	Ward 06	19°21'70"E 34°43'21"	19°21'70"E 34°43'21"S		100	100		
	SPORT & RECREATION	HAWSTON INDUSTRIAL(BUSINESS) HUB	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Community Facilities	Public Open Sp	Ward 08	19.134 -34.396 Deg	19.134 -34.396 Degrees	4,871		4,871		
		UPGRADING WALL AT MOUNT PLEASANT SPORTSGR	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	4	Community Facilities	Other	Ward 04	19°21'70"E 34°42'0"	19°21'70"E 34°42'0"S	1,200		1,963		
		UPGRADE HAWSTON SPORT COMPLEX	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facility	Ward 08	19.126 -34.384 Deg	19.126 -34.384 Degrees	13,300		1,637		
		UPGRADE HAWSTON SPORT COMPLEX	Upgrading	Responsive, accountable, effective and efficient local government	Inclusion and access	4	Sport and Recreation Facilities	Outdoor Facility	Ward 08	19.126 -34.384 Deg	19.126 -34.384 Degrees	2,278		7,203		
	PLANNING & DEVELOPMENT	ECCO CENTRE ESTABLISHMENT	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Community Facilities	Crèches	Overstrand	Overstrand	Overstrand	793		475		
		PURCHASE OF Erf 864-KLEINMOND (KC#1)-TRANSF	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Community Facilities	Public Open Sp	Ward 09	19°02'06"E 34°20'2"	19°02'06"E 34°20'2"S		5	4		
		HAWSTON "LANG ERWE": TRANSFERS	New	Responsive, accountable, effective and efficient local government	Inclusion and access	5	Community Facilities	Public Open Sp	Ward 08	19°12'50"E 34°35'6"	19°12'50"E 34°35'6"S	150		150		
	LIBRARIES	ZWELILE LIBRARY	New	A capable, ethical and developmental state	Inclusion and access	4	Community Facilities	Libraries	Ward 05	34.427 19.217 Deg	34.427 19.217 Degrees		772	772		
	COMMUNITY AND SOCIAL	ABLUTION FACILITIES - ONRUS SWIMMING BEACH	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Public Ablution	Ward 13	19°17'00"E 34°41'0"	19°17'00"E 34°41'0"S	750		638		
		SHELTER FOR COMMUNITIES, TAXI RANK	New	A capable, ethical and developmental state	Inclusion and access	3	Community Facilities	Taxi Ranks/Bu	Ward 03	19.210 -34.418	19.210 -34.418	200		138		
	HOUSING	HAWSTON: UPGRADE INTERSECTION R43/GEORGE V	Upgrading	Spatial integration, human settlements and local government	Spatial integration	4	Housing	Social Housing	Ward 08	19.126 -34.384 Deg	19.126 -34.384 Degrees		4,650	2,188		
	ELECTRICITY	ZITHANDE STREET LIGHTS	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Ward 12	34°25'25.77"S 19°12'31.2"		400		377		
		HERMANUS.MV & LV UPGRADE/REPLACEMENT (F1/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 03	34°25'16.83"S 19°13'00.62"	19°13'00.62"	5,000		1,529		3,000
		HERMANUS.MV & LV UPGRADE/REPLACEMENT (F2/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 03	34°25'16.83"S 19°13'00.62"	19°13'00.62"	3,872		3,872		
		KLEINMOND: MV & LV NETWORK UPGRADE (F1/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 09	34°20'18.35"S 19°01'35.31"	19°01'35.31"	2,000		1,463		2,000
		KLEINMOND: MV & LV NETWORK UPGRADE (F2/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 09	34°20'18.35"S 19°01'35.31"	19°01'35.31"	439		439		
		HAWSTON: MV & LV UPGRADE/REPLACEMENT (F2/2)	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	LV Networks	Ward 08	34°23'09.91"S 19°07'56.01"	19°07'56.01"	1,540		396		2,000
		BASIC SERVICES FOR EMERGENCY HOUSING - ELECT	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Electrical Infrastructure	Other	Ward 05	34° 25' 00.63" S 19° 01' 02"		250		250		
	WATER	WATER FACILITIES (CONTINGENCY)	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Pump Stations	Overstrand	Overstrand	Overstrand	300		900		400
		UPGRADE HERMANUS WELL FIELDS PHASE 1	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Distribution	Ward 04	19.22° E -34.396° S	19.22° E -34.396° S	4,000		10,500		500
		NEW RESERVOIR FOR PRINGLE BAY (F2/2)	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 10	18.848° E / -34.34 18.848° E / -34.349° S		5,535		6,135		
		BASIC SERVICES FOR EMERGENCY HOUSING - WATER	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 04	19.212 -34.400 Deg	19.212 -34.400 Degrees	100		100		
		NEW 4ML RESERVOIR	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Water Supply Infrastructure	Reservoirs	Ward 01	19°21'32"E 34°35'2"	19°21'32"E 34°35'2"S	7,098		7,882		
	SEWERAGE	UPGRADING OF KIDBROOKE PIPELINE	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticalation	Ward 13	19.183° E / -34.413 19.183° E / -34.413° S		3,070		1,480		
		REHABILITATE MAIN BULK SEWER TO WWTW PH1	Renewal	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Waste Water Tr	Ward 09	19.005° E / -34.337 19.005° E / -34.337° S		4,000		3,461		
		BASIC SERVICES FOR EMERGENCY HOUSING - SEWER	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Sanitation Infrastructure	Reticalation	Overstrand	Overstrand	Overstrand	162		162		
	STORMWATER	STORMWATER - PHASE 1-INDUSTRIAL AREA	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water C	Ward 03	19.006 -34.337 Deg	19.006 -34.337 Degrees	3,457		2,100		
		EXTENSION OF PLEIN STREET -STORMWATER	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water C	Ward 08	19.126 -34.384 Deg	19.126 -34.384 Degrees			500		
		STORMWATER NETWORK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water C	Ward 10	34°21'28.5"-18°54' 34°21'28.5"-18°54'15.7"E		2,500		3,316		
		UPGRADE STORMWATER NETWORK	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water C	Ward 06	19.207° E / -34.425 19.207° E / -34.425° S		420		420		
		STORMWATER-LIBRARY LINK & SPUMELELO CORRID	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water C	Ward 05	34.431 19.215 Deg	34.431 19.215 Degrees	1,500		1,220		
		STORMWATER-TAXI RANK TO SPUMELELO CORRID	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water C	Ward 06	34.424 19.212 Deg	34.424 19.212 Degrees	500		407		
		STORMWATER-AMANDLA STREET LINK TO SPUMELELO	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water C	Ward 12	34.424 19.212 Deg	34.424 19.212 Degrees	1,000		814		
		STORMWATER - OVERHILLS	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Storm water Infrastructure	Storm water C	Ward 10	19.244 -34.419 deg	19.244 -34.419 degrees	2,400		2,500		
	WASTE MANAGEMENT	HERMANUS NEW WASTE MANAGEMENT FACILITY	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Process	Overstrand	19.207° E / -34.425 19.207° E / -34.425° S		10,000		8,600		
		HIGH RISK FENCING SOLID WASTE TRANSFER STATI	Upgrading	Consolidating the social wage through reliable and quality basic services	Inclusion and access	2	Solid Waste Infrastructure	Waste Transfer	Ward 10	34°20'21.16"S 19° 34°20'21.16"S 19° 01' 34.3"		1,000		1,460		
	ROADS	CBD REGENERATION PROGRAM	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 03	19.243 -34419 deg	19.243 -34419 degrees	7,644		7,100		
		GANSBAAI TARRING OF ROAD TO WASTE DISPOSAL S	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 02	34.446248 & 19.446 34.446248 & 19.448291		2,700		2,700		
		STANFORD TARRING DE BRUYN STREET	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Ward 11	34.446248 & 19.446 34.446248 & 19.448291		2,500		2,500		
		SIDEWALKS OVERSTRAND	New	Consolidating the social wage through reliable and quality basic services	Inclusion and access	5	Roads Infrastructure	Roads	Overstrand	Overstrand	Overstrand	1,500		750		

2.13 Legislation compliance status

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

1. In year reporting
Reporting to National Treasury in electronic format is being fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) is being fully complied with and includes monthly published financial performance on the Municipality's website.
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and currently has five interns in the programme.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
A SDBIP document will be tabled in council as part of the IDP.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.
7. MFMA Training
In excess of 120 municipal officials of Overstrand Municipality have completed the MFMA training.
8. Policies
All budget related policies have been reviewed and will be tabled in Council on 27 May 2020.

2.14 Other supporting documents

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
REVENUE ITEMS:									
Property rates									
Total Property Rates	245,535	267,473	284,258	296,192	296,992	296,992	321,055	336,656	352,903
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	48,431	51,711	50,983	54,042	54,042	54,042	58,504	61,430	64,501
Net Property Rates	197,104	215,763	233,274	242,150	242,950	242,950	262,551	275,226	288,402
Service charges - electricity revenue									
Total Service charges - electricity revenue	338,213	353,979	412,392	432,524	437,524	437,524	422,159	445,837	513,494
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>									
<i>less Cost of Free Basic Services (50 kwh per indigent household per month)</i>	3,448	4,681	33,723	33,656	33,656	33,656	35,865	42,575	50,430
Net Service charges - electricity revenue	334,765	349,298	378,668	398,868	403,868	403,868	386,294	403,262	463,064
Service charges - water revenue									
Total Service charges - water revenue	116,796	113,064	145,363	141,804	143,304	143,304	143,010	150,717	158,827
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>			779	250	250	250	265	281	298
<i>less Cost of Free Basic Services (6 kilolitres per indigent household per month)</i>	1,726	2,132	14,612	14,234	14,234	14,234	14,225	15,517	16,892
Net Service charges - water revenue	115,070	110,932	129,971	127,320	128,820	128,820	128,520	134,919	141,638
Service charges - sanitation revenue									
Total Service charges - sanitation revenue	66,890	72,106	93,787	97,959	98,959	98,959	96,880	102,498	108,422
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>			318						
<i>less Cost of Free Basic Services (free sanitation service to indigent households)</i>	-	-	15,697	17,938	17,938	17,938	17,967	19,640	21,422
Net Service charges - sanitation revenue	66,890	72,106	77,772	80,020	81,020	81,020	78,913	82,858	87,000
Service charges - refuse revenue									
Total refuse removal revenue	54,389	57,775	77,011	88,342	87,462	87,462	87,750	92,944	98,426
Total landfill revenue							-	-	-
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>							-	-	-
<i>less Cost of Free Basic Services (removed once a week to indigent households)</i>	-	-	15,223	18,220	18,220	18,220	18,268	19,989	21,824
Net Service charges - refuse revenue	54,389	57,775	61,788	70,122	69,242	69,242	69,482	72,955	76,602
Other Revenue by source									
Discontinued Operations							-	-	-
Rent on Land							4,181	4,297	4,421
Operational Revenue							7,357	7,585	7,823
Intercompany/Parent-subsiary Transactions							-	-	-
Surcharges and Taxes							-	-	-
Sales of Goods and Rendering of Services	34,706	48,492	63,142	27,416	143,735	143,735	104,148	110,945	110,696
Total 'Other' Revenue	34,706	48,492	63,142	27,416	143,735	143,735	115,686	122,827	122,940

Supporting detail to budgeted financial performance (Continued)

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand									
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	302,363	296,682	367,858	399,804	399,521	399,521	274,762	288,726	305,363
Pension and UIF Contributions							48,588	51,441	54,519
Medical Aid Contributions							18,241	18,425	19,867
Overtime							295	313	333
Performance Bonus							22,134	23,512	24,975
Motor Vehicle Allowance							8,032	8,167	8,213
Cellphone Allowance							2,565	2,566	2,588
Housing Allowances							2,870	3,045	3,235
Other benefits and allowances							42,803	44,347	47,059
Payments in lieu of leave							-	-	-
Long service awards							2,166	2,274	2,388
Post-retirement benefit obligations							12,869	13,513	14,188
<i>sub-total</i>	302,363	296,682	367,858	399,804	399,521	399,521	435,325	456,328	482,727
<i>Less: Employees costs capitalised to PPE</i>	-	-	-	-	-	-	-	-	-
Total Employee related costs	302,363	296,682	367,858	399,804	399,521	399,521	435,325	456,328	482,727
Contributions recognised - capital									
<i>List contributions by contract</i>	-	-	-	-	-	-	-	14,000	5,900
Total Contributions recognised - capital	-	-	-	-	-	-	-	14,000	5,900
Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	132,532	134,846	131,104	131,285	131,285	131,285	141,307	139,283	132,980
Lease amortisation							570	431	297
Capital asset impairment	-	-	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE	-	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	132,532	134,846	131,104	131,285	131,285	131,285	141,877	139,714	133,277
Bulk purchases									
Electricity Bulk Purchases	217,523	225,844	242,614	275,880	280,880	280,880	270,260	290,978	313,126
Water Bulk Purchases	-	-	-	-	-	-	-	-	-
Total bulk purchases	217,523	225,844	242,614	275,880	280,880	280,880	270,260	290,978	313,126
Transfers and grants									
Cash transfers and grants	1,898	1,800	486	500	500	500	11,610	11,610	11,610
Non-cash transfers and grants	-	-	-	-	-	-	-	-	-
Total transfers and grants	1,898	1,800	486	500	500	500	11,610	11,610	11,610
Contracted services									
<i>Outsourced Services</i>							92,907	99,210	104,131
<i>Consultants and Professional Services</i>							36,692	38,690	40,401
<i>Contractors</i>	155,726	167,079	186,758	207,536	214,349	214,349	92,816	97,638	102,629
Total contracted services	155,726	167,079	186,758	207,536	214,349	214,349	222,414	235,538	247,162

Supporting detail to budgeted financial performance (Continued)

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Other Expenditure By Type									
Collection costs							6,666	7,066	7,490
Contributions to 'other' provisions							4,109	4,315	4,530
Audit fees							5,322	5,322	5,322
General expenses	50,631	55,726	58,609	83,450	103,992	103,992			
Operating Leases							1,578	1,591	1,604
Operational Cost							105,640	114,167	125,363
Statutory Payments other than Income Taxes							-	-	-
Total 'Other' Expenditure	50,631	55,726	58,609	83,450	103,992	103,992	123,315	132,461	144,310
Repairs and Maintenance									
by Expenditure Item									
Employee related costs	50,261	53,689	89,415	97,024	97,594	97,594	100,057	105,924	112,512
Other materials	3,500	30,000	17,594	13,845	18,645	18,645	20,206	21,281	22,374
Contracted Services	36,145	67,791	85,762	69,331	71,811	71,811	79,701	84,420	88,441
Other Expenditure	30,890	8,555	22,253	18,990	15,913	15,913	10,941	11,460	12,008
Total Repairs and Maintenance Expenditure	120,795	160,036	215,024	199,189	203,963	203,963	210,905	223,085	235,335

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

Description	Vote 1 - Council	Vote 2 - Municipal Manager	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Community Services	Vote 6 - Local Economic Development	Vote 7 - Infrastructure & Planning	Vote 8 - Protection Services	Total
R thousand									
Revenue By Source									
Property rates	–	–	–	262,551	–	–	–	–	262,551
Service charges - electricity revenue	–	–	–	50	386,244	–	–	–	386,294
Service charges - water revenue	–	–	–	550	–	–	–	127,970	128,520
Service charges - sanitation revenue	–	–	–	–	–	0	–	78,913	78,913
Service charges - refuse revenue	–	–	–	–	–	–	–	69,482	69,482
Service charges - other	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	–	–	–	–	0	–	160	3,467	3,627
Interest earned - external investments	–	–	–	31,400	–	–	–	–	31,400
Interest earned - outstanding debtors	–	–	–	4,673	–	–	–	0	4,673
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	1	75	29,354	–	134	29,564
Licences and permits	–	–	–	–	–	1,980	–	405	2,385
Agency services	–	–	–	–	–	4,912	–	26	4,938
Other revenue	139	–	891	6,912	98,593	652	2,003	6,496	115,686
Transfers and subsidies	17,593	–	525	1,025	41,598	2,200	2,500	66,399	131,840
Gains	–	–	–	2,000	5,000	–	–	–	7,000
Total Revenue (excluding capital transfers and contributions)	17,732	–	1,416	309,162	531,510	39,098	4,663	353,292	1,256,873
Expenditure By Type									
Employee related costs	15,833	6,527	27,727	49,019	68,769	68,789	13,827	184,832	435,325
Remuneration of councillors	11,896	–	–	–	–	–	–	–	11,896
Debt impairment	–	–	–	179	–	25,367	–	538	26,263
Depreciation & asset impairment	4	66	1,555	122	27,020	1,072	97	111,940	141,877
Finance charges	–	–	–	69	16,816	–	–	34,597	51,482
Bulk purchases	–	–	–	–	270,260	–	–	–	270,260
Other materials	41	60	1,687	483	6,301	6,452	274	32,269	47,567
Contracted services	273	644	8,075	8,308	102,087	12,425	1,374	89,229	222,414
Transfers and subsidies	–	–	–	11,610	–	–	–	–	11,610
Other expenditure	7,755	289	18,070	22,144	59,927	4,167	3,492	7,471	123,315
Losses	–	–	–	–	–	–	–	–	–
Total Expenditure	35,802	7,587	57,115	91,935	551,359	118,272	19,065	460,876	1,342,010
Surplus/(Deficit)	(18,070)	(7,587)	(55,699)	217,227	(19,849)	(79,174)	(14,402)	(107,583)	(85,137)
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	8,000	732	–	21,887	30,619
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(18,070)	(7,587)	(55,699)	217,227	(11,849)	(78,442)	(14,402)	(85,696)	(54,518)

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

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
ASSETS									
Call investment deposits									
Call deposits	170,728	380,514	409,200	320,000	320,000	320,000	400,000	400,000	400,000
Other current investments	-	-	-	-	-	-	-	-	-
Total Call investment deposits	170,728	380,514	409,200	320,000	320,000	320,000	400,000	400,000	400,000
Consumer debtors									
Consumer debtors	82,722	86,731	99,589	95,394	95,394	95,394	111,229	117,903	124,977
Less: Provision for debt impairment	(20,593)	(21,774)	(26,108)	(22,260)	(22,260)	(22,260)	(27,340)	(32,420)	(37,500)
Total Consumer debtors	62,129	64,957	73,481	73,134	73,134	73,134	83,889	85,483	87,477
Debt impairment provision									
Balance at the beginning of the year	19,098	20,593	21,774	21,000	21,000	21,000	22,260	27,340	32,420
Contributions to the provision	2,616	1,983	5,162	1,760	1,760	1,760	5,980	5,980	5,980
Bad debts written off	(1,121)	(803)	(828)	(500)	(500)	(500)	(900)	(900)	(900)
Balance at end of year	20,593	21,774	26,108	22,260	22,260	22,260	27,340	32,420	37,500
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)	5,536,674	5,628,094	5,793,483	6,065,800	6,048,156	6,048,156	6,351,894	6,549,057	6,703,435
Leases recognised as PPE	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation	2,034,013	2,157,716	2,284,209	2,420,179	2,420,179	2,420,179	2,561,486	2,700,769	2,833,749
Total Property, plant and equipment (PPE)	3,502,661	3,470,377	3,509,274	3,645,621	3,627,977	3,627,977	3,790,408	3,848,288	3,869,686
LIABILITIES									
Current liabilities - Borrowing									
Short term loans (other than bank overdraft)	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities	29,580	33,448	39,725	42,244	42,244	42,244	52,751	47,751	53,190
Total Current liabilities - Borrowing	29,580	33,448	39,725	42,244	42,244	42,244	52,751	47,751	53,190
Trade and other payables									
Trade Payables	79,319	98,032	97,420	89,571	67,819	67,819	104,604	111,692	121,894
Other Creditors	-	-	-	-	-	-	-	-	-
Unspent conditional transfers	6,474	21,776	12,590	5,636	5,636	5,636	-	-	-
Total Trade and other payables	85,793	119,809	110,010	95,207	73,455	73,455	104,604	111,692	121,894
VAT									
Non current liabilities - Borrowing	-	-	-	-	-	-	-	-	-
Borrowing	412,495	408,658	422,933	455,453	455,453	455,453	430,260	432,508	429,318
Finance leases (including PPP asset element)	-	-	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing	412,495	408,658	422,933	455,453	455,453	455,453	430,260	432,508	429,318
Provisions - non-current	-	-	-	-	-	-	-	-	-
Retirement benefits	122,588	98,747	108,914	120,259	120,259	120,259	132,766	145,918	159,717
List other major provision items	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation	84,877	92,013	98,402	103,385	103,385	103,385	106,868	110,510	114,340
Other	9,673	14,291	14,841	15,450	15,450	15,450	17,351	19,326	21,437
Total Provisions - non-current	217,138	205,051	222,157	239,095	239,095	239,095	256,985	275,754	295,494
CHANGES IN NET ASSETS	3,250,376	3,278,133	3,422,258	3,479,983	3,479,983	3,479,983	3,605,894	3,649,641	3,628,142
Accumulated Surplus/(Deficit)	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit) - opening balance	3,256,152	3,293,898	3,439,499	3,479,983	3,479,983	3,479,983	3,605,894	3,651,390	3,612,843
GRAP adjustments	(5,775)	(15,766)	(17,240)	-	-	-	-	-	-
Restated balance	3,250,376	3,278,133	3,422,258	3,479,983	3,479,983	3,479,983	3,605,894	3,651,390	3,612,843
Surplus/(Deficit)	41,587	144,131	105,555	(6,252)	35,343	35,343	(54,518)	(38,541)	(8,939)
Transfers to/from Reserves	1,935	(5)	(5)	1,500	1,500	1,500	(6)	(6)	(6)
Depreciation offsets	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	89,068	89,068	100,020	0	(0)
Accumulated Surplus/(Deficit)	3,293,898	3,422,258	3,527,808	3,475,231	3,605,894	3,605,894	3,651,390	3,612,843	3,603,898
Reserves	-	-	-	-	-	-	-	-	-
Housing Development Fund	3,251	3,259	3,264	3,340	3,340	3,340	3,345	3,350	3,355
Total Reserves	3,251	3,259	3,264	3,340	3,340	3,340	3,345	3,350	3,355
COMMUNITY WEALTH/EQUITY	3,297,149	3,425,517	3,531,072	3,478,571	3,609,234	3,609,234	3,654,735	3,616,193	3,607,253

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

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Estimate	Estimate	Estimate
Demographics											
Population		55,012	74,546	80,432	93,466	102,024	104,983	108,460	111,991	115,620	117,290
Females aged 5 - 14		2,770	5,837	5,228	6,031	6,583	6,774	6,999	7,226	7,461	7,568
Males aged 5 - 14		2,816	5,892	5,278	6,089	6,647	6,839	7,066	7,296	7,532	7,641
Females aged 15 - 34		5,561	11,567	13,139	15,158	16,546	17,026	17,590	18,162	18,751	19,022
Males aged 15 - 34		6,029	11,235	13,648	15,745	17,187	17,685	18,271	18,866	19,477	19,758
Unemployment		5,165	8,099	4,237	4,888	5,336	5,490	5,672	5,857	6,047	6,134
Monthly household income (no. of households)											
No income		2,226	770	4,585	5,443	5,601	5,763	5,930	6,148	6,347	6,439
R1 - R1 600		6,149	5,307	5,326	6,323	6,506	6,695	6,889	7,142	7,373	7,480
R1 601 - R3 200		3,742	3,177	4,878	5,791	5,959	6,131	6,309	6,541	6,753	6,851
R3 201 - R6 400		3,344	3,789	4,362	5,178	5,328	5,483	5,642	5,849	6,038	6,125
R6 401 - R12 800		2,303	2,750	3,830	4,547	4,678	4,814	4,954	5,135	5,301	5,378
R12 801 - R25 600		920	1,947	2,896	3,438	3,538	3,640	3,746	3,884	4,009	4,067
R25 601 - R51 200		227	1,066	1,456	1,728	1,779	1,830	1,883	1,953	2,016	2,045
R52 201 - R102 400		77	184	486	577	594	611	629	652	673	683
R102 401 - R204 800		44	176	109	129	133	137	141	146	151	153
R204 801 - R409 600		-	-	81	96	99	102	105	109	112	114
R409 601 - R819 200		-	-	-	-	-	-	-	-	-	-
> R819 200		-	-	-	-	-	-	-	-	-	-
Poverty profiles (no. of households)											
< R2 060 per household per month					11,943	12,397	12,397	12,868	13,254	13,652	14,062
Insert description		-	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Household/demographics (000)											
Number of people in municipal area		55,012	74,546	80,432	93,466	102,024	104,983	108,460	111,991	115,620	117,290
Number of poor people in municipal area											
Number of households in municipal area		19,032	19,166	28,009	33,250	34,215	35,206	36,228	37,559	38,773	39,335
Number of poor households in municipal area					7,418	7,385	7,400	7,450	7,750	8,000	8,240
Definition of poor household (R per month)					6,041	6,401	6,761	7,121			
Housing statistics											
Formal					30,173	30,640	31,162	31,712	33,615	35,632	37,769
Informal					3,067	3,052	3,620	5,704	6,050	6,420	6,800
Total number of households		-	-	-	33,240	33,692	34,782	37,416	39,665	42,052	44,569
Dwellings provided by municipality					220	341	171	124	254	100	100
Dwellings provided by province/s											
Dwellings provided by private sector					530	555	429	193			
Total new housing dwellings		-	-	-	750	896	600	317	254	100	100
Economic											
Inflation/inflation outlook (CPIX)					6.6%	6.4%	4.7%	5.2%	4.5%	4.6%	4.6%
Interest rate - borrowing					11.75%	10.7%	10.5%	10.7%	10.7%	10.7%	10.7%
Interest rate - investment					7.45%	7.7%	7.6%	7.3%	7.1%	7.5%	7.8%
Remuneration increases					6.0%	7.4%	6.0%	6.3%	4.0%	4.0%	4.0%
Consumption growth (electricity)					0.1%	0.0%	1.0%	2.0%	3.0%	3.0%	3.0%
Consumption growth (water)					4.0%	2.2%	2.4%	3.0%	3.0%	3.0%	3.0%
Collection rates											
Property tax/service charges					99.3%	99.4%	98.2%	98.5%	98.0%	98.0%	98.0%
Rental of facilities & equipment					99.8%	99.7%	96.8%	96.1%	98.0%	98.0%	98.0%
Interest - external investments					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors					99.8%	99.7%	98.2%	98.5%	98.0%	98.0%	98.0%
Revenue from agency services					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 66 MBRR SA11 – Property rates summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Valuation:									
Date of valuation:	02/07/2016	02/07/2016	02/07/2016	02/07/2016					
Financial year valuation used	2016/2017	2016/2017	2016/2017	2016/2017			2016/2017		
Municipal by-laws s6 in place? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)	No	No	No	No			No		
No. of assistant valuers (FTE)	2	2	2	2			2	2	
No. of data collectors (FTE)	6	6	6	6			6		
No. of internal valuers (FTE)	-	-	-	-			-		
No. of external valuers (FTE)	3	3	3	3			3		
No. of additional valuers (FTE)	-	-	-	-			-		
Valuation appeal board established? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)	60	60	48	12			-		
No. of properties	42,494	42,494	42,823	42,895			42,895		
No. of sectional title values	2,555	2,560	2,210	2,577			2,577		
No. of unreasonably difficult properties s7(2)	-	-	-	-			-		
No. of supplementary valuations	1	1	1	2			2		
No. of valuation roll amendments	6	12	27	10			10		
No. of objections by rate payers	7	12	11	14			14		
No. of appeals by rate payers	3	1	2	12			12		
No. of successful objections	3	1	6	14			14		
No. of successful objections > 10%	1	1	1	11			11		
Supplementary valuation	2,322	2,500	2,566	3,009			3,009		
Public service infrastructure value (Rm)	98	82	84	92			97		
Municipality owned property value (Rm)	739	905	924	894			947		
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	98	98	84	92	92	92	97	97	97
Valuation reductions-nature reserves/park (Rm)	-	368	368	339	339	339	359	359	359
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	445	450	476	475	475	475	503	503	503
Valuation reductions-public worship (Rm)	151	158	175	183	183	183	194	194	194
Valuation reductions-other (Rm)	1,947	1,946	2,860	2,028	2,028	2,028	2,150	2,150	2,150
Total valuation reductions:	2,641	3,020	3,963	3,116	3,116	3,116	3,303	3,303	3,303
Total value used for rating (Rm)	42,303	43,689	46,907	48,668	48,668	48,668	51,588	51,588	51,588
Total land value (Rm)	22,249	21,274	22,595	23,042	23,042	23,042	24,424	24,424	24,424
Total value of improvements (Rm)	21,516	25,585	27,770	28,743	28,743	28,743	30,468	30,468	30,468
Total market value (Rm)	43,765	46,859	50,364	51,785	51,785	51,785	54,892	54,892	54,892
Rating:									
Residential rate used to determine rate for other categories? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)	No	No	No	No			No		
Special rating area used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)			No	No	0	0	No	0	0
Rates policy accompanying budget? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)	220	220	220	220			220		
Non-residential prescribed ratio s19? (%)	51.6%	51.5%	51.5%	51.5%					
Rate revenue:									
Rate revenue budget (R'000)	197,140	214,975	233,034	241,570	241,570	241,570	250,941	273,800	290,220
Rate revenue expected to collect (R'000)	197,140	214,975	233,034	241,570	241,570	241,570	250,941	273,800	290,220
Expected cash collection rate (%)	99.3%	99.4%	98.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	6,863	7,494	8,047						
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	604,000	0	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)	99,000	0	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	5,390,000	0	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-
Total rebates, exemptions, reductions, discounts (R'000)	6,093	-	-	-	-	-	-	-	-

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

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Current Year 2019/20																
Valuation:																
No. of properties	37,867	-	1,591	220	364	2,088	485	-	-	-	-	-	164	-	141	-
No. of sectional title property valuations	2,249	-	328	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Supplementary valuation (Rm)	TOTAL 4143															
No. of valuation roll amendments	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
No. of objections by rate-payers	IN PROCESS															
No. of appeals by rate-payers	IN PROCESS															
No. of appeals by rate-payers finalised	IN PROCESS															
No. of successful objections	IN PROCESS															
No. of successful objections > 10%	IN PROCESS															
Estimated no. of properties not valued	100 TOTAL															
Years since last valuation (select)	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?	Variable	Variable	Uniform	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	92	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	339	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	475	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	183	-
Valuation reductions-other (Rm)	2,028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	42,451	-	4,933	293	476	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	19,634	-	1,825	458	291	645	77	-	-	-	-	-	268	-	128	-
Total value of improvements (Rm)	28,485	-	3,132	159	240	249	15	-	-	-	-	-	101	-	208	-
Total market value (Rm)	44,479	-	4,957	616	531	894	92	-	-	-	-	-	370	-	336	-
Rating:																
Average rate	0.005703	-	0.008639	0.001426	0.008639	-	-	-	0.005703	-	-	-	-	-	-	-
Rate revenue budget (R'000)	199,520	-	38,500	650	2,900	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)	199,520	-	38,500	650	2,900	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	100.0%	-	100.0%	100.0%	100.0%	-	-	-	-	-	-	-	-	-	-	-
Special rating areas (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates, exemptns, reductns, discs (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2020/21																
Valuation:																
No. of properties																
No. of sectional title property values	37,867	-	1,591	220	364	2,088	485	-	-	-	-	-	164	-	141	-
No. of unreasonably difficult properties s7(2)	2,249	-	328	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)	100 TOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Method of valuation used (select)	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Base of valuation (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Phasing-in properties s21 (number)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Combination of rating types used? (Y/N)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flat rate used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Is balance rated by uniform rate/variable rate?	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	97	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	359	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	503	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	196	-
Valuation reductions-other (Rm)	2,150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	44,998	-	5,229	311	504	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	20,812	-	1,934	485	308	683	81	-	-	-	-	-	284	-	136	-
Total value of improvements (Rm)	30,194	-	3,320	168	254	264	16	-	-	-	-	-	108	-	220	-
Total market value (Rm)	47,148	-	5,254	653	563	947	97	-	-	-	-	-	392	-	356	-
Rating:																
Average rate	0.005960		0.009030	0.001490	0.009030				0.005960							
Rate revenue budget (R '000)	207,000		40,232	679	3,030											
Rate revenue expected to collect (R'000)	207,000		40,232	679	3,030											
Expected cash collection rate (%)	100.0%		100.0%	100.0%	100.0%											
Special rating areas (R'000)																
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates, exemptns, reductns, discs (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table 69 MBRR SA13a – Service tariffs by category

Description	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
						Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Property rates (rate in the Rand)								
Residential properties		0.0047	0.0051	0.0054	0.0057	0.0060	0.0063	0.0067
Residential properties - vacant land		0.0065	0.0070	0.0074	0.0078	0.0082	0.0086	0.0092
Formal/informal settlements								
Small holdings								
Farm properties - used		0.0012	0.0013	0.0013	0.0014	0.0015	0.0016	0.0017
Farm properties - not used								
Industrial properties								
Business and commercial properties		0.0072	0.0077	0.0082	0.0086	0.0090	0.0096	0.0101
Communal land - residential								
Communal land - small holdings								
Communal land - farm property								
Communal land - business and commercial								
Communal land - other								
State-owned properties		0.0072	0.0077	0.0082	0.0086	0.0090	0.0096	0.0101
Municipal properties								
Public service infrastructure		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Privately owned towns serviced by the owner		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
State trust land		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Restitution and redistribution properties		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Protected areas		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
National monuments properties		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Exemptions, reductions and rebates (Rands)								
<i>Residential properties</i>								
R15 000 threshold rebate		15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate		15,000	15,000	15,000	15,000	15,000	15,000	15,000
Indigent rebate or exemption		220,000	220,000	220,000	220,000	220,000	220,000	220,000
Pensioners/social grants rebate or exemption		220,000	220,000	220,000	220,000	220,000	220,000	220,000
Temporary relief rebate or exemption		40-100%	40-100%	40-100%	40-100%	40-100%	40-100%	40-100%
Bona fide farmers rebate or exemption								
<i>Other rebates or exemptions</i>								
		75%	75%	75%	75%	75%	75%	75%
Water tariffs								
<i>Domestic</i>								
Basic charge/fix ed fee (Rands/month)		115	122	129	137	143	151	160
Service point - vacant land (Rands/month)		115	122	129	137	143	151	160
Water usage - flat rate tariff (c/kl)	0 - 6 kl	404	450	502	560	85	90	96
Water usage - life line tariff	7 - 18 kl	966	1,024	1,085	1,147	1,199	1,271	1,347
Water usage - Block 1 (c/kl)	19 - 30 kl	1,567	1,661	1,761	1,861	1,945	2,062	2,185
Water usage - Block 2 (c/kl)	31 - 45 kl	2,413	2,557	2,711	2,866	2,995	3,175	3,365
Water usage - Block 3 (c/kl)	46 - 60 kl	3,134	3,322	3,521	3,722	3,889	4,122	4,370
Water usage - Block 4 (c/kl)	> 60 kl	4,179	4,430	4,696	4,964	5,187	5,498	5,828
<i>Other</i>								
		-	-	-	-	-	-	-
Waste water tariffs								
<i>Domestic</i>								
Basic charge/fix ed fee (Rands/month)		102	109	115	122	127	135	143
Service point - vacant land (Rands/month)		123	109	115	122	127	135	143
Waste water - flat rate tariff (c/kl)		1,153	1,222	1,296	1,370	1,432	1,518	1,609
Volumetric charge - Block 1 (c/kl)	Basic charge pumps	69	73	78	82	86	91	96
Volumetric charge - Block 2 (c/kl)	Service per pump	471	499	529	560	585	620	657
Volumetric charge - Block 3 (c/kl)		-	-	-	-	-	-	-
Volumetric charge - Block 4 (c/kl)		-	-	-	-	-	-	-
<i>Other</i>								
		-	-	-	-	-	-	-
Electricity tariffs								
<i>Domestic</i>								
Basic charge/fix ed fee (Rands/month)		255	268	292	335	356	378	400
Service point - vacant land (Rands/month)		255	268	292	335	356	378	400
FBE	(how is this targeted?)							
Life-line tariff - meter	(describe structure)							
Life-line tariff - prepaid	(describe structure)	100	101	107	120	128	135	143
Flat rate tariff - meter (c/kwh)								
Flat rate tariff - prepaid(c/kwh)								
Meter - IBT Block 1 (c/kwh)	Credit Meter							
Meter - IBT Block 2 (c/kwh)	0 - 350 kWh	108.7	108.6	114.9	128.7	136.7	144.9	153.6
Meter - IBT Block 3 (c/kwh)	351 - 600 kWh	155.5	158.2	167.8	188.9	200.7	212.8	225.5
Meter - IBT Block 4 (c/kwh)	> 600 kWh	189.3	192.8	206.0	232.2	246.6	261.4	277.1
Meter - IBT Block 5 (c/kwh)	Prepaid Meter							
Prepaid - IBT Block 1 (c/kwh)	0 - 350 kWh	100.5	100.3	106.1	118.9	126.2	133.8	141.8
Prepaid - IBT Block 2 (c/kwh)	351 - 600 kWh	146.5	149.0	158.1	178.1	189.2	200.5	212.5
Prepaid - IBT Block 3 (c/kwh)	> 600 kWh	181.9	185.3	198.0	223.2	237.1	251.3	266.4
Prepaid - IBT Block 4 (c/kwh)	(fill in thresholds)							
Prepaid - IBT Block 5 (c/kwh)	(fill in thresholds)							
<i>Other</i>								
		-	-	-	-	-	-	-
Waste management tariffs								
<i>Domestic</i>								
Street cleaning charge								
Basic charge/fix ed fee		146	155	164	185	194	205	218
80l bin - once a week								
250l bin - once a week		146	155	164	185	194	205	218

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

Description	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
						Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Exemptions, reductions and rebates (Rands)								
<i>[Insert lines as applicable]</i>								
Water tariffs								
<i>[Insert blocks as applicable]</i>								
	Basic charge	115	122	129	137	143	151	160
	Basic charge	115	122	129	137	143	151	160
	0 - 6 kl	404	450	502	560	85	90	96
	7 - 18 kl	966	1,024	1,085	1,147	1,199	1,271	1,347
	19 - 30 kl	1,567	1,661	1,761	1,861	1,945	2,062	2,185
	31 - 45 kl	2,413	2,557	2,711	2,866	2,995	3,175	3,365
	46 - 60 kl	3,134	3,322	3,521	3,722	3,889	4,122	4,370
	> 60 kl	4,179	4,430	4,696	4,964	5,187	5,498	5,828
Waste water tariffs								
<i>[Insert blocks as applicable]</i>								
	Basic charge	102	109	115	122	127	135	143
	Basic charge	123	109	115	122	127	135	143
	Tariff per kl (c/kl)	1,153	1,222	1,296	1,370	1,432	1,518	1,609
	Basic charge - pumps	69	73	78	82	86	91	96
	Service per pump	471	499	529	560	585	620	657
Electricity tariffs								
<i>[Insert blocks as applicable]</i>								
	Basic charge/fix ed fee	255	268	292	335	356	378	400
	Basic - Vacant Land	255	268	292	335	356	378	400
	Flat rate prepaid (c/kWh)	100	101	107	120	128	135	143
	Credit Meter							
	0 - 350 kWh	109	109	115	129	137	145	154
	351 - 600 kWh	155.5	158.2	167.8	188.9	200.7	212.8	225.5
	> 600 kWh	189.3	192.8	206.0	232.2	246.6	261.4	277.1
	Prepaid Meter							
	0 - 350 kWh	100.5	100.3	106.1	118.9	126.2	133.8	141.8
	351 - 600 kWh	146.5	149.0	158.1	178.1	189.2	200.5	212.5
	> 600 kWh	181.9	185.3	198.0	223.2	237.1	251.3	266.4

Table 71 MBRR SA32 – List of external mechanisms

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

Table 72 MBRR SA38 – Consolidated detailed operational projects

R thousand	Function	Project Description	2020/21 Medium Term Revenue & Expenditure Framework		
			Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Municipality:					
<i>List all operational projects grouped by Municipal Vote</i>					
Vote 1 - Council	Municipal Running Cost		35,802	37,038	38,812
Vote 2 - Municipal Manag	Municipal Running Cost		7,587	8,013	8,450
Vote 3 - Management Ser	Municipal Running Cost		45,629	47,948	50,113
	Repairs and Maintenance		8,303	8,733	9,174
	Typical Workstreams		3,182	3,222	3,246
Vote 4 - Finance	Municipal Running Cost		77,754	81,604	86,066
	Repairs and Maintenance		1,518	1,524	1,530
	Typical Workstreams		12,663	12,652	12,654
Vote 5 - Infrastructure &	Municipal Running Cost		468,693	499,045	529,467
	Repairs and Maintenance		82,666	91,379	101,858
	Typical Workstreams				
Vote 6 - Protection Servic	Municipal Running Cost		109,288	114,626	120,907
	Repairs and Maintenance		1,250	1,305	1,358
	Typical Workstreams		7,733	2,455	2,037
Vote 7 - Local Economic	Municipal Running Cost		15,079	14,357	15,783
	Repairs and Maintenance		253	253	253
	Typical Workstreams		3,733	4,117	4,118
Vote 8 - Community Servi	Municipal Running Cost		265,880	269,736	270,310
	Repairs and Maintenance		167,127	176,076	185,799
	Typical Workstreams		27,869	28,115	29,851
			167,127	176,076	185,799
		27,869	28,115	29,851	
Total Operational expenditure			1,342,010	1,402,199	1,471,786

Table 73 MBRR SA33 – Contracts having future budgetary implications

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

2.15 Municipal manager's quality certificate

I, CC GROENEWALD, the municipal manager of **Overstrand Municipality**, hereby certify that the annual budget and supporting documentation for the **2020/2021 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: _____

A handwritten signature in black ink, appearing to read 'Groenewald', written over a horizontal line. The signature is stylized and includes a large, sweeping flourish on the left side.

Date: 22 May 2020