



DRAFT BUDGET FOR 2020 / 2021 – 2022 / 2023

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1 Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CFO – Chief Financial Officer / Director: Finance

DORA – Division of Revenue Act. An annual piece of legislation indicating the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant

Glossary (Continued)

MPRA – Municipal Property Rates Act (No 6 of 2004) as amended.

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

NT – National Treasury

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

RBIG – Regional Bulk Infrastructure Grant

R&M – Repairs and maintenance on property, plant and equipment.

SCM – Supply Chain Management.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

TMA – Total Municipal Account

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided, usually at department level.

WM – Witzenberg Municipality

2 Mayors Report

Speaker
Aldermen
Deputy Executive Mayor
Members of the Mayoral Committee
Councillors
Representatives of Provincial Government
Municipal Manager
Directors and officials

It is my privilege to present to you the budget for the 2020 / 2021 financial year as well as the 2021 / 2022 to 2022 / 2023 medium term revenue and expenditure framework.

It remains a challenge to raise sufficient funds for improved service delivery while tariffs must still be affordable to the community. Debt collection needs to improve to make more funds available for capital expenditure on basic service and the needed maintenance of the municipalities' assets. Unaffordable tariffs charged to consumers results in more bad debts for the municipality.

The municipality cash and cash equivalents is only sufficient to cover expenditure for about 4 months. A balance must be found between improving the available cash and cash equivalents and spending money on service delivery.

Pro poor budget

The following amendments has been introduced in the previous budget cycle and remains in place for the new financial year:

- The Indigent policy's qualifying criteria has been amended to only include the income of the property owner or account holder and his or her spouse.
- A pensioner's rebate in terms of Property Rates.
- A general exemption of on the first R120 000 of residential property as previous.

The capital budget

The capital budget for the next financial year amounts to R 88,7 million of which R 10,1 million is from own revenue. The rest of the capital budget is financed from Grants.

As can be seen from the aforementioned, the municipality is too reliant on Grants to fund its capital expenditure. That said we are thankful for the Grants allocated to Witzenberg Municipality.

The bulk of the proposed capital expenditure is in respect of service delivery and infrastructure.

The operating budget

The operating revenue budget for next year amounts to R694 million of which R 539 million is from own revenue. The rest of the operating budget is financed from Grants.

Provision is made for the installation of water management devices to curb water consumption and the increase in outstanding debt in respect of water.

Tariff implications of the annual budget

Electricity:

Initial estimates suggested that the revenue from both the non-domestic tariff and the domestic tariff will increase by an average 11.48%, in line with the actual bulk cost increase to Council which is 13.45%. Subsequent information received from NERSA has indicated that tariff increases will be at 6,24% for municipal tariffs to consumers and 6.9% bulk cost increase. The change in increases suggest a potential of R1,3 m loss in profit from electricity sales. Budget estimates will be reviewed during the consultation phase of the budget. It is also proposed that the tariffs for commercial clients be set at an increase of 6.9% which will be equivalent to the bulk purchases increase.

Water:

The water consumption tariff increase will be $\pm 6\%$. An increase of $\pm 6\%$ is proposed for basic charges for commercial customers.

Rates:

The increase of Property Rates Revenue will be 6%. It is recommended that the ratio be for bona fide farms be amended from 0.12:1 to 0.135

Sanitation:

The increase of Sanitation Tariffs will be 6%.

Refuse removal:

The average tariff increase for Refuse Removal Tariffs will be 6%.

Tabling:

Honourable Speaker, I recommend that the annual budget, budget related policies, tariffs and the reviewed Integrated Development Plan be approved.

COUNCILLOR B KLAASEN
EXECUTIVE MAYOR

3 Resolutions

- (a) *That the annual budget of Witzenberg Municipality for the financial year 2020/2021; and indicative for the two projected years 2021/2022 and 2022/2023, as set out in the schedules contained in Section 4, be approved:*
 - (i) *Table A2: Budgeted Financial Performance (expenditure by standard classification).*
 - (ii) *Table A3: Budgeted Financial Performance (expenditure by municipal vote).*
 - (iii) *Table A4: Budgeted Financial Performance (revenue by source).*
 - (iv) *Table A5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.*
- (b) *Property rates reflected in Annexure 8.1.8(c) and any other municipal tax reflected in Annexure 8.1.8(c) are imposed for the budget year 2020/2021.*
- (c) *Tariffs and charges reflected in Annexure 8.1.8(c) are approved for the budget year 2020/2021.*
- (d) *The measurable performance objectives for revenue from each source reflected in Table A4 - Budgeted Financial Performance (revenue and expenditure) are approved for the budget year 2020/2021.*
- (e) *The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2020/2021.*
- (f) *That the new amended budget related policies be approved with implementation as from 1 July 2020:*
 - (i) *Tariff Policy*
 - (ii) *Property Rates Policy*
 - (iii) *Credit Control and Debt Collection Policy.*
 - (iv) *Cash Management and Investment Policy*
 - (v) *Consumer Payment Incentive Policy.*
 - (vi) *Municipal Supply Chain Management Policy.*
 - (vii) *Petty Cash Policy*
 - (viii) *Indigent Policy*
 - (ix) *Budget Policy*
 - (x) *Budget Virement Policy*
 - (xi) *Asset Management Policy*
 - (xii) *Funding and Reserves Policy*
 - (xiii) *Cellular telephone and data card policy*
 - (xiv) *Borrowing Policy*
 - (xv) *Long Term Financial Plan Policy*
 - (xvi) *Transport, Travel and Subsistence Allowance*
 - (xvii) *Post-Employment Medical Aid Contributions*
 - (xviii) *Infrastructure Investment Policy*
- (g) *That the reviewed Integrated Development Plan be approved*

4 Executive Summary

Economic outlook

Over the past year, economic growth has been weaker than forecasted and is only expected to reach 0.9 per cent in 2020. The 2020 budget highlights the difficult economic and fiscal choices confronting government over the next several years.

National Government has highlighted the importance that determined action is required to reverse the deterioration of the public finances by narrowing the budget deficit, containing debt and growing the economy faster and in a sustainable manner and that municipalities need to exercise caution when they prepare their 2020/21 MTREF budgets to ensure synergy with national economic and fiscal prudence.

The declining economic growth which might be impacted on further by the Corona virus pandemic and international companies closing down as a result, the deteriorating state of the finances for state-owned entities, continued high unemployment and water and electricity shortages will put pressure on the ability of municipalities to raise revenue

Local government continue to receive the least share of the division of nationally raised revenue because it has extensive powers to raise its own revenue. In the present current economic climate, municipalities cannot afford to provide municipal services without recovering the cost of providing these services. The Finance and Fiscal Commission (FFC) recommended that the Minister of Finance should take steps (including piloting) to add supplementary revenue sources to the list of allowable taxes for different types of municipalities in a differentiated manner. These include recommendations such as amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 12 of 2007) to ensure development charges are uniformly regulated. The Municipal Fiscal Powers and Functions Act already allows municipalities to apply to the Minister of Finance to levy additional taxes such as the tourism levies and fire levies recommended by the FFC.

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. However, there has not been any determination by NERSA since the impasse around Eskom's application. While the court case between NERSA and Eskom is still pending, municipalities should use the tariff increases previously (March 2019) approved by the regulator of 8.1 per cent for 2020/21, 5.2 per cent 2021/22 and 8.9 per cent for 2022/23.

We know that job creation is a priority and that the climate must be created to attract investments to the Witzenberg municipal area. The rebate policy for new investments must be advertised more aggressively. The municipality itself cannot create internal job opportunities as it will lead to increased tariffs and more outstanding debt in respect of service charges.

Past performance

Witzenberg Municipality has now attained seven consecutive clean audit reports. Whilst the reports are very positive achievements one has to be honest and say that it tells the reader little about whether we have improved service delivery or even delivered on our constitutional mandate. What they do say is that the Council is reasonably honest in its operations to tax and spend on behalf of the local population.

Budget Summary

The Municipality's 2020 / 2021 budget amounts to R 782 million, represented by a Capital Budget of R 89 million and an Operating Budget of R 694 million.

The total 2020/ 2021 budget (operating and capital) will be financed from own income R 549 million, Government Grants R 201 million. Debt Impairment is estimated at R32 million

Revenue / tariff increases

- The increase of Property Rates Revenue will be $\pm 6\%$.
- The increase of Water consumption Tariffs will be $\pm 6\%$. An increase of $\pm 6\%$ is proposed for basic charges for commercial customers.
- The increase of Sanitation Tariffs will be 6% .
- The average tariff increase for Refuse Removal Tariffs will be 6% .
- The tariff increase for Electricity Tariffs will be 11.48% on average and will be adjusted to 6.24% in the final budget for consideration

Expenditure category increases

The budgeted increase in expenditure categories are as follows:

Expenditure by Type	2018 / 2019	2019 / 2020	Increase
	R'000	R'000	R'000
Employee related costs	175 133	190 351	9%
Job Creation	7 113	7 472	5%
Post-Employment Provisions	26 811	12 401	-54%
Remuneration of councillors	11 459	12 032	5%
Depreciation & asset impairment	45 590	48 932	7%
Bulk purchases	229 196	260 023	13%
Debt Impairment	43 499	31 806	-27%
Repairs & Maintenance	20 495	22 894	12%
Operational Projects	4 671	4 516	-3%
General Expenses	51 531	56 732	10%
Vehicle Expenditure	8 623	9 057	5%
Housing Top Structures	29 000	0	-100%
Other Contracted Services	36 351	37 424	3%

The increase in salary expenditure is based on an expected increase of 6.5% CP as well as the notch increase for qualifying employees. This is in line with the new wage agreement.

The increase in bulk purchases is to cover the 13.45% increases in Eskom tariffs with no expected growth in demand. The increase in bulk purchases will be adjusted to 6,9% in the final budget for consideration.

The budgeted increase in finance charges is a direct result of the finance cost relating to the rehabilitation of Landfill sites.

The financing of capital expenditure from own funds (CRR) totals R 10,1 million. This amount is earmarked to address specific infrastructural capital investment aligned to IDP focus areas. This level is considered to be affordable over the MTREF 3-year period.

Capital investment funding from Capital Grants represents a significant portion (89%) of the Municipality's Capital Budget in 2020 / 2021 and consist mainly of the Provincial Housing Grant, Public Transport Infrastructure Grant, the Municipal Infrastructure Grant (MIG) and the Regional Bulk Infrastructure Grant (RBIG)

The 2020 / 2021 Budget was compiled in terms of the Municipal Budget and Reporting Regulations and a phased-in process will be followed to include all information regarding the tables and supporting documentation.

Financial position and MTREF strategy

The financial position of Witzenberg Municipality is set out in Table A6: Budgeted Financial Position.

Integrated Development Plan & Priorities

The Strategic priorities as per the IDP I is available in Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue), Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure) and Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure).

Effect of the annual budget

The annual budget for 2020 / 2021 to 2022 / 2023 is disclosed in detail in 'Section 4: Annual budget tables' and in 'Annexure 2: Supporting budget tables'. Each of the summarised sections below is discussed in more detail later in this document.

Financial performance

The revenue by source for medium term revenue and expenditure framework can be summarized as follows:

Revenue by source	2019 / 2020	2021 / 2022	Increase
	R'000	R'000	R'000
Property Rates	72 282	77 848	8%
Service Charges: Electricity	265 119	299 097	13%
Service Charges: Water	35 901	37 772	5%
Service Charges: Waste Water	22 080	22 142	0%
Service Charges: Waste Management	23 853	24 281	2%

Rental from Fixed Assets	7 567	7 945	5%
Interest, Dividend and Rent on Land	16 586	17 415	5%
Fines, Penalties and Forfeits	19 482	20 456	5%
Licences or Permits	1 915	2 010	5%
Agency Services	3 670	3 854	5%
Transfers and Subsidies	185 451	195 705	6%
Operational Revenue	9 886	10 628	8%

Although property rates reflects an increase of 8%, the additional increase can primarily be attributed to the proposed change in the ratio for bona fide agricultural consumers from 0,120:1 to 0,135:1.

Increases in other service charges also reflects a lower increase as suggested for these tariffs and this can primarily be attributed to the expected increase in indigents following the completion of housing projects.

The National, Provincial and District Context

The Municipality's budget must be seen within the context of the policies and financial priorities of National and Provincial Government as well as the district municipality. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in Witzenberg Municipality. The Municipality alone cannot meet these challenges and we require support from the other spheres of Government through the direct and indirect allocation of resources as well as the achievement of their own policies.

The following table shows the allocations to Witzenberg Municipality as set out in the National Division of Revenue Bill.

NATIONAL ALLOCATIONS	2020 / 2021	2021 / 2022	2022 / 2023
	R'000	R'000	R'000
UNCONDITIONAL GRANTS			
EQUITABLE SHARE	101 915	112 056	122 389
CONDITIONAL GRANTS			
INFRASTRUCTURE			
MIG	22 286	23 906	25 092
INEP		3 000	4 000
RBIG	19 471	20 000	
SPECIFIC PURPOSE ALLOCATIONS			
LG FMG	1 550	1 550	1 550
EPWP	2 360		
NATIONAL GRANTS TOTAL	147 582	160 512	153 031

The following table shows the allocations to Witzenberg Municipality from the Provincial Government of the Western Cape:

PROVINCIAL ALLOCATIONS	2020 / 2021	2021 / 2022	2022 / 2023
	R'000	R'000	R'000
DEPARTMENT OF HUMAN SETTLEMENTS			
IHSDG	37 954	45 280	31 030
Municipal Accreditation and Capacity Building Grant	238	252	264
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING			
Regional socio-economic project/violence prevention through urban upgrading	1 000	500	
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS			
Maintenance of proclaimed roads	4 130	34 130	2 130
DEPARTMENT OF CULTURAL AFFAIRS AND SPORT			
Library Services	3 067	3 235	3 413
library services: Municipal Replacement Funding	6 697	7 065	7 453
DEPARTMENT OF LOCAL GOVERNMENT			
Thusong Centre		150	
Community Development Worker Operational Support Grant	131	131	131
Fire Service Capacity Building Grant			
PROVINCIAL TREASURY			
Financial Management Capacity Building	401		
Financial Management Support			
GRAND TOTAL	53 618	90 743	45 341

The following table shows the allocations to Witzenberg Municipality from the Cape Winelands District Municipality

DISTRICT ALLOCATION	2020 / 2021	2021 / 2022	2022 / 2023
	R'000	R'000	R'000
Financial Assistance	-	-	-

Budget-related policies

Please refer to paragraph 9 for details of proposed amendments to the budget related policies.

5 Annual budget Tables

(These tables will be distributed at the council meeting)

- AI Budget Summary
- A2 Budgeted Financial Performance – by standard classification
- A3 Budgeted Financial Performance – by municipal vote
- A4 Budgeted Financial Performance
- A5 Budgeted capital Expenditure by vote and Funding
- A6 Budgeted Financial Position
- A7 Budgeted Cash Flows
- A8 Cash backed reserves/accumulated surplus reconciliation
- A9 Asset Management
- A10 Basic service delivery measurement

Annual budget Supporting Tables

SA1: Supporting Detail to Budgeted Financial Performance
SA2: Matrix Financial Performance Budget (revenue source/expenditure type and dept.)
SA3: Supporting detail to Budgeted Financial Position
SA4: Reconciliation of IDP, Strategic Objectives and Budget (Revenue)
SA5: Reconciliation of IDP, Strategic Objectives and Budget (Operating Expenditure)
SA6: Reconciliation of IDP, Strategic Objectives and Budget (Capital Expenditure)
SA7: Measurable Performance Objectives
SA8: Performance Indicators and Benchmarks
SA9: Social, Economic and Demographic Statistics and Assumptions
SA10: Funding Measurement
SA11: Property Rates Summary
SA12a: Property rates by category (current year)
SA12b: Property rates by category (budget year)
SA13: Service Tariffs by category
SA 14: Household Bills
SA15: Investment Particulars by Type
SA16: Investment Particulars by Type
SA17: Borrowing
SA18: Transfers and Grant Receipts
SA19: Expenditure on Transfers and Grant Programme
SA20: Reconciliation of Transfers, Grant Receipts and Unspent Funds
SA21: Transfers and Grants made by the Municipality
SA22: Summary Councillor and Staff Benefits
SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)

SA24: Summary of Personnel Numbers
SA25: Budgeted Monthly Revenue and Expenditure
SA26: Budgeted Monthly Revenue and Expenditure (Municipal Vote)
SA27: Budgeted Monthly Revenue and Expenditure (Standard Classification)
SA28: Budgeted Monthly Capital Expenditure (Municipal Vote)
SA29: Budgeted Monthly Capital Expenditure (Standard Classification)
SA30: Budgeted Monthly Cash Flow
SA31: Entities not required
SA32: List of External Mechanisms
SA33: Contracts having Future Budgetary Implications
SA34a: Capital Expenditure on New Assets by Asset Class
SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class
SA34c: Repairs and Maintenance Expenditure by Asset Class
SA34d: Depreciation by Assets Class
SA35: Future Financial Implications of the Capital Budget
SA36: Detail Capital Budget
SA37: Projects Delayed from Previous Financial Years
Budget Circular 98 & 99 – only attached for noting

6 Overview of the Budget Process

6.1 Political oversight of the budget process

Section 53 (1) of the MFMA stipulates that the mayor of a municipality must provide general political guidance over the budget process and the priorities that guide the preparation of the budget.

Section 21(1) of the MFMA states that the Mayor of a municipality must coordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

Furthermore, this section also states that the Mayor must at least 10 months before the start of the budget year, table in municipal council, a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget.

This time schedule provides for political input from formal organizations such as portfolio Committees.

6.2. Schedule of Key Deadlines relating to budget and IDP process [MFMA s 21(1) (b)]

The IDP and Budget time schedule of the 2020 / 2021 budget cycle was adopted by Council during August 2019, 10 months before the start of the budget year in compliance with legislative directives.

The IDP and Budget Process Plan ensure that the role-players within the process are well prepared. All activities outlined within this document have been prepared in close inter-relation with the Framework that governs both the District and all local municipalities.

Public budget and IDP meetings will be held throughout Witzenberg and all members of the public are urged to attend.

6.3. Process used to integrate the review of the IDP and preparation of the Budget

Updating the IDP and Budget is an evolving and re-iterative process over a 10 month period. The initial parallel process commenced with the consultative process of the IDP in 2019 and the update of the MTREF to determine the affordability and sustainability framework at the same time.

6.4. Process for consultation with each group of stakeholders and outcomes

Following tabling of the draft budget in March 2020, local input will be solicited via notices published in the media. The budget documentation will be available on the municipal website: witzenberg.gov.za

Comments on the IDP/Budget will be made by the public via verbal presentations, facsimiles, emails and in the form of correspondence to the municipality and will be considered for incorporation as part of the budget process.

6.5. Stakeholders involved in consultations

The tabled budget will be provided to National Treasury and Provincial Treasury in March/April 2020 for their consideration in line with S23 of the MFMA.

6.6. Process and media used to provide information on the Budget to the community

The Municipality's consultation process on its draft IDP and budget will be held during April 2020, where various community organizations and representatives may/will come forward to give input and to re-prioritize some of their needs.

Community representatives and organizations had to review the priorities given previously and to ascertain whether it has been captured as priorities during the 2020 / 2021 IDP/Budget process.

6.7. Methods employed to make the Budget document available (including websites)

In compliance with the Municipal Finance Management Act and the Municipal Systems Act with regards to the advertising of Budget Documents (including the Tariffs, Fees and Charges for 2020 / 2021), advertisements will be placed in the media. The information relating to resolutions and budget documentation will be displayed at the notice boards in the municipal offices as well as libraries.

In compliance with S22 of the MFMA, the Budget documentation will be published on the municipality's website.

7 IDP Overview and Amendments

- **VISION**

A Municipality that cares for its community, creating growth and opportunities

- **MISSION**

The Witzenberg Municipality is committed to improve the quality of life of its community by:

- Providing and maintaining affordable services.
- Promoting Social and Economic Development
- The effective and efficient use of available resources
- Effective Stakeholder and Community participation

- **VALUE SYSTEM**

- Driven by the aspirations of our Community, we will respect and uphold the Constitution of the Republic of South Africa.
- We commit ourselves to the Code of Conduct for Councillors and officials in the Municipal Systems Act.
- We commit ourselves to the principles of sound financial management.

- **Alignment with Provincial and National Government**

Witzenberg Municipality's development plan needs to align with National and Provincial initiatives to ensure optimal impact from the combined efforts of government. In this regard there are six critical elements: Accelerated and Shared Growth-South Africa (ASGI-SA), National Spatial Development Perspective (NSDP), National Strategy for Sustainable Development (NSSD), Provincial Growth and Development Strategy (PGDS) and Provincial Spatial Development Framework (PSDF).

All these feed into and influence the Integrated Development Plan.

- **Witzenberg Municipality Budget Priorities (Key Performance areas)**

The Municipality's 2020/ 2021 to 2022 / 2023 integrated development plan focuses on four strategic focus areas. The concrete objectives for each strategic focus area have been outlined and elaborated on. These objectives will be used to further develop key performance indicators against which performance implementation monitoring and reporting will be done. The corporate scorecard outlines these indicators and targets.

The four focus areas are:

- Essential Services
- Governance
- Communal Services
- Socio-Economic Support Services

8 Measurable performance objectives and indicators

(a) KEY FINANCIAL INDICATORS AND RATIOS

Information regarding key financial indicators and ratios are provided on Supporting Table SA8.

(b) MEASURABLE PERFORMANCE OBJECTIVES

Information regarding revenue is provided as follows:

- Revenue for each vote - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)
- Revenue for each source - Table A4 Budgeted Financial Performance (revenue and expenditure)

Provision of free basic services:

- (i) Cost to the Witzenberg Municipality in rand value for each of the free basic services provided to indigent households:

	2020 / 2021	2021 / 2022	2022 / 2023
	R'000	R'000	R'000
Property rates	4 380	3 645	3 281
Water	4 865	3 822	3 310
Sanitation	11 371	9 375	8 437
Electricity	3 999	3 357	3 189
Refuse	9 030	7 445	6 764
Total	33 645	27 643	24 980

More detail is provided in Table A10 Basic service delivery measurement,

- (ii) Level of service to be provided

The first R 120 000 of the municipal valuation of property in Town areas are exempt from property rates.

Indigent households will receive 50 kWh of electricity and 6 kilolitre of water per month while their basic charges for water refuse and sewerage will be subsidized.

- (iii) Number of households to receive free basic services

There is budgeted for 4 500 households that will receive 50 kWh electricity per month as well as 6 kilolitre water per month.

A further 1700 households in informal areas receive all services excluding electricity free of charge.

9 Overview of Budget Related Policies and Amendments

The following budget related policies are tabled with the budget documentation for comments and inputs:

- Budget Policy
- Tariff Policy
- Property Rates Policy
- Credit Control and Debt Collection Policy
- Cash Management and Investment Policy
- Consumer Payment Incentive Policy
- Petty Cash Policy
- Indigent Policy
- Budget Virement Policy
- Asset Management Policy
- Funding and Reserves Policy
- Borrowing Policy
- Cellular the phone and data card policy
- Municipal Supply Chain Management Policy
- Long Term Financial Plan Policy
- Transport- travel- and subsistence allowance Policy
- Post-Employment Medical Aid Contribution Policy
- Infrastructure Investment Policy

Policies will be available at libraries in the municipal area and the website of the municipality.

The budget related policies were reviewed by management. The amendments recommended are explained below:

BUDGET POLICY

The aim of the policy is to set out the principles which the municipality will follow in preparing each medium term revenue and expenditure framework (budget) and the responsibilities of the mayor and officials.

No amendments are recommended.

TARIFF POLICY

The Municipal System Act requires Council to adopt a Tariff Policy. The general financial management functions covered in section 62 of the MFMA includes the implementation of a tariff policy. Specific legislation applicable to each service has been taken into consideration when determining this policy.

It is recommended that section 6 of the Tariff policy be amended to indicate that the rebate will only be applicable on the additional services account of the applicant to the original account.

It is also recommended that the Renewable tariff be brought into the tariff policy.

PROPERTY RATES POLICY

A Rates Policy in accordance with Section 3 of the Municipal Property Rates Act (No 6 of 2004) as amended (MPRA) was approved by Council and updated on 15 June 2010.

The policy guides the annual setting of property rates.

The Municipality has reviewed the rate ratio as it is applied in terms of Bona Fide Agricultural properties. The current ratio has been reviewed and been adjusted from 0.120:1 to 0.135:1 which is still within the regulated norm of 0.25:1. It envisaged that additional property rates revenue to the estimated amount of R1, 6 m will flow to the municipality in the first year of implementation. A phased-in approach will be followed over the next 3 financial years until the maximum allowable ratio of 0.25:1 is reached.

The recommended phased-in approach to be applied is as follow:

Year 1 (2020/21) Effective 1 July 2020: New Ratio 0.135:1

Year 2 (2021/22) Effective 1 July 2021: New Ratio 0.150:1

Year 3 (2022/23) Effective 1 July 2022: New Ratio 0.200:1

It is recommended that Property Rates policy be amended to indicate that the rebate will only be applicable on the additional services account of the applicant to the original account

It is recommended that the policy be amended to ensure sufficient revenues will be realised to fund municipal services.

CREDIT CONTROL AND DEBT COLLECTION POLICY

This Policy has been formulated in terms of section 96 (b) and 98 of the Local Government: Municipal Systems Act, 2000 and the Credit Control and Debt Collection By-Law.

The municipality will pay no interest on consumer deposits. If found that any person (natural or juristic) is illegally connected or reconnected to municipal services, or that he/she fiddled with any meter, reticulation network or any other supply equipment, or delivered any unlawful service associated with the provision of municipal services, or stole or damaged any municipal property, he/she shall be prosecuted and/or held liable for fines, as determined by council.

CASH MANAGEMENT AND INVESTMENT POLICY

The underlying cash is managed and invested in accordance with the Municipality's approved Cash Management and Investment Policy, which is aligned with National Treasury's municipal investment regulations dated 01 April 2005.

It is proposed that the Cash Management and Investment Policy be amended in terms of the following:

Item 4.2.3 : That the Deputy CFO be added as a A-Signatory

CONSUMER PAYMENT INCENTIVE POLICY

The purpose of the policy is to encourage residents of Witzenberg to pay for services and also to promote the culture of payment amongst its citizens.

Amendments recommended:

Verified debt as at 30 June 2017 to be “parked” and written-off in instalments as the conditions are met. Verified debt accrued after 1st July to be dealt with via an acknowledgement of debt and arrangement for payment by the participant.

PETTY CASH POLICY

The policy provides for the cash purchases up to a transaction value of R 2 000.00

No amendments are recommended.

INDIGENT POLICY

The aim of the policy is to ensure a sound and sustainable manner to provide affordable basic services to the poor by means of assisting them financially within the legal framework of the powers and functions of the municipality in order to improve the livelihood, in an effort to create a prosperous municipality free of poverty.

It recommended that the policy be amended to incorporate the council decision taken, namely – *“that the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality”*

BUDGET VIREMENT POLICY

National Treasury has advised municipalities to implement a virement policy to ensure that funds can be shifted for of operational requirements to ensure that service delivery is not hampered.

It is proposed that the Budget Virement Policy be amended in terms of the following:

New item – 5.17.

Virements / Transfers from Repairs & Maintenance Projects are only permitted with the approval of the CFO and Municipal Manager

New item – 5.18

Virements / Transfers from Specific Operational Typical Work streams Projects are only permitted with the approval of the CFO and Municipal Manager

Appendix A Classification be repealed and replaced with the updated Municipal Votes as disclosed in the Budget Schedules

Appendix B Classification be repealed and replaced with the mSCOA line items

ASSET MANAGEMENT POLICY

The aim of the policy is to ensure that the assets of the municipality are properly managed and accounted for.

No amendments are recommended.

FUNDING AND RESERVE POLICY

In terms of section 8 of the Municipal Budget and Reporting Regulations each municipality must have a funding and reserves policy.

The policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

No amendments are recommended.

BORROWING POLICY

The policy aims to set out the objectives, statutory requirements as well as guidelines for the borrowing of funds.

No amendments are recommended.

CELLULAR TELEPHONE AND DATA CARD POLICY

The policy aims to curb the expenditure on cellular telephones by setting maximum expenditure levels and providing processes to approve and/or recover expenditure above the levels.

No amendments are recommended.

MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. The Municipality's Supply Chain Management Policy was approved by Council.

Consider the incorporation of parts of the SIPDM or the new draft FIPDM

LONG TERM FINANCIAL PLAN POLICY

The long term financial plan policy integrates the financial relationships of various revenue and expenditure streams to give effect to the Integrated Development Plan.

No amendments are recommended.

TRAVEL MANAGEMENT POLICY

This policy applies to all Councillors and employees of Witzenberg Municipality who are travelling on official business.

No amendments

POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

The purpose of this policy is to determine guidelines for the management of contributions to medical aids, post-employment and to determine whether an employee is entitled to the post-employment medical aid benefit.

It is recommended that the policy be adjusted to be in line with the newly approved retirement policy

INFRASTRUCTURE INVESTMENT POLICY

This policy sets out the process and methodology for capital investment of any nature, regardless of the funding source.

10 Overview of Budget Related By-Laws and Amendments

No amendments to any By-Laws are recommended.

11 Overview of Budget Assumptions

Expenditure

Salaries and Allowances

Provision has been made for a 6.5 % increase in salaries plus an additional 2.5% notch increase for qualifying employees

The Minister of Finance will approve increases of councillors during the 2020 / 2021 financial year, and the increase will be implemented as from 1 July 2020.

General expenditure

It is assumed that costs for services will increase in line with the CPIX. The current oil price is a concern and it is expected that the fuel price hikes will have a substantial effect on expenditure. It is also assumed that the capital projects for 2019 / 2020 will be completed during the financial year as there were budgeted for the depreciation of such projects as per general recognized accounting practice (GRAP). Depreciation on new capital expenditure is calculated at a varying rate ranging between 3 and 100 years depending on the nature of the asset.

Repairs and Maintenance

It is assumed that municipal infrastructure and assets will be maintained as per previous years and that no major breakages will take place during the financial year.

Capital costs

It is assumed that interest rates will be stable during the financial year, but the provision for capital has not been decreased.

Bulk Purchases

It is assumed that electricity tariffs of Eskom will increase by 11,48% as from 1 July 2020, as approved by NERSA.

The NERSA Tariff Guidelines for municipalities was late received and it is envisaged that the bulk cost increase will be adjusted to 6.9% for the final budget for consideration.

Income

Households

It is assumed that the total households in the municipal area (the tax base) will stay stable during the financial year. The new RDP houses to be built will be for the benefit of families residing in informal areas. The total number of households is thus not expected to increase. Care must be taken that the informal structures are removed as soon as the beneficiaries moved to the new houses.

Collection rate for municipal services

It is assumed that the collection rate (percentage of service charges recovered) for the financial year will be the same as the current payment rate.

In accordance with relevant legislation and national directives, the estimated revenue recovery rates are based on realistic and sustainable trends. The Municipality's collection rate is set at an average of 95%. Adequate provision is made for non-recovery.

Grants

It is assumed that the National and Provincial grants as per Division of Revenue Act (DORA) which has been included in the budget will be received during the 2020 / 2021 financial year.

Indigents

It is assumed that the number of indigents will increase to an estimated 4 500 during the financial year due to the completion of the Vredebes Housing Project.

The Coronavirus

The social and financial impact of the coronavirus remains an unknown entity to the municipality. All the income streams could be negatively affected by this disaster and this could force the municipality to adjust revenue estimates downwards during the financial year. Expenditure items could also spike as the demand for the goods and services increases. The roll out of major operational and capital projects can also be negatively impacted, especially where it requires the services of contractors and where projects are labour-intensive. The productivity of the workforce will also be negatively impacted. Thus, service delivery may become very challenging. Council is advised to act prudently and diligently and to only expense on the bare necessities during this unknown phase. Unforeseen and unavoidable expenditure is a possibility and if it does arise, the administration will assist the mayor in discharging his responsibility in terms of the tabling of an adjustments budget at the earliest convenient time.

12 Overview of Budget Funding

Summary

The operating budget for 2019 / 2020 will be financed as follows:

	2018 / 2019	2019 / 2020	Increase
	R'000	R'000	R'000
Charged for electricity, water, refuse and sewerage	346 953	383 292	10%
Property Rates	72 282	77 848	8%
Provincial and National Operating Grants	137 732	113 570	-18%
Sundry charges / Other	59 106	62 308	5%
Total Operating Revenue excl. Capital Transfers	616 073	637 018	3%

The capital budget for 2019/ 2020 to 2021 / 2022 will be financed as follows:

	2019 /2020	2020/2021	2021 / 2022
	R'000	R'000	R'000
Own Funds (Capital Replacement Reserves)	10 048	13 737	10 173
Grants	78 716	120 459	28 167
Borrowing	0	0	0
Total Capital Budget	88 764	134 196	38 340

Reserves

All the reserves of the municipality are not cash funded. The process to accumulate sufficient funds is a long term process as tariff increases must be kept to a minimum, and service delivery must be continued.

Sustainability of municipality

The way that the budget is funded will ensure that the municipality will be sustainable on the short term. The full effect of huge increases in electricity tariffs may on the long run impact negatively on the sustainability of the municipality. This is a huge concern for the municipality and the municipality has no control over the increases approved by NERSA.

Impact on rates and tariffs

The way that the budget is funded will ensure that, except for electricity, refuse removal and water tariffs, service tariff increases will be $\pm 6\%$. Property rates tariffs will increase with $\pm 6\%$. The municipality has no control over the increases of electricity tariffs and the proposed $\pm 13.07\%$ increase in electricity tariffs is subjected to NERSA approval.

Property valuations, rates, tariffs and other charges

The rates tariffs as well as tariffs for electricity, water, refuse, sewage together with the sundry tariffs are listed in Section B – Tariffs. The tariff increases are also indicated.

Collection Rate

Income levels for service charges and rates for the budget year were based on the following collection rates:

Rates	95.0%
Electricity	99.0%
Water	82.0%
Sanitation	85.0%
Refuse	85.0%

Planned savings and efficiencies

The following areas were identified for possible savings after the efficiency of the usage of the assets/services has been evaluated:

Overtime
Standby
Operational Cost
Contracted Services
Materials & Supplies

Contributions and donations received

There was not budgeted for any contributions and donations to be received.

Planned proceeds of sale of assets

The municipality envisage no sale of fixed property during the 2020 / 2021 financial year.

Planned use of previous year's cash backed accumulated surplus

The previous year's accumulated surplus is not cash backed.

Particulars of existing and any new borrowing proposed to be raised

There is no new borrowing proposed.

13 Expenditure on allocations and grant programmes

Particulars of budgeted allocations and grants

Please refer to Supporting Table SA19: Expenditure on transfers and grant programme.

14 Allocations or grants made by the Municipality

Please refer to Supporting Table SA21 Transfers and grants made by the municipality.

15 Councillor allowances and employee benefits

Costs to Municipality:

Councillors

Speaker (1)	859 592
Executive Mayor (1)	1 062 003
Deputy Executive Mayor (1)	859 594
Executive Committee (4)	3 235 976
Other Councillors (15)	6 014 532
TOTAL	12 031 697

Senior Managers (Including performance bonus provision)

Municipal Manager	1 823 908
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Director: Corporate Services	1 482 116
Director: Community Services	1 424 283
Director: Technical Services	1 473 831
Chief Financial Officer	1 412 949
TOTAL Senior Management	7 617 087
All other staff	195 135 415

Number of Councillors 23

Number of Senior Managers employed 5

Details of employee numbers can be obtained on Supporting Table SA24: Summary of personnel numbers.

16 Monthly targets for revenue, expenditure and cash flow

The monthly targets for revenue and expenditure are provided in Supporting Table SA25 Budgeted monthly revenue and expenditure.

The monthly targets for cash flows are provided in Supporting Table SA30 Budgeted monthly cash flow.

17 Capital spending detail

Information/detail regarding capital projects by vote is provided in Supporting Table SA36: Detailed capital budget.

18 Legislation compliance status

Witzenberg Municipality complies in general with legislation applicable to municipalities.

19 Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the budget and supporting documentations are consistent with the Integrated Development Plan of the municipality.

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature:



Date 24 March 2020

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
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1. Property rates and other municipal taxes

		1.1.	Property rates								
R 0.00875	R 0.00875	1.1.1.	Residential Property	0.0%	R 0.00927	6.00%	R 0.00992	7.00%	R 0.01041	5.00%	R 0.00927
R 0.00784	R 0.00784	1.1.2.	Informal Settlements	0.0%	R 0.00831	6.00%	R 0.00890	7.00%	R 0.00934	5.00%	R 0.00831
R 0.01579	R 0.01579	1.1.3.	Business/Commercial Property	0.0%	R 0.01674	6.00%	R 0.01791	7.00%	R 0.01881	5.00%	R 0.01674
R 0.01537	R 0.01537	1.1.4.	Industrial Property	0.0%	R 0.01629	6.00%	R 0.01743	7.00%	R 0.01830	5.00%	R 0.01629
		1.1.5.	Agricultural Properties:								
R 0.00106	R 0.00106	1.1.5.1	Bona fide Agricultural	0.0%	R 0.00148	40.00%	R 0.00159	7.00%	R 0.00167	5.00%	R 0.00148
R 0.00986	R 0.00986	1.1.5.2	Agricultural/Business/Residential	0.0%	R 0.01045	6.00%	R 0.01118	7.00%	R 0.01174	5.00%	R 0.01045
R 0.00986	R 0.00986	1.1.5.3	Agricultural/Industrial	0.0%	R 0.01045	6.00%	R 0.01118	7.00%	R 0.01174	5.00%	R 0.01045
R 0.01378	R 0.01378	1.1.6.	State owned Property	0.0%	R 0.01461	6.00%	R 0.01563	7.00%	R 0.01641	5.00%	R 0.01461
R 0.01314	R 0.01314	1.1.7.	Vacant Land - Urban	0.0%	R 0.01393	6.00%	R 0.01491	7.00%	R 0.01565	5.00%	R 0.01393
R 0.00218	R 0.00218	1.1.8.	Public Service Infrastructure	0.0%	R 0.00231	6.00%	R 0.00248	7.00%	R 0.00260	5.00%	R 0.00231
R 0.00218	R 0.00218	1.1.9.	Public Benefit Organisations	0.0%	R 0.00231	6.00%	R 0.00248	7.00%	R 0.00260	5.00%	R 0.00231
R 0.01093	R 0.01093	1.1.10.	Building clauses	0.0%	R 0.01158	6.00%	R 0.01240	7.00%	R 0.01301	5.00%	R 0.01158
R 0.00438	R 0.00438	1.1.11.	Residential Property - Qualifying Pensioners	0.0%	R 0.00464	6.00%	R 0.00497	7.00%	R 0.00521	5.00%	R 0.00464

Pensioners may qualify for a rebate of 50% on residential property in terms of councils policy.

Exemption

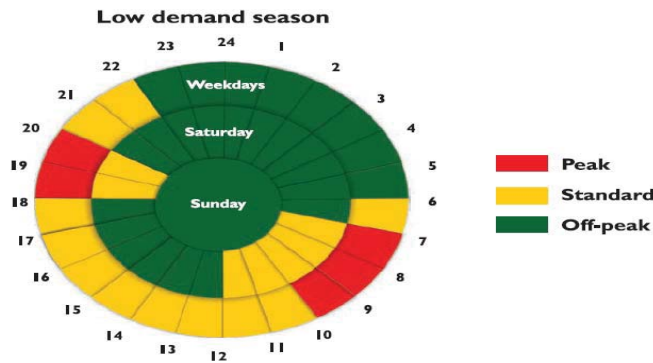
The first R 120 000.00 of property values are exempt from rates for tariffs 1.1.1; 1.1.2; 1.1.3 and 1.1.4

1.2. Concented use and departures

R 1 697.00	R 1 697.00	1.2.1.	Residential properties		R 1 799.00	6.01%	R 1 906.94	6.00%	R 2 021.36	6.00%	R 1 799.00
R 1 697.00	R 1 697.00	1.2.2.	Bona fide Agricultural		R 1 799.00	6.01%	R 1 906.94	6.00%	R 2 021.36	6.00%	R 1 799.00

2. Electricity Service Tariffs

High-demand (June – August) and low-demand (September – May) seasons



R 216.55	R 188.30	2.1	Service Availability: Unimproved sites charge per month or part of it	15.0%	R 241.41	11.48%	R 260.534	7.92%	R 288.735	10.82%	R 209.92
		2.2	Residential customers								
		2.2.1	Single part tariff								
		2.2.1.1	Prepaid								
R 1.528	R 1.329		0-50 kWh	15.0%	R 1.703	11.48%	R 1.838	7.92%	R 2.037	10.82%	R 1.481
R 1.528	R 1.329		51-350 kWh	15.0%	R 1.703	11.48%	R 1.838	7.92%	R 2.037	10.82%	R 1.481
R 1.528	R 1.329		351-600 kWh	15.0%	R 1.703	11.48%	R 1.838	7.92%	R 2.037	10.82%	R 1.481
R 2.640	R 2.295		Above 600 kWh	15.0%	R 2.943	11.48%	R 3.176	7.92%	R 3.520	10.82%	R 2.559
		2.2.1.2	1 x 20 A 0-50 kWh 51-350 kWh 351-600 kWh Above 600 kWh								
		2.2.1.3	Single phase 0-50 kWh 51-350 kWh 351-600 kWh Above 600 kWh								
R 1.737	R 1.511		0-50 kWh	15.0%	R 1.937	11.48%	R 2.090	7.92%	R 2.316	10.82%	R 1.684
R 1.737	R 1.511		51-350 kWh	15.0%	R 1.937	11.48%	R 2.090	7.92%	R 2.316	10.82%	R 1.684
R 1.737	R 1.511		351-600 kWh	15.0%	R 1.937	11.48%	R 2.090	7.92%	R 2.316	10.82%	R 1.684
R 2.348	R 2.042		Above 600 kWh	15.0%	R 3.100	32.01%	R 3.346	7.92%	R 3.708	10.82%	R 2.277

Removed - All consumers moved to 2.2.1.3

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		2.2.1.4	Three phase 0-50 kWh 51-350 kWh 351-600 kWh Above 600 kWh		Removed - All consumers moved to 2.2.2.2						
		2.2.2	Two part tariff								
		2.2.2.1	Single phase Basic charge per month or part of it: Energy in c/kWh 0-50 kWh 51-350 kWh 351-600 kWh Above 600 kWh		Removed - All consumers moved to 2.2.1.3						
R 686.29	R 596.77	2.2.2.2	Three phase Basic charge per month or part of it: Energy in c/kWh	15.0%	R 765.08	11.48%	R 825.70	7.92%	R 915.07	10.82%	R 665.29
R 0.987	R 0.858		0-50 kWh	15.0%	R 1.100	11.48%	R 1.19	7.92%	R 1.32	10.82%	R 0.957
R 0.987	R 0.858		51-350 kWh	15.0%	R 1.100	11.48%	R 1.19	7.92%	R 1.32	10.82%	R 0.956
R 0.987	R 0.858		351-600 kWh	15.0%	R 1.100	11.48%	R 1.19	7.92%	R 1.32	10.82%	R 0.956
R 1.417	R 1.232		Above 600 kWh	15.0%	R 1.580	11.48%	R 1.71	7.92%	R 1.89	10.82%	R 1.374
		2.3	Commercial customers								
		2.3.1	Prepaid customers								
R 0.00	R 0.00	2.3.1.1	Basic charge per month or part of it: The basic charge on prepaid commercial customers is not applicable to schools or church properties	15.0%	R 0.00		R 0.000		R 0.000		R 0.00
		2.3.1.2	Energy in c/kWh								
R 2.361	R 2.053		0-600 kWh	15.0%	R 2.679	13.45%	R 2.9104	8.64%	R 3.276	12.57%	R 2.330
R 2.571	R 2.235		Above 600 kWh	15.0%	R 2.916	13.45%	R 3.168	8.64%	R 3.567	12.57%	R 2.536
		2.3.2	Single phase No new connections allowed larger than 80 AMPS on Single phase on this tariff								
		2.3.2.1	Basic charge per month or part of it:								
R 413.99	R 359.99		20A - Connection	15.0%	R 469.67	13.45%	R 510.25	8.64%	R 574.41	12.57%	R 408.41
R 757.14	R 658.38		40A - Connection	15.0%	R 858.97	13.45%	R 933.18	8.64%	R 1 050.51	12.57%	R 746.93
R 936.35	R 814.22		60A - Connection	15.0%	R 1 062.29	13.45%	R 1 154.07	8.64%	R 1 299.18	12.57%	R 923.73
R 937.74	R 815.43		80A - Connection	15.0%	R 1 063.88	13.45%	R 1 155.80	8.64%	R 1 301.12	12.57%	R 925.11
R 1 223.92	R 1 064.28		100A - Connection	15.0%	R 1 388.54	13.45%	R 1 508.51	8.64%	R 1 698.18	12.57%	R 1 207.43
R 1 372.57	R 1 193.54		150A - Connection	15.0%	R 1 557.18	13.45%	R 1 691.72	8.64%	R 1 904.43	12.57%	R 1 354.07
R 1 568.16	R 1 363.62		200A - Connection	15.0%	R 1 779.08	13.45%	R 1 932.80	8.64%	R 2 175.82	12.57%	R 1 547.03
R 1 735.17	R 1 508.84		250A - Connection	15.0%	R 1 968.55	13.45%	R 2 138.63	8.64%	R 2 407.53	12.57%	R 1 711.78
R 1.973	R 1.715	2.3.2.2	Energy in c/kWh	15.0%	R 2.238	13.45%	R 2.431	8.64%	R 2.7369	12.57%	R 1.946
			All users with greater than 80Amp Connections must be converted to 3 phase connections								
		2.3.3	Three phase No new connections allowed larger than 150 AMPS on Three phase on this tariff								
		2.3.3.1	Basic charge per month or part of it:								
R 1 329.52	R 1 156.10		20A - Connection	15.0%	R 1 508.34	13.45%	R 1 638.661	8.64%	R 1 844.69	12.57%	R 1 311.60
R 1 493.44	R 1 298.64		40A - Connection	15.0%	R 1 694.31	13.45%	R 1 840.695	8.64%	R 2 072.13	12.57%	R 1 473.31
R 1 593.46	R 1 385.62		60A - Connection	15.0%	R 1 807.79	13.45%	R 1 963.981	8.64%	R 2 210.92	12.57%	R 1 571.99
R 1 704.61	R 1 482.27		80A - Connection	15.0%	R 1 933.89	13.45%	R 2 100.974	8.64%	R 2 365.14	12.57%	R 1 681.64
R 2 063.02	R 1 793.93		100A - Connection	15.0%	R 2 340.49	13.45%	R 2 542.710	8.64%	R 2 862.41	12.57%	R 2 035.21
R 2 531.20	R 2 201.04		150A - Connection	15.0%	R 2 871.64	13.45%	R 3 119.752	8.64%	R 3 512.01	12.57%	R 2 497.08
R 3 024.40	R 2 629.91		200A - Connection	15.0%	R 3 431.17	13.45%	R 3 727.628	8.64%	R 4 196.32	12.57%	R 2 983.63
R 3 091.07	R 2 687.89		250A - Connection	15.0%	R 3 506.82	13.45%	R 3 809.811	8.64%	R 4 288.83	12.57%	R 3 049.41
R 1.750	R 1.522	2.3.3.2	Energy in c/kWh	15.0%	R 1.986	13.45%	R 2.157	8.64%	R 2.4284	12.57%	R 1.727

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		2.4	Agricultural customers								
		2.4.1	< 25 KVA								
R 797.42	R 693.41		Basic charge per month or part of it:	15.0%	R 904.67	13.45%	R 982.834	8.64%	R 1 106.41	12.57%	R 786.67
		2.4.2	25 KVA <= 50 KVA								
R 1 165.58	R 1 013.55		Basic charge per month or part of it:	15.0%	R 1 322.35	13.45%	R 1 436.602	8.64%	R 1 617.23	12.57%	R 1 149.87
		2.4.3	50 KVA <= 100 KVA								
R 1 576.79	R 1 371.12		Basic charge per month or part of it:	15.0%	R 1 788.87	13.45%	R 1 943.429	8.64%	R 2 187.78	12.57%	R 1 555.54
		2.4.4	Energy charge c/kWh								
R 2.112	R 1.836		Energy in c/kWh < 1,000 units	15.0%	R 2.396	13.45%	R 2.603	8.64%	R 2.930	12.57%	R 2.083
R 2.112	R 1.836		Energy in c/kWh > 1,000 units	15.0%	R 2.396	13.45%	R 2.603	8.64%	R 2.930	12.57%	R 2.083
		2.5	BULK CONSUMERS (LARGE POWER USERS)								
			All Large Power Users (LPU) must maintain a power factor of 0.85 lagging or better								
			The following public holidays will always be treated as a Sunday for Large Power Users. New Year's Day, Good Friday, Family Day, Christmas Day and Day of Goodwill. All other public holidays will be treated as the day of the week on which it falls.								
		2.5.1	Agricultural customers								
		2.5.1.1	Time of use customers								
		2.5.1.1.1	< 1 MVA High tension								
R 9 100.95	R 7 913.87		Basic charge per month or part of it	15.0%	R 10 325.03	13.45%	R 11 217.116	8.64%	R 12 627.482	12.57%	R 8 978.29
R 156.780	R 136.330		Demand charge R/KVA	15.0%	R 177.871	13.45%	R 193.239	8.64%	R 217.535	12.57%	R 154.67
			Energy charge c/kWh								
			In season								
R 4.223	R 3.673		Peak time	15.0%	R 4.791	13.45%	R 5.205	8.64%	R 5.860	12.57%	R 4.166
R 1.361	R 1.184		Standard	15.0%	R 1.545	13.45%	R 1.678	8.64%	R 1.889	12.57%	R 1.343
R 0.806	R 0.701		Off- peak time	15.0%	R 0.915	13.45%	R 0.994	8.64%	R 1.119	12.57%	R 0.795
			Out of season								
R 1.473	R 1.281		Peak time	15.0%	R 1.671	13.45%	R 1.816	8.64%	R 2.044	12.57%	R 1.453
R 1.056	R 0.918		Standard	15.0%	R 1.198	13.45%	R 1.301	8.64%	R 1.465	12.57%	R 1.042
R 0.709	R 0.616		Off- peak time	15.0%	R 0.804	13.45%	R 0.873	8.64%	R 0.983	12.57%	R 0.699
		2.5.1.1.2	Low tension								
R 5 833.44	R 5 072.56		Basic charge per month or part of it	15.0%	R 6 618.04	13.45%	R 7 189.842	8.64%	R 8 093.845	12.57%	R 5 754.82
R 145.64	R 126.64		Demand charge R/KVA	15.0%	R 165.22	13.45%	R 179.496	8.64%	R 202.064	12.57%	R 143.67
			Energy charge c/kWh								
			In season								
R 4.654	R 4.047		Peak time	15.0%	R 5.280	13.45%	R 5.736	8.64%	R 6.457	12.57%	R 4.591
R 1.501	R 1.305		Standard	15.0%	R 1.702	13.45%	R 1.849	8.64%	R 2.082	12.57%	R 1.480
R 0.889	R 0.773		Off- peak time	15.0%	R 1.009	13.45%	R 1.096	8.64%	R 1.234	12.57%	R 0.877
			Out of season								
R 1.625	R 1.413		Peak time	15.0%	R 1.844	13.45%	R 2.003	8.64%	R 2.255	12.57%	R 1.603
R 1.153	R 1.003		Standard	15.0%	R 1.308	13.45%	R 1.422	8.64%	R 1.600	12.57%	R 1.138
R 0.778	R 0.676		Off- peak time	15.0%	R 0.882	13.45%	R 0.958	8.64%	R 1.079	12.57%	R 0.767
		2.5.1.2	Normal								
		2.5.1.2.1	< 1 MVA High tension								
R 8 710.57	R 7 574.41		Basic charge per month or part of it	15.0%	R 9 882.15	13.45%	R 10 735.963	8.64%	R 12 085.831	12.57%	R 8 593.17
R 199.04	R 173.08		Demand charge R/KVA	15.0%	R 225.81	13.45%	R 245.324	8.64%	R 276.170	12.57%	R 196.36
R 1.125	R 0.978		Energy charge c/kWh	15.0%	R 1.276	13.45%	R 1.386	8.64%	R 1.561	12.57%	R 1.110
		2.5.1.2.2	Low tension								
R 5 131.88	R 4 462.50		Basic charge per month or part of it	15.0%	R 5 822.12	13.45%	R 6 325.147	8.64%	R 7 120.429	12.57%	R 5 062.71
R 263.11	R 228.79		Demand charge R/KVA	15.0%	R 298.49	13.45%	R 324.284	8.64%	R 365.057	12.57%	R 259.56
R 1.029	R 0.894		Energy charge c/kWh	15.0%	R 1.167	13.45%	R 1.268	8.64%	R 1.427	12.57%	R 1.015

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		2.5.2	Urban customers								
		2.5.2.1	Time of use customers								
		2.5.2.1.1	> 1 MVA High tension								
R 19 052.12	R 16 567.06		Basic charge per month or part of it	15.0%	R 21 614.63	13.45%	R 23 482.133	8.64%	R 26 434.620	12.57%	R 18 795.33
R 110.10	R 95.74		Demand charge R/KVA	15.0%	R 124.91	13.45%	R 135.705	8.64%	R 152.768	12.57%	R 108.62
			Energy charge c/kWh								
			In season								
R 4.932	R 4.289		Peak time	15.0%	R 5.595	13.45%	R 6.079	8.64%	R 6.843	12.57%	R 4.866
R 1.598	R 1.390		Standard	15.0%	R 1.813	13.45%	R 1.970	8.64%	R 2.217	12.57%	R 1.577
R 0.931	R 0.810		Off- peak time	15.0%	R 1.056	13.45%	R 1.147	8.64%	R 1.292	12.57%	R 0.918
			Out of season								
R 1.694	R 1.473		Peak time	15.0%	R 1.922	13.45%	R 2.088	8.64%	R 2.351	12.57%	R 1.671
R 1.222	R 1.063		Standard	15.0%	R 1.387	13.45%	R 1.506	8.64%	R 1.696	12.57%	R 1.206
R 0.806	R 0.701		Off- peak time	15.0%	R 0.915	13.45%	R 0.994	8.64%	R 1.119	12.57%	R 0.795
		2.5.2.1.2	< 1 MVA High tension								
R 11 405.70	R 9 918.00		Basic charge per month or part of it	15.0%	R 12 939.77	13.45%	R 14 057.761	8.64%	R 15 825.290	12.57%	R 11 251.97
R 122.49	R 106.51		Demand charge R/KVA	15.0%	R 138.97	13.45%	R 150.973	8.64%	R 169.955	12.57%	R 120.84
			Energy charge c/kWh								
			In season								
R 5.252	R 4.567		Peak time	15.0%	R 5.958	13.45%	R 6.473	8.64%	R 7.287	12.57%	R 5.181
R 1.694	R 1.473		Standard	15.0%	R 1.922	13.45%	R 2.088	8.64%	R 2.351	12.57%	R 1.671
R 0.987	R 0.858		Off- peak time	15.0%	R 1.120	13.45%	R 1.216	8.64%	R 1.369	12.57%	R 0.974
			Out of season								
R 1.820	R 1.583		Peak time	15.0%	R 2.065	13.45%	R 2.244	8.64%	R 2.526	12.57%	R 1.796
R 1.293	R 1.124		Standard	15.0%	R 1.466	13.45%	R 1.593	8.64%	R 1.793	12.57%	R 1.275
R 0.889	R 0.773		Off- peak time	15.0%	R 1.009	13.45%	R 1.096	8.64%	R 1.234	12.57%	R 0.877
		2.5.2.1.3	Low tension								
R 10 360.34	R 9 008.99		Basic charge per month or part of it	15.0%	R 11 753.81	13.45%	R 12 769.334	8.64%	R 14 374.865	12.57%	R 10 220.70
R 141.77	R 123.28		Demand charge R/KVA	15.0%	R 160.84	13.45%	R 174.735	8.64%	R 196.706	12.57%	R 139.86
			Energy charge c/kWh								
			In season								
R 5.277	R 4.589		Peak time	15.0%	R 5.987	13.45%	R 6.5040	8.64%	R 7.322	12.57%	R 5.206
R 1.698	R 1.477		Standard	15.0%	R 1.927	13.45%	R 2.0932	8.64%	R 2.356	12.57%	R 1.675
R 1.011	R 0.879		Off- peak time	15.0%	R 1.147	13.45%	R 1.246	8.64%	R 1.403	12.57%	R 0.997
			Out of season								
R 1.824	R 1.586		Peak time	15.0%	R 2.069	13.45%	R 2.2479	8.64%	R 2.531	12.57%	R 1.799
R 1.295	R 1.126		Standard	15.0%	R 1.469	13.45%	R 1.596	8.64%	R 1.796	12.57%	R 1.277
R 0.877	R 0.763		Off- peak time	15.0%	R 0.995	13.45%	R 1.081	8.64%	R 1.217	12.57%	R 0.866
		2.5.2.2	Normal								
		2.5.2.2.1	> 1 MVA High tension								
R 15 898.53	R 13 824.81		Basic charge per month or part of it	15.0%	R 18 036.89	13.45%	R 19 595.275	8.64%	R 22 059.054	12.57%	R 15 684.25
R 140.42	R 122.10		Demand charge R/KVA	15.0%	R 159.30	13.45%	R 173.0613	8.64%	R 194.821	12.57%	R 138.52
R 1.389	R 1.208		Energy charge c/kWh	15.0%	R 1.576	13.45%	R 1.7116	8.64%	R 1.927	12.57%	R 1.370
		2.5.2.2.2	< 1 MVA High tension								
R 12 946.38	R 11 257.72		Basic charge per month or part of it	15.0%	R 14 687.66	13.45%	R 15 956.676	8.64%	R 17 962.962	12.57%	R 12 771.88
R 151.32	R 131.58		Demand charge R/KVA	15.0%	R 171.67	13.45%	R 186.504	8.64%	R 209.954	12.57%	R 149.28
R 1.347	R 1.171		Energy charge c/kWh	15.0%	R 1.528	13.45%	R 1.660	8.64%	R 1.869	12.57%	R 1.329
		2.5.2.2.3	Low tension								
R 10 531.87	R 9 158.15		Basic charge per month or part of it	15.0%	R 11 948.41	13.45%	R 12 980.750	8.64%	R 14 612.863	12.57%	R 10 389.92
R 143.14	R 124.47		Demand charge R/KVA	15.0%	R 162.39	13.45%	R 176.422	8.64%	R 198.6043	12.57%	R 141.21
R 1.459	R 1.269		Energy charge c/kWh	15.0%	R 1.655	13.45%	R 1.798	8.64%	R 2.0243	12.57%	R 1.439
		2.6	Sport customers								
R 2.307	R 2.006		Energy charge c/kWh	15.0%	R 2.617	13.45%	R 2.843	8.64%	R 3.201	12.57%	R 2.276
		2.7	Streetlights								
R 1.932	R 1.932		Energy charge c/kWh	0.0%	R 2.192	13.45%	R 2.382	8.64%	R 2.681	12.57%	R 2.192
R 500.00	R 0.00	2.8	Unnecessary call outs for work on customer side	15.0%	R 500.00	New	R 543.200	8.64%	R 611.498	12.57%	R 0.000

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
R 0.01	R 0.01	2.9	Feeding in Tariff	15.0%	R 0.01	New	R 0.011	8.64%	R 0.013	12.57%	R 0.009
		3.	Refuse Service Tariffs (All Areas in respect of residential sites)								
R 80.84	R 70.29	3.1.	Service Availability charge per month or part of it: Unimproved sites	15.0%	R 85.69	6.00%	R 90.80	5.96%	R 96.25	6.00%	R 74.51
		3.2.	Monthly Tariff per number of collections. 2 refuse bags (unit) per collection per week per household								
		3.2.1	1 Collection per week (2 refuse bags or less)								
		3.2.2	2 Collection per week (2 refuse bags or less)								
		3.2.3	3 Collection per week (2 refuse bags or less)								
		3.2.4	Additional units per collection								
		3.2.5	Informal settlements without an account (Flat rate)								
		3.2.6	Departmental tariffs:								
		3.2.6.1	Dennebos								
		3.2.6.2	All other								
			Residential Properties: (2 refuse bags or less)								
R 181.42	R 157.75		Valuation ≤ 100 000	15.0%	R 192.30	6.00%	R 203.84	6.00%	R 216.07	6.00%	R 167.22
R 195.37	R 169.89		Valuation > 100 000 ≤ 150 000	15.0%	R 207.09	6.00%	R 219.52	6.00%	R 232.69	6.00%	R 180.08
R 209.33	R 182.02		Valuation > 150 000 ≤ 200 000	15.0%	R 221.89	6.00%	R 235.20	6.00%	R 249.32	6.00%	R 192.94
R 223.28	R 194.16		Valuation > 200 000 ≤ 500 000	15.0%	R 236.68	6.00%	R 250.88	6.00%	R 265.93	6.00%	R 205.81
R 242.82	R 211.15		Valuation > 500 000 ≤ 800 000	15.0%	R 257.39	6.00%	R 272.83	6.00%	R 289.20	6.00%	R 223.82
R 251.19	R 218.43		Valuation > 800 000 ≤ 1 000 000	15.0%	R 266.26	6.00%	R 282.24	6.00%	R 299.17	6.00%	R 231.53
R 279.10	R 242.70		Valuation > 1 000 000	15.0%	R 295.85	6.00%	R 313.60	6.00%	R 332.42	6.00%	R 257.26
R 181.42	R 157.75		All other residential consumers	15.0%	R 192.30	6.00%	R 203.84	6.00%	R 216.07	6.00%	R 167.22
R 181.42	R 157.75		Additional units per collection	15.0%	R 192.30	6.00%	R 203.84	6.00%	R 216.07	6.00%	R 167.22
			Pine Forest Flat Rate								
			All other properties Monthly Tariff								
			770L Wheelie Bin								
R 837.31	R 728.09		1 Collection per week per	15.0%	R 887.55	6.00%	R 940.80	6.00%	R 987.84	5.00%	R 771.78
R 1 674.61	R 1 456.19		2 Collections per week per 700L Wheelie Bin	15.0%	R 1 775.09	6.00%	R 1 881.60	6.00%	R 1 975.68	5.00%	R 1 543.56
R 2 511.92	R 2 184.28		3 Collections per week per 700L Wheelie Bin	15.0%	R 2 662.64	6.00%	R 2 822.40	6.00%	R 2 963.52	5.00%	R 2 315.34
R 837.31	R 728.09		1 Collection per week per additional Wheelie Bin	15.0%	R 887.55	6.00%	R 940.80	6.00%	R 987.84	5.00%	R 771.78
R 1 674.61	R 1 456.19		2 Collections per week per additional Wheelie Bin	15.0%	R 1 775.09	6.00%	R 1 881.60	6.00%	R 1 975.68	5.00%	R 1 543.56
R 2 511.92	R 2 184.28		3 Collections per week per additional Wheelie Bin	15.0%	R 2 662.64	6.00%	R 2 822.40	6.00%	R 2 963.52	5.00%	R 2 315.34
			If a counter system is available, the above tariffs will be implemented as follows:								
R 837.31	R 728.09		Service availability - per month. Include 4 removals/month.	15.0%	R 887.55	6.00%	R 940.80	6.00%	R 987.84	5.00%	R 771.78
R 208.10	R 180.96		Additional removals per removal.	15.0%	R 220.59	6.00%	R 233.83	6.00%	R 245.52	5.00%	R 191.82
			240L Wheelie Bin								
R 348.88	R 303.37		1 Collection per week per 240L Wheelie Bin	15.0%	R 369.81	6.00%	R 392.00	6.00%	R 411.60	5.00%	R 321.57
R 697.76	R 606.74		2 Collections per week per 240L Wheelie Bin	15.0%	R 739.62	6.00%	R 784.00	6.00%	R 823.20	5.00%	R 643.15
R 1 046.63	R 910.12		3 Collections per week per 240L Wheelie Bin	15.0%	R 1 109.43	6.00%	R 1 176.00	6.00%	R 1 234.80	5.00%	R 964.72
R 348.88	R 303.37		1 Collection per week per additional Wheelie Bin	15.0%	R 369.81	6.00%	R 392.00	6.00%	R 411.60	5.00%	R 321.57
R 697.76	R 606.74		2 Collections per week per additional Wheelie Bin	15.0%	R 739.62	6.00%	R 784.00	6.00%	R 823.20	5.00%	R 643.15
R 1 046.63	R 910.12		3 Collections per week per additional Wheelie Bin	15.0%	R 1 109.43	6.00%	R 1 176.00	6.00%	R 1 234.80	5.00%	R 964.72
			If a counter system is available, the above tariffs will be implemented as follows:								
R 348.88	R 303.37		Service availability - per month. Include 4 removals/month.	15.0%	R 369.81	6.00%	R 392.00	6.00%	R 411.60	5.00%	R 321.57
R 88.14	R 76.64		Additional removals per removal.	15.0%	R 93.43	6.00%	R 99.04	6.00%	R 103.99	5.00%	R 81.24
			Cost of Wheelie Bins								
R 5 266.08	R 4 579.20		700L Wheelie Bin	15.0%	R 5 582.04	6.00%	R 5 916.96	6.00%	R 6 212.81	5.00%	R 4 853.95
R 592.43	R 515.16		240L Wheelie Bin	15.0%	R 627.98	6.00%	R 665.66	6.00%	R 698.94	5.00%	R 546.07

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
4. Sewerage Service Tariffs											
4.1. Septic Tank systems											
(All Areas, excluding rural area in respect of availability charge)											
Service Availability charge per month or part of it:											
R 38.21	R 33.22	4.1.1.1	Per site with improvements	15.0%	R 40.50	6.00%	R 42.93	6.00%	R 45.08	5.00%	R 35.22
4.1.2. Suction charge:											
R 228.45	R 198.65	4.1.2.1.	Urban areas charge per occasion	15.0%	R 242.16	6.00%	R 256.69	6.00%	R 269.52	5.00%	R 210.57
4.1.2.2. Rural areas:											
R 921.31	R 801.14	4.1.2.2.1	Charge per occasion	15.0%	R 976.59	6.00%	R 1 035.19	6.00%	R 1 086.95	5.00%	R 849.21
R 45.58	R 39.63	4.1.2.2.2	Charge per kilometre	15.0%	R 45.58	0.00%	R 45.58	0.00%	R 45.58	0.00%	R 39.63
4.2. Waterborne Sewerage systems											
(All Areas connected to the main sewerage system)											
(Where more than one service point exist on the same site and more than one or one water connection exists the tariff equal to the largest water connection will be applicable on every point of service)											
4.2.1. Service Availability charge per month or part of it:											
R 80.82	R 70.28	4.2.1.1	Unimproved sites	15.0%	R 85.67	6.00%	R 90.81	6.00%	R 95.35	5.00%	R 74.50
R 228.45	R 198.65	4.2.1.2	Water connection size: 0 - 25 mm	15.0%	R 242.16	6.00%	R 256.69	6.00%	R 269.52	5.00%	R 210.57
R 889.01	R 773.05	4.2.1.3	Water connection size: 26 - 50 mm	15.0%	R 942.35	6.00%	R 998.89	6.00%	R 1 048.83	5.00%	R 819.43
R 2 276.31	R 1 979.40	4.2.1.4	Water connection size: 51 - 80 mm	15.0%	R 2 412.89	6.00%	R 2 557.66	6.00%	R 2 685.55	5.00%	R 2 098.17
R 3 556.38	R 3 092.51	4.2.1.5	Water connection size: 81 - 100 mm	15.0%	R 3 769.77	6.00%	R 3 995.95	6.00%	R 4 195.75	5.00%	R 3 278.06
R 7 999.42	R 6 956.02	4.2.1.6	Water connection size: 101 - 150 mm	15.0%	R 8 479.38	6.00%	R 8 988.15	6.00%	R 9 437.55	5.00%	R 7 373.38
4.2.2. Exceptions:											
R 37 849.00	R 32 912.17	4.2.2.1	Obiqua Prison - Tulbagh	15.0%	R 40 119.94	6.00%	R 42 527.13	6.00%	R 44 653.49	5.00%	R 34 886.90
R 228.45	R 198.65	4.2.2.2	Schools - Op-die-Berg	15.0%	R 242.16	6.00%	R 256.69	6.00%	R 269.52	5.00%	R 210.57
R 228.45	R 198.65	4.2.2.3	Other sites - Op-die-Berg	15.0%	R 242.16	6.00%	R 256.69	6.00%	R 269.52	5.00%	R 210.57
R 81.60	R 81.60	4.2.2.4	Departmental tariff	0.0%	R 86.49	6.00%	R 91.68	6.00%	R 96.27	5.00%	R 86.49
Special Contracts, for example Del monte as per each agreement. Rand per Kg COD											
R 6.31	R 5.49	4.2.2.5.1	Ceres Group Companies	15.0%	R 6.69	6.00%	R 7.09	6.00%	R 7.45	5.00%	R 5.82
R 10.15	R 8.83	4.2.2.5.2	Du Toit Vrugte	15.0%	R 10.76	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 10.15	R 8.83	4.2.2.5.3	L O Rall	15.0%	R 10.76	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 10.15	R 8.83	4.2.2.5.4	Bokkeveld Korrektiewe Dienste	15.0%	R 10.76	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 10.15	R 8.83	4.2.2.5.5	Snocooled Marketing (Edms). Bpk.	15.0%	R 10.76	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 10.15	R 8.83	4.2.2.5.6	Ceres Fruit Growers	15.0%	R 10.76	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 149.93	R 149.93	4.2.2.6	Informal settlements without an account (Flat rate)	0.0%	R 158.93	6.00%	R 168.46	6.00%	R 176.88	5.00%	R 158.93
R 500.00	R 434.78	4.3	Unnecessary call outs for work on customer side	15.0%	R 500.00	New	R 530.00	6.00%	R 556.50	5.00%	R 434.78

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
5. Water service Tariffs											
5.1. Conventional Meters (All Areas)											
5.1.1. Service Availability charge per month or part of it:											
R 144.16	R 125.36	5.1.1.1	Unimproved sites	15.0%	R 152.81	6.00%	R 161.98	6.00%	R 171.70	6.00%	R 132.88
R 83.00	R 72.17	5.1.1.2	Water connection size: 0 - 25 mm	15.0%	R 83.00	0.00%	R 83.00	0.00%	R 83.00	0.00%	R 72.17
R 1 026.00	R 892.17	5.1.1.3	Water connection size: 26 - 50 mm	15.0%	R 1 087.56	6.00%	R 1 152.81	6.00%	R 1 210.45	5.00%	R 945.70
R 2 592.00	R 2 253.91	5.1.1.4	Water connection size: 51 - 80 mm	15.0%	R 2 747.52	6.00%	R 2 912.37	6.00%	R 3 057.99	5.00%	R 2 389.15
R 4 104.00	R 3 568.70	5.1.1.5	Water connection size: 81 - 100 mm	15.0%	R 4 350.24	6.00%	R 4 611.25	6.00%	R 4 841.82	5.00%	R 3 782.82
R 9 180.00	R 7 982.61	5.1.1.6	Water connection size: 101 - 150 mm	15.0%	R 9 730.80	6.00%	R 10 314.65	6.00%	R 10 830.38	5.00%	R 8 461.57
R 199 800.00	R 173 739.13	5.1.1.7	Consumption of more than 20,000 kl per month	15.0%	R 211 788.00	6.00%	R 224 495.28	6.00%	R 235 720.04	5.00%	R 184 163.48
R 302.40	R 262.96	5.1.1.8	Un-metered connections	15.0%	R 320.54	6.00%	R 339.78	6.00%	R 356.77	5.00%	R 278.73
5.1.2 Consumption per kiloliter											
5.1.2.1 Block A (Aimed at residential and smaller commercial clients)											
R 3.24	R 2.82		0-6 kl	15.0%	R 3.44	6.00%	R 3.61	5.00%	R 3.79	5.0%	R 2.99
R 9.38	R 8.15		7-30 kl	15.0%	R 9.94	6.00%	R 10.54	6.00%	R 11.06	5.00%	R 8.64
R 9.38	R 8.15		31-60 kl	15.0%	R 9.94	5.96%	R 10.53	6.00%	R 11.06	5.00%	R 8.64
R 9.38	R 8.15		61-300 kl	15.0%	R 9.94	5.96%	R 10.43	5.00%	R 10.95	5.00%	R 8.64
R 32.69	R 28.43		Above 300 kl	15.0%	R 34.65	6.00%	R 36.38	5.00%	R 38.20	5.00%	R 30.13
5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)											
R 10.23	R 8.90		0-300 kl	15.0%	R 10.85	6.00%	R 11.39	5.00%	R 11.96	5.00%	R 9.43
R 10.23	R 8.90		301-1000 kl	15.0%	R 10.85	6.00%	R 11.39	5.00%	R 11.96	5.00%	R 9.43
R 9.90	R 8.61		1001-8000 kl	15.0%	R 10.49	6.00%	R 11.02	5.00%	R 11.57	5.00%	R 9.12
R 9.90	R 8.61		Above 8000 kl	15.0%	R 10.49	6.00%	R 11.02	5.00%	R 11.57	5.00%	R 9.12
5.1.2.3 Block C (Aimed at larger industrial clients)											
R 3.17	R 2.75		Consumption above 20,000 kl per month	15.0%	R 3.36	6.00%	R 3.60	7.10%	R 3.85	7.10%	R 2.92
5.1.2.4 Block D (Internal)											
R 2.68	R 2.33		Departmental consumption	15.0%	R 2.85	New	R 2.99	5.00%	R 3.14	5.00%	R 2.47
5.1.2 Consumption per kiloliter: Restrictions Level 1											
5.1.2.1 Block A (Aimed at residential and smaller commercial clients)											
R 3.00	R 2.61		0-6 kl	15.0%	R 3.44	New	R 3.61	5.00%	R 3.79	5.0%	R 2.99
R 10.42	R 9.06		7-30 kl	15.0%	R 10.42	New	R 10.94	5.00%	R 11.49	5.0%	R 9.06
R 10.42	R 9.06		31-60 kl	15.0%	R 10.42	New	R 10.94	5.00%	R 11.49	5.0%	R 9.06
R 10.42	R 9.06		61-300 kl	15.0%	R 10.42	New	R 10.94	5.00%	R 11.49	5.0%	R 9.06
R 30.27	R 26.32		Above 300 kl	15.0%	R 40.00	New	R 42.00	5.00%	R 44.10	5.0%	R 34.78
5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)											
R 12.29	R 10.68		0-300 kl	15.0%	R 13.02	New	R 13.67	5.00%	R 14.36	5.0%	R 11.32
R 12.29	R 10.68		301-1000 kl	15.0%	R 13.02	New	R 13.67	5.00%	R 14.36	5.0%	R 11.32
R 11.88	R 10.33		1001-8000 kl	15.0%	R 12.60	New	R 13.23	5.00%	R 13.89	5.0%	R 10.95
R 11.88	R 10.33		Above 8000 kl	15.0%	R 12.60	New	R 13.23	5.00%	R 13.89	5.0%	R 10.95
5.1.2.3 Block C (Aimed at larger industrial clients)											
R 3.63	R 3.16		Consumption above 20,000 kl per month	15.0%	R 3.80	New	R 4.10	8.00%	R 4.43	8.0%	R 3.30
5.1.2 Consumption per kiloliter: Restrictions Level 2											
5.1.2.1 Block A (Aimed at residential and smaller commercial clients)											
R 3.00	R 2.61		0-6 kl	15.0%	R 3.44	New	R 3.61	5.00%	R 3.79	5.0%	R 2.99
R 13.14	R 11.42		7-30 kl	15.0%	R 13.92	New	R 14.62	5.00%	R 15.35	5.0%	R 12.11
R 13.14	R 11.42		31-60 kl	15.0%	R 13.92	New	R 14.62	5.00%	R 15.35	5.0%	R 12.10
R 13.14	R 11.42		61-300 kl	15.0%	R 13.92	New	R 14.62	5.00%	R 15.35	5.0%	R 12.10
R 30.27	R 26.32		Above 300 kl	15.0%	R 45.00	New	R 47.25	5.00%	R 49.61	5.0%	R 39.13
5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)											
R 14.34	R 12.47		0-300 kl	15.0%	R 15.20	New	R 15.96	5.00%	R 16.76	5.0%	R 13.22
R 14.34	R 12.47		301-1000 kl	15.0%	R 15.20	New	R 15.96	5.00%	R 16.76	5.0%	R 13.22
R 13.87	R 12.06		1001-8000 kl	15.0%	R 14.70	New	R 15.43	5.00%	R 16.21	5.0%	R 12.78
R 13.87	R 12.06		Above 8000 kl	15.0%	R 14.70	New	R 15.43	5.00%	R 16.21	5.0%	R 12.78
5.1.2.3 Block C (Aimed at larger industrial clients)											
R 4.33	R 3.77		Consumption above 20,000 kl per month	15.0%	R 4.50	New	R 4.73	5.00%	R 4.96	5.0%	R 3.91
5.1.2 Consumption per kiloliter: Restrictions Level 3											
5.1.2.1 Block A (Aimed at residential and smaller commercial clients)											
R 3.00	R 2.61		0-6 kl	15.0%	R 3.44	New	R 3.61	5.00%	R 3.79	5.0%	R 2.99
R 15.02	R 13.06		7-30 kl	15.0%	R 15.92	New	R 16.71	5.00%	R 17.55	5.0%	R 13.84
R 15.02	R 13.06		31-60 kl	15.0%	R 15.91	New	R 16.71	5.00%	R 17.54	5.0%	R 13.84
R 15.02	R 13.06		61-300 kl	15.0%	R 15.91	New	R 16.71	5.00%	R 17.54	5.0%	R 13.84
R 30.27	R 26.32		Above 300 kl	15.0%	R 50.00	New	R 52.50	5.00%	R 55.13	5.0%	R 43.48
5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)											
R 16.39	R 14.25		0-300 kl	15.0%	R 17.37	New	R 18.24	5.00%	R 19.15	5.0%	R 15.11
R 16.39	R 14.25		301-1000 kl	15.0%	R 17.37	New	R 18.24	5.00%	R 19.15	5.0%	R 15.11
R 15.85	R 13.78		1001-8000 kl	15.0%	R 16.80	New	R 17.64	5.00%	R 18.53	5.0%	R 14.61
R 15.85	R 13.78		Above 8000 kl	15.0%	R 16.80	New	R 17.64	5.00%	R 18.53	5.0%	R 14.61
5.1.2.3 Block C (Aimed at larger industrial clients)											
R 5.04	R 4.38		Consumption above 20,000 kl per month	15.0%	R 5.00	New	R 5.25	5.00%	R 5.51	5.0%	R 4.35
5.1.2 Consumption per kiloliter: Restrictions Level 4											
5.1.2.1 Block A (Aimed at residential and smaller commercial clients)											
R 3.00	R 2.61		0-6 kl	15.0%	R 3.44	New	R 3.61	5.00%	R 3.79	5.0%	R 2.99
R 16.90	R 14.69		7-30 kl	15.0%	R 17.91	New	R 18.81	5.00%	R 19.75	5.0%	R 15.57
R 16.90	R 14.69		31-60 kl	15.0%	R 17.90	New	R 18.80	5.00%	R 19.74	5.0%	R 15.57
R 16.90	R 14.69		61-300 kl	15.0%	R 17.90	New	R 18.80	5.00%	R 19.74	5.0%	R 15.57
R 30.27	R 26.32		Above 300 kl	15.0%	R 55.00	New	R 57.75	5.00%	R 60.64	5.0%	R 47.83
5.1.2.2 Block B (Aimed at larger commercial and smaller industrial clients)											
R 18.44	R 16.03		0-300 kl	15.0%	R 19.55	New	R 20.52	5.00%	R 21.55	5.0%	R 17.00
R 18.44	R 16.03		301-1000 kl	15.0%	R 19.55	New	R 20.52	5.00%	R 21.55	5.0%	R 17.00
R 17.84	R 15.51		1001-8000 kl	15.0%	R 18.91	New	R 19.85	5.00%	R 20.84	5.0%	R 16.44
R 17.84	R 15.51		Above 8000 kl	15.0%	R 18.91	New	R 19.85	5.00%	R 20.84	5.0%	R 16.44
5.1.2.3 Block C (Aimed at larger industrial clients)											
R 5.74	R 4.99		Consumption above 20,000 kl per month	15.0%	R 6.00	New	R 6.30	5.00%	R 6.62	5.0%	R 5.22

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		5.1.2	Consumption per kiloliter: Restrictions Level 5								
		5.1.2.1	Block A (Aimed at residential and smaller commercial clients)								
R 3.00	R 2.61		0-6 kl	15.0%	R 3.44	New	R 3.61	5.00%	R 3.79	5.0%	R 2.99
R 18.77	R 16.32		7-30 kl	15.0%	R 19.89	New	R 20.89	5.00%	R 21.93	5.0%	R 17.30
R 18.77	R 16.32		31-60 kl	15.0%	R 19.88	New	R 20.88	5.00%	R 21.92	5.0%	R 17.29
R 18.77	R 16.32		61-300 kl	15.0%	R 19.88	New	R 20.88	5.00%	R 21.92	5.0%	R 17.29
R 30.27	R 26.32		Above 300 kl	15.0%	R 60.00	New	R 63.00	5.00%	R 66.15	5.0%	R 52.17
		5.1.2.2	Block B (Aimed at larger commercial and smaller industrial clients)								
R 20.48	R 17.81		0-300 kl	15.0%	R 21.71	New	R 22.79	5.00%	R 23.93	5.0%	R 18.88
R 20.48	R 17.81		301-1000 kl	15.0%	R 21.71	New	R 22.79	5.00%	R 23.93	5.0%	R 18.88
R 19.81	R 17.23		1001-8000 kl	15.0%	R 21.00	New	R 22.05	5.00%	R 23.15	5.0%	R 18.26
R 19.81	R 17.23		Above 8000 kl	15.0%	R 21.00	New	R 22.05	5.00%	R 23.15	5.0%	R 18.26
		5.1.2.3	Block C (Aimed at larger industrial clients)								
R 6.45	R 5.61		Consumption above 20,000 kl per month	15.0%	R 6.50	New	R 6.83	5.00%	R 7.17	5.0%	R 5.65
		5.2.	Prepaid Meters (All Areas)								
		5.2.1.	Water connection on site (Consumption per kiloliter)								
R 5.80	R 5.04		0-6 kl	15.0%	R 6.09	5.00%	R 6.39	5.00%	R 6.71	5.00%	R 5.29
R 11.14	R 9.69		Bo 6 kl	15.0%	R 11.81	6.00%	R 12.40	5.00%	R 13.02	5.00%	R 10.27
			Consumption per kiloliter: Restrictions Level 1								
R 6.87	R 5.97		0-6 kl	15.0%	R 7.16	4.22%	R 7.52	5.00%	R 7.89	5.00%	R 6.22
R 13.20	R 11.48		Bo 6 kl	15.0%	R 13.87	5.06%	R 14.56	5.00%	R 15.29	5.00%	R 12.06
			Consumption per kiloliter: Restrictions Level 2								
R 7.94	R 6.90		0-6 kl	15.0%	R 8.23	3.65%	R 8.64	5.00%	R 9.07	5.00%	R 7.15
R 15.26	R 13.27		Bo 6 kl	15.0%	R 15.93	4.38%	R 16.72	5.00%	R 17.56	5.00%	R 13.85
			Consumption per kiloliter: Restrictions Level 3								
R 9.01	R 7.83		0-6 kl	15.0%	R 9.30	3.22%	R 9.76	5.00%	R 10.25	5.00%	R 8.09
R 17.32	R 15.06		Bo 6 kl	15.0%	R 17.99	3.86%	R 18.89	5.00%	R 19.83	5.00%	R 15.64
			Consumption per kiloliter: Restrictions Level 4								
R 10.08	R 8.76		0-6 kl	15.0%	R 10.37	2.88%	R 10.89	5.00%	R 11.43	5.00%	R 9.02
R 19.38	R 16.85		Bo 6 kl	15.0%	R 20.05	3.45%	R 21.05	5.00%	R 22.10	5.00%	R 17.43
			Consumption per kiloliter: Restrictions Level 5								
R 11.60	R 10.08		0-6 kl	15.0%	R 12.18	5.00%	R 12.79	5.00%	R 13.42	5.00%	R 10.59
R 22.28	R 19.37		Bo 6 kl	15.0%	R 23.62	6.00%	R 24.80	5.00%	R 26.04	5.00%	R 20.54
			Pensioners may qualify for 6 Kl of water free of charge per month in terms of councils policy.								
R 934.35	R 812.48	5.3.	"Leiwater beurte" (In Urban areas per month)	15.0%	R 981.07	5.00%	R 1 030.12	5.00%	R 1 081.63	5.00%	R 853.10
R 96.71	R 84.10	5.4.	Informal settlements without an account (Flat rate)	15.0%	R 101.55	5.00%	R 106.63	5.00%	R 111.96	5.00%	R 88.30
		5.5.	Mobile Water provision								
Free		5.5.1	Humanitarian purposes		Free		Free		Free		
R 270.00	R 234.78	5.5.2	All non Residential per trip	15.0%	R 283.50	5.00%	R 297.68	5.00%	R 312.56	5.00%	R 246.52
R 540.00	R 469.57	5.6	Unnecessary call outs for work on customer side	15.0%	R 567.00	5.00%	R 595.35	5.00%	R 625.12	5.00%	R 493.04

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
R 0.2875	R 0.2500	5.7 5.7.1	Greywater Per Cubic Meter (m3)	15.0%	R 0.30	5.00%	R 0.32	5.00%	R 0.33	5.00%	R 0.26
R 0.5060	R 0.4400	5.8 5.81	Raw Water for Agricultural use Per kiloliter water	15.0%	R 0.53	5.00%	R 0.56	5.00%	R 0.59	5.00%	R 0.44
		6.	Other tariffs and charges								
		6.1.	CORPORATE SERVICES								
R 608.00	R 528.70	6.1.1	Erection of banners (per application)	15.0%	R 638.00	4.93%	R 669.00	4.86%	R 702.00	4.93%	R 554.78
R 467.00	R 406.09	6.1.2	Erection of placards (deposit)	15.0%	R 490.00	4.93%	R 514.00	4.90%	R 539.00	4.86%	R 426.09
R 949.00	R 825.22	6.1.3	Cancellation of purchase agreement (Admin fee)	15.0%	R 996.00	4.95%	R 1 045.00	4.92%	R 1 097.00	4.98%	R 866.09
		6.1.4	Agenda and minutes of Council meetings								
R 156.00	R 135.65		001-400 g	15.0%	R 163.00	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
R 173.00	R 150.43		401-500 g	15.0%	R 181.00	4.62%	R 190.00	4.97%	R 199.00	4.74%	R 157.39
R 204.00	R 177.39		501-600 g	15.0%	R 214.00	4.90%	R 224.00	4.67%	R 235.00	4.91%	R 186.09
R 220.00	R 191.30		601-700 g	15.0%	R 231.00	5.00%	R 242.00	4.76%	R 254.00	4.96%	R 200.87
R 272.00	R 236.52		701+ g	15.0%	R 285.00	4.78%	R 299.00	4.91%	R 313.00	4.68%	R 247.83
R 422.00	R 366.96	6.1.6	Translation service (Per hour or part of it)	15.0%	R 443.00	4.98%	R 465.00	4.97%	R 488.00	4.95%	R 385.22
		6.1.7	Access to information								
R 113.00	R 98.26	6.1.7.1	Fee payable when information is requested	15.0%	R 118.00	4.42%	R 123.00	4.24%	R 129.00	4.88%	R 102.61
		6.1.7.2	Reproduction fees:								
R 1.50	R 1.30		Photocopies (A4 or part of it) per page	15.0%	R 1.50	0.00%	R 1.60	6.67%	R 1.70	6.25%	R 1.30
R 1.00	R 0.87		Print outs per copy	15.0%	R 1.00	0.00%	R 1.10	10.00%	R 1.20	9.09%	R 0.87
R 21.00	R 18.26		Information on a memory stick	15.0%	R 23.00	9.52%	R 25.00	8.70%	R 27.00	8.00%	R 20.00
R 127.00	R 110.43		Information on a CD	15.0%	R 133.00	4.72%	R 139.00	4.51%	R 145.00	4.32%	R 115.65
R 71.00	R 61.74		Transcription of visual image (A4 page) per page	15.0%	R 74.00	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
R 187.00	R 162.61		Copy of a visual image (A4 page) per page	15.0%	R 196.00	4.81%	R 205.00	4.59%	R 215.00	4.88%	R 170.43
R 39.00	R 33.91		Transcription of an audio record (A4 page) per page	15.0%	R 40.00	2.56%	R 42.00	5.00%	R 44.00	4.76%	R 34.78
R 52.00	R 45.22		Copy of audio record	15.0%	R 54.00	3.85%	R 56.00	3.70%	R 58.00	3.57%	R 46.96
		6.1.7.3	Investigation fee								
R 47.00	R 40.87		To search for record and to prepare it for release -- per hour, first hour excluded	15.0%	R 49.00	4.26%	R 51.00	4.08%	R 53.00	3.92%	R 42.61
		6.1.7.4	Postage								
Actual cost plus 20% plus VAT			If record should be posted to applicant	15.0%	Actual cost plus 20% plus VAT						
R 3 967.00	R 3 449.57	6.1.8	Application for extension of trading hours to sell Liquor	15.0%	R 4 165.00	4.99%	R 4 373.00	4.99%	R 4 591.00	4.99%	R 3 621.74
		6.2.	COMMUNITY SERVICES								
		6.2.1	Libraries								
		6.2.1.1	Hall rental (per session or part thereof)								
			NOTE: a session is from								
R 142.00	R 123.48		08:00 - 13:00	15.0%	R 149.00	4.93%	R 156.00	4.70%	R 163.00	4.49%	R 129.57
R 156.00	R 135.65		13:00 - 18:00	15.0%	R 163.00	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
R 173.00	R 150.43		18:00 - 00:00	15.0%	R 181.00	4.62%	R 190.00	4.97%	R 199.00	4.74%	R 157.39
			NB: The amenities are available without charge to youth-, service-, charity-community-, sport-, educational-, and governmental institutions, as well as for meetings of local political parties								
R 382.00	R 332.17	6.2.1.2	Kitchen rental (per session or part thereof)	15.0%	R 401.00	4.97%	R 421.00	4.99%	R 442.00	4.99%	R 348.70
R 168.00			Deposit for kitchen rental	Exempt	R 176.00	4.76%	R 184.00	4.55%	R 193.00	4.89%	
		6.2.2	Traffic Services								
		6.2.2.1	Assistance: Escorting and Traffic assistance or Any Other Special Event								
			(Section 111 (3) (C) of the Road Traffic Act 1989, Act 29 of 1989, in conjunction with Section 22 of the Standard Regulation Re: Roads, Provincial Notice 562 of October 1987.								
		6.2.2.1.1	Profit Organisations: (per gathering/march)								
R 613.00	R 533.04		(a) First hour per officer (normal working hours)	15.0%	R 643.00	4.89%	R 675.00	4.98%	R 708.00	4.89%	R 559.13
R 220.00	R 191.30		(b) Subsequent hourly tariff within normal working hours	15.0%	R 231.00	5.00%	R 242.00	4.76%	R 254.00	4.96%	R 200.87
R 772.00	R 671.30		(c) First hour per officer (after hours & weekends)	15.0%	R 810.00	4.92%	R 850.00	4.94%	R 892.00	4.94%	R 704.35
R 304.00	R 264.35		(d) Subsequent hourly tariff after hours & weekends	15.0%	R 319.00	4.93%	R 334.00	4.70%	R 350.00	4.79%	R 277.39
R 1 586.00	R 1 379.13		(e) Per officer (Sundays per 4 hour bracket)	15.0%	R 1 665.00	4.98%	R 1 748.00	4.98%	R 1 835.00	4.98%	R 1 447.83
R 187.00	R 162.61		(f) Per vehicle (less than 15 km)	15.0%	R 196.00	4.81%	R 205.00	4.59%	R 215.00	4.88%	R 170.43
R 8.90	R 7.74		(g) Per kilometre tariff thereafter	15.0%	R 9.60	7.87%	R 11.00	14.58%	R 11.50	4.55%	R 8.35
R 187.00	R 162.61		(h) Hiring of road signs and equipment	15.0%	R 196.00	4.81%	R 205.00	4.59%	R 215.00	4.88%	R 170.43
R 784.00	R 681.74		(i) Mega phone per day	15.0%	R 823.00	4.97%	R 864.00	4.98%	R 907.00	4.98%	R 715.65
		6.2.2.1.2	Non-Profit Organisations:								
			(per gathering/march)								
R 220.00	R 191.30		(a) First hour per officer (normal working hours)	15.0%	R 231.00	5.00%	R 242.00	4.76%	R 254.00	4.96%	R 200.87
R 113.00	R 98.26		(b) Subsequent hourly tariff within normal working hours	15.0%	R 118.00	4.42%	R 123.00	4.24%	R 129.00	4.88%	R 102.61
R 289.00	R 251.30		(c) First hour per officer (after hours & weekends)	15.0%	R 303.00	4.84%	R 318.00	4.95%	R 333.00	4.72%	R 263.48
R 173.00	R 150.43		(d) Subsequent hourly tariff after hours & weekends	15.0%	R 181.00	4.62%	R 190.00	4.97%	R 199.00	4.74%	R 157.39
R 792.00	R 688.70		(e) Per officer (Sundays per 4 hour bracket)	15.0%	R 831.00	4.92%	R 872.00	4.93%	R 915.00	4.93%	R 722.61
R 113.00	R 98.26		(f) Per vehicle (less than 15 km)	15.0%	R 118.00	4.42%	R 123.00	4.24%	R 129.00	4.88%	R 102.61
R 8.90	R 7.74		(g) Per kilometre tariff thereafter	15.0%	R 9.60	7.87%	R 11.00	14.58%	R 11.50	4.55%	R 8.35
R 84.00	R 73.04		(h) Hiring of road signs and equipment	15.0%	R 88.00	4.76%	R 92.00	4.55%	R 96.00	4.35%	R 76.52
R 389.00	R 338.26		(i) Mega phone per day	15.0%	R 408.00	4.88%	R 428.00	4.90%	R 449.00	4.91%	R 354.78
		6.2.2.2	Dog Tax Tariffs								
R 234.00	R 203.48	6.2.2.2.1	Male dog: per year or part thereof	15.0%	R 245.00	4.70%	R 257.00	4.90%	R 269.00	4.67%	R 213.04
R 470.00	R 408.70	6.2.2.2.2	Bitch: per year or part thereof	15.0%	R 493.00	4.89%	R 517.00	4.87%	R 542.00	4.84%	R 428.70
R 116.00	R 100.87	6.2.2.2.3	Sterilised/castrated (proof)	15.0%	R 121.00	4.31%	R 127.00	4.96%	R 133.00	4.72%	R 105.22
R 186.00	R 161.74	6.2.2.3	Executing of warrants of arrest	15.0%	R 195.00	4.84%	R 204.00	4.62%	R 214.00	4.90%	R 169.57

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.3	Fire Brigade Service (In terms of Provincial Notice 396 of 11 June 1982) No accounts will be render to informal areas								
R 2 777.00	R 2 414.78	6.2.3.1	Call-outs (per call) (excluding residential) This includes all fire fighting vehicles, all manpower water supply and pump operation during the actual delivery of specialized in fire fighting, (excluding travel time) where more than 1 hour worked, (excluding travel time) (Per hour or part thereof)	15.0%	R 2 915.00	4.97%	R 3 060.00	4.97%	R 3 213.00	5.00%	R 2 534.78
Cost		6.2.3.2	Additional sources and consumables:		Cost	New	Cost		Cost		
R 1 851.00	R 1 609.57	6.2.3.3	Special Standby Services at Events	15.0%	R 1 943.00	4.97%	R 2 040.00	4.99%	R 2 142.00	5.00%	R 1 689.57
R 2 858.00	R 2 485.22	6.2.4	Filling of swimming pools (per pool)	15.0%	R 3 000.00	4.97%	R 3 150.00	5.00%	R 3 307.00	4.98%	R 2 608.70
		6.2.5	Permits (per permit)								
R 262.00	R 227.83		(a) Gas	15.0%	R 275.00	4.96%	R 288.00	4.73%	R 302.00	4.86%	R 239.13
R 262.00	R 227.83		(b) Liquid Fuel	15.0%	R 275.00	4.96%	R 288.00	4.73%	R 302.00	4.86%	R 239.13
R 288.00	R 250.43		(c) Inspection of Vehicles for Hazardous contents transport (HAZCHEM):	15.0%	R 302.00	4.86%	R 317.00	4.97%	R 332.00	4.73%	R 262.61
R 577.00	R 501.74		(d) Spray-paint rooms	15.0%	R 605.00	4.85%	R 635.00	4.96%	R 666.00	4.88%	R 526.09
		6.2.6	Refuse tariffs moved to Civil Services								
		6.2.7	Licensing and Regulating: Hiring and Sundry								
R 785.00	R 682.61	6.2.7.1	Vendor stalls (uncovered)	15.0%	R 824.00	4.97%	R 865.00	4.98%	R 908.00	4.97%	R 716.52
R 1 271.00	R 1 105.22	6.2.7.2	Vendor stalls – under cover (per annum)	15.0%	R 1 334.00	4.96%	R 1 400.00	4.95%	R 1 470.00	5.00%	R 1 160.00
		6.2.7.3	Clean-up of premises (cost recoverable from owner)								
		6.2.8	Holiday Resorts								
R 595.00			Deposit for hiring C & D types Chalets at Pine Forest (Dennebos)	Exempt	R 624.00	4.87%	R 655.00	4.97%	R 687.00	4.89%	
R 462.00			Deposit for hiring of other	Exempt	R 485.00	4.98%	R 509.00	4.95%	R 534.00	4.91%	
		6.2.8.1	Pine Forest (Dennebos)								
25.00%	21.74%	6.2.8.1.1	Administrative levy for cancellation of booking (% of rental amount, no maximum)	15.0%	25.00%	0.00%	25.00%	0.00%	25.00%	0.00%	R 0.22
		6.2.8.1.2	Camping (per stand per night)								
R 376.00	R 326.96		High season	15.0%	R 394.00	4.79%	R 413.00	4.82%	R 433.00	4.84%	R 342.61
R 244.00	R 212.17		In season	15.0%	R 256.00	4.92%	R 268.00	4.69%	R 281.00	4.85%	R 222.61
R 149.00	R 129.57		Out of season	15.0%	R 156.00	4.70%	R 163.00	4.49%	R 171.00	4.91%	R 135.65
R 462.00			Deposit	Exempt	R 485.00	4.98%	R 509.00	4.95%	R 534.00	4.91%	
		6.2.8.1.3	Annual Booking Fee								
R 17 682.00	R 15 375.65		A-type - caravan premises	15.0%	R 19 803.00	12.00%	R 21 783.00	10.00%	R 23 961.00	10.00%	R 17 220.00
R 13 902.00	R 12 088.70		B-type - caravan premises	15.0%	R 15 570.00	12.00%	R 17 127.00	10.00%	R 18 839.00	10.00%	R 13 539.13
R 12 934.00	R 11 246.96		C-type - caravan premises	15.0%	R 14 486.00	12.00%	R 15 934.00	10.00%	R 17 527.00	10.00%	R 12 596.52
R 17 682.00	R 15 375.65		Log Cabins	15.0%	R 19 803.00	12.00%	R 21 783.00	10.00%	R 23 961.00	10.00%	R 17 220.00
R 13 577.00	R 11 806.09		A-type - Lost City	15.0%	R 15 206.00	12.00%	R 16 726.00	10.00%	R 18 398.00	10.00%	R 13 222.61
R 11 387.00	R 9 901.74		B-type - Lost City	15.0%	R 12 753.00	12.00%	R 14 028.00	10.00%	R 15 430.00	9.99%	R 11 089.57
			Deposit	Exempt							
		6.2.8.1.4	Chalets (per unit per night)								
		6.2.8.1.4.1	A - Type								
R 453.00	R 393.91		High season (24 December to 9 January & Easter weekend)	15.0%	R 480.00	5.96%	R 504.00	5.00%	R 529.00	4.96%	R 417.39
R 404.00	R 351.30		In season	15.0%	R 428.00	5.94%	R 449.00	4.91%	R 471.00	4.90%	R 372.17
R 330.00	R 286.96		Out of season	15.0%	R 349.00	5.76%	R 366.00	4.87%	R 384.00	4.92%	R 303.48
		6.2.8.1.4.2	B - Type								
R 738.00	R 641.74		High season (24 December to 9 January & Easter weekend)	15.0%	R 782.00	5.96%	R 821.00	4.99%	R 862.00	4.99%	R 680.00
R 601.00	R 522.61		In season	15.0%	R 637.00	5.99%	R 668.00	4.87%	R 701.00	4.94%	R 553.91
R 465.00	R 404.35		Out of season	15.0%	R 492.00	5.81%	R 516.00	4.88%	R 541.00	4.84%	R 427.83
		6.2.8.1.4.3	C - Type								
R 1 058.00	R 920.00		High season (24 December to 9 January & Easter weekend)	15.0%	R 1 121.00	5.95%	R 1 177.00	5.00%	R 1 235.00	4.93%	R 974.78
R 1 011.00	R 879.13		In season	15.0%	R 1 071.00	5.93%	R 1 124.00	4.95%	R 1 180.00	4.98%	R 931.30
R 557.00	R 484.35		Out of season	15.0%	R 590.00	5.92%	R 619.00	4.92%	R 649.00	4.85%	R 513.04
		6.2.8.1.4.4	D - Type								
R 958.00	R 833.04		High season (24 December to 9 January & Easter weekend)	15.0%	R 1 015.00	5.95%	R 1 065.00	4.93%	R 1 118.00	4.98%	R 882.61
R 803.00	R 698.26		In season	15.0%	R 851.00	5.98%	R 893.00	4.94%	R 937.00	4.93%	R 740.00
R 508.00	R 441.74		Out of season	15.0%	R 538.00	5.91%	R 564.00	4.83%	R 592.00	4.96%	R 467.83
		6.2.8.1.4.5	E - Type								
R 696.00	R 605.22		High season (24 December to 9 January & Easter weekend)	15.0%	R 737.00	5.89%	R 773.00	4.88%	R 811.00	4.92%	R 640.87
R 644.00	R 560.00		In season	15.0%	R 682.00	5.90%	R 716.00	4.99%	R 751.00	4.89%	R 593.04
R 414.00	R 360.00		Out of season	15.0%	R 438.00	5.80%	R 459.00	4.79%	R 481.00	4.79%	R 380.87
		6.2.8.1.4.6	F - Type								
R 453.00	R 393.91		High season (24 December to 9 January & Easter weekend)	15.0%	R 480.00	5.96%	R 504.00	5.00%	R 529.00	4.96%	R 417.39
R 404.00	R 351.30		In season	15.0%	R 428.00	5.94%	R 449.00	4.91%	R 471.00	4.90%	R 372.17
R 330.00	R 286.96		Out of season	15.0%	R 349.00	5.76%	R 366.00	4.87%	R 384.00	4.92%	R 303.48
		6.2.8.1.4.7	G - Type								
R 1 064.00	R 925.22		High season (24 December to 9 January & Easter weekend)	15.0%	R 1 127.00	5.92%	R 1 183.00	4.97%	R 1 242.00	4.99%	R 980.00
R 848.00	R 737.39		In season	15.0%	R 898.00	5.90%	R 942.00	4.90%	R 989.00	4.99%	R 780.87
R 526.00	R 457.39		Out of season	15.0%	R 557.00	5.89%	R 584.00	4.85%	R 613.00	4.97%	R 484.35
		6.2.8.1.4.8	Long-term monthly rentals are based on the weekend tariff multiplied by four (4) plus 20 percent.								
		6.2.8.1.5	Day Visitors - Entrance								
R 74.00	R 64.35		Per person per day	15.0%	R 78.00	5.41%	R 81.00	3.85%	R 85.00	4.94%	R 67.83
R 69.00	R 60.00		Per vehicle per day	15.0%	R 73.00	5.80%	R 76.00	4.11%	R 79.00	3.95%	R 63.48

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
6.2.8.1.6 Sundry Tariffs											
R 800.00			Conference Hall (deposit)	Exempt	R 800.00	0.00%	R 840.00	5.00%	R 882.00	5.00%	
R 534.00	R 464.35		Conference Hall hire: per session								
R 534.00	R 464.35		08:00 – 13:00	15.0%	R 566.00	5.99%	R 594.00	4.95%	R 623.00	4.88%	R 492.17
R 715.00	R 621.74		13:00 – 18:00	15.0%	R 566.00	5.99%	R 594.00	4.95%	R 623.00	4.88%	R 492.17
R 1 367.00	R 1 188.70		18:00 – 24:00	15.0%	R 757.00	5.87%	R 794.00	4.89%	R 833.00	4.91%	R 658.26
			Conference Hall hire: per day	15.0%	R 1 449.00	6.00%	R 1 521.00	4.97%	R 1 597.00	5.00%	R 1 260.00
R 350.00			Renting of Recreational Halls to sports clubs (local):								
R 1 700.00	R 1 478.26		Deposit	Exempt	R 350.00	0.00%	R 367.00	4.86%	R 385.00	4.90%	
R 80.00	R 69.57		Annual tariff	15.0%	R 1 802.00	6.00%	R 1 892.00	4.99%	R 1 986.00	4.97%	R 1 566.96
			Bedding hiring: per set per week (chalets)	15.0%	R 84.00	5.00%	R 88.00	4.76%	R 92.00	4.55%	R 73.04
R 175.00	R 152.17		Entrance (Local Residents)								
			Clip cards - Local residence in Witzenberg area entrance (5 Visits)	15.0%	R 185.00	5.71%	R 194.00	4.86%	R 203.00	4.64%	R 160.87
R 404.00	R 351.30		Local residence in Witzenberg annual tickets (per ticket)								
R 297.00	R 258.26		Adults	15.0%	R 428.00	5.94%	R 449.00	4.91%	R 471.00	4.90%	R 372.17
R 278.00	R 241.74		Children	15.0%	R 314.00	5.72%	R 329.00	4.78%	R 345.00	4.86%	R 273.04
R 63.00	R 54.78		Vehicles	15.0%	R 294.00	5.76%	R 308.00	4.76%	R 323.00	4.87%	R 255.65
R 50.00	R 43.48		Clip cards - Recreational facilities 5 clips per ticket	15.0%	R 66.00	4.76%	R 69.00	4.55%	R 72.00	4.35%	R 57.39
			Laundromat facilities								
			Per 8kg, excluding washing powder	15.0%	R 53.00	6.00%	R 55.00	3.77%	R 57.00	3.64%	R 46.09
6.2.8.2 Klipriver Park (Closed)											
6.2.8.2.1 Chalets (per unit per night)											
A - Type											
R 393.00	R 341.74		High season (15 December to 16 January & Easter weekend)	15.0%	R 416.00	5.85%	R 436.00	4.81%	R 457.00	4.82%	R 361.74
R 330.00	R 286.96		In season	15.0%	R 349.00	5.76%	R 366.00	4.87%	R 384.00	4.92%	R 303.48
R 232.00	R 201.74		Out of season	15.0%	R 245.00	5.60%	R 257.00	4.90%	R 269.00	4.67%	R 213.04
B - Type											
R 435.00	R 378.26		High season (15 December to 16 January & Easter weekend)	15.0%	R 461.00	5.98%	R 484.00	4.99%	R 508.00	4.96%	R 400.87
R 347.00	R 301.74		In season	15.0%	R 367.00	5.76%	R 385.00	4.90%	R 404.00	4.94%	R 319.13
R 237.00	R 206.09		Out of season	15.0%	R 251.00	5.91%	R 263.00	4.78%	R 276.00	4.94%	R 218.26
6.2.8.2.2 Camping (per stand per night)											
R 193.00	R 167.83		High season	15.0%	R 204.00	5.70%	R 214.00	4.90%	R 224.00	4.67%	R 177.39
R 136.00	R 118.26		In season	15.0%	R 144.00	5.88%	R 151.00	4.86%	R 158.00	4.64%	R 125.22
R 79.00	R 68.70		Out of season	15.0%	R 83.00	5.06%	R 87.00	4.82%	R 91.00	4.60%	R 72.17
6.2.8.2.3 Day Visitors											
R 68.00	R 59.13		Per person per day	15.0%	R 72.00	5.88%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
R 68.00	R 59.13		Per vehicle per day	15.0%	R 72.00	5.88%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
6.2.8.3 Discounts - Both Resorts											
The following discounts will be allowed on booking by:											
Pensioners - less 50% during off-season and midweek periods out of peak season											
Registered Caravan Clubs and Club members - less 10% in periods out of peak season											
Midweek in- and off season - less 25%											
Students accompanied by parents - less 12% on day visitor fee											
6.2.9 Swimming Pools											
R 11.00	R 9.57		All swimming pools in Witzenberg								
R 2.50	R 2.17		Entrance: Adults	15.0%	R 11.00	0.00%	R 11.00	0.00%	R 11.00	0.00%	R 9.57
R 150.00	R 130.43		Children (school-going)	15.0%	R 2.50	0.0%	R 2.50	0.00%	R 2.50	0.00%	R 2.17
R 600.00	R 521.74		Season tickets	15.0%	R 150.00	0.00%	R 150.00	0.00%	R 150.00	0.00%	R 130.43
R 1 100.00	R 956.52		Annual fee per School (Only for School activities)	15.0%	R 600.00	0.0%	R 600.00	0.00%	R 600.00	0.00%	R 521.74
			Annual fee per Service providers for Swimming training/lessons	15.0%	R 1 100.00	0.00%	R 1 100.00	0.00%	R 1 100.00	0.00%	R 956.52
			(Allow all trainees entry free)								
6.2.1 Sports grounds											
6.2.10.1 All sports grounds in Witzenberg											
R 75.00	R 65.22		School practices (per practice)	15.0%	R 78.00	4.00%	R 81.00	3.85%	R 85.00	4.94%	R 67.83
R 66.00	R 57.39		If the school book the practices at the beginning of year and pay	15.0%	R 69.00	4.55%	R 72.00	4.35%	R 75.00	4.17%	R 60.00
R 159.00	R 138.26		in full for all practices. (per practice) No refunds								
R 159.00	R 138.26		School matches (per match)	15.0%	R 166.00	4.40%	R 174.00	4.82%	R 182.00	4.60%	R 144.35
			Sports clubs (per practice)	15.0%	R 166.00	4.40%	R 174.00	4.82%	R 182.00	4.60%	R 144.35
R 118.00	R 102.61		If the sport club book the practices at the beginning of year and	15.0%	R 123.00	4.24%	R 129.00	4.88%	R 135.00	4.65%	R 106.96
R 344.00	R 299.13		pay in full for all practices. (per practice) No refunds								
R 376.00	R 326.96		Sports clubs (per match)	15.0%	R 361.00	4.94%	R 379.00	4.99%	R 397.00	4.75%	R 313.91
R 1 020.00	R 886.96		Other events	15.0%	R 394.00	4.79%	R 413.00	4.82%	R 433.00	4.84%	R 342.61
R 409.00			Festivals and Carnivals (per day)	15.0%	R 1 071.00	5.00%	R 1 124.00	4.95%	R 1 180.00	4.98%	R 931.30
			Deposit per event	Exempt	R 429.00	4.89%	R 450.00	4.90%	R 472.00	4.89%	
6.2.10.2 Community Halls and Town Halls											
6.2.11.1 Non-local and Outside Organisations											
6.2.11.1.1 Tulbagh Community Hall											
R 1 255.00	R 1 091.30		Concerts, Theatre productions and Film Shows								
R 179.00	R 155.65		Non-local Associations	15.0%	R 1 330.00	5.98%	R 1 409.00	5.94%	R 1 493.00	5.96%	R 1 156.52
R 1 532.00	R 1 332.17		Conferences, Meetings, Gatherings, Church Services and Bazaars	15.0%	R 189.00	5.59%	R 200.00	5.82%	R 212.00	6.00%	R 164.35
R 1 255.00	R 1 091.30		Non-local Associations (per session)								
			Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's	15.0%	R 1 623.00	5.94%	R 1 720.00	5.98%	R 1 823.00	5.99%	R 1 411.30
			Non-local Associations								
			Shows, Exhibitions and Auctions								
			Non-local Associations	15.0%	R 1 330.00	5.98%	R 1 409.00	5.94%	R 1 493.00	5.96%	R 1 156.52
			Performances, Mannequin Parades, Cooking demo's and								
			Debutant								
R 1 255.00	R 1 091.30		Non-local Associations	15.0%	R 1 330.00	5.98%	R 1 409.00	5.94%	R 1 493.00	5.96%	R 1 156.52
R 876.00	R 761.74		Deposit for all the above	15.0%	R 928.00	5.94%	R 983.00	5.93%	R 1 041.00	5.90%	R 806.96
R 108.00	R 93.91		Preparation of hall per hour	15.0%	R 114.00	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.11.1.2	Tulbagh Town Hall								
R 1 420.00	R 1 234.78		Concerts, Theatre productions and Film Shows								
R 1 516.00	R 1 516.00		Non-local Associations	15.0%	R 1 505.00	5.99%	R 1 595.00	5.98%	R 1 690.00	5.96%	R 1 308.70
			Deposit for above	Exempt	R 1 606.00	5.94%	R 1 702.00	5.98%	R 1 804.00	5.99%	R 1 606.00
			Local Organisations/Individuals								
		6.2.11.1.3	Town Hall - Ceres								
			Hall, stage and main toilets								
R 360.00	R 313.04		Morning	15.0%	R 381.00	5.83%	R 403.00	5.77%	R 427.00	5.96%	R 331.30
R 360.00	R 313.04		Afternoon	15.0%	R 381.00	5.83%	R 403.00	5.77%	R 427.00	5.96%	R 331.30
R 445.00	R 386.96		Evening	15.0%	R 471.00	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 409.57
			Kitchen								
R 234.00	R 203.48		Morning	15.0%	R 248.00	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 234.00	R 203.48		Afternoon	15.0%	R 248.00	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 304.00	R 264.35		Evening	15.0%	R 322.00	5.92%	R 341.00	5.90%	R 361.00	5.87%	R 280.00
			Banqueting Hall: (only when not used in conjunction with kitchen) per session								
R 221.00	R 192.17		Morning	15.0%	R 234.00	5.88%	R 248.00	5.98%	R 262.00	5.65%	R 203.48
R 221.00	R 192.17		Afternoon	15.0%	R 234.00	5.88%	R 248.00	5.98%	R 262.00	5.65%	R 203.48
R 251.00	R 218.26		Evening	15.0%	R 266.00	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 231.30
			Tariff 2: Public dances per session								
R 876.00	R 761.74		Hall, stage and toilets	15.0%	R 928.00	5.94%	R 983.00	5.93%	R 1 041.00	5.90%	R 806.96
			Tariff 3: Guarantee deposit								
R 1 516.00	R 1 516.00		Per function	Exempt	R 1 606.00	5.94%	R 1 702.00	5.98%	R 1 804.00	5.99%	R 1 606.00
			Tariff 4: equipment per occasion								
R 33.00	R 28.70		Hiring of table cloths (each, per day)	15.0%	R 34.00	3.03%	R 36.00	5.88%	R 38.00	5.56%	R 29.57
R 22.00	R 19.13		Hiring of tables (each, per day)	15.0%	R 23.00	4.55%	R 24.00	4.35%	R 25.00	4.17%	R 20.00
R 20.00	R 17.39		Hiring of cutlery (per dozen, per day)	15.0%	R 21.00	5.00%	R 22.00	4.76%	R 23.00	4.55%	R 18.26
			Tariff 5: reduced rates								
			50% discount to organisations that qualify								
			Tariff 6: Levy in respect of exceeding the vacating time								
			In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Pianos per function								
R 209.00	R 181.74		Piano organ	15.0%	R 221.00	5.74%	R 234.00	5.88%	R 248.00	5.98%	R 192.17
R 234.00	R 203.48		Grand piano	15.0%	R 248.00	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
			Tariff 8: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 148.00	R 128.70		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 156.00	5.41%	R 165.00	5.77%	R 174.00	5.45%	R 135.65
R 165.00	R 143.48		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 174.00	5.45%	R 184.00	5.75%	R 195.00	5.98%	R 151.30
			Tariff 9: Changes to Bookings -- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 121.00	R 105.22		Levy	15.0%	R 128.00	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 111.30
R 251.00	R 218.26		Sound system for Town Hall (per occasion)	15.0%	R 266.00	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 231.30
		6.2.11.1.4	Bella Vista Community Hall								
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 259.00	R 225.22		Morning	15.0%	R 274.00	5.79%	R 290.00	5.84%	R 307.00	5.86%	R 238.26
R 259.00	R 225.22		Afternoon	15.0%	R 274.00	5.79%	R 290.00	5.84%	R 307.00	5.86%	R 238.26
R 389.00	R 338.26		Evening	15.0%	R 412.00	5.91%	R 436.00	5.83%	R 462.00	5.96%	R 358.26
			Kitchen								
R 234.00	R 203.48		Morning	15.0%	R 248.00	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 234.00	R 203.48		Afternoon	15.0%	R 248.00	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 259.00	R 225.22		Evening	15.0%	R 274.00	5.79%	R 290.00	5.84%	R 307.00	5.86%	R 238.26
			Change rooms (excluding main toilets)								
R 67.00	R 58.26		Morning	15.0%	R 71.00	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 67.00	R 58.26		Afternoon	15.0%	R 71.00	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 135.00	R 117.39		Evening	15.0%	R 143.00	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
			Tariff 2: Public dances per session								
R 892.00	R 775.65		Hall, stage and toilets	15.0%	R 945.00	5.94%	R 1 001.00	5.93%	R 1 061.00	5.99%	R 821.74
			Tariff 3: Guarantee deposit								
R 373.00	R 324.35		Per function --- excluding kitchen	15.0%	R 395.00	5.90%	R 418.00	5.82%	R 443.00	5.98%	R 343.48
R 1 516.00	R 1 318.26		Per function --- including kitchen	15.0%	R 1 606.00	5.94%	R 1 702.00	5.98%	R 1 804.00	5.99%	R 1 396.52
			Tariff 4: equipment per occasion								
R 33.00	R 28.70		Hiring of table cloths (each, per day)	15.0%	R 34.00	3.03%	R 36.00	5.88%	R 38.00	5.56%	R 29.57
R 16.90	R 14.70		Hiring of tables (each, per day)	15.0%	R 17.90	5.92%	R 19.00	6.15%	R 20.10	5.79%	R 15.57
R 15.70	R 13.65		Hiring of cutlery (per dozen, per day)	15.0%	R 16.60	5.73%	R 17.60	6.02%	R 18.70	6.25%	R 14.43
			Tariff 5: Reduced rates								
			50% discount to organisations that qualify								
			Tariff 6: Levy in respect of exceeding the vacating time								
			In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Pianos								
			Tariff 8: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 95.00	R 82.61		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 100.00	5.26%	R 106.00	6.00%	R 112.00	5.66%	R 86.96
R 135.00	R 117.39		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 143.00	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
			Tariff 9: Changes to Bookings -- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 108.00	R 93.91		Levy	15.0%	R 114.00	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.11.1.5	Dreyer Hall (currently on lease contract)								
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 227.00	R 197.39		Morning	15.0%	R 238.00	4.85%	R 249.00	4.62%	R 261.00	4.82%	R 206.96
R 227.00	R 197.39		Afternoon	15.0%	R 238.00	4.85%	R 249.00	4.62%	R 261.00	4.82%	R 206.96
R 311.00	R 270.43		Evening	15.0%	R 326.00	4.82%	R 342.00	4.91%	R 359.00	4.97%	R 283.48
			Kitchen								
R 77.00	R 66.96		Morning	15.0%	R 80.00	3.90%	R 84.00	5.00%	R 88.00	4.76%	R 69.57
R 77.00	R 66.96		Afternoon	15.0%	R 80.00	3.90%	R 84.00	5.00%	R 88.00	4.76%	R 69.57
R 92.00	R 80.00		Evening	15.0%	R 96.00	4.35%	R 100.00	4.17%	R 105.00	5.00%	R 83.48
			Change rooms (excluding main toilets)								
R 66.00	R 57.39		Morning	15.0%	R 69.00	4.55%	R 72.00	4.35%	R 75.00	4.17%	R 60.00
R 66.00	R 57.39		Afternoon	15.0%	R 69.00	4.55%	R 72.00	4.35%	R 75.00	4.17%	R 60.00
R 144.00	R 125.22		Evening	15.0%	R 151.00	4.86%	R 158.00	4.64%	R 165.00	4.43%	R 131.30
			Tariff 2: Public dances per session								
R 866.00	R 753.04		Hall, stage and toilets	15.0%	R 909.00	4.97%	R 954.00	4.95%	R 1 001.00	4.93%	R 790.43
R 330.00	R 330.00		Tariff 3: Guarantee deposit per function	Exempt	R 346.00	4.85%	R 363.00	4.91%	R 381.00	4.96%	R 346.00
			Tariff 4: Equipment								
			Tariff 5: Reduced rates								
			50% discount to organisations that qualify								
			Tariff 6: Levy in respect of exceeding the vacating time								
			In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Pianos								
			Tariff 8: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 66.00	R 57.39		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 69.00	4.55%	R 72.00	4.35%	R 75.00	4.17%	R 60.00
R 105.00	R 91.30		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 110.00	4.76%	R 115.00	4.55%	R 120.00	4.35%	R 95.65
			Tariff 9: Changes to Bookings -- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 105.00	R 91.30		Levy	15.0%	R 110.00	4.76%	R 115.00	4.55%	R 120.00	4.35%	R 95.65
		6.2.11.1.6	Bella Vista Youth Centre and Polo cross Hall N'duli								
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 234.00	R 203.48		Morning	15.0%	R 248.00	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 234.00	R 203.48		Afternoon	15.0%	R 248.00	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 321.00	R 279.13		Evening	15.0%	R 340.00	5.92%	R 360.00	5.88%	R 381.00	5.83%	R 295.65
			Tariff 2: Public dances per session								
R 892.00	R 775.65		Hall, stage and toilets	15.0%	R 945.00	5.94%	R 1 001.00	5.93%	R 1 061.00	5.99%	R 821.74
R 340.00	R 340.00		Tariff 3: Guarantee deposit per function	Exempt	R 360.00	5.88%	R 381.00	5.83%	R 403.00	5.77%	R 360.00
			Tariff 4: Reduced rates								
			50% discount to organisations that qualify								
			Tariff 5: Levy in respect of exceeding the vacating time								
			In the event of the lessee failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 6: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 67.00	R 58.26		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 71.00	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 108.00	R 93.91		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 114.00	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13
			Tariff 7: Changes to bookings --- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 121.00	R 105.22		Levy	15.0%	R 128.00	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 111.30
		6.2.11.1.7	N'duli New Hall								
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 275.00	R 239.13		Morning	15.0%	R 291.00	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
R 275.00	R 239.13		Afternoon	15.0%	R 291.00	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
R 389.00	R 338.26		Evening	15.0%	R 412.00	5.91%	R 436.00	5.83%	R 462.00	5.96%	R 358.26
			Kitchen								
R 121.00	R 105.22		Morning	15.0%	R 128.00	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 111.30
R 121.00	R 105.22		Afternoon	15.0%	R 128.00	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 111.30
R 179.00	R 155.65		Evening	15.0%	R 189.00	5.59%	R 200.00	5.82%	R 212.00	6.00%	R 164.35
			Change rooms (excluding main toilets)								
R 51.00	R 44.35		Morning	15.0%	R 54.00	5.88%	R 57.00	5.56%	R 60.00	5.26%	R 46.96
R 51.00	R 44.35		Afternoon	15.0%	R 54.00	5.88%	R 57.00	5.56%	R 60.00	5.26%	R 46.96
R 80.00	R 69.57		Evening	15.0%	R 84.00	5.00%	R 89.00	5.95%	R 94.00	5.62%	R 73.04
			Tariff 2: Public dances per session								
R 947.00	R 823.48		Hall, stage and toilets	15.0%	R 1 003.00	5.91%	R 1 063.00	5.98%	R 1 126.00	5.93%	R 872.17
R 489.00	R 489.00		Tariff 3: Guarantee deposit per function	Exempt	R 518.00	5.93%	R 549.00	5.98%	R 581.00	5.83%	R 518.00
			Tariff 4: Equipment								
			Tariff 5: Reduced rates								
			50% discount to organisations that qualify								
			Tariff 6: Levy in respect of exceeding the vacating time								
			In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 108.00	R 93.91		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	R 114.00	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13
R 135.00	R 117.39		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	R 143.00	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
			Tariff 8: Changes to bookings --- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 108.00	R 93.91		Levy	15.0%	R 114.00	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
R 51.00	R 44.35	6.2.11.1.8	Prince Alfred's Hamlet Town Hall								
			Tariff 1: Information sessions	15.0%	R 54.00	5.88%	R 57.00	5.56%	R 60.00	5.26%	R 46.96
			Tariff 2: Welfare Functions								
			Tariff 3: Meetings per session (included coucil chamber for councillors)								
R 67.00	R 58.26		Hire	15.0%	R 71.00	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 216.00	R 216.00		Deposit	Exempt	R 228.00	5.56%	R 241.00	5.70%	R 255.00	5.81%	R 228.00
			Tariff 4: All functions not covered under other tariffs (e.g Weddings, dinners, receptions and all dances/ bithdays)								
R 947.00	R 823.48		Hire	15.0%	R 1 003.00	5.91%	R 1 063.00	5.98%	R 1 126.00	5.93%	R 872.17
R 1 075.00	R 1 075.00		Deposit	Exempt	R 1 139.00	5.95%	R 1 207.00	5.97%	R 1 279.00	5.97%	R 1 139.00
			Tariff 5: Church services (per service) and fundraisings								
R 487.00	R 423.48		Hire	15.0%	R 516.00	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 448.70
R 684.00	R 684.00		Deposit	Exempt	R 725.00	5.99%	R 768.00	5.93%	R 814.00	5.99%	R 725.00
			Tariff 6: Sport practices (per session)								
R 221.00	R 192.17		Hire	15.0%	R 234.00	5.88%	R 248.00	5.98%	R 262.00	5.65%	R 203.48
R 390.00	R 390.00		Deposit	Exempt	R 413.00	5.90%	R 437.00	5.81%	R 463.00	5.95%	R 413.00
		6.2.11.1.9	Prince Alfred's Hamlet Community Hall								
R 51.00	R 44.35		Tariff 1: Information sessions	15.0%	R 54.00	5.88%	R 57.00	5.56%	R 60.00	5.26%	R 46.96
			Tariff 2: Welfare Functions								
			Tariff 3: Meetings (per session)								
R 67.00	R 58.26		Hire	15.0%	R 71.00	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 169.00	R 169.00		Deposit	Exempt	R 179.00	5.92%	R 189.00	5.59%	R 200.00	5.82%	R 179.00
			Tariff 4: All functions not covered under other tariffs (e.g Weddings, dinners, receptions and all dances/ bithdays)								
R 906.00	R 787.83		Hire	15.0%	R 960.00	5.96%	R 1 017.00	5.94%	R 1 078.00	6.00%	R 834.78
R 977.00	R 977.00		Deposit	Exempt	R 1 035.00	5.94%	R 1 097.00	5.99%	R 1 162.00	5.93%	R 1 035.00
			Tariff 5: Church services (per service) and fundraisings								
R 487.00	R 423.48		Hire	15.0%	R 516.00	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 448.70
R 684.00	R 684.00		Deposit	Exempt	R 725.00	5.99%	R 768.00	5.93%	R 814.00	5.99%	R 725.00
			Tariff 6: Sport practices								
R 108.00	R 93.91		Hire	15.0%	R 114.00	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13
R 537.00	R 537.00		Deposit	Exempt	R 569.00	5.96%	R 603.00	5.98%	R 639.00	5.97%	R 569.00
		6.2.11.1.10	Tulbagh Community Hall								
			Indoor Sport								
R 1 814.00	R 1 577.39		Professional	15.0%	R 1 922.00	5.95%	R 2 037.00	5.98%	R 2 159.00	5.99%	R 1 671.30
R 1 044.00	R 907.83		Amateur	15.0%	R 1 106.00	5.94%	R 1 172.00	5.97%	R 1 242.00	5.97%	R 961.74
R 135.00	R 117.39		Practices -- per hour	15.0%	R 143.00	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
R 731.00	R 731.00		Deposit	Exempt	R 774.00	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Concerts, Theatre productions and Film Shows								
R 737.00	R 640.87		Local Associations	15.0%	R 781.00	5.97%	R 827.00	5.89%	R 876.00	5.93%	R 679.13
R 1 814.00	R 1 577.39		Professional / Private	15.0%	R 1 922.00	5.95%	R 2 037.00	5.98%	R 2 159.00	5.99%	R 1 671.30
R 731.00	R 731.00		Deposit	Exempt	R 774.00	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 148.00	R 128.70		Local Associations	15.0%	R 156.00	5.41%	R 165.00	5.77%	R 174.00	5.45%	R 135.65
R 610.00	R 610.00		Deposit	Exempt	R 646.00	5.90%	R 684.00	5.88%	R 725.00	5.99%	R 646.00
			Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 1 172.00	R 1 019.13		Local Associations	15.0%	R 1 242.00	5.97%	R 1 316.00	5.96%	R 1 394.00	5.93%	R 1 080.00
R 1 770.00	R 1 539.13		Private	15.0%	R 1 876.00	5.99%	R 1 988.00	5.97%	R 2 107.00	5.99%	R 1 631.30
R 731.00	R 731.00		Deposit	Exempt	R 774.00	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Shows, Exhibitions and Auctions								
R 1 255.00	R 1 091.30		Non-local Associations	15.0%	R 1 330.00	5.98%	R 1 409.00	5.94%	R 1 493.00	5.96%	R 1 156.52
			Local Associations								
R 806.00	R 806.00		Deposit	Exempt	R 854.00	5.96%	R 905.00	5.97%	R 959.00	5.97%	R 854.00
			Performances, Mannequin Parades, Cooking demo's and Debutant								
R 1 057.00	R 919.13		Non-local Associations	15.0%	R 1 120.00	5.96%	R 1 187.00	5.98%	R 1 258.00	5.98%	R 973.91
R 737.00	R 640.87		Local Associations	15.0%	R 781.00	5.97%	R 827.00	5.89%	R 876.00	5.93%	R 679.13
R 1 343.00	R 1 343.00		Deposit	Exempt	R 1 423.00	5.96%	R 1 508.00	5.97%	R 1 598.00	5.97%	R 1 423.00
R 108.00	R 93.91		Preparation of hall per hour	15.0%	R 114.00	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.11.2	Local Organisations								
		6.2.11.2.1	Tulbagh Town Hall								
			Deposit								
R 1 343.00	R 1 343.00		Main hall	Exempt	R 1 423.00	5.96%	R 1 508.00	5.97%	R 1 598.00	5.97%	R 1 423.00
R 428.00	R 428.00		Banqueting hall	Exempt	R 453.00	5.84%	R 480.00	5.96%	R 508.00	5.83%	R 453.00
R 428.00	R 428.00		Auditorium	Exempt	R 453.00	5.84%	R 480.00	5.96%	R 508.00	5.83%	R 453.00
R 232.00	R 232.00		Kitchen	Exempt	R 245.00	5.60%	R 259.00	5.71%	R 274.00	5.79%	R 245.00
R 402.00	R 402.00		Tables	Exempt	R 426.00	5.97%	R 451.00	5.87%	R 478.00	5.99%	R 426.00
			Hire:								
			Indoor Sport								
R 1 952.00	R 1 697.39		Professional	15.0%	R 2 069.00	5.99%	R 2 193.00	5.99%	R 2 324.00	5.97%	R 1 799.13
R 1 044.00	R 907.83		Amateur	15.0%	R 1 106.00	5.94%	R 1 172.00	5.97%	R 1 242.00	5.97%	R 961.74
R 275.00	R 239.13		Kitchen	15.0%	R 291.00	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
			Concerts, Theatre productions and Film Shows								
R 639.00	R 555.65		Local Associations	15.0%	R 677.00	5.95%	R 717.00	5.91%	R 760.00	6.00%	R 588.70
R 1 814.00	R 1 577.39		Professional / Private	15.0%	R 1 922.00	5.95%	R 2 037.00	5.98%	R 2 159.00	5.99%	R 1 671.30
R 275.00	R 239.13		Kitchen	15.0%	R 291.00	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
			Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 639.00	R 555.65		Main hall	15.0%	R 677.00	5.95%	R 717.00	5.91%	R 760.00	6.00%	R 588.70
R 275.00	R 239.13		Banqueting hall	15.0%	R 291.00	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
R 445.00	R 386.96		Auditorium	15.0%	R 471.00	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 409.57
R 289.00	R 251.30		Kitchen	15.0%	R 303.00	4.84%	R 318.00	4.95%	R 333.00	4.72%	R 263.48
			Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 1 672.00	R 1 453.91		Main hall	15.0%	R 1 772.00	5.98%	R 1 878.00	5.98%	R 1 990.00	5.96%	R 1 540.87
R 749.00	R 651.30		Banqueting hall	15.0%	R 793.00	5.87%	R 840.00	5.93%	R 890.00	5.95%	R 689.57
R 360.00	R 313.04		Kitchen	15.0%	R 381.00	5.83%	R 403.00	5.77%	R 427.00	5.96%	R 331.30
			Shows, Exhibitions and Auctions								
R 1 532.00	R 1 332.17		Main hall	15.0%	R 1 623.00	5.94%	R 1 720.00	5.98%	R 1 823.00	5.99%	R 1 411.30
R 737.00	R 640.87		Banqueting hall	15.0%	R 781.00	5.97%	R 827.00	5.89%	R 876.00	5.93%	R 679.13
R 360.00	R 313.04		Kitchen	15.0%	R 381.00	5.83%	R 403.00	5.77%	R 427.00	5.96%	R 331.30
			Performances, Mannequin Parades, Cooking demo's and Debutant								
R 1 532.00	R 1 332.17		Main hall	15.0%	R 1 623.00	5.94%	R 1 720.00	5.98%	R 1 823.00	5.99%	R 1 411.30
R 1 532.00	R 1 332.17		Banqueting hall	15.0%	R 1 623.00	5.94%	R 1 720.00	5.98%	R 1 823.00	5.99%	R 1 411.30
R 135.00	R 117.39		Preparation of hall per hour	15.0%	R 143.00	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
R 24.00	R 20.87		Tables: per table to maximum of R110.00	15.0%	R 25.00	4.17%	R 26.00	4.00%	R 27.00	3.85%	R 21.74
		6.2.11.2.2	Drosty hall								
R 470.00	R 408.70		Hire	15.0%	R 498.00	5.96%	R 527.00	5.82%	R 558.00	5.88%	R 433.04
R 402.00	R 402.00		Deposit	Exempt	R 426.00	5.97%	R 451.00	5.87%	R 478.00	5.99%	R 426.00
		6.2.11.2.3	Montana Community Hall								
			Concerts and stage performances								
R 683.00	R 683.00		Hire	15.0%	R 723.00	5.86%	R 766.00	5.95%	R 811.00	5.87%	R 723.00
R 596.00	R 596.00		Deposit	Exempt	R 631.00	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
			Disco's and Dances								
R 1 101.00	R 1 101.00		Hire	15.0%	R 1 167.00	5.99%	R 1 237.00	6.00%	R 1 311.00	5.98%	R 1 167.00
R 731.00	R 731.00		Deposit	Exempt	R 774.00	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Film shows, Wedding receptions and birthdays								
R 530.00	R 460.87		Hire	15.0%	R 561.00	5.85%	R 594.00	5.88%	R 629.00	5.89%	R 487.83
R 596.00	R 596.00		Deposit	Exempt	R 631.00	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		Meetings								R 0.00
R 251.00	R 251.00		Hire	15.0%	R 266.00	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 266.00
R 365.00	R 365.00		Deposit	Exempt	R 386.00	5.75%	R 409.00	5.96%	R 433.00	5.87%	R 386.00
	0		Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions) per session								0
	R 0.00		Performances								R 0.00
R 445.00	R 445.00		Hire	15.0%	R 471.00	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 471.00
R 489.00	R 489.00		Deposit	Exempt	R 518.00	5.93%	R 549.00	5.98%	R 581.00	5.83%	R 518.00
	R 0.00		Exhibitions								R 0.00
R 445.00	R 445.00		Hire	15.0%	R 471.00	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 471.00
R 390.00	R 390.00		Deposit	Exempt	R 413.00	5.90%	R 437.00	5.81%	R 463.00	5.95%	R 413.00
	R 0.00		Bazaars								R 0.00
R 275.00	R 275.00		Hire: Churches and Schools	15.0%	R 291.00	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 291.00
R 487.00	R 487.00		Hire: Other	15.0%	R 516.00	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 516.00
R 561.00	R 561.00		Deposit	Exempt	R 594.00	5.88%	R 629.00	5.89%	R 666.00	5.88%	R 594.00
R 95.00	R 95.00		Kitchen	15.0%	R 100.00	5.26%	R 106.00	6.00%	R 112.00	5.66%	R 100.00
			Montana Library Hall : Per occasion (No Church Services)								
R 121.00	R 121.00			15.0%	R 128.00	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 128.00
R 148.00	R 148.00		Stamper Street Hall : (per occasion)	15.0%	R 156.00	5.41%	R 165.00	5.77%	R 174.00	5.45%	R 156.00
	R 0.00										R 0.00

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
	R 0.00	6.2.11.2.4	Pine Valley Community Hall								R 0.00
	R 0.00		Concerts and stage performances								R 0.00
R 683.00	R 683.00		Hire	15.0%	R 723.00	5.86%	R 766.00	5.95%	R 811.00	5.87%	R 723.00
R 596.00	R 596.00		Deposit	Exempt	R 631.00	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		Disco's and Dances								R 0.00
R 1 101.00	R 1 101.00		Hire	15.0%	R 1 167.00	5.99%	R 1 237.00	6.00%	R 1 311.00	5.98%	R 1 167.00
R 731.00	R 731.00		Deposit	Exempt	R 774.00	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Film shows, Wedding receptions and birthdays								
R 530.00	R 460.87		Hire	15.0%	R 561.00	5.85%	R 594.00	5.88%	R 629.00	5.89%	R 487.83
R 596.00	R 596.00		Deposit	Exempt	R 631.00	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		Meetings								R 0.00
R 251.00	R 251.00		Hire	15.0%	R 266.00	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 266.00
R 365.00	R 365.00		Deposit	Exempt	R 386.00	5.75%	R 409.00	5.96%	R 433.00	5.87%	R 386.00
			Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions)								
			Performances								
R 445.00	R 386.96		Hire	15.0%	R 471.00	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 409.57
R 489.00	R 489.00		Deposit	Exempt	R 518.00	5.93%	R 549.00	5.98%	R 581.00	5.83%	R 518.00
	R 0.00		Exhibitions								R 0.00
R 445.00	R 445.00		Hire	15.0%	R 471.00	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 471.00
R 390.00	R 390.00		Deposit	Exempt	R 413.00	5.90%	R 437.00	5.81%	R 463.00	5.95%	R 413.00
	R 0.00		Bazaars								R 0.00
R 275.00	R 275.00		Hire: Churches and Schools	15.0%	R 291.00	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 291.00
R 487.00	R 487.00		Hire: Other	15.0%	R 516.00	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 516.00
R 561.00	R 561.00		Deposit	Exempt	R 594.00	5.88%	R 629.00	5.89%	R 666.00	5.88%	R 594.00
R 95.00	R 82.61		Kitchen	15.0%	R 100.00	5.26%	R 106.00	6.00%	R 112.00	5.66%	R 86.96
<p>NB: Once in a quarter the hall may be utilised, without charge, by political parties that are represented in Council, for their political meetings with the community. The political party concerned must however present its intent to the Municipal Manager, and consent is subject to the availability of the facility. Priority will be given to the order in which applications are received.</p> <p>NB: The Municipal Manager may use his discretion to offer a hall free of any charge to Youth-, Service-, Charity-, Community-, Sport-, Educational- and State Institutions, and Senior Citizens.</p>											
		6.2.11.2.5	Op-Die-Berg Community Hall								
			Concerts and stage performances								
R 683.00	R 593.91		Hire	15.0%	R 723.00	5.86%	R 766.00	5.95%	R 811.00	5.87%	R 628.70
R 596.00	R 596.00		Deposit	Exempt	R 631.00	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		Disco's and Dances								R 0.00
R 1 101.00	R 1 101.00		Hire	15.0%	R 1 167.00	5.99%	R 1 237.00	6.00%	R 1 311.00	5.98%	R 1 167.00
R 731.00	R 731.00		Deposit	Exempt	R 774.00	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Film shows, Wedding receptions and birthdays								
R 530.00	R 460.87		Hire	15.0%	R 561.00	5.85%	R 594.00	5.88%	R 629.00	5.89%	R 487.83
R 596.00	R 596.00		Deposit	Exempt	R 631.00	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		Meetings								R 0.00
R 251.00	R 251.00		Hire	15.0%	R 266.00	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 266.00
R 365.00	R 365.00		Deposit	Exempt	R 386.00	5.75%	R 409.00	5.96%	R 433.00	5.87%	R 386.00
			Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions)								
			Performances								
R 445.00	R 386.96		Hire	15.0%	R 471.00	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 409.57
R 489.00	R 489.00		Deposit	Exempt	R 518.00	5.93%	R 549.00	5.98%	R 581.00	5.83%	R 518.00
	R 0.00		Exhibitions								R 0.00
R 445.00	R 445.00		Hire	15.0%	R 471.00	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 471.00
R 390.00	R 390.00		Deposit	Exempt	R 413.00	5.90%	R 437.00	5.81%	R 463.00	5.95%	R 413.00
	R 0.00		Bazaars								R 0.00
R 275.00	R 275.00		Hire: Churches and Schools	15.0%	R 291.00	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 291.00
R 487.00	R 487.00		Hire: Other	15.0%	R 516.00	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 516.00
R 561.00	R 561.00		Deposit	Exempt	R 594.00	5.88%	R 629.00	5.89%	R 666.00	5.88%	R 594.00
R 95.00	R 82.61		Kitchen	15.0%	R 100.00	5.26%	R 106.00	6.00%	R 112.00	5.66%	R 86.96
<p>NB: Once in a quarter the hall may be utilised, without charge, by political parties that are represented in Council, for their political meetings with the community. The political party concerned must however present its intent to the Municipal Manager, and consent is subject to the availability of the facility. Priority will be given to the order in which applications are received.</p> <p>NB: The Municipal Manager may use his discretion to offer a hall free of any charge to Youth-, Service-, Charity-, Community-, Sport-, Educational- and State Institutions, and Senior Citizens.</p>											

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.12	Cemeteries								
			Tariffs								
		6.2.12.1	Non-local residents								
			All persons that were resident outside the Witzenberg Municipal jurisdiction.								
R 3 892.00	R 3 384.35		6 ft excavation: plot included	15.0%	R 4 086.00	4.98%	R 4 290.00	4.99%	R 4 504.00	4.99%	R 3 553.04
R 4 622.00	R 4 019.13		8 ft excavation: plot included	15.0%	R 4 853.00	5.00%	R 5 095.00	4.99%	R 5 349.00	4.99%	R 4 220.00
R 1 164.00	R 1 012.17		Re-burials: opening and closing of graves	15.0%	R 1 222.00	4.98%	R 1 283.00	4.99%	R 1 347.00	4.99%	R 1 062.61
R 392.00	R 340.87		Memorial plaque	15.0%	R 411.00	4.85%	R 431.00	4.87%	R 452.00	4.87%	R 357.39
		6.2.12.2	Local residents								
			All persons that were resident inside the Witzenberg Municipal jurisdiction.								
		6.2.12.2.1	Indigent cases								
			Town residents								
			Definition:								
			At the time of death the deceased had to be part of a household that was approved as an indigent case, also noted as such in the Financial system.								
			Rural residents								
			Definition:								
			At the time of death the deceased had to be part of a household of which the combined income did not exceed twice the State's Old-age Pension allowance, and that the deceased had resided in the house at that time.								
			Burials for indigent cases are free of charge, being funded from the Indigent Allocation at non-local tariffs.								
		6.2.12.2.2	All other cases								
R 434.00	R 377.39		Plot	15.0%	R 455.00	4.84%	R 477.00	4.84%	R 500.00	4.82%	R 395.65
R 1 389.00	R 1 207.83		6 ft excavation	15.0%	R 1 458.00	4.97%	R 1 530.00	4.94%	R 1 606.00	4.97%	R 1 267.83
R 1 489.00	R 1 294.78		8 ft excavation	15.0%	R 1 563.00	4.97%	R 1 641.00	4.99%	R 1 723.00	5.00%	R 1 359.13
R 668.00	R 580.87		Re-burials: opening and closing of graves	15.0%	R 701.00	4.94%	R 736.00	4.99%	R 772.00	4.89%	R 609.57
R 376.00	R 326.96		Memorial plaque	15.0%	R 394.00	4.79%	R 413.00	4.82%	R 433.00	4.84%	R 342.61
		6.2.13	Dept. Parks -- private works -- equipment -- tariff per hour								
R 71.00	R 61.74		Lawnmower: 450 mm (small) per hour	15.0%	R 74.00	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
R 127.00	R 110.43		Lawnmower: 750 mm (large) per hour	15.0%	R 133.00	4.72%	R 139.00	4.51%	R 145.00	4.32%	R 115.65
R 100.00	R 86.96		Forest cutters (per hour)	15.0%	R 105.00	5.00%	R 110.00	4.76%	R 115.00	4.55%	R 91.30
R 100.00	R 86.96		Chain saws (per hour)	15.0%	R 105.00	5.00%	R 110.00	4.76%	R 115.00	4.55%	R 91.30
R 204.00	R 177.39		Bush cutters (per hour)	15.0%	R 214.00	4.90%	R 224.00	4.67%	R 235.00	4.91%	R 186.09
R 204.00	R 177.39		Trailers (per hour)	15.0%	R 214.00	4.90%	R 224.00	4.67%	R 235.00	4.91%	R 186.09
R 232.00	R 201.74		Spray pumps: Mechanical and triangular (per hour)	15.0%	R 243.00	4.74%	R 255.00	4.94%	R 267.00	4.71%	R 211.30

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Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.3.	FINANCIAL SERVICES								
		6.3.1	Administrative fees								
R 142.00	R 123.48	6.3.1.1	Furnishing of evaluation- and / or clearance certificates in accordance with Section 96 of Ordinance 20 of 1974: per certificate:	15.0%	R 149.00	4.93%	R 156.00	4.70%	R 163.00	4.49%	R 129.57
		6.3.1.2	Valuations & deed search								
		6.3.1.2.1	Re-evaluation of properties (per application)								
R 255.00	R 221.74		- Residential properties	15.0%	R 267.00	4.71%	R 280.00	4.87%	R 294.00	5.00%	R 232.17
R 1 242.00	R 1 080.00		- Business properties	15.0%	R 1 304.00	4.99%	R 1 369.00	4.98%	R 1 437.00	4.97%	R 1 133.91
R 1 544.00	R 1 342.61		- Agricultural properties	15.0%	R 1 621.00	4.99%	R 1 702.00	5.00%	R 1 787.00	4.99%	R 1 409.57
R 1 389.00	R 1 207.83		- State owned properties	15.0%	R 1 458.00	4.97%	R 1 530.00	4.94%	R 1 606.00	4.97%	R 1 267.83
R 126.00	R 109.57		- Urban vacant land	15.0%	R 132.00	4.76%	R 138.00	4.55%	R 144.00	4.35%	R 114.78
R 255.00	R 221.74		- Other not specified above	15.0%	R 267.00	4.71%	R 280.00	4.87%	R 294.00	5.00%	R 232.17
R 56.00	R 48.70	6.3.1.2.2	Deeds office search per erf	15.0%	R 58.00	3.57%	R 60.00	3.45%	R 63.00	5.00%	R 50.43
R 997.00	R 866.96	6.3.1.2.3	Request for valuation detail per erf	15.0%	R 1 046.00	4.91%	R 1 098.00	4.97%	R 1 152.00	4.92%	R 909.57
R 55.00	R 47.83	6.3.1.3	Tracing of any information older than six months. (per hour or part thereof)	15.0%	R 57.00	3.64%	R 59.00	3.51%	R 61.00	3.39%	R 49.57
R 55.00	R 47.83	6.3.1.4	Issuing of accounts' duplicates (per account)	15.0%	R 57.00	3.64%	R 59.00	3.51%	R 61.00	3.39%	R 49.57
R 555.00	R 482.61	6.3.1.5	Furnishing of name- and address list (per list) (per town)	15.0%	R 582.00	4.86%	R 611.00	4.98%	R 641.00	4.91%	R 506.09
R 113.00	R 98.26	6.3.1.6	Surcharge on Refer to Drawer cheques (per cheque)	15.0%	R 118.00	4.42%	R 123.00	4.24%	R 129.00	4.88%	R 102.61
R 38.00	R 33.04	6.3.1.7	Excess	15.0%	R 39.00	2.63%	R 40.00	2.56%	R 42.00	5.00%	R 33.91
		6.3.1.8	Recovery costs								
		6.3.1.8.1	Tariffs for processes and the serving of documentation by the Municipality								
R 41.00	R 35.65	6.3.1.8.1.1	Serving of a registered reminder (per reminder)	15.0%	R 43.00	4.88%	R 45.00	4.65%	R 47.00	4.44%	R 37.39
R 61.00	R 53.04	6.3.1.8.1.2	Stamp costs (per summonses)	15.0%	R 64.00	4.92%	R 67.00	4.69%	R 70.00	4.48%	R 55.65
		6.3.1.8.1.3	Serving of summonses and/or writs (per serving)								
R 173.00	R 150.43		Inside the Witzenberg jurisdiction	15.0%	R 181.00	4.62%	R 190.00	4.97%	R 199.00	4.74%	R 157.39
R 422.00	R 366.96		Outside the Witzenberg jurisdiction	15.0%	R 443.00	4.98%	R 465.00	4.97%	R 488.00	4.95%	R 385.22
		6.3.1.8.2	Levying of any legal costs								
		6.3.2	Water								
			Re-connection of suspended supply on request by consumer per connection								
R 127.00	R 110.43	6.3.2.1	(a) Urban areas	15.0%	R 133.00	4.72%	R 139.00	4.51%	R 145.00	4.32%	R 115.65
R 156.00	R 135.65		(b) Rural areas	15.0%	R 163.00	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
		6.3.2.2	Re-connection after non-payment per suspension list - per connection								
R 50.00	R 43.48	(a) Urban areas	15.0%	R 52.00	4.00%	R 54.00	3.85%	R 56.00	3.70%	R 45.22	
R 74.00	R 64.35	(b) Rural areas	15.0%	R 77.00	4.05%	R 80.00	3.90%	R 84.00	5.00%	R 66.96	
		6.3.2.3	Special meter reading per reading per meter								
R 187.00	R 162.61	(a) Urban areas	15.0%	R 196.00	4.81%	R 205.00	4.59%	R 215.00	4.88%	R 170.43	
R 289.00	R 251.30	(b) Rural areas	15.0%	R 303.00	4.84%	R 318.00	4.95%	R 333.00	4.72%	R 263.48	

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Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.3.2.5	Tampering with meter connection (a) In the event where a consumer's water supply has been cut and sealed with a cap and key, and such seal had been removed without the consent of the Municipality, the following charges for tampering will be levied against the consumer, no re-connection will be made unless the prescribed payment plus the cost of a Water demand device (if not yet installed) has been received. (b) Where a consumer had made an illegal water connection in front of the meter, the supply will be disconnected immediately, and one of the following options will be exercised, depending on the consumer's choice: (i) A criminal charge to be laid by the SAPS, or (ii) An admission of guilt (see tariff attached) plus the cost of the damage and possible consumption be paid. (c) Where a consumer is guilty of a second offence in terms of an illegal water connection, the connection will be summarily removed and the matter will be handed to the SAPS.								
R 1 242.00	R 1 080.00			15.0%	R 1 304.00	4.99%	R 1 369.00	4.98%	R 1 437.00	4.97%	R 1 133.91
R 2 487.00	R 2 162.61			15.0%	R 2 611.00	4.99%	R 2 741.00	4.98%	R 2 878.00	5.00%	R 2 270.43
R 1 000.00	R 869.57		Gaining Access to water services without approval from the municipality	15.0%	R 1 000.00	0.00%	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 1 000.00	R 869.57		Gain Acces to water services without agreement with the Municipality	15.0%	R 1 000.00	0.00%	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 1 000.00	R 869.57		Refuse to give access required by the municipality in terms of section 19	15.0%	R 1 000.00	0.00%	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 500.00	R 434.78		Fail to comply with a notice served upon him/her in terms of bylaws relating to water, sanitation services and industrial effluent	15.0%	R 500.00	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 1 000.00	R 869.57		Disconnect a measuring device and its associated apparatus from the pipe in which they are installed	15.0%	R 1 000.00	0.00%	R 1 050.00	5.00%	R 1 102.00	4.95%	R 869.57
R 500.00	R 434.78		Break a seal which the municipality has placed on a water meter	15.0%	R 500.00	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 500.00	R 434.78		Interfere with a measuring device and its associated apparatus	15.0%	R 500.00	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 2 000.00	R 1 739.13		Owner fail to provide and maintain approved measures to prevent the entry of substance which may be a danger to health or adversely affect water potability	15.0%	R 2 000.00	0.00%	R 2 100.00	5.00%	R 2 205.00	5.00%	R 1 739.13
R 500.00	R 434.78		Disregard any water restrictions imposed by the municipality	15.0%	R 500.00	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 500.00	R 434.78		Permit wasteful discharge of water from the terminal fittings	15.0%	R 500.00	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
R 500.00	R 434.78		Permit an overflow of water to persist	15.0%	R 500.00	0.00%	R 525.00	5.00%	R 551.00	4.95%	R 434.78
		6.3.3	Electricity								
R 47.00	R 40.87	6.3.3.1	Re-connections of cut supplies of Pre-Paid, per re-connection:								
R 47.00	R 40.87		(a) Urban areas	15.0%	R 49.00	4.26%	R 51.00	4.08%	R 53.00	3.92%	R 42.61
			(b) Rural areas	15.0%	R 49.00	4.26%	R 51.00	4.08%	R 53.00	3.92%	R 42.61
R 124.00	R 107.83	6.3.3.2	Re-connections of cut supplies on request of consumers of Conventional Meters, per re-connection:								
R 156.00	R 135.65		(a) Urban areas	15.0%	R 130.00	4.84%	R 136.00	4.62%	R 142.00	4.41%	R 113.04
R 221.00	R 192.17		(b) Rural areas	15.0%	R 163.00	4.49%	R 171.00	4.91%	R 179.00	4.68%	R 141.74
			(c) All areas after hours	15.0%	R 232.00	4.98%	R 243.00	4.74%	R 255.00	4.94%	R 201.74
R 187.00	R 162.61	6.3.3.3	Special meter reading as per Article 52(3) per reading per meter								
R 289.00	R 251.30		(a) Urban areas	15.0%	R 196.00	4.81%	R 205.00	4.59%	R 215.00	4.88%	R 170.43
R 16.00	R 13.91		(b) Rural areas	15.0%	R 303.00	4.84%	R 318.00	4.95%	R 333.00	4.72%	R 263.48
R 300.00	R 260.87	6.3.3.4	Duplicate Identification Card: Pre-Paid electricity, per card.	15.0%	R 17.00	6.25%	R 15.00	-11.76%	R 15.00	0.00%	R 14.78
		6.3.3.5	Switching Fee (Any call out for private purposes)	15.0%	R 300.00	New	R 315.00	5.00%	R 330.00	4.76%	R 260.87
R 2 179.00	R 2 179.00	6.3.4	Deposits - new buildings								
			Businesses	Exempt	R 2 287.00	4.96%	R 2 401.00	4.98%	R 2 521.00	5.00%	R 2 287.00
			Industries (Estimated on consumption)	Exempt							
R 318.00	R 318.00		Residential clients								
R 513.00	R 513.00		With pre-paid electricity and water meter	Exempt	R 333.00	4.72%	R 349.00	4.80%	R 366.00	4.87%	R 333.00
R 1 218.00	R 1 218.00		With only a pre-paid electricity meter	Exempt	R 538.00	4.87%	R 564.00	4.83%	R 592.00	4.96%	R 538.00
			All other residential clients	Exempt	R 1 278.00	4.93%	R 1 341.00	4.93%	R 1 408.00	5.00%	R 1 278.00

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Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.4.	TECHNICAL SERVICES								
		6.4.1.	CIVIL SERVICES								
		6.4.1.1	Building Plan								
R 22.00	R 19.13	6.4.1.1.1	Calculate on the gross covered area, to the nearest square meter - tariff per building plan per m² (Subject to the stipulation at 4.1.1.2 hereunder) Industrial/commercial tariff per building plan per m² (Subject to the stipulation at 4.1.1.2 hereunder) With a minimum building plan tariff Building deposit In the event of illegal building operations without an approved plan, a charge of <u>three</u> times the above building plan fees plus the following tariff per day that the plan is outstanding, will apply:	15.0%	R 24.00	9.09%	R 26.00	8.33%	R 28.00	7.69%	R 20.87
R 275.00 R 1 892.00	R 239.13			15.0% Exempt	R 288.00 R 1 986.00	4.73% 4.97%	R 302.00 R 2 085.00	4.86% 4.98%	R 317.00 R 2 189.00	4.97% 4.99%	R 250.43
R 150.00	R 130.43			15.0%	R 157.00	4.67%	R 164.00	4.46%	R 172.00	4.88%	R 136.52
R 461.00	R 400.87	6.4.1.1.2	Swimming pools - per application, irrespective of the size of the pool. Fixed tariff per swimming pool.	15.0%	R 484.00	4.99%	R 508.00	4.96%	R 533.00	4.92%	R 420.87
R 2 216.00 R 3 694.00	R 1 926.96 R 3 212.17	6.4.1.1.3	Advertising signs application Permitted third party advertising sign (<2,0m²) per board Permitted third party advertising sign (>2,0m²) per board	15.0% 15.0%	R 2 326.00 R 3 878.00	4.96% 4.98%	R 2 442.00 R 4 071.00	4.99% 4.98%	R 2 564.00 R 4 274.00	5.00% 4.99%	R 2 022.61 R 3 372.17
R 292.00	R 253.91		Advertising sign, direction indicator or name sign on building (<1,0m²) per sign	15.0%	R 306.00	4.79%	R 321.00	4.90%	R 337.00	4.98%	R 266.09
R 1 030.00	R 895.65		Advertising sign, direction indicator or name sign on building (<5,0m²) per sign	15.0%	R 1 081.00	4.95%	R 1 135.00	5.00%	R 1 191.00	4.93%	R 940.00
R 2 216.00	R 1 926.96		Advertising sign, direction indicator or name sign on building (>5,0m²) per sign	15.0%	R 2 326.00	4.96%	R 2 442.00	4.99%	R 2 564.00	5.00%	R 2 022.61
R 438.00	R 380.87		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<1,0m²) per board	15.0%	R 459.00	4.79%	R 481.00	4.79%	R 505.00	4.99%	R 399.13
R 1 548.00	R 1 346.09		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<5,0m²) per board	15.0%	R 1 625.00	4.97%	R 1 706.00	4.98%	R 1 791.00	4.98%	R 1 413.04
R 2 953.00 R 1 000.00 R 672.00 R 1 901.00 R 1 527.00 R 2 636.00	R 2 567.83 R 869.57 R 584.35 R 1 653.04 R 1 327.83 R 2 292.17	6.4.1.1.4 6.4.1.1.5 6.4.1.1.6 6.4.1.1.7 6.4.1.1.8	Removal of illegal signs or advertisements Internal Changes (All Buildings) Major Hazard Installations LPG Installations Cellphone Mast Extension of approved building plan (for consideration of extending plan validity. Extension must be applied to prior to lapse date of plan)	15.0% 15.0% 15.0% 15.0% 15.0%	R 3 100.00 R 1 000.00 R 705.00 R 1 996.00 R 1 603.00 R 2 767.00	4.98% new 4.91% 5.00% 4.98% 4.97%	R 3 255.00 R 1 050.00 R 740.00 R 2 095.00 R 1 683.00 R 2 905.00	5.00% 5.00% 4.96% 4.96% 4.99% 4.99%	R 3 417.00 R 1 102.00 R 777.00 R 2 199.00 R 1 767.00 R 3 050.00	4.98% 4.95% 5.00% 4.96% 4.99% 4.99%	R 2 695.65 R 869.57 R 613.04 R 1 735.65 R 1 393.91 R 2 406.09
R 898.00 R 1 123.00	R 780.87 R 976.52	6.4.1.1.9 6.4.1.1.10	Demolition certificate Temporary commencement of building work in terms of Article 7(6) NBR (Not refundable)	15.0% 15.0%	R 942.00 R 1 179.00	4.90% 4.99%	R 989.00 R 1 237.00	4.99% 4.92%	R 1 038.00 R 1 298.00	4.95% 4.93%	R 819.13 R 1 025.22
R 2 248.00 R 434.00	R 1 954.78 R 377.39	6.4.1.1.11 6.4.1.1.12	Minimum building fee Penalty Fee for moving into house without occupation certificate	15.0% 15.0%	R 2 360.00 R 455.00	4.98% 4.84%	R 2 478.00 R 477.00	5.00% 4.84%	R 2 601.00 R 500.00	4.96% 4.82%	R 2 052.17 R 395.65
R 10 000.00	R 8 695.65			15.0%	R 10 000.00	New	R 10 499.00	4.99%	R 11 023.00	4.99%	R 8 695.65
		6.4.1.2	Sewerage	15.0%							
R 6 382.00 R 6 397.00 R 330.00	R 5 549.57 R 5 562.61 R 286.96		Sewerage connection, per connection 150 mm - connection to the maximum of 10 m in length > 10 m lengths (per meter)	15.0% 15.0% 15.0%	R 6 701.00 R 6 716.00 R 346.00	5.00% 4.99% 4.85%	R 7 036.00 R 7 051.00 R 363.00	5.00% 4.99% 4.91%	R 7 387.00 R 7 403.00 R 381.00	4.99% 4.99% 4.96%	R 5 826.96 R 5 840.00 R 300.87
R 601.00 R 1 061.00	R 522.61 R 922.61		Sewerage blockages: per blockage Week days Weekends and Public Holidays - per call-out Sewerage Connection (Per Connections) > 10 m lengths (per meter) - Actual Cost	15.0% 15.0% 15.0%	R 631.00 R 1 114.00	4.99% 5.00%	R 662.00 R 1 169.00	4.91% 4.94%	R 695.00 R 1 227.00	4.98% 4.96%	R 548.70 R 968.70
		6.4.1.3	Water								
		6.4.1.3.1	Water connection (per connection) Size: To 25 mm 32 mm 40 mm 50 mm 80 mm 100 mm 150 mm	15.0% 15.0% 15.0% 15.0% 15.0% 15.0% 15.0%	R 3 303.00 R 4 218.00 R 4 809.00 R 9 850.00 R 11 047.00 R 12 723.00 R 24 524.00	4.99% 4.98% 5.00% 5.00% 5.00% 4.99% 5.00%	R 3 468.00 R 4 428.00 R 5 049.00 R 10 342.00 R 11 599.00 R 13 359.00 R 25 750.00	5.00% 4.98% 4.99% 4.99% 5.00% 5.00% 5.00%	R 3 641.00 R 4 649.00 R 5 301.00 R 10 859.00 R 12 178.00 R 14 026.00 R 27 037.00	4.99% 4.99% 4.99% 5.00% 4.99% 4.99% 5.00%	R 2 872.17 R 3 667.83 R 4 181.74 R 8 565.22 R 9 606.09 R 11 063.48 R 21 325.22
		6.4.1.3.2	Smart Meter Connection (per connection) 15 mm 20 mm 50 mm	15.0% 15.0% 15.0%	R 5 644.00 R 5 749.00 R 27 597.00	4.99% 4.99% 5.00%	R 5 926.00 R 6 036.00 R 28 976.00	5.00% 4.99% 5.00%	R 6 222.00 R 6 337.00 R 30 424.00	4.99% 4.99% 5.00%	R 4 907.83 R 4 999.13 R 23 997.39
		6.4.1.3.3	Testing of water meters (per test per water meter) Size: To 205 mm 32 40 50 80	15.0% 15.0% 15.0% 15.0% 15.0%	R 346.00 R 346.00 R 2 955.00 R 5 505.00 R 9 145.00	4.85% 4.85% 4.97% 5.00% 4.99%	R 363.00 R 363.00 R 3 102.00 R 5 780.00 R 9 602.00	4.91% 4.91% 4.97% 5.00% 5.00%	R 381.00 R 381.00 R 3 257.00 R 6 069.00 R 10 082.00	4.96% 4.96% 5.00% 5.00% 5.00%	R 300.87 R 300.87 R 2 569.57 R 4 786.96 R 7 952.17
			Refundable where meter is found to be faulty.								

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		6.4.1.4	Civil								
			Motor driveways								
R 2 123.00	R 1 846.09		Single driveways (3,5m max) each	15.0%	R 2 229.00	4.99%	R 2 340.00	4.98%	R 2 457.00	5.00%	R 1 938.26
R 3 839.00	R 3 338.26		Double driveways (7,0m max) each	15.0%	R 4 030.00	4.98%	R 4 231.00	4.99%	R 4 442.00	4.99%	R 3 504.35
R 706.00	R 613.91		Placement of bridging/kerbing (each)	15.0%	R 741.00	4.96%	R 778.00	4.99%	R 816.00	4.88%	R 644.35
			Private tarring								
REMOVED	REMOVED		Double sealing, including preparation, per square meter	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
REMOVED	REMOVED		Pre-mix, including preparation, per square meter	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
REMOVED	REMOVED		Float seal on covered areas, per square meter	15.0%	REMOVED		REMOVED		REMOVED		REMOVED
			Any other private word (per quotation): Actual cost + 20 %	15.0%							
			Private work forms to be completed in all cases								
		6.4.1.5	Plans: copies								
R 100.00	R 86.96		Copies of plans per square meter size of plan	15.0%	R 105.00	5.00%	R 110.00	4.76%	R 115.00	4.55%	R 91.30
R 248.00	R 215.65		Copies: Sepia, per copy	15.0%	R 260.00	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 292.00	R 253.91		Copies: Durester, per copy	15.0%	R 306.00	4.79%	R 321.00	4.90%	R 337.00	4.98%	R 266.09
R 11.00	R 9.57		A3 or A4 , per copy	15.0%	R 12.00	9.09%	R 13.00	8.33%	R 14.00	7.69%	R 10.43
		6.4.1.6	Town Planning costs								
			(In terms of Ordinance on Land Use Planning)								
R 1 595.00	R 1 386.96	6.4.1.6.1	Concessionary use, per application	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.2	Re-zoning, per property	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
		6.4.1.6.3	Departure Art 15(1)(a)(i)								
R 330.00	R 286.96		Erven <500m² per application	15.0%	R 346.00	4.85%	R 363.00	4.91%	R 381.00	4.96%	R 300.87
R 663.00	R 576.52		Erven 500m² - 750m² per application	15.0%	R 696.00	4.98%	R 730.00	4.89%	R 766.00	4.93%	R 605.22
R 1 595.00	R 1 386.96		Erven > 750m² per application	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96		Section 15(1)(a)(ii)(temporary) per application	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
		6.4.1.6.4	Sub-divisions: per application								
R 1 595.00	R 1 386.96		Up to 20 erven	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 71.00	R 61.74		More than 20 erven (Tariff 4.6.4.1 plus tariff per erven)	15.0%	R 74.00	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
		6.4.1.6.5	Contribution to external services - New Developments (bulk services per site)	15.0%							
R 27 286.00	R 23 726.96		Tulbagh (Town area)	15.0%	R 28 650.00	5.00%	R 30 082.00	5.00%	R 31 586.00	5.00%	R 24 913.04
R 28 804.00	R 25 046.96		Tulbagh (Agricultural area, outside town area)	15.0%	R 30 244.00	5.00%	R 31 756.00	5.00%	R 33 343.00	5.00%	R 26 299.13
R 28 852.00	R 25 088.70		P A Hamlet	15.0%	R 30 294.00	5.00%	R 31 808.00	5.00%	R 33 398.00	5.00%	R 26 342.61
R 19 906.00	R 17 309.57		Other areas	15.0%	R 20 901.00	5.00%	R 21 946.00	5.00%	R 23 043.00	5.00%	R 18 174.78
		6.4.1.6.6	Contribution to external services - Applications for second unit on single plot (bulk services per site)								
		6.4.1.6.6.1	Tulbagh								
R 2 727.00	R 2 371.30		2nd unit smaller than 50 m²	15.0%	R 2 863.00	4.99%	R 3 006.00	4.99%	R 3 156.00	4.99%	R 2 489.57
R 13 642.00	R 11 862.61		2nd unit 50 m² - 120 m²	15.0%	R 14 324.00	5.00%	R 15 040.00	5.00%	R 15 792.00	5.00%	R 12 455.65
R 27 286.00	R 23 726.96		2nd unit larger than 120 m²	15.0%	R 28 650.00	5.00%	R 30 082.00	5.00%	R 31 586.00	5.00%	R 24 913.04
		6.4.1.6.6.2	PA Hamlet								
R 2 882.00	R 2 506.09		2nd unit smaller than 50 m²	15.0%	R 3 026.00	5.00%	R 3 177.00	4.99%	R 3 335.00	4.97%	R 2 631.30
R 14 425.00	R 12 543.48		2nd unit 50 m² - 120 m²	15.0%	R 15 146.00	5.00%	R 15 903.00	5.00%	R 16 698.00	5.00%	R 13 170.43
R 28 852.00	R 25 088.70		2nd unit larger than 120 m²	15.0%	R 30 294.00	5.00%	R 31 808.00	5.00%	R 33 398.00	5.00%	R 26 342.61
		6.4.1.6.6.3	All other areas								
R 1 988.00	R 1 728.70		2nd unit smaller than 50 m²	15.0%	R 2 087.00	4.98%	R 2 191.00	4.98%	R 2 300.00	4.97%	R 1 814.78
R 9 952.00	R 8 653.91		2nd unit 50 m² - 120 m²	15.0%	R 10 449.00	4.99%	R 10 971.00	5.00%	R 11 519.00	4.99%	R 9 086.09
R 19 906.00	R 17 309.57		2nd unit larger than 120 m²	15.0%	R 20 901.00	5.00%	R 21 946.00	5.00%	R 23 043.00	5.00%	R 18 174.78
R 7 500.00	R 6 521.74	6.4.1.6.6.4	Buyout of parking	15.0%	R 7 500.00		R 7 875.00	5.00%	R 8 288.00	4.99%	R 6 521.74
		6.4.1.6.7	Town Planning costs: (In terms of the Land Use Planning By-law)								
R 1 595.00	R 1 386.96	6.4.1.6.7.1	Public place closure	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.2	Restrictive condition	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.3	Deemed zoning	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.4	Amendment/cancellation of subdivision	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.5	Consolidation	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.6	Amendment of Condition	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.7	Extension of validity period	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.8	Lease area	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.9	Transfer certificate	15.0%	R 1 674.00	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 12 597.00	R 10 953.91	6.4.1.6.7.10	SDF amendment	15.0%	R 13 226.00	4.99%	R 13 887.00	5.00%	R 14 581.00	5.00%	R 11 500.87
R 6 298.00	R 5 476.52		Strategic/High impact developments (incl. renewable energy & rezonings exceeding 10ha)	15.0%	R 6 612.00	4.99%	R 6 942.00	4.99%	R 7 289.00	5.00%	R 5 749.57
		6.4.1.7	Industrial effluent								
			Industries that dispose via the normal network								
As per contractual agreements			Industries that dispose directly into the sewage treatment works	15.0%	As per contractual agreements						
			Industries that exceed with disposal	15.0%							
		6.4.1.8	Refuse removal								
R 144.00	R 125.22		Receipt and processing of private dumping at dumping site, per cubic meter	15.0%	R 151.00	4.86%	R 158.00	4.64%	R 165.00	4.43%	R 131.30
R 291.00	R 253.04		Abattoir waste at dumping site, per cubic meter	15.0%	R 305.00	4.81%	R 320.00	4.92%	R 336.00	5.00%	R 265.22
R 23.00	R 20.00		Refuse bags (Black), per package of 25 bags	15.0%	R 23.00	0.00%	R 24.00	4.35%	R 25.00	4.17%	R 20.00
R 29.45	R 25.61		Refuse bags (Green), per package of 25 bags	15.0%	R 29.45	0.00%	R 30.00	1.87%	R 31.00	3.33%	R 25.61
R 8.60	R 7.48		Provision of refuse bins for special events - per bin per occasion	15.0%	R 9.00	4.65%	R 9.50	5.56%	R 10.00	5.26%	R 7.83
			Advertisements on street refuse bins. Per advertisement per bin p/a	15.0%	R 673.00	4.99%	R 706.00	4.90%	R 741.00	4.96%	R 585.22
R 641.00	R 557.39		Refuse removal: special events (Festivals & Carnivals)	15.0%	R 490.00	4.93%	R 514.00	4.90%	R 539.00	4.86%	R 426.09
R 467.00	R 406.09		Hire of 6m skip for Garden refuse per day	15.0%	R 933.00	4.95%	R 979.00	4.93%	R 1 027.00	4.90%	R 811.30
R 889.00	R 773.04		Additional day (Skip)	15.0%	R 75.00	4.17%	R 78.00	4.00%	R 81.00	3.85%	R 65.22
R 72.00	R 62.61		Special Garden Refuse removal per load. Approved manageable garden Refuse will be removed if it can be loaded onto truck after payment of an account is issued by Cleansing Department (Quotation)	15.0%	R 1 167.00	4.95%	R 1 225.00	4.97%	R 1 286.00	4.98%	R 1 014.78

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat	Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
6.4.1.9 Development Charges										
6.4.1.9.1 Ceres (Zone 1)										
R 4 768.22	R 4 146.28	6.4.1.9.1.1 Water: Unit of measurement R/kl/day	15.0%	R 5 006.00	4.99%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 4 353.04
R 3 182.12	R 2 767.06	6.4.1.9.1.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 341.00	4.99%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 2 905.22
R 667.61	R 580.53	6.4.1.9.1.3 Roads: Unit of measurement R/trips/day	15.0%	R 700.00	4.85%	R 735.00	5.00%	R 771.00	4.90%	R 608.70
R 92 563.85	R 80 490.30	6.4.1.9.1.4 Storm water: Unit of measurement R/trips/day	15.0%	R 97 192.00	5.00%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 84 514.78
R 1 333.02	R 1 159.15	6.4.1.9.1.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 399.00	4.95%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 216.52
R 1 357.70	R 1 180.61	6.4.1.9.1.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 425.00	4.96%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 239.13
6.4.1.9.2 ODB (Zone 2)										
R 4 768.22	R 4 146.28	6.4.1.9.2.1 Water: Unit of measurement R/kl/day	15.0%	R 5 006.00	4.99%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 4 353.04
R 3 182.12	R 2 767.06	6.4.1.9.2.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 341.00	4.99%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 2 905.22
R 667.61	R 580.53	6.4.1.9.2.3 Roads: Unit of measurement R/trips/day	15.0%	R 700.00	4.85%	R 735.00	5.00%	R 771.00	4.90%	R 608.70
R 92 563.85	R 80 490.30	6.4.1.9.2.4 Storm water: Unit of measurement R/trips/day	15.0%	R 97 192.00	5.00%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 84 514.78
R 1 333.02	R 1 159.15	6.4.1.9.2.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 399.00	4.95%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 216.52
R 1 357.70	R 1 180.61	6.4.1.9.2.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 425.00	4.96%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 239.13
6.4.1.9.3 PAH (Zone 3)										
R 4 768.22	R 4 146.28	6.4.1.9.3.1 Water: Unit of measurement R/kl/day	15.0%	R 5 006.00	4.99%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 4 353.04
R 3 182.12	R 2 767.06	6.4.1.9.3.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 341.00	4.99%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 2 905.22
R 667.61	R 580.53	6.4.1.9.3.3 Roads: Unit of measurement R/trips/day	15.0%	R 700.00	4.85%	R 735.00	5.00%	R 771.00	4.90%	R 608.70
R 92 563.85	R 80 490.30	6.4.1.9.3.4 Storm water: Unit of measurement R/trips/day	15.0%	R 97 192.00	5.00%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 84 514.78
R 1 333.02	R 1 159.15	6.4.1.9.3.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 399.00	4.95%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 216.52
R 1 357.70	R 1 180.61	6.4.1.9.3.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 425.00	4.96%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 239.13
6.4.1.9.4 Wolseley (Zone 4)										
R 4 768.22	R 4 146.28	6.4.1.9.4.1 Water: Unit of measurement R/kl/day	15.0%	R 5 006.00	4.99%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 4 353.04
R 3 182.12	R 2 767.06	6.4.1.9.4.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 341.00	4.99%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 2 905.22
R 667.61	R 580.53	6.4.1.9.4.3 Roads: Unit of measurement R/trips/day	15.0%	R 700.00	4.85%	R 735.00	5.00%	R 771.00	4.90%	R 608.70
R 92 563.85	R 80 490.30	6.4.1.9.4.4 Storm water: Unit of measurement R/trips/day	15.0%	R 97 192.00	5.00%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 84 514.78
R 1 333.02	R 1 159.15	6.4.1.9.4.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 399.00	4.95%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 216.52
R 1 357.70	R 1 180.61	6.4.1.9.4.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 425.00	4.96%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 239.13
6.4.1.9.5 Tulbagh (Zone 5)										
R 4 768.22	R 4 146.28	6.4.1.9.5.1 Water: Unit of measurement R/kl/day	15.0%	R 5 006.00	4.99%	R 5 256.00	4.99%	R 5 518.00	4.98%	R 4 353.04
R 3 182.12	R 2 767.06	6.4.1.9.5.2 Sewer: Unit of measurement R/kl/day	15.0%	R 3 341.00	4.99%	R 3 508.00	5.00%	R 3 683.00	4.99%	R 2 905.22
R 667.61	R 580.53	6.4.1.9.5.3 Roads: Unit of measurement R/trips/day	15.0%	R 700.00	4.85%	R 735.00	5.00%	R 771.00	4.90%	R 608.70
R 92 563.85	R 80 490.30	6.4.1.9.5.4 Storm water: Unit of measurement R/trips/day	15.0%	R 97 192.00	5.00%	R 102 051.00	5.00%	R 107 153.00	5.00%	R 84 514.78
R 1 333.02	R 1 159.15	6.4.1.9.5.5 Solid Waste: Unit of measurement R/kg/day	15.0%	R 1 399.00	4.95%	R 1 468.00	4.93%	R 1 541.00	4.97%	R 1 216.52
R 1 357.70	R 1 180.61	6.4.1.9.5.6 Electricity: Unit of measurement R/kVA	15.0%	R 1 425.00	4.96%	R 1 496.00	4.98%	R 1 570.00	4.95%	R 1 239.13
6.4.1.10 Wayleaves for the installation of services in the road reserve										
6.4.1.10.1 Administration and Supervision (Per Application)										
		Administration fee for a miscellaneous wayleave to use the road reserve for a period of one month or less other than to install an underground service	15.0%	R 540.00	New	R 567.00	5.00%	R 595.00	4.94%	R 469.57
		Administration fee for a wayleave or permit to use the road reserve to install an underground service	15.0%	R 1 836.00	New	R 1 927.00	4.96%	R 2 023.00	4.98%	R 1 596.52
		Supervision fee for a wayleave to install an underground service	15.0%	R 4 860.00	New	R 5 103.00	5.00%	R 5 358.00	5.00%	R 4 226.09
				200% of above admin & supervision fees		200% of above admin & supervision fees		200% of above admin & supervision fees		200% of above admin & supervision fees
		6.4.1.10.1.4 Unauthorised commencement of use of the road reserve	15.0%		New					
6.4.1.10.2 Refundable deposit										
		6.4.1.10.2.1 Trenches in roadways measured per m ²	15.0%	R 1 840.00	New	R 1 932.00	5.00%	R 2 028.00	4.97%	R 1 600.00
		6.4.1.10.2.2 Trenches in surfaced sidewalks measured m ²	15.0%	R 821.00	New	R 862.00	4.99%	R 905.00	4.99%	R 713.91
		6.4.1.10.2.3 Trenches in natural or grass sidewalks measured per m ²	15.0%	R 162.00	New	R 170.00	4.94%	R 178.00	4.71%	R 140.87
		6.4.1.10.2.4 Use of the road reserve for storage or in conjunction with construction or maintenance per application	15.0%	R 7 560.00	New	R 7 938.00	5.00%	R 8 334.00	4.99%	R 6 573.91
6.4.1.10.3 Roadway Open Trench Fee										
		6.4.1.10.3.1 Tariff for authorised trenching across a municipal roadway (per m measured from 0.5m behind the kerb or road edge)	15.0%	R 6 048.00	New	R 6 350.00	4.99%	R 6 667.00	4.99%	R 5 259.13
		6.4.1.10.3.2 Micro trenching (per m measured from 0.5m behind the kerb or road edge)	15.0%	R 1 296.00	New	R 1 360.00	4.94%	R 1 428.00	5.00%	R 1 126.96
		6.4.1.10.3.3 Tariff for unauthorised trenching across a municipal roadway (per m measured from 0.5m behind the kerb or road edge)	15.0%	200% of the above	New	200% of the above		200% of the above		200% of the above
6.4.2 ELECTRICAL SERVICES										
6.4.2.1 Re-connection after tampering with meters										
		In terms of Section 14 of the Supply Regulations, per meter								
		Per re-connection								
R 1 681.00	R 1 461.74	First offence	15.0%	R 1 765.00	5.00%	R 1 853.00	4.99%	R 1 945.00	4.96%	R 1 534.78
R 3 366.00	R 2 926.96	Second offence	15.0%	R 3 534.00	4.99%	R 3 710.00	4.98%	R 3 895.00	4.99%	R 3 073.04
6.4.2.2 Repair to supply										
		In terms of Section 22 of the Supply Regulations								
		Per repair to supply								
R 346.00	R 300.87	Urban areas	15.0%	R 363.00	4.91%	R 381.00	4.96%	R 400.00	4.99%	R 315.65
R 392.00	R 340.87	Rural areas	15.0%	R 411.00	4.85%	R 431.00	4.87%	R 452.00	4.87%	R 357.39
		In terms of Section 28 of the Supply Regulations								
		Per re-connection (Section 28(1))								
R 165.00	R 143.48	Urban areas	15.0%	R 173.00	4.85%	R 181.00	4.62%	R 190.00	4.97%	R 150.43
R 208.00	R 180.87	Rural areas	15.0%	R 218.00	4.81%	R 228.00	4.59%	R 239.00	4.82%	R 189.57
6.4.2.3 Verification of electricity meter										
		In terms of Section 51 (3)								
		Per testing of meter								
		Urban areas								
R 614.00	R 533.91	(i) Single Phase electro-mechanical, per meter	15.0%	R 644.00	4.89%	R 676.00	4.97%	R 709.00	4.88%	R 560.00
R 803.00	R 698.26	(ii) Three Phase electro-mechanical, per meter	15.0%	R 843.00	4.98%	R 885.00	4.98%	R 929.00	4.97%	R 733.04
R 596.00	R 518.26	(iii) Single phase pre-paid meter, per meter	15.0%	R 625.00	4.87%	R 656.00	4.96%	R 688.00	4.88%	R 543.48
R 785.00	R 682.61	(iv) Three phase pre-paid meter, per meter	15.0%	R 824.00	4.97%	R 865.00	4.98%	R 908.00	4.97%	R 716.52

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat	Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
R 918.00	R 798.26	(v) KVA / kWh meter, per meter	15.0%	R 963.00	4.90%	R 1 011.00	4.98%	R 1 061.00	4.95%	R 837.39
R 262.00	R 227.83	(vi) Meter verifying	15.0%	R 275.00	4.96%	R 288.00	4.73%	R 302.00	4.86%	R 239.13
		Rural areas								
R 668.00	R 580.87	(i) Single phase electro-mechanical, per meter	15.0%	R 701.00	4.94%	R 736.00	4.99%	R 772.00	4.89%	R 609.57
R 859.00	R 746.96	(ii) Three phase electro-mechanical, per meter	15.0%	R 901.00	4.89%	R 946.00	4.99%	R 993.00	4.97%	R 783.48
R 656.00	R 570.43	(iii) Single Phase pre-paid meter, per meter	15.0%	R 688.00	4.88%	R 722.00	4.94%	R 758.00	4.99%	R 598.26
R 845.00	R 734.78	(iv) Three phase pre-paid meter per meter	15.0%	R 887.00	4.97%	R 931.00	4.96%	R 977.00	4.94%	R 771.30
R 976.00	R 848.70	(v) KVA / kWh meter per meter	15.0%	R 1 024.00	4.92%	R 1 075.00	4.98%	R 1 128.00	4.93%	R 890.43
R 315.00	R 273.91	(vi) Meter verifying	15.0%	R 330.00	4.76%	R 346.00	4.85%	R 363.00	4.91%	R 286.96
		6.4.2.4 Single phase connection								
R 13 673.00	R 11 889.57	Single phase connection with underground cable and electro-mechanical meter, per connection	15.0%	R 14 356.00	5.00%	R 15 073.00	4.99%	R 15 826.00	5.00%	R 12 483.48
R 13 673.00	R 11 889.57	Single phase connection with underground cable and pre-paid meter, per connection	15.0%	R 14 356.00	5.00%	R 15 073.00	4.99%	R 15 826.00	5.00%	R 12 483.48
R 9 511.00	R 8 270.43	Single phase connection with overhead cable and electro-mechanical meter, per connection	15.0%	R 9 986.00	4.99%	R 10 485.00	5.00%	R 11 009.00	5.00%	R 8 683.48
R 9 511.00	R 8 270.43	Single phase connection with overhead cable and pre-paid meter, per connection	15.0%	R 9 986.00	4.99%	R 10 485.00	5.00%	R 11 009.00	5.00%	R 8 683.48
R 10 699.00	R 9 303.48	Informal Single phase overhead connection with pre-paid meter and ready board	15.0%	R 11 233.00	4.99%	R 11 794.00	4.99%	R 12 383.00	4.99%	R 9 767.83
R 905.00	R 786.96	Change from electro-mechanical meter to automat meter, per change	15.0%	R 950.00	4.97%	R 997.00	4.95%	R 1 046.00	4.91%	R 826.09
		6.4.2.5 Temporary connection								
		Temporary connections are supplied at the tariffs mentioned in 4.2.4 for a single phase connection, and at actual cost for a three phase connection. The cost or tariff payment is deemed as a deposit. On termination of the account, the deposit is refunded after the cost of consumption, any damage to the equipment, and a 20 % administrative charge have been recovered. The connection is supplied in accordance with the Municipality's Electricity by-laws, as amended.								
R 8 566.00	R 7 448.70	6.4.2.6 Government-subsidised housing - (20 % admin. Charges not included)	15.0%	R 8 994.00	5.00%	R 9 443.00	4.99%	R 9 915.00	5.00%	R 7 820.87



DRAFT BUDGET

SCHEDULES:

2020 / 2021 – 2022 / 2023

WC022 Witzenberg - 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	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands										
Financial Performance										
Property rates	59 649	63 712	69 879	72 282	72 282	72 282	–	77 848	84 339	89 103
Service charges	286 564	306 170	305 199	346 953	347 173	347 173	–	383 242	420 733	468 777
Investment revenue	6 512	8 122	8 551	8 695	8 695	8 695	–	9 129	9 586	9 089
Transfers recognised - operational	101 429	94 263	105 201	138 467	139 123	139 123	–	116 969	125 089	166 900
Other own revenue	60 381	57 682	46 200	50 229	50 191	50 191	–	53 229	55 626	57 215
Total Revenue (excluding capital transfers and contributions)	516 534	529 928	535 031	616 625	617 464	617 464	–	640 437	695 373	791 084
Employee costs	133 332	156 415	166 502	192 524	208 373	208 373	–	209 705	224 867	244 178
Remuneration of councillors	8 780	9 170	9 458	11 459	11 459	11 459	–	12 032	12 633	13 265
Depreciation & asset impairment	26 280	28 699	30 415	45 590	45 590	45 590	–	48 932	51 643	51 643
Finance charges	17 573	8 675	15 947	8 840	8 724	8 724	–	9 181	9 635	10 108
Materials and bulk purchases	179 203	194 878	204 340	246 787	248 057	248 057	–	279 551	302 914	339 418
Transfers and grants	941	13 920	10 019	30 962	31 079	31 079	–	2 179	1 859	32 976
Other expenditure	146 820	105 459	96 099	118 518	136 191	136 191	–	132 061	137 312	142 054
Total Expenditure	512 929	516 217	532 678	654 689	689 473	689 473	–	693 640	740 863	834 542
Surplus/(Deficit)	3 605	13 711	2 352	(38 065)	(72 009)	(72 009)	–	(53 203)	(45 490)	(43 458)
Transfers and subsidies - capital (monetary allocations)	38 768	34 481	54 177	44 178	45 826	45 826	–	78 716	120 459	28 167
Contributions recognised - capital & contributed assets	54 943	–	–	–	501	501	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	97 316	48 192	56 530	6 123	(25 682)	(25 682)	–	25 513	74 968	(15 292)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	97 316	48 192	56 530	6 123	(25 682)	(25 682)	–	25 513	74 968	(15 292)
Capital expenditure & funds sources										
Capital expenditure	115 242	66 333	86 657	71 613	81 290	81 290	–	88 764	134 196	38 340
Transfers recognised - capital	92 684	34 183	54 177	45 678	46 327	46 327	–	78 716	120 459	28 167
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	3 043	3 043	–	–	–	–
Internally generated funds	22 558	29 617	32 479	25 935	31 919	31 919	–	10 048	13 737	10 173
Total sources of capital funds	115 242	63 800	86 657	71 613	81 290	81 290	–	88 764	134 196	38 340
Financial position										
Total current assets	150 794	181 020	183 674	183 059	160 863	160 863	160 863	165 742	177 778	196 067
Total non current assets	874 960	905 212	965 334	991 357	1 000 758	1 000 758	1 000 758	1 040 590	1 123 143	1 109 839
Total current liabilities	73 911	80 895	91 452	109 219	128 555	128 555	128 555	149 253	170 373	192 150
Total non current liabilities	153 138	157 917	155 516	157 034	157 034	157 034	157 034	155 534	154 034	152 334
Community wealth/Equity	799 105	847 421	902 040	908 163	876 032	876 032	876 032	901 545	975 514	961 222
Cash flows										
Net cash from (used) operating	80 132	84 479	81 900	70 692	67 615	67 615	67 615	90 315	141 297	50 633
Net cash from (used) investing	(92 647)	(62 257)	(83 389)	(71 613)	(81 014)	(81 014)	(81 014)	(88 764)	(134 196)	(38 340)
Net cash from (used) financing	(8 150)	(1 094)	(1 745)	–	–	–	–	(1 500)	(1 500)	(1 500)
Cash/cash equivalents at the year end	76 333	97 506	94 272	93 351	80 873	80 873	80 873	80 923	86 524	97 318
Cash backing/surplus reconciliation										
Cash and investments available	76 333	97 506	94 272	93 351	80 873	80 873	80 873	80 923	86 524	97 318
Application of cash and investments	(14 683)	(20 299)	10 768	819	9 810	9 810	–	14 762	17 308	18 272
Balance - surplus (shortfall)	91 016	117 805	83 504	92 532	71 063	71 063	80 873	66 162	69 217	79 046
Asset management										
Asset register summary (WDV)	875 023	903 065	965 334	1 036 947	1 046 623	1 046 623	–	1 135 387	1 269 583	1 307 922
Depreciation	26 280	28 699	30 415	45 590	45 590	45 590	–	48 932	51 643	51 643
Renewal of Existing Assets	4 924	10 816	15 824	11 900	12 653	12 653	–	4 900	–	5 000
Repairs and Maintenance	23 091	18 886	18 336	16 442	16 548	16 548	–	18 262	19 454	20 350
Free services										
Cost of Free Basic Services provided	13 531	11 659	20 292	7 465	7 465	7 465	4 865	4 865	3 822	3 310
Revenue cost of free services provided	8 379	8 939	17 462	27 352	27 352	27 352	35 629	35 629	31 149	29 365
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

WC022 Witzenberg - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description		Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
Revenue - Functional												
Governance and administration			93 145	85 845	88 978	95 002	95 064	95 064	101 962	108 943	112 863	
Executive and council			325	—	—	—	0	0	—	—	—	
Finance and administration			92 820	85 845	88 978	95 002	95 064	95 064	101 962	108 943	112 863	
Internal audit			—	—	—	—	—	—	—	—	—	
Community and public safety			144 225	127 800	132 132	180 245	180 072	180 072	149 517	158 982	207 976	
Community and social services			71 487	80 916	96 371	105 912	106 608	106 608	115 381	124 046	139 475	
Sport and recreation			22 976	7 477	6 826	20 394	19 525	19 525	8 696	8 218	8 629	
Public safety			25 151	26 641	20 079	24 448	24 448	24 448	24 912	26 158	28 251	
Housing			24 611	12 766	8 855	29 492	29 492	29 492	527	560	31 621	
Health			—	—	—	—	—	—	—	—	—	
Economic and environmental services			58 004	5 731	19 990	10 543	13 325	13 325	20 173	48 799	13 382	
Planning and development			1 309	1 540	1 791	3 669	5 134	5 134	2 512	2 627	2 745	
Road transport			56 329	4 189	18 111	6 337	7 493	7 493	17 647	46 159	10 626	
Environmental protection			367	2	88	538	698	698	13	14	10	
Trading services			314 796	344 933	346 951	374 903	375 221	375 221	447 387	498 987	484 904	
Energy sources			221 653	209 994	226 478	267 273	267 493	267 493	297 674	328 428	367 812	
Water management			40 582	67 545	49 654	56 021	54 303	54 303	67 441	84 276	55 229	
Waste water management			30 417	41 431	45 431	26 404	26 404	26 404	47 215	49 860	29 987	
Waste management			22 144	25 962	25 388	25 206	27 020	27 020	35 057	36 423	31 877	
Other			4	74	100	—	109	109	109	115	120	126
Total Revenue - Functional			2	610 245	564 409	588 051	660 803	663 791	663 791	719 153	815 832	819 250
Expenditure - Functional												
Governance and administration			90 544	88 216	76 011	120 995	148 787	148 787	143 462	150 665	160 240	
Executive and council			23 254	22 887	22 343	28 588	28 516	28 516	30 612	32 525	34 529	
Finance and administration			65 364	63 186	51 368	90 177	118 041	118 041	110 044	115 147	122 512	
Internal audit			1 926	2 144	2 300	2 230	2 230	2 230	2 805	2 993	3 199	
Community and public safety			104 049	102 346	97 466	130 780	128 678	128 678	104 593	109 553	147 552	
Community and social services			21 657	21 733	23 633	26 589	26 857	26 857	28 760	28 492	30 073	
Sport and recreation			20 521	23 574	25 297	28 548	27 445	27 445	30 457	32 703	34 934	
Public safety			34 339	40 571	35 583	40 517	40 353	40 353	39 568	42 140	44 854	
Housing			27 532	16 468	12 954	35 126	34 022	34 022	5 807	6 218	37 690	
Health			—	—	—	—	—	—	—	—	—	
Economic and environmental services			27 165	31 529	33 862	38 789	40 024	40 024	40 540	41 683	44 038	
Planning and development			8 391	8 797	9 030	11 868	11 797	11 797	12 992	12 392	13 362	
Road transport			17 098	21 410	24 181	24 531	25 688	25 688	25 539	27 120	28 332	
Environmental protection			1 675	1 321	651	2 390	2 539	2 539	2 009	2 171	2 343	
Trading services			291 101	293 298	323 358	363 203	371 071	371 071	404 086	437 960	481 659	
Energy sources			201 090	201 572	208 229	260 127	259 642	259 642	291 480	318 337	355 780	
Water management			20 399	28 025	37 704	28 971	33 879	33 879	32 659	34 473	35 968	
Waste water management			29 814	28 364	33 065	31 759	33 665	33 665	33 746	35 923	37 749	
Waste management			39 799	35 338	44 361	42 346	43 885	43 885	46 200	49 227	52 162	
Other			4	70	828	824	914	914	959	1 003	1 053	
Total Expenditure - Functional			3	512 929	516 217	531 521	654 680	689 473	689 473	693 640	740 863	834 542
Surplus/(Deficit) for the year				97 316	48 192	56 529	6 123	(25 682)	(25 682)	25 513	74 968	(15 292)

References

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

WC022 Witzenberg - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Revenue - Functional										
<i>Municipal governance and administration</i>		93 145	85 845	88 978	95 002	95 064	95 064	101 962	108 943	112 863
Executive and council		325	-	-	-	0	0	-	-	-
Mayor and Council		325	-	-	-	0	0	-	-	-
Municipal Manager, Town Secretary and Chief Executive		-	-	-	-	-	-	-	-	-
Finance and administration		92 820	85 845	88 978	95 002	95 064	95 064	101 962	108 943	112 863
Administrative and Corporate Support		-	0	1	9	9	9	9	9	10
Asset Management		-	-	-	-	-	-	-	-	-
Finance		77 700	84 951	88 406	94 446	94 409	94 409	101 378	108 330	112 219
Fleet Management		-	-	-	-	-	-	-	-	-
Human Resources		14 159	212	499	526	526	526	552	580	609
Information Technology		-	-	-	-	-	-	-	-	-
Legal Services		-	-	-	-	-	-	-	-	-
Marketing, Customer Relations, Publicity and Media Co-ordination		-	-	20	4	104	104	4	5	5
Property Services		962	-	-	-	-	-	-	-	-
Risk Management		-	-	-	-	-	-	-	-	-
Security Services		-	-	-	-	-	-	-	-	-
Supply Chain Management		-	682	52	17	17	17	18	19	20
Valuation Service		-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Governance Function		-	-	-	-	-	-	-	-	-
Community and public safety		144 225	127 800	132 132	180 245	180 072	180 072	149 517	158 982	207 976
Community and social services		71 487	80 916	96 371	105 912	106 608	106 608	115 381	124 046	139 475
Aged Care		61 566	72 016	86 628	95 119	95 415	95 415	104 406	112 187	122 520
Agricultural		-	-	-	-	-	-	-	-	-
Animal Care and Diseases		-	-	-	-	-	-	-	-	-
Cemeteries, Funeral Parlours and Crematoriums		246	246	224	222	222	222	233	383	5 076
Child Care Facilities		-	-	-	-	-	-	-	-	-
Community Halls and Facilities		305	525	495	863	863	863	906	1 102	939
Consumer Protection		-	-	-	-	-	-	-	-	-
Cultural Matters		-	-	-	-	-	-	-	-	-
Disaster Management		-	-	-	-	-	-	-	-	-
Education		-	-	-	-	-	-	-	-	-
Indigenous and Customary Law		-	-	-	-	-	-	-	-	-
Industrial Promotion		-	-	-	-	-	-	-	-	-
Language Policy		-	-	-	-	-	-	-	-	-
Libraries and Archives		9 370	8 130	9 024	9 707	10 107	10 107	9 836	10 375	10 940
Literacy Programmes		-	-	-	-	-	-	-	-	-
Media Services		-	-	-	-	-	-	-	-	-
Museums and Art Galleries		-	-	-	-	-	-	-	-	-
Population Development		-	-	-	-	-	-	-	-	-
Provincial Cultural Matters		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Zoo's		-	-	-	-	-	-	-	-	-
Sport and recreation		22 976	7 477	6 826	20 394	19 525	19 525	8 696	8 218	8 629
Beaches and Jetties		-	-	-	-	-	-	-	-	-
Casinos, Racing, Gambling, Wagering		-	-	-	-	-	-	-	-	-
Community Parks (including Nurseries)		133	-	-	-	-	-	-	-	-
Recreational Facilities		7 218	7 347	6 456	7 299	7 299	7 299	7 664	8 048	8 450
Sports Grounds and Stadiums		15 626	130	371	13 095	12 225	12 225	1 032	170	179

SAMRAS[™]

Prepared by :

Date : 2020/03/24 04:46 PM

ALTRON | BYTES
SYSTEMS
INTEGRATION

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Public safety		25 151	26 641	20 079	24 448	24 448	24 448	24 912	26 158	28 251
Civil Defence		–	–	–	–	–	–	–	–	–
Cleansing		–	–	–	–	–	–	–	–	–
Control of Public Nuisances		–	–	–	–	–	–	–	–	–
Fencing and Fences		–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		–	3	3	728	728	728	6	6	807
Licensing and Control of Animals		–	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		25 151	26 637	20 076	23 720	23 720	23 720	24 906	26 152	27 444
Pounds		–	–	–	–	–	–	–	–	–
Housing		24 611	12 766	8 855	29 492	29 492	29 492	527	560	31 621
Housing		24 611	12 766	8 855	29 492	29 492	29 492	527	560	31 621
Informal Settlements		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Ambulance		–	–	–	–	–	–	–	–	–
Health Services		–	–	–	–	–	–	–	–	–
Laboratory Services		–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases including immunizations		–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–
Economic and environmental services		58 004	5 731	19 990	10 543	13 325	13 325	20 173	48 799	13 382
Planning and development		1 309	1 540	1 791	3 669	5 134	5 134	2 512	2 627	2 745
Billboards		–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		–	–	–	–	–	–	–	–	–
Central City Improvement District		–	–	–	–	–	–	–	–	–
Development Facilitation		–	–	–	–	–	–	–	–	–
Economic Development/Planning		–	295	388	250	1 715	1 715	–	–	–
Regional Planning and Development		–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer		1 072	1 233	1 404	2 793	2 793	2 793	1 882	1 977	2 075
Project Management Unit		238	11	–	626	626	626	630	650	670
Provincial Planning		–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–
Road transport		56 329	4 189	18 111	6 337	7 493	7 493	17 647	46 159	10 626
Public Transport		–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		–	–	–	–	–	–	–	–	–
Roads		56 329	4 189	18 111	6 337	7 493	7 493	17 647	46 159	10 626
Taxi Ranks		–	–	–	–	–	–	–	–	–
Environmental protection		367	2	88	538	698	698	13	14	10
Biodiversity and Landscape		367	2	88	538	698	698	13	14	10
Coastal Protection		–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–
Nature Conservation		–	–	–	–	–	–	–	–	–
Pollution Control		–	0	0	–	–	–	–	–	–
Soil Conservation		–	–	–	–	–	–	–	–	–

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
<i>Trading services</i>		314 796	344 933	346 951	374 903	375 221	375 221	447 387	498 987	484 904
<i>Energy sources</i>		221 653	209 994	226 478	267 273	267 493	267 493	297 674	328 428	367 812
<i>Electricity</i>		220 726	209 994	225 770	266 452	266 672	266 672	297 674	326 863	367 812
<i>Street Lighting and Signal Systems</i>		927	–	708	821	821	821	–	1 565	–
<i>Nonelectric Energy</i>		–	–	–	–	–	–	–	–	–
<i>Water management</i>		40 582	67 545	49 654	56 021	54 303	54 303	67 441	84 276	55 229
<i>Water Treatment</i>		–	–	–	–	–	–	–	–	–
<i>Water Distribution</i>		40 582	67 545	49 654	56 021	54 303	54 303	67 441	72 997	55 229
<i>Water Storage</i>		–	–	–	–	–	–	–	11 279	–
<i>Waste water management</i>		30 417	41 431	45 431	26 404	26 404	26 404	47 215	49 860	29 987
<i>Public Toilets</i>		20	–	–	–	–	–	–	–	–
<i>Sewerage</i>		28 580	39 642	33 343	23 012	23 012	23 012	33 395	38 540	29 987
<i>Storm Water Management</i>		1 817	1 789	12 088	3 391	3 391	3 391	13 819	11 320	–
<i>Waste Water Treatment</i>		–	–	–	–	–	–	–	–	–
<i>Waste management</i>		22 144	25 962	25 388	25 206	27 020	27 020	35 057	36 423	31 877
<i>Recycling</i>		–	–	–	–	–	–	–	–	–
<i>Solid Waste Disposal (Landfill Sites)</i>		651	–	–	–	–	–	–	–	–
<i>Solid Waste Removal</i>		21 493	25 962	25 388	25 206	27 020	27 020	35 057	36 423	31 877
<i>Street Cleaning</i>		–	–	–	–	–	–	–	–	–
<i>Other</i>		74	100	–	109	109	109	115	120	126
<i>Abattoirs</i>		–	–	–	–	–	–	–	–	–
<i>Air Transport</i>		–	–	–	–	–	–	–	–	–
<i>Forestry</i>		–	–	–	–	–	–	–	–	–
<i>Licensing and Regulation</i>		74	100	–	109	109	109	115	120	126
<i>Markets</i>		–	–	–	–	–	–	–	–	–
<i>Tourism</i>		–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	610 245	564 409	588 051	660 803	663 791	663 791	719 153	815 832	819 250

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Expenditure - Functional										
<i>Municipal governance and administration</i>		90 544	88 216	76 011	120 995	148 787	148 787	143 462	150 665	160 240
Executive and council		23 254	22 887	22 343	28 588	28 516	28 516	30 612	32 525	34 525
Mayor and Council		13 984	13 781	14 838	18 767	18 661	18 661	19 731	20 774	21 836
Municipal Manager, Town Secretary and Chief Executive		9 270	9 106	7 505	9 822	9 855	9 855	10 881	11 750	12 693
Finance and administration		65 364	63 186	51 368	90 177	118 041	118 041	110 044	115 147	122 512
Administrative and Corporate Support		5 595	8 010	10 401	8 615	16 642	16 642	17 535	18 533	19 519
Asset Management			59	100	4 392	4 392	4 392	4 772	5 184	5 632
Finance		25 571	19 800	26 308	33 713	36 959	36 959	39 789	40 426	42 829
Fleet Management		1 272	1 756	2 598	2 796	2 596	2 596	2 845	3 073	3 317
Human Resources		19 981	17 485	(4 572)	19 972	34 942	34 942	21 030	22 227	23 983
Information Technology		1 525	2 056	2 974	3 719	3 719	3 719	4 002	4 208	4 380
Legal Services		1 548	1 780	2 188	1 780	3 287	3 287	3 490	3 680	3 882
Marketing, Customer Relations, Publicity and Media Co-ordination		2 831	3 055	3 064	3 630	3 782	3 782	3 968	4 285	4 625
Property Services		2 430	3 554	1 813	3 489	3 489	3 489	3 709	3 927	3 982
Risk Management		-	3	16	421	421	421	457	497	540
Security Services		-	-	-	-	-	-	-	-	-
Supply Chain Management		4 612	4 869	5 944	5 970	6 440	6 440	6 963	7 504	8 091
Valuation Service		-	758	534	1 680	1 373	1 373	1 483	1 603	1 733
Internal audit		1 926	2 144	2 300	2 230	2 230	2 230	2 805	2 993	3 199
Governance Function		1 926	2 144	2 300	2 230	2 230	2 230	2 805	2 993	3 199
Community and public safety		104 049	102 346	97 466	130 780	128 678	128 678	104 593	109 553	147 552
Community and social services		21 657	21 733	23 633	26 589	26 857	26 857	28 760	28 482	30 073
Aged Care		4 929	4 541	4 533	4 296	4 552	4 552	4 771	5 527	2 661
Agricultural		-	-	-	-	-	-	-	-	-
Animal Care and Diseases		-	-	-	-	-	-	-	-	-
Cemeteries, Funeral Parlours and Crematoriums		2 417	2 581	2 903	3 317	3 292	3 292	3 585	3 874	4 185
Child Care Facilities		-	26	2	819	823	823	896	973	1 057
Community Halls and Facilities		6 050	5 441	5 568	6 080	6 087	6 087	6 671	7 242	7 612
Consumer Protection		-	-	-	-	-	-	-	-	-
Cultural Matters		-	-	-	-	-	-	-	-	-
Disaster Management		20	57	55	47	73	73	77	80	84
Education		-	8	4	705	705	705	766	832	904
Indigenous and Customary Law		-	-	-	-	-	-	-	-	-
Industrial Promotion		-	-	-	-	-	-	-	-	-
Language Policy		-	-	-	-	-	-	-	-	-
Libraries and Archives		8 242	9 079	10 568	11 324	11 324	11 324	11 994	12 964	13 571
Literacy Programmes		-	-	-	-	-	-	-	-	-
Media Services		-	-	-	-	-	-	-	-	-
Museums and Art Galleries		-	-	-	-	-	-	-	-	-
Population Development		-	-	-	-	-	-	-	-	-
Provincial Cultural Matters		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Zoo's		-	-	-	-	-	-	-	-	-
Sport and recreation		20 521	23 574	25 297	28 548	27 445	27 445	30 457	32 703	34 934
Beaches and Jetties		-	-	-	-	-	-	-	-	-
Casinos, Racing, Gambling, Wagering		-	-	-	-	-	-	-	-	-
Community Parks (including Nurseries)		4 712	5 591	6 497	6 763	6 782	6 782	7 262	7 793	8 301
Recreational Facilities		12 088	13 592	14 318	16 797	15 659	15 659	17 843	19 143	20 462
Sports Grounds and Stadiums		3 720	4 391	4 482	4 988	5 005	5 005	5 352	5 767	6 171

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Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Public safety		34 339	40 571	35 583	40 517	40 353	40 353	39 568	42 140	44 854
Civil Defence		-	-	-	-	-	-	-	-	-
Cleansing		-	-	-	-	-	-	-	-	-
Control of Public Nuisances		-	-	-	-	-	-	-	-	-
Fencing and Fences		-	-	-	-	-	-	-	-	-
Fire Fighting and Protection		6 881	9 196	10 010	9 416	9 425	9 425	9 867	10 555	11 260
Licensing and Control of Animals		-	-	-	-	-	-	-	-	-
Police Forces, Traffic and Street Parking Control		27 458	31 375	25 573	31 101	30 929	30 929	29 701	31 585	33 594
Pounds		-	-	-	-	-	-	-	-	-
Housing		27 532	16 468	12 954	35 126	34 022	34 022	5 807	6 218	37 690
Housing		27 532	16 143	12 749	33 431	32 307	32 307	3 948	4 202	35 505
Informal Settlements		-	325	205	1 695	1 715	1 715	1 859	2 016	2 185
Health		-	-	-	-	-	-	-	-	-
Ambulance		-	-	-	-	-	-	-	-	-
Health Services		-	-	-	-	-	-	-	-	-
Laboratory Services		-	-	-	-	-	-	-	-	-
Food Control		-	-	-	-	-	-	-	-	-
Health Surveillance and Prevention of Communicable Diseases including immunizations		-	-	-	-	-	-	-	-	-
Vector Control		-	-	-	-	-	-	-	-	-
Chemical Safety		-	-	-	-	-	-	-	-	-
Economic and environmental services		27 165	31 529	33 862	38 789	40 024	40 024	40 540	41 683	44 038
Planning and development		8 391	8 797	9 030	11 868	11 797	11 797	12 992	12 392	13 362
Billboards		-	-	-	-	-	-	-	-	-
Corporate Wide Strategic Planning (IDPs, LEDs)		3 527	1 761	1 825	2 182	2 157	2 157	2 290	2 456	2 636
Central City Improvement District		-	-	-	-	-	-	-	-	-
Development Facilitation		-	-	-	-	-	-	-	-	-
Economic Development/Planning		-	1 921	1 570	2 227	2 182	2 182	2 215	2 380	2 554
Regional Planning and Development		-	-	-	-	-	-	-	-	-
Town Planning, Building Regulations and Enforcement, and City Engineer		3 183	3 637	4 077	4 920	4 920	4 920	5 740	4 585	4 969
Project Management Unit		1 681	1 479	1 559	2 538	2 538	2 538	2 746	2 971	3 213
Provincial Planning		-	-	-	-	-	-	-	-	-
Support to Local Municipalities		-	-	-	-	-	-	-	-	-
Road transport		17 098	21 410	24 181	24 531	25 688	25 688	25 539	27 120	28 332
Public Transport		-	-	-	-	-	-	-	-	-
Road and Traffic Regulation		-	-	-	-	-	-	-	-	-
Roads		17 098	21 410	24 181	24 531	25 688	25 688	25 539	27 120	28 332
Taxi Ranks		-	-	-	-	-	-	-	-	-
Environmental protection		1 675	1 321	651	2 390	2 539	2 539	2 009	2 171	2 343
Biodiversity and Landscape		1 675	388	(24)	2 390	2 539	2 539	2 009	2 171	2 343
Coastal Protection		-	-	-	-	-	-	-	-	-
Indigenous Forests		-	-	-	-	-	-	-	-	-
Nature Conservation		-	-	-	-	-	-	-	-	-
Pollution Control		-	934	675	-	-	-	-	-	-
Soil Conservation		-	-	-	-	-	-	-	-	-

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Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
<i>Trading services</i>		291 101	293 298	323 358	363 203	371 071	371 071	404 086	437 960	481 658
<i>Energy sources</i>		201 090	201 572	208 229	260 127	259 642	259 642	291 480	318 337	355 780
<i>Electricity</i>		199 151	199 399	205 241	257 067	256 817	256 817	288 145	314 810	352 065
<i>Street Lighting and Signal Systems</i>		1 938	2 173	2 988	3 060	2 825	2 825	3 335	3 527	3 716
<i>Nonelectric Energy</i>		–	–	–	–	–	–	–	–	–
<i>Water management</i>		20 399	28 025	37 704	28 971	33 879	33 879	32 659	34 473	35 968
<i>Water Treatment</i>		–	34	21	1 557	1 557	1 557	1 692	1 838	1 997
<i>Water Distribution</i>		17 879	25 401	35 159	24 063	28 671	28 671	26 408	27 838	29 035
<i>Water Storage</i>		2 520	2 590	2 524	3 351	3 651	3 651	4 560	4 796	4 936
<i>Waste water management</i>		29 814	28 364	33 065	31 759	33 665	33 665	33 746	35 923	37 749
<i>Public Toilets</i>		1 462	1 363	1 432	1 710	1 710	1 710	1 875	2 029	2 197
<i>Sewerage</i>		23 727	20 919	25 120	21 855	23 752	23 752	22 481	23 848	24 883
<i>Storm Water Management</i>		4 625	6 049	6 508	5 720	5 720	5 720	6 691	7 115	7 483
<i>Waste Water Treatment</i>		–	33	5	2 475	2 483	2 483	2 699	2 932	3 185
<i>Waste management</i>		39 799	35 338	44 361	42 346	43 885	43 885	46 200	49 227	52 162
<i>Recycling</i>		–	–	–	–	–	–	–	–	–
<i>Solid Waste Disposal (Landfill Sites)</i>		17 336	8 543	13 624	16 543	16 335	16 335	17 824	18 818	19 661
<i>Solid Waste Removal</i>		22 462	25 366	28 966	24 478	26 225	26 225	26 937	28 844	30 801
<i>Street Cleaning</i>		–	1 429	1 771	1 325	1 325	1 325	1 440	1 564	1 700
<i>Other</i>		70	828	824	914	914	914	959	1 003	1 053
<i>Abattoirs</i>		–	–	–	–	–	–	–	–	–
<i>Air Transport</i>		–	–	–	–	–	–	–	–	–
<i>Forestry</i>		–	–	–	–	–	–	–	–	–
<i>Licensing and Regulation</i>		70	60	18	60	60	60	62	65	69
<i>Markets</i>		–	–	–	–	–	–	–	–	–
<i>Tourism</i>		–	768	806	854	854	854	897	938	985
Total Expenditure - Functional	3	512 929	516 217	531 521	654 680	689 473	689 473	693 640	740 863	834 542
Surplus/(Deficit) for the year		97 316	48 192	56 529	6 123	(25 682)	(25 682)	25 513	74 968	(15 292)

References

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

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WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description		Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Revenue by Vote		1									
Vote 1 - Financial Services			78 661	83 283	86 082	91 209	91 172	91 172	97 923	104 673	108 321
Vote 2 - Community Services			41 324	28 731	24 755	47 998	48 398	48 398	18 835	19 965	57 508
Vote 3 - Community Services			83 152	99 073	105 473	116 534	116 990	116 990	126 340	135 218	146 622
Vote 4 - Community Services			20 190	551	2 695	17 201	17 796	17 796	5 080	4 571	4 643
Vote 5 - Corporate Services			14 484	212	520	539	639	639	566	594	624
Vote 6 - Technical Services			309 470	258 494	292 988	304 663	306 039	306 039	366 431	428 572	412 823
Vote 7 - Technical Services			62 726	93 511	75 001	81 166	81 263	81 263	102 435	120 632	87 035
Vote 8 - Municipal Manager			238	554	537	1 495	1 495	1 495	1 542	1 607	1 675
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Revenue by Vote		2	610 245	564 409	588 051	660 803	663 791	663 791	719 153	815 832	819 250
Expenditure by Vote to be appropriated		1									
Vote 1 - Financial Services			30 564	27 219	34 049	47 140	50 548	50 548	54 508	56 346	60 051
Vote 2 - Community Services			53 826	47 728	46 668	40 684	39 210	39 210	42 428	45 601	48 530
Vote 3 - Community Services			42 579	45 455	39 622	49 582	49 591	49 591	49 208	49 980	53 227
Vote 4 - Community Services			12 737	14 040	13 678	47 226	46 692	46 692	19 452	20 985	53 362
Vote 5 - Corporate Services			49 390	50 304	31 035	60 296	83 349	83 349	72 232	76 370	80 916
Vote 6 - Technical Services			252 457	256 732	272 144	323 828	326 207	326 207	359 006	388 662	429 714
Vote 7 - Technical Services			61 797	64 914	83 736	73 373	79 851	79 851	81 121	86 152	90 802
Vote 8 - Municipal Manager			9 580	9 824	10 589	12 551	14 026	14 026	15 685	16 769	17 939
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		2	512 929	516 217	531 521	654 680	689 473	689 473	693 640	740 863	834 542
Surplus/(Deficit) for the year		2	97 316	48 192	56 530	6 123	(25 682)	(25 682)	25 513	74 968	(15 292)

References

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

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)/

Vote Description	Ref	2016/17			2017/18			2018/19			Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			A3A	Check Import Sheet
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23								
R thousand																		
Revenue by Vote	1																	
Vote 1 - Financial Services		78 661	83 283	86 082	91 209	91 172	91 172	97 923	104 673	108 321								
1.1 - Assessment Rates		61 101	60 998	64 749	76 963	76 963	76 963	82 810	89 645	94 674	1.01 REV						A3A 1.01 REV	
1.2 - Treasury: Administration		17 501	22 571	22 140	18 500	18 462	18 462	19 625	19 861	18 737	1.02 REV						A3A 1.02 REV	
1.3 - Treasury: Debtors		-	(1 058)	(910)	(4 493)	(4 493)	(4 493)	(4 763)	(5 098)	(5 367)	1.03 REV						A3A 1.03 REV	
1.4 - Treasury: Credit control		59	90	51	223	223	223	234	245	258	1.04 REV						A3A 1.04 REV	
1.5 - Supply Chain Management		-	682	52	17	17	17	18	19	20	1.05 REV						A3A 1.05 REV	
1.6 - Director: Finance		-	-	-	-	-	-	-	-	-	1.06 REV						A3A 1.06 REV	
		-	-	-	-	-	-	-	-	-	1.07 REV						A3A 1.07 REV	
		-	-	-	-	-	-	-	-	-	1.08 REV						A3A 1.08 REV	
		-	-	-	-	-	-	-	-	-	1.09 REV						A3A 1.09 REV	
		-	-	-	-	-	-	-	-	-	1.10 REV						A3A 1.10 REV	
Vote 2 - Community Services		41 324	28 731	24 755	47 998	48 398	48 398	18 835	19 965	57 508								
2.1 - Cemeteries		246	246	224	222	222	222	233	383	5 076	2.01 REV						A3A 2.01 REV	
2.2 - Control Centre		-	-	-	-	-	-	-	-	-	2.02 REV						A3A 2.02 REV	
2.3 - Housing: Administration		24 611	13 006	9 049	30 043	30 043	30 043	1 098	1 155	32 237	2.03 REV						A3A 2.03 REV	
2.4 - Library Services		9 370	8 130	9 024	9 707	10 107	10 107	9 836	10 375	10 940	2.04 REV						A3A 2.04 REV	
2.5 - Fire Protection Services		-	3	3	728	728	728	6	6	807	2.05 REV						A3A 2.05 REV	
2.6 - Pine Forest: Administration		7 098	7 346	6 456	7 298	7 298	7 298	7 662	8 046	8 448	2.06 REV						A3A 2.06 REV	
2.7 - Pine Forest: Security Service		-	-	-	-	-	-	-	-	-	2.07 REV						A3A 2.07 REV	
2.8 - Pine Forest:Semi Permanent Uni		-	-	-	-	-	-	-	-	-	2.08 REV						A3A 2.08 REV	
2.9 - Pine Forest: Cleaning Service		-	-	-	-	-	-	-	-	-	2.09 REV						A3A 2.09 REV	
2.10 - Pine Forest: Swimming Pool		-	-	-	-	-	-	-	-	-	2.10 REV						A3A 2.10 REV	
Vote 3 - Community Services		83 152	99 073	105 473	116 534	116 990	116 990	126 340	135 218	146 622								
3.1 - Community Halls And Facilities		305	321	382	605	605	605	635	667	700	3.01 REV						A3A 3.01 REV	
3.2 - Kippitriver Park: Administration		(2)	-	-	-	-	-	-	-	-	3.02 REV						A3A 3.02 REV	
3.3 - Kippitriver Park: Cleaning Service		-	-	-	-	-	-	-	-	-	3.03 REV						A3A 3.03 REV	
3.4 - Kippitriver Park: Swimming Pool		-	-	-	-	-	-	-	-	-	3.04 REV						A3A 3.04 REV	
3.5 - Licensing & Regulation		367	100	100	109	109	109	115	120	126	3.05 REV						A3A 3.05 REV	
3.6 - Environmental Protection		74	2	88	538	698	698	13	14	10	3.06 REV						A3A 3.06 REV	
3.7 - Parks		133	(2)	41	113	113	113	119	125	70	3.07 REV						A3A 3.07 REV	
3.8 - Traffic		20 709	26 637	18 235	20 050	20 050	20 050	21 053	22 105	23 196	3.08 REV						A3A 3.08 REV	
3.9 - Disaster Management		-	-	-	-	-	-	-	-	-	3.09 REV						A3A 3.09 REV	
3.10 - Social & Welfare Services		61 566	72 016	86 628	95 119	95 415	95 415	104 406	112 187	122 520	3.10 REV						A3A 3.10 REV	
Vote 4 - Community Services		20 190	551	2 695	17 201	17 796	17 796	5 080	4 571	4 643								
4.1 - Housing Construction		-	-	-	-	-	-	-	-	-	4.01 REV						A3A 4.01 REV	
4.2 - Director: Community Services		-	-	-	-	-	-	-	-	-	4.02 REV						A3A 4.02 REV	
4.3 - Recreational Land		15 626	130	371	13 095	12 225	12 225	1 032	170	179	4.03 REV						A3A 4.03 REV	
4.4 - Swimming Pools		122	126	96	186	186	186	195	205	215	4.04 REV						A3A 4.04 REV	
4.5 - Vehicle Licensing & Testing		4 442	-	1 842	3 670	3 670	3 670	3 854	4 046	4 249	4.05 REV						A3A 4.05 REV	
4.6 - Property Maintenance		-	-	-	-	-	-	-	-	-	4.06 REV						A3A 4.06 REV	
4.7 - L E D		-	295	388	250	1 715	1 715	-	-	-	4.07 REV						A3A 4.07 REV	
4.8 - Housing: Maintenance		-	-	-	-	-	-	-	-	-	4.08 REV						A3A 4.08 REV	
4.9 - Thusong Centre		-	-	-	-	-	-	-	150	-	4.09 REV						A3A 4.09 REV	
		-	-	-	-	-	-	-	-	-	4.10 REV						A3A 4.10 REV	

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)/

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			A3A	Check Import Sheet
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
R thousand												
Vote 5 - Corporate Services		14 464	212	520	539	639	639	566	594	624		
5.1 - Property Administration		-	-	-	-	-	-	-	-	-	5.01 REV	A3A 5.01 REV
5.2 - Information Technology		-	-	-	-	-	-	-	-	-	5.02 REV	A3A 5.02 REV
5.3 - Human Resources		14 159	212	499	526	526	526	552	580	609	5.03 REV	A3A 5.03 REV
5.4 - Council Cost		325	-	-	-	0	0	-	-	-	5.04 REV	A3A 5.04 REV
5.5 - Town Secretary		-	-	-	-	-	-	-	-	-	5.05 REV	A3A 5.05 REV
5.6 - Tourism		-	-	-	-	-	-	-	-	-	5.06 REV	A3A 5.06 REV
5.7 - Director Corporate Services		-	-	-	-	-	-	-	-	-	5.07 REV	A3A 5.07 REV
5.8 - Marketing & Communications		-	-	20	4	104	104	4	5	5	5.08 REV	A3A 5.08 REV
5.9 - Administration		0	-	1	9	9	9	9	9	10	5.09 REV	A3A 5.09 REV
		-	-	-	-	-	-	-	-	-	5.10 REV	A3A 5.10 REV
Vote 6 - Technical Services		309 470	258 484	292 988	304 663	306 039	306 039	366 431	428 572	412 823		
6.1 - Building Regulations & Enforce		944	690	979	899	899	899	944	991	1 040	6.01 REV	A3A 6.01 REV
6.2 - Electricity: Administration		220 726	211 203	226 811	268 154	268 374	268 374	299 523	328 836	369 949	6.02 REV	A3A 6.02 REV
6.3 - Electricity: Street Lights		927	-	708	821	821	821	-	1 565	-	6.03 REV	A3A 6.03 REV
6.4 - Electricity: Distribution		-	-	-	-	-	-	-	-	-	6.04 REV	A3A 6.04 REV
6.5 - Mechanical Workshop		-	-	-	-	-	-	-	-	-	6.05 REV	A3A 6.05 REV
6.6 - Public Toilets		20	-	-	-	-	-	-	-	-	6.06 REV	A3A 6.06 REV
6.7 - Sewerage		28 580	40 320	34 078	23 304	23 304	23 304	33 705	38 868	30 331	6.07 REV	A3A 6.07 REV
6.8 - Town Planning		128	303	213	1 756	1 756	1 756	794	834	875	6.08 REV	A3A 6.08 REV
6.9 - Stormwater Management		1 617	1 789	12 088	3 391	3 391	3 391	13 819	11 320	-	6.09 REV	A3A 6.09 REV
6.10 - Roads		56 329	4 189	18 111	6 337	7 493	7 493	17 647	46 159	10 626	6.10 REV	A3A 6.10 REV
Vote 7 - Technical Services		62 726	93 511	75 001	81 166	81 263	81 263	102 435	120 632	87 035		
7.1 - Solid Waste (Dumping Site)		651	859	769	630	1 500	1 500	10 024	7 775	743	7.01 REV	A3A 7.01 REV
7.2 - Solid Waste (Garden)		-	-	-	4	4	4	5	5	5	7.02 REV	A3A 7.02 REV
7.3 - Solid Waste (Removal)		21 493	25 107	24 578	24 510	25 456	25 456	24 965	28 576	31 058	7.03 REV	A3A 7.03 REV
7.4 - Water Storage		-	-	-	-	-	-	-	11 279	-	7.04 REV	A3A 7.04 REV
7.5 - Water Distribution		40 582	67 545	49 654	56 021	54 303	54 303	67 441	72 997	55 229	7.05 REV	A3A 7.05 REV
7.6 - Director: Technical Services		-	-	-	-	-	-	-	-	-	7.06 REV	A3A 7.06 REV
7.7 - Electricity: Client Services		-	-	-	-	-	-	-	-	-	7.07 REV	A3A 7.07 REV
7.8 - Electricity: Generation		-	-	-	-	-	-	-	-	-	7.08 REV	A3A 7.08 REV
		-	-	-	-	-	-	-	-	-	7.09 REV	A3A 7.09 REV
		-	-	-	-	-	-	-	-	-	7.10 REV	A3A 7.10 REV
Vote 8 - Municipal Manager		238	554	537	1 495	1 495	1 495	1 542	1 607	1 675		
8.1 - Municipal Manager		-	-	-	-	-	-	-	-	-	8.01 REV	A3A 8.01 REV
8.2 - Property & Legal Services		-	543	537	868	868	868	912	957	1 005	8.02 REV	A3A 8.02 REV
8.3 - IDP		-	-	-	-	-	-	-	-	-	8.03 REV	A3A 8.03 REV
8.4 - Project Management		238	11	-	626	626	626	630	650	670	8.04 REV	A3A 8.04 REV
8.5 - Performance Management		-	-	-	-	-	-	-	-	-	8.05 REV	A3A 8.05 REV
8.6 - Internal Audit		-	-	-	-	-	-	-	-	-	8.06 REV	A3A 8.06 REV
		-	-	-	-	-	-	-	-	-	8.07 REV	A3A 8.07 REV
		-	-	-	-	-	-	-	-	-	8.08 REV	A3A 8.08 REV
		-	-	-	-	-	-	-	-	-	8.09 REV	A3A 8.09 REV
		-	-	-	-	-	-	-	-	-	8.10 REV	A3A 8.10 REV
Total Revenue by Vote	2	610 245	564 409	588 051	660 803	663 791	663 791	719 153	815 832	819 250		

SAMRAS[™]

Prepared by :

Date : 2020/03/24 04:46 PM

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WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)/

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			A3A	Check Import Sheet
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
R thousand												
Expenditure by Vote	1											
Vote 1 - Financial Services		30 564	27 219	34 049	47 140	50 548	50 548	54 508	56 346	60 051		
1.1 - Assessment Rates		4 891	(1 651)	1 748	3 174	6 731	6 731	5 420	5 670	5 953	1.01 EXP	A3A 1.01 EXP
1.2 - Treasury: Administration		7 249	9 688	11 488	21 185	21 661	21 661	25 318	25 128	26 627	1.02 EXP	A3A 1.02 EXP
1.3 - Treasury: Debtors		5 322	5 136	5 069	6 400	6 093	6 093	6 410	6 679	7 375	1.03 EXP	A3A 1.03 EXP
1.4 - Treasury: Credit control		6 770	7 420	8 588	8 651	7 865	7 865	8 488	9 094	9 758	1.04 EXP	A3A 1.04 EXP
1.5 - Supply Chain Management		4 612	4 871	5 949	5 970	6 440	6 440	6 963	7 504	8 091	1.05 EXP	A3A 1.05 EXP
1.6 - Director: Finance		1 720	1 755	1 206	1 759	1 759	1 759	1 909	2 070	2 247	1.06 EXP	A3A 1.06 EXP
		-	-	-	-	-	-	-	-	-	1.07 EXP	A3A 1.07 EXP
		-	-	-	-	-	-	-	-	-	1.08 EXP	A3A 1.08 EXP
		-	-	-	-	-	-	-	-	-	1.09 EXP	A3A 1.09 EXP
		-	-	-	-	-	-	-	-	-	1.10 EXP	A3A 1.10 EXP
Vote 2 - Community Services		53 826	47 728	46 668	40 684	39 210	39 210	42 428	45 601	48 530		
2.1 - Cemeteries		2 417	2 581	2 903	3 317	3 292	3 292	3 585	3 874	4 185	2.01 EXP	A3A 2.01 EXP
2.2 - Control Centre		-	-	-	-	-	-	-	-	-	2.02 EXP	A3A 2.02 EXP
2.3 - Housing: Administration		27 532	16 468	12 954	6 126	5 022	5 022	5 807	6 218	6 660	2.03 EXP	A3A 2.03 EXP
2.4 - Library Services		8 242	9 079	10 568	11 066	11 066	11 066	11 714	12 659	13 240	2.04 EXP	A3A 2.04 EXP
2.5 - Fire Protection Services		6 881	9 196	10 010	9 416	9 425	9 425	9 867	10 555	11 260	2.05 EXP	A3A 2.05 EXP
2.6 - Pine Forest : Administration		8 755	10 404	10 234	10 758	10 405	10 405	11 454	12 295	13 184	2.06 EXP	A3A 2.06 EXP
2.7 - Pine Forest : Security Service		-	-	-	-	-	-	-	-	-	2.07 EXP	A3A 2.07 EXP
2.8 - Pine Forest:Semi Permanent Uni		-	-	-	-	-	-	-	-	-	2.08 EXP	A3A 2.08 EXP
2.9 - Pine Forest : Cleaning Service		-	-	-	-	-	-	-	-	-	2.09 EXP	A3A 2.09 EXP
2.10 - Pine Forest : Swimming Poo		-	-	-	-	-	-	-	-	-	2.10 EXP	A3A 2.10 EXP
Vote 3 - Community Services		42 579	45 455	39 622	49 582	49 591	49 591	49 208	49 980	53 227		
3.1 - Community Halls And Facilities		5 707	5 043	5 176	5 787	5 794	5 794	6 251	6 747	7 239	3.01 EXP	A3A 3.01 EXP
3.2 - Kipfliver Park: Administration		1 073	867	896	1 343	1 343	1 343	1 457	1 580	1 709	3.02 EXP	A3A 3.02 EXP
3.3 - Kipfliverpark:Cleaning Service		-	-	-	-	-	-	-	-	-	3.03 EXP	A3A 3.03 EXP
3.4 - Kipfliver Park: Swimming Pool		-	-	-	-	-	-	-	-	-	3.04 EXP	A3A 3.04 EXP
3.5 - Licensing & Regulation		1 675	60	18	60	60	60	62	65	69	3.05 EXP	A3A 3.05 EXP
3.6 - Environmental Protection		70	1 321	651	2 390	2 539	2 539	2 009	2 171	2 343	3.06 EXP	A3A 3.06 EXP
3.7 - Parks		4 712	5 578	6 489	7 007	7 026	7 026	7 529	8 084	8 617	3.07 EXP	A3A 3.07 EXP
3.8 - Traffic		24 393	27 953	21 798	27 127	26 675	26 675	25 390	26 920	28 544	3.08 EXP	A3A 3.08 EXP
3.9 - Disaster Management		20	57	55	47	73	73	77	80	84	3.09 EXP	A3A 3.09 EXP
3.10 - Social & Welfare Services		4 929	4 575	4 539	5 820	6 080	6 080	6 433	4 333	4 622	3.10 EXP	A3A 3.10 EXP
Vote 4 - Community Services		12 737	14 040	13 678	47 226	46 692	46 692	19 452	20 985	53 362		
4.1 - Housing Construction		-	-	-	29 000	29 000	29 000	-	-	31 030	4.01 EXP	A3A 4.01 EXP
4.2 - Director: Community Services		1 523	1 569	256	1 611	1 610	1 610	1 749	1 899	2 062	4.02 EXP	A3A 4.02 EXP
4.3 - Recreational Land		3 720	4 391	4 482	4 988	5 005	5 005	5 352	5 767	6 171	4.03 EXP	A3A 4.03 EXP
4.4 - Swimming Pools		2 261	2 322	3 188	4 686	3 911	3 911	4 332	5 267	5 568	4.04 EXP	A3A 4.04 EXP
4.5 - Vehicle Licensing & Testing		3 065	3 422	3 774	3 974	4 254	4 254	4 312	4 666	5 060	4.05 EXP	A3A 4.05 EXP
4.6 - Property Maintenance		-	-	-	418	418	418	453	490	531	4.06 EXP	A3A 4.06 EXP
4.7 - L E D		1 825	1 921	1 570	2 227	2 182	2 182	2 215	2 380	2 554	4.07 EXP	A3A 4.07 EXP
4.8 - Housing : Maintenance		-	-	-	-	-	-	-	-	-	4.08 EXP	A3A 4.08 EXP
4.9 - Thusong Centre		343	417	407	312	312	312	441	516	396	4.09 EXP	A3A 4.09 EXP
		-	-	-	-	-	-	-	-	-	4.10 EXP	A3A 4.10 EXP

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)/

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			A3A	Check Import Sheet
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
Vote 5 - Corporate Services		49 390	50 304	31 035	60 296	83 349	83 349	72 232	76 370	80 916		
5.1 - Property Administration		2 430	3 529	1 530	-	-	-	-	-	-	5.01 EXP	A3A 5.01 EXP
5.2 - Information Technology		1 525	2 056	2 928	3 658	3 718	3 718	4 001	4 207	4 379	5.02 EXP	A3A 5.02 EXP
5.3 - Human Resources		19 981	17 485	(4 572)	19 972	34 942	34 942	21 030	22 227	23 983	5.03 EXP	A3A 5.03 EXP
5.4 - Council Cost		13 984	13 781	14 838	18 767	18 661	18 661	19 731	20 774	21 836	5.04 EXP	A3A 5.04 EXP
5.5 - Town Secretary		733	1 200	1 320	1 385	1 385	1 385	1 505	1 635	1 776	5.05 EXP	A3A 5.05 EXP
5.6 - Tourism		1 705	768	806	854	854	854	897	938	965	5.06 EXP	A3A 5.06 EXP
5.7 - Director Corporate Services		-	1 620	1 711	1 846	1 856	1 856	1 999	2 165	2 346	5.07 EXP	A3A 5.07 EXP
5.8 - Marketing & Communications		2 831	3 055	3 110	3 691	3 783	3 783	3 969	4 286	4 626	5.08 EXP	A3A 5.08 EXP
5.9 - Administration		6 200	6 811	9 364	10 124	18 151	18 151	19 100	20 137	20 966	5.09 EXP	A3A 5.09 EXP
		-	-	-	-	-	-	-	-	-	5.10 EXP	A3A 5.10 EXP
Vote 6 - Technical Services		252 457	256 732	272 144	323 828	326 287	326 287	359 096	388 662	429 714		
6.1 - Building Regulations & Enforce.		2 168	2 500	2 583	2 669	2 669	2 669	2 894	3 115	3 365	6.01 EXP	A3A 6.01 EXP
6.2 - Electricity: Administration		199 151	199 246	205 289	257 174	256 689	256 689	288 131	314 698	351 684	6.02 EXP	A3A 6.02 EXP
6.3 - Electricity: Street Lights		1 938	134	175	-	-	-	-	-	-	6.03 EXP	A3A 6.03 EXP
6.4 - Electricity: Distribution		-	-	-	-	-	-	-	-	-	6.04 EXP	A3A 6.04 EXP
6.5 - Mechanical Workshop		1 272	1 756	2 598	2 796	2 596	2 596	2 845	3 073	3 317	6.05 EXP	A3A 6.05 EXP
6.6 - Public Toilets		1 462	1 363	1 432	1 710	1 710	1 710	1 875	2 029	2 197	6.06 EXP	A3A 6.06 EXP
6.7 - Sewerage		23 727	23 139	27 884	26 977	28 883	28 883	28 183	30 043	31 742	6.07 EXP	A3A 6.07 EXP
6.8 - Town Planning		1 015	1 136	1 494	2 251	2 251	2 251	2 857	1 471	1 594	6.08 EXP	A3A 6.08 EXP
6.9 - Stormwater Management		4 625	6 049	6 508	5 720	5 720	5 720	6 691	7 115	7 483	6.09 EXP	A3A 6.09 EXP
6.10 - Roads		17 098	21 410	24 181	24 531	25 688	25 688	25 539	27 120	28 332	6.10 EXP	A3A 6.10 EXP
Vote 7 - Technical Services		61 797	64 914	83 736	73 373	79 851	79 851	81 121	86 152	90 802		
7.1 - Solid Waste (Dumping Site)		17 336	8 543	13 624	16 543	16 335	16 335	17 824	16 818	19 661	7.01 EXP	A3A 7.01 EXP
7.2 - Solid Waste (Garden)		11 143	13 672	16 360	13 006	12 896	12 896	13 809	14 794	15 797	7.02 EXP	A3A 7.02 EXP
7.3 - Solid Waste (Removal)		11 319	13 122	14 377	12 738	14 654	14 654	14 568	15 614	16 704	7.03 EXP	A3A 7.03 EXP
7.4 - Water Storage		2 820	2 590	2 524	3 366	3 666	3 666	4 576	4 814	4 955	7.04 EXP	A3A 7.04 EXP
7.5 - Water Distribution		17 879	25 435	35 180	25 875	30 483	30 483	28 389	29 991	31 387	7.05 EXP	A3A 7.05 EXP
7.6 - Director: Technical Services		1 599	1 552	1 672	1 786	1 818	1 818	1 956	2 120	2 299	7.06 EXP	A3A 7.06 EXP
7.7 - Electricity: Client Services		-	-	-	-	-	-	-	-	-	7.07 EXP	A3A 7.07 EXP
7.8 - Electricity: Generation		-	-	-	-	-	-	-	-	-	7.08 EXP	A3A 7.08 EXP
		-	-	-	-	-	-	-	-	-	7.09 EXP	A3A 7.09 EXP
		-	-	-	-	-	-	-	-	-	7.10 EXP	A3A 7.10 EXP
Vote 8 - Municipal Manager		9 580	9 824	10 589	12 551	14 026	14 026	15 685	16 769	17 939		
8.1 - Municipal Manager		2 723	2 632	2 702	3 201	3 194	3 194	3 683	3 945	4 229	8.01 EXP	A3A 8.01 EXP
8.2 - Property & Legal Services		1 548	1 805	2 188	1 980	3 487	3 487	3 703	3 905	4 122	8.02 EXP	A3A 8.02 EXP
8.3 - IDP		1 702	1 761	1 825	2 182	2 157	2 157	2 290	2 456	2 636	8.03 EXP	A3A 8.03 EXP
8.4 - Project Management		630	512	537	1 208	1 207	1 207	1 310	1 420	1 538	8.04 EXP	A3A 8.04 EXP
8.5 - Performance Management		1 051	967	1 022	1 331	1 331	1 331	1 437	1 551	1 675	8.05 EXP	A3A 8.05 EXP
8.6 - Internal Audit		1 926	2 147	2 316	2 650	2 650	2 650	3 263	3 490	3 739	8.06 EXP	A3A 8.06 EXP
		-	-	-	-	-	-	-	-	-	8.07 EXP	A3A 8.07 EXP
		-	-	-	-	-	-	-	-	-	8.08 EXP	A3A 8.08 EXP
		-	-	-	-	-	-	-	-	-	8.09 EXP	A3A 8.09 EXP
		-	-	-	-	-	-	-	-	-	8.10 EXP	A3A 8.10 EXP
Total Expenditure by Vote	2	512 929	516 217	531 521	654 680	689 473	689 473	693 640	740 863	834 542		
Surplus/(Deficit) for the year	2	97 316	48 192	56 530	6 123	(25 682)	(25 682)	25 513	74 968	(15 292)		

References

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

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

3. Assign share in 'Associate' to relevant Vote.

WC022 Witzenberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source												
	Property rates	2	59 649	63 712	69 879	72 282	72 282	72 282	-	77 848	84 339	89 103
	Service charges - electricity revenue	2	215 351	210 359	221 840	265 119	265 339	265 339	-	299 007	325 399	365 513
	Service charges - water revenue	2	33 438	45 429	35 547	35 901	35 901	35 901	-	37 722	41 321	44 091
	Service charges - sanitation revenue	2	18 008	26 997	24 904	22 080	22 080	22 080	-	22 142	26 149	28 862
	Service charges - refuse revenue	2	19 767	23 384	22 909	23 853	23 853	23 853	-	24 281	27 865	30 311
	Rental of facilities and equipment		8 177	5 990	5 441	7 567	7 567	7 567	-	7 945	8 342	8 759
	Interest earned - external investments		8 512	8 122	8 551	8 695	8 695	8 695	-	9 129	9 586	9 089
	Interest earned - outstanding debtors		7 816	11 044	10 545	7 870	7 870	7 870	-	8 264	8 677	9 111
	Dividends received		-	-	-	-	-	-	-	-	-	-
	Fines, penalties and forfeits		20 695	22 002	13 452	19 482	19 482	19 482	-	20 456	21 479	22 553
	Licences and permits		145	4 751	1 125	1 915	1 915	1 915	-	2 010	2 111	2 216
	Agency services		4 352	-	3 789	3 670	3 670	3 670	-	3 854	4 046	4 249
	Transfers and subsidies		101 429	94 263	105 201	138 467	139 123	139 123	-	116 989	125 089	166 900
	Other revenue	2	18 964	13 876	10 692	9 725	9 687	9 687	-	10 700	10 970	10 327
	Gains on disposal of PPE		232	-	1 157	-	-	-	-	-	-	-
	Total Revenue (excluding capital transfers and contributions)		516 534	529 928	535 031	616 625	617 464	617 464	-	640 437	695 373	791 084
Expenditure By Type												
	Employee related costs	2	133 332	155 415	166 502	192 524	208 373	208 373	-	209 705	224 867	244 178
	Remuneration of councillors		8 780	9 170	9 458	11 459	11 459	11 459	-	12 032	12 633	13 265
	Debt impairment	3	37 713	1 108	41 140	33 598	43 498	43 498	-	31 865	33 289	34 932
	Depreciation & asset impairment	2	26 280	28 699	30 415	45 590	45 590	45 590	-	48 932	51 643	51 643
	Finance charges		17 573	8 675	15 847	8 840	8 724	8 724	-	9 181	9 635	10 108
	Bulk purchases	2	179 203	179 705	188 783	229 196	229 196	229 196	-	260 023	282 489	318 008
	Other materials	8	-	15 173	15 556	17 591	18 861	18 861	-	19 528	20 425	21 410
	Contracted services		42 642	36 101	41 971	43 731	51 252	51 252	-	53 486	57 008	59 155
	Transfers and subsidies		941	13 920	10 019	30 962	31 079	31 079	-	2 179	1 859	32 976
	Other expenditure	4, 5	66 465	68 250	12 988	41 188	41 440	41 440	-	46 770	47 035	48 867
	Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
	Total Expenditure		512 929	516 217	532 678	654 680	689 473	689 473	-	693 640	740 863	834 542
	Surplus/(Deficit)		3 605	13 711	2 352	(38 055)	(72 009)	(72 009)	-	(53 203)	(45 490)	(43 458)
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		38 788	34 481	54 177	44 178	45 826	45 826	-	78 716	120 459	28 167
	Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	501	501	-	-	-	-
	Transfers and subsidies - capital (in-kind - all)		54 943	-	-	-	-	-	-	-	-	-
	Surplus/(Deficit) after capital transfers & contributions		97 316	48 192	56 530	6 123	(25 682)	(25 682)	-	25 513	74 968	(15 292)
	Taxation		-	-	-	-	-	-	-	-	-	-
	Surplus/(Deficit) after taxation		97 316	48 192	56 530	6 123	(25 682)	(25 682)	-	25 513	74 968	(15 292)
	Attributable to minorities		-	-	-	-	-	-	-	-	-	-
	Surplus/(Deficit) attributable to municipality		97 316	48 192	56 530	6 123	(25 682)	(25 682)	-	25 513	74 968	(15 292)
	Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
	Surplus/(Deficit) for the year		97 316	48 192	56 530	6 123	(25 682)	(25 682)	-	25 513	74 968	(15 292)

References

1. Classifications are revenue sources and expenditure type

2. Detail to be provided in Table SA1

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

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

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

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

7. Equity method (Includes Joint Ventures)

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

Total Revenue	610 245	564 409	589 208	660 803	663 791	663 791	719 153	815 832	819 250
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WC022 Witzenberg - Table AS Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1								
Capital expenditure - Vote	2								
Multi-year expenditure to be appropriated									
Vote 1 - Financial Services		-	-	-	-	-	-	-	-
Vote 2 - Community Services		-	1 700	2 175	2 175	-	-	-	-
Vote 3 - Community Services		637	-	-	-	-	-	-	-
Vote 4 - Community Services		-	2 506	-	-	-	-	-	-
Vote 5 - Corporate Services		-	-	-	-	-	-	-	-
Vote 6 - Technical Services		37 256	15 759	18 797	18 797	-	14 421	77 575	6 593
Vote 7 - Technical Services		10 132	17 931	17 083	17 083	-	26 288	41 096	-
Vote 8 - Municipal Manager		-	26	26	26	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		48 025	37 923	38 081	38 081	-	40 708	118 670	6 593
Single-year expenditure to be appropriated	2								
Vote 1 - Financial Services		675	80	80	80	-	-	-	-
Vote 2 - Community Services		292	922	922	922	-	-	137	5 619
Vote 3 - Community Services		2 092	3 505	4 024	4 024	-	620	-	80
Vote 4 - Community Services		1 010	10 465	13 745	13 745	-	900	-	30
Vote 5 - Corporate Services		1 021	3 380	4 560	4 560	-	1 050	-	600
Vote 6 - Technical Services		29 980	13 619	13 557	13 557	-	35 021	4 109	15 891
Vote 7 - Technical Services		3 544	1 690	6 289	6 289	-	10 465	11 279	9 526
Vote 8 - Municipal Manager		18	30	30	30	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		38 631	33 690	43 208	43 208	-	48 056	15 525	31 747
Total Capital Expenditure - Vote	3,7	86 657	71 613	81 290	81 290	-	88 764	134 196	38 340

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WC022 Witzenberg - Table AS Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1								
Capital Expenditure - Functional									
Governance and administration		1 782	2 726	6 572	6 572	–	1 400	–	600
Executive and council		388	176	2 382	2 382	–	600	–	–
Finance and administration		1 394	2 550	4 190	4 190	–	800	–	600
Internal audit		–	–	–	–	–	–	–	–
Community and public safety		3 513	18 572	18 697	18 697	–	1 520	137	5 729
Community and social services		187	4 150	4 986	4 986	–	580	137	4 859
Sport and recreation		3 326	13 501	12 715	12 715	–	940	–	70
Public safety		–	922	997	997	–	–	–	800
Housing		–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–
Economic and environmental services		33 399	13 782	15 358	15 358	–	20 245	53 978	12 984
Planning and development		491	–	1 577	1 577	–	–	–	–
Road transport		32 908	13 782	13 782	13 782	–	20 245	53 978	12 984
Environmental protection		–	–	–	–	–	–	–	–
Trading services		47 963	36 533	40 663	40 663	–	65 600	80 080	19 026
Energy sources		11 378	8 700	9 135	9 135	–	2 500	5 065	8 000
Water management		12 522	19 581	17 384	17 384	–	27 306	39 990	9 526
Waste water management		22 950	7 241	8 199	8 199	–	26 347	22 640	1 500
Waste management		1 112	1 010	5 944	5 944	–	9 356	12 384	–
Other		–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3,7	86 657	71 613	81 290	81 290	–	88 764	134 196	38 340
Funded by:									
National Government		25 874	38 506	36 789	36 789	–	35 763	40 614	25 237
Provincial Government		27 586	6 672	8 537	8 537	–	42 954	79 845	2 930
District Municipality		717	500	500	500	–	–	–	–
Other transfers and grants		–	–	501	501	–	–	–	–
Transfers recognised - capital	4	54 177	45 678	46 327	46 327	–	78 716	120 459	28 167
Public contributions & donations	5	–	–	–	–	–	–	–	–
Borrowing	6	–	–	3 043	3 043	–	–	–	–
Internally generated funds		32 479	25 935	31 919	31 919	–	10 048	13 737	10 173
Total Capital Funding	7	86 657	71 613	81 290	81 290	–	88 764	134 196	38 340

References

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

Vote Description	Ref	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Capital expenditure - Municipal Vote	2							
Multi-year expenditure appropriation								
Vote 1 - Financial Services		-	-	-	-	-	-	-
1.1 - Assessment Rates		-	-	-	-	-	-	-
1.2 - Treasury: Administration		-	-	-	-	-	-	-
1.3 - Treasury: Debtors		-	-	-	-	-	-	-
1.4 - Treasury: Credit controle		-	-	-	-	-	-	-
1.5 - Supply Chain Management		-	-	-	-	-	-	-
1.6 - Director: Finance		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Vote 2 - Community Services		1 700	2 175	2 175	-	-	-	-
2.1 - Cemeteries		-	-	-	-	-	-	-
2.2 - Controle Centre		-	-	-	-	-	-	-
2.3 - Housing: Administration		-	-	-	-	-	-	-
2.4 - Library Services		1 500	1 900	1 900	-	-	-	-
2.5 - Fire Protection Services		200	275	275	-	-	-	-
2.6 - Pine Forest : Administration		-	-	-	-	-	-	-
2.7 - Pine Forest : Security Service		-	-	-	-	-	-	-
2.8 - Pine Forest:Semi Permanent Uni		-	-	-	-	-	-	-
2.9 - Pine Forest : Cleaning Service		-	-	-	-	-	-	-
2.10 - Pine Forest : Swimming Pool		-	-	-	-	-	-	-
Vote 3 - Community Services		-	-	-	-	-	-	-
3.1 - Community Halls And Facilities		-	-	-	-	-	-	-
3.2 - Klipriver Park: Administration		-	-	-	-	-	-	-
3.3 - Klipriverpark:Cleaning Service		-	-	-	-	-	-	-
3.4 - Klipriver Park: Swimming Pool		-	-	-	-	-	-	-
3.5 - Licensing & Regulation		-	-	-	-	-	-	-
3.6 - Enviromental Protection		-	-	-	-	-	-	-
3.7 - Parks		-	-	-	-	-	-	-
3.8 - Traffic		-	-	-	-	-	-	-
3.9 - Disaster Management		-	-	-	-	-	-	-
3.10 - Social & Welfare Services		-	-	-	-	-	-	-
Vote 4 - Community Services		2 506	-	-	-	-	-	-
4.1 - Housing Construction		-	-	-	-	-	-	-
4.2 - Director: Community Services		-	-	-	-	-	-	-
4.3 - Recreational Land		2 506	-	-	-	-	-	-
4.4 - Swimming Pools		-	-	-	-	-	-	-
4.5 - Vehicle Licensing & Testing		-	-	-	-	-	-	-
4.6 - Property Maintenance		-	-	-	-	-	-	-

Vote Description	Ref	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
4.7 - LED		-	-	-	-	-	-	-
4.8 - Housing : Maintenance		-	-	-	-	-	-	-
4.9 - Thusong Centre		-	-	-	-	-	-	-
Vote 5 - Corporate Services		-	-	-	-	-	-	-
5.1 - Property Administration		-	-	-	-	-	-	-
5.2 - Information Tecnology		-	-	-	-	-	-	-
5.3 - Human Resources		-	-	-	-	-	-	-
5.4 - Council Cost		-	-	-	-	-	-	-
5.5 - Town Secretary		-	-	-	-	-	-	-
5.6 - Tourism		-	-	-	-	-	-	-
5.7 - Director Corporate Services		-	-	-	-	-	-	-
5.8 - Marketing & Communications		-	-	-	-	-	-	-
5.9 - Administration		-	-	-	-	-	-	-
Vote 6 - Technical Services		15 759	18 797	18 797	-	14 421	77 575	6 593
6.1 - Building Regulations & Enforce		-	-	-	-	-	-	-
6.2 - Electricity: Administration		3 560	3 597	3 597	-	2 500	500	4 000
6.3 - Electricity: Street Lights		1 171	1 171	1 171	-	-	1 565	-
6.4 - Electricity: Distribution		-	-	-	-	-	-	-
6.5 - Mechanical Workshop		-	-	-	-	-	-	-
6.6 - Public Toilets		-	-	-	-	-	-	-
6.7 - Sewerage		-	-	-	-	-	11 320	-
6.8 - Town Planning		-	-	-	-	-	-	-
6.9 - Stormwater Management		3 391	3 391	3 391	-	4 331	11 320	-
6.10 - Roads		7 637	10 637	10 637	-	7 590	52 870	2 593
Vote 7 - Technical Services		17 931	17 083	17 083	-	26 288	41 096	-
7.1 - Solid Waste (Dumping Site)		1 000	1 870	1 870	-	9 356	12 384	-
7.2 - Solid Waste (Garden)		-	-	-	-	-	-	-
7.3 - Solid Waste (Removal)		-	-	-	-	-	-	-

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Vote Description	Ref	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
7.4 - Water Storage		-	-	-	-	-	-	-
7.5 - Water Distribution		16 931	15 214	15 214	-	16 931	28 711	-
7.6 - Director: Technical Services		-	-	-	-	-	-	-
7.7 - Electricity: Client Services		-	-	-	-	-	-	-
7.8 - Electricity: Generation		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Vote 8 - Municipal Manager		26	26	26	-	-	-	-
8.1 - Municipal Manager		-	-	-	-	-	-	-
8.2 - Property & Legal Services		-	-	-	-	-	-	-
8.3 - IDP		-	-	-	-	-	-	-
8.4 - Project Management		26	26	26	-	-	-	-
8.5 - Performance Management		-	-	-	-	-	-	-
8.6 - Internal Audit		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		37 923	38 081	38 081	-	40 708	118 670	6 593

Capital expenditure - Municipal Vote
Single-year expenditure appropriation

	2							
Vote 1 - Financial Services	80	80	80	-	-	-	-	-
1.1 - Assessment Rates	-	-	-	-	-	-	-	-
1.2 - Treasury: Administration	50	50	50	-	-	-	-	-
1.3 - Treasury: Debtors	-	-	-	-	-	-	-	-
1.4 - Treasury: Credit controle	-	-	-	-	-	-	-	-
1.5 - Supply Chain Management	-	-	-	-	-	-	-	-
1.6 - Director: Finance	30	30	30	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

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Vote Description	Ref	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Vote 2 - Community Services		922	922	922	-	-	137	5 619
2.1 - Cemeteries		200	200	200	-	-	137	4 819
2.2 - Control Centre		-	-	-	-	-	-	-
2.3 - Housing: Administration		-	-	-	-	-	-	-
2.4 - Library Services		-	-	-	-	-	-	-
2.5 - Fire Protection Services		722	722	722	-	-	-	800
2.6 - Pine Forest : Administration		-	-	-	-	-	-	-
2.7 - Pine Forest : Security Service		-	-	-	-	-	-	-
2.8 - Pine Forest:Semi Permanent Uni		-	-	-	-	-	-	-
2.9 - Pine Forest : Cleaning Service		-	-	-	-	-	-	-
2.10 - Pine Forest : Swimming Pool		-	-	-	-	-	-	-
		3 505	4 024	4 024	-	620	-	80
Vote 3 - Community Services								
3.1 - Community Halls And Facilities		2 450	2 886	2 886	-	580	-	40
3.2 - Kilpriver Park: Administration		-	-	-	-	-	-	-
3.3 - Kilpriverpark:Cleaning Service		-	-	-	-	-	-	-
3.4 - Kilpriver Park: Swimming Pool		-	-	-	-	-	-	-
3.5 - Licensing & Regulation		-	-	-	-	-	-	-
3.6 - Environmental Protection		-	-	-	-	-	-	-
3.7 - Parks		560	644	644	-	40	-	40
3.8 - Traffic		495	495	495	-	-	-	-
3.9 - Disaster Management		-	-	-	-	-	-	-
3.10 - Social & Welfare Services		-	-	-	-	-	-	-
		10 465	13 745	13 745	-	900	-	30
Vote 4 - Community Services								
4.1 - Housing Construction		-	-	-	-	-	-	-
4.2 - Director: Community Services		30	98	98	-	-	-	-
4.3 - Recreational Land		10 435	12 071	12 071	-	900	-	30
4.4 - Swimming Pools		-	-	-	-	-	-	-
4.5 - Vehicle Licensing & Testing		-	-	-	-	-	-	-
4.6 - Property Maintenance		-	-	-	-	-	-	-
4.7 - L E D		-	1 577	1 577	-	-	-	-
4.8 - Housing : Maintenance		-	-	-	-	-	-	-
4.9 - Thusong Centre		-	-	-	-	-	-	-
		-	-	-	-	-	-	-

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Vote Description	Ref	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Vote 5 - Corporate Services		3 380	4 560	4 560	-	1 050	-	600
5.1 - Property Administration		-	-	-	-	-	-	-
5.2 - Information Tecnology		550	666	666	-	450	-	600
5.3 - Human Resources		-	-	-	-	-	-	-
5.4 - Council Cost		1 000	2 099	2 099	-	600	-	-
5.5 - Town Secretary		-	-	-	-	-	-	-
5.6 - Tourism		-	-	-	-	-	-	-
5.7 - Director Corporate Services		30	55	55	-	-	-	-
5.8 - Marketing & Communications		300	240	240	-	-	-	-
5.9 - Administration		1 500	1 500	1 500	-	-	-	-
		-	-	-	-	-	-	-
Vote 6 - Technical Services		13 619	13 557	13 557	-	35 021	4 109	15 891
6.1 - Building Regulations & Enforce		-	-	-	-	-	-	-
6.2 - Electricity: Administration		3 969	4 366	4 366	-	-	3 000	4 000
6.3 - Electricity: Street Lights		-	-	-	-	-	-	-
6.4 - Electricity: Distribution		-	-	-	-	-	-	-
6.5 - Mechanical Workshop		150	1 733	1 733	-	350	-	-
6.6 - Public Toilets		700	1 300	1 300	-	-	-	-
6.7 - Sewerage		2 700	3 058	3 058	-	12 528	-	1 500
6.8 - Town Planning		-	-	-	-	-	-	-
6.9 - Stormwater Management		450	450	450	-	9 489	-	-
6.10 - Roads		5 650	2 650	2 650	-	12 655	1 109	10 391
Vote 7 - Technical Services		1 690	6 289	6 289	-	10 465	11 279	9 526
7.1 - Solid Waste (Dumping Site)		-	-	-	-	-	-	-
7.2 - Solid Waste (Garden)		10	3 573	3 573	-	-	-	-
7.3 - Solid Waste (Removal)		-	501	501	-	-	-	-
7.4 - Water Storage		-	-	-	-	-	11 279	-
7.5 - Water Distribution		1 650	2 170	2 170	-	10 465	-	9 526
7.6 - Director: Technical Services		30	45	45	-	-	-	-
7.7 - Electricity: Client Services		-	-	-	-	-	-	-
7.8 - Electricity: Generation		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Vote 8 - Municipal Manager		30	30	30	-	-	-	-
8.1 - Municipal Manager		30	30	30	-	-	-	-
8.2 - Property & Legal Services		-	-	-	-	-	-	-
8.3 - IDP		-	-	-	-	-	-	-
8.4 - Project Management		-	-	-	-	-	-	-
8.5 - Performance Management		-	-	-	-	-	-	-
8.6 - Internal Audit		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Capital single-year expenditure sub-total		33 690	43 208	43 208	-	48 056	15 525	31 747

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Vote Description	Ref	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Total Capital Expenditure		71 613	81 290	81 290	—	88 764	134 196	38 340

WC022 Witzenberg - Table A6 Budgeted Financial Position

Description		Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS												
Current assets												
Cash			76 333	97 506	94 272	93 351	80 873	80 873	80 873	80 923	86 524	97 318
Call investment deposits	1		–	–	–	–	–	–	–	–	–	–
Consumer debtors	1		57 887	51 223	51 611	52 523	42 805	42 805	42 805	47 633	54 068	61 564
Other debtors			7 227	20 889	26 099	25 493	25 493	25 493	25 493	25 493	25 493	25 493
Current portion of long-term receivables			–	–	–	–	–	–	–	–	–	–
Inventory	2		9 347	11 402	11 693	11 693	11 693	11 693	11 693	11 693	11 693	11 693
Total current assets			150 794	181 020	183 674	183 059	160 863	160 863	160 863	165 742	177 778	196 067
Non current assets												
Long-term receivables			–	–	–	–	–	–	–	–	–	–
Investments			–	–	–	–	–	–	–	–	–	–
Investment property			47 759	45 660	44 492	44 492	44 492	44 492	44 492	44 492	44 492	44 492
Investment in Associate			–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3		808 059	843 242	918 262	944 286	953 687	953 687	953 687	993 519	1 076 072	1 062 768
Agricultural			–	–	–	–	–	–	–	–	–	–
Biological			–	–	–	–	–	–	–	–	–	–
Intangible			2 506	2 650	2 029	2 029	2 029	2 029	2 029	2 029	2 029	2 029
Other non-current assets			16 635	13 660	550	550	550	550	550	550	550	550
Total non current assets			874 960	905 212	965 334	991 357	1 000 758	1 000 758	1 000 758	1 040 590	1 123 143	1 109 839
TOTAL ASSETS			1 025 754	1 086 232	1 149 007	1 174 416	1 161 622	1 161 622	1 161 622	1 206 332	1 300 921	1 305 906
LIABILITIES												
Current liabilities												
Bank overdraft	1		–	–	–	–	–	–	–	–	–	–
Borrowing	4		3 717	2 276	1 518	–	–	–	–	–	–	–
Consumer deposits			3 666	6 418	7 150	7 150	7 150	7 150	7 150	7 150	7 150	7 150
Trade and other payables	4		48 681	52 504	60 983	72 794	72 794	72 794	72 794	81 490	89 989	98 017
Provisions			17 447	19 696	21 801	29 275	48 612	48 612	48 612	60 613	73 235	86 983
Total current liabilities			73 511	80 895	91 452	109 219	128 555	128 555	128 555	149 253	170 373	192 150
Non current liabilities												
Borrowing			7 503	5 192	4 704	6 222	6 222	6 222	6 222	4 722	3 222	1 722
Provisions			145 635	152 724	150 812	150 812	150 812	150 812	150 812	150 812	150 812	150 812
Total non current liabilities			153 138	157 917	155 516	157 034	157 034	157 034	157 034	155 534	154 034	152 534
TOTAL LIABILITIES			226 649	238 811	246 968	266 253	285 589	285 589	285 589	304 787	324 407	344 684
NET ASSETS	5		799 105	847 421	902 040	908 163	876 032	876 032	876 032	901 545	976 514	961 222
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)			788 750	837 066	891 685	897 808	865 677	865 677	865 677	891 191	966 159	950 867
Reserves	4		10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355
TOTAL COMMUNITY WEALTH/EQUITY	5		799 105	847 421	902 040	908 163	876 032	876 032	876 032	901 545	976 514	961 222

References

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

WC022 Witzenberg - Table A7 Budgeted Cash Flows

2022 Wairarapa – Table A: Budgeted Cash Flows										
Description		Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
R thousand			Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			71 498	68 667	68 667	68 667	68 667	77 070	83 496	88 212
Service charges			299 778	340 211	340 211	340 211	340 211	366 497	401 940	448 309
Other revenue			1 076	24 319	24 319	24 319	24 319	25 855	26 883	27 035
Government - operating		1	126 944	138 467	139 123	139 123	139 123	116 989	125 089	166 900
Government - capital			36 531	44 178	46 122	46 122	46 122	78 716	120 459	28 167
Interest			11 596	11 056	11 056	11 056	11 056	17 393	18 262	18 200
Dividends			–	–	–	–	–	–	–	–
Payments										
Suppliers and employees			(454 855)	(528 214)	(533 890)	(533 890)	(533 890)	(588 695)	(631 579)	(691 759)
Finance charges			(651)	2 971	3 087	3 087	3 087	(1 332)	(1 394)	(1 455)
Transfers and Grants		1	(10 019)	(30 962)	(31 079)	(31 079)	(31 079)	(2 179)	(1 859)	(32 976)
NET CASH FROM/(USED) OPERATING ACTIVITIES			81 900	70 692	67 615	67 615	67 615	90 315	141 297	50 633
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE			3 268	–	–	–	–	–	–	–
Decrease (increase) in non-current debtors			–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables			–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments			–	–	–	–	–	–	–	–
Payments										
Capital assets			(86 657)	(71 613)	(81 014)	(81 014)	(81 014)	(88 764)	(134 196)	(38 340)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(83 389)	(71 613)	(81 014)	(81 014)	(81 014)	(88 764)	(134 196)	(38 340)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			–	–	–	–	–	–	–	–
Borrowing long term/refinancing			–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits			731	–	–	–	–	–	–	–
Payments										
Repayment of borrowing			(2 477)	–	–	–	–	(1 500)	(1 500)	(1 500)
NET CASH FROM/(USED) FINANCING ACTIVITIES			(1 745)	–	–	–	–	(1 500)	(1 500)	(1 500)
NET INCREASE/ (DECREASE) IN CASH HELD			(3 234)	(921)	(13 399)	(13 399)	(13 399)	51	5 601	10 793
Cash/cash equivalents at the year begin:		2	97 506	94 272	94 272	94 272	94 272	80 873	80 923	86 524
Cash/cash equivalents at the year end:		2	94 272	93 351	80 873	80 873	80 873	80 923	86 524	97 318

References

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

WC022 Witzenberg - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	76 333	97 506	94 272	93 351	80 873	80 873	80 873	80 923	86 524	97 318
Other current investments > 90 days		(0)	0	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Non current assets - investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		76 333	97 506	94 272	93 351	80 873	80 873	80 873	80 923	86 524	97 318
Application of cash and investments											
Unspent conditional transfers		4 665	5 750	12 794	-	-	-	-	13 352	5 704	3 303
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(23 805)	(26 049)	(20 685)	805	9 796	9 796	-	1 395	11 588	14 953
Other provisions		4 456	-	18 659	14	14	14	-	15	15	16
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(14 683)	(20 299)	10 768	819	9 810	9 810	-	14 762	17 308	18 272
Surplus(shortfall)		91 016	117 805	83 504	92 532	71 063	71 063	80 873	66 162	69 217	79 046

References

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

Other working capital requirements											
Debtors		67 820	72 803	68 874	71 989	62 998	62 998	-	66 743	72 696	79 762
Creditors due		44 015	46 754	48 189	72 794	72 794	72 794	-	68 138	84 284	94 715
Total		23 805	26 049	20 685	(805)	(9 796)	(9 796)	-	(1 395)	(11 588)	(14 953)
Debtors collection assumptions											
Balance outstanding - debtors		65 114	72 112	77 709	78 016	68 298	68 298	68 298	73 126	79 561	87 057
Estimate of debtors collection rate		104.2%	101.0%	88.6%	92.3%	92.2%	92.2%	0.0%	91.3%	91.4%	91.6%

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
<u>Long term investments committed</u>											
Balance (Insert description; eg sinking fund)											
Bankers Acceptance Certificate		-	-	-	-	-	-	-	-	-	-
Deposit Taking Institutions		-	-	-	-	-	-	-	-	-	-
Bank Repurchase Agreements		-	-	-	-	-	-	-	-	-	-
Derivative Financial Assets		-	-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (Sinking)		-	-	-	-	-	-	-	-	-	-
Listed/Unlisted Bonds and Stocks		-	-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-	-
National Government Securities		-	-	-	-	-	-	-	-	-	-
Negotiable Certificate of Deposits: Banks		-	-	-	-	-	-	-	-	-	-
Unamortised Debt Expense		-	-	-	-	-	-	-	-	-	-
Unamortised Preference Share Expense		-	-	-	-	-	-	-	-	-	-
Interest Rate Swaps		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<u>Reserves to be backed by cash/investments</u>											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		10 355	10 355	10 355	10 355	10 355	10 355	-	10 355	10 355	10 355
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-
Compensation for Occupational Injuries and Diseases		-	-	-	-	-	-	-	-	-	-
Employee Benefit Reserve		-	-	-	-	-	-	-	-	-	-
Non-current Provisions Reserve		-	-	-	-	-	-	-	-	-	-
Valuation Reserve		-	-	-	-	-	-	-	-	-	-
Investment in associate account		-	-	-	-	-	-	-	-	-	-
Capitalisation Reserve		-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
		10 355	10 355	10 355	10 355	10 355	10 355	-	10 355	10 355	10 355

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WC022 Witzenberg - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	110 462	52 044	60 600	34 532	43 890	43 890	74 627	46 866	26 747
Roads Infrastructure		35 398	4 764	18 254	2 806	2 806	2 806	13 417	935	1 565
Storm water Infrastructure		-	1 789	12 088	3 391	3 391	3 391	13 819	-	-
Electrical Infrastructure		32 779	1 404	5 778	3 430	3 865	3 865	-	4 565	4 000
Water Supply Infrastructure		34 439	21 621	9 529	16 931	15 214	15 214	26 896	28 670	8 026
Sanitation Infrastructure		(4 657)	11 172	7 457	700	1 300	1 300	10 228	-	-
Solid Waste Infrastructure		-	629	603	1 000	2 371	2 371	9 356	12 384	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		97 959	41 379	53 709	28 259	28 948	28 948	73 717	46 555	13 591
Community Facilities		-	318	549	-	1 577	1 577	-	311	11 645
Sport and Recreation Facilities		1 185	774	434	-	-	-	30	-	30
Community Assets		1 185	1 093	983	-	1 577	1 577	30	311	11 675
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		1 222	2 914	-	330	330	330	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		1 222	2 914	-	330	330	330	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	188	527	200	576	576	-	-	-
Intangible Assets		-	188	527	200	576	576	-	-	-
Computer Equipment		-	452	1 215	550	666	666	450	-	600
Furniture and Office Equipment		777	1 121	693	476	523	523	-	-	-
Machinery and Equipment		1 845	1 717	1 503	3 635	6 452	6 452	430	-	80
Transport Assets		7 474	3 181	1 971	1 082	4 818	4 818	-	-	800
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Total Renewal of Existing Assets	2	4 924	10 816	15 824	11 900	12 653	12 653	4 900	--	5 000
Roads Infrastructure		4 402	4 051	11 421	5 000	5 000	5 000	1 800	--	2 000
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	2 428	--	1 200	1 163	1 163	--	--	--
Water Supply Infrastructure		--	360	1 200	1 000	918	918	500	--	1 500
Sanitation Infrastructure		--	2 799	2 376	2 300	2 734	2 734	2 000	--	1 500
Solid Waste Infrastructure		--	--	--	--	--	--	--	--	--
Rail Infrastructure		--	--	--	--	--	--	--	--	--
Coastal Infrastructure		--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure		--	--	--	--	--	--	--	--	--
Infrastructure		4 402	9 637	14 996	9 500	9 815	9 815	4 300	--	5 000
Community Facilities		291	451	90	900	1 338	1 338	--	--	--
Sport and Recreation Facilities		213	257	290	--	--	--	--	--	--
Community Assets		503	708	380	900	1 338	1 338	--	--	--
Heritage Assets		--	--	--	--	--	--	--	--	--
Revenue Generating		--	--	--	--	--	--	--	--	--
Non-revenue Generating		--	--	--	--	--	--	--	--	--
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		--	113	21	1 500	1 500	1 500	600	--	--
Housing		--	359	--	--	--	--	--	--	--
Other Assets		--	471	21	1 500	1 500	1 500	600	--	--
Biological or Cultivated Assets		--	--	--	--	--	--	--	--	--
Servitudes		--	--	--	--	--	--	--	--	--
Licences and Rights		--	--	--	--	--	--	--	--	--
Intangible Assets		--	--	--	--	--	--	--	--	--
Computer Equipment		--	--	--	--	--	--	--	--	--
Furniture and Office Equipment	19	--	--	--	--	--	--	--	--	--
Machinery and Equipment		--	--	427	--	--	--	--	--	--
Transport Assets		--	--	--	--	--	--	--	--	--
Land		--	--	--	--	--	--	--	--	--
Zoo's, Marine and Non-biological Animals		--	--	--	--	--	--	--	--	--

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Total Upgrading of Existing Assets	6	(144)	940	10 232	25 181	24 746	24 746	9 237	87 330	6 593
Roads Infrastructure		--	--	2 242	5 480	5 480	5 480	5 028	52 870	2 593
Storm water Infrastructure		--	--	300	--	450	450	--	11 320	--
Electrical Infrastructure		--	--	4 932	3 910	3 947	3 947	2 500	500	4 000
Water Supply Infrastructure		--	--	711	350	350	350	--	11 320	--
Sanitation Infrastructure		(639)	940	844	300	300	300	840	11 320	--
Solid Waste Infrastructure		--	--	--	--	--	--	--	--	--
Rail Infrastructure		--	--	--	--	--	--	--	--	--
Coastal Infrastructure		--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure		--	--	--	--	--	--	--	--	--
Infrastructure		(639)	940	9 028	10 490	10 527	10 527	8 368	87 330	6 593
Community Facilities		494	--	--	1 750	2 148	2 148	--	--	--
Sport and Recreation Facilities		--	--	637	12 941	12 071	12 071	870	--	--
Community Assets		494	--	637	14 691	14 219	14 219	870	--	--
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		--	--	567	--	--	--	--	--	--
Transport Assets		--	--	--	--	--	--	--	--	--
Land		--	--	--	--	--	--	--	--	--
Zoo's, Marine and Non-biological Animals		--	--	--	--	--	--	--	--	--

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Total Capital Expenditure	4	115 242	63 800	86 657	71 613	81 290	81 290	88 764	134 196	38 340
Roads Infrastructure		39 800	8 815	31 917	13 287	13 287	13 287	20 245	53 804	6 158
Storm water Infrastructure		-	1 789	12 388	3 841	3 841	3 841	13 819	11 320	-
Electrical Infrastructure		32 779	3 832	10 710	8 540	8 975	8 975	2 500	5 065	8 000
Water Supply Infrastructure		34 439	21 981	11 439	18 281	16 482	16 482	27 396	39 990	9 526
Sanitation Infrastructure		(5 296)	14 910	10 676	3 300	4 334	4 334	13 068	11 320	1 500
Solid Waste Infrastructure		-	629	603	1 000	2 371	2 371	9 356	12 384	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		101 722	51 956	77 733	48 349	49 290	49 290	86 384	133 884	25 194
Community Facilities		785	770	639	2 650	5 062	5 062	-	311	11 645
Sport and Recreation Facilities		1 398	1 031	1 361	12 941	12 071	12 071	900	-	30
Community Assets		2 183	1 801	1 999	15 591	17 133	17 133	900	311	11 675
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		1 222	3 026	21	1 830	1 830	1 830	600	-	-
Housing		-	359	-	-	-	-	-	-	-
Other Assets		1 222	3 385	21	1 830	1 830	1 830	600	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	188	527	200	576	576	-	-	-
Intangible Assets		-	188	527	200	576	576	-	-	-
Computer Equipment		-	452	1 215	550	666	666	450	-	600
Furniture and Office Equipment		796	1 121	693	476	523	523	-	-	-
Machinery and Equipment		1 845	1 717	2 497	3 635	6 452	6 452	430	-	80
Transport Assets		7 474	3 181	1 971	1 082	4 818	4 818	-	-	800
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		115 242	63 800	86 657	71 613	81 290	81 290	88 764	134 196	38 340

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
ASSET REGISTER SUMMARY - PPE (WDV)	5	875 023	903 065	965 334	1 036 947	1 046 623	1 046 623	1 135 387	1 269 583	1 307 922
Roads Infrastructure		159 878	164 515	194 260	207 546	207 546	207 546	227 791	281 596	287 754
Storm water Infrastructure		28 638	29 192	13 907	17 748	17 748	17 748	31 567	42 887	42 887
Electrical Infrastructure		68 369	69 952	78 303	86 843	87 278	87 278	89 778	94 843	102 843
Water Supply Infrastructure		174 521	189 443	215 337	233 618	231 818	231 818	259 215	299 205	308 731
Sanitation Infrastructure		95 111	103 862	117 845	121 145	122 180	122 180	135 248	146 568	148 068
Solid Waste Infrastructure		16 076	13 105	11 326	12 326	13 697	13 697	23 053	35 438	35 438
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		542 592	570 068	630 977	679 226	680 267	680 267	766 652	900 536	925 720
Community Assets		69 703	69 660	70 982	86 572	88 115	88 115	89 015	89 326	101 001
Heritage Assets		550	550	550	550	550	550	550	550	550
Investment properties		47 719	47 719	47 438	47 438	47 438	47 438	47 438	47 438	47 438
Other Assets		179 951	178 426	177 438	179 268	179 268	179 268	179 868	179 868	179 868
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		2 506	2 350	2 900	3 100	3 476	3 476	3 476	3 476	3 476
Computer Equipment		3 015	2 444	2 590	3 140	3 256	3 256	3 706	3 706	4 306
Furniture and Office Equipment		1 955	1 841	2 539	3 015	3 062	3 062	3 062	3 062	3 062
Machinery and Equipment		8 266	8 062	9 931	13 566	16 383	16 383	16 813	16 813	16 893
Transport Assets		18 765	21 946	19 989	21 071	24 808	24 808	24 808	24 808	25 608
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	875 023	903 065	965 334	1 036 947	1 046 623	1 046 623	1 135 387	1 269 583	1 307 922

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
EXPENDITURE OTHER ITEMS										
Depreciation	7	26 280	28 699	30 415	45 590	45 590	45 590	48 932	51 643	51 643
Repairs and Maintenance by Asset Class	3	23 001	18 886	18 336	16 442	16 548	16 548	18 282	19 454	20 350
Roads Infrastructure		6 812	6 975	6 921	6 537	6 537	6 537	6 864	7 182	7 542
Storm water Infrastructure		1 370	2 408	2 207	1 394	1 394	1 394	2 044	2 130	2 224
Electrical Infrastructure		3 757	1 090	1 297	1 458	1 807	1 807	1 931	2 059	2 129
Water Supply Infrastructure		2 170	2 471	1 457	1 209	820	820	1 270	1 329	1 395
Sanitation Infrastructure		3 236	2 005	3 371	2 035	2 005	2 005	2 151	2 255	2 367
Solid Waste Infrastructure		--	--	--	--	--	--	--	--	--
Rail Infrastructure		--	--	--	--	--	--	--	--	--
Coastal Infrastructure		--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure		--	--	--	--	--	--	--	--	--
Infrastructure		17 344	14 948	15 254	12 633	12 564	12 564	14 259	14 955	15 658
Community Facilities		9	565	491	616	514	514	581	607	637
Sport and Recreation Facilities		397	424	360	325	379	379	400	419	440
Community Assets		406	989	851	941	893	893	981	1 026	1 077
Heritage Assets		--	--	--	--	--	--	--	--	--
Revenue Generating		--	--	--	--	--	--	--	--	--
Non-revenue Generating		--	--	--	--	--	--	--	--	--
Investment properties		--	--	--	--	--	--	--	--	--
Operational Buildings		2 628	230	410	398	572	572	338	361	386
Housing		--	131	113	149	149	149	157	165	173
Other Assets		2 628	361	523	548	722	722	495	526	559
Biological or Cultivated Assets		--	--	--	--	--	--	--	--	--
Servitudes		--	--	--	--	--	--	--	--	--
Licences and Rights		--	--	--	--	--	--	--	--	--
Intangible Assets		--	--	--	--	--	--	--	--	--
Computer Equipment		444	156	131	313	243	243	328	345	362
Furniture and Office Equipment		424	10	23	35	20	20	37	39	41
Machinery and Equipment		311	322	110	258	269	269	271	283	297
Transport Assets		1 444	2 100	1 443	1 714	1 838	1 838	1 912	2 282	2 357
Libraries		--	--	--	--	--	--	--	--	--
Zoo's, Marine and Non-biological Animals		--	--	--	--	--	--	--	--	--
TOTAL EXPENDITURE OTHER ITEMS		49 281	47 585	48 751	62 031	62 137	62 137	67 214	71 098	71 993
Renewal and upgrading of Existing Assets as % of total capex		4.1%	18.4%	30.1%	51.8%	46.0%	46.0%	15.9%	65.1%	30.2%
Renewal and upgrading of Existing Assets as % of deprecn		18.2%	41.0%	85.7%	81.3%	82.0%	82.0%	28.9%	169.1%	22.4%
R&M as a % of PPE		2.8%	2.2%	2.0%	1.7%	1.7%	1.7%	1.8%	1.8%	1.9%
Renewal and upgrading and R&M as a % of PPE		3.0%	3.0%	5.0%	5.0%	5.0%	5.0%	3.0%	8.0%	2.0%

References

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

WC022 Witzenberg - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets	1									
Water										
Piped water inside dwelling		10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845
Piped water inside yard (but not in dwelling)		1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	–	–	–
Total number of households	5	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
Sanitation/sewerage										
Flush toilet (connected to sewerage)		10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300
Flush toilet (with septic tank)		730	730	730	730	730	730	730	730	730
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		1 691	1 691	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	–	–	–
Total number of households	5	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
Energy										
Electricity (at least min.service level)		1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769
Electricity - prepaid (min.service level)		11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264
<i>Minimum Service Level and Above sub-total</i>		13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	–	–	–
Total number of households	5	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
Refuse										
Removed at least once a week		11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
<i>Minimum Service Level and Above sub-total</i>		11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	–	–	–
Total number of households	5	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		2 746 616	1 057 347	3 450 717	4 276 162	4 276 162	4 276 162	4 865 480	3 821 910	3 309 806
Sanitation (free minimum level service)		5 215 558	5 651 744	8 747 756	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		1 405 843	366 060	837 839	3 188 574	3 188 574	3 188 574	–	–	–
Refuse (removed at least once a week)		4 163 140	4 583 868	7 255 520	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		2 747	1 057	3 451	4 276	4 276	4 276	4 865	3 822	3 310
Sanitation (free sanitation service to indigent households)		5 216	5 652	8 748	–	–	–	–	–	–
Electricity/other energy (50kwh per indigent household per month)		1 406	366	838	3 189	3 189	3 189	–	–	–
Refuse (removed once a week for indigent households)		4 163	4 584	7 256	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided		13 531	11 659	20 292	7 465	7 465	7 465	4 865	3 822	3 310

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Highest level of free service provided per household.										
Property rates (R value threshold)		100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		20	20	20	20	20	20	20	20	20
Revenue cost of subsidised services provided (R'000).	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		6 774	6 609	7 483	10 244	10 244	10 244	11 229	10 973	10 975
Water (in excess of 6 kilolitres per indigent household per month)		459	2 330	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		31	–	4 912	9 535	9 535	9 535	11 371	9 375	8 437
Electricity/other energy (in excess of 50 kwh per indigent household per month)		1 100	–	–	–	–	–	3 999	3 357	3 189
Refuse (in excess of one removal a week for indigent households)		15	–	5 067	7 572	7 572	7 572	9 030	7 445	6 764
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		8 379	8 939	17 462	27 352	27 352	27 352	35 629	31 149	29 365

References

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

WC022 Witzenberg - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

2019/20 Financial Performance Table (Not Supporting Detail for Budgeted Financial Performance)								2020/21 Medium Term Revenue & Expenditure Framework			
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome			
R thousand											
REVENUE ITEMS:											
Property rates											
Total Property Rates	6	66 423	70 321	77 362	82 526	82 526	82 526	–	89 077	95 313	100 078
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		6 774	6 609	7 483	10 244	10 244	10 244	–	11 229	10 973	10 975
Net Property Rates		59 649	63 712	69 879	72 282	72 282	72 282	–	77 848	84 339	89 103
Service charges - electricity revenue											
Total Service charges - electricity revenue	6	217 857	210 725	222 678	268 307	268 527	268 527	–	303 096	328 755	368 702
less Revenue Foregone (in excess of 50 kwh per indigent household per month)		1 100	–	–	–	–	–	–	3 999	3 357	3 189
less Cost of Free Basic Services (50 kwh per indigent household per month)		1 406	366	838	3 189	3 189	3 189	–	–	–	–
Net Service charges - electricity revenue		215 351	210 359	221 840	265 119	265 339	265 339	–	299 097	325 399	365 513
Service charges - water revenue											
Total Service charges - water revenue	6	36 643	48 816	38 998	40 177	40 177	40 177	–	42 588	45 143	47 400
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		459	2 330	–	–	–	–	–	–	–	–
less Cost of Free Basic Services (6 kilolitres per indigent household per month)		2 747	1 057	3 451	4 276	4 276	4 276	–	4 865	3 822	3 310
Net Service charges - water revenue		33 438	45 429	35 547	35 901	35 901	35 901	–	37 722	41 321	44 091
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		23 255	32 649	38 564	31 616	31 616	31 616	–	33 513	35 523	37 300
less Revenue Foregone (in excess of free sanitation service to indigent households)		31	–	4 912	9 535	9 535	9 535	–	11 371	9 375	8 437
less Cost of Free Basic Services (free sanitation service to indigent households)		5 216	5 652	8 748	–	–	–	–	–	–	–
Net Service charges - sanitation revenue		18 008	26 997	24 904	22 080	22 080	22 080	–	22 142	26 149	28 862
Service charges - refuse revenue											
Total refuse removal revenue	6	23 945	27 968	35 231	30 792	30 792	30 792	–	32 639	34 598	36 328
Total landfill revenue		–	–	–	633	633	633	–	671	712	747
less Revenue Foregone (in excess of one removal a week to indigent households)		15	–	5 067	7 572	7 572	7 572	–	9 030	7 445	6 764
less Cost of Free Basic Services (removed once a week to indigent households)		4 163	4 584	7 256	–	–	–	–	–	–	–
Net Service charges - refuse revenue		19 767	23 384	22 909	23 853	23 853	23 853	–	24 281	27 865	30 311
Other Revenue by source											
Fuel Levy		–	13 876	–	–	–	–	–	–	–	–
Other Revenue		4 849	–	575	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Rent on Land		0	–	–	21	21	21	–	22	23	25
Operational Revenue		–	–	1 330	1 150	1 150	1 150	–	1 203	1 258	1 201
Intercompany/Parent-subsidiary Transactions		–	–	–	–	–	–	–	–	–	–
Surcharges and Taxes		–	–	4 333	4 192	4 154	4 154	–	4 845	4 831	4 000
Sales of Goods and Rendering of Services		–	–	4 455	4 361	4 361	4 361	–	4 629	4 858	5 101
Gains and Losses - Gains		14 115	–	–	(0)	(0)	(0)	–	(0)	–	–
Total 'Other' Revenue											
	3	18 964	13 876	10 682	9 725	9 687	9 687	–	10 700	10 970	10 327

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	83 537	91 099	110 406	121 988	122 827	122 827	–	133 540	142 609	154 784
Pension and UIF Contributions		13 904	14 566	15 789	16 328	16 337	16 337	–	19 911	21 601	23 469
Medical Aid Contributions		5 953	6 752	7 362	7 927	7 927	7 927	–	8 613	9 359	10 169
Overtime		8 642	14 629	11 260	20	20	20	–	22	24	26
Performance Bonus		774	7 813	8 502	9 077	9 077	9 077	–	9 862	10 716	11 674
Motor Vehicle Allowance		4 010	4 300	5 392	5 549	5 549	5 549	–	6 029	6 551	7 119
Cellphone Allowance		667	523	513	476	476	476	–	517	562	611
Housing Allowances		593	1 446	1 448	1 803	1 803	1 803	–	1 959	2 128	2 312
Other benefits and allowances		9 681	3 476	2 963	14 655	14 655	14 655	–	15 882	17 245	18 725
Payments in lieu of leave		1 093	1 936	1 376	889	889	889	–	966	1 050	1 140
Long service awards		447	(2 702)	451	436	436	436	–	457	480	522
Post-retirement benefit obligations		4 031	11 576	1 049	11 376	26 376	26 376	–	11 945	12 543	13 628
sub-total	5	133 332	155 415	166 502	192 524	208 373	208 373	–	209 705	224 867	244 178
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–	–
Total Employee related costs	1	133 332	155 415	166 502	192 524	208 373	208 373	–	209 705	224 867	244 178
Contributions recognised - capital											
List contributions by contract		–	–	–	–	501	501	–	–	–	–
Total Contributions recognised - capital		–	–	–	–	501	501	–	–	–	–

SAMRAS^m

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ALTRON | BYTES
SYSTEMS
INTEGRATION

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		26 143	28 699	30 415	45 234	45 234	45 234	—	48 555	51 245	51 245
Lease amortisation		—	—	—	356	356	356	—	377	398	398
Capital asset impairment		138	—	—	—	—	—	—	—	—	—
Depreciation resulting from revaluation of PPE		—	—	—	—	—	—	—	—	—	—
Total Depreciation & asset impairment	10	26 280	28 699	30 415	45 590	45 590	45 590	—	48 932	51 643	51 643
Bulk purchases											
Electricity Bulk Purchases		179 203	179 705	188 783	229 196	229 196	229 196	—	260 023	282 489	318 008
Water Bulk Purchases		—	—	—	—	—	—	—	—	—	—
Total bulk purchases	1	179 203	179 705	188 783	229 196	229 196	229 196	—	260 023	282 489	318 008
Transfers and grants											
Cash transfers and grants		941	13 920	10 019	30 962	31 079	31 079	—	2 179	1 859	32 976
Non-cash transfers and grants		—	—	—	—	—	—	—	—	—	—
Total transfers and grants	1	941	13 920	10 019	30 962	31 079	31 079	—	2 179	1 859	32 976
Contracted services											
<i>List services provided by contract</i>		42 642	—	6 591	18 279	25 032	25 032	—	26 656	29 819	31 013
Allen Vegetation Control		—	—	—	—	—	—	—	—	—	—
Animal Care		—	—	—	—	—	—	—	—	—	—
Auctioneers		—	—	—	—	—	—	—	—	—	—
Bore Waterhole Drilling		—	—	—	—	—	—	—	—	—	—
Burial Services		—	3	—	—	—	—	—	—	—	—
Business and Advisory		—	2 994	3 826	—	—	—	—	—	—	—
Catering Services		—	975	—	—	—	—	—	—	—	—
Cleaning Services		—	30	—	—	—	—	—	—	—	—
Cleaning and Grass Cutting Ser		—	310	—	—	—	—	—	—	—	—
Connection/Dis-connection		—	297	—	—	—	—	—	—	—	—
Drivers Licence Cards		—	6	—	—	—	—	—	—	—	—
Electrical		—	227	—	—	—	—	—	—	—	—
Employee Wellness		—	8	—	—	—	—	—	—	—	—
Event Promoters		—	41	—	—	—	—	—	—	—	—
Exhibit Installations		—	—	—	—	—	—	—	—	—	—
Fire Services		—	1 229	95	—	—	—	—	—	—	—
Forestry		—	172	—	—	—	—	—	—	—	—
Gardening Services		—	4	—	—	—	—	—	—	—	—
Gas		—	6	—	—	—	—	—	—	—	—
Hygiene Services		—	713	—	—	—	—	—	—	—	—
Illegal Dumping		—	12	—	—	—	—	—	—	—	—
Infrastructure and Planning		—	10 484	13 885	—	—	—	—	—	—	—
Laboratory Services		—	102	—	—	—	—	—	—	—	—
Legal Cost		—	1 150	1 420	—	—	—	—	—	—	—
Litter Picking and Street Clea		—	623	—	—	—	—	—	—	—	—
Maintenance of Buildings and F		—	1 249	1 156	—	—	—	—	—	—	—
Maintenance of Equipment		—	207	—	—	—	—	—	—	—	—
Maintenance of Unspecified Ass		—	2 599	1 482	—	—	—	—	—	—	—
Management of Informal Settlement		—	120	—	—	—	—	—	—	—	—
Medical Services (Medical Heal		—	—	—	—	—	—	—	—	—	—
Meter Management		—	508	—	—	—	—	—	—	—	—
Personnel and Labour		—	188	—	—	—	—	—	—	—	—
Pest Control and Fumigation		—	0	—	—	—	—	—	—	—	—
Photographer		—	1	—	—	—	—	—	—	—	—
Plants, Flowers and Other Deco		—	32	—	—	—	—	—	—	—	—
Preservation/Restoration/Disma		—	—	—	—	—	—	—	—	—	—
Removal of Hazardous Waste		—	0	—	—	—	—	—	—	—	—
Removal of Structures and Ille		—	—	—	—	—	—	—	—	—	—
Safeguard and Security		—	—	—	—	—	—	—	—	—	—
Security Services		—	8 826	11 940	—	—	—	—	—	—	—
Sewerage Services		—	219	—	—	—	—	—	—	—	—
Stage and Sound Crew		—	104	—	—	—	—	—	—	—	—
Stream Cleaning and Ditching		—	13	—	—	—	—	—	—	—	—
Tracing Agents and Debt Collec		—	908	1 028	—	—	—	—	—	—	—

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Traffic/Fines Management			1 379	549							
Translators, Scribes and Editors			19								
Transport Services			26								
Transportation			2								
Veterinary Services			315	—	18 618	20 685	20 685	—	20 758	20 441	21 253
Chipping			—	—	6 834	5 535	5 535	—	6 071	6 748	6 880
sub-total	1	42 642	36 101	41 971	43 731	51 252	51 252	—	53 486	57 008	59 155
Allocations to organs of state:											
Electricity		—	—	—	—	—	—	—	—	—	—
Water		—	—	—	—	—	—	—	—	—	—
Sanitation		—	—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—	—
Total contracted services		42 642	36 101	41 971	43 731	51 252	51 252	—	53 486	57 008	59 155
Other Expenditure By Type											
Collection costs		—	—	—	1 900	1 900	1 900	—	1 995	2 087	2 191
Contributions to 'other' provisions		—	—	—	14	14	14	—	15	15	16
Consultant fees		—	—	—	—	—	—	—	—	—	—
Audit fees		—	—	—	2 933	3 469	3 469	—	3 626	3 792	3 967
General expenses		—	—	—	—	—	—	—	—	—	—
List Other Expenditure by Type	3				812	812	812	—	849	888	929
Bad Debts Written Off		—	—	6	35 529	35 244	35 244	—	40 286	40 252	41 765
Contracted Services		—	—	—	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—	—	—
Employee Related Cost		—	—	—	—	—	—	—	—	—	—
Inventory Consumed		—	—	—	—	—	—	—	—	—	—
Operating Leases		—	856	780	—	—	—	—	—	—	—
Operational Cost		—	67 394	35 070	—	—	—	—	—	—	—
Wet Fuel		5 666	—	—	—	—	—	—	—	—	—
Transport Assets		—	—	—	—	—	—	—	—	—	—
Travel and Subsistence		—	—	—	—	—	—	—	—	—	—
Commission		1 696	—	—	—	—	—	—	—	—	—
Professional Bodies, Memberships		1 359	—	—	—	—	—	—	—	—	—
Uniform and Protective Clothing		833	—	—	—	—	—	—	—	—	—
Skills Development Fund Levy		—	—	—	—	—	—	—	—	—	—
Insurance Underwriting		—	—	—	—	—	—	—	—	—	—
Vehicle Tracking		—	—	—	—	—	—	—	—	—	—
Workmen's Compensation Fund		—	—	—	—	—	—	—	—	—	—
Remuneration to Ward Committee		347	—	—	—	—	—	—	—	—	—
Advertising, Publicity and Mer		357	—	—	—	—	—	—	—	—	—
Leaverships and Internships		—	—	—	—	—	—	—	—	—	—
Levies Paid - Water Resource M		—	—	—	—	—	—	—	—	—	—
Signage		—	—	—	—	—	—	—	—	—	—
Indigent Relief		—	—	—	—	—	—	—	—	—	—
Investment Properties		—	—	—	—	—	—	—	—	—	—
Bank Charges, Facility and Car		—	—	—	—	—	—	—	—	—	—
Printing, Publications and Boo		1 565	—	—	—	—	—	—	—	—	—
Licences		93	—	—	—	—	—	—	—	—	—
Transport Provided as Part of		—	—	—	—	—	—	—	—	—	—
Servitudes and Land Surveys		—	—	—	—	—	—	—	—	—	—
Entertainment		61	—	—	—	—	—	—	—	—	—
Resettlement Cost		—	—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—	—
Registration Fees		—	—	—	—	—	—	—	—	—	—
Courier and Delivery Services		—	—	—	—	—	—	—	—	—	—
Cleaning Services		—	—	—	—	—	—	—	—	—	—
Full Time Union Representative		182	—	—	—	—	—	—	—	—	—
Rewards Incentives		—	—	—	—	—	—	—	—	—	—
Office Decorations		—	—	—	—	—	—	—	—	—	—
Road Worthy Test		—	—	—	—	—	—	—	—	—	—
Deeds		52	—	—	—	—	—	—	—	—	—
Municipal Services		—	—	—	—	—	—	—	—	—	—
Achievements and Awards		—	—	—	—	—	—	—	—	—	—

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Search Fees		-	-	-	-	-	-	-	-	-	-
Entrance Fees		-	-	-	-	-	-	-	-	-	-
Travel Agency and Visa's		-	-	-	-	-	-	-	-	-	-
Toll Gate Fees		-	-	-	-	-	-	-	-	-	-
Fines and Penalties		-	-	-	-	-	-	-	-	-	-
Electricity Compliance Certif		-	-	-	-	-	-	-	-	-	-
Remuneration to Section 79 Com		-	-	-	-	-	-	-	-	-	-
Firearm Handling Fees		-	-	-	-	-	-	-	-	-	-
Honoraria (Voluntarily Workers		-	-	-	-	-	-	-	-	-	-
Cash Discount		-	-	-	-	-	-	-	-	-	-
Storage of Files (Archiving)		-	-	-	-	-	-	-	-	-	-
Environmental Levy		-	-	-	-	-	-	-	-	-	-
Warranties and Guarantees		-	-	-	-	-	-	-	-	-	-
Cost relating to the Sale of H		-	-	-	-	-	-	-	-	-	-
Small Differences Tolerances		-	-	-	-	-	-	-	-	-	-
Contribution to Provisions		-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Rest of Other Expenditure		54 285	-	-	0	0	0	-	0	-	-
Gains and Losses		-	-	(22 869)	-	-	-	-	-	-	-
		(0)	-	-	-	-	-	-	-	-	-
Total 'Other' Expenditure	1	66 465	68 250	12 988	41 188	41 440	41 440	-	46 770	47 035	48 867
by Expenditure Item											
Employee related costs	8	-	1 368	1 451	814	814	814	-	1 171	1 213	1 258
Other materials		-	5 007	4 107	3 801	3 652	3 652	-	4 450	4 672	4 908
Contracted Services		-	10 830	11 298	10 500	10 754	10 754	-	11 267	12 111	12 653
Other Expenditure		-	23 001	1 682	1 479	1 328	1 328	-	1 394	1 458	1 531
Total Repairs and Maintenance Expenditure	9	23 001	18 886	18 336	16 442	16 548	16 548	-	18 282	19 454	20 350

References:

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

WC022 Witzenberg - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Financial Services	Vote 2 - Community Services	Vote 3 - Community Services	Vote 4 - Community Services	Vote 5 - Corporate Services	Vote 6 - Technical Services	Vote 7 - Technical Services	Vote 8 - Municipal Manager	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates		77 848	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77 848
Service charges - electricity revenue		364	-	-	-	-	298 733	-	-	-	-	-	-	-	-	-	299 097
Service charges - water revenue		-	-	-	-	-	-	37 722	-	-	-	-	-	-	-	-	37 722
Service charges - sanitation revenue		-	-	-	-	-	22 142	-	-	-	-	-	-	-	-	-	22 142
Service charges - refuse revenue		-	-	-	-	-	-	24 281	-	-	-	-	-	-	-	-	24 281
Rental of facilities and equipment		-	6 236	635	162	-	-	-	912	-	-	-	-	-	-	-	7 945
Interest earned - external investments		9 129	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9 129
Interest earned - outstanding debtors		1 919	139	-	-	-	2 040	4 166	-	-	-	-	-	-	-	-	8 264
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 274	18	19 152	-	4	7	-	-	-	-	-	-	-	-	-	20 456
Licences and permits		4	-	2 001	-	4	-	-	-	-	-	-	-	-	-	-	2 010
Agency services		-	-	-	3 854	-	-	-	-	-	-	-	-	-	-	-	3 854
Other revenue		5 433	2 440	146	195	557	1 915	14	-	-	-	-	-	-	-	-	10 700
Transfers and subsidies		1 951	10 002	104 406	-	-	-	-	630	-	-	-	-	-	-	-	116 989
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		97 923	18 835	126 340	4 211	566	324 837	66 183	1 542	-	-	-	-	-	-	-	640 437
Expenditure By Type																	
Employee related costs		28 811	31 945	26 332	14 657	28 696	40 256	29 600	9 408	-	-	-	-	-	-	-	209 705
Remuneration of councillors		-	-	-	-	12 032	-	-	-	-	-	-	-	-	-	-	12 032
Debt impairment		5 420	-	12 506	-	-	3 046	10 833	-	-	-	-	-	-	-	-	31 805
Depreciation & asset impairment		396	2 197	3 193	1 909	6 378	22 193	12 620	46	-	-	-	-	-	-	-	48 932
Finance charges		20	54	27	15	250	891	8 098	27	-	-	-	-	-	-	-	9 181
Bulk purchases		7	-	7	-	26	259 677	306	-	-	-	-	-	-	-	-	260 023
Other materials		794	1 359	972	730	654	9 893	4 910	217	-	-	-	-	-	-	-	19 528
Contracted services		2 538	4 618	3 294	1 557	13 171	18 359	5 679	4 269	-	-	-	-	-	-	-	53 486
Transfers and subsidies		401	-	-	-	1 216	-	-	562	-	-	-	-	-	-	-	2 179
Other expenditure		16 121	2 255	2 877	585	9 809	4 891	9 074	1 157	-	-	-	-	-	-	-	46 770
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		54 508	42 428	49 208	19 452	72 232	359 006	81 121	15 685	-	-	-	-	-	-	-	683 640
Surplus/(Deficit)		43 415	(23 593)	77 132	(15 242)	(71 667)	(34 168)	(14 938)	(14 143)	-	-	-	-	-	-	-	(53 203)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	870	-	41 594	36 252	-	-	-	-	-	-	-	-	78 716
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		43 415	(23 593)	77 132	(14 372)	(71 667)	7 426	21 314	(14 143)	-	-	-	-	-	-	-	25 513

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

WC022 Witzenberg - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

2022/23 Wiltshire - Supporting Table One Supporting Detail to Budgeted Financials - Wiltshire											
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
ASSETS											
Call investment deposits											
Call deposits		–	–	–	–	–	–	–	–	–	–
Other current investments		–	–	–	–	–	–	–	–	–	–
Total Call investment deposits	2	–	–	–	–	–	–	–	–	–	–
Consumer debtors											
Consumer debtors		241 721	152 613	183 187	86 122	86 304	86 304	–	79 439	87 336	96 496
Less: Provision for debt impairment		(183 834)	(101 389)	(131 576)	(33 598)	(43 498)	(43 498)	–	(31 805)	(33 268)	(34 932)
Total Consumer debtors	2	57 887	51 223	51 611	52 523	42 805	42 805	–	47 633	54 068	61 564
Debt impairment provision											
Balance at the beginning of the year		(145 257)	(184 810)	–	–	–	–	–	–	–	–
Contributions to the provision		(39 568)	77 650	(18 659)	(33 598)	(43 498)	(43 498)	–	(31 805)	(33 268)	(34 932)
Bad debts written off		14	–	(7)	–	–	–	–	–	–	–
Balance at end of year		(184 810)	(107 160)	(18 666)	(33 598)	(43 498)	(43 498)	–	(31 805)	(33 268)	(34 932)
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		982 610	1 042 727	1 180 172	944 286	953 687	953 687	–	1 298 438	1 126 575	1 113 272
Leases recognised as PPE		–	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation		174 551	199 485	261 909	–	–	–	–	304 919	50 503	50 503
Total Property, plant and equipment (PPE)	2	808 059	843 242	918 262	944 286	953 687	953 687	–	993 519	1 076 072	1 062 768
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		3 717	2 276	1 518	–	–	–	–	–	–	–
Total Current liabilities - Borrowing		3 717	2 276	1 518	–	–	–	–	–	–	–
Trade and other payables											
Trade Payables		44 015	46 754	48 189	72 794	72 794	72 794	–	68 138	84 284	94 715
Other Creditors		–	–	–	–	–	–	–	–	–	–
Unspent conditional transfers		4 665	5 750	12 794	–	–	–	–	13 352	5 704	3 303
VAT		–	–	–	–	–	–	–	–	–	–
Total Trade and other payables	2	48 681	52 504	60 983	72 794	72 794	72 794	–	81 490	89 989	98 017
Non current liabilities - Borrowing											
Borrowing		7 503	5 192	4 704	6 222	6 222	6 222	–	4 722	3 222	1 722
Finance leases (including PPP asset element)		–	–	–	–	–	–	–	–	–	–
Total Non current liabilities - Borrowing	4	7 503	5 192	4 704	6 222	6 222	6 222	–	4 722	3 222	1 722
Provisions - non-current											
Retirement benefits		75 386	81 258	64 340	11 376	26 376	26 376	–	56 498	12 542	13 628
List other major provision items		–	–	–	–	–	–	–	–	–	–
Refuse landfill site rehabilitation		70 249	71 467	86 471	7 475	7 475	7 475	–	94 314	8 235	8 638
Other		–	–	–	131 961	116 961	116 961	–	–	130 035	128 546
Total Provisions - non-current		145 635	152 724	150 812	150 812	150 812	150 812	–	150 812	150 812	150 812

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		692 242	788 751	–	848 143	848 143	848 143	–	865 677	–	–
GRAP adjustments		–	–	–	–	–	–	–	–	–	–
Restated balance		692 242	788 751	–	848 143	848 143	848 143	–	865 677	–	–
Surplus/(Deficit)		97 316	48 192	56 530	6 123	(25 682)	(25 682)	–	25 513	74 968	(15 292)
Appropriations to Reserves		(23 365)	–	14 298	6 123	(25 682)	(25 682)	–	839 763	74 968	(15 292)
Transfers to/from Reserves		22 558	–	–	–	–	–	–	–	–	–
Depreciation offsets		–	–	–	–	–	–	–	–	–	–
Other adjustments		–	–	–	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	1	788 751	836 943	70 827	860 390	796 779	796 779	–	1 730 954	149 937	(30 584)
Reserves											
Housing Development Fund		–	–	–	–	–	–	–	–	–	–
Capital replacement		10 355	10 355	10 355	10 355	10 355	10 355	–	10 355	10 355	10 355
Self-insurance		–	–	–	–	–	–	–	–	–	–
Other reserves		–	–	–	–	–	–	–	–	–	–
Compensation for Occupational Injuries and Diseases		–	–	–	–	–	–	–	–	–	–
Employee Benefit Reserve		–	–	–	–	–	–	–	–	–	–
Non-current Provisions Reserve		–	–	–	–	–	–	–	–	–	–
Valuation Reserve		–	–	–	–	–	–	–	–	–	–
Investment in associate account		–	–	–	–	–	–	–	–	–	–
Capitalisation Reserve		–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–
Total Reserves	2	10 355	10 355	10 355	10 355	10 355	10 355	–	10 355	10 355	10 355
TOTAL COMMUNITY WEALTH/EQUITY	2	799 106	847 297	81 182	870 744	807 134	807 134	–	1 741 308	160 291	(20 229)
Total capital expenditure includes expenditure on nationally significant priorities:											
Provision of basic services											

References

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

WC022 Witzenberg - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

WC022 Wlizenberg - Supporting Table SA4 Reconciliation of IDP Strategic Objectives and Budget (Revenue)												
Strategic Objective		Goal	Goal Code	Current Year 2019/20						2020/21 Medium Term Revenue & Expenditure Framework		
R thousand			Ref	2016/17 Audited Outcome	2017/18 Audited Outcome	2018/19 Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure			369 590	351 012	380 113	383 173	383 173	383 173	486 952	568 114	519 713
Essential Services	1.2 Provide for the needs of informal settlements through improved services			–	–	–	–	–	–	–	–	–
Governance	2.1 Support Institutional Transformation & Development			41 905	1 759	2 973	4 684	4 684	4 684	3 845	4 026	4 215
Governance	2.2 Ensure financial viability.			79 235	83 282	88 829	91 210	91 210	91 210	97 923	104 673	108 321
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the			–	–	104	4	4	4	–	–	–
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.			33 338	115 053	132 967	151 440	151 440	151 440	149 158	158 599	176 536
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy			86 177	13 006	13 394	30 043	30 043	30 043	1 101	1 158	32 241
Socio-Economic Support Services	4.2 Create an enabling environment to attract investment & support local economy.			–	295	577	250	250	250	–	–	–
Allocations to other priorities												
Total Revenue (excluding capital transfers and contributions)				610 245	564 409	618 956	660 803	660 803	660 803	738 980	836 570	841 025

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

WC022 Witzenberg - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Table 1: Medium Term Revenue and Expenditure Framework – Strategic Objectives and Budget (Operating Expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousand													
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure			308 152	315 095	365 315	388 786	388 786	388 786	436 480	472 345	517 707	
Essential Services	1.2 Provide for the needs of informal settlements through improved services			–	–	–	–	–	–	–	–	–	
Governance	2.1 Support Institutional Transformation & Development			93 382	61 684	75 867	75 465	75 465	75 465	99 349	103 818	110 352	
Governance	2.2 Ensure financial viability.			30 183	27 219	44 612	47 140	47 140	47 140	52 601	54 276	57 805	
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the			1 926	5 202	6 354	6 341	6 341	6 341	3 263	3 490	3 739	
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.			45 000	88 628	94 381	99 819	99 819	99 819	113 747	119 071	126 465	
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy			32 461	16 468	18 765	34 902	34 902	34 902	5 811	6 222	37 695	
Socio-Economic Support Services	4.2 Create an enabling environment to attract investment & support local economy.			1 825	1 921	2 585	2 227	2 227	2 227	2 215	2 380	2 554	
Allocations to other priorities													
Total Expenditure				1	512 929	516 217	607 879	654 680	654 680	654 680	713 466	761 602	856 317

References

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

WC022 Witzenberg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective				Goal	Goal Code	Ref	2016/17			2017/18			2018/19			Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework							
							Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23											
R thousand																										
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure	A		46 913	58 766	81 721	48 269	48 269	48 269	86 194	134 058	32 011														
Essential Services	1.2 Provide for the needs of informal settlements through improved services	B		–	–	–	–	–	–	–	–	–														
Governance	2.1 Support Institutional Transformation & Development	C		268	678	2 188	3 196	3 196	3 196	1 050	–	600														
Governance	2.2 Ensure financial viability.	D		548	322	702	80	80	80	–	–	–														
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the	E		–	661	258	300	300	300	–	–	–														
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.	F		3 432	5 518	6 058	19 767	19 767	19 767	1 520	137	5 729														
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy	G		–	359	–	–	–	–	–	–	–														
Socio-Economic Support Services	4.2 Create an enabling environment to attract investment & support local economy.	H		–	20	531	0	0	0	–	–	–														
Allocations to other priorities				3																						
Total Capital Expenditure				1	51 162	66 324	91 458	71 613	71 613	71 613	88 764	134 196	38 340													

References

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

WC022 Witzenberg - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Essential Services										
Sustainable provision & maintenance of basic		99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
% Expenditure on Operational Budget by										
<i>Insert measure/s description</i>										
% Expenditure on Capital Budget by										
<i>Insert measure/s description</i>		98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Percentage compliance with drinking water		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<i>Insert measure/s description</i>										
Number of outstanding valid applications for		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Insert measure/s description</i>										
Number of outstanding valid applications for		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Insert measure/s description</i>										
Number of outstanding valid applications for		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Insert measure/s description</i>										
Number of outstanding valid applications for		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Insert measure/s description</i>										
Decrease unaccounted water losses.		19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%
<i>Insert measure/s description</i>										
Decrease unaccounted electricity losses.		10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
<i>Insert measure/s description</i>										
Percentage compliance with drinking water		10	11	11	11	11	11	11	11	11
<i>Insert measure/s description</i>										
Provide for the needs of informal settlements										
Number of subsidised serviced sites										
<i>Insert measure/s description</i>										
Provide basic services - number of informal		3	3	3	3	3	3	3	3	3
<i>Insert measure/s description</i>										

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Provide basic services - number of informal <i>Insert measure/s description</i>		3	3	3	3	3	3	3	3	3
Improve basic services - number of informal <i>Insert measure/s description</i>		3	3	3	3	3	3	3	3	3
Number of subsidised electricity <i>Insert measure/s description</i>		94	94	94	94	94	94	94	94	94
Governance										
Support Institutional Transformation & Percentage budget spent on implementation <i>Insert measure/s description</i>		98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Percentage of people from employment <i>Insert measure/s description</i>		75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Ensure financial viability. Financial viability expressed as Debt- <i>Insert measure/s description</i>		40	40	40	40	40	40	40	40	40
Financial viability expressed as Cost- <i>Insert measure/s description</i>		2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2
Financial viability expressed outstanding <i>Insert measure/s description</i>		54.0%	54.0%	54.0%	54.0%	54.0%	54.0%	54.0%	54.0%	54.0%
Opinion of the Auditor-General on annual <i>Insert measure/s description</i>		Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
Increased revenue collection <i>Insert measure/s description</i>		95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Percentage of budget spent on repairs & <i>Insert measure/s description</i>		99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Percentage spend of capital budget. <i>Insert measure/s description</i>		97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%
To maintain and strengthen relations with Number of IDP community meetings held.		14	14	14	14	14	14	14	14	14
Number of meetings with inter-governmental <i>Insert measure/s description</i>		12	12	12	12	12	12	12	12	12

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Communal Services										
Provide & maintain facilities that make citizens										
Customer satisfaction survey (Score 1-5) - <i>Insert measure/s description</i>		2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
% Expenditure on Operational Budget by <i>Insert measure/s description</i>		100%	100%	100%	100%	100%	100%	100%	100%	100%
% Expenditure on Capital Budget by <i>Insert measure/s description</i>		96%	96%	96%	96%	96%	96%	96%	96%	96%
Socio-Economic Support Services										
Support the poor & vulnerable through										
Number of account holders subsidised <i>Insert measure/s description</i>		2521	2521	2521	2521	2521	2521	2521	2521	2521
Number of jobs created through <i>Insert measure/s description</i>		398	398	398	398	398	398	398	398	398
Number of social development programmes <i>Insert measure/s description</i>		22	22	22	22	22	22	22	22	22
Number of housing opportunities provided <i>Insert measure/s description</i>		200	200	200	200	200	200	200	200	200
Number of Rental Stock transferred <i>Insert measure/s description</i>		65	65	65	65	65	65	65	65	65
Create an enabling environment to attract										
Revisit Municipal Land Audit and draw up an <i>Insert measure/s description</i>		Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2
Compile & Implementation of LED Strategy <i>Insert measure/s description</i>		Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved
Sub-function 3 - (name) <i>Insert measure/s description</i>										
And so on for the rest of the Votes										

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

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WC022 Witzberg - Supporting Table S&B Performance indicators and benchmarks

2016/17					2017/18		2018/19		Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
Description of financial indicator		Basis of calculation		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
Revenue Management															
Credit Rating															
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	5.1%	2.1%	3.4%	1.4%	1.3%	1.3%	0.0%		0.0%	1.5%	1.5%	1.4%		
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing / Own Revenue	6.3%	2.5%	4.3%	1.8%	1.8%	1.8%	0.0%	0.0%	0.0%	2.0%	2.0%	1.9%		
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
Safety of Capital															
Gearing	Long Term Borrowing/ Funds & Reserves	72.5%	50.1%	45.4%	60.1%	60.1%	60.1%	60.1%	60.1%	45.6%	31.1%	16.6%			
Liquidity															
Current Ratio	Current asset/current liabilities	2.1	2.2	2.0	1.7	1.3	1.3	1.3	1.3	1.1	1.0	1.0	1.0		
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.1	2.2	2.0	1.7	1.3	1.3	1.3	1.3	1.1	1.0	1.0	1.0		
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	1.2	1.0	0.9	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5		
Revenue Management															
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing			107.6%	107.6%	100.6%	99.0%	97.5%	97.5%	97.5%	0.0%	96.2%	96.1%		
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)				107.6%	107.6%	100.6%	99.0%	97.5%	97.5%	97.5%	0.0%	96.2%	96.1%		
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue			12.6%	13.6%	14.5%	12.7%	11.1%	11.1%	0.0%	11.4%	11.4%	11.0%		
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old														
Creditors Management															
Creditors System Efficiency	% of Creditors Paid Within Terms (within 10/14/18 & 30/60/90)			100.0%	100.0%	100.0%									
Creditors to Cash and Investments				97.7%	47.9%	61.1%	78.0%	90.0%	90.0%	0.0%	84.2%	97.4%	97.3%		
Other Indicators															
Electricity Distribution Losses (2)	Total Volume Losses (kW)			20 636											
	Total Cost of Losses (Rand '000)			17 967											
	% Volume (units purchased and generated less units sold)/units purchased and generated			10%											
	Total Volume Losses (kV)			1 260											
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)			488											
	% Volume (units purchased and generated less units sold)/units purchased and generated			19.4%											
Employee costs	Employee costs/(Total Revenue - capital revenue)	25.8%	29.3%	31.1%	31.2%	33.7%	33.7%	0.0%		32.7%	32.3%	30.9%			
Remuneration	Total remuneration/(Total Revenue - capital revenue)	27.4%	31.1%	34.1%	33.1%	35.6%	35.6%			34.6%	34.2%	32.5%			
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.5%	3.6%	3.4%	2.7%	2.7%	2.7%	2.7%		2.9%	2.8%	2.6%			
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	8.5%	7.1%	8.6%	8.8%	8.8%	8.8%	8.8%	0.0%	9.1%	8.8%	7.8%			
GP regulates financial viability indicators															
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	48.1	31.0	36.9	43.2	43.2	43.2			-	26.5	28.9	31.7		
II. Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	18.4%	19.2%	20.4%	18.3%	16.0%	16.0%	16.0%	0.0%		15.6%	15.5%	15.4%		
III. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.1	2.7	2.3	2.0	1.6	1.6	1.6		-	1.6	1.6	1.6		

Notes:

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

Calculation data:

Debtors > 90 days

Monthly fixed operational expenditure

Fixed operational expenditure % assumption

Own costs

Borrowing

36 510	36 274	40 222	47 819	50 942	50 942	-	50 286	53 937	61 603
40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	-	40.0%	40.0%	40.0%
25 558	29 617	32 479	26 005	34 982	34 982	-	10 048	13 737	10 173
-	-	-	-	-	-	-	-	-	-

WC022 Witzenberg - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Demographics												
Population			-	-	-	116	116	116	116	116	116	116
Females aged 5 - 14			-	-	-	-	-	-	-	-	-	-
Males aged 5 - 14			-	-	-	-	-	-	-	-	-	-
Females aged 15 - 34			-	-	-	21	21	21	21	21	21	21
Males aged 15 - 34			-	-	-	24	24	24	24	24	24	24
Unemployment			-	-	-	3	3	3	3	3	3	3
Monthly household income (no. of households)	1, 12											
No income			-	-	-	1 757	1 757	1 757	1 757	1 757	1 757	1 757
R1 - R1 600			-	-	-	6 703	6 703	6 703	6 703	6 703	6 703	6 703
R1 601 - R3 200			-	-	-	7 079	7 079	7 079	7 079	7 079	7 079	7 079
R3 201 - R6 400			-	-	-	5 723	5 723	5 723	5 723	5 723	5 723	5 723
R6 401 - R12 800			-	-	-	2 863	2 863	2 863	2 863	2 863	2 863	2 863
R12 801 - R25 600			-	-	-	1 851	1 851	1 851	1 851	1 851	1 851	1 851
R25 601 - R51 200			-	-	-	1 064	1 064	1 064	1 064	1 064	1 064	1 064
R52 201 - R102 400			-	-	-	253	253	253	253	253	253	253
R102 401 - R204 800			-	-	-	77	77	77	77	77	77	77
R204 801 - R409 600			-	-	-	49	49	49	49	49	49	49
R409 601 - R819 200			-	-	-	-	-	-	-	-	-	-
> R819 200			-	-	-	-	-	-	-	-	-	-
Poverty profiles (no. of households)												
< R2 060 per household per month	13		-	-	-	8 460	8 460	8 460	8 460	8 460	8 460	8 460
	2		-	-	-	15 539	15 539	15 539	15 539	15 539	15 539	15 539
Household/demographics (000)												
Number of people in municipal area			-	-	-	116	116	116	116	116	116	116
Number of poor people in municipal area			-	-	-	90	90	90	90	90	90	90
Number of households in municipal area			-	-	-	27	27	27	27	27	27	27
Number of poor households in municipal area			-	-	-	21	21	21	21	21	21	21
Definition of poor household (R per month)			-	-	-	>R6400	>R6400	>R6400	>R6400	>R6400	>R6400	>R6400
Housing statistics	3											
Formal			-	-	-	23 642	23 642	23 642	23 642	23 642	23 642	23 642
Informal			-	-	-	3 778	3 778	3 778	3 778	3 778	3 778	3 778
Total number of households			-	-	-	27 420	27 420	27 420	27 420	27 420	27 420	27 420
Dwellings provided by municipality	4		-	-	-	-	-	-	-	-	-	-
Dwellings provided by province/s			-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	5		-	-	-	-	-	-	-	-	-	-
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)						5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Interest rate - borrowing						9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
Interest rate - investment						5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Remuneration increases						6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Consumption growth (electricity)						2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Consumption growth (water)						2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Collection rates	7											
Property tax/service charges						98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%
Rental of facilities & equipment						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - external investments						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors						98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%

SAMRAS^m

Prepared by :

Date : 2020/03/24 04:46 PM

ALTRON | BYTES
SYSTEMS
INTEGRATION

Revenue from agency services

			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
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Detail on the provision of municipal services for A10

Total municipal services	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845
		Piped water inside yard (but not in dwelling)	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691
	8	Using public tap (at least min.service level)	--	--	--	--	--	--	--	--	--
	10	Other water supply (at least min.service level)	--	--	--	--	--	--	--	--	--
		<i>Minimum Service Level and Above sub-tota</i>	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
	9	Using public tap (< min.service level)	--	--	--	--	--	--	--	--	--
	10	Other water supply (< min.service level)	--	--	--	--	--	--	--	--	--
		No water supply	--	--	--	--	--	--	--	--	--
		<i>Below Minimum Service Level sub-tota</i>	--	--	--	--	--	--	--	--	--
		Total number of households	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300
		Flush toilet (with septic tank)	730	730	730	730	730	730	730	730	730
		Chemical toilet	--	--	--	--	--	--	--	--	--
		Pit toilet (ventilated)	--	--	--	--	--	--	--	--	--
		Other toilet provisions (> min.service level)	1 691	1 691	--	--	--	--	--	--	--
		<i>Minimum Service Level and Above sub-tota</i>	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
		Bucket toilet	--	--	--	--	--	--	--	--	--
		Other toilet provisions (< min.service level)	--	--	--	--	--	--	--	--	--
		No toilet provisions	--	--	--	--	--	--	--	--	--
		<i>Below Minimum Service Level sub-tota</i>	--	--	--	--	--	--	--	--	--
		Total number of households	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
		Energy:									
		Electricity (at least min.service level)	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769
		Electricity - prepaid (min.service level)	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264
		<i>Minimum Service Level and Above sub-tota</i>	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
		Electricity (< min.service level)	--	--	--	--	--	--	--	--	--
		Electricity - prepaid (< min. service level)	--	--	--	--	--	--	--	--	--
		Other energy sources	--	--	--	--	--	--	--	--	--
		<i>Below Minimum Service Level sub-tota</i>	--	--	--	--	--	--	--	--	--
		Total number of households	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
		Refuse:									
		Removed at least once a week	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
		<i>Minimum Service Level and Above sub-tota</i>	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
		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-tota</i>	--	--	--	--	--	--	--	--	--
		Total number of households	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067

Municipal in-house services	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845
		Piped water inside yard (but not in dwelling)	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691
8		Using public tap (at least min.service level)	--	--	--	--	--	--	--	--	--
10		Other water supply (at least min.service level)	--	--	--	--	--	--	--	--	--
		<i>Minimum Service Level and Above sub-tota</i>	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
9		Using public tap (< min.service level)	--	--	--	--	--	--	--	--	--
10		Other water supply (< min.service level)	--	--	--	--	--	--	--	--	--
		No water supply	--	--	--	--	--	--	--	--	--
		<i>Below Minimum Service Level sub-tota</i>	--	--	--	--	--	--	--	--	--
		Total number of households	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300
		Flush toilet (with septic tank)	730	730	730	730	730	730	730	730	730
		Chemical toilet	--	--	--	--	--	--	--	--	--
		Pit toilet (ventilated)	--	--	--	--	--	--	--	--	--
		Other toilet provisions (> min.service level)	1 691	1 691	--	--	--	--	--	--	--
		<i>Minimum Service Level and Above sub-tota</i>	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
		Bucket toilet	--	--	--	--	--	--	--	--	--
		Other toilet provisions (< min.service level)	--	--	--	--	--	--	--	--	--
		No toilet provisions	--	--	--	--	--	--	--	--	--
		<i>Below Minimum Service Level sub-tota</i>	--	--	--	--	--	--	--	--	--
		Total number of households	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
		Energy:									
		Electricity (at least min.service level)	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769
		Electricity - prepaid (min.service level)	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264
		<i>Minimum Service Level and Above sub-tota</i>	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
		Electricity (< min.service level)	--	--	--	--	--	--	--	--	--
		Electricity - prepaid (< min. service level)	--	--	--	--	--	--	--	--	--
		Other energy sources	--	--	--	--	--	--	--	--	--
		<i>Below Minimum Service Level sub-tota</i>	--	--	--	--	--	--	--	--	--
		Total number of households	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
		Refuse:									
		Removed at least once a week	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
		<i>Minimum Service Level and Above sub-tota</i>	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
		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-tota</i>	--	--	--	--	--	--	--	--	--
		Total number of households	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067

Detail of Free Basic Services (FBS) provided			2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Electricity	Ref.	Location of households for each type of FBS									
List type of FBS service		Formal settlements - (50 kwh per indigent household per month Rands)	1 405 843	366 060	837 839	3 188 574	3 188 574	3 188 574	-	-	-
		Number of HH receiving this type of FBS	2 565	2 317	-	-	-	-	-	-	-
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Other (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Total cost of FBS - Electricity for informal settlements	-	-	-	-	-	-	-	-	-
Water	Ref.	Location of households for each type of FBS									
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month Rands)	2 746 616	1 057 347	3 450 717	4 276 162	4 276 162	4 276 162	4 865 480	3 821 910	3 309 806
		Number of HH receiving this type of FBS	2 565	2 317	-	-	-	-	-	-	-
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Other (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Total cost of FBS - Water for informal settlements	-	-	-	-	-	-	-	-	-
Sanitation	Ref.	Location of households for each type of FBS									
List type of FBS service		Formal settlements - (free sanitation service to indigent households)	5 215 558	5 651 744	8 747 756	-	-	-	-	-	-
		Number of HH receiving this type of FBS	2 565	2 317	-	-	-	-	-	-	-
		Informal settlements (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Informal settlements targeted for upgrading (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Living in informal backyard rental agreement (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Other (Rands)	-	-	-	-	-	-	-	-	-
		Number of HH receiving this type of FBS	-	-	-	-	-	-	-	-	-
		Total cost of FBS - Sanitation for informal settlements	-	-	-	-	-	-	-	-	-

Refuse Removal	Ref.	Location of households for each type of FBS									
List type of FBS service		Formal settlements - (removed once a week to indigent households)	4 163 140	4 583 868	7 255 520	–	–	–	–	–	–
		Number of HH receiving this type of FBS	2 565	2 317	–	–	–	–	–	–	–
		Informal settlements (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Other (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Total cost of FBS - Refuse Removal for informal settlements	–	–	–	–	–	–	–	–	–

References

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

WC022 Witzenberg Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	76 333	97 506	94 272	93 351	80 873	80 873	80 873	80 823	86 524	97 318
Cash + investments at the yr end less applications - R'000	18(1)b	2	91 016	117 805	83 554	92 532	71 063	71 063	80 873	66 162	69 217	79 046
Cash year end/monthly employee/supplier payments	18(1)b	3	2.1	2.7	2.3	2.0	1.6	1.6	1.6	1.6	1.6	1.6
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	97 316	48 192	56 530	6 123	(25 682)	(25 682)	-	25 513	74 968	(15 292)
Service charge rev % change - macro CPI-X target exclusive	18(1)a(2)	5	N.A.	0.8%	(4.6%)	5.8%	(5.9%)	(6.0%)	(106.0%)	3.9%	3.5%	4.5%
Cash receipts % of Ratepayer & Other revenue	18(1)a(2)	6	104.2%	101.0%	88.6%	92.3%	92.2%	92.2%	0.0%	91.3%	91.4%	91.6%
Debt impairment expense as a % of total billable revenue	18(1)a(2)	7	10.9%	0.3%	11.0%	8.0%	10.4%	10.4%	0.0%	6.9%	6.6%	6.3%
Capital payments % of capital expenditure	18(1)c-19	8	100.4%	100.0%	100.0%	100.0%	99.7%	99.7%	0.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.0%	100.0%	100.0%
Current consumer debtors % change - inc/(decr)	18(1)a	11	N.A.	10.7%	7.8%	0.4%	(12.5%)	0.0%	0.0%	7.1%	8.8%	9.4%
Long term receivables % change - inc/(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	2.8%	2.2%	2.0%	1.7%	1.7%	1.7%	1.9%	1.8%	1.8%	1.9%
Asset renewal % of capital budget	20(1)(vi)	14	4.3%	17.0%	18.3%	16.6%	15.6%	15.6%	0.0%	5.5%	0.0%	13.0%

References

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

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Supporting indicators												
% inc total service charges (incl prop rates)	18(1)a			6.6%	1.4%	11.6%	0.1%	0.0%	(100.0%)	9.9%	9.5%	10.5%
% inc Property Tax	18(1)a			6.6%	9.7%	3.4%	0.0%	0.0%	(100.0%)	7.7%	8.3%	5.6%
% inc Service charges - electricity revenue	18(1)a			(2.3%)	5.5%	19.5%	0.1%	0.0%	(100.0%)	12.7%	8.6%	12.3%
% inc Service charges - water revenue	18(1)a			35.9%	(21.6%)	1.0%	0.0%	0.0%	(100.0%)	5.1%	9.5%	6.7%
% inc Service charges - sanitation revenue	18(1)a			49.9%	(7.6%)	(11.3%)	0.0%	0.0%	(100.0%)	0.3%	18.1%	10.4%
% inc Service charges - refuse revenue	18(1)a			18.3%	(2.0%)	4.1%	0.0%	0.0%	(100.0%)	1.8%	14.8%	8.8%
% inc in Service charges - other	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		346 213	369 881	375 079	419 235	419 455	419 455	–	461 090	505 073	557 880
Service charges			346 213	369 881	375 079	419 235	419 455	419 455	–	461 090	505 073	557 880
Property rates			59 649	63 712	69 879	72 282	72 282	72 282	–	77 848	84 339	89 103
Service charges - electricity revenue			215 351	210 359	221 840	265 119	265 339	265 339	–	299 097	325 399	365 513
Service charges - water revenue			33 438	45 429	35 547	35 901	35 901	35 901	–	37 722	41 321	44 091
Service charges - sanitation revenue			18 008	26 997	24 904	22 080	22 080	22 080	–	22 142	26 149	28 862
Service charges - refuse removal			19 767	23 384	22 909	23 853	23 853	23 853	–	24 281	27 865	30 311
Service charges - other			–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			8 177	5 990	5 441	7 567	7 567	7 567	–	7 945	8 342	8 759
Capital expenditure excluding capital grant funding			22 558	29 617	32 479	25 935	34 962	34 962	–	10 048	13 737	10 173
Cash receipts from ratepayers	18(1)a		423 251	431 639	372 352	433 197	433 197	433 197	433 197	469 422	512 319	563 557
Ratepayer & Other revenue	18(1)a		406 362	427 543	420 121	469 464	469 646	469 646	–	514 319	560 698	615 095
Change in consumer debtors (current and non-current)			7 647	6 998	5 587	307	(9 411)	(9 411)	(9 411)	(4 898)	6 435	7 466
Operating and Capital Grant Revenue	18(1)a		140 197	128 744	169 379	182 645	184 949	184 949	–	195 705	245 548	195 067
Capital expenditure - total	20(1)(vi)		115 242	63 800	86 657	71 613	81 290	81 290	–	88 764	134 196	38 340
Capital expenditure - renewal	20(1)(vi)		4 924	10 816	15 824	11 900	12 653	12 653	–	4 900	–	5 000
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY										106 455	114 250	124 688
DoRA capital grants total MFY										35 763	40 614	25 237
Provincial operating grants										10 534	10 833	42 281
Provincial capital grants										42 954	79 845	2 930
District Municipality grants										–	–	–
Total gazetted/advised national, provincial and distict grants										195 705	245 548	195 067
Average annual collection rate (arears inclusive)												

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
DoRA operations										101 915	112 056	122 389
Operational Revenue-General Revenue-Equitable Share										-	-	-
Operational Revenue-General Revenue-Fuel Levy										-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]										-	-	-
Agriculture Research and Technology										-	-	-
Agriculture, Conservation and Environmental										-	-	-
Arts and Culture Sustainable Resource Management										-	-	-
Community Library										-	-	-
Department of Environmental Affairs										-	-	-
Department of Tourism										-	-	-
Department of Water Affairs and Sanitation Masibambane										-	-	-
Emergency Medical Service										-	-	-
Energy Efficiency and Demand-side [Schedule 5B]										-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]										2 360	-	-
HIV and Aids										-	-	-
Housing Accreditation										-	-	-
Housing Top structure										-	-	-
Infrastructure Skills Development Grant [Schedule 5B]										-	-	-
Integrated City Development Grant										-	-	-
Rhayelisha Urban Renewal										-	-	-
Local Government Financial Management Grant [Schedule 5B]										1 550	1 550	1 550
Mitchell's Plain Urban Renewal										-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]										-	-	-
Municipal Disaster Grant [Schedule 5B]										-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]										-	-	-
Municipal Systems Improvement Grant										-	-	-
Natural Resource Management Project										-	-	-
Neighbourhood Development Partnership Grant										-	-	-
Operation Clean Audit										-	-	-
Municipal Disaster Recovery Grant										-	-	-
Public Service Improvement Facility										-	-	-
Public Transport Network Operations Grant [Schedule 5B]										-	-	-
Restructuring - Seed Funding										-	-	-
Revenue Enhancement Grant Debtors Book										-	-	-
Rural Road Asset Management Systems Grant										-	-	-
Sport and Recreation										-	-	-
Terrestrial Invasive Alien Plants										-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]										-	-	-
Health Hygiene in Informal Settlements										-	-	-
Municipal Infrastructure Grant [Schedule 5B]										630	650	670
Water Services Infrastructure Grant										-	-	-
Public Transport Network Grant [Schedule 5B]										-	-	-
Smart Connect Grant										-	-	-
Urban Settlement Development Grant										-	-	-
WiFi Grant [Department of Telecommunications and Postal Services										-	-	-
Street Lighting										-	-	-
Traditional Leaders - Imbizos										-	-	-
Department of Water and Sanitation Smart Living Handbook										-	-	-
Integrated National Electrification Programme Grant										-	-	-
Municipal Restructuring Grant										-	-	-
Regional Bulk Infrastructure Grant										-	-	-
Municipal Emergency Housing Grant										-	-	-
Metro Informal Settlements Partnership Grant										-	-	-
										106 455	114 256	124 699

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
DoRA Capital												
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]										-	3 000	4 000
Municipal Infrastructure Grant [Schedule 5B]										18 631	20 223	21 237
Municipal Water Infrastructure Grant [Schedule 5B]										-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]										-	-	-
Public Transport Infrastructure Grant [Schedule 5B]										-	-	-
Rural Household Infrastructure Grant [Schedule 5B]										-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]										-	-	-
Urban Settlement Development Grant [Schedule 4B]										-	-	-
Municipal Human Settlement										-	-	-
Community Library										-	-	-
Integrated City Development Grant [Schedule 4B]										-	-	-
Municipal Disaster Recovery Grant [Schedule 4B]										-	-	-
Energy Efficiency and Demand Side Management Grant										-	-	-
Khayelitsha Urban Renewal										-	-	-
Local Government Financial Management Grant [Schedule 5B]										-	-	-
Municipal Systems Improvement Grant [Schedule 5B]										-	-	-
Public Transport Network Grant [Schedule 5B]										-	-	-
Public Transport Network Operations Grant [Schedule 5B]										-	-	-
Regional Bulk Infrastructure Grant [Schedule 5B]										16 931	17 391	-
Water Services Infrastructure Grant [Schedule 5B]										-	-	-
WIFI Connectivity										-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]										-	-	-
Aquaponic Project										-	-	-
Recreation Settlement										-	-	-
Infrastructure Skills Development Grant [Schedule 5B]										-	-	-
Restructuring Seed Funding										-	-	-
Municipal Disaster Relief Grant										-	-	-
Municipal Emergency Housing Grant										-	-	-
Metro Informal Settlements Partnership Grant										-	-	-
										35 763	40 614	25 237

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Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Trend												
Change in consumer debtors (current and non-current)			7 647	6 998	5 597	307	(9 411)	(9 411)	(9 411)	(4 890)	6 435	7 496
Total Operating Revenue			516 534	529 928	535 031	616 625	617 464	617 464	–	640 437	695 373	791 084
Total Operating Expenditure			512 929	516 217	532 678	654 680	689 473	689 473	–	693 640	740 863	834 542
Operating Performance Surplus/(Deficit)			3 605	13 711	2 352	(38 055)	(72 009)	(72 009)	–	(53 203)	(45 490)	(43 458)
Cash and Cash Equivalents (30 June 2012)										80 923		
Revenue												
% Increase in Total Operating Revenue				2.6%	1.0%	15.3%	0.1%	0.0%	(100.0%)	3.7%	8.6%	13.8%
% Increase in Property Rates Revenue				6.8%	9.7%	3.4%	0.0%	0.0%	(100.0%)	7.7%	8.3%	5.6%
% Increase in Electricity Revenue				(2.3%)	5.5%	19.5%	0.1%	0.0%	(100.0%)	12.7%	8.8%	12.3%
% Increase in Property Rates & Services Charges				6.8%	1.4%	11.8%	0.1%	0.0%	(100.0%)	9.9%	9.5%	10.5%
Expenditure												
% Increase in Total Operating Expenditure				0.6%	3.2%	22.9%	5.3%	0.0%	(100.0%)	0.6%	6.8%	12.6%
% Increase in Employee Costs				16.6%	7.1%	15.6%	8.2%	0.0%	(100.0%)	0.6%	7.2%	8.6%
% Increase in Electricity Bulk Purchases				0.3%	5.1%	21.4%	0.0%	0.0%	(100.0%)	13.5%	8.6%	12.6%
Average Cost Per Budgeted Employee Position (Remuneration)					260159.5262	300819.1484				347193.2732		
R&M % of PPE					411199.2513	496206.9565				523117.2609		
Asset Renewal and R&M as a % of PPE			2.8%	2.2%	2.0%	1.7%	1.7%	1.7%		1.8%	1.8%	1.9%
Debt Impairment % of Total Billable Revenue			3.0%	3.0%	5.0%	5.0%	5.0%	5.0%		3.0%	8.0%	2.0%
			10.9%	0.3%	11.0%	8.0%	10.4%	10.4%	0.0%	6.9%	6.6%	6.3%
Capital Revenue												
Internally Funded & Other (R000)			22 568	29 617	32 479	25 935	31 919	31 919	–	10 048	13 737	10 173
Borrowing (R000)			–	–	–	–	3 043	3 043	–	–	–	–
Grant Funding and Other (R000)			92 684	34 183	54 177	45 678	46 327	46 327	–	78 716	120 459	28 167
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	91.3%	91.3%	0.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	8.7%	8.7%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			80.4%	53.6%	62.5%	63.8%	57.0%	57.0%	0.0%	88.7%	89.8%	73.5%
Capital Expenditure												
Total Capital Programme (R000)			115 242	66 333	86 657	71 613	81 290	81 290	–	88 764	134 196	38 340
Asset Renewal			4 924	10 816	15 824	11 900	12 653	12 653	–	4 900	–	5 000
Asset Renewal % of Total Capital Expenditure			4.3%	17.0%	18.3%	16.6%	15.6%	15.6%	0.0%	5.5%	0.0%	13.0%
Cash												
Cash Receipts % of Rate Payer & Other			104.2%	101.0%	88.6%	92.3%	92.2%	92.2%	0.0%	91.3%	91.4%	91.6%
Cash Coverage Ratio			0	0	0	0	0	0	0.0%	–	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			5.1%	2.1%	3.4%	1.4%	1.3%	1.3%	0.0%	1.5%	1.5%	1.4%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			91 016	117 805	83 504	92 532	71 063	71 063	80 873	66 162	69 217	79 046
Free Services												
Free Basic Services as a % of Equitable Share			22.7%	16.6%	0.0%	8.0%	8.0%	8.0%		4.8%	3.4%	2.7%
Free Services as a % of Operating Revenue (excl operational transfers)			2.0%	2.1%	4.1%	5.7%	5.7%	5.7%		6.8%	5.5%	4.7%
High Level Outcome of Funding Compliance												
Total Operating Revenue			516 534	529 928	535 031	616 625	617 464	617 464	–	640 437	695 373	791 084
Total Operating Expenditure			512 929	516 217	532 678	654 680	689 473	689 473	–	693 640	740 863	834 542
Surplus/(Deficit) Budgeted Operating Statement			3 605	13 711	2 352	(38 055)	(72 009)	(72 009)	–	(53 203)	(45 490)	(43 458)
Surplus/(Deficit) Considering Reserves and Cash Backing			91 016	117 805	83 504	92 532	71 063	71 063	80 873	66 162	69 217	79 046
MTREF Funded ✓ / Unfunded (0)	15	1	1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

References

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

15. Subject to figures provided in Schedule.

WC022 Witzenberg - Supporting Table SA11 Property rates summary

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Valuation:	1									
Date of valuation:										
Financial year valuation used	2	2016/17	2017/18	2018/19	2019/20			2020/21		
Municipal by-laws s6 in place? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes	Yes			No		
Municipal partnership s38 used? (Y/N)		No	No	No	No			Yes		
No. of assistant valuers (FTE)	3	Service provider	Service provider	Service provider	Service provider appointed			Service provider appointed		
No. of data collectors (FTE)	3	Service provider	Service provider	Service provider	Service provider appointed			Service provider appointed		
No. of internal valuers (FTE)	3	Service provider	Service provider	Service provider	Service provider appointed			Service provider appointed		
No. of external valuers (FTE)	3	Service provider	Service provider	Service provider	Service provider appointed			Service provider appointed		
No. of additional valuers (FTE)	4	Service provider	Service provider	Service provider	Service provider appointed			Service provider appointed		
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)		July	July	July	July			July		
No. of properties	5	13 989	13 989	13 989	13 989			13 989		
No. of sectional title values	5	558	558	558	558			558		
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations		2	2	2	2			2		
No. of valuation roll amendments		-	-	-	-			-		
No. of objections by rate payers		-	-	-	-			-		
No. of appeals by rate payers		-	-	-	-			-		
No. of successful objections	8	-	-	-	-			-		
No. of successful objections > 10%	8	-	-	-	-			-		
Supplementary valuation		-	-	-	-			-		
Public service infrastructure value (Rm)	5	-	-	-	-			-		
Municipality owned property value (Rm)		-	-	-	-			-		
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)		-	-	-	-	-	-	-	-	-
Total valuation reductions:		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5	7 764	7 764	7 764	7 764	7 764	7 764	7 764		
Total land value (Rm)	5	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	5	-	-	-	-	-	-	-	-	-
Total market value (Rm)	5	-	-	-	-	-	-	-	-	-
Rating:										
Residential rate used to determine rate for other categories? (Y/N)	5	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)		No	No	No	No			No		
Special rating area used? (Y/N)		No	No	No	No			No		
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-
Rates policy accompanying budget? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)		N/A	N/A	N/A	N/A			N/A		
Non-residential prescribed ratio s19? (%)		0.0%	0.0%	0.0%	0.0%			0.0%		

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Rate revenue:										
Rate revenue budget (R '000)	6	61 025	61 025	61 025	61 025			61 025		
Rate revenue expected to collect (R'000)	6	57 974	57 974	57 974	57 974			57 974		
Expected cash collection rate (%)		95.0%	95.0%	95.0%	95.0%			95.0%		
Special rating areas (R'000)	7	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)										
Phase-in reductions/discounts (R'000)										
Total rebates,exemptns,eductns,discs (R'000)		-	-	-	-	-	-	-	-	-

References:

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

WC022 Witzenberg - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Res.	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 Monuments	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Current Year 2019/20																							
Valuation:																							
No. of properties		10 328	83	363	1 881	143	–	81		558	–	–	–	–	–	–	–	–	–	–	–	–	13
No. of sectional title property values		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		2	2	2	2	2	2	2	2	2	–	–	–	–	–	–	–	–	–	–	–	–	0
Supplementary valuation (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of valuation roll amendments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of objections by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	In Process	In Process	In Process	In Process	In Process	–	In Process	In Process	In Process	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Years since last valuation (select)		1	1	1	1	1	1	1	1	1	–	–	–	–	–	–	–	–	–	–	–	–	–
Frequency of valuation (select)		4	4	4	4	4	4	4	4	4	–	–	–	–	–	–	–	–	–	–	–	–	–
Method of valuation used (select)		Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	–	–	–	–	–	–	–	–	–	–	–	–	–
Base of valuation (select)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0	–	–	–	–	–	–	–	–	–	–	–	–	–
Combination of rating types used? (Y/N)		0	0	0	0	0	0	0	0	0	–	–	–	–	–	–	–	–	–	–	–	–	–
Flat rate used? (Y/N)		0	0	0	0	0	0	0	0	0	–	–	–	–	–	–	–	–	–	–	–	–	–
Is balance rated by uniform rate/variable rate?		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions:																							
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total valuation reductions:																							
Total value used for rating (Rm)	6	3 310	589	848	12 671	819	–	10	–	34	–	–	–	–	–	–	–	–	–	–	–	–	18 281 451
Total land value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total market value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rating:																							
Average rate	3	0.008745	0.015828	0.015828	0.001049	0.013817	–	0.002166	–	0.007871	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue budget (R '000)		21 455	9 175	12 752	19 337	11 276	–	20	–	2	–	–	–	–	–	–	–	–	–	–	–	–	74 017
Rate revenue expected to collect (R'000)		3 309 817	589 390	848 232	12 670 844	818 803	–	9 930	–	34 437	–	–	–	–	–	–	–	–	–	–	–	–	18 281 451
Expected cash collection rate (%)	4	89.5%	98.0%	98.0%	95.0%	100.0%	–	95.0%	–	80.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
Special rating areas (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rebates, exemptions - indigent (R'000)		2 688	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	2 688
Rebates, exemptions - pensioners (R'000)		946	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	946
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	464	–	–	464
Rebates, exemptions - other (R'000)		5 674	53	53	–	53	–	53	–	–	–	–	–	–	–	53	53	–	53	52	53	–	6 146
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		9 308	53	53	–	53	–	53	–	–	–	–	–	–	–	53	53	–	53	516	53	–	10 244

References

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

WC022 Witzenberg - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Res.	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 Monuments	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Budget Year 2020/21																							
Valuation:																							
No. of properties		10 969	92	477	2 151	179	2 066	88	-	599	-	-	-	-	-	-	-	-	-	-	-	-	17
No. of sectional title property values		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		2	2	2	2	2	2	2	2	2	-	-	-	-	-	-	-	-	-	-	-	-	0
Supplementary valuation (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	In Process	In Process	In Process	In Process	In Process	-	In Process	In Process	In Process	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		1	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-
Frequency of valuation (select)		4	4	4	4	4	4	4	4	4	-	-	-	-	-	-	-	-	-	-	-	-	-
Method of valuation used (select)		Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	Market Land & impr.	-	-	-	-	-	-	-	-	-	-	-	-	-
Base of valuation (select)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Flat rate used? (Y/N)		0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Is balance rated by uniform rate/variable rate?		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions:																							
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																							
Total value used for rating (Rm)	6	3 365	591	854	12 706	817	1	10	-	34	-	-	-	-	-	-	-	-	-	-	-	-	18 378 559
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ratings:																							
Average rate	3	0.009275	0.016788	0.016788	0.001252	0.014655	-	0.002319	-	0.008348	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R '000)		23 180	9 903	14 227	21 978	11 929	-	21	-	13	-	-	-	-	-	-	-	-	-	-	-	-	81 252
Rate revenue expected to collect (R'000)		22 021	9 408	13 516	20 879	11 333	-	20	-	12	-	-	-	-	-	-	-	-	-	-	-	-	77 190
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		2 849	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2 849
Rebates, exemptions - pensioners (R'000)		1 002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 002
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	492	-	-	492
Rebates, exemptions - other (R'000)		6 385	56	56	-	56	-	56	-	-	-	-	-	-	-	56	56	-	56	55	56	-	6 885
Phase-in reductions/discouts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,eductns,discs (R'000)		10 237	56	56	-	56	-	56	-	-	-	-	-	-	-	56	56	-	56	547	56	-	11 229

References

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

WC022 Witzenberg - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Property rates (rate in the Rand)	1								
Residential properties			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Residential properties - vacant land			0.0138	0.0149	0.0021	0.0131	0.0139	0.0149	0.0157
Formal/informal settlements			0.0073	0.0079	0.0074	0.0079	0.0083	0.0089	0.0093
Small holdings			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Farm properties - used			0.0023	0.0025	0.0010	0.0010	0.0015	0.0016	0.0017
Farm properties - not used			0.0023	0.0025	0.0010	0.0010	0.0015	0.0016	0.0017
Industrial properties			0.0174	0.0188	0.0149	0.0158	0.0163	0.0174	0.0183
Business and commercial properties			0.0174	0.0188	0.0149	0.0158	0.0167	0.0179	0.0188
Communal land - residential			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Communal land - small holdings			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Communal land - farm property			0.0023	0.0025	0.0010	0.0010	0.0093	0.0099	0.0104
Communal land - business and commercial			0.0174	0.0188	0.0149	0.0158	0.0167	0.0179	0.0188
Communal land - other			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
State-owned properties			0.0174	0.0188	0.0124	0.0138	0.0146	0.0156	0.0164
Municipal properties			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Public service infrastructure			0.0023	0.0025	0.0021	0.0022	0.0023	0.0025	0.0026
Privately owned towns serviced by the owner		n/a	n/a	n/a	n/a	n/a	-	-	-
State trust land		0.0174	0.0188	0.0124	0.0158	0.0163	0.0174	n/a	0.0183
Restitution and redistribution properties		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Protected areas		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
National monuments properties			0.0023	0.0025	0.0021	0.0010	0.0139	0.0149	0.0157
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			-	85 000	85 000	105 000	105 000	105 000	105 000
Indigent rebate or exemption			70 000	85 000	85 000	105 000	105 000	105 000	105 000
Pensioners/social grants rebate or exemption			-	1	1	-	-	-	-
Temporary relief rebate or exemption			-	-	-	-	-	-	-
Bona fide farmers rebate or exemption			-	-	-	-	-	-	-
Other rebates or exemptions	2		-	-	-	-	-	-	-
Water tariffs									
Domestic									
Basic charge/flat fee (Rands/month)			82	82	83	83	83	83	83
Service point - vacant land (Rands/month)			112	123	136	144	153	162	172
Water usage - flat rate tariff (c/k)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Water usage - life line tariff		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Water usage - Block 1 (c/k)			285	285	300	324	344	361	379
Water usage - Block 2 (c/k)			745	805	868	1 023	1 085	1 139	1 196
Water usage - Block 3 (c/k)			745	805	868	1 023	1 085	1 139	1 196
Water usage - Block 4 (c/k)			745	805	868	1 023	1 085	1 139	1 196
Other	2		2 910	3 000	3 027	3 167	336	360	385

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Waste water tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			190	202	216	228	242	257	270
Service point - vacant land (Rands/month)			n/a	n/a	n/a	n/a	86	91	95
Waste water - flat rate tariff (c/k)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 1 (c/k)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 2 (c/k)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 3 (c/k)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 4 (c/k)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other	2		n/a	n/a	n/a	n/a	n/a	n/a	n/a
Electricity tariffs									
Domestic									
Basic charge/ fixed fee (Rands/month)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Service point - vacant land (Rands/month)			148	174	192	50kwh	230	248	271
FBE						50kwh	50kwh	50kwh	50kwh
Life-line tariff - meter							-	-	-
Life-line tariff - prepaid							-	-	-
Flat rate tariff - meter (c/kwh)							-	-	-
Flat rate tariff - prepaid (c/kwh)							-	-	-
Meter - IBT Block 1 (c/kwh)			106	143	154	172	185	199	218
Meter - IBT Block 2 (c/kwh)			125	143	154	172	185	199	218
Meter - IBT Block 3 (c/kwh)			165	143	154	172	185	199	218
Meter - IBT Block 4 (c/kwh)			188	193	208	232	-	-	-
Meter - IBT Block 5 (c/kwh)							-	-	-
Prepaid - IBT Block 1 (c/kwh)			99	125	135	151	162	175	191
Prepaid - IBT Block 2 (c/kwh)			122	125	135	151	162	175	191
Prepaid - IBT Block 3 (c/kwh)			161	125	135	151	162	175	191
Prepaid - IBT Block 4 (c/kwh)			193	217	233	261	250	269	294
Prepaid - IBT Block 5 (c/kwh)							-	-	-
Other	2		-	-	-	-	-	-	-
Waste management tariffs									
Domestic									
Street cleaning charge			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Basic charge/ fixed fee			-	-	166.52 - 256.18	181	192	204	216
80l bin - once a week			-	-	-	-	-	-	-
250l bin - once a week			-	-	-	-	-	-	-

References

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

WC022 Witzenberg - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Exemptions, reductions and rebates (Rands)</u>									
Indigent rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
			70 000	80 000	105 000	105 000	105 000	105 000	105 000
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
<u>Water tariffs</u>									
Indigent rebate		6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
<u>Waste water tariffs</u>									
Indigent rebate		Basic Charge	Basic Charge	Basic Charge	Basic Charge	Basic Charge	Basic Charge	Basic Charge	Basic Charge
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
<u>Electricity tariffs</u>									
Indigent rebate		50 kWh	50 kWh	50 kWh	50 kWh	50 kWh	50 kWh	50 kWh	50 kWh
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-

WC022 Witzenberg - Supporting Table SA14 Household bills

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		524.03	495.50	398.75	510.13	510.13	510.13	6.0%	540.73	573.18	607.57
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		1 393.00	1 420.00	1 517.00	1 328.57	1 328.57	1 328.57	11.5%	1 481.12	1 569.99	1 664.19
Water: Basic levy		72.29	72.29	72.17	72.17	72.17	72.17	-	72.17	72.17	72.17
Water: Consumption		171.94	184.50	196.86	212.51	212.51	212.51	6.0%	225.29	238.80	253.13
Sanitation		166.79	176.80	189.05	198.65	198.65	198.65	6.0%	210.57	223.21	236.60
Refuse removal		-	184.44	195.51	169.89	169.89	169.89	6.0%	180.08	190.89	202.34
Other		-	-	-	-	-	-	-	-	-	-
sub-total		2 328.05	2 533.53	2 569.34	2 491.93	2 491.93	2 491.93	8.7%	2 709.97	2 868.23	3 036.00
VAT on Services		252.56	285.32	327.94	297.27	297.27	297.27	9.5%	325.39	344.26	364.26
Total large household bill:		2 580.61	2 818.85	2 897.28	2 789.20	2 789.20	2 789.20	8.8%	3 035.35	3 212.49	3 400.26
% increase/-decrease			9.2%	2.8%	(3.7%)	-	-	8.8%	5.8%	5.8%	5.8%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		371.03	330.33	261.25	364.38	364.38	364.38	6.0%	386.24	409.41	433.98
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		576.00	550.00	587.50	664.29	664.29	664.29	11.5%	740.56	784.99	832.09
Water: Basic levy		72.29	72.29	72.17	72.17	72.17	72.17	-	72.17	72.17	72.17
Water: Consumption		139.24	149.18	159.11	171.76	171.76	171.76	6.0%	182.09	193.01	204.59
Sanitation		166.79	176.80	189.05	198.65	198.65	198.65	6.0%	210.57	223.21	236.60
Refuse removal		-	169.60	179.77	169.89	169.89	169.89	6.0%	180.08	190.89	202.34
Other		-	-	-	-	-	-	-	-	-	-
sub-total		1 325.35	1 448.21	1 448.66	1 641.14	1 641.14	1 641.14	8.0%	1 771.71	1 873.68	1 981.77
VAT on Services		133.61	156.50	179.22	191.51	191.51	191.51	8.5%	207.82	219.64	232.17
Total small household bill:		1 458.96	1 604.71	1 628.08	1 832.65	1 832.65	1 832.65	8.0%	1 979.53	2 093.32	2 213.94
% increase/-decrease			10.0%	1.5%	12.6%	-	-	8.0%	5.7%	5.8%	5.8%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		164.48	165.17	123.75	131.18	131.18	131.18	6.0%	139.05	147.39	156.23
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		321.00	330.00	352.50	465.00	465.00	465.00	11.5%	518.39	549.50	582.46
Water: Basic levy		-	-	-	72.17	72.17	72.17	-	72.17	72.17	72.17
Water: Consumption		106.55	113.87	105.70	131.01	131.01	131.01	6.0%	138.89	147.22	156.35
Sanitation		-	-	-	198.65	198.65	198.65	6.0%	210.57	223.21	236.60
Refuse removal		-	-	-	157.75	157.75	157.75	6.0%	167.22	177.25	187.89
Other		-	-	-	(719.88)	(719.88)	(719.88)	5.9%	(762.29)	(808.02)	(856.50)
sub-total		592.02	609.04	581.95	435.88	435.88	435.88	11.0%	494.00	508.71	534.91
VAT on Services		59.86	62.14	71.70	153.69	153.69	153.69	8.1%	166.09	175.40	185.28
Total small household bill:		651.88	671.18	653.65	589.57	589.57	589.57	10.3%	659.09	684.12	720.18
% increase/-decrease			3.0%	(2.6%)	(8.8%)	-	-	10.3%	5.2%	5.3%	5.3%

References

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

WC022 Witzenberg - Supporting Table SA15 Investment particulars by type

2022: Mainberg Supporting Table 5.16 Investment portfolios by type											
Investment type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousand											
Parent municipality											
Securities - National Government	1	-	-	-	-	-	-	-	-	-	
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-	
Deposits - Bank		No Investments	No Investments	No Investments	No Investments	No Investments	No Investments	No Investments	No Investments	No Investments	
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-	
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-	
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-	
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-	
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-	
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-	
Municipal Bonds		-	-	-	-	-	-	-	-	-	
Municipality sub-total		-	-	-	-	-	-	-	-	-	-
Entities											
Securities - National Government		-	-	-	-	-	-	-	-	-	
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-	
Deposits - Bank		-	-	-	-	-	-	-	-	-	
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-	
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-	
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-	
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-	
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-	
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-	
Entities sub-total		-	-	-	-	-	-	-	-	-	-
Consolidated total:											
		-	-	-	-	-	-	-	-	-	

References:

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

WC022 Witzenberg - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
Standard Bank		0	0	0	0	0.06	-	0	30 June 2020	-	-	-	-	-
Absa		0	0	0	0	0.06	-	0	30 June 2020	-	-	-	-	-
First National Bank		0	0	0	0	0.06	-	0	30 June 2020	-	-	-	-	-
Investec		0	0	0	0	0.06	-	0	30 June 2020	-	-	-	-	-
Nedbank		0	0	0	0	0.06	-	0	30 June 2020	-	-	-	-	-
		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
Municipality sub-total		0	0	0	0	0	-	0	00 January 1900	-	-	-	-	-
Entities										-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
							-			-	-	-	-	-
Entities sub-total							-			-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	1									-	-	-	-	-

References

1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)

2. List investments in expiry date order

3. If 'Variable' is selected in column F, input interest rate range

4. Withdrawals to be entered as negative

WC022 Witzenberg - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand										
Parent municipality										
Annuity and Bullet Loans		7 503	5 192	4 704	6 222	6 222	6 222	4 722	3 222	1 722
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	7 503	5 192	4 704	6 222	6 222	6 222	4 722	3 222	1 722
Entities										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	7 503	5 192	4 704	6 222	6 222	6 222	4 722	3 222	1 722

Borrowing - Categorised by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		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
Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

References

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

WC022 Witzenberg - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:	1,2								
Operating Transfers and Grants									
National Government:		62 531	73 447	96 519	96 519	96 519	106 455	114 256	124 609
Operational Revenue: General Revenue Equitable Share		59 734	70 412	92 850	92 850	92 850	101 915	112 056	122 389
Operational Revenue: General Revenue Fuel Levy		-	-	-	-	-	-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		-	-	-	-	-	-	-	-
Agriculture Research and Technology		-	-	-	-	-	-	-	-
Agriculture, Conservation and Environmental		-	-	-	-	-	-	-	-
Arts and Culture Sustainable Resource Management		-	-	-	-	-	-	-	-
Community Library		-	-	-	-	-	-	-	-
Department of Environmental Affairs		-	-	-	-	-	-	-	-
Department of Tourism		-	-	-	-	-	-	-	-
Department of Water Affairs and Sanitation Masibambane		-	-	-	-	-	-	-	-
Emergency Medical Service		-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 336	1 485	2 269	2 269	2 269	2 360	-	-
HIV and Aids		-	-	-	-	-	-	-	-
Housing Accreditation		-	-	-	-	-	-	-	-
Housing Top structure		-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		1 224	1 550	1 400	1 400	1 400	1 550	1 550	1 550
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]		-	-	-	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]		-	-	-	-	-	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]		-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-
Natural Resource Management Project		-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-
Operation Clean Audit		-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant		-	-	-	-	-	-	-	-
Public Service Improvement Facility		-	-	-	-	-	-	-	-
Public Transport Network Operations Grant [Schedule 5B]		-	-	-	-	-	-	-	-
Restructuring - Seed Funding		-	-	-	-	-	-	-	-
Revenue Enhancement Grant Debtors Book		-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-
Sport and Recreation		-	-	-	-	-	-	-	-
Terrestrial Invasive Alien Plants		-	-	-	-	-	-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]		-	-	-	-	-	-	-	-
Health Hygiene in Informal Settlements		-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		238	-	-	-	-	630	650	670
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-
Public Transport Network Grant [Schedule 5B]		-	-	-	-	-	-	-	-
Smart Connect Grant		-	-	-	-	-	-	-	-
Urban Settlement Development Grant		-	-	-	-	-	-	-	-
WiFi Grant [Department of Telecommunications and Postal Services]		-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-
Traditional Leaders - Imbizos		-	-	-	-	-	-	-	-
Department of Water and Sanitation Smart Living Handbook		-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	-
Municipal Restructuring Grant		-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-

SAMRAS[™]

Prepared by :

Date : 2020/03/24 04:46 PM

ALTRON | BYTES
SYSTEMS
INTEGRATION

Description	Ref	2016/17	2017/18	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Provincial Government:		33 301	17 836	41 098	39 894	39 894	10 534	10 833	42 291
Capacity Building		–	–	–	–	–	–	–	–
Capacity Building and Other		9 036	8 844	12 098	10 894	10 894	10 534	10 833	11 261
Disaster and Emergency Services		–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–
Infrastructure		24 265	8 992	29 000	29 000	29 000	–	–	31 030
Libraries, Archives and Museums		–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance		–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance		–	–	–	–	–	–	–	–
District Municipality:		–	600	–	–	–	–	–	–
All Grants		–	600	–	–	–	–	–	–
Other Grant Providers:		–	–	250	2 010	2 010	–	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	250	853	853	–	–	–
Households		–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–
Public Corporations		–	–	–	1 157	1 157	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	95 832	91 883	137 867	138 423	138 423	116 989	125 989	166 900

R thousand	Description	Ref	2016/17	2017/18	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Transfers and Grants										
National Government:			26 944	22 739	39 106	37 389	37 389	35 763	40 614	25 237
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]			4 917	-	-	-	-	-	3 000	4 000
Municipal Infrastructure Grant [Schedule 5B]			21 641	22 739	22 175	22 175	22 175	18 831	20 223	21 237
Municipal Water Infrastructure Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Rural Household Infrastructure Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Urban Settlement Development Grant [Schedule 4B]			-	-	-	-	-	-	-	-
Municipal Human Settlement			-	-	-	-	-	-	-	-
Community Library			-	-	-	-	-	-	-	-
Integrated City Development Grant [Schedule 4B]			-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant [Schedule 4B]			-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant			-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal			-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]			385	-	-	-	-	-	-	-
Municipal Systems Improvement Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Public Transport Network Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Public Transport Network Operations Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant [Schedule 5B]			-	-	16 931	15 214	15 214	16 931	17 391	-
Water Services Infrastructure Grant [Schedule 5B]			-	-	-	-	-	-	-	-
WiFi Connectivity			-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]			-	-	-	-	-	-	-	-
Aquaponic Project			-	-	-	-	-	-	-	-
Restition Settlement			-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]			-	-	-	-	-	-	-	-
Restructuring Seed Funding			-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant			-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant			-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant			-	-	-	-	-	-	-	-
Provincial Government:			11 824	22 194	5 172	8 537	8 537	48 448	85 552	6 235
Capacity Building			-	-	-	-	-	-	-	-
Capacity Building and Other			4 129	618	4 200	6 100	6 100	-	-	800
Disaster and Emergency Services			-	-	-	-	-	-	-	-
Health			-	-	-	-	-	-	-	-
Housing			-	-	-	-	-	-	-	-
Infrastructure			7 695	21 575	972	2 437	2 437	48 448	85 552	5 435
Libraries, Archives and Museums			-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-
Public Transport			-	-	-	-	-	-	-	-
Road Infrastructure			-	-	-	-	-	-	-	-
Sports and Recreation			-	-	-	-	-	-	-	-
Waste Water Infrastructure			-	-	-	-	-	-	-	-
Water Supply Infrastructure			-	-	-	-	-	-	-	-
District Municipality:			-	-	500	600	600	-	-	-
All Grants			-	-	500	600	600	-	-	-
Other Grant Providers:			-	-	-	501	501	-	-	-
Departmental Agencies and Accounts			-	-	-	-	-	-	-	-
Foreign Government and International Organisations			-	-	-	501	501	-	-	-
Households			-	-	-	-	-	-	-	-
Non-Profit Institutions			-	-	-	-	-	-	-	-
Private Enterprises			-	-	-	-	-	-	-	-
Public Corporations			-	-	-	-	-	-	-	-
Higher Educational Institutions			-	-	-	-	-	-	-	-
Parent Municipality / Entity			-	-	-	-	-	-	-	-
Transfer from Operational Revenue			-	-	-	-	-	-	-	-
Total Capital Transfers and Grants			5	38 768	44 933	44 778	47 027	84 211	126 166	31 472
TOTAL RECEIPTS OF TRANSFERS & GRANTS										
			134 600	136 816	182 645	185 451	185 451	201 200	251 255	198 372

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WC022 Witzberg - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2016/17	2017/18	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		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:	1								
Operating expenditure of Transfers and Grants:									
National Government:		62 531	73 447	57 842	58 433	58 403	108 435	114 258	124 889
Operational Revenue General Revenue Equitable Share		58 734	70 412	53 873	54 184	54 184	101 915	112 056	122 368
Operational Revenue General Revenue Fuel Levy		--	--	--	--	--	--	--	--
2014 African Nations Championship Host City Operating Grant (Schedule 58)		--	--	--	--	--	--	--	--
Agriculture Research and Technology		--	--	--	--	--	--	--	--
Agriculture, Conservation and Environmental		--	--	--	--	--	--	--	--
Arts and Culture Sustainable Resource Management		--	--	--	--	--	--	--	--
Community Library		--	--	--	--	--	--	--	--
Department of Environmental Affairs		--	--	--	--	--	--	--	--
Department of Tourism		--	--	--	--	--	--	--	--
Department of Water Affairs and Sanitation Mzambane		--	--	--	--	--	--	--	--
Emergency Medical Service		--	--	--	--	--	--	--	--
Energy Efficiency and Demand-side (Schedule 58)		--	--	--	--	--	--	--	--
Expanded Public Works Programme Integrated Grant for Municipalities (Schedule 58)		1 336	1 485	2 269	2 269	2 269	2 300	--	--
HIV and Aids		--	--	--	--	--	--	--	--
Housing Accreditation		--	--	--	--	--	--	--	--
Housing Top structure		--	--	--	--	--	--	--	--
Infrastructure Skills Development Grant (Schedule 58)		--	--	--	--	--	--	--	--
Integrated City Development Grant		--	--	--	--	--	--	--	--
Khayelitsha Urban Renewal		--	--	--	--	--	--	--	--
Local Government Financial Management Grant (Schedule 58)		1 224	1 550	1 400	1 400	1 400	1 550	1 550	1 550
Michael's Plain Urban Renewal		--	--	--	--	--	--	--	--
Municipal Demarcation and Transition Grant (Schedule 58)		--	--	--	--	--	--	--	--
Municipal Disaster Grant (Schedule 58)		--	--	--	--	--	--	--	--
Municipal Human Settlement Capacity Grant (Schedule 58)		--	--	--	--	--	--	--	--
Municipal Systems Improvement Grant		--	--	--	--	--	--	--	--
Natural Resource Management Project		--	--	--	--	--	--	--	--
Neighbourhood Development Partnership Grant		--	--	--	--	--	--	--	--
Operation Clean Audit		--	--	--	--	--	--	--	--
Municipal Disaster Recovery Grant		--	--	--	--	--	--	--	--
Public Service Improvement Facility		--	--	--	--	--	--	--	--
Public Transport Network Operations Grant (Schedule 58)		--	--	--	--	--	--	--	--
Restructuring - Seed Funding		--	--	--	--	--	--	--	--
Revenue Enhancement Grant Debtors Book		--	--	--	--	--	--	--	--
Rural Road Asset Management Systems Grant		--	--	--	--	--	--	--	--
Sport and Recreation		--	--	--	--	--	--	--	--
Terrestrial Invasive Alien Plants		--	--	--	--	--	--	--	--
Water Services Operating Subsidy Grant (Schedule 58)		--	--	--	--	--	--	--	--
Health Hygiene in Informal Settlements		228	--	600	600	600	630	650	670
Municipal Infrastructure Grant (Schedule 58)		--	--	--	--	--	--	--	--
Water Services Infrastructure Grant		--	--	--	--	--	--	--	--
Public Transport Network Grant (Schedule 58)		--	--	--	--	--	--	--	--
Smart Connect Grant		--	--	--	--	--	--	--	--
Urban Settlement Development Grant		--	--	--	--	--	--	--	--
WiFi Grant (Department of Telecommunications and Postal Services)		--	--	--	--	--	--	--	--
Street Lighting		--	--	--	--	--	--	--	--
Traditional Leaders - Imbizo		--	--	--	--	--	--	--	--
Department of Water and Sanitation Smart Living Handbook		--	--	--	--	--	--	--	--
Integrated National Electrification Programme Grant		--	--	--	--	--	--	--	--
Municipal Restructuring Grant		--	--	--	--	--	--	--	--
Regional Bulk Infrastructure Grant		--	--	--	--	--	--	--	--
Municipal Emergency Housing Grant		--	--	--	--	--	--	--	--
Metro Informal Settlements Partnership Grant		--	--	--	--	--	--	--	--
Provincial Government:		33 391	17 836	41 095	41 391	41 391	19 534	19 833	42 291
Capacity Building		--	--	--	--	--	--	--	--
Capacity Building and Other		9 036	8 844	12 095	12 391	12 391	10 534	10 833	11 281
Disaster and Emergency Services		--	--	--	--	--	--	--	--
Health		--	--	--	--	--	--	--	--
Housing		--	--	--	--	--	--	--	--
Infrastructure		24 265	8 992	29 000	29 000	29 000	--	--	31 030
Literacy, Activities and Museums		--	--	--	--	--	--	--	--
Other		--	--	--	--	--	--	--	--
Public Transport		--	--	--	--	--	--	--	--
Road Infrastructure - Maintenance		--	--	--	--	--	--	--	--
Sports and Recreation		--	--	--	--	--	--	--	--
Waste Water Infrastructure - Maintenance		--	--	--	--	--	--	--	--
Water Supply Infrastructure - Maintenance		--	--	--	--	--	--	--	--
District Municipality:		--	600	--	100	100	--	--	--
All Grants		--	600	--	100	100	--	--	--
Other Grant Providers:		--	--	250	2 818	2 818	--	--	--
Departmental Agencies and Accounts		--	--	--	--	--	--	--	--
Foreign Government and International Organizations		--	--	250	853	853	--	--	--
Households		--	--	--	--	--	--	--	--
Non-profit Institutions		--	--	--	--	--	--	--	--
Private Enterprises		--	--	--	--	--	--	--	--
Public Corporations		--	--	--	1 157	1 157	--	--	--
Higher Educational Institutions		--	--	--	--	--	--	--	--
Permit Municipality / Entity		--	--	--	--	--	--	--	--
Total operating expenditure of Transfers and Grants:		95 832	91 883	99 287	101 954	101 954	116 989	122 089	166 900

Description	Ref	2016/17	2017/18	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		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 of Transfers and Grants									
National Government:		26 944	22 739	38 566	36 789	36 789	35 763	40 614	25 237
Integrated National Electrification Programme (Municipal Grant) (Schedule 58)		4 937	-	2 609	2 609	2 609	-	3 000	4 000
Municipal Infrastructure Grant (Schedule 58)		21 641	22 739	18 966	18 966	18 966	18 821	20 223	21 237
Municipal Water Infrastructure Grant (Schedule 58)		-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant (Schedule 58)		-	-	-	-	-	-	-	-
Public Transport Infrastructure Grant (Schedule 58)		-	-	-	-	-	-	-	-
Rural Household Infrastructure Grant (Schedule 58)		-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant (Schedule 58)		-	-	-	-	-	-	-	-
Urban Settlement Development Grant (Schedule 46)		-	-	-	-	-	-	-	-
Municipal Human Settlement		-	-	-	-	-	-	-	-
Community Library		-	-	-	-	-	-	-	-
Integrated City Development Grant (Schedule 46)		-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant (Schedule 48)		-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-
Local Government Financial Management Grant (Schedule 58)		385	-	-	-	-	-	-	-
Municipal Systems Improvement Grant (Schedule 58)		-	-	-	-	-	-	-	-
Public Transport Network Grant (Schedule 58)		-	-	-	-	-	-	-	-
Public Transport Network Operations Grant (Schedule 58)		-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant (Schedule 58)		-	-	16 931	15 214	15 214	16 931	17 391	-
Water Services Infrastructure Grant (Schedule 58)		-	-	-	-	-	-	-	-
WiFi Connectivity		-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities (Schedule 58)		-	-	-	-	-	-	-	-
Aquaponic Project		-	-	-	-	-	-	-	-
Resilient Settlement		-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant (Schedule 58)		-	-	-	-	-	-	-	-
Restructuring Seed Funding		-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-
Maine Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-
Provincial Government:		11 624	22 194	6 672	8 537	8 537	48 448	85 552	6 235
Capacity Building		-	-	-	-	-	-	-	-
Capacity Building and Other		4 129	618	2 222	2 622	2 622	-	-	800
Disaster and Emergency Services		-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-
Infrastructure		7 695	21 575	4 450	5 915	5 915	48 448	85 552	5 435
Libraries, Archives and Museums		-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-
Public Transport		-	-	-	-	-	-	-	-
Road Infrastructure		-	-	-	-	-	-	-	-
Sports and Recreation		-	-	-	-	-	-	-	-
Waste Water Infrastructure		-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-
District Municipality:		-	-	500	500	500	-	-	-
All Grants		-	-	500	500	500	-	-	-
Other Grant Providers:		-	-	25 935	32 420	32 420	-	-	-
Departmental Agencies and Accounts		-	-	-	-	-	-	-	-
Foreign Government and International Organisations		-	-	-	501	501	-	-	-
Households		-	-	-	-	-	-	-	-
Non-Profit Institutions		-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-
Public Corporations		-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	25 935	31 919	31 919	-	-	-
Total capital expenditure of Transfers and Grants		38 768	44 933	71 613	79 246	79 246	84 211	126 166	31 472
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		134 680	136 616	170 900	189 280	189 280	201 280	251 255	198 372

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

WC022 Witzenberg - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

2020/21 Medium Term Revenue & Expenditure Framework							2020/21 Medium Term Revenue & Expenditure Framework		
Description	Ref	2016/17	2017/18	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand									
Operating transfers and grants:	1,3								
National Government:									
Balance unspent at beginning of the year		--	--	--	--	--	--	--	--
Current year receipts		62 531	73 447	96 519	96 519	96 519	106 455	114 256	124 609
Conditions met - transferred to revenue		62 531	73 447	96 519	96 519	96 519	106 455	114 256	124 609
Conditions still to be met - transferred to liabilities		--	--	--	--	--	--	--	--
Provincial Government:									
Balance unspent at beginning of the year		--	--	--	--	--	--	--	--
Current year receipts		33 301	17 836	41 098	39 894	39 894	10 534	10 833	42 291
Conditions met - transferred to revenue		33 301	17 836	41 098	39 894	39 894	10 534	10 833	42 291
Conditions still to be met - transferred to liabilities		--	--	--	--	--	--	--	--
District Municipality:									
Balance unspent at beginning of the year		--	--	--	--	--	--	--	--
Current year receipts		--	600	--	--	--	--	--	--
Conditions met - transferred to revenue		--	600	--	--	--	--	--	--
Conditions still to be met - transferred to liabilities		--	--	--	--	--	--	--	--
Other grant providers:									
Balance unspent at beginning of the year		--	--	--	--	--	--	--	--
Current year receipts		--	--	250	2 010	2 010	--	--	--
Conditions met - transferred to revenue		--	--	250	2 010	2 010	--	--	--
Conditions still to be met - transferred to liabilities		--	--	--	--	--	--	--	--
Total operating transfers and grants revenue		95 832	91 883	137 867	138 423	138 423	116 989	125 089	166 900
Total operating transfers and grants - CTBM	2	--	--	--	--	--	--	--	--
Capital transfers and grants:	1,3								
National Government:									
Balance unspent at beginning of the year		--	--	--	--	--	--	--	--
Current year receipts		26 944	22 739	39 106	37 389	37 389	35 763	40 614	25 237
Conditions met - transferred to revenue		26 944	22 739	39 106	37 389	37 389	35 763	40 614	25 237
Conditions still to be met - transferred to liabilities		--	--	--	--	--	--	--	--
Provincial Government:									
Balance unspent at beginning of the year		--	--	--	--	--	--	--	--
Current year receipts		11 824	22 194	5 172	8 537	8 537	48 448	85 552	6 235
Conditions met - transferred to revenue		11 824	22 194	5 172	8 537	8 537	48 448	85 552	6 235
Conditions still to be met - transferred to liabilities		--	--	--	--	--	--	--	--
District Municipality:									
Balance unspent at beginning of the year		--	--	--	--	--	--	--	--
Current year receipts		--	--	500	600	600	--	--	--
Conditions met - transferred to revenue		--	--	500	600	600	--	--	--
Conditions still to be met - transferred to liabilities		--	--	--	--	--	--	--	--
Other grant providers:									
Balance unspent at beginning of the year		--	--	--	--	--	--	--	--
Current year receipts		--	--	--	501	501	--	--	--
Conditions met - transferred to revenue		--	--	--	501	501	--	--	--
Conditions still to be met - transferred to liabilities		--	--	--	--	--	--	--	--
Total capital transfers and grants revenue		38 768	44 933	44 778	47 027	47 027	84 211	126 166	31 472
Total capital transfers and grants - CTBM	2	--	--	--	--	--	--	--	--
TOTAL TRANSFERS AND GRANTS REVENUE		134 600	136 816	182 645	185 451	185 451	201 200	251 255	198 372
TOTAL TRANSFERS AND GRANTS - CTBM		--	--	--	--	--	--	--	--

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance
2. CTBM = conditions to be met

Description	Ref	2016/17	2017/18	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		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									

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

WC022 Witzberg - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Cash Transfers to other municipalities											
Operational	1	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms											
Operational	2	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Entities/Ems		–	–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State											
Operational	3	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Organisations											
Operational			12 919	947	1 169	1 336	1 336	–	1 396	1 460	1 528
Capital		941	1 001	–	–	–	–	–	–	–	–
Total Cash Transfers To Organisations		941	13 920	947	1 169	1 336	1 336	–	1 396	1 460	1 528
Cash Transfers to Groups of Individuals											
Operational		–	–	9 071	29 794	29 744	29 744	–	782	399	31 449
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Groups Of Individuals:		–	–	9 071	29 794	29 744	29 744	–	782	399	31 449
TOTAL CASH TRANSFERS AND GRANTS	6	941	13 920	10 019	30 962	31 079	31 079	–	2 179	1 859	32 976

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
Non-Cash Transfers to other municipalities											
Operational	1	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Entities/Other External Mechanisms											
Operational	2	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to other Organs of State											
Operational	3	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Non-Cash Grants to Organisations											
Operational	4	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Grants To Organisations		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Groups of Individuals											
Operational	5	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS		–	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	6	941	13 920	10 019	30 962	31 079	31 079	–	2 179	1 859	32 976

References

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

WC022 Witzenberg - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		7 890	7 006	7 242	7 718	7 718	7 718	8 104	8 509	8 935
Pension and UIF Contributions		836	1 018	1 049	1 137	1 137	1 137	1 194	1 254	1 317
Medical Aid Contributions		54	137	184	227	227	227	238	251	263
Motor Vehicle Allowance		–	0	–	741	741	741	778	817	858
Cellphone Allowance		–	934	931	1 094	1 094	1 094	1 149	1 207	1 267
Housing Allowances		–	73	52	487	487	487	511	537	564
Other benefits and allowances		–	1	–	54	54	54	56	59	62
Sub Total - Councillors	4	8 780	9 170	9 459	11 459	11 459	11 459	12 032	12 633	13 265
% increase			4.4%	3.1%	21.1%	–	–	5.0%	5.0%	5.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4 112	4 112	3 011	3 809	3 809	3 809	4 139	4 497	4 886
Pension and UIF Contributions		812	548	189	783	783	783	851	925	1 005
Medical Aid Contributions		–	104	67	135	135	135	147	159	173
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		774	642	526	891	891	891	968	1 052	1 143
Motor Vehicle Allowance	3	910	426	812	1 052	1 052	1 052	1 143	1 242	1 350
Cellphone Allowance	3	–	26	26	71	71	71	77	84	91
Housing Allowances	3	–	–	–	154	154	154	167	182	197
Other benefits and allowances	3	169	621	152	115	115	115	125	136	147
Payments in lieu of leave		217	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality	4	6 993	6 479	4 783	7 010	7 010	7 010	7 617	8 276	8 993
% increase			(7.4%)	(26.2%)	46.6%	–	–	8.7%	8.7%	8.7%
Other Municipal Staff										
Basic Salaries and Wages		70 155	86 987	100 051	115 689	116 528	116 528	126 695	135 171	146 703
Pension and UIF Contributions		12 616	14 018	15 600	17 544	17 554	17 554	19 060	20 676	22 464
Medical Aid Contributions		5 825	6 648	7 306	7 793	7 793	7 793	8 467	9 200	9 996
Overtime		8 642	14 629	16 282	12 733	12 733	12 733	13 794	14 976	16 259
Performance Bonus		6 034	7 171	7 295	8 186	8 186	8 186	8 895	9 664	10 531
Motor Vehicle Allowance	3	3 100	3 874	4 580	4 497	4 497	4 497	4 886	5 309	5 769
Cellphone Allowance	3	–	497	488	405	405	405	440	478	519
Housing Allowances	3	593	1 446	1 448	1 649	1 649	1 649	1 792	1 947	2 115
Other benefits and allowances	3	13 506	2 855	3 391	4 318	4 318	4 318	4 691	5 097	5 539
Payments in lieu of leave		877	1 936	975	889	889	889	966	1 050	1 140
Long service awards		447	(2 702)	414	–	–	–	–	–	–
Post-retirement benefit obligations	6	4 031	11 576	10 553	11 812	26 812	26 812	12 403	13 023	14 150
Sub Total - Other Municipal Staff	4	125 825	148 936	168 382	185 514	201 363	201 363	202 088	216 591	235 185
% increase			18.4%	13.1%	10.2%	8.5%	–	0.4%	7.2%	8.6%
Total Parent Municipality		141 598	164 585	182 623	203 983	219 832	219 832	221 736	237 500	257 443

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Prepared by :

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INTEGRATION

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand			16.2%	11.0%	11.7%	7.8%	-	0.9%	7.1%	8.4%
Board Members of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		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
Other Staff of Entities										
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance	3	—	—	—	—	—	—	—	—	—
Cellphone Allowance	3	—	—	—	—	—	—	—	—	—
Housing Allowances	3	—	—	—	—	—	—	—	—	—
Other benefits and allowances	3	—	—	—	—	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
Sub Total - Other Staff of Entities		—	—	—	—	—	—	—	—	—
% increase	4	—	—	—	—	—	—	—	—	—
Total Municipal Entities		—	—	—	—	—	—	—	—	—
TOTAL SALARY, ALLOWANCES & BENEFITS		141 598	164 585	182 623	203 983	219 832	219 832	221 736	237 500	257 443
% increase	4	16.2%	11.0%	11.7%	7.8%	—	0.9%	7.1%	8.4%	—
TOTAL MANAGERS AND STAFF	5,7	132 818	155 415	173 164	192 524	208 373	208 373	209 705	224 867	244 178

References

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

Column Definitions:

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

Check Total Employee Costs (A1) (514) — 6 862 — — — — — —

WC022 Witzenberg - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	617 430	93 206	148 956	–	–	859 592
Chief Whip		–	–	–	–	–	–	–
Executive Mayor		1	218 615	33 112	810 276	–	–	1 062 003
Deputy Executive Mayor		1	619 494	93 516	146 584	–	–	859 594
Executive Committee		–	2 237 160	479 271	519 545	–	–	3 235 976
Total for all other councillors		–	4 411 360	733 817	869 355	–	–	6 014 532
Total Councillors	8	3	8 104 059	1 432 922	2 494 716			12 031 697
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1 058 038	323 814	291 542	238 674	–	1 912 068
Chief Finance Officer		1	574 542	221 217	348 709	183 778	–	1 328 246
		1	838 464	195 906	262 815	183 778	–	1 480 963
		1	830 295	252 562	156 495	183 778	–	1 423 130
		1	837 682	5 484	451 697	177 817	–	1 472 680
		–	–	–	–	–	–	–
<i>List of each official with packages >= senior manager</i>								
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
		–	–	–	–	–	–	–
Total Senior Managers of the Municipality	8,10	5	4 139 021	998 983	1 511 258	967 625		7 617 087

WC022 Witzenberg - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2018/19			Current Year 2019/20			Budget Year 2020/21		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)	4	23	23	–	23	23	–	23	23	–
Board Members of municipal entities	5	–	–	–	–	–	–	–	–	–
Municipal employees										
Municipal Manager and Senior Managers	3	5	–	5	5	–	5	5	–	5
Other Managers	7	23	23	–	23	23	–	23	23	–
Professionals		23	19	4	23	19	4	27	23	4
Finance		–	–	–	–	–	–	2	–	–
Spatial/town planning		–	–	–	–	–	–	1	–	–
Information Technology		–	–	–	–	–	–	–	–	–
Roads		–	–	–	–	–	–	–	–	–
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Refuse		–	–	–	–	–	–	–	–	–
Other		23	19	4	23	19	4	24	23	1
Technicians		79	74	5	79	74	5	30	30	–
Finance		11	11	–	11	11	–	1	1	–
Spatial/town planning		5	5	–	5	5	–	5	5	–
Information Technology		1	1	–	1	1	–	–	–	–
Roads		3	3	–	3	3	–	1	1	–
Electricity		8	8	–	8	8	–	2	2	–
Water		2	2	–	2	2	–	14	14	–
Sanitation		2	2	–	2	2	–	–	–	–
Refuse		4	4	–	4	4	–	1	1	–
Other		43	38	5	43	38	5	6	6	–
Clerks (Clerical and administrative)		115	96	19	115	96	19	111	92	19
Service and sales workers		–	–	–	–	–	–	87	78	9
Skilled agricultural and fishery workers		–	–	–	–	–	–	31	31	–
Craft and related trades		–	–	–	–	–	–	–	–	–
Plant and Machine Operators		74	71	3	74	71	3	37	37	–
Elementary Occupations		321	279	42	321	279	42	253	236	15
TOTAL PERSONNEL NUMBERS	9	663	565	78	663	565	78	627	575	49
% increase								(5.4%)	(1.7%)	(37.2%)
Total municipal employees headcount	6, 10	–	–	–	–	–	–	–	–	–
Finance personnel headcount	8, 10	60	57	3	60	57	3	59	54	5
Human Resources personnel headcount	8, 10	8	8	–	8	8	–	13	7	6

References

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

WC022 Witzenberg - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description		Ref	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 By Source																	
Property rates		6 487	6 487	6 487	6 487	6 487	6 487	6 487	6 487	6 487	6 487	6 487	6 487	77 848	84 339	89 103	
Service charges - electricity revenue		24 925	24 925	24 925	24 925	24 925	24 925	24 925	24 925	24 925	24 925	24 925	24 925	299 097	325 399	365 513	
Service charges - water revenue		3 144	3 144	3 144	3 144	3 144	3 144	3 144	3 144	3 144	3 144	3 144	3 144	37 722	41 321	44 091	
Service charges - sanitation revenue		1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 845	1 845	22 142	26 149	28 862	
Service charges - refuse revenue		2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	2 023	24 281	27 865	30 311	
Rental of facilities and equipment		662	662	662	662	662	662	662	662	662	662	662	662	7 945	8 342	8 759	
Interest earned - external investments		761	761	761	761	761	761	761	761	761	761	761	761	9 129	9 586	9 089	
Interest earned - outstanding debtors		689	689	689	689	689	689	689	689	689	689	689	689	8 264	8 677	9 111	
Dividends received		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Fines, penalties and forfeits		1 705	1 705	1 705	1 705	1 705	1 705	1 705	1 705	1 705	1 705	1 705	1 705	20 456	21 479	22 553	
Licences and permits		168	168	168	168	168	168	168	168	168	168	168	168	2 010	2 111	2 216	
Agency services		321	321	321	321	321	321	321	321	321	321	321	321	3 854	4 046	4 249	
Transfers and subsidies		9 749	9 749	9 749	9 749	9 749	9 749	9 749	9 749	9 749	9 749	9 749	9 749	116 989	125 089	166 900	
Other revenue		892	892	892	892	892	892	892	892	892	892	892	892	10 700	10 970	10 327	
Gains on disposal of PPE		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Total Revenue (excluding capital transfers and contributions)		53 370	53 370	53 370	53 370	53 370	53 370	53 370	53 370	53 370	53 370	53 370	53 370	640 437	695 373	791 084	
Expenditure By Type																	
Employee related costs		17 475	17 475	17 475	17 475	17 475	17 475	17 475	17 475	17 475	17 475	17 475	17 475	209 705	224 867	244 178	
Remuneration of councillors		1 003	1 003	1 003	1 003	1 003	1 003	1 003	1 003	1 003	1 003	1 003	1 003	12 032	12 633	13 265	
Debt impairment		2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	2 650	31 805	33 268	34 932	
Depreciation & asset impairment		4 078	4 078	4 078	4 078	4 078	4 078	4 078	4 078	4 078	4 078	4 078	4 078	48 932	51 643	51 643	
Finance charges		765	765	765	765	765	765	765	765	765	765	765	765	9 181	9 635	10 108	
Bulk purchases		21 669	21 669	21 669	21 669	21 669	21 669	21 669	21 669	21 669	21 669	21 669	21 669	260 023	282 489	318 008	
Other materials		1 623	1 623	1 636	1 623	1 623	1 636	1 623	1 623	1 623	1 623	1 623	1 636	19 528	20 425	21 410	
Contracted services		3 812	3 812	4 727	3 812	3 812	6 764	3 812	3 812	4 727	3 812	3 812	6 774	53 486	57 008	59 155	
Transfers and subsidies		148	148	248	148	148	248	148	148	248	148	148	248	2 179	1 859	32 976	
Other expenditure		3 480	3 480	3 890	3 480	3 480	3 890	3 480	3 480	3 890	3 480	3 480	7 257	46 770	47 035	48 867	
Loss on disposal of PPE		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Total Expenditure		56 703	56 703	58 141	56 703	56 703	60 178	56 703	56 703	58 141	56 703	56 703	63 556	693 640	740 863	834 542	
Surplus/(Deficit)																	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(3 333)	(3 333)	(4 771)	(3 333)	(3 333)	(6 808)	(3 333)	(3 333)	(4 771)	(3 333)	(3 333)	(10 186)	(53 203)	(45 490)	(43 458)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		1 411	1 411	16 118	1 411	1 411	16 923	1 411	1 411	16 118	1 411	1 411	18 269	78 716	120 459	28 167	
Transfers and subsidies - capital (in-kind - all)		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Surplus/(Deficit) after capital transfers & contributions		(1 922)	(1 922)	11 347	(1 922)	(1 922)	10 115	(1 922)	(1 922)	11 347	(1 922)	(1 922)	8 083	25 513	74 968	(15 292)	
Taxation		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Attributable to minorities		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Share of surplus/ (deficit) of associate		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Surplus/(Deficit)	1	(1 922)	(1 922)	11 347	(1 922)	(1 922)	10 115	(1 922)	(1 922)	11 347	(1 922)	(1 922)	8 083	25 513	74 968	(15 292)	

References

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23

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

WC022 Witzenberg - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote																
Vote 1 - Financial Services		8 160	8 160	8 160	8 160	8 160	8 160	8 160	8 160	8 160	8 160	8 160	8 160	97 923	104 673	108 321
Vote 2 - Community Services		1 570	1 570	1 570	1 570	1 570	1 570	1 570	1 570	1 570	1 570	1 570	1 570	18 835	19 965	57 508
Vote 3 - Community Services		10 528	10 528	10 528	10 528	10 528	10 528	10 528	10 528	10 528	10 528	10 528	10 528	126 340	135 218	146 622
Vote 4 - Community Services		351	351	351	351	351	351	351	351	351	351	351	351	5 080	4 571	4 643
Vote 5 - Corporate Services		47	47	47	47	47	47	47	47	47	47	47	47	566	594	624
Vote 6 - Technical Services		27 070	27 070	37 066	27 070	27 070	37 671	27 070	27 070	37 066	27 070	27 070	37 671	366 431	428 572	412 623
Vote 7 - Technical Services		6 926	6 926	11 637	6 926	6 926	11 637	6 926	6 926	11 637	6 926	6 926	12 114	102 435	120 632	87 036
Vote 8 - Municipal Manager		128	128	128	128	128	128	128	128	128	128	128	128	1 542	1 607	1 675
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		54 781	54 781	69 488	54 781	54 781	70 293	54 781	54 781	69 488	54 781	54 781	71 639	719 153	815 832	819 250
Expenditure by Vote to be appropriated																
Vote 1 - Financial Services		4 186	4 186	4 339	4 186	4 186	4 488	4 186	4 186	4 339	4 186	4 186	7 855	54 508	56 346	60 051
Vote 2 - Community Services		3 478	3 478	3 649	3 478	3 478	3 649	3 478	3 478	3 649	3 478	3 478	3 660	42 428	45 601	48 530
Vote 3 - Community Services		4 090	4 090	4 122	4 090	4 090	4 122	4 090	4 090	4 122	4 090	4 090	4 123	49 208	49 980	53 227
Vote 4 - Community Services		1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	1 621	19 452	20 985	53 362
Vote 5 - Corporate Services		6 018	6 018	6 018	6 018	6 018	6 025	6 018	6 018	6 018	6 018	6 018	6 025	72 232	76 370	80 916
Vote 6 - Technical Services		29 635	29 635	29 646	29 635	29 635	31 318	29 635	29 635	29 646	29 635	29 635	31 317	359 006	388 662	429 714
Vote 7 - Technical Services		6 623	6 623	7 030	6 623	6 623	7 039	6 623	6 623	7 030	6 623	6 623	7 039	81 121	86 152	90 802
Vote 8 - Municipal Manager		1 053	1 053	1 715	1 053	1 053	1 915	1 053	1 053	1 715	1 053	1 053	1 915	15 685	16 769	17 939
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		56 703	56 703	58 141	56 703	56 703	60 178	56 703	56 703	58 141	56 703	56 703	63 556	693 640	740 863	834 542
Surplus/(Deficit) before assoc.		(1 922)	(1 922)	11 347	(1 922)	(1 922)	10 115	(1 922)	(1 922)	11 347	(1 922)	(1 922)	8 083	25 513	74 968	(15 292)
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(1 922)	(1 922)	11 347	(1 922)	(1 922)	10 115	(1 922)	(1 922)	11 347	(1 922)	(1 922)	8 083	25 513	74 968	(15 292)

References

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

WC022 Witzenberg - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

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	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	101 962	108 943	112 863	
Executive and council	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Finance and administration	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	8 497	101 962	108 943	112 863	
Internal audit	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Community and public safety	12 387	12 387	12 387	12 387	12 387	12 387	12 387	12 387	12 387	12 387	12 387	13 257	149 517	158 982	207 976	
Community and social services	9 615	9 615	9 615	9 615	9 615	9 615	9 615	9 615	9 615	9 615	9 615	9 615	115 381	124 046	139 475	
Sport and recreation	652	652	652	652	652	652	652	652	652	652	652	1 522	8 696	8 218	8 629	
Public safety	2 076	2 076	2 076	2 076	2 076	2 076	2 076	2 076	2 076	2 076	2 076	2 076	24 912	26 158	28 251	
Housing	44	44	44	44	44	44	44	44	44	44	44	44	527	560	31 621	
Health	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Economic and environmental services	219	219	4 388	219	219	4 823	219	219	4 388	219	219	4 823	20 173	48 799	13 382	
Planning and development	209	209	209	209	209	209	209	209	209	209	209	209	2 512	2 627	2 745	
Road transport	8	8	4 178	8	8	4 612	8	8	4 178	8	8	4 612	17 647	46 159	10 626	
Environmental protection	1	1	1	1	1	1	1	1	1	1	1	1	13	14	10	
Trading services	33 668	33 668	44 206	33 668	33 668	44 576	33 668	33 668	44 206	33 668	33 668	45 052	447 387	498 987	484 904	
Energy sources	24 806	24 806	24 806	24 806	24 806	24 806	24 806	24 806	24 806	24 806	24 806	24 806	24 806	297 674	328 428	367 812
Water management	4 790	4 790	7 162	4 790	4 790	7 162	4 790	4 790	7 162	4 790	4 790	7 638	67 441	84 276	55 229	
Waste water management	1 931	1 931	7 758	1 931	1 931	8 127	1 931	1 931	7 758	1 931	1 931	8 127	47 215	49 860	29 987	
Waste management	2 142	2 142	4 481	2 142	2 142	4 481	2 142	2 142	4 481	2 142	2 142	4 481	35 057	36 423	31 877	
Other	10	10	10	10	10	10	10	10	10	10	10	10	115	120	126	
Total Revenue - Functional	54 781	54 781	69 488	54 781	54 781	70 293	54 781	54 781	69 488	54 781	54 781	71 639	719 153	815 832	819 250	
Expenditure - Functional																
Governance and administration	11 340	11 340	12 166	11 340	11 340	12 522	11 340	11 340	12 166	11 340	11 340	15 890	143 462	150 665	160 240	
Executive and council	2 551	2 551	2 551	2 551	2 551	2 551	2 551	2 551	2 551	2 551	2 551	2 551	30 612	32 525	34 529	
Finance and administration	8 588	8 588	9 415	8 588	8 588	9 571	8 588	8 588	9 415	8 588	8 588	12 938	110 044	115 147	122 512	
Internal audit	200	200	200	200	200	400	200	200	200	200	200	400	2 805	2 993	3 199	
Community and public safety	8 647	8 647	8 851	8 647	8 647	8 851	8 647	8 647	8 851	8 647	8 647	8 862	104 593	109 553	147 552	
Community and social services	2 386	2 386	2 419	2 386	2 386	2 419	2 386	2 386	2 419	2 386	2 386	2 419	28 760	28 492	30 073	
Sport and recreation	2 538	2 538	2 538	2 538	2 538	2 538	2 538	2 538	2 538	2 538	2 538	2 538	30 457	32 703	34 934	
Public safety	3 296	3 296	3 296	3 296	3 296	3 296	3 296	3 296	3 296	3 296	3 296	3 307	39 568	42 140	44 854	
Housing	427	427	598	427	427	598	427	427	598	427	427	598	5 807	6 218	37 690	
Health	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Economic and environmental services	3 133	3 133	3 133	3 133	3 133	4 605	3 133	3 133	3 133	3 133	3 133	4 605	40 540	41 683	44 038	
Planning and development	958	958	958	958	958	1 708	958	958	958	958	958	1 708	12 992	12 392	13 362	
Road transport	2 008	2 008	2 008	2 008	2 008	2 729	2 008	2 008	2 008	2 008	2 008	2 729	25 539	27 120	28 332	
Environmental protection	167	167	167	167	167	167	167	167	167	167	167	167	2 009	2 171	2 343	
Trading services	33 503	33 503	33 910	33 503	33 503	34 120	33 503	33 503	33 910	33 503	33 503	34 120	404 086	437 960	481 659	
Energy sources	24 257	24 257	24 257	24 257	24 257	24 457	24 257	24 257	24 257	24 257	24 257	24 457	291 480	318 337	355 780	
Water management	2 586	2 586	2 993	2 586	2 586	2 993	2 586	2 586	2 993	2 586	2 586	2 993	32 659	34 473	35 968	
Waste water management	2 812	2 812	2 812	2 812	2 812	2 812	2 812	2 812	2 812	2 812	2 812	2 812	33 746	35 923	37 749	
Waste management	3 848	3 848	3 848	3 848	3 848	3 858	3 848	3 848	3 848	3 848	3 848	3 858	46 200	49 227	52 162	
Other	80	80	80	80	80	80	80	80	80	80	80	80	959	1 003	1 053	
Total Expenditure - Functional	56 703	56 703	58 141	56 703	56 703	60 178	56 703	56 703	58 141	56 703	56 703	63 556	693 640	740 863	834 542	
Surplus/(Deficit) before assoc.	(1 922)	(1 922)	11 347	(1 922)	(1 922)	10 115	(1 922)	(1 922)	11 347	(1 922)	(1 922)	8 083	25 513	74 968	(15 292)	
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Surplus/(Deficit)	1	(1 922)	(1 922)	11 347	(1 922)	(1 922)	10 115	(1 922)	(1 922)	11 347	(1 922)	(1 922)	8 083	25 513	74 968	(15 292)

References

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

WC022 Witzenberg - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services		-	-	2 115	-	-	5 095	-	-	2 115	-	-	5 095	14 421	77 575	6 593
Vote 7 - Technical Services		-	-	6 572	-	-	6 572	-	-	6 572	-	-	6 572	26 288	41 096	-
Vote 8 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	8 687	-	-	11 667	-	-	8 687	-	-	11 667	40 708	118 670	6 593
Single-year expenditure to be appropriated																
Vote 1 - Financial Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	137	5 619
Vote 3 - Community Services		-	-	-	-	-	310	-	-	-	-	-	310	620	-	80
Vote 4 - Community Services		-	-	-	-	-	-	-	-	-	-	-	900	900	-	30
Vote 5 - Corporate Services		-	-	113	-	-	413	-	-	113	-	-	413	1 050	-	600
Vote 6 - Technical Services		-	-	7 116	-	-	9 571	-	-	7 116	-	-	11 218	35 021	4 109	15 891
Vote 7 - Technical Services		-	-	2 372	-	-	2 860	-	-	2 372	-	-	2 860	10 465	11 279	9 526
Vote 8 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	-	-	9 601	-	-	13 154	-	-	9 601	-	-	15 700	48 056	15 525	31 747
Total Capital Expenditure	2	-	-	18 288	-	-	24 821	-	-	18 288	-	-	27 367	88 764	134 196	38 340

References

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

WC022 Witzenberg - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional	1															
Governance and administration																
Executive and council				113			413			113			763	1 400		600
Finance and administration							300						300	600		
Internal audit				113			113			113			463	800		600
Community and public safety							310						1 210	1 520	137	5 729
Community and social services							290						290	580	137	4 859
Sport and recreation							20						920	940		70
Public safety																800
Housing																
Health																
Economic and environmental services				3 405			6 469			3 405			6 966	20 245	53 978	12 984
Planning and development																
Road transport				3 405			6 469			3 405			6 966	20 245	53 978	12 984
Environmental protection																
Trading services				14 771			17 629			14 771			18 429	65 600	80 080	19 026
Energy sources							1 250						1 250	2 500	5 065	8 000
Water management				6 605			7 093			6 605			7 093	27 396	39 990	9 526
Waste water management				5 827			6 947			5 827			7 747	26 347	22 640	1 500
Waste management				2 339			2 339			2 339			2 339	9 356	12 384	
Other																
Total Capital Expenditure - Functional	2			18 288			24 821			18 288			27 367	88 764	134 196	38 340
Funded by:																
National Government				7 655			9 544			7 655			10 910	35 763	40 614	25 237
Provincial Government				10 521			10 956			10 521			10 956	42 954	79 845	2 930
District Municipality																
Other transfers and grants																
Transfers recognised - capital				18 176			20 499			18 176			21 866	78 716	120 459	28 167
Public contributions & donations																
Borrowing																
Internally generated funds				113			4 321			113			5 501	10 048	13 737	10 173
Total Capital Funding				18 288			24 821			18 288			27 367	88 764	134 196	38 340

References

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

WC022 Witzenberg - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Receipts By Source													1		
Property rates	4 366	9 310	7 653	22 093	4 568	3 573	4 841	4 606	3 977	4 014	4 183	3 894	77 070	83 496	88 212
Service charges - electricity revenue	23 187	23 109	22 971	23 090	20 978	15 438	18 234	26 438	28 834	32 076	32 431	29 321	296 106	322 145	361 858
Service charges - water revenue	2 894	2 857	1 672	3 053	1 916	2 097	2 454	3 638	2 448	2 840	2 790	2 273	30 932	33 883	36 154
Service charges - sanitation revenue	1 214	1 588	1 599	1 448	1 254	871	1 657	1 683	1 454	1 264	1 363	3 425	18 821	22 227	24 533
Service charges - refuse revenue	1 706	1 802	1 486	2 166	1 616	1 545	1 757	1 997	1 569	1 707	1 681	1 608	20 639	23 685	25 764
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	194	208	355	482	339	51	580	406	521	123	397	317	3 973	4 171	4 389
Interest earned - external investments	400	580	759	456	701	629	1 494	1 029	592	620	873	1 096	9 129	9 586	9 089
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	8 264	–	–	–	8 264	8 677	9 111
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	460	256	581	147	598	150	240	613	254	228	894	897	5 319	5 585	5 864
Licences and permits	156	58	191	207	436	108	199	37	96	15	380	126	2 010	2 111	2 216
Agency services	–	–	–	–	–	–	–	–	–	3 854	–	–	3 854	4 046	4 249
Transfer receipts - operational	41 105	2 266	3 999	2 261	2 308	32 074	–	4 779	28 060	136	0	–	116 989	125 089	166 900
Other revenue	293	475	802	2 462	896	281	1 349	486	279	2 516	444	416	10 700	10 970	10 327
Cash Receipts By Source	79 963	42 510	42 066	57 785	35 611	56 717	32 804	45 794	76 347	49 392	45 438	43 375	603 804	655 670	748 656
Other Cash Flows by Source															
Transfer receipts - capital	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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)	20 684	–	–	4 259	6 570	9 206	–	8 517	19 425	7 004	3 051	–	78 716	120 459	28 167
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	96 648	42 510	42 066	62 044	42 182	65 923	32 804	54 311	95 772	56 397	48 489	43 375	682 520	776 129	776 823
Cash Payments by Type															
Employee related costs	13 647	15 986	14 905	15 148	23 933	15 277	15 308	16 423	15 422	15 798	17 915	15 918	197 703	211 946	230 029
Remuneration of councillors	979	977	969	994	946	971	1 196	1 003	1 013	1 014	1 012	1 016	12 032	12 633	13 265
Finance charges	–	–	–	–	–	665	–	–	62	–	–	–	606	1 332	1 405
Bulk purchases - Electricity	28 652	29 660	28 626	16 599	16 389	15 967	14 532	19 447	19 860	24 578	22 959	22 724	260 023	282 489	318 008
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	789	391	605	2 464	1 581	1 898	1 252	3 258	1 342	1 802	2 492	1 654	19 528	20 425	21 410
Contracted services	2 746	2 883	4 659	4 465	5 167	4 903	2 298	2 128	6 247	4 273	6 382	7 535	53 486	57 008	59 155
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	82	64	50	84	–	1	150	22	1 541	46	89	50	2 179	1 859	32 976
Other expenditure	4 480	5 168	5 435	6 389	5 729	4 417	1 354	1 426	3 198	4 597	1 275	3 310	46 770	47 177	49 891
Cash Payments by Type	51 404	54 930	55 278	46 084	53 739	44 099	36 090	45 706	48 686	52 110	52 124	52 812	593 053	634 032	726 190
Other Cash Flows/Payments by Type															
Capital assets	1 660	3 999	8 742	6 254	9 854	2 472	5 585	7 534	12 839	6 702	10 103	13 020	88 764	134 196	38 340
Repayment of borrowing	–	–	1 245	–	–	118	–	–	18	–	–	118	1 500	1 500	1 500
Other Cash Flows/Payments	(81)	(94)	(96)	(116)	(104)	(80)	(29)	(26)	(89)	(83)	(23)	(60)	(840)	–	–
Total Cash Payments by Type	52 965	58 835	65 158	52 222	63 489	46 610	41 651	53 213	61 485	58 729	62 204	65 891	682 470	770 528	766 629
NET INCREASE/(DECREASE) IN CASH HELD	43 683	(16 325)	(23 092)	9 822	(21 307)	19 313	(8 847)	1 098	34 287	(2 332)	(13 714)	(22 516)	91	5 681	10 793
Cash/cash equivalents at the month/year begin	80 793	124 537	108 213	85 120	94 942	73 635	82 548	84 101	85 199	119 486	117 154	103 439	80 923	86 524	97 318
Cash/cash equivalents at the month/year end	124 537	108 213	85 120	94 942	73 635	92 948	84 101	85 199	119 486	117 154	103 439	80 923	86 524	97 318	

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

WC022 Witzenberg - NOT REQUIRED - municipality does not have entities

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R million										
Financial Performance										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-
Investment revenue		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		-	-	-	-	-	-	-	-	-
Other own revenue		-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	-	-	-
Employee costs		-	-	-	-	-	-	-	-	-
Remuneration of Board Members		-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		-	-	-	-	-	-	-	-	-
Finance charges		-	-	-	-	-	-	-	-	-
Materials and bulk purchases		-	-	-	-	-	-	-	-	-
Transfers and grants		-	-	-	-	-	-	-	-	-
Other expenditure		-	-	-	-	-	-	-	-	-
Total Expenditure		-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		-	-	-	-	-	-	-	-	-
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Public contributions & donations		-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-
Total sources		-	-	-	-	-	-	-	-	-
Financial position										
Total current assets		-	-	-	-	-	-	-	-	-
Total non current assets		-	-	-	-	-	-	-	-	-
Total current liabilities		-	-	-	-	-	-	-	-	-
Total non current liabilities		-	-	-	-	-	-	-	-	-
Equity		-	-	-	-	-	-	-	-	-
Cash flows										
Net cash from (used) operating		-	-	-	-	-	-	-	-	-
Net cash from (used) investing		-	-	-	-	-	-	-	-	-
Net cash from (used) financing		-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end		-	-	-	-	-	-	-	-	-

WC022 Witzenberg - Supporting Table SA34a Capital expenditure on new assets by asset class

Description		Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>									
<u>Infrastructure</u>			53 709	28 259	28 948	28 948	73 717	46 555	13 591
Roads Infrastructure			18 254	2 806	2 806	2 806	13 417	935	1 565
Roads			18 104	1 786	1 786	1 786	12 547	–	1 565
Road Structures			150	1 020	1 020	1 020	870	935	–
Road Furniture			–	–	–	–	–	–	–
Capital Spares			–	–	–	–	–	–	–
Storm water Infrastructure			12 088	3 391	3 391	3 391	13 819	–	–
Drainage Collection			12 088	–	–	–	–	–	–
Storm water Conveyance			–	3 391	3 391	3 391	13 819	–	–
Attenuation			–	–	–	–	–	–	–
Electrical Infrastructure			5 778	3 430	3 865	3 865	–	4 565	4 000
Power Plants			–	–	–	–	–	–	–
HV Substations			–	–	–	–	–	–	–
HV Switching Station			–	–	–	–	–	–	–
HV Transmission Conductors			–	–	–	–	–	–	–
MV Substations			–	–	–	–	–	–	–
MV Switching Stations			–	–	–	–	–	–	–
MV Networks			4 217	2 609	3 043	3 043	–	3 000	4 000
LV Networks			1 560	821	821	821	–	1 565	–
Capital Spares			–	–	–	–	–	–	–
Water Supply Infrastructure			9 529	16 931	15 214	15 214	26 896	28 670	8 026
Dams and Weirs			2 529	16 931	15 214	15 214	16 931	17 391	–
Boreholes			–	–	–	–	–	–	–
Reservoirs			–	–	–	–	–	11 279	–
Pump Stations			–	–	–	–	–	–	–
Water Treatment Works			–	–	–	–	–	–	–
Bulk Mains			–	–	–	–	476	–	8 026
Distribution			7 000	–	–	–	9 489	–	–
Distribution Points			–	–	–	–	–	–	–
PRV Stations			–	–	–	–	–	–	–
Capital Spares			–	–	–	–	–	–	–

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Sanitation Infrastructure		7 457	700	1 300	1 300	10 228	-	-
Pump Station		-	-	-	-	-	-	-
Reticulation		7 457	-	-	-	10 228	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-
Toilet Facilities		-	700	1 300	1 300	-	-	-
Capital Spares		-	-	-	-	-	-	-
Solid Waste Infrastructure		603	1 000	2 371	2 371	9 356	12 384	-
Landfill Sites		-	-	-	-	-	-	-
Waste Transfer Stations		603	-	501	501	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-
Waste Separation Facilities		-	1 000	1 870	1 870	9 356	12 384	-
Electricity Generation Facilities		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Community Assets		983	-	1 577	1 577	30	311	11 675
Community Facilities		549	-	1 577	1 577	-	311	11 645
Halls		-	-	-	-	-	-	-
Centres		-	-	-	-	-	174	6 826
Crèches		-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	137	4 819
Police		-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-
Markets		549	-	1 577	1 577	-	-	-
Stalls		-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Sport and Recreation Facilities		434	-	-	-	30	-	30
Indoor Facilities		434	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	30	-	30
Capital Spares		-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Investment properties		-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-
Other assets		-	330	330	330	-	-	-
Operational Buildings		-	330	330	330	-	-	-
Municipal Offices		-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-
Training Centres		-	330	330	330	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-
Intangible Assets		527	200	576	576	-	-	-
Servitudes		-	-	-	-	-	-	-
Licences and Rights		527	200	576	576	-	-	-
Water Rights		-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-
Computer Software and Applications		527	200	576	576	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Computer Equipment		1 215	550	666	666	450	-	600
Computer Equipment		1 215	550	666	666	450	-	600
Furniture and Office Equipment		693	476	523	523	-	-	-
Furniture and Office Equipment		693	476	523	523	-	-	-
Machinery and Equipment		1 503	3 635	6 452	6 452	430	-	80
Machinery and Equipment		1 503	3 635	6 452	6 452	430	-	80
Transport Assets		1 971	1 082	4 818	4 818	-	-	800
Transport Assets		1 971	1 082	4 818	4 818	-	-	800
Land		-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	60 600	34 532	43 890	43 890	74 627	46 866	26 747

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must re

WC022 Witzenberg - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

2022 Wilzenberg - Supporting Table SA-4 Capital Expenditure on the Renewal of Existing Assets by Asset Class

Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Capital expenditure on renewal of existing assets by Asset Class/Sub-class								
Infrastructure		14 996	9 500	9 815	9 815	4 300	-	5 000
Roads Infrastructure		11 421	5 000	5 000	5 000	1 800	-	2 000
Roads		11 421	5 000	5 000	5 000	1 800	-	2 000
Road Structures		-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-
Electrical Infrastructure		-	1 200	1 163	1 163	-	-	-
Power Plants		-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-
MV Networks		-	1 200	1 163	1 163	-	-	-
LV Networks		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Water Supply Infrastructure		1 200	1 000	918	918	500	-	1 500
Dams and Weirs		-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-
Distribution		1 200	1 000	918	918	500	-	1 500
Distribution Points		-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Sanitation Infrastructure		2 376	2 300	2 734	2 734	2 000	-	1 500
Pump Station		-	-	-	-	-	-	-
Reticulation		1 026	1 200	1 325	1 325	500	-	1 500
Waste Water Treatment Works		1 350	1 100	1 409	1 409	1 500	-	-
Outfall Sewers		-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-

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INTEGRATION

Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Community Assets		380	900	1 338	1 338	-	-	-
Community Facilities		90	900	1 338	1 338	-	-	-
Halls		90	900	1 338	1 338	-	-	-
Centres		-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Sport and Recreation Facilities		290	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-
Outdoor Facilities		290	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Investment properties		-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-
		21	1 500	1 500	1 500	600	-	-
Other assets		21	1 500	1 500	1 500	600	-	-
Operational Buildings		21	1 500	1 500	1 500	600	-	-
Municipal Offices		21	1 500	1 500	1 500	600	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Computer Equipment		-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-
Machinery and Equipment		427	-	-	-	-	-	-
Machinery and Equipment		427	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	15 824	11 900	12 653	12 653	4 900	-	5 000
Renewal of Existing Assets as % of total capex		18.3%	16.6%	15.6%	15.6%	5.5%	0.0%	13.0%
Renewal of Existing Assets as % of deprecn"		52.0%	26.1%	27.8%	27.8%	10.0%	0.0%	9.7%

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on upgrading of existing assets (SA34e) n

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WC022 Witzenberg - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		17 344	14 948	15 254	12 633	12 564	12 564	14 259	14 955	15 658
Roads Infrastructure		6 812	6 975	6 921	6 537	6 537	6 537	6 864	7 182	7 542
Roads		5 952	6 327	6 101	5 708	5 708	5 708	5 994	6 272	6 586
Road Structures		368	-	-	-	-	-	-	-	-
Road Furniture		492	648	821	828	828	828	870	911	956
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		1 370	2 408	2 207	1 394	1 394	1 394	2 044	2 130	2 224
Drainage Collection		-	491	504	-	-	-	-	-	-
Storm water Conveyance		1 370	1 917	1 703	1 394	1 394	1 394	2 044	2 130	2 224
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		3 757	1 090	1 297	1 458	1 807	1 807	1 931	2 059	2 129
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	53	344	76	14	14	80	84	88
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	452	207	718	913	913	754	791	831
MV Switching Stations		-	66	10	51	0	0	53	56	59
MV Networks		3 565	423	303	341	759	759	758	829	838
LV Networks		192	96	433	271	121	121	285	299	314
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		2 170	2 471	1 457	1 209	820	820	1 270	1 329	1 395
Dams and Weirs		-	33	116	195	95	95	205	214	225
Boreholes		-	154	165	140	74	74	147	154	162
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	125	110	47	47	47	49	51	54
Water Treatment Works		-	48	110	93	93	93	98	103	108
Bulk Mains		-	527	394	381	158	158	400	419	440
Distribution		2 170	1 481	490	289	289	289	303	317	333
Distribution Points		-	51	55	47	47	47	49	51	54
PRV Stations		-	51	17	18	18	18	19	19	20
Capital Spares		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Sanitation Infrastructure		3 236	2 005	3 371	2 035	2 005	2 005	2 151	2 255	2 367
Pump Station		1 630	—	—	—	—	—	—	—	—
Reticulation		617	684	1 426	617	597	597	648	679	713
Waste Water Treatment Works		988	1 241	1 946	1 346	1 336	1 336	1 413	1 480	1 554
Outfall Sewers		—	—	—	—	—	—	—	—	—
Toilet Facilities		—	79	—	72	72	72	90	95	100
Capital Spares		—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—	—
Waste Transfer Stations		—	—	—	—	—	—	—	—	—
Waste Processing Facilities		—	—	—	—	—	—	—	—	—
Waste Drop-off Points		—	—	—	—	—	—	—	—	—
Waste Separation Facilities		—	—	—	—	—	—	—	—	—
Electricity Generation Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—	—
Rail Structures		—	—	—	—	—	—	—	—	—
Rail Furniture		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Piers		—	—	—	—	—	—	—	—	—
Revetments		—	—	—	—	—	—	—	—	—
Promenades		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—	—
Core Layers		—	—	—	—	—	—	—	—	—
Distribution Layers		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	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
Community Assets		406	989	851	941	893	893	981	1 026	1 077
Community Facilities		9	565	491	616	514	514	581	607	637
Halls		-	235	200	142	142	142	149	156	163
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	15	3	4	4	4	38	38	40
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	5	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	120	19	92	52	52	(3)	(3)	(3)
Cemeteries/Crematoria		9	24	39	119	119	119	125	131	137
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	94	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	109	86	196	196	196	205	216	226
Markets		-	63	46	64	2	2	67	70	74
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		397	424	360	325	379	379	400	419	440
Indoor Facilities		-	-	-	225	255	255	295	309	325
Outdoor Facilities		397	424	360	100	124	124	105	110	115
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	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
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		2 628	361	523	548	722	722	495	526	559
Operational Buildings		2 628	230	410	398	572	572	338	361	386
Municipal Offices		2 630	230	410	398	572	572	338	361	386
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		(3)	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	131	113	149	149	149	157	165	173
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	131	113	149	149	149	157	165	173
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licences		-	-	-	-	-	-	-	-	-
Solid Waste Licences		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	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
Computer Equipment		444	156	131	313	243	243	328	345	362
Computer Equipment		444	156	131	313	243	243	328	345	362
Furniture and Office Equipment		424	10	23	35	20	20	37	39	41
Furniture and Office Equipment		424	10	23	35	20	20	37	39	41
Machinery and Equipment		311	322	110	258	269	269	271	283	297
Machinery and Equipment		311	322	110	258	269	269	271	283	297
Transport Assets		1 444	2 100	1 443	1 714	1 838	1 838	1 912	2 282	2 357
Transport Assets		1 444	2 100	1 443	1 714	1 838	1 838	1 912	2 282	2 357
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	23 001	18 886	18 336	16 442	16 548	16 548	18 282	19 454	20 350
R&M as a % of PPE		2.8%	2.2%	2.0%	1.7%	1.7%	1.7%	1.9%	2.0%	1.9%
R&M as % Operating Expenditure		4.5%	3.7%	3.4%	2.5%	2.4%	2.4%	0.0%	2.8%	2.7%

References

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

WC022 Witzenberg - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class								
Infrastructure		9 028	10 490	10 527	10 527	8 368	87 330	6 593
Roads Infrastructure		2 242	5 480	5 480	5 480	5 028	52 870	2 593
Roads		2 242	–	–	–	–	11 320	–
Road Structures		–	5 480	5 480	5 480	5 028	41 550	2 593
Road Furniture		–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–
Storm water Infrastructure		300	450	450	450	–	11 320	–
Drainage Collection		–	–	–	–	–	–	–
Storm water Conveyance		300	450	450	450	–	11 320	–
Attenuation		–	–	–	–	–	–	–
Electrical Infrastructure		4 932	3 910	3 947	3 947	2 500	500	4 000
Power Plants		–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–
MV Substations		–	1 500	1 250	1 250	1 000	500	1 000
MV Switching Stations		–	–	–	–	–	–	–
MV Networks		4 442	1 060	1 060	1 060	1 000	–	2 000
LV Networks		490	1 350	1 637	1 637	500	–	1 000
Capital Spares		–	–	–	–	–	–	–
Water Supply Infrastructure		711	350	350	350	–	11 320	–
Dams and Weirs		711	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–
Water Treatment Works		–	350	350	350	–	–	–
Bulk Mains		–	–	–	–	–	–	–
Distribution		–	–	–	–	–	11 320	–
Distribution Points		–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Sanitation Infrastructure		844	300	300	300	840	11 320	-
Pump Station		844	-	-	-	-	-	-
Reticulation		-	-	-	-	-	11 320	-
Waste Water Treatment Works		-	300	300	300	840	-	-
Outfall Sewers		-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Community Assets		637	14 691	14 219	14 219	870	-	-
Community Facilities		-	1 750	2 148	2 148	-	-	-
Halls		-	50	48	48	-	-	-
Centres		-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-
Libraries		-	1 500	1 900	1 900	-	-	-
Cemeteries/Crematoria		-	200	200	200	-	-	-
Police		-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-
Sport and Recreation Facilities		637	12 941	12 071	12 071	870	-	-
Indoor Facilities		-	-	-	-	-	-	-
Outdoor Facilities		637	12 941	12 071	12 071	870	-	-
Capital Spares		-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-

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

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Description	Ref	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1							
Computer Equipment		-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-
Machinery and Equipment		567	-	-	-	-	-	-
Machinery and Equipment		567	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	10 232	25 181	24 746	24 746	9 237	87 330	6 593
Upgrading of Existing Assets as % of total capex		11.8%	35.2%	30.4%	30.4%	10.4%	65.1%	17.2%
Upgrading of Existing Assets as % of depreca		33.6%	55.2%	54.3%	54.3%	18.9%	169.1%	12.8%

References

1. Total Capital Expenditure on upgrading of existing assets (SA34e) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b)

WC022 Witzenberg - Supporting Table SA34d Depreciation by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		20 110	17 844	15 826	27 831	27 831	27 831	30 132	31 790	31 790
Roads Infrastructure		3 468	4 178	4 191	6 678	6 678	6 678	7 078	7 468	7 468
Roads		3 468	4 178	4 191	2 499	2 499	2 499	2 649	2 795	2 795
Road Structures		-	-	-	2 089	2 089	2 089	2 215	2 337	2 337
Road Furniture		-	-	-	2 089	2 089	2 089	2 215	2 337	2 337
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		698	1 235	1 199	1 870	1 870	1 870	1 982	2 091	2 091
Drainage Collection		698	1 235	1 199	453	453	453	480	507	507
Storm water Conveyance		-	-	-	963	963	963	1 021	1 077	1 077
Attenuation		-	-	-	453	453	453	480	507	507
Electrical Infrastructure		2 356	2 250	2 409	3 498	3 498	3 498	3 708	3 912	3 912
Power Plants		2 356	2 250	-	-	-	-	-	-	-
HV Substations		-	-	-	424	424	424	450	474	474
HV Switching Station		-	-	-	424	424	424	450	474	474
HV Transmission Conductors		-	-	-	424	424	424	450	474	474
MV Substations		-	-	-	424	424	424	450	474	474
MV Switching Stations		-	-	-	424	424	424	450	474	474
MV Networks		-	-	2 336	529	529	529	561	591	591
LV Networks		-	-	73	424	424	424	450	474	474
Capital Spares		-	-	-	424	424	424	450	474	474
Water Supply Infrastructure		3 372	4 022	4 402	6 412	6 412	6 412	7 128	7 520	7 520
Dams and Weirs		3 372	4 022	-	364	364	364	386	407	407
Boreholes		-	-	-	364	364	364	386	407	407
Reservoirs		-	-	844	364	364	364	386	407	407
Pump Stations		-	-	104	364	364	364	386	407	407
Water Treatment Works		-	-	-	364	364	364	386	407	407
Bulk Mains		-	-	-	1 148	1 148	1 148	1 300	1 371	1 371
Distribution		-	-	3 454	1 148	1 148	1 148	1 300	1 371	1 371
Distribution Points		-	-	-	1 148	1 148	1 148	1 300	1 371	1 371
PRV Stations		-	-	-	1 148	1 148	1 148	1 300	1 371	1 371
Capital Spares		-	-	-	-	-	-	-	-	-

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Sanitation Infrastructure		3 867	3 952	3 492	6 954	6 954	6 954	7 371	7 776	7 776
Pump Station		3 867	3 952	141	1 273	1 273	1 273	1 349	1 424	1 424
Reticulation		-	-	136	1 273	1 273	1 273	1 349	1 424	1 424
Waste Water Treatment Works		-	-	3 215	1 273	1 273	1 273	1 349	1 424	1 424
Outfall Sewers		-	-	-	1 273	1 273	1 273	1 349	1 424	1 424
Toilet Facilities		-	-	-	1 862	1 862	1 862	1 974	2 082	2 082
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		6 350	2 207	-	2 420	2 420	2 420	2 865	3 023	3 023
Landfill Sites		6 350	2 207	-	1 237	1 237	1 237	1 311	1 383	1 383
Waste Transfer Stations		-	-	-	237	237	237	311	328	328
Waste Processing Facilities		-	-	-	237	237	237	311	328	328
Waste Drop-off Points		-	-	-	237	237	237	311	328	328
Waste Separation Facilities		-	-	-	237	237	237	311	328	328
Electricity Generation Facilities		-	-	-	237	237	237	311	328	328
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	132	-	-	-	-	-	-
Data Centres		-	-	132	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Community Assets		1 695	1 844	2 086	3 637	3 637	3 637	3 856	4 068	4 068
Community Facilities		1 447	1 844	882	1 859	1 859	1 859	1 971	2 079	2 079
Halls		357	1 844	—	1 272	1 272	1 272	1 348	1 422	1 422
Centres		—	—	47	—	—	—	—	—	—
Crèches		—	—	—	—	—	—	—	—	—
Clinics/Care Centres		—	—	—	—	—	—	—	—	—
Fire/Ambulance Stations		327	—	4	—	—	—	—	—	—
Testing Stations		—	—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—	—
Libraries		436	—	164	344	344	344	365	385	385
Cemeteries/Crematoria		—	—	5	11	11	11	12	13	13
Police		—	—	—	—	—	—	—	—	—
Parks		327	—	—	—	—	—	—	—	—
Public Open Space		—	—	7	232	232	232	246	260	260
Nature Reserves		—	—	—	—	—	—	—	—	—
Public Ablution Facilities		1	—	626	—	—	—	—	—	—
Markets		—	—	29	—	—	—	—	—	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		—	—	1	—	—	—	—	—	—
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		248	—	1 204	1 778	1 778	1 778	1 885	1 989	1 989
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		248	—	1 204	1 778	1 778	1 778	1 885	1 989	1 989
Capital Spares		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Monuments		—	—	—	—	—	—	—	—	—
Historic Buildings		—	—	—	—	—	—	—	—	—
Works of Art		—	—	—	—	—	—	—	—	—
Conservation Areas		—	—	—	—	—	—	—	—	—
Other Heritage		—	—	—	—	—	—	—	—	—

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Investment properties		–	–	281	663	663	663	703	742	742
Revenue Generating		–	–	–	332	332	332	352	371	371
Improved Property		–	–	–	166	166	166	176	185	185
Unimproved Property		–	–	–	166	166	166	176	185	185
Non-revenue Generating		–	–	281	332	332	332	352	371	371
Improved Property		–	–	281	166	166	166	176	185	185
Unimproved Property		–	–	–	166	166	166	176	185	185
Other assets		1 362	4 486	1 724	–	–	–	–	–	–
Operational Buildings		1 362	4 486	1 724	–	–	–	–	–	–
Municipal Offices		1 362	4 486	1 675	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	49	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		154	344	206	356	356	356	377	398	398
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		154	344	206	356	356	356	377	398	398
Water Rights		–	–	1	15	15	15	16	17	17
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		154	344	205	341	341	341	361	381	381
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

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Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand	1									
Computer Equipment		254	1 023	704	2 300	2 300	2 300	2 436	2 581	2 581
Computer Equipment		254	1 023	704	2 300	2 300	2 300	2 436	2 581	2 581
Furniture and Office Equipment		2 673	1 235	308	550	550	550	588	630	630
Furniture and Office Equipment		2 673	1 235	308	550	550	550	588	630	630
Machinery and Equipment		32	1 922	1 123	1 356	1 356	1 356	1 427	1 505	1 505
Machinery and Equipment		32	1 922	1 123	1 356	1 356	1 356	1 427	1 505	1 505
Transport Assets		–	–	8 157	8 895	8 895	8 895	9 413	9 930	9 930
Transport Assets		–	–	8 157	8 895	8 895	8 895	9 413	9 930	9 930
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Depreciation	1	26 280	28 699	30 415	45 590	45 590	45 590	48 932	51 643	51 643

References

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

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WC022 Witzenberg - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2020/21 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Financial Services		–	–	–				
Vote 2 - Community Services		–	137	5 619				
Vote 3 - Community Services		620	–	80				
Vote 4 - Community Services		900	–	30				
Vote 5 - Corporate Services		1 050	–	600				
Vote 6 - Technical Services		49 442	81 683	22 484				
Vote 7 - Technical Services		36 752	52 375	9 526				
Vote 8 - Municipal Manager		–	–	–				
Vote 9 - [NAME OF VOTE 9]		–	–	–				
Vote 10 - [NAME OF VOTE 10]		–	–	–				
Vote 11 - [NAME OF VOTE 11]		–	–	–				
Vote 12 - [NAME OF VOTE 12]		–	–	–				
Vote 13 - [NAME OF VOTE 13]		–	–	–				
Vote 14 - [NAME OF VOTE 14]		–	–	–				
Vote 15 - [NAME OF VOTE 15]		–	–	–				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		88 764	134 196	38 340	–	–	–	–
Future operational costs by vote	2							
Vote 1 - Financial Services		54 508	56 346	60 051				
Vote 2 - Community Services		42 428	45 464	42 911				
Vote 3 - Community Services		48 588	49 980	53 147				
Vote 4 - Community Services		18 553	20 985	53 332				
Vote 5 - Corporate Services		71 182	76 370	80 316				
Vote 6 - Technical Services		309 564	306 979	407 230				
Vote 7 - Technical Services		44 368	33 777	81 276				
Vote 8 - Municipal Manager		15 685	16 769	17 939				
Vote 9 - [NAME OF VOTE 9]		–	–	–				
Vote 10 - [NAME OF VOTE 10]		–	–	–				
Vote 11 - [NAME OF VOTE 11]		–	–	–				
Vote 12 - [NAME OF VOTE 12]		–	–	–				
Vote 13 - [NAME OF VOTE 13]		–	–	–				
Vote 14 - [NAME OF VOTE 14]		–	–	–				
Vote 15 - [NAME OF VOTE 15]		–	–	–				
<i>List entity summary if applicable</i>								
Total future operational costs		604 878	606 668	796 203	–	–	–	–

Vote Description	Ref	2020/21 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Present value
R thousand								
Future revenue by source	3							
Property rates		77 848	84 339	89 103				
Service charges - electricity revenue		299 097	325 399	365 513				
Service charges - water revenue		37 722	41 321	44 091				
Service charges - sanitation revenue		22 142	26 149	28 862				
Service charges - refuse revenue		24 281	27 865	30 311				
Service charges - other		–	–	–				
Rental of facilities and equipment		7 945	8 342	8 759				
Interest earned - external investments		9 129	9 586	9 089				
Interest earned - outstanding debtors		8 264	8 677	9 111				
Dividends received		–	–	–				
Fines, penalties and forfeits		20 456	21 479	22 553				
Licences and permits		2 010	2 111	2 216				
Agency services		3 854	4 046	4 249				
Transfers and subsidies		116 989	125 089	166 900				
Other revenue		10 700	10 970	10 327				
Gains on disposal of PPE		–	–	–				
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		78 716	120 459	28 167				
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)		–	–	–				
List entity summary if applicable								
Total future revenue		719 153	815 832	819 250	–	–	–	–
Net Financial Implications		(25 513)	(74 968)	15 292	–	–	–	–

References

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

SAMSUNG ELECTRONICS CO., LTD. (KOR:005930)												UNIT: US\$ MILION		
ITEM	DESCRIPTION	REVENUE	% OF REVENUE	GROSS PROFIT	% OF REVENUE	OPERATING PROFIT	% OF REVENUE	NET PROFIT	% OF REVENUE	EPS	DPS	P/E	P/B	EV/EBITDA
1	SALES OF SEMICONDUCTORS	1,234,567	100.0	345,678	28.0	123,456	10.0	89,012	7.2	1.23	0.45	15.0	2.5	12.0
2	SALES OF MOBILE PHONES	567,890	45.9	156,789	27.6	54,321	9.6	39,876	7.0	0.54	0.18	14.0	1.8	10.0
3	SALES OF TV SETS	234,567	19.0	67,890	29.0	23,456	10.0	17,890	7.6	0.23	0.08	13.0	1.5	11.0
4	SALES OF REFRIGERATORS	123,456	10.0	34,567	28.0	12,345	10.0	9,012	7.3	0.12	0.04	12.0	1.2	10.0
5	SALES OF AIR CONDITIONERS	98,765	8.0	27,890	28.2	9,876	10.0	7,432	7.5	0.09	0.03	11.0	1.1	9.0
6	SALES OF WASHING MACHINES	87,654	7.1	24,567	28.0	8,765	10.0	6,543	7.5	0.08	0.03	10.0	1.0	8.0
7	SALES OF DRYERS	76,543	6.2	21,234	27.7	7,654	10.0	5,678	7.4	0.07	0.02	9.0	0.9	7.0
8	SALES OF REFRIGERATOR FREEZERS	65,432	5.3	18,901	28.9	6,543	10.0	4,876	7.4	0.06	0.02	8.0	0.8	6.0
9	SALES OF AIR PURIFIERS	54,321	4.4	15,678	28.9	5,432	10.0	4,012	7.4	0.05	0.02	7.0	0.7	5.0
10	SALES OF DEHUMIDIFIERS	43,210	3.5	12,345	28.6	4,321	10.0	3,210	7.4	0.04	0.01	6.0	0.6	4.0
11	SALES OF COOLERS	32,109	2.6	9,012	28.1	3,210	10.0	2,345	7.3	0.03	0.01	5.0	0.5	3.0
12	SALES OF FREEZERS	21,098	1.7	6,789	32.2	2,109	10.0	1,567	7.4	0.02	0.01	4.0	0.4	2.0
13	SALES OF REFRIGERATOR COMPRESSORS	10,987	0.9	3,456	31.5	1,098	10.0	876	7.9	0.01	0.00	3.0	0.3	1.0
14	SALES OF REFRIGERATOR CONDENSERS	9,876	0.8	3,123	31.6	987	10.0	765	7.7	0.01	0.00	2.0	0.2	1.0
15	SALES OF REFRIGERATOR EVAPORATORS	8,765	0.7	2,890	33.0	876	10.0	654	7.5	0.01	0.00	1.0	0.1	1.0
16	SALES OF REFRIGERATOR CAPILLARY TUBES	7,654	0.6	2,567	33.5	765	10.0	543	7.1	0.01	0.00	1.0	0.1	1.0
17	SALES OF REFRIGERATOR THERMOSTATS	6,543	0.5	2,234	34.1	654	10.0	432	6.6	0.01	0.00	1.0	0.1	1.0
18	SALES OF REFRIGERATOR DEFROSTERS	5,432	0.4	1,901	35.0	543	10.0	321	5.9	0.01	0.00	1.0	0.1	1.0
19	SALES OF REFRIGERATOR THERMISTORS	4,321	0.3	1,567	36.3	432	10.0	210	4.9	0.01	0.00	1.0	0.1	1.0
20	SALES OF REFRIGERATOR THERMISTORS	3,210	0.3	1,234	38.4	321	10.0	109	3.4	0.01	0.00	1.0	0.1	1.0
21	SALES OF REFRIGERATOR THERMISTORS	2,109	0.2	901	42.7	210	10.0	87	4.1	0.01	0.00	1.0	0.1	1.0
22	SALES OF REFRIGERATOR THERMISTORS	1,098	0.1	678	61.8	109	10.0	43	3.9	0.01	0.00	1.0	0.1	1.0
23	SALES OF REFRIGERATOR THERMISTORS	987	0.1	612	62.0	98	10.0	39	3.9	0.01	0.00	1.0	0.1	1.0
24	SALES OF REFRIGERATOR THERMISTORS	876	0.1	567	64.6	87	10.0	35	3.9	0.01	0.00	1.0	0.1	1.0
25	SALES OF REFRIGERATOR THERMISTORS	765	0.1	512	66.9	76	10.0	31	4.0	0.01	0.00	1.0	0.1	1.0
26	SALES OF REFRIGERATOR THERMISTORS	654	0.1	456	69.7	65	10.0	27	4.1	0.01	0.00	1.0	0.1	1.0
27	SALES OF REFRIGERATOR THERMISTORS	543	0.1	401	73.8	54	10.0	23	4.2	0.01	0.00	1.0	0.1	1.0
28	SALES OF REFRIGERATOR THERMISTORS	432	0.1	345	79.9	43	10.0	19	4.4	0.01	0.00	1.0	0.1	1.0
29	SALES OF REFRIGERATOR THERMISTORS	321	0.1	289	90.0	32	10.0	15	4.6	0.01	0.00	1.0	0.1	1.0
30	SALES OF REFRIGERATOR THERMISTORS	210	0.1	234	111.4	21	10.0	11	5.2	0.01	0.00	1.0	0.1	1.0
31	SALES OF REFRIGERATOR THERMISTORS	109	0.0	123	112.8	10	10.0	6	9.1	0.01	0.00	1.0	0.1	1.0
32	SALES OF REFRIGERATOR THERMISTORS	98	0.0	112	114.3	9	10.0	5	19.6	0.01	0.00	1.0	0.1	1.0
33	SALES OF REFRIGERATOR THERMISTORS	87	0.0	101	116.1	8	10.0	4	21.8	0.01	0.00	1.0	0.1	1.0
34	SALES OF REFRIGERATOR THERMISTORS	76	0.0	90	118.4	7	10.0	3	25.3	0.01	0.00	1.0	0.1	1.0
35	SALES OF REFRIGERATOR THERMISTORS	65	0.0	79	121.5	6	10.0	2	32.3	0.01	0.00	1.0	0.1	1.0
36	SALES OF REFRIGERATOR THERMISTORS	54	0.0	68	125.9	5	10.0	1	54.0	0.01	0.00	1.0	0.1	1.0
37	SALES OF REFRIGERATOR THERMISTORS	43	0.0	57	132.6	4	10.0	1	43.0	0.01	0.00	1.0	0.1	1.0
38	SALES OF REFRIGERATOR THERMISTORS	32	0.0	46	143.8	3	10.0	1	32.0	0.01	0.00	1.0	0.1	1.0
39	SALES OF REFRIGERATOR THERMISTORS	21	0.0	35	166.7	2	10.0	1	21.0	0.01	0.00	1.0	0.1	1.0
40	SALES OF REFRIGERATOR THERMISTORS	10	0.0	24	240.0	1	10.0	1	10.0	0.01	0.00	1.0	0.1	1.0
41	SALES OF REFRIGERATOR THERMISTORS	9	0.0	23	255.6	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
42	SALES OF REFRIGERATOR THERMISTORS	8	0.0	22	275.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
43	SALES OF REFRIGERATOR THERMISTORS	7	0.0	21	300.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
44	SALES OF REFRIGERATOR THERMISTORS	6	0.0	20	333.3	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
45	SALES OF REFRIGERATOR THERMISTORS	5	0.0	19	380.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
46	SALES OF REFRIGERATOR THERMISTORS	4	0.0	18	450.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
47	SALES OF REFRIGERATOR THERMISTORS	3	0.0	17	566.7	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
48	SALES OF REFRIGERATOR THERMISTORS	2	0.0	16	800.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
49	SALES OF REFRIGERATOR THERMISTORS	1	0.0	15	1500.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
50	SALES OF REFRIGERATOR THERMISTORS	0	0.0	14	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
51	SALES OF REFRIGERATOR THERMISTORS	0	0.0	13	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
52	SALES OF REFRIGERATOR THERMISTORS	0	0.0	12	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
53	SALES OF REFRIGERATOR THERMISTORS	0	0.0	11	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
54	SALES OF REFRIGERATOR THERMISTORS	0	0.0	10	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
55	SALES OF REFRIGERATOR THERMISTORS	0	0.0	9	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
56	SALES OF REFRIGERATOR THERMISTORS	0	0.0	8	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
57	SALES OF REFRIGERATOR THERMISTORS	0	0.0	7	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
58	SALES OF REFRIGERATOR THERMISTORS	0	0.0	6	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
59	SALES OF REFRIGERATOR THERMISTORS	0	0.0	5	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
60	SALES OF REFRIGERATOR THERMISTORS	0	0.0	4	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
61	SALES OF REFRIGERATOR THERMISTORS	0	0.0	3	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
62	SALES OF REFRIGERATOR THERMISTORS	0	0.0	2	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
63	SALES OF REFRIGERATOR THERMISTORS	0	0.0	1	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
64	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
65	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
66	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
67	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
68	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
69	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
70	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
71	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
72	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
73	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
74	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
75	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
76	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
77	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
78	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
79	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
80	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
81	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
82	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
83	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
84	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
85	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
86	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
87	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
88	SALES OF REFRIGERATOR THERMISTORS	0	0.0	0	0.0	0	10.0	0	0.0	0.01	0.00	1.0	0.1	1.0
89	SA													

WC022 Witzenberg - Supporting Table SA37 Projects delayed from previous financial year/s

[illegible]

References
List all projects with planned completion dates in current year that have been re-budgeted in the MTRF.
Asset class as per table A9 and asset sub-class as per table SA34
GPS coordinates correct to seconds. Provide a logical starting point on networked infrastructure.
Project Number consists of MSCOA Project Longcode and seq No (sample PC0010023060002_00002)

WC022 Witzenberg - Supporting Table SA38 Consolidated detailed operational projects

Municipal Vote/Operational project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework			Project information
						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	
R thousand	4				6						Ward location
Parent municipality:											
List all operational projects grouped by Municipal Vote											
Finance		Municipal Running Cost	PO00200000000000000000000000000000		No	0	0	–	–	–	Whole of the Municipality
Finance		Municipal Running Cost	PO00200000000000000000000000000000163		No	611 528	611 528	657 069	705 115	797 026	Whole of the Municipality
Finance		Typical Work Streams Municipal Minimum Competency	PO003004011000000000000000000000000187		No	341	341	289	228	228	Whole of the Municipality
Finance		RM COR Emergency COMP Computer Equipment	PO001002002002004000000000000000000149		No	313	313	328	345	362	Whole of the Municipality
Finance		Typical Work Streams Workshops, Seminars and Subje	PO0030040100000000000000000000000000186		No	1 176	1 176	1 242	1 301	1 350	Whole of the Municipality
Finance		Municipal Running Cost Vehicles Financial Service	PO0020000000000000000000000000000000332		No	135	135	140	147	154	Whole of the Municipality
Finance		RM PREV INTERVAL BASED Transport Assets - Financi	PO0010020010010100000000000000000000328		No	24	24	30	32	33	Whole of the Municipality
Finance		RM COR Emergency OTHER Operational Buildings Munic	PO0010020020020030010010020000000000147		No	254	254	360	282	296	Whole of the Municipality
Cemeteries, Funeral Parlours and Crematorium		RM COR Planned COMM Community Facilities Cemeterie	PO0010020020010020010110030000000000406		No	25	25	26	28	29	Whole of the Municipality
Cemeteries, Funeral Parlours and Crematorium		RM PREV Interval Based COMM Community Facilities C	PO0010020010010020010110030000000000126		No	94	94	99	103	109	Whole of the Municipality
Cemeteries, Funeral Parlours and Crematorium		RM PREV INTERVAL BASED Transport Assets - Communi	PO0010020010010100000000000000000000327		No	480	480	507	530	554	Whole of the Municipality
Cemeteries, Funeral Parlours and Crematorium		Municipal Running Cost Vehicles Community Service	PO00200000000000000000000000000000000331		No	1 863	1 863	1 939	2 029	2 122	Whole of the Municipality
Housing		Typical Work Streams Community Development Initiat	PO00300700300000000000000000000000000194		No	28	28	160	162	163	Whole of the Municipality
Housing		RM COR Emergency COMM Community Facilities Public	PO0010020020020020010160020000000000140		No	196	196	205	216	226	Whole of the Municipality
Housing		RM COR Emergency OTHER Housing Social HousingBuild	PO0010020020020030020020020000000000148		No	149	149	157	165	173	Whole of the Municipality
Libraries and Archives		RM COR Planned LIB Libraries	PO00100200200101100000000000000000000152		No	92	92	–	–	–	Whole of the Municipality
Libraries and Archives		Typical Work Streams Library Programmes	PO00300701400000000000000000000000000205		No	29	29	30	32	33	Whole of the Municipality
Fire Fighting and Protection		RM COR Planned OTHER Operational Buildings Munci	PO00100200200100300100100200000000000160		No	145	145	26	27	28	Whole of the Municipality
Fire Fighting and Protection		RM COR Emergency MACH Machinery and Equipment	PO00100200200200900000000000000000000138		No	203	203	213	223	235	Whole of the Municipality
Fire Fighting and Protection		RM PREV Interval Based MACH Machinery and Equipme	PO00100200100100900000000000000000000137		No	55	55	58	61	64	Whole of the Municipality
Fire Fighting and Protection		RM COR Emergency FURN Furniture and Office Equipm	PO00100200200200500000000000000000000150		No	30	30	32	33	35	Whole of the Municipality
Fire Fighting and Protection		Typical Work Streams Public Protection and Safety	PO00303800000000000000000000000000000233		No	16	16	17	18	18	Whole of the Municipality
Recreational Facilities		RM COR Emergency COMM Sport and Recreation Facilit	PO001002002002002002002002003000000000146		No	25	25	27	28	29	Whole of the Municipality
Recreational Facilities		RM COR Emergency COMM Sport and Recreation Facilit	PO001002002002002002002001002000000000144		No	34	34	36	37	39	Whole of the Municipality
Recreational Facilities		RM COR Planned COMM Sport and Recreation Faciliti	PO00100200200100200200100200000000000156		No	191	191	201	211	221	Whole of the Municipality
Recreational Facilities		RM COR Planned COMM Sport and Recreation Faciliti	PO0010020020010020020020020040000000000158		No	25	25	27	28	29	Whole of the Municipality
Community Halls and Facilities		RM COR Emergency COMM Community Facilities HallsBu	PO00100200200200200100100200000000000139		No	142	142	149	156	164	Whole of the Municipality
Biodiversity and Landscape		Typical Work Streams Education and Training	PO00300700500000000000000000000000000196		No	37	37	36	37	39	Whole of the Municipality
Biodiversity and Landscape		Typical Work Streams Alien and Invasive Trees	PO003015008000000000000000000000000000218		No	527	527	2	2	2	Whole of the Municipality
Community Parks (including Nurseries)		Typical Work Streams Catchment and Forestry	PO00301501000000000000000000000000000220		No	173	173	180	189	197	Whole of the Municipality
Community Parks (including Nurseries)		Typical Work Streams Parks Programme	PO003033000000000000000000000000000000230		No	71	71	158	165	173	Whole of the Municipality
Police Forces, Traffic and Street Parking Contr		Typical Work Streams Community Initiatives	PO00300700200000000000000000000000000193		No	37	37	23	24	25	Whole of the Municipality
Police Forces, Traffic and Street Parking Contr		RM COR Planned FURN Furniture and Office Equipme	PO00100200200100500000000000000000000162		No	5	5	5	6	6	Whole of the Municipality
Disaster Management		Typical Work Streams Disaster Relief	PO003014003000000000000000000000000000212		No	15	15	43	45	47	Whole of the Municipality
Aged Care		Typical Work Streams Child Programmes	PO00300700100000000000000000000000000192		No	37	37	27	29	30	Whole of the Municipality
Aged Care		Typical Work Streams Social Development Programme	PO00300701600000000000000000000000000207		No	63	63	43	46	48	Whole of the Municipality
Aged Care		Typical Work Streams Disability	PO003007004000000000000000000000000000195		No	21	21	11	12	12	Whole of the Municipality
Aged Care		Typical Work Streams Gender Development	PO00300701100000000000000000000000000202		No	21	21	20	21	22	Whole of the Municipality
Aged Care		Typical Work Streams Gender Development	PO00300701100000000000000000000000000422		No	–	–	–	–	–	Whole of the Municipality
Aged Care		Typical Work Streams Child Programmes	PO00300700100000000000000000000000000419		No	–	–	–	–	–	Whole of the Municipality
Aged Care		Typical Work Streams Community Development Initiat	PO00300700300000000000000000000000000424		No	–	–	–	–	–	Whole of the Municipality

Municipal Vote/Operational project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework			Project information
						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	
R thousand	4				6						
Aged Care		Typical Work Streams Elderly	P0003007070000000000000000000000000423		No	–	–	–	–	–	Whole of the Municipality
Aged Care		Typical Work Streams Youth Development	P0003007017002000000000000000000000421		No	0	0	20	20	20	Whole of the Municipality
Aged Care		Typical Workstreams Aids/HIV	P0003002003000000000000000000000000170		No	22	22	13	13	14	Whole of the Municipality
Aged Care		Typical Work Streams Clean-up Actions	P0003005001000000000000000000000000188		No	353	353	371	389	409	Whole of the Municipality
Aged Care		Typical Work Streams EPWP Project	P00030160010000000000000000000000000425		No	4 740	4 740	5 024	2 801	2 943	Whole of the Municipality
Aged Care		Typical Work Streams Cancer	P0003002002003000000000000000000000175		No	8	8	9	9	10	Whole of the Municipality
Aged Care		RM COR Emergency COMM Community Facilities Cr@ches	P0001002002002002001003002000000000142		No	4	4	38	38	40	Whole of the Municipality
Sports Grounds and Stadiums		RM COR Emergency COMM Sport and Recreation Facilit	P0001002002002002002002002002000000145		No	49	49	52	54	57	Whole of the Municipality
Sports Grounds and Stadiums		Typical Workstreams Spaces for Sport	P0003043003000000000000000000000000164		No	112	112	149	156	163	Whole of the Municipality
Economic Development/Planning		Typical Work Streams Compilation of Plan	P0003023001000000000000000000000000225		No	13	13	36	37	39	Whole of the Municipality
Economic Development/Planning		Typical Work Streams ABET and Life Long Learning P	P0003004001000000000000000000000000177		No	10	10	10	11	11	Whole of the Municipality
Economic Development/Planning		Typical Work Streams Training	P0003023004000000000000000000000000228		No	0	0	10	11	12	Whole of the Municipality
Economic Development/Planning		Typical Work Streams Leadership Development	P0003004009000000000000000000000000185		No	27	27	37	38	39	Whole of the Municipality
Economic Development/Planning		Typical Work Streams Project Implementation	P0003023002000000000000000000000000226		No	51	51	46	44	46	Whole of the Municipality
Economic Development/Planning		Typical Work Streams Youth Development	P0003007017002000000000000000000000209		No	8	8	27	27	29	Whole of the Municipality
Economic Development/Planning		Typical Work Streams Holiday Program	P0003007012000000000000000000000000203		No	2	2	2	2	2	Whole of the Municipality
Economic Development/Planning		Typical Work Streams Special Events and Functions	P0003017050000000000000000000000000223		No	1 016	1 016	994	1 041	1 090	Whole of the Municipality
Economic Development/Planning		Typical Work Streams Capacity Building Unemployed	P0003004004000000000000000000000000190		No	0	0	–	–	–	Whole of the Municipality
Economic Development/Planning		RM COR Planned COMM Community Facilities MarketsB	P0001002002001002001017002000000000154		No	64	64	33	34	35	Whole of the Municipality
Administrative and Corporate Support		RM PREV INTERVAL BASED Transport Assets - Corpora	P0001002001001010000000000000000000329		No	14	14	29	30	31	Whole of the Municipality
Administrative and Corporate Support		Municipal Running Cost Vehicles Corporate Service	P0002000000000000000000000000000000333		No	36	36	24	25	26	Whole of the Municipality
Mayor and Council		Typical Work Streams Mayoral/Executive Mayor Campa	P0003006004000000000000000000000000190		No	76	76	79	83	87	Whole of the Municipality
Marketing, Customer Relations, Publicity and f		Typical Work Streams Promotional and Marketing	P0003044016005000000000000000000000240		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM PREV Interval Based ELEC MV Switching Stations	P0001001001001001006003000000000000093		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Substations Communication	P0001001002002001005008000000000000099		No	25	25	27	28	29	Whole of the Municipality
Electricity		RM PREV Interval Based ELEC MV Switching Stations	P0001001001001001006001000000000000092		No	25	25	27	28	29	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Switching Stations Contro	P0001001002002001006004000000000000111		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM PREV Interval Based ELEC MV Networks MV Mini-su	P0001001001001001007001000000000000094		No	51	51	53	56	59	Whole of the Municipality
Electricity		RM PREV Interval Based ELEC HV Substations Electri	P0001001001001001002004000000000000087		No	51	51	53	56	59	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Substations Control and I	P0001001002002001005007000000000000106		No	25	25	27	28	29	Whole of the Municipality
Electricity		RM PREV Interval Based ELEC MV Substations MV Subs	P0001001001001001005002000000000000089		No	40	40	42	45	47	Whole of the Municipality
Electricity		RM COR Emergency ELEC HV Substations Control and I	P0001001002002001002006000000000000098		No	25	25	27	28	29	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Substations Communication	P0001001002002001005008000000000000107		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM PREV Interval Based ELEC MV Substations Electri	P0001001001001001005006000000000000091		No	51	51	53	56	59	Whole of the Municipality
Electricity		RM PREV Interval Based ELEC MV Substations MV Mini	P0001001001001001005004000000000000090		No	51	51	53	56	59	Whole of the Municipality
Electricity		RM PREV Interval Based ELEC HV Substations MV Subs	P0001001001001001002005000000000000088		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM PREV Interval Based ELEC HV Substations DC Syst	P0001001001001001002003000000000000086		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM PREV INTERVAL BASED Transport Assets - Technic	P0001002001001010000000000000000000330		No	1 196	1 196	1 305	1 365	1 427	Whole of the Municipality
Electricity		Municipal Running Cost Vehicles Technical Service	P0002000000000000000000000000000000334		No	5 049	5 049	5 083	5 325	5 577	Whole of the Municipality
Electricity		RM COR Emergency RAIL LV Networks Electricity Mete	P0001001002001001008004000000000000124		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency RAIL LV Networks LV Conductors	P0001001002001001008001000000000000121		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Substations MV Network Eq	P0001001002001001007002000000000000104		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Networks MV Network Equip	P0001001002001001007002000000000000114		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Networks MV Transformers	P0001001002001001005001000000000000115		No	0	0	–	–	–	Whole of the Municipality

Municipal Vote/Operational project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework			Project information
						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	
R thousand	4				6						Ward location
Electricity		RM COR Emergency ELEC MV Substations MV Mini-subst	PO001001002001001007001000000000000103		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency ELEC HV Substations MV Substation	PO001001002001001005002000000000000097		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency ELEC LV Networks Electricity Mete	PO001001002002001008004000000000000120		No	68	68	71	75	79	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Substations MV Transforme	PO001001002002001005001000000000000100		No	1	1	1	1	1	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Substations MV Network Eq	PO001001002002001005005000000000000104		No	34	34	36	37	39	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Networks MV Conductors	PO0010010020020010070040000000000000116		No	55	55	58	61	64	Whole of the Municipality
Electricity		RM COR Emergency RAIL LV Networks LV Conductors	PO0010010020020050080010000000000000121		No	80	80	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Networks MV Network Equip	PO0010010020020010070020000000000000114		No	169	169	177	186	195	Whole of the Municipality
Electricity		RM COR Emergency ELEC HV Substations DC Systems	PO0010010020020010020030000000000000095		No	0	0	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency ELEC HV Substations MV Substation	PO001001002002001005002000000000000097		No	421	421	514	540	567	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Substations MV Mini-subst	PO001001002002001005004000000000000103		No	0	0	0	0	0	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Switching Stations MV Swi	PO0010010020020010060010000000000000108		No	25	25	27	28	29	Whole of the Municipality
Electricity		RM COR Emergency ELEC MV Networks MV Transformers	PO0010010020020010070030000000000000115		No	66	66	69	73	76	Whole of the Municipality
Electricity		RM COR Emergency ELEC LV Networks Municipal Servic	PO0010010020020010080030000000000000119		No	68	68	71	75	79	Whole of the Municipality
Electricity		RM COR Emergency ELEC LV Networks LV Conductors	PO0010010020020010080010000000000000117		No	68	68	71	75	79	Whole of the Municipality
Electricity		RM COR Emergency ELEC LV Networks Public Lighting	PO0010010020020010080020000000000000118		No	68	68	71	75	79	Whole of the Municipality
Electricity		RM COR Emergency RAIL LV Networks Public Lighting	PO0010010020020050080020000000000000122		No	94	94	–	–	–	Whole of the Municipality
Electricity		RM COR Emergency RAIL LV Networks Electricity Mete	PO0010010020020050080040000000000000124		No	94	94	–	–	–	Whole of the Municipality
Public Toilets		RM COR Emergency SEWER Toilet Facilities Communal	PO0010010020020080050010000000000000125		No	72	72	90	95	100	Whole of the Municipality
Sewerage		RM COR Planned Reticulation Civil Structures	PO0010010020010080020010000000000000313		No	178	178	187	196	206	Whole of the Municipality
Sewerage		RM PREV Interval Based Waste Water Treatment Exter	PO0010010010010080030020000000000000308		No	63	63	66	69	73	Whole of the Municipality
Sewerage		RM COR Emergency Waste Water Treatment Works	PO0010010020020080030070000000000000405		No	582	582	611	641	673	Whole of the Municipality
Sewerage		RM COR Planned Waste Water Treatment Works	PO0010010020010080030070000000000000404		No	117	117	123	129	136	Whole of the Municipality
Sewerage		RM Cor Planned Reticulation Pipe Bridges	PO0010010020010080020030000000000000315		No	115	115	120	126	133	Whole of the Municipality
Sewerage		RM COR Planned Reticulation Municipal Service Conn	PO0010010020010080020040000000000000316		No	205	205	240	252	265	Whole of the Municipality
Sewerage		RM COR Emergency Waste Water Treatment Electrical	PO0010010020020080030060000000000000312		No	380	380	399	419	440	Whole of the Municipality
Sewerage		RM COR Planned Reticulation Pipe Work	PO0010010020010080020020000000000000314		No	96	96	101	106	111	Whole of the Municipality
Sewerage		RM PREV Condition Based Waste Water Treatment Civi	PO0010010010020080030040000000000000310		No	133	133	140	147	154	Whole of the Municipality
Sewerage		RM PREV Condition Based Waste Water Treatment Buil	PO0010010010020080030030000000000000309		No	53	53	55	58	61	Whole of the Municipality
Sewerage		RM COR Emergency Waste Water Treatment Earthworks	PO0010010020020080030050000000000000311		No	18	18	19	20	21	Whole of the Municipality
Storm Water Management		RM COR Planned Storm water Conveyance Civil Struct	PO0010010020010030020020000000000000319		No	367	367	767	791	816	Whole of the Municipality
Storm Water Management		RM COR Planned Storm water Conveyance Drainage	PO0010010020010030020030000000000000320		No	432	432	486	510	536	Whole of the Municipality
Storm Water Management		RM COR Planned Storm water Conveyance Pipework	PO0010010020010030020060000000000000321		No	524	524	790	832	876	Whole of the Municipality
Roads		RM COR Planned Roads Pavements	PO0010010020010020010020000000000000306		No	3 594	3 594	3 885	4 079	4 283	Whole of the Municipality
Roads		RM COR Planned Roads Pavements	PO0010010020010020010020000000000000317		No	2 008	2 008	3 809	4 037	4 279	Whole of the Municipality
Roads		RM COR Planned Road Furniture Traffic Signs	PO0010010020010020030020000000000000318		No	728	728	870	913	959	Whole of the Municipality
Water Distribution		RM COR Emergency Boreholes Electrical	PO0010010020020070020040000000000000298		No	47	47	49	52	54	Whole of the Municipality
Water Distribution		RM COR Emergency PRV Stations Mechanical Equipment	PO0010010020020070070070000000000000301		No	18	18	18	19	20	Whole of the Municipality
Water Distribution		RM COR Emergency Water Treatment Mechanical Equipm	PO0010010020020070090070000000000000305		No	93	93	98	103	108	Whole of the Municipality
Water Distribution		RM COR Emergence Boreholes Mechanical	PO0010010020020070020060000000000000297		No	93	93	98	103	108	Whole of the Municipality
Water Distribution		RM PREV Planned Condition Based Communal Standpipe	PO0010010010020070050010000000000000300		No	47	47	49	52	54	Whole of the Municipality
Water Distribution		RM COR Emergency Pump stations Electrical Equipmen	PO0010010020020070080060000000000000302		No	47	47	49	52	54	Whole of the Municipality
Water Distribution		RM COR Emergency Bulk Mains Pipe Work	PO0010010020020070030010000000000000299		No	381	381	400	420	441	Whole of the Municipality
Water Distribution		RM COR Emergency Pump Station Pipe Work	PO0010010020020070080100000000000000304		No	0	0	–	–	–	Whole of the Municipality

Municipal Vote/Operational project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework			Project information
						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	
R thousand	4				6						Ward location
Water Distribution		RM COR Emergency Pump station Mechanical Equipment	PO001001002007008007000000000000303		No	0	0	–	–	–	Whole of the Municipality
Water Distribution		RM PREV Planned Condition Based Dams & Weirs land	PO001001001002007001001000000000000295		No	148	148	156	164	172	Whole of the Municipality
Water Distribution		COR Planned Dams and Weirs Civil Struture	PO001001002001007001004000000000000296		No	47	47	49	51	53	Whole of the Municipality
Water Distribution		RM COR Emergency Distribution Pipe Work	PO001001002002007004002000000000000322		No	187	187	503	528	555	Whole of the Municipality
Corporate Wide Strategic Planning (IDPs, LED)		Typical Work Streams Ward Initiatives	PO00304800100000000000000000000000244		No	170	170	211	220	230	Whole of the Municipality
Corporate Wide Strategic Planning (IDPs, LED)		Typical Work Streams Meetings	PO003048002000000000000000000000000245		No	91	91	64	67	70	Whole of the Municipality
Corporate Wide Strategic Planning (IDPs, LED)		Typical Workstreams IDP Implementation and Monitor	PO003044009000000000000000000000000173		No	29	29	31	32	33	Whole of the Municipality
Corporate Wide Strategic Planning (IDPs, LED)		Typical Work Streams Public Participation Meeting	PO003006000000000000000000000000000191		No	9	9	9	10	10	Whole of the Municipality
Marketing, Customer Relations, Publicity and		Typical Work Streams Tourism Development	PO003046003000000000000000000000000464		No	–	–	–	–	–	Whole of the Municipality
Solid Waste Removal		Typical Work Streams Education Programme: Litter	PO003007006000000000000000000000000197		No	–	–	500	550	600	Whole of the Municipality
Parent operational expenditure	1							693 877	741 114	834 803	
Entities:											
List all operational projects grouped by Entity											
Entity A											
Water project A											
Entity B											
Electricity project B											
Entity Operational expenditure						–	–	–	–	–	
Total Operational expenditure						644 178	644 178	693 877	741 114	834 803	

References

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



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1. Introduction

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

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

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

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

2. The South African economy and inflation targets

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

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

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

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

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

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

Table 1: Macroeconomic performance and projections, 2018 - 2022

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

Source: Medium Term Budget Policy Statement 2019.

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

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

3.1 Division of Revenue outlook

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

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

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

3.2 Local government conditional grants and additional allocations

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

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

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

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

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

3.3 Changes to the structure of local government allocations

The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the MTEF period.

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

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

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

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

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

3.4 Addressing unfunded budgets in local government

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

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

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

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

3.5 Municipal Standard Chart of Accounts (*mSCOA*)

3.2.1 Release of Version 6.4 of the Chart

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

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

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

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

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

By now, all municipalities should:

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

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

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

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

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

3.2.3 Changing of the Core Financial System

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

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

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

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

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

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

3.2.4 Submission of Borrowing Monitoring and Investment Monitoring Data Strings

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

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

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

3.2.5 Cash Flow Reconciliation

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

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

4. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. Even as demand for services rises, weak economic growth has put stress on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, water boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them, and eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

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

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

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2020/21** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

4.1 Maximising the revenue generation of the municipal revenue base

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

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

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

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

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

4.2 Setting cost reflective tariffs

Cost reflective tariff setting is a requirement of Section 74(2) of the Municipal Systems Act, 2000 (Act No.32 of 2000) which states that tariffs must “*reflect the costs reasonably associated with rendering the service*”. This is meant to assist municipalities to generate sufficient revenue to fully recover their costs, deliver services to customers sustainably and invest in infrastructure that promotes local economic development.

The starting point for sound tariff setting is a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (FFC, 2011). Credible budgets are critical for local government to fulfil its mandate to sustainably provide services. **If the budget is not credible then tariffs will not result in financial sustainability even if they are set using a sound methodology.**

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

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

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

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

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

The National Treasury Municipal Costing Guide is available on the link below on the National Treasury website.

<http://mfma.treasury.gov.za/Guidelines/Documents/Forms/AllItems.aspx?RootFolder=%2fGuidelines%2fDocuments%2fMunicipal%20Costing%20Guide&FolderCTID=0x0120004720FD2D0551AE409361D6CB3E122A08>

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

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

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

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

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

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

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

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

4.3 Bulk electricity tariffs

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

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

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

4.4 Levying of surcharges

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

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

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

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

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

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

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

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

5. Funding choices and Budgeting issues

The Circular clearly outlines that, as a result of the economic landscape and weak tariff setting, municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2020/21 MTREF budgets:

- improving the effectiveness of revenue management processes and procedures;
- paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as per the Cost Containment Regulations that was issued on 07 June 2019;
- ensuring value for money through the procurement process;
- the affordability of providing free basic services to all households; and
- curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings promulgated on 30 May 2014.

5.1 Employee related costs

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

5.2 Remuneration of councilors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councillor(s) concerned.

5.3 Budgeting for water under inventory

GRAP 12, paragraph .07 defines inventory as follows:

“Inventories are assets:

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

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

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

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

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

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

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

5.4 Budgeting for debt impairment in mSCOA

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

6. Conditional Grant Transfers to Municipalities

6.1 Non-compliance of in year monitoring

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

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

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

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

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

Integrated National Electrification Programme

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

Conversion of allocations

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

Neighbourhood Development Partnership Grant

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

The Municipal Emergency Housing Grant

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

Correction of errors in the Division of Revenue Act

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

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

6.3 Invoice Verification against conditional grant expenditure/ Cost reimbursement

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

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

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

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

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

7. Preparation of Municipal Budgets for 2020/21 MTREF

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7.2 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
Buffalo City	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
Johannesburg & Tshwane	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
eThekweni	Johan Botha	012-315 5171	Johan.Botha@treasury.gov.za
	Una Rautenbach	012-315 5700	Una.Rautenbach@treasury.gov.za
	Abigail Maila		Abigail.Maila@treasury.gov.za
Limpopo	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Musa Mnguni	012 315 5072	Musa.Mnguni@treasury.gov.za
Northern Cape	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
	Phumelele Gulukunqu	012 315 5539	Phumelele.Gulukunqu@treasury.gov.za
North West	Willem Voigt	012-315 5830	WillemCordes.Voigt@treasury.gov.za
	Makgabo Mabotja	012-315 5156	Makgabo.Mabotja@treasury.gov.za
Cape Town	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
George	Willem Voigt & Mandla Gilimani	012-315 5830 012-315 5807	WillemCordes.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lqdataqueries@treasury.gov.za

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

7.3 Verification process and period of 2020/21 MTREF budgets

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

The verification period of all municipal budget will therefore be brought forward to the period 31 May to 30 June. In this one-month period, the National and provincial treasuries will be required to evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that need to be made must be done before the start of the municipal financial year on 1 July.

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

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

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The budget and data strings that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities). The budget of each entity must be submitted on the D schedule.

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

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

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

8.1 Submitting budget documentation and schedules for 2020/21 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that, **immediately** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2020**, the final date of submission of the electronic budget documents and corresponding mSCOA data strings is **Wednesday, 01 April 2020**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the Municipal Budget and Reporting Regulations, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget. E.g. if the council approves the annual budget on **29 May 2020**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Friday, 12 June 2020**.

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

8.2 Expected submissions for 2020/21 MTREF

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

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

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

- be in PDF format only; and
- each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document. Each document type must be identified and uploaded separately.

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

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

8.3 Retirement of the Budget reform returns (Appendix B)

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

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

8.4 Publications from the *mSCOA* classification framework

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

- The incorrect use of the *mSCOA* and municipal accounting practices by municipalities;
- A large number of municipalities are not budgeting, transacting and reporting directly in/from their core financial systems. Instead they prepare their budgets and reports on excel spreadsheet and then import the excel spreadsheets into the system. Often this manipulation of data leads to unauthorised, irregular, fruitful and wasteful (UIFW) expenditure and fraud and corruption as the controls that are built into the core financial systems are not triggered and transactions are processed that should not be processed; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2020/21, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

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

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

Quality improving focus areas for the 2020/21 MTREF:

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

8.5 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, <http://mfma.treasury.gov.za/Pages/Default.aspx>. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

Link to all previous circulars

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

Contact



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

Annexure A – Cash Flow Reconciliation

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

Item Assets:

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

Item Liabilities:

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

Funding segment

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

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

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

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

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

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

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

Capital: Funds to finance capital projects.

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

Examples of non-funding transactions are:

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

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

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Function: Energy Sources: Non-core Function: Electricity	Function: Energy Sources: Non-core Function: Electricity
Item	Assets: Current Assets: Trade and other Receivables from Exchange Transactions: Trading Service and Customer Service Debtors: Electricity: Monthly Billing	Revenue: Exchange Revenue: Service Charges: Electricity: Electricity Sales :Domestic Low: Conventional
Funding	Non funding transaction	Non funding transaction
Region	Ward X	Ward X
Costing	Default	Default
Amount	100	100

The monthly billing of a consumer does not relate to any cash inflow, the funding segment therefore a non-funding transaction.

Example 2: The client pays the municipality R100 on the consumer account received.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Function: Energy Sources: Non-core Function: Electricity	Function: Energy Sources: Non-core Function: Electricity
Item	Assets: Current Assets: Cash and Cash Equivalents: Cash at Bank: Bank Account: Specify (replace with account description): Deposits	Assets: Current Assets: Trade and other Receivables from Exchange Transactions: Trading Service and Customer Service Debtors: Electricity: Collections
Funding	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity
Region	Ward X	Ward X
Costing	Default	Default
Amount	100	100

The payment received will be recorded as a cash inflow against revenue service charges electricity for the function electricity. The electricity function will now have R100 funding (cash inflow) available for the payment of expenditure.

Example 3: The municipality receives an invoice from Eskom for the usage of electricity amounting to R50.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Municipal Running Cost	Municipal Running Cost
Function	Electricity	Electricity
Item	Expenditure: Bulk Purchases: Electricity: ESKOM	Liabilities: Current Liabilities: Trade and Other Payable Exchange Transactions: Electricity Bulk Purchase: Deposits
Funding	Non funding transaction	Non funding transaction
Region	Mun	Mun
Costing	Default	Default
Amount	R50	R50

The recording of an invoice in the financial system does not relate to any cash outflow, no payment has been made, the funding segment therefore is a non-funding transaction.

Example 4: The municipality pay Eskom R50 on the invoice received.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Electricity	Electricity
Item	Liabilities: Current Liabilities: Trade and Other Payable Exchange Transactions: Electricity Bulk Purchase: Withdrawals	Assets: Current Assets: Cash and Cash Equivalents: Cash at Bank: Bank Account: Specify (replace with account description):Withdrawals
Funding	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity
Region	Mun	Mun
Costing	Default	Default
Amount	R50	R50

The payment made will be recorded as a cash outflow against revenue service charges electricity for the function electricity. The electricity function will now have a balance of R50 cash available (funding) which is the difference between the cash received of R100 from a consumer on electricity consumption (example 2) and the payment of R50 to Eskom for the usage of electricity (example 4).

The electricity function will have a net balance of R50 positive cash (funding) which reconcile to the net cash in the bank account of R50.

Annexure B – Amendments to the A1 Schedule to cater for water under inventory in line with GRAP 12

Substantial changes to the A1 schedule were required to accommodate the approach to account for water under inventory. The draft adjustment to the A1 Schedule (Excel version) is attached to this published circular with amendments highlighted in light orange. The Excel document has been populated for one financial year to demonstrate the accounting treatment of the proposed changes. These changes are not for implementation during the 2020/21 MTREF but are included in the circular for comments prior to final implementation during the 2021/22 MTREF. The main changes were to Table SA3 that required further changes to some other worksheets as indicated below.

Table SA3

Changes to this table included the addition of water and other inventory items to enable municipalities to fully budget for the acquisition, issuing, adjustment, write-off, transfer and sale of all inventories. This will provide a detail reconciliation for the disclosure of inventory on the Statement of Financial Position (Table A6). This section has been aligned to the mSCOA chart - Item Assets – Inventory and, as it relates to water inventory, also to the IWA Modified Water Balance utilised by the DWS. The layout of the section includes the following inventory items:

- Water (separate item)
- Agricultural, Consumables, Finished Goods, Materials and Supplies (consolidated into one item)
- Work-in-progress (separate item)
- Housing Stock (separate item)
- Land (separate item)

It is important to note that, as a result of these changes, bulk purchasing of water will be processed as a cash transaction in the Statement of Financial Position – Acquisition of Inventory (Table A6). Acquisitions of water stock should include the following:

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

Currently the Statement of Financial Performance (Table A4) reflected the bulk purchasing of water as a cash expense. In terms of the change to treating water as inventory the cost of sales (water inventory consumed) is disclosed as a separate non-cash expense included under “Other materials & inventory consumed” on Table A4.

The cost of water losses and any write-down of inventory are expensed as a non-cash entry under “Expenditure by type Losses” on Table A4. When there is clear evidence of an increase in net realisable value of inventory adjustments are accounted for as a non-cash entry under “Revenue by source Gains” on Table A4.

Water Inventory consumed (cost of sales) included under “Other materials & Inventory Consumed” on Table A4 should include the following:

Billed Authorised Consumption

Billed Metered Consumption

- Free Basic Water
- Subsidised Water
- Revenue Water

Billed Unmetered Consumption

- Free Basic Water
- Subsidised Water
- Revenue Water

Un-Billed Authorised Consumption

- Unbilled Metered Consumption
- Unbilled Unmetered Consumption

The above-mentioned amendments to Table SA3 also necessitated adjustments to the following other tables as indicated below:

Table SA1

In order to adequately account for inventory, including water inventory, the following detail calculations were added on Table SA1:

Addition of Other materials & Inventory Consumed

- Inventory Consumed - Water
- Inventory Consumed - Other material
- Other materials

Total Other Material & Inventory Consumed

Bulk purchases: Electricity & Waste Water (previously Electricity & Water - now water changed to "Waste Water")

The change of terminology

- Electricity Bulk Purchases (no change)
- Waste Water Bulk Purchases (previously Water Bulk Purchases now water changed to "Waste Water")

Table A4

The change of terminology:

- Bulk purchases now ***"Bulk purchases: Electricity & Waste Water"***
- Gains on disposal of PPE now ***"Gains"***
- Loss on disposal of PPE now ***"Losses"***
- Other Material changed to ***"Other materials & inventory consumed"***

Table SA 30

The changes of terminology to cash payments by type:

- Bulk purchases - Electricity now changed to ***"Bulk purchases - Electricity & Waste Water"***
- Bulk purchases - Water & Sewer" now changes to ***"Acquisition Inventory - Water & other inventory"***

Annexure C – Process map for invoice verification/cost reimbursement

ACTIVITY	INSTITUTION	INDIVIDUAL
Step 1: Municipality receives invoices from the contractors and consultants	Municipality	Technical Director and PMU Manager
Step 2: Check completeness and all documents included and update the verification list/implementation plan	Municipality	PMU Manager
Step 3: Invoices and verification list submitted to Province (PT, Transport, CoGTA province, DWS, Energy, human settlement and MISA)	Municipality	Technical Director
Step 4: Province coordinates the site verification meeting/s with all stakeholders (Prov CoGTA and Treasury, MISA and municipality)	Province	Provincial selected lead official
Step 5: Municipality arranges with consultants and contractors to be on site and prepares the necessary progress report	Municipality	Technical Director and PMU
Steps 6: Site meeting/s held	(Prov CoGTA/Treasury, MISA and municipality)	Verification Team
Step 7: Transferring National Officer/MISA prepares the verification report and shares with all the verification team members. It recommends the amount to be released to municipality or recommends a refer back	Transferring National Officer/MISA	Transferring National Officer/MISA
Step 8: Verification team (coordinated by Province) to consider the recommendations by Transferring National Officer/MISA and submit recommendations to NT/Sector department	Province	Transferring National Officer/MISA with Provincial Treasury

ACTIVITY	INSTITUTION	INDIVIDUAL
Step 9: Transferring National Office reviews all documentation submitted and: (i) either refer back to Province for corrections; or (ii) submits report to NT	Transferring National Officer	Director: Grant Administration in national department
Step 10: NT evaluates and provides go ahead to Transferring National Officer and confirms amount for the transfer	National Treasury	Municipal Grant Monitoring and Analysis (MGMA) Unit within NT
Step 11: Transferring National Officer prepares sundry payment advise for Finance and confirm the date with NT	Transferring National Officer	Transferring National Officer
Step 12: Finance confirms transfer details with National Treasury (date amount) and loads transfer NT loads transfers on Safety Web	Finance	Finance Grant Administration Unit with NT
Step 13: Transferring National Officer confirms transfer with receiving officer	Finance	FINANCE
Step 14: Municipality effects the payments to contractors and submit Proof of Payment (POP)'s Transferring National Officer	Municipality	Technical Director / CFO
Step 15: Next transfer of funds may be effected once the previous POP has been verified	National Treasury and Transferring National Officer	National Treasury and Transferring National Officer



Municipal Budget Circular for the 2020/21 MTREF

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Introduction

This budget circular is a follow-up to MFMA Circular No. 98 that was issued on 06 December 2019. It aims to provide further guidance to municipalities with the preparation of their 2020/21 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2020 Budget Review and the 2020 Division of Revenue Bill are also key focus areas in this circular.

1. The South African economy and inflation targets

Over the past year, economic growth has been weaker than forecasted and is only expected to reach 0.9 per cent in 2020. The 2020 budget highlights the difficult economic and fiscal choices confronting government over the next several years.

It is projected that revenue to be collected for the 2020/21 financial year will amount to R1.5 trillion which equates to 29.2 per cent of the Gross Domestic Product (GDP), whereas expenditure is projected to be at R1.95 trillion which is equivalent to 36 per cent of GDP. This means that there is a consolidated budget deficit of R370.5 billion or 6.8 per cent of GDP in 2020/21. The gross national debts by the end of 2020/21 is projected to be R3.56 trillion which is 65.6 per cent of GDP.

It is evident that determined action is required to reverse the deterioration of the public finances by narrowing the budget deficit, containing debt and growing the economy faster and in a sustainable manner. Municipalities therefore need to exercise caution when they prepare their 2020/21 MTREF budgets to ensure synergy with national economic and fiscal prudence.

The declining economic growth which might be impacted on further by the Corona virus pandemic and international companies closing down as a result, the deteriorating state of the finances for state-owned entities, continued high unemployment and water and electricity shortages will put pressure on the ability of municipalities to raise revenue. Municipalities are therefore advised to follow a conservative approach when projecting their revenue and to eliminate any waste and unnecessary expenditure. Importantly, municipalities should ensure that they adopt realistic and funded 2020/21 MTREF budgets, collect the debts owed to them and pay their creditors within 30 days of receipt of invoice.

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

Table 1 Macroeconomic performance and projections

	2019	2020	2021	2022
Percentage change	Estimate	Forecast		
Real GDP growth	0.3	0.9	1.3	1.6
CPI inflation	4.1	4.5	4.6	4.6

Source: 2020 Budget Review.

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

2. Key focus areas for the 2020/21 municipal budget process

After budgeting for debt-service costs, the contingency reserve and provisional allocations, 48.2 per cent of the nationally raised funds are allocated to national government, 43 per cent to provinces and 8.8 per cent to local government. This is a reduction from the 9.1 per cent allocated to local government when compared to the 2019/20 financial year.

Local government continue to receive the least share of the division of nationally raised revenue because it has extensive powers to raise its own revenue. On aggregate; the local government sphere raises about 70 per cent of its own revenue. However, municipalities should make every effort to improve the collection rates through improved billing and collection practices. In the present current economic climate, municipalities cannot afford to provide municipal services without recovering the cost of providing these services.

Spending outcomes for 2018/19 varied across the 257 municipalities. Many municipalities adopted unrealistic spending plans. As a result, 211 municipalities underspent their operating budgets and 214 municipalities underspent their capital budgets. This was a slight improvement from the previous year.

Of the R33.6 billion in conditional grants transferred to municipalities in 2018/19, R27.2 billion (80.1 per cent) was spent, compared to 93 per cent spent in 2017/18. This decline was partly due to underspending on drought relief funds allocated in the middle of the financial year.

2.1 Local government grants and municipal revenue strength

The conditional grants to municipalities have been reduced and most conditional grants have been reduced as part of efforts to limit growth in government expenditure and ensure that public debt is sustainable. To manage the effect on services, these reductions take into account:

- Past spending and performance;
- Whether the conditional grant funds salaries, and other related costs; and
- Whether there has been significant real growth in allocations in recent years.

Where possible, the National Treasury has reduced transfers that are more likely to go unspent or to be spent less effectively. Accordingly, grants that have persistently underperformed have been reduced by larger amounts. The largest proportional reduction to local government grants in 2020/21 has been made in respect of the public transport network grant, because only six of the 13 cities receiving the grant have successfully launched public transport systems. The three cities that have shown the least progress, namely Buffalo City, Msunduzi and Mbombela have been suspended from the grant and will not receive allocations in the 2020 MTEF period.

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

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
<http://www.treasury.gov.za/documents/national%20budget/2020/default.aspx>

2.1. Changes to local government allocations

2.1.1. Unconditional grants

Over the next three years, above-inflation growth in allocations to the local government equitable share continues, while growth in conditional grants is slower as a result of the reductions announced in the 2020 Budget. The local government Equitable Share continues to receive above inflation increases because it allows municipalities to offer free basic services to indigent residents who cannot afford to pay for services. The total direct allocations to local government grow at an annual average rate of 6.6 per cent over the MTEF period.

2.1.2. Conditional grants

The 2020 Division of Revenue Bill has technical adjustments which were effected through the shifting of funds between different municipal allocations. However, it should be noted that the technical adjustments do not change the total amount allocated to local government. These changes to the grants include the shifting of:

- R400 million in 2020/21 from the municipal infrastructure grant, the water services infrastructure grants and the urban settlements development grant to the indirect regional bulk infrastructure grant to assist in funding the rehabilitation of wastewater treatment infrastructure in the Vaal River System;
- R160 million from the direct *neighbourhood development partnership grant* to the indirect component of the grant over the MTEF period;
- R3 billion that had been indicatively allocated to the new *informal settlement upgrading partnership grant* in 2020/21. This amount is shifted back to the *urban settlements development grant* following the decision to extend the informal settlements window within this grant for another year; and
- R166 million over the 2020 MTEF period from the *municipal infrastructure grant* to the *integrated urban development grant* for the entry of one additional municipality into the grant.

In addition to funds shifted from other local government grants, R250 million has been added to the indirect *regional bulk infrastructure grant* in 2020/21 to assist with addressing pollution in the Vaal River System. These funds were reprioritised from allocations in other spheres of government.

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

The Finance and Fiscal Commission Act, 1997 (Act No. No 99) requires that the FFC tables their recommendations on financial and fiscal matters at least 10 months before the start of each financial year. The FFC tabled its *Submission for the Division of Revenue 2020/21* to Parliament in May 2019. This year's theme is "reprioritising local government finances". The 2020/21 recommendations cover the following areas: local government financing framework, municipal government capacity building, local government sustainability, infrastructure management and efficiency, investment and developmental challenges in the local government sector.

2.2.1 Supplementary revenue sources for local government

The FFC recommended that the Minister of Finance should take steps (including piloting) to add supplementary revenue sources to the list of allowable taxes for different types of municipalities in a differentiated manner. National government supports this recommendation that additional revenue sources to municipalities should be fully explored. In response, various reforms have been prioritised to supplement the revenue sources of municipalities.

These include: amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 12 of 2007) to ensure development charges are uniformly regulated and updating the municipal borrowing policy framework to clarify the funding instruments that municipalities are allowed to use to leverage their borrowing including clarifying the role of development finance institutions in this regard.

The Municipal Fiscal Powers and Functions Act already allows municipalities to apply to the Minister of Finance to levy additional taxes such as the tourism levies and fire levies recommended by the FFC. This Act also allows the Minister of Finance to introduce new municipal taxes on his own initiative. Applications from municipalities to implement new revenue sources provide a good mechanism for piloting new revenue sources like these as it ensures that the pilot municipalities are ready and willing to implement the new taxes. To be considered by the Minister of Finance, an application to introduce additional taxes must include the following:

- What the revenue from the proposed new municipal tax will be used for;
- Its compliance with section 229(2)(a) of the Constitution, which requires that municipal taxes do not prejudice national economic policy;
- The tax base, the desired tax rate, people liable for the tax and tax relief measures;
- The tax collecting authority; and
- Particulars of any consultations conducted, including consultations with a provincial government and organised local government and other municipalities where applicable, and the outcomes of these consultations.

2.2.2 Local government infrastructure management and efficiency

Government continues to provide responses to the FFC's recommendations on an annual basis. These annual recommendations by the FFC are required in terms of section 9 of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997). The FFC recommended that the Ministers of Cooperative Governance and Traditional Affairs (CoGTA) and Finance should jointly strengthen the linkage between technical project planning processes and budgeting and foster smooth intergovernmental infrastructure coordination as part of the ongoing local government infrastructure grant reforms.

Government acknowledges the need to consolidate municipal infrastructure grants and to strengthen the linkages between the technical project planning process and the budgeting. The review of local government infrastructure grants has identified consolidation and rationalisation in the number of grants received by each municipality as a key area for reforming the grant system. As the various grants in the system serve different purposes, the consolidation and rationalisation process requires extensive consultation before grants can be merged. As a result, there is no definitive dates set on when the consolidation of grants will take place. However, government is committed to achieving the vision of a differentiated grant system.

2.3 Building capability for infrastructure delivery

The National Treasury continues to expand the tools available for provinces and municipalities to improve spending. Weaknesses in preparing and authorising projects and programmes are one of the main causes of poor performance on infrastructure transfers. The Infrastructure Delivery Management System (IDMS) has assisted provinces to build infrastructure units with qualified staff and institutionalise best practices. In the 2020/21 MTEF, cities will receive grant funding through the *integrated city development grant* to institutionalise an effective system for preparing programmes and projects. Metros will only be eligible for this funding if they:

- Have not had an adverse or disclaimed audit opinion in the last two financial years;

- Have formally adopted the Cities' Infrastructure Delivery and Management System (CIDMS) guidelines;
- Establish a programme and project approval committee to authorise work; and
- Commit to co-financing contributions and budget management arrangements.

National government provides a broad range of capacity-support grants and programmes for local government. These grants and programmes are under review and reforms to improve its effectiveness are likely to be implemented from 2021/22.

2.4 Development Charges reforms

National Treasury continues to explore how municipalities can use a broader package of infrastructure financing sources to meet their developmental mandate. One of these sources is development charges.

A development charge is a once-off charge imposed by a municipality on a land owner as a condition of approving a land development application that will substantially result in increased demand for municipal infrastructure services. These charges are imposed to cover the costs incurred by the municipality when installing new infrastructure or upgrading an existing infrastructure that is required to service the proposed development. It is based on the concept that urban growth and expanded land use creates the need for additional infrastructure services, therefore the developer should pay the incidence costs.

Municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. National Treasury is therefore amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 97 of 1997) to incorporate the regulation of development charges. Cabinet has approved the publication of the draft Amendment Bill for public comment. The due date for submitting comments is 31 March 2020.

The draft Bill can be accessed on the National Treasury website at: http://www.treasury.gov.za/legislation/draft_bills/default.aspx.

3. Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. However, there has not been any determination by NERSA since the impasse around Eskom's application.

While the court case between NERSA and Eskom is still pending, municipalities should use the tariff increases previously (March 2019) approved by the regulator of 8.1 per cent for 2020/21, 5.2 per cent 2021/22 and 8.9 per cent for 2022/23.

4. Budgeting issues

4.1 The wage bill

The 2020 Budget Review highlighted the proposed wage bill reduction for the public service. Similar to national and provincial government, municipalities must ensure that compensation demands are balanced with the broader needs of society. In this context, municipalities should start taking decisive action to address bloated organisational structures and above inflation wage increases.

Wage bill increases are crowding out spending on capital projects for future economic growth and impacts on service delivery.

Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving own revenue collection, working more efficiently and implementing cost containment measures.

4.2 Pension fund and SARS contributions

In terms of section 13A of the Pension Funds Act, 1956 (Act No. 24 of 1956), an employer must pay contributions it collected from employees' salaries to the relevant pension fund by the 7th day after the end of the month in respect of which the contributions were payable.

According to the latest annual report by the Pension Fund Adjudicator (PFA), it is especially concerned about non-payment of contributions in the municipal sector, thereby putting members' benefits at risk for extended periods of time. Over and above, there is interest on contributions that an employer is liable to pay if pension fund contributions are not paid over timeously. The Financial Services Laws General Amendment Act, 2013 (Act No. 45 of 2013) makes the employer's failure to pay contributions to a retirement fund a **criminal offence**. The amendment to this Act now provides for personal liability of persons who are entrusted with managing the overall financial affairs of the employer.

Section 65(2)(f) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) states that the accounting officer must take all reasonable steps to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees, and their statutory commitments. Section 171(1) of the MFMA provides that the accounting officer commits financial misconduct if that accounting officer fails to comply with a duty imposed by a provision of the Act on the accounting officer of a municipality. In addition, section 173(1)(a)(i) of the MFMA then provides that an accounting officer is guilty an offence if that accounting officer deliberately or in a grossly negligent way amongst other, contravene or fails to comply with the provision of section 65(2)(f) of the MFMA. We will therefore be monitoring whether municipalities are addressing this failure by accounting officers consistent with the legal framework provided for in the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings and take the necessary action where there is failure on the part of municipalities to address this matter.

4.3 Water

Access to clean and potable water is a mandatory imperative in terms of the country's Constitution, the National Water Act, 1998 (Act No. 36 of 1998) and priorities set by the government in the National Development Plan (NDP). Water is also recognised as a fundamental human right and there is no doubt about the important role that water plays in human existence, the environment, economic development and sustainability.

Municipalities should take strategic action to ensure effective water management and resilience to drought, including the security of water supply, environmental degradation, and pollution of resources to achieve economic growth, development and socio-economic priorities in an equitable and sustainable manner.

4.4 Attracting economic investment

Maintaining clean cities underpins economic activity and wellbeing. Investors are not interested in investing in filthy cities. Therefore, municipalities should place emphasis on sensible land use planning and development and building plan control for housing,

commercial, industrial and recreational uses. Investments in waste collection and treatment infrastructure should be made in tandem with industrial and urban developments to minimise pollution to our land and waters.

4.5 Borrowing for multi-year capital projects

In terms of sections 16(3) of the MFMA, money for capital expenditure may be appropriated for a period not exceeding three financial years, provided that a separate appropriation is made for each of those financial years.

Section 19(1) of the MFMA further states that *a municipality may spend money on a capital project only if —*

- (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2)(b) the project, including the total cost, has been approved by the council;
- (b) section 33 has been complied with, to the extent that that section may be applicable to the project; and
- (c) the sources of funding have been considered, are available and have not been committed *for other purposes*.

Before approving a capital project, the municipal council must consider:

- a) the projected cost covering all financial years until the project is operational; and
- b) the future operational costs and revenue on the project, including municipal tax and tariff implications.

A municipality must adjust the revenue and expenditure estimates in an approved annual budget downwards through an adjustments budget if there is material under-collection of revenue during the current year in terms of section 28(2) of the MFMA. It may also appropriate additional revenues that have become available over and above those anticipated in the annual budget, **but only to revise or accelerate spending programmes already budgeted** for. New capital projects can therefore not be included in the adjustments budget, unless provided for in terms of section 28(2) of the MFMA.

With regard to the shifting of funds between multi-year appropriations, section 31 of the MFMA requires that *when funds for a capital programme are appropriated in terms of section 16(3) for more than one financial year, expenditure for that programme during a financial year may exceed the amount of that year's appropriation for that programme, provided that —*

- (a) the increase does not exceed 20 per cent of that year's appropriation for the programme;
- (b) the increase is funded within the following year's appropriation for that programme;
- (c) the municipal manager certifies that -
 - (i) actual revenue for the financial year is expected to exceed budgeted revenue; and
 - (ii) **sufficient funds are available for the increase without incurring further borrowing beyond the annual budget limit;**
- (d) prior written approval is obtained from the mayor for the increase; and
- (e) the documents referred to in paragraphs (c) and (d) are submitted to the relevant provincial treasury and the Auditor-General.

Considering the above sections of the MFMA, it is clear that section 16(3) allows for a multi-year capital appropriation not exceeding three financial years, while section 31 allows for:

- A maximum increase of 20 per cent in the appropriation for the year provided that it is funded within the following year's appropriation for that programme. By implication it

- must be a multi-year programme and the increase should also fit within the limit of the next year's appropriation;
- Sufficient funds are available for the increase **without incurring further borrowing beyond the approved annual budget limit**. This means that additional revenues should be available in the year that the municipality intends to accelerate the expenditure or that a project saving that was funded from the borrowing that was approved for the current year should be used to prevent borrowing to exceed the annual budget limit; and
- This further implies that additional revenues should be available and prohibits the use of accumulated cash backed reserves from previous years for the acceleration of the programme.

Section 28(2)(b) prescribes that additional revenues that have become available may be used to revise or accelerate programmes already budgeted for. The same section further indicates that an adjustments budget process will be required to accelerate a capital programme. The municipal manager must provide certification that the additional revenues will be available within the financial year that the programme will be accelerated in terms of section 31 of the MFMA.

The legislation is not clear as to the timeframes for section 31 other than to state that prior written approval should be obtained from the Mayor. A prudent approach would be to include the documentation as part of the adjustments budget process and the dates set out in the Municipal Budget and Reporting Regulations.

This part of the Circular should also be read in conjunction with MFMA Circular No. 58 issued on 14 December 2011.

4.6 Refinancing of existing loans

Section 46(5) of the MFMA allows a municipality to re-financing existing long-term debt, provided that —

- the existing long-term debt was lawfully incurred;
- the re-financing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed;
- the net present value of projected future payments (including principal and interest payments) after re-financing is less than the net present value of projected future payments before re-financing; and
- the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.

If the re-financing of an existing loan does not comply with the above requirements, then the municipality should consider going to the market for a new loan that offers more affordable terms and/or negotiate a payment arrangement with the financial institution until the loan can be repaid as per the original terms.

5. Conditional Grant Transfers to Municipalities

This section provides guidance to municipalities with regard to the preparation for the 2019/20 unspent conditional grant and roll-over process and should be referenced against previous annual budget circulars.

5.1 Criteria for the rollover of conditional grant funds

Section 22 of the 2019 Division of Revenue Act (DoRA) requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer, provincial treasury and transferring national officer proves to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 22(2) of the 2019 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer must be addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2019 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
 - a) Proof that the project tender was published and the period for tender submissions closed before 31 March;
 - b) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
 - c) Proof of a project tender, appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
 - d) Incorporation of the Appropriation Statement;
 - e) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2021 (attach cash flow projection for the applicable grant).
4. A progress report (also in percentages) on the status of each project's implementation that includes an attached, legible **implementation plan**;
5. The value of the committed project funding, and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;
7. Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
8. An indication of the time-period within which the funds are to be spent if the roll over is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy, this also includes acting appointments as a result of suspensions of either MM or CFO that are more than 12 months.

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2020, the application will be declined.

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2019 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements information to National Treasury by 31 August 2020;
3. Accurate disclosure of grant performance in the 2019/20 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Cash available in the bank (net position including short term investments) as at 30 June 2020 is equivalent to the amount that is unspent as at the end of the financial year. If the amount that is requested for roll over is not entirely cash backed, such a roll over will not be approved. National Treasury will not approve portions of roll over requests.

It should be noted that under no circumstances will the National Treasury consider requests to roll-over:

1. The entire 2019/20 allocation to the municipality, in cases whereby the roll over request is more than 50 per cent of the total allocation National Treasury will approve the roll over amount up to 50 per cent of the 2019/20 allocation;
2. Roll Over request of the same grant for the third consecutive time;
3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the roll over application is linked to invoices that were issued before or on 31 May 2020.

5.2 Unspent conditional grant funds for 2019/20

The process to ensure the return of unspent conditional grants for the 2019/20 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

- Step 1: Municipalities must submit their June 2020 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile;
- Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2020. These amounts **MUST** exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately;
- Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2018 DoRA that the unspent funds are committed to identifiable projects, the roll over application pack must be submitted to National Treasury by 31 August 2020.

National Treasury will not consider any rollover requests that are incomplete or received after this deadline.

- Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 23 October 2020;
- Step 5: National Treasury will communicate the unspent conditional grants amount by 06 November 2020. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 20 November 2020; and

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 20 November 2020, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 04 December 2020 equitable share allocation.

All other issues pertaining to Appropriation Statement and reporting on approved roll overs are addressed in the Annexure to MFMA Circular No. 86.

6. The Municipal Budget and Reporting Regulations

National Treasury, together with the provincial treasuries, are rolling out training on budgeting and transacting in the *mSCOA* environment to all provinces to improve the credibility of the 2020/21 MTREF budgets.

6.1 Assistance with the compilation of budgets

In cases where the municipality requires advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi Kevin Bell	012-315 5866 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi Johan Botha	012-315 5936 012-315 5171	Kgomotso.Baloyi@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Willem Voigt Sifiso Mabaso	012-315 5830 012-315 5952	Willem.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Northern Cape	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	Willem.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Vuyo Mbunge	012-315 5661	Vuyo.Mbunge@treasury.gov.za
Technical issues Local Government Database	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National Treasury, together with the provincial treasuries, will undertake a compliance check and, where municipalities have not provided complete budget information, the municipal budgets will be returned to the mayors and municipal managers of the affected municipalities for the necessary corrections. Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution in accordance with the format specified in regulation 31 of Schedule A of the Municipal Budget and Reporting Regulations. In addition to the above compliance check, the *mSCOA* data strings will be assessed to determine whether the municipalities are compliant.

The National Treasury herewith emphasises that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to return to the municipal council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations.***

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

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

7. Municipal Chart of Accounts (*mSCOA*)

7.1 Release of Version 6.4.1 of the Chart

Version 6.4.1 was released to include the amendments in conditional grants as per the 2020 DoRA. Version 6.4.1 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF. It is available on the link below:

[Link to *mSCOA*](#)

7.2 Use of funding segment to populate the cash flow tables

It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. The general rule that applies is that the “funding” and “Item” segments must be combined to provide cash flow information on how funds have been spent and on what.

This means that the budget is available at a cash flow level (A1 Schedule Budget Table SA30 and A7) and not when billing is done or when invoices are processed (A1 Schedule Budget Table A4: Statement of Financial Performance). Municipalities must apply the budgeted assumed collection rate to determine the cash flow budgets. Therefore, expenditure can only be processed against items with funding in line with the anticipated cash inflow and not billing. Municipalities should therefore identify the relevant source in the funding segment where revenue is received from and identify the funds to be used when payments are made. Guidance on this was provided in MFMA Circular No. 98.

However, there are still challenges to populate the detail of cash payments by type in the A1 Schedule Budget Table SA30 from Item Liabilities: Current Liabilities: Trade and other payables from exchange transactions as payables and accruals are not broken down by type (e.g. other materials, contracted services etc.). This omission of detail in the *mSCOA* chart will be addressed through chart amendments in version 6.5 of the chart.

As an interim measure the cash flow will be populated as follows:

For Cash Receipts:

The **cash receipts by source** will be populated using Item Assets: Current Assets: Cash and cash equivalents: Cash at bank: Bank account: Deposits in conjunction with the Funding Segment.

For Cash Payments:

The **cash payments** by type will be populated using Item Liabilities: Current Liabilities: Trade and other payables Exchange and Non- Exchange Transactions: Withdrawals in conjunction with the Funding Segment.

The cash payments that are not classified by type, will be grouped together as other payments on table SA30. This will enable population of suppliers and employees on the cash flow (Table A7).

National Treasury will share the linking of A1 Schedule Budget Tables SA30 and A7 to the mSCOA chart items to ensure that the cash flow information is populated correctly with municipalities and system vendors.

7.3 Capital Projects using Internally Generated Funding

Capital Projects in acquiring Assets using Internally Generated Funding must use: Funding: Capital: Transfer from Operational Revenue. This will ensure that table A5 will be populated correctly.

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

8.1 Submitting budget documentation and schedules for 2020/21 MTREF

Accounting officers are reminded that Section 22(b)(i) of the MFMA requires that, **immediately** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in PDF and electronic formats. However, in cases where Council requires amendments to the tabled budget prior to consultation, municipalities should inform the National Treasury and the relevant provincial treasury **immediately** and submit the required budget documents and corresponding mSCOA data strings **within three working days** after the Council meeting.

The approved annual budget must still be submitted to both National Treasury and the relevant provincial treasury **within ten working days** after the council has approved the annual budget.

8.2 Document uploads to the Local Government Upload Portal

Due to the number of queries received on the document upload process using the Local Government Upload Portal, a full guideline will be issued in due course to explain the process and to outline which documents will be required to upload.

Contact



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post Private Bag X115, Pretoria 0001
Phone 012 315 5009
Fax 012 395 6553
Website <http://www.treasury.gov.za/default.aspx>

JH Hattingh
Chief Director: Local Government Budget Analysis
09 March 2020

DRAFT PROCUREMENT PLAN: 2020/21

Function	Project Description	Project Code	2020/21	2021/22	2022/23	Request Date	Bid Specification	Advertisement	Technical Report	Evaluation Date	Adjudication Date
Electricity	Capex Mv Substation Equipment	PC00100100200100500000000000000000	1 000 000	500 000	1 000 000	2020-08-01	2020-08-11	2020-09-10	2020-09-20	2020-09-25	2020-09-30
Electricity	Capex Upgrade Of Lv Network Cables	PC00100100200100800000000000000000	500 000	-	1 000 000	2020-09-01	2020-09-11	2020-10-11	2020-10-21	2020-10-26	2020-10-31
Information Technology	Capex: It Equipment	PC00200300400000000000000000000000	450 000	-	600 000	2020-08-20	2020-08-30	2020-09-29	2020-10-09	2020-10-14	2020-10-19
Roads	Capex Upgrade Van Breda Bridge	PC00100100200600200000000000000000	5 027 826	41 549 565	2 593 043	2020-08-31	2020-09-10	2020-10-10	2020-10-20	2020-10-25	2020-10-30
Roads	Capex Nduli Housing Roads	PC00100200600100000000000000000000	12 547 453	-	1 565 217	2020-09-29	2020-10-09	2020-11-08	2020-11-18	2020-11-23	2020-11-28
Sewerage	Capex Sewer Network Replacement	PC00100100100500200000000000000000	500 000	-	1 500 000	2020-08-12	2020-08-22	2020-09-21	2020-10-01	2020-10-06	2020-10-11
Sewerage	Capex Refurbishment Wwtw	PC00100100100500300000000000000000	1 500 000	-	-	2020-09-12	2020-09-22	2020-10-22	2020-11-01	2020-11-06	2020-11-11
Community Halls and Facilities	Equipment	PC00200300900000000000000000000000	430 000	-	80 000	2020-08-08	2020-08-18	2020-09-17	2020-09-27	2020-10-02	2020-10-07
Solid Waste Disposal (Landfill Sites)	Capex New Material Recovery Facility/drop Off	PC00100200200500000000000000000000	9 356 350	12 384 355	-	2020-07-15	2020-07-25	2020-08-24	2020-09-03	2020-09-08	2020-09-13
Sewerage	Capex Security Upgrades	PC00100100200500300000000000000000	840 000	-	-	2020-10-12	2020-10-22	2020-11-21	2020-12-01	2020-12-06	2020-12-11
Sewerage	Capex Vredebes Phase H Bulk Sewerage Pipeline	PC00100200500200000000000000000000	10 228 084	-	-	2020-11-12	2020-11-22	2020-12-22	2021-01-01	2021-01-06	2021-01-11
Storm Water Management	Capex Nduli Housing Storm Water	PC00100200700200000000000000000000	13 819 052	-	-	2020-09-29	2020-10-09	2020-11-08	2020-11-18	2020-11-23	2020-11-28
Water Distribution	Capex Vredebes Phase H Bulk Water Pipeline	PC00100200400600000000000000000000	476 300	-	8 026 177	2020-07-10	2020-07-20	2020-08-19	2020-08-29	2020-09-03	2020-09-08
Water Distribution	Capex Nduli Housing Water	PC00100200400700000000000000000000	9 488 500	-	-	2020-08-10	2020-08-20	2020-09-19	2020-09-29	2020-10-04	2020-10-09
Mayor and Council	Capex: Upgrade Council Chambers	PC00200200100300100100000000000000	600 000	-	-	2020-08-25	2020-09-04	2020-10-04	2020-10-14	2020-10-19	2020-10-24
Sports Grounds and Stadiums	Capex Upgrade Of Leyell Str Sport Facilities	PC00200200200200200200000000000000	869 565	-	-	2020-07-15	2020-07-25	2020-08-24	2020-09-03	2020-09-08	2020-09-13
Water Distribution	Capex Tulbagh Dam	PC00100200400100000000000000000000	16 931 304	17 391 304	-	2020-09-10	2020-09-20	2020-10-20	2020-10-30	2020-11-04	2020-11-09
Electricity	Capex Mv Network Equipment	PC00100100200100700000000000000000	1 000 000	-	2 000 000	2020-10-01	2020-10-11	2020-11-10	2020-11-20	2020-11-25	2020-11-30
Roads	Capex Network Street	PC00100100100600100000000000000000	1 800 000	-	2 000 000	2020-10-15	2020-10-25	2020-11-24	2020-12-04	2020-12-09	2020-12-14
Roads	Capex Tulbagh Steintalweg Walkways	PC00100200600200000000000000000000	869 565	934 783	-	2020-11-30	2020-12-10	2021-01-09	2021-01-19	2021-01-24	2021-01-29
Sports Grounds and Stadiums	Capex Sportfield Equipment	PC00200300200200200000000000000000	30 000	-	30 000	2020-08-15	2020-08-25	2020-09-24	2020-10-04	2020-10-09	2020-10-14
Water Distribution	Capex Network- Water Pipes & Valve Replacement	PC00100100100400700000000000000000	500 000	-	1 500 000	2020-10-10	2020-10-20	2020-11-19	2020-11-29	2020-12-04	2020-12-09
Water Distribution	Capex Op-die-berg Reservoir	PC00100200400300000000000000000000	-	11 279 044	-	2020-11-10	2020-11-20	2020-12-20	2020-12-30	2021-01-04	2021-01-09
Community Halls and Facilities	Capex New Regional Cemetery	PC00200300200101100000000000000000	-	137 480	4 819 042	2020-09-08	2020-09-18	2020-10-18	2020-10-28	2020-11-02	2020-11-07
Sewerage	Capex Nduli Infill Internal Sewerage	PC00100100200500200000000000000000	-	11 320 000	-	2021-01-12	2021-01-22	2021-02-21	2021-03-03	2021-03-08	2021-03-13
Electricity	Capex Electrical Network Housing Project	PC00100200100700000000000000000000	-	3 000 000	4 000 000	2020-10-11	2020-10-21	2020-11-20	2020-11-30	2020-12-05	2020-12-10
Roads	Capex Nduli Infill Internal Roads	PC00100100200600100000000000000000	-	11 320 000	-	2020-12-15	2020-12-25	2021-01-24	2021-02-03	2021-02-08	2021-02-13
Storm Water Management	Capex Nduli Infill Internal Storm Water	PC00100100200700200000000000000000	-	11 320 000	-	2020-12-15	2020-12-25	2021-01-24	2021-02-03	2021-02-08	2021-02-13
Electricity	Capex Vredebes Streetlights	PC00100200100800000000000000000000	-	1 565 217	-	2020-12-01	2020-12-11	2021-01-10	2021-01-20	2021-01-25	2021-01-30
Community Halls and Facilities	Capex: New Taxi Facility At The Corner Of Vos And O	PC00200300200100200000000000000000	-	173 913	6 826 086	2020-10-08	2020-10-18	2020-11-17	2020-11-27	2020-12-02	2020-12-07
Water Distribution	Capex Nduli Infill Internal Water	PC00100100200400700000000000000000	-	11 320 000	-	2020-12-10	2020-12-20	2021-01-19	2021-01-29	2021-02-03	2021-02-08
Fire Fighting and Protection	Capex Firefighting Response Vehicle	PC00200301000000000000000000000000	-	-	800 000	2020-08-15	2020-08-25	2020-09-24	2020-10-04	2020-10-09	2020-10-14
			88 763 999	134 195 661	38 339 565						

Please Note: Dates indicated are the envisaged due dates. Where due date do fall on a weekend or public holiday, the due date will be next working day



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Budget Related Policies 2018/2019



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BUDGET POLICY

Date of implementation 01 July 2010

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1. DEFINITIONS

"Accounting Officer"

(a) means the City Manager;

"Allocation", means

- (a) a municipality's share of the local government's equitable share referred to in section 214(l) (a) of the Constitution;
- (b) an allocation of money to a municipality in terms of section 214(1) (c) of the Constitution;
- (c) an allocation of money to a municipality in terms of a provincial budget; or
- (d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

"Annual Division of Revenue Act" means the Act of Parliament, which must be enacted annually in terms of section 214 (1) of the Constitution;

"Approved budget," means an annual budget

- (a) approved by a municipal council in terms of section 24 of the MFMA, or
- (b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

"Basic Municipal Service" means a municipal service that is necessary to ensure an acceptable and Reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"Budget-related Policy" means a policy of a municipality affecting or affected by the annual budget of the municipality, including

- (a) the tariffs policy, which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
- (b) the rates policy which the municipality must adopt in terms of section 3 of the municipal property rates Act;
- (c) the credit control and debt collection policy, which the municipality must adopt in terms of section 96 of the Municipal Systems Act;
- (d) the cash management and investment policy which the municipality must adopt in terms of section 13(2) of the Act;
- (e) a borrowing policy which must comply with Chapter 6 of the Act;
- (f) a funding and reserves policy;
- (g) a policy related to the long-term financial plan;
- (h) the supply chain management policy which the municipality is required to adopt in terms of section 111 of the Act;
- (i) any policies dealing with the management and disposal of assets;
- (j) any policies dealing with infrastructure investment and capital projects, including –
 - (i) the policy governing the planning and approval of capital projects; and
 - (ii) the policy on developer contributions for property developments;

- (k) the indigents policy of the municipality;
- (l) any policies related to the provision of free basic services;
- (m) any policies related to budget implementation and monitoring including –
 - (i) a policy dealing with the shifting of funds within votes;
 - (ii) a policy dealing with unforeseen and unavoidable expenditure; and
 - (iii) policies dealing with management and oversight;
- (n) any policies related to the managing electricity and water including -
 - (i) a policy related to the management of losses; and
 - (ii) a policy to promote conservation and efficiency;
- (o) any policies related to personnel including policies on overtime, vacancies and temporary staff;
- (p) any policies dealing with municipal entities, including –
 - (i) the service delivery agreement; and
 - (ii) the dividend preference of the municipality; and
- (q) any other budget-related or financial management policies of the municipality.

"Budget transfer" means transfer of funding within a function / vote.

"Budget Year" means the financial year of the municipality for which an annual budget is to be approved in terms of section 16(1) of the MFMA;

"chief financial officer" means a person designated in terms of section 80(2) (a) of the MFMA;

"councillor" means a member of a municipal council;

"creditor", means a person to whom money is owed by the municipality;

"current year" means the financial year, which has already commenced, but not yet ended;

"delegation", in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

"financial recovery plan" means a plan prepared in terms of section 141 of the MFMA

"financial statements", means statements consisting of at least

- (a) a statement of financial position;
- (b) a statement of financial performance;
- (c) a cash-flow statement;
- (d) any other statements that may be prescribed; and
- (e) any notes to these statements;

"financial year" means a twelve months period commencing on 1 July and ending on 30 June each year

"financing agreement" includes any loan agreement, lease, and instalment purchase contract or hire purchase arrangement under which a municipality undertakes to repay a long-term debt over a period of time;

"fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

"irregular expenditure", means

- (a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in Accordance with, a requirement of the MFMA Act, and which has not been condoned in terms of section 170 of the MFMA;
- (b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
- (c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or
- (d) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure";

"investment", in relation to funds of a municipality, means

- (a) the placing on deposit of funds of a municipality with a financial institution; or
- (b) the acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

"lender", means a person who provides debt finance to a municipality;

"local community" has the meaning assigned to it in section 1 of the Municipal Systems Act;

"Municipal Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"long-term debt" means debt repayable over a period exceeding one year;

"executive mayor" means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act;

"municipal council" or **"council"** means the council of a municipality referred to in section 18 of the Municipal Structures Act;

"municipal debt instrument" means any note, bond, debenture or other evidence of indebtedness issued by a municipality, including dematerialised or electronic evidence of indebtedness intended to be used in trade;

"municipal entity" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipality"

- (a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
- (b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

"accounting officer" means a person appointed in terms of section 82(l) (a) or (b) of the Municipal Structures Act;

"municipal service" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipal tariff" means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

"municipal tax" means property rates or other taxes, levies or duties that a municipality may impose;

"National Treasury" means the National Treasury established by section 5 of the Public Finance Management Act;

"official", means

- (a) an employee of a municipality or municipal entity;
- (b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
- (c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

"overspending"

- (a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- (b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- (c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

"past financial year" means the financial year preceding the current year;

"quarter" means any of the following periods in a financial year:

- (a) 1 July to 30 September;
- (b) 1 October to 31 December;
- (c) 1 January to 31 March; or
- (d) 1 April to 30 June;

"service delivery and budget implementation plan" means a detailed plan approved by the executive mayor of a municipality in terms of section 53(l)(c)(ii) of the MFMA for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate

- (a) projections for each month of
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote;
- (b) service delivery targets and performance indicators for each quarter; and
- (c) any other matters that may be prescribed, and includes any revisions of such plan by the executive mayor in terms of section 54(l) (c) of the MFMA;

"short-term debt" means debt repayable over a period not exceeding one year;

"standards of generally recognised accounting practice", means an accounting practice complying with standards applicable to municipalities or municipal entities as determined by the Accounting Standards Board

"unauthorised expenditure", means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes

- (a) overspending of the total amount appropriated in the municipality's approved budget;
- (b) overspending of the total amount appropriated for a vote in the approved budget;
- (c) expenditure from a vote unrelated to the department or functional area covered by the vote;
- (d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- (e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- (f) a grant by the municipality otherwise than in accordance with the MFMA;

"virement" means transfer of funds between functions / votes

"vote" means

- (a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

2. INTRODUCTION

In terms of the Municipal Finance Management Act, No. 56 of 2003, Chapter 4 on Municipal Budgets, subsection (16), states that the council of a municipality must for each financial year approve an annual budget for the municipality before the commencement of that financial year. According to subsection (2) of the Act concerned, in order to comply with subsection (1), the executive mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. This policy must be read, analysed, explained, interpreted, implemented and understood against this legislative background. The budget plays a critical role in an attempt to realise diverse community needs. Central to this, the formulation of a municipality budget must take into account the government's macro-economic and fiscal policy fundamentals. In brief, the conceptualisation and the operationalisation of the budget must be located within the national government's policy framework.

3. OBJECTIVE

The objective of the budget policy is to set out:

- The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget,
- The responsibilities of the executive mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget
- To establish and maintain procedures to ensure adherence to Witzenberg Municipality's IDP review and budget processes.

4. BUDGETING PRINCIPLES

- The municipality shall not budget for a cash deficit and should also ensure that revenue projections in the budget are realistic taking into account actual collection levels.
- Expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.
- Witzenberg Municipality shall prepare three-year budget (medium term revenue and expenditure framework (MTREF)) and that be reviewed annually and approved by Council.
- The MTREF budget must at all times be within the framework of the Municipal Integrated Development Plan.

5. BUDGET PREPARATION PROCESS

5.1. Formulation of the budget

- (a) The Accounting Officer with the assistance of the Chief Financial Officer, Manager Financial Administration and the Manager IDP shall draft the IDP process plan as well as the budget timetable for the municipality including municipal entities for the ensuing financial year.
- (b) The executive mayor shall table the IDP process plan as well as the budget timetable to Council not later than 31 August of each year for approval (10 months before the start of the next budget year).

- (c) IDP process plan as well as the budget timetable shall indicate the key deadlines for the review of the IDP as well as the preparation of the medium term revenue and expenditure framework budget and the revision of the annual budget. Such target dates shall follow the prescriptions of the Municipal Finance Management Act, Municipal Budget and reporting regulations as well as the guidelines set by National Treasury.
- (d) The Executive Mayor shall convene a strategic workshop in September/October with the mayoral committee and senior managers in order to determine the IDP priorities which will form the basis for the preparation of the MTREF budget taking into account the financial and political pressures facing the municipality. The executive mayor shall table the IDP priorities with the draft budget to Council.
- (e) The Executive Mayor shall table the draft IDP and MTREF budget to council by 31 March of each year (90 days before the start of the new budget year) together with the draft resolutions and budget related policies.
- (f) The Chief Financial Officer and senior managers undertake the technical preparation of the budget.
- (g) The budget must be in the prescribed format by National Treasury, and must be divided into capital and operating budget.
- (h) The budget must reflect the realistically expected revenues by major source for the budget year concerned.
- (i) The expenses reflected in the budget must be divided into items.
- (j) The budget must contain the information related to the two financial years following the financial year to which the budget relates, as well as the estimated revenues and expenses for the current year and the two prior year actual revenue and expenditures.

5.2. Public participation process

Immediately after the draft annual budget has been tabled, the municipality must convene hearings on the draft budget in April and invite the public, stakeholder organisations, to make representation at the council hearings and to submit comments in response to the draft budget.

5.3. Approval of the budget

- (a) Council shall consider the next medium term expenditure framework budget for approval not later than 31 May (30 days before the start of the budget year).
- (b) The council resolution, must contain budget policies and performance measures be adopted.
- (c) Should the municipality fail to approve the budget before the start of the budget year, the executive mayor must inform the MEC for Finance that the budget has not been approved.
- (d) The budget tabled to Council for approval shall include the following supporting documents:
 - i. draft resolutions approving the budget;
 - ii. and levying property rates, other taxes and tariffs for the financial year concerned;
 - iii. measurable performance objectives for each budget vote, taking into account the municipality's IDP;
 - iv. the projected cash flows for the financial year by revenue sources and expenditure votes;
 - v. any proposed amendments to the IDP;
 - vi. any proposed amendments to the budget-related policies;
 - vii. the cost to the municipality of the salaries, allowances and other benefits of its political office bearers and other councillors, the accounting officer, the chief financial officer, and other senior managers;
 - viii. particulars of any proposed allocations or grants to other municipalities, municipal entities, external mechanisms assisting the municipality in service delivery, other organs of state, and organisations such as Non-Governmental Organisations, welfare institutions and so on;
 - ix. particulars of the municipality's investments; and

- x. various information in regard to municipal entities under the shared or sole control of the municipality

5.4. Publication of the budget

- (a) Within 14 days after the draft annual budget has been tabled, the Director must post the budget and other budget-related documentation onto the municipal website so that it is accessible to the public.
- (b) The Chief Financial Officer must within 14 days after the draft annual budget is tabled:
 - (i) submit the approved budget in both printed and electronic formats to the National Treasury, the Provincial Treasury as well as post it on the municipal website.
 - (ii) ensure that a newspaper advertisement is placed that the draft budget is available at the Municipal offices and available for comments.

5.5. Service Delivery and Budget Implementation Plan (SDBIP)

- (a) The Executive mayor must approve the Service Delivery and Budget Implementation Plan not later than 28 days after the approval of the Budget by Council.
- (b) The SDBIP shall include the following components:
 - (i) Monthly projections of revenue to be collected for each source
 - (ii) Monthly projections of expenditure (operating and capital) and revenue for each vote
 - (iii) Quarterly projections of service delivery targets and performance indicators for each vote
 - (iv) Ward information for expenditure and service delivery
 - (v) Detailed capital works plan broken down by ward over three years

6. CAPITAL BUDGET

- (a) Expenditure of a project shall be included in the capital budget if it meets the asset definition i.e. if it results in an asset being acquired or created and has a useful life in excess of one year.
- (b) The capital budget shall distinguish between replacement and new assets.
- (c) A municipality may spend money on a capital project only if the money for the project has been appropriated in the capital budget.
- (d) The envisaged sources of funding for the capital budget must be properly considered and the Council must be satisfied that this funding is available and has not been committed for other purposes.
- (e) Before approving a capital project, the Council must consider:
 - (i) the projected cost of the project over all the ensuing financial years until the project becomes operational,
 - ii. future operational costs and any revenues, which may arise in respect of such project, including the likely future impact on operating budget (i.e. on property rates and service tariffs).
- (f) Before approving the capital budget, the council shall consider:
 - (i) the impact on the present and future operating budgets of the municipality in relation to finance charges to be incurred on external loans,
 - (ii) depreciation of fixed assets,
 - (iii) maintenance of fixed assets, and
 - (iv) any other ordinary operational expenses associated with any item on such capital budget.
- (g) Council shall approve the annual or adjustment capital budget only if it has been properly cash funded.
- (h) The capital expenditure shall be funded from the following sources:
 - (i) **Revenue or Surplus**
 - If any project is to be financed from revenue this financing must be included in the cash budget to raise sufficient cash for the expenditure.

- If the project is to be financed from surplus there must be sufficient cash available at time of execution of the project.
- (ii) **External loans**
 - External loans can be raised only if it is linked to the financing of an asset;
 - A capital project to be financed from an external loan can only be included in the budget if the loan has been secured or if can be reasonably assumed as being secured;
 - The loan redemption period should not exceed the estimated life span of the asset. If this happens the interest payable on the excess redemption period shall be declared as fruitless expenditure;
 - Interest payable on external loans shall be included as a cost in the operating budget;
 - Finance charges relating to such loans shall be charged to or apportioned only between the departments or votes to which the projects relate.

Capital Replacement Reserve (CRR)

- Council shall establish a CRR for the purpose of financing capital projects and the acquisition of assets. Such reserve shall be established from the following sources of revenue:
 - inappropriate cash-backed surpluses to the extent that such surpluses are not required for operational purposes;
 - interest on the investments of the CRR, appropriated in terms of the investments policy;
 - additional amounts appropriated as contributions in each annual or adjustments budget; and
 - interest on investments of unutilised grants;
 - only VAT claimed back on grants and subsidies; and
 - Sale of land and profit or loss on the sale of assets.
- Before any asset can be financed from the CRR the financing must be available within the reserve and available as cash as this fund must be cash backed;
- If there is insufficient cash available to fund the CRR this reserve fund must then be adjusted to equal the available cash;
- Transfers to the CRR must be budgeted for in the cash budget

Grant Funding

- Non capital expenditure funded from grants
 - must be budgeted for as part of the revenue budget;
 - Expenditure must be reimbursed from the funding creditor and transferred to the operating and must be budgeted for as such.
 - Capital expenditure must be budgeted for in the capital budget;
- Grant funding does not need to be cash backed but cash should be secured before spending can take place.
- All unutilized grants received must be ring fenced and cash backed by means of an investment.

7. OPERATING BUDGET

- (a) The municipality shall budget in each annual and adjustments budget for the contribution to:
- (i) provision for accrued leave entitlements equal to 100% of the accrued leave entitlement of officials as at 30 June of each financial year,
 - (ii) provision for the impairment of debtors taking into account prior year, current year improvements and future improvement in debt collection percentages.
 - (iv) provision for the obsolescence and deterioration of stock in accordance with its stores management policy
 - (v) Depreciation and finance charges shall be charged to or apportioned only between the departments or votes to which the projects relate.
 - (vi) At least 5% of the operating budget component of each annual and adjustments budget shall be set aside for maintenance.
- (b) When considering the draft annual budget, council shall consider the impact, which the proposed increases in rates and service tariffs will have on the monthly municipal accounts of households.
- (c) The impact of such increases shall be assessed on the basis of a fair sample of randomly selected accounts.
- (d) The operating budget shall reflect the impact of the capital component on:
- depreciation charges
 - repairs and maintenance expenses
 - interest payable on external borrowings.
 - other operating expenses.
- (e) The chief financial officer shall ensure that the cost of indigent relief is separately reflected in the appropriate votes.

8. FUNDING OF CAPITAL AND OPERATING BUDGET

- (a) The budget may be financed only from:
- (i) realistically expected revenues, based on current and previous collection levels;
 - (ii) cash-backed funds available from previous surpluses where such funds are not required for other purposes; and
 - (iii) borrowed funds in respect of the capital budget only.

9. UNSPENT FUNDS / ROLL OVER OF BUDGET

- (a) The appropriation of funds in an annual or adjustments budget will lapse to the extent that they are unspent by the end of the relevant budget year, but except for funds relating to capital expenditure.
- (b) Only unspent grant (if the conditions for such grant funding allows that) or loan funded capital budget may be rolled over to the next budget year
- (c) Conditions of the grant fund shall be taken into account in applying for such roll over of funds
- (d) Application for roll over of funds shall be forwarded to the budget office by the 15th of April each year to be included in next year's budget for adoption by Council in May.
- (e) No funding for projects funded from the Capital Replacement Reserve shall be rolled over to the next budget year except in cases where a commitment has been made at least 30 days (31 May each year) prior the end of that particular financial year.
- (f) No unspent operating budget shall be rolled over to the next budget year

10. BUDGET TRANSFERS AND VIREMENTS

Budget transfers and veriments are dealt with in terms of the councils Budget Veriment Policy.

11. ADJUSTMENT BUDGET

Each adjustments budget shall reflect realistic excess, however nominal, of current revenues over expenses.

- (a) The chief financial officer shall ensure that the adjustments budgets comply with the requirements of the National Treasury reflect the budget priorities determined by the executive mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the executive mayor on the revision of the IDP and the budget-related policies where these are indicated.
- (b) Council may revise its annual budget by means of an adjustments budget in terms of section 28 of the MFMA and according to the timelines of the Municipal Budget and reporting regulations section 23.
- (c) The Accounting Officer must promptly adjust its budgeted revenues and expenses if a material under-collection of revenues arises or is apparent.
- (d) The Accounting Officer shall appropriate additional revenues, which have become available but only to revise or accelerate spending programmes already budgeted for or any areas of critical importance identified by Council.
- (e) The Council shall in such adjustments budget, and within the prescribed framework, confirm unforeseen and unavoidable expenses on the recommendation of the Executive Mayor.
- (f) An adjustments budget must contain all of the following:
 - (i) an explanation of how the adjustments affect the approved annual budget;
 - (ii) appropriate motivations for material adjustments; and
 - (iii) an explanation of the impact of any increased spending on the current and future annual budgets.
- (g) Any inappropriate surplus from previous financial years, even if fully cash-backed, shall not be used to balance any adjustments budget, but shall be appropriated to the municipality's capital replacement reserve.
- (h) Municipal taxes and tariffs may not be increased during a financial year except if required in terms of a financial recovery plan.
- (i) Unauthorised expenses may be authorised in an adjustments budget.
- (j) In regard to unforeseen and unavoidable expenditure, the following apply:
 - (i) the Executive mayor may authorise such expenses in an emergency or other exceptional circumstances in terms of Section 29 of the MFMA;
 - (ii) the authorized amount may not exceed 4 % of the approved own revenue included in the annual budget in respect of such unforeseen and unavoidable expenses;
 - (iii) these expenses must be reported by the Executive mayor to the next Council meeting;
 - (iv) the expenses must be appropriated in an adjustments budget; and
 - (v) Council must pass the adjustments budget within sixty days after the expenses were incurred.

12. BUDGET IMPLEMENTATION

12.1 Monitoring

- (a) The accounting officer with the assistance of the chief financial officer and other senior managers is responsible for the implementation of the budget, and must take reasonable steps to ensure that:
 - funds are spent in accordance with the budget;
 - expenses are reduced if expected revenues are less than projected; and
 - revenues and expenses are properly monitored.
- (b) The Accounting officer with the assistance of the chief financial officer must prepare any adjustments budget when such budget is necessary and submit it to the Executive mayor for consideration and tabling to Council.
- (c) The Accounting officer must report in writing to the Council any impending shortfalls in the annual revenue budget, as well as any impending overspending, together with the steps taken to prevent or rectify these problems.

12.2 Reporting

12.2.1 Monthly budget statements

- (a) The accounting officer with the assistance of the chief financial officer must, not later than ten working days after the end of each calendar month, submit to the Executive mayor and Provincial and National Treasury a report in the prescribed format on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.

This report must reflect the following:

- (i) actual revenues per source, compared with budgeted revenues;
 - (ii) actual expenses per vote, compared with budgeted expenses;
 - (iii) actual capital expenditure per vote, compared with budgeted expenses;
 - (iv) actual borrowings, compared with the borrowings envisaged to fund the capital budget;
 - (v) the amount of allocations received, compared with the budgeted amount;
 - (vi) actual expenses against allocations, but excluding expenses in respect of the equitable share;
 - (vii) explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan;
 - (viii) the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and
 - (ix) projections of the revenues and expenses for the remainder of the financial year, together with an indication of how and where the original projections have been revised.
- (b) The report to the National Treasury must be both in electronic format and in a signed written document.

12.2.2 Quarterly Reports

- (a) The Executive mayor must submit to Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial state of affairs of the municipality.

12.2.3 Mid-year budget and performance assessment

- (a) The Accounting officer must assess the budgetary performance of the municipality for the first half of the financial year, taking into account all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan.
- (b) The Accounting officer must then submit a report on such assessment to the Executive mayor by 25 January each year and to Council, Provincial Treasury and National Treasury by 31 January each year.
- (c) The Accounting officer may in such report make recommendations after considering the recommendation of the Chief Financial Officer for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

13. CONCLUSION

The Director Corporate Services must place on the municipality's official website the following:

- the annual and adjustments budgets and all budget-related documents;
- all budget-related policies;
- the integrated development plan
- the annual report;
- all performance agreements;
- all service delivery agreements;
- all long-term borrowing contracts;
- all quarterly and mid-year reports submitted the Council on the implementation of the budget and the financial state of affairs of the municipality.



TARIFF POLICY

Date of implementation: 1 July 2010

Reviewed and amendments by Council on:

20/04/2011

31/05/2012

29/05/2013

28/05/2014

30/05/2017

30/05/2019

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1. Introduction

Every Municipality is responsible for the drafting and annual revision of a tariffs policy within the framework provided by the Act on Municipal Systems.

2. Purpose

The purpose of the policy is to ensure that:

- o the provisions of section 74 of the Act on Municipal Systems (Act 32 of 2000) are complied with;
- o a properly documented policy is in place to determine how the tariffs of the Witzenberg Municipality are to be determined; and
- o the tariffs are realistic and affordable.

3. Principles

The determination of tariffs should in all instances be based on sound economic principles. The Council's input is to ensure that the tariffs policy be reviewed and modified during the annual budgetary process.

3.1 Basic principles

The following principles, in addition to those enunciated in section 74 of Act 32 of 2000, were considered:

- o Equalisation within the shortest possible time
- o Affordability of service
- o Discouragement of wastage through pricing mechanisms
- o Ensuring adequate cash flow
- o Simple and understandable structure
- o Justifiable structure
- o Transparent structure

3.2 The Municipal account

The accounts for property rates and services may not be viewed in isolation. They must be approached collectively in order to determine the most affordable amount to be paid by different clients as a total account.

3.3 Credit control

It is not possible to successfully calculate a tariffs structure without considering the provisions of an effective credit control system. Similarly, a credit control system cannot function without a sound tariffs policy drafted in support of the problems of indigent persons.

3.4 Costs of the provision of services and the calculation of tariffs

Tariffs must be capable of recovering the costs of the provision of a service. If a service should be run at a loss, there will by necessity have to be cross-subsidising from other services. It is therefore imperative that the tariffs for each service be accurately calculated and that the correct tariffs structure is accepted and implemented.

3.5 Socio-economic factors

As a result of non-payment, local authorities are experiencing problems with their cash flow. One of the most important reasons for non-payment is the failure of tariffs structures to make proper allowance for the socio-economic circumstances of the communities involved. The implementation of pre-paid electricity, as well as “free” water and electricity, partially address this problem.

Clients have been divided into the following categories:

- o Clients unable to make any contribution towards the provision of services and who have to be subsidised fully.
- o Clients who can afford a partial contribution and who need only to be subsidised partially.
- o Users who can fully afford the services.

It is important to identify these categories and to plan the tariffs structures accordingly. The subsidies are derived from two sources, namely:

- o Contributions by the State – The State determine the extent of these contributions from year to year and may increase or lower the contribution, while the needs of the local authority increase annually.
- o Contributions from Municipal funds – These funds must be budgeted for.

Services may also be subsidised from a combination of the aforementioned funds.

The tariffs structure has been compiled in the following manner in order to make provision for subsidising:

- o Fully subsidised in terms of the Indigent policy
- o Full tariff payable.

3.6 Equalisation of principles

In order to accomplish the total legalisation of tariffs, the tariffs must as far as possible be standardised throughout the whole municipality. Unique circumstances of a particular town will, however, play a role in preventing the tariffs from being 100% identical throughout. The principles for the determination of the tariffs should however, never vary.

3.7 Phasing in of new tariffs structures

Time is needed for the phasing in of any new structure. In practice this will mean that different towns will be subjected to different tariff increases during the period of phasing in.

3.8 Profit-taking

The following goals for profit-taking are applicable within Witzenberg.

o	Electricity	-	Profit of 15%
o	Water	-	Profit of 15%
o	Sewerage	-	Profit of 0,5%
o	Refuse removal	-	Profit of 0,5%

3.9 Basic and Availability charges

Tariffs are set in a manner that will ensure sustainability of the service. Therefore basic services charges and service availability charges are levied on every site whether the service is utilized or not. The aim is to recover all fixed costs and a portion of the variable cost of the relevant service

4. Tariffs structure

4.1 Electricity

The following directions of the NER were considered during the drafting of the electricity tariffs structure:

- Tariffs must be economically sustainable.
- Clients must be given a choice of tariffs.
- The tariffs should be based on the costs of delivery, while also complying with the guidelines laid down in NRS 058.
- The tariffs must be transparent and the level of cross-subsidising must be known.
- The tariffs must be comparable with the tariffs of neighbouring suppliers
- The tariffs must be conveniently administered and must reflect the standard of service provision.

NERSA suggested five categories of tariffs to form the basis of the tariffs structure.

Name of Tariff	Tariff Components			
	Minimum levy (Rand/client/ month)	Energy levy (Cent/ kWh)	Duration of use of energy tariff (Cent/ kWh)	Demand tariff (Rand/KVA)
Singular energy tariff		√		
Dual tariff	√	√		
Dual time of consumption tariff	√		√	
Tripartite tariff	√	√		
Tripartite time of consumption tariff	√		√	√

The structuring of the tariffs structure for the provision of electricity, with due consideration of the NER directions, is based on the following principles:

- Structure is divided into client groups;
- A costing structure is allocated to each client group;
- Five tariffs structures and components were used as per the NER's directions;
- Profit-taking of the existing tariffs in the new structure;
- Phasing in of existing tariffs into new structure.

4.1.1 Client groups

The tariffs structure is divided into the following client groups:

- Residential clients
- Commercial clients
- Industrial clients
- Rural clients
- Large-scale clients

The classification of the client is left up to the client himself, and will largely be determined by the client's own needs.

- Street lights and sports bodies are identified as a special group.

4.1.2 Tariffs structures

The following tariffs are used:

- Availability tariff

This tariff is levied on all vacant premises with the potential of being linked to the municipal services.¹

The availability tariff is levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

- Singular energy tariff

This structure is only available to clients who are residential, street lights or sports bodies. The tariff is based on the quantity kwh consumed. Provision is made for the following varying sizes of connections:

- Pre-paid meters up to 1 X 40A
- Single phase
- Three-phase

It is up to the client to decide which connection meets his particular requirements. Depending on the consumption of kWh, the client should decide whether a single-phased tariffs structure will suit his requirements better than a dual tariffs structure. The cut-off point is approximately 1 000kwh consumption.

- Dual tariff

This tariffs structure is available for commercial, rural and residential clients. The tariff consists of a minimum component and an energy component.

The minimum levy is a levy per month, or portion thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

The energy component is based on the kWh consumed from one reading to the next.

Two sizes of residential connections are provided:

- single phase
- three phase.

For the commercial client a distinction is made between single and three-phase supplies as well as between the following sizes per phase:

20A
40A
60A
80A
100A
150A
200A
250A

Rural clients are divided into smaller than 25KVA, larger than 25KVA but smaller than 50KVA and larger than 50KVA to a maximum of 100KVA. The energy tariff is divided into two tariffs, i.e. fewer than 1000 units and more than 1000 units during a period measured from one reading to the next.

¹ Amended by council on 28 May 2014

- Tripartite tariff

This tariffs structure is available to commercial, industrial, rural and large-scale clients.

As with the dual structure, the levies are based on a minimum as well as an energy levy. Additionally, however, a demand levy is imposed, based on the client's maximum demand during the previous month.

Within the groups, a distinction is made between:

- Bigger than 1MVA high tension
- Smaller than 1MVA high tension
- Low tension

- Tripartite tariff for time of use

This tariffs structure is exactly the same as the tripartite tariff. It is also available to the same groups of clients. The only difference is that the time of consumption is linked to the tariff. The client has to apply for this tariff, usually following a thorough examination by him.

4.2 Water

4.2.1 Client groups

Recovery of the costs of the water service is not based only on consumption and the type of client, but also on the extent to which the client has access to the service and what the service must provide for, as well as the actual consumption. The principle of equity is taken into account when the client groups are classified.

Clients are classified in accordance with the size of their connections to the main supply. By classifying the client in accordance with the size of the connection, a more equitable basis for contributions towards costs is obtained than when a tariff is simply allocated to a certain type of consumer. In this way, cross-subsidising is largely eliminated.

2.2 Tariffs structures

The following tariffs structures will be in existence:

- Availability levy on all vacant premises within the town areas linked to the water network.
- Minimum levies for every size of connection with distinction being made between the following sizes:

Size of connections	Factor
Vacant premises	1.64
0-25mm	1.00
26-50mm	11.45
51-80mm	28.92
81-100mm	45.78
101-150mm	102.41
Client consuming > 20 000 kl./per month	2228.92
Un-metered connections	3.37

- The consumption tariff is a block tariff, with the client able to choose between block A and B:

- Block A**

Consumption	Factor
0-6	0.32
7-30	0.92
31-60	0.92
61-300	0.92
Above 300	3.19

- Block B**

Consumption	Factor
0-300	1.00
301-1000	1.00
1001-8000	0.97
Above 8000	0.97

- Block C** (Only for consumers with consumption of over 20 000 kilolitres per month)

Consumption	Factor
0-20 000	0
Above 20 000	0.31

- Block D** (Only municipal consumption)

Consumption	Factor
Above 0	0.26

The block tariffs should encourage consumption, but discourage abuse, with Block A for residential clients and Block B for commercial clients. The choice nevertheless remains the client's. The third block is clients with consumption of over 20 000 kilolitres per month.

The above factors will be phased out as the water demand is growing in relation to the water supply.²

- Pre-paid water tariff – This tariff is calculated together with the other tariffs with a factor of 0.85.
- Municipal tariff – A departmental tariff based on the size of the connection is levied together with a consumption tariff. The departmental levy is aimed at the mere recovery of maintenance and running costs. In calculating this, loan costs, administrative levies, provision for bad debts and profit-taking are not considered.

The availability and minimum levies are levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

If a client on Block A consumption is higher than 300 kl of water per meter reading cycle, then that client may apply for relief if the client can prove that leakage existed. The relief application will be considered based on the following criteria:

- Usage portion of the client indicated that the client's consumption prior to the leakage was less than 300kl and
- Proof can be provided of the cost of repair of the leakage.

² Amended by Council resolution 30/05/2017

The account will be adjusted as follow:

A	=	Usage during period of meter reading (can be more than one period)
B	=	300
C	=	Tariff of Block A for consumption (61 – 300)

Formula: $A - B \times C$

If a client's consumption increased due to a leakage, an average consumption can be charged for a period not exceeding 3 months on submission of proof that the leakage existed and was subsequently repaired.

That the authority for the approval of the relief be assigned to the Manager: Income or Chief Financial Officer.³

Clients are entitled to one claim in a financial year for relief for high water accounts caused by leaking pipes and fittings. Any additional applications can only be approved by the Chief Financial Officer.⁴

4.2.3 Calculation of tariffs during water restrictions

Council determine water saving tariffs with the annual budget and tariff approval process. Provision is made for moderate and extreme restrictions.

4.3 Refuse removal

No distinction is made between fixed and variable costs in the costing structure of refuse removal.

The total costs are divided amongst the clients in relation to the municipal valuation of residential property.

All other consumers are billed according to the size and number of wheelie bins removed.

⁵Where more than one dwelling unit **or business unit**, as defined in the Council's zoning scheme regulations, is situated on a premises (such as a semi-detached dwelling or a block of flats etc.) each such a dwelling unit or **each business unit** shall for the purpose considered to be a consumer. This will be measured by electricity connection. Dwelling or business unit is define as a formal structure with a building plan. That discretion for possible exemption be given to the Accounting Officer regarding this paragraph to evaluate on a case by case basis.

4.3.1 Client groups

The following client groups are distinguished:

- ◆ Non Residential Clients with one removal per week
- ◆ Non Residential Clients with two removals per week
- ◆ Non Residential Clients with three removals per week
- ◆ Residential Clients with one removal per week

³ Amended by Council resolution 27/8/2014

⁴ Amended by Council resolution 30/05/2017

⁵ Amended by Council resolution on 30/05/2019

4.3.2 Tariffs structure

A minimum tariff equal to one removal per week is levied on all commercial and industrial clients, irrespective of whether the service is utilised or not.

All levies are levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

Non Residential Clients are compelled to use wheelie bins for refuse removal purposes. The minimum monthly charge will be equal to the charge for a 240L Wheelie Bin.

4.4 Sewerage

Different types of services provided by the Municipality are in existence in respect of sewerage. These include a water-closet system and a suction-drain system, primarily in Prince Alfred's Hamlet.

4.4.1 Costs structure and client groups

In order to determine a basis for the equitable sharing of costs, each client group's share in the costing structure should be considered.

Potential dumping is used as the fairest method. The client is levied in accordance with his dumping potential. This is determined by the size of the water connection to the property. The client with a bigger connection has the ability to dump more water into the sewerage system. The quantity of water used is not taken into account.

As sewage sludge is based on the flow of water, the costs are largely incurred in respect of the dumping into the sewage works and the treatment of the substances.

The following categories are distinguished:

- <20mm water connection
- 21-50mm water connection
- 80mm water connection
- 100mm water connection
- 150> water connection

A special category was created for Qbiqua Prison.

⁶Where more than one dwelling unit or business unit, as defined in the Council's zoning scheme regulations, is situated on a premises (such as a semi-detached dwelling or a block of flats etc.) each such a dwelling unit or each business unit shall for the purpose of this considered to be a consumer. This will be measured by electricity connection. Dwelling or business unit is define as a formal structure with a building plan. That discretion for possible exemption be given to the Accounting Officer regarding this paragraph to evaluate on a case by case basis.

⁶ Amended by Council resolution on 30/05/2019

4.4.2 Water-closet system

For the purposes of classification where one connection is in place but more than one usage are separately operated on the premises, each separate usage is regarded as a connection in accordance with the classification under which such usage would normally be connected, but not bigger than the connection that serves the premises.

Examples of these are flats, shopping centres where sub-letting takes place and a residential house with a separate flat.

All levies are a monthly levy, or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

A monthly availability levy is imposed on vacant premises where the possibility exists for the connection of a water-closet system to the main sewerage system. The tariff is calculated by dividing the total loan costs by the number of clients (built-up and vacant premises) and to divide that figure by twelve.

4.4.3 Suction-drain system

The suction-drain system is based on usage. Seepage systems which are never sucked make no contribution towards the costs of the service, although the service must still be provided. Fixed costs are accordingly recovered by consumer's tariffs and not by a fixed levy.

The suction-drain service structure entails the following:

- ◆ Availability levies are recovered monthly from all built-up properties in Prince Alfred's Hamlet.
- ◆ Variable costs which recover vehicle and personnel costs, are levied per suction service provided.
- ◆ A distinction is made between areas inside and outside the town area.

Based on vehicle costs, a kilometre tariff is recovered from clients outside the town area.

All levies, with the exception of the kilometre tariff and suction-drain service tariff, are imposed monthly or pro rata on both water-closet and suction-drain services, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

4.5 Property rates

The general valuation roll for Witzenberg will come into effect on 1 July 2013.⁷ The Municipality has at its disposal a rates policy which addresses the following:

- ◆ Criteria for differentiated property rates categories
- ◆ Differentiated tariffs

The purpose of property rates is to recover costs that cannot be redeemed by tariff-recovering services or direct revenue.

⁷ Amended by Council resolution 30/05/2017

5. Sundry Tariffs

The principles expounded for tariff construction, are also applicable to diverse tariffs.

5.1 Resorts

The full costs of the resorts must be recovered by the tariffs so that they place no further burden on the inhabitants of Witzenberg, while at the same time the utilisation of the resorts should be encouraged. The costs of the swimming baths within the resorts form part of the resorts' costs.

The following tariff groups are distinguished:

- Chalets or houses
- Caravan sites
- Semi-permanent camping sites
- Day visitors/motor vehicles
- Renting of conference facilities and halls

A distinction is also made in respect of seasons and the following seasons are defined:

High season

The period of 26 days during the December and January school holidays. Exact dates are determined from year to year

And

The four days coinciding with the Easter weekend during March or April.

In-season

From the commencement of the Western Cape's school holidays during September until the end of April, excluding the high seasons indicated above.

Off-season

All other days, excluding high season and in-season.

A further distinction exists between weekends and weekdays in the event of high season and in-season. No such distinction exists during the off-season.

The following rebates will be given:

- (a) Rebate of 25 % for bookings during weekdays except in school holidays of the Western Cape;
- (b) Pensioners qualifies for a rebate of 50 % in off-season;
- (c) Students accompanied by parents receives 12 % discount on day visit tariffs;
- (d) 50 % rebate for bookings of conference facilities where 5 or more chalets or houses are booked and occupied.

The Director: Community Services may use his/her discretion in terms of the delegation of powers to grant rebates other than stipulated above based on occupation rate and tourism potential.

5.2 Tariffs for halls

Tariffs are levied for the use of municipal halls (e.g. Community halls).

5.2.1 Tariff

All halls must be graded in accordance with their size, condition and available facilities, in the following grades:

A-grade	=	100%
B-grade	=	75%
C-grade	=	50%

The tariffs are determined on the basis of economical and equitable rent and are calculated as follows:

- Costs of personnel and equipment utilised from time to time during use of the hall and preparations and tidying-up activities, to be calculated on the same basis for each property.
- Letting of property, which will vary per grouping (e.g. eating utensils, etc.).
- Categories of functions.

5.2.2 Deposits

Sufficient deposits must be obtained for each letting to cover not only the Municipality's costs, but also to provide for breakage.

5.2.3 Letting periods

Letting is to be divided into morning, afternoon and evening sessions while preparation and tidying up are also provided. This division is retained and is defined as follows:

- o Morning session - from 08:00 – 13:00, including preparation and tidying up
- o Afternoon session – from 13:00 - 18:00, including preparation and tidying up.
- o Evening session - from 18:00 – 24:00, including preparation and tidying up.
- o A pro-rata contribution must be paid, in addition to the letting fee, for every hour or portion thereof falling outside those indicated above.

5.2.4 Free of Charge

The Library Halls may be provided free of charge to the following organisations:

- Youth
- Charity
- Community
- Sport
- Education
- Government and
- Local management meetings of political parties

Community halls may be provided free of charge twice a quarter per party which are represented in the Council, which may be used for political meetings with the community. The political party must however give notice in writing to the Accounting Officer.

The provision is subject to the availability of the facility and will be dealt with accordingly to priority of application based on time of receipt of the application.

5.3 Fees for Cemeteries

Cemetery fees are based on the following:

- Value of land
- Costs of preparing grave
- Maintenance in future
- Costs of digging and closing up of grave (should the family not do so)
- A premium on the sale of the grave to a non-inhabitant of Witzenberg.

As only one costing centre is used, the costs for the preparation of a grave must be the same at all cemeteries. Exceptions, however, may be made in relation to ground formation in respect of the digging of the grave. In order to provide for those who cannot afford the full tariff, a subsidy is to be calculated that is based on specific criteria, and be included in the Municipality's indigent policy.

5.4 Other

The other diverse tariffs must, wherever possible, be determined on actual costs plus a percentage.

6. Rebates

The Municipality provides rebates to people or organisations that assist with economic growth within Witzenberg by the creation of new structures or by additions to existing buildings and the creation of job opportunities.

The person or organisation who wants to apply for the rebate must do so that the application speaks to the criteria extent and conditions as stipulated below:

6.1 Criteria

The person or organisation must create new or extend building and create new job opportunities. The investor must apply for the rebate and provide at least the following information in writing:

- Total cost of building plan
- Total number of jobs created after completion of building phase
- Number of Directors
- Number of Directors classified as historically disadvantaged individuals HDI

The criteria and weights for evaluating the application are as follow:

Criteria	Points
Improvement value of Buildings extended	60
Job opportunities	30
HDI points based on Directors	10

The allocation of points will be as follow:

Improvement value of extension

1 Point for every R80,000.00 of value added

Job opportunities

2 Points for every permanent new job opportunity created, and

1 Point for every seasonal job opportunity created

HDI points

The percentage of the number of HDI directors is used as a basis to allocate a point out of 10.

The applicant must score at least 50 points to qualify for a rebate. The applicant must be prepared that an audit be performed at any stage during the period when the rebates are allocated. If at any stage it is found the applicant do not meet the requirements then the rebate will be stopped immediately.

6.2 Extent

Two categories of rebates exist. A minimum of 75 points must be obtained to qualify for a category A rebate.

The rebate will be for a period of 5 years and will be as follow:

	Rebate A Percentage rebate	Rebate B Percentage rebate
Year 1	25 %	15 %
Year 2	20 %	12 %
Year 3	15 %	9 %
Year 4	10 %	6 %
Year 5	5 %	3 %

The rebate will be applicable on all service charges as well as property rates.

The rebate will only be applicable on the additional services account of the applicant to the original account.⁸

7. Conclusion

In drafting any tariffs policy, the principles enunciated above must be applied in order to determine the equity of the tariff. However, irrespective of the fairness or equity of the tariff, huge problems will be encountered with maintaining and continuing a service if the tariff is not affordable to a large portion of the clients.

⁸ Recommended amendment Council 25/03/2020



PROPERTY RATES POLICY

FORMULATED IN TERMS OF SECTION 3 OF
THE LOCAL GOVERNMENT: MUNICIPAL
PROPERTY RATES ACT, NO. 6 OF 2004

Date of Implementation: 01 July 2010

***OUR VISION: "A MUNICIPALITY THAT CARES FOR ITS COMMUNITY,
CREATING GROWTH AND OPPORTUNITIES"***

Amended by Council 30/05/2017

Amended by Council 18/05/2016

Amended by Council 15/06/2010

Amended by Council 28/05/2009

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1. LEGISLATIVE CONTEXT

- 1.1 This policy is mandated by Section 3 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended, which specifically provides that a municipality must adopt a Rates Policy.
- 1.2 In terms of Section 229 of the Constitution of the Republic of South Africa, 1996 (No.108 of 1996), a municipality may impose rates on property.
- 1.3 In terms of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended a municipality in accordance with-
- a. Section 2(1), may levy a rate on property in its area; and
 - b. Section 2(3), must exercise its power to levy a rate on property subject to-
 - i. Section 229 and any other applicable provisions of the Constitution;
 - ii. the provisions of the Property Rates Act; and
 - iii. the rates policy.
- 1.4 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, *inter alias*, rates on property.
- 1.5 In terms of Section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) the municipal manager must ensure that the municipality has and implements a rates policy.

2. DEFINITIONS

- 2.1 **Act** means the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended.
- 2.2 **Municipality** means the municipal council for the municipal area of Witzenberg.
- 2.3 **Pensioners** mean natural persons 60 years old or older.¹

¹ Added on 30 May 2017

- 2.4 **All other terms** are used within the context of the definitions contained in the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended.

3. POLICY PRINCIPLES

- 3.1 Rates are levied in accordance with the Act as an amount in the rand based on the market value of all rateable property contained in the municipality's valuation roll and supplementary valuation roll.
- 3.2 As allowed for in the Act, the municipality has chosen to differentiate between various categories of property and categories of owners of property. Some categories of property and categories of owners are granted relief from rates. The municipality however does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis, other than by way of an exemption, rebate or reduction provided for in this policy.
- 3.3 There would be no phasing in of rates based on the new valuation roll, except as prescribed by legislation.
- 3.4 The rates policy for the municipality is based on the following principles:
- (a) Equity
The municipality will treat all ratepayers with similar properties the same.
 - (b) Affordability
The ability of a person to pay rates will be taken into account by the municipality. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, reductions or rebates.
 - (c) Sustainability
Rating of property will be implemented in a way that:
 - i. it supports sustainable local government by providing a stable an buoyant revenue source within the discretionary control of the municipality; and
 - ii. supports local social economic development
 - (d) Cost efficiency
Rates will be based on the value of all rateable property and the amount required by the municipality to balance the operating budget after taking into account profits generated on trading (water, electricity) and economic (refuse removal, sewerage removal) services and the amounts required to finance exemptions, rebates, reductions and phasing-in of rates as approved by the municipality from time to time.

4. SCOPE OF THE POLICY

This policy document guides the annual setting (or revision) of property rates. It does not make specific property rates proposals. Details pertaining to the applications of the various property rates are published in the Provincial Gazette and the municipality's schedule of tariffs, which must be read in conjunction with this policy.

5. APPLICATION OF THE POLICY

In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

6. CATEGORIES OF PROPERTY

6.1 Criteria for determining categories of properties for the purpose of levying different rates and for the purpose of granting exemptions will be according to the permitted use of the property

6.2 Categories of property for the municipality include-

- (a) residential properties
- (b) industrial properties
- (c) business and commercial properties
- (d) agricultural properties
- (e) mining properties
- (f) properties owned by an organ of state and used for public service purposes
- (g) public service infrastructure properties
- (h) properties owned by public benefit organisations and used for specified public benefit activities
- (i) properties used for multiple purposes, subject to Section 9; or
- (j) any other category of property as may be determined by the Minister, with the concurrence of the Minister of Finance, by notice in the Gazette.”²

² Amended by Council on 27/02/2017 in terms of amendments to the Act

7. CATEGORIES OF OWNERS

7.1 Criteria for determining categories of owners of properties, for the purpose of granting exemptions, rebates and reductions will be according to the-

- (a) indigent status of the owner of a property
- (b) sources of income of the owner of a property
- (c) owners of property situated within an area affected by-
 - i. a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
 - ii. any other serious adverse social or economic conditions;
- (d) owners of residential properties with a market value below a determined threshold;
- (e) owners of agricultural properties who are *bona fide* farmers; or
- (f) pensioners³

7.2 In determining whether a property forms part of a particular category indicated below, the council shall have regard to the actual zoning to which the relevant property is put. Vacant land is included in its own category, irrespective of the permitted use of the property. A change in zoning may result in a change in the category of the property. In table 1 the different usage is listed against the rating categories.

7.3 Business and/or commercial improvements on agricultural properties will be rated separately from the rest of the property according to the zoning of the improvement.

Table 1

Rating categories	Use codes
Residential Property	GEN RES
	GROUP HOUSE
	RES
	RES 1
	RES 2
	RES 3
	RES 4
	SIN RES

³ Added on 30 May 2017

Rating categories	Use codes
	RESORT 2
	AGRI 1/ROS 2
Informal Settlements	INF RES
Business/Commercial Property	BUS
	BUS 1
	BUS 2
	BUS 4
	BUS 5
	CEMETERY
	COM
	EDUC
	GUEST HOUSES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OPEN S1
	OPEN S 2
	OPEN S 3
	PARKING
	RES 5
	RESORT 1
	ROS 1/ OPEN S 3
Industrial property	IND
	IND 1
	IND 3
Agricultural Properties:	
Bona fide Agricultural	AGRI 1/RES 1
	AGRI 1/RES 2
	AGRI 1/SERVT
	AGRI 1
	AGRI 1/OS 2
	AGRI 1/OS 3
	AGRI 1
	AGRI 1/INST ⁴
	AUTH
Agricultural / Business / Residential	AGRI 1/BUS 2/RES 5
	AGRI 1/ROS 1/RES 5
	AGRI 1/BUS 2
	AGRI 1/RES 5

⁴ Updated by Council 29/05/2013 with effect from July 2012

Rating categories	Use codes
Agricultural / Industrial	AGRI 1/AGRI 2
	AGRI 1/IND 1
	AGRI 1/IND 2
	AGRI 2
State Owned Property	AGRI 1
	AUT
	BUS
	EDUC
	GEN RES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OS 1
	OS 2
	OS 3
	OS
	RES
	RES 1
	SERV
	SIN RES
	SPORT
	TRANS
	TRANS 1
	TRANS 2
	TRANS 3
	UNDET
Municipal Property	AGRI 1
	AUT
	BUS
	EDUC
	GEN RES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OS 1
	OS 2

Rating categories	Use codes
	OS 3
	POS
	RES
	RES 1
	SERV
	SIN RES
	SPORT
	TRANS
	TRANS 1
	TRANS 2
	TRANS 3
	UNDET
Vacant Land - Urban	VACANT
	POS
Public Service Infrastructure	SERV STAT
	TRANS
	TRANS 1
	TRANS 2
	UNDET

8. DIFFERENTIAL RATING

- 8.1 Criteria for differential rating on different categories of properties will be according to-
- (a) The nature of the property including its sensitivity to rating e.g. agricultural properties used for agricultural purposes.
 - (b) The promotion of social and economic development of the municipality.
- 8.2 Differential rating among the various property categories will be done by way of setting different cent amount in the rand for each property category.
- 8.3 Pensioners may qualify for a rebate of 50% on residential property in terms of councils' policy.

8.4 Rates ratios to be applied

The rates ratio in relation to residential properties to be applied on non-residential properties is set in the table 2 below:

Table 2:

Categories	Ratio in relation to residential Property
Residential Property:	
Bona Fida residential	1:1
Informal settlements	1:0.9
Business / Commercial property:	1:1.81
Industrial Property	1:1.76
Agricultural Properties:	
Bona Fida Agricultural	1:0.135 ⁵
Agricultural/Business/Residential	1:1.13
Agricultural / Industrial	1:1.13
State owned Property	1:1.58
Vacant Land – Urban	1:1.50
Public Service Infrastructure	1:0.25
Building clauses	1:1.25

9. EXEMPTIONS

9.1 The following categories of property are exempted from rates:

- (a) Municipal properties
Municipal properties are exempted from paying rates as it will increase the rates burden or service charges to property owners or consumers.
- (b) Public Benefit Organisations
The following Public Benefit Organisations may apply for the exemption of property rates subject to producing a tax exemption certificate issued by the South African Revenue Services (SARS) as

⁵ Recommended 25 March 2020 to adjust ratio from 1:0.12 to 1:0.135

contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, 1962 (No 58 of 1962):

i. Welfare organisations

Properties owned by not for gain institutions or public benefit organisations and are solely use for the benefit of the institution and or for charitable purposes and performs welfare and humanitarian work as contemplated by part 1 of the ninth Schedule of the Income Tax Act (Act 58 of 1962). Council may grant a rebate as of 100% in the case of Inst. 2 uses and 50% in the case of Inst. 3 users.

ii. Animal welfare

Property owned or used by institutions/organisations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.

- (c) In terms of section 17(i) of the MPRA, the council do not levy a rate on the property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office bearer of that community who officiates at services at that place of worship.

(The exclusion lapses if not used for the purposes as indicated above.)

9.2 Exemptions will be subject to the following conditions:

- (a) all applications must be addressed in writing to the municipality;
- (b) a SARS tax exemption certificate must be attached to all applications;
- (c) the municipal manager or his/her nominee must approve all applications;
- (d) applications must reach the municipality before the end of October preceding the start of the new municipal financial year for which relief is sought; and
- (e) the municipality retains the right to refuse exemptions if the details supplied in the application form were incomplete, incorrect or false.

10. REDUCTIONS

10.1 A reduction in the municipal valuation as contemplated in section 15(1)(b) of the Act will be granted where the value of a property is affected by-

- (a) a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or

- (b) any other serious adverse social or economic conditions
- 10.2 The reduction will be in relation to the certificate issued for this purpose by the municipal valuer.
- 10.3 All categories of owners can apply for a reduction in the rates payable as described above

11. REBATES

Categories of property

(a) Business, commercial and industrial properties

- i. The municipality may grant rebates to rateable enterprises that promote local, social and economic development in its area of jurisdiction, based on its Local, Social and Economic Development Policy and as included in the council tariff policy.
- ii. Rebates will be granted once an application was received and approved by the municipal manager or his/her delegate.

(b) Conservation Land

No rebates are granted to privately owned properties whether designated or used for conservation purposes.

(c) Historical or heritage properties

No rebates are granted other than residential rebates if appropriate.

(d) Cemeteries.

Privately owned cemeteries received a rebate of 50% and must be exclusively be used for the purpose of a cemetery.

(e) Residential Properties.

The Municipality will not levy a rate on the first value up to R100 000 of the market value as per the Valuation Roll of Residential Properties, as follows:

- on the first R15 000 on the basis set out in Section 17(1)(h) of the MPRA; and
- on the balance of the market value up to R85 000 in respect of residential properties, as an important part of the Councils

indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low-value properties.⁶

- (f) Other properties: informal settlements; industrial properties; business and commercial properties. (Refer to paragraph 6.2)

The Municipality will not levy a rate on the first value up to R100 000 of the market value as per the Valuation Roll of informal settlements, industrial properties or business and commercial properties as categorise in paragraph 6.2.⁷

- (g) i) Pensioners may qualify for a rebate of 50% on residential property.
- ii) *Rebates will be granted once an application was received and approved by the municipal manager or his/her delegate.*⁸
- (h) The Municipality provides rebates to people or organisations that assist with economic growth within Witzenberg by the creation of new structures or by additions to existing buildings and the creation of job opportunities.

The person or organisation who wants to apply for the rebate must do so that the application speaks to the criteria extent and conditions as stipulated below:

Criteria

The person or organisation must create new or extent building and create new job opportunities. The investor must apply for the rebate and provide at least the following information in writing:

- Total cost of building plan
- Total number of jobs created after completion of building phase
- Number of Directors
Number of Directors classified as historically disadvantaged individuals HDI

⁶ Subsection (e) added by Council 18/05/2016

⁷ Subsection (f) added by Council 18/05/2016

⁸ Paragraph (g) - added by Council 30/05/2017

Paragraph (h) - recommended

12. MULTIPLE-USE PROPERTIES

If a portion of farms and smallholdings is being used for commercial or industrial purposes and where the municipality considers it reasonable to apply the category of multiple-use properties, the apportionment of value for each distinct use of the property will be calculated by the municipal valuer and used for billing at the applicable rate. This also caters for wind and solar energy plants.⁹

13. RATES INCREASES

- (a) The municipality will consider increasing rates annually during the budget process in terms of the guidelines issued by National Treasury from time to time.
- (b) Rate increases will be used to finance the increase in operating costs of community and subsidised services.
- (c) Affordability of rates to ratepayers.
- (d) All increases in property rates will be communicated to the local community in terms of the municipality's policy on community participation.

14. NOTIFICATION OF RATES

- (a) The municipality will give notice of all rates approved at the annual budget meeting at least 30 days prior to the date that the rates become effective. Accounts delivered after the 30 days' notice will be based on the new rates.
- (b) A notice stating the purport of the municipality's resolution and the date on which the new rates become operational will be displayed by the municipality at places installed for that purpose.

15. PAYMENT OF RATES

- 15.1 Liability for and payment of rates is governed by the MPRA and the Municipality's Credit Control and Debt Collection Policy and By-Laws as well as any other applicable legislation.¹⁰
- 15.2 Ratepayers may choose, not later than 31 August in any financial year, or such later date in such financial year as may be determined by the municipal

⁹ Paragraph 13 added by Council 18/05/2016

¹⁰ Paragraph 16.1 added by Council 18/05/2016

- manager or his/her nominee, between paying rates annually in one instalment on or before 30 September or in twelve equal instalments on or before the 15th day of the month following on the month in which it becomes payable.¹¹
- 15.3 An owner is liable for payment of a rate whether or not that person has received a written account. The furnishing of accounts for rates in terms of this section is subject to section 102 of the Municipal Systems Act.¹²
- 15.4 A rate levied by a municipality on a sectional title unit is payable by the owner of the unit.¹³
- 15.5 Interest on arrears rates, whether payable on or before 30 September or in equal monthly instalments, shall be calculated in accordance with the provisions of the credit control, debt collection and indigent policy of the municipality.
- 15.6 If a property owner, who is responsible for the payment of property rates in terms of this policy, fails to pay such rates in the prescribed manner, it will be recovered from him/her in accordance with the provisions of the Credit Control, Debt Collection and indigent policy of the Municipality.
- 15.7 Arrears rates shall be recovered from tenants, occupiers and agents of the owner, in terms of section 28 and 29 of the Act.
- 15.8 Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll.
- 15.9 In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

16. CLEARANCE CERTIFICATES

¹¹ Paragraph 16.2 amended by Council 18/05/2016

¹² Paragraph 16.3 added by Council 18/05/2016

¹³ Paragraph 16.4 added by Council 18/05/2016

- (a) Are issued in terms of Section 118 (1) (a) of the Local Government: Municipal Systems Act, 2000, Act No. 32 of 2000, and will be valid for a period of 60 days from the date it has been issued.
- (b) Are issued within 7 working days after receipt of the applicable fees and receipt of the clearance application form.
- (c) Are issued when all amounts due in connection with that property for municipal fees, surcharges, property rates and other municipal taxes, levies and duties have been fully paid.
- (d) All rates in respect of the financial year when the transfer is reasonably expected are immediately payable.
- (e) If an amount liable for rates and services in respect of a property is outstanding and the property needs to be transferred, a rates clearance certificate will only be issued upon payment of the current account and after completion of an agreement by the new owner for any municipal services in arrears, subject to Council's Credit Control and Debt Collecting Policy in respect of the following transfers:
 - (i) Transfer of a property from the Municipality to the new owner;
 - (ii) Transfer of a property from one spouse to the other;
 - (iii) Transfer of a property from the owner (parent) to a child.¹⁴

17. REGULAR REVIEW PROCESSES

The rates policy will be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation.

18. SHORT TITLE

This policy is the Property Rates Policy of the Witzenberg Municipality.

¹⁴ Paragraph 17 added by Council 18/05/2016

19. ENFORCEMENT/IMPLEMENTATION

This policy has been approved by the Municipality and came into effect from 1 July 2009.



CREDIT CONTROL & DEBT COLLECTION POLICY

***OUR VISION: "A MUNICIPALITY THAT CARES FOR ITS COMMUNITY, CREATING
GROWTH AND OPPORTUNITIES"***

Date of implementation: 01 July 2008

Latest review and updates by Council on 30/05/2019

Reviewed and amended by Council 29/05/2019
Reviewed and amended by Council 28/05/2014
Reviewed by Council 29/05/2013
Reviewed by Council 31/05/2012
Reviewed by Council 28/09/2011
Reviewed by Council 20/04/2011
Reviewed by Council 15/06/2010
Council 28/05/2009 Item 8.1.2
Council 04/08/2008

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PREAMBLE

WHEREAS Section 152 (1) (b) of the Constitution of the Republic of South Africa Act 108 of 1996 (the Constitution) provides that one of the objects of local government is to ensure that the provision of services to communities occurs in a sustainable manner;

AND WHEREAS Section 153 (a) of the Constitution provides that a municipality must structure its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community;

AND WHEREAS Section 195 (1) of the Constitution provides that the public administration must be governed by the democratic values and principles enshrined in the Constitution, including-

- the promotion of the efficient, economic and effective use of resources;
- the provision of services impartially, fairly, equitably and without bias; and
- the fact that people's needs must be responded to.

AND WHEREAS Section 4 (1) (c) of the Local Government: Municipal Systems Act 33 of 2000 (the Systems Act) provides that the Council of a municipality has the right to finance the affairs of the municipality by charging fees for services, imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties;

AND WHEREAS Section 5 (1) (g), read with subsection (2) (b), of the Systems Act provides that members of the local community have the right to have access to municipal services which the municipality provides provided that, where

applicable and subject to the policy for indigent debtors, pay promptly for services fees, surcharges on fees, other taxes, levies and duties imposed by the municipality;

AND WHEREAS Section 6 (2) (c), (e) and (f) of the Systems Act provides that the administration of a municipality must take measures to prevent corruption; give members of a local community full and accurate information about the level and standard of municipal services that they are entitled to receive; and inform the local community about how the municipality is managed, of the costs involved and the persons in charge;

AND WHEREAS Chapter 9, Sections 95, 96, 97, 98, 99 and 100, of the Systems Act provides for Customer Care Management, Debt Collection responsibility of the Municipality, contents of the policy, by-laws that give effect to the policy, Supervisory authority and Implementing authority.

The Witzenberg Municipal Council, at its meeting of 28May 2008adopts this policy to be known as: The Witzenberg Municipality Credit Control and Debt Collection Policy". This policy replaces that policy in its entirety.

1. DEFINITIONS

In this policy, unless the context indicates otherwise, the word or expression has the following meaning:

- 1.1 "Accounting Officer" The Municipal Manager appointed in terms of Section 82(1) (a) or (b) of the Municipal Structures Act, 1998 (Act No. 117 of 1998);
- 1.2 "Actual consumption" means the measured consumption of a consumer of a municipal service during a specified period;
- 1.3 "Arrangements" means a formal agreement entered into between the Council and a debtor where specific repayment parameters are agreed to.
- 1.4. "Arrears" mean any amount due, owing and payable by a customer in respect of a municipal account not paid on the due date;
- 1.5. "Average consumption" means the deemed consumption of a customer of a municipal service a specific period, which consumption is calculated by adding the recorded monthly average consumption and the current actual consumption and dividing the total by 2;
- 1.6. "Bank guarantee" refers to an undertaking by a registered financial institution whereby it guarantees a specified maximum amount to be paid if the principal debtor (the consumer) fails to pay;
- 1.7. "Calculated amounts" refers to the amounts calculated by the Chief Financial Officer, in consultation with the relevant technical departments, to be due to the Council by a consumer in respect of the supply of the applicable municipal services for any period during which the exact quantity of the supply cannot be determined accurately for reasons beyond the control of the Chief Financial Officer. This shall normally be based on the average consumption figures, if available, for the service rendered to the customer or, failing the availability of such data, on the average consumption figures applicable to one or more properties of similar size and nature in the area in which the customer resides or carries on business;
- 1.8. "Charges" refers to charges incurred by the municipality to collect arrears;
- 1.9. "Chief Financial Officer" refers to the person so designated in terms of Section 75(2)(a) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) or any person duly authorised to act on behalf of such person and shall have the same meaning as Strategic Executive Manager: Finance or City Treasurer;
- 1.10. "Consolidated account" refers to one combined account for all municipal services, housing rents and instalments, rates and basic charges payable, and "consolidated bill" has a corresponding meaning;
- 1.11. "Consumer" means a customer;

- 1.12 "Conventional electricity and water meters means "electricity and/or water meters, as the case may be, which are used to determine the supply of electricity and water and which are normally read on a monthly or other fixed interval basis;
- 1.13 "Council" refers to The Witzenberg Municipality and its successors in law and includes the Council of that municipality or its Executive Committee or any other body acting by virtue of any power delegated to it in terms of legislation, as well as any official to whom the Executive Committee has delegated any powers and duties with regard to this policy;
- 1.14 "Councillor" refers to any member of a municipal council;
- 1.15 "Credit Control "refers to all functions relating to the collection of monies owed by customers and users of municipal services.
- 1.16 "Customer" refers to any occupier of any premises to which Council has agreed to supply or is actually supplying services, or if there is no occupier, then the owner of the premises and includes any debtor of the municipality;
- 1.17 "Defaulter" refers to any customer owing the municipality money in respect of rates and / or service or sundry charges; not paid on the due date as stipulated on the account or on the agreement. The owner will be held responsible for occupiers / tenants, arrear accounts, for water, electricity and any other service or sundry accounts;
- 1.18 "Deposit" refers to a minimum sum of money specified by the Chief Financial Officer and payable by the consumer to the Municipality prior to occupation of the property or prior to the date on which services to the property are required;
- 1.19 "Due date" in the absence of any express agreement in relation thereto between the Council and the customer, refers to the date stipulated on the account and determined from time to time as the last date on which the account must be paid;
- 1.20 "Equipment" refers to any building or other structure, pipe, pump, wire, cable, meter, engine or any accessories;
- 1.21 "Estimated "consumption arises when no actual reading can be taken and is equivalent to the existing average consumption;

- 1.22 "Existing" customers refers to the customers who have already entered into an agreement for the supply of municipal services;
- 1.23 "Financial year" refers to the period starting from 1 July in a year to 30 June the next year;
- 1.24 "Fees" refers to expenses incurred by the municipality to collect arrears;
- 1.25 "Implementing Authority" means the Municipal Manager or his nominee, acting in terms of Section 100 of the Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000);
- 1.26 "Interest" is a charge levied with the same legal priority as service fees and calculated at a rate determined by Council from time to time on all arrear monies;
- 1.27 "Meter" audits refer to an investigation to verify the correctness of the consumption and supply of electricity and water;
- 1.28 "Municipality" when referred to as:
- (a) a corporate body, means a municipality as described in Section 2 of the Municipal Systems Act, 2000 (Act No. 32 of 2000);
 - (b) A geographic area means a municipal area determined in terms of the Local Government Municipal Demarcation Act, 1998 (Act No. 27 of 1998).
- 1.29 "Municipal Manager" means the person appointed as Municipal Manager in terms of Section 82 of the Local Government Municipal Structures Act, 1998, (Act No. 117 of 1998) and includes any person acting in that position or to whom authority has been delegated;
- 1.30 "Municipal services" refers to any services provided by the municipality or any authorised and contracted service provider, available or applied for, or provision made for any service, for which it is entitled to charge a fee or formulate a tariff, payable by a customer or user, thereof;
- 1.31 "Normal office hours" means the hours when the Chief Financial Officer's offices are open to the public from Mondays to Fridays, excluding public holidays, Saturdays and Sundays;
- 1.32 "Official" refers to an employee of The Witzenberg Municipality
- 1.33 "Occupier" means any person, who occupies any property or part thereof, without regard to the title under which he or she occupies the property,

1.34 "Owner" means:

- (a) The person in who from time to time is vested the legal title to premises, which title is registered at the Deeds Office;
- (b) In a case where the person in whom the legal title is vested is insolvent or deceased, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator, trustee, executor, administrator, judicial manager, liquidator or other legal representative;
- (c) In a case where the Council is unable to determine the identity of such person, a person who is entitled to the benefit of such premises with a building thereon;
- (d) In the case of premises for which a lease of 30 years or more has been entered into, the lessee thereof;
- (e) In relation to
 - i. A piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act 1986, (Act 95 of 1986), and without restricting the above the developer or the body corporate in respect of the common property; or
 - ii. A section, as defined in such Act, the person in whose name such a section is registered under a sectional title deed and includes the lawfully appointed agent of such a person;
- (f) Any legal person including but not limited to
 - i. A company registered in terms of the Companies Act, 1973 (Act 61 of 1973), a Trust, a Closed Corporation registered in terms of the Closed Corporations Act, 1984 (Act 69 of 1984) and a voluntary association;
 - ii. Any department of State;
 - iii. Any Council or Board established in terms of any legislation applicable to the Republic of South Africa;
 - iv. Any Embassy or other foreign entity;

1.35 "Premises" includes any piece of land, the external surface boundaries of which are delineated on-

- (a) A general plan or diagram registered in terms of the Land Survey Act, 1927 (9 of 1927), or in terms of the Deed Registry Act, 1937 (47 of 1937); or
- (b) A sectional plan registered in terms of the Sectional Titles Act, 1986 (95 of 1986), which is situated within the area of jurisdiction of the Council;

- 1.36 "Rates" refers to property rates on property situated in the municipal area, any other tax, duty or levy imposed by the municipality;
- 1.37 "Service agreement" refers to an agreement for the consumption of electricity and/or water and other services as determined from time to time;
- 1.38 "Terminated account" refers to:
- (a) the final account for services after the customer has left the premises, whether or not the customer has given notice to terminate the supply of service; OR
 - (b) the final account for services if the customer has contravened the service provisions of this policy and attendant municipal bylaws;
- 1.39 "Variable flow-restricting device" refers to a device that is coupled to the water connection that allows the water supply to be restricted or closed;
- 1.40 "Visitation fee" refers to the fee charged for attendance and/or disconnection/reconnection of an electricity/water supply when the supply has been disconnected due to non-payment and/or tampering, or where access to disconnect/restrict has not been gained, which fee shall be
- 1.41 "Voluntary garnishee order/emoluments order" refers to a court order for the deduction of an amount of money from the salary or other income of a customer.

2. INTRODUCTION

- 2.1. The Council cannot develop the local economy and provide acceptable services to its residents unless it receives payment, in full, of all bills raised for the services that it provides.
- 2.2. The municipality must develop, maintain and implement a credit control and debt collection policy that is consistent and complies with the relevant legislation.
- 2.3. In regard to payments expected from registered indigents and Council tariffs, this policy is to be read in conjunction with The Witzenberg Municipality Indigent Policy and The Witzenberg Municipal Tariff Policy.

3. OBJECTIVES

The objectives of the Credit Control and Debt Collection Policy are:

- 3.1 To define a framework within which the municipality can develop an effective procedure to bill and collect its revenues;
- 3.2 To ensure that all monies due and payable to the municipality are collected and used to deliver municipal services in the best interests of the community, residents and ratepayers and in a financially sustainable manner as prescribed by the Municipal Systems Act, 2000 (Act No. 32 of 2000), and other applicable legislation;
- 3.3 To maintain and implement a credit control and debt collection policy, which is consistent and complies with Section 97 of the Municipal Systems Act, 2000 (Act No. 32 of 2000).
- 3.4 To ensure that the municipality develops credit control procedures and mechanisms that are considered to be consistent, fair and effective to all its consumers.

4. UNDERLYING PRINCIPLES OF THIS POLICY

- 4.1 The administrative integrity of the municipality must be maintained at all times. The democratically elected councillors are responsible for policymaking, while it is the responsibility of the Councillors, Municipal Manager and all staff to ensure the execution of these policies.
- 4.2 This policy shall take effect and be enforceable from the date of approval thereof by Council.
- 4.3 The collection process must be cost-effective and enforcement of payment for services rendered must be prompt, consistent and effective.
- 4.4 Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections and/or restrictions, penalties, loss of rights and criminal prosecutions.
- 4.5 All Witzenberg Municipality employees shall:
 - 4.5.1 Embrace the principles of Batho Pele and treat all debtors with dignity and respect at all times
 - 4.5.2 Employees shall execute their duties in an honest and transparent manner whilst protecting the confidentiality of information in accordance with the Access to Information Act.

5. ROLE AND RESPONSIBILITY OF MUNICIPAL MANAGER

- 5.1 In terms of Section 100 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Municipal Manager is responsible for implementing the credit control and debt collection policy. In line with this, the Municipal Manager is to perform the following:
 - 5.2 install and maintain appropriate accounting system.
 - 5.3 bill customers.
 - 5.4 demand payment on due dates.
 - 5.5 raise penalties and interest for defaulters.
 - 5.6 appropriate payments received.

- 5.7 collect outstanding debt.
- 5.8 provide different/alternate payment methods.
- 5.9 determine credit control and debt collection measures.
- 5.10 determine all relevant work procedures for, inter alias, public relations, arrangements, disconnection/reconnection of services, summonses, attachments of assets, sales in execution, write-off of debts, sundry debtors and legal processes.
- 5.11 instruct attorneys to proceed with the legal process (i.e. attachment and sale in execution of assets, emolument attachment orders, etc.).
- 5.12 appoint staff to execute Council's policy and by-laws.
- 5.13 determine internal control procedures.
- 5.14 monitor contracts with service providers in connection with credit control and debt collection.
- 5.15 The Municipal Manager may delegate these responsibilities to the Chief Financial Officer. However, this delegation does not absolve the Municipal Manager from being held accountable for implementing this policy.
- 5.16 The Municipal Manager is to report monthly to the Executive Committee, and quarterly to the Council, on the actions taken in terms of this policy, and on the payment levels for the periods concerned.
- 5.17 Although the Municipal Manager is held accountable for implementing this policy, it is the responsibility of all officials of the municipality to promote and support this credit control and debt collection policy.

6 ROLE AND RESPONSIBILITY OF COUNCILLORS

- 6.1 To approve budgets consistent with the needs of communities, ratepayers and residents.
- 6.2 To impose rates and taxes and to determine service charges, fees and penalties to finance the budget.
- 6.3 To facilitate sufficient funds to give access to basic services for the poor.
- 6.4 To provide for a bad debt provision, in line with the payment record of the community, ratepayers and residents, as reflected in the financial statements of the municipality.
- 6.5 To, together with the Chief Financial Officer, set an annual improvement target for debt collection (refer Section 9), in line with acceptable accounting ratios and the ability and performance of any appointed external service providers.
- 6.6 To approve a reporting framework for credit control and debt collection.
- 6.7 To consider and approve by-laws to give effect to the Council's policy.
- 6.8 To revise the budget should Council's targets for credit control and debt collection is not met.
- 6.9 To take disciplinary and/or legal action against Councillors, officials and agents who do not execute Council policies and by-laws, or act improperly in terms of such policies.
- 6.10 To approve a list of suitably qualified service providers that will act on behalf of Council in all collection and legal matters relating to debt collection.
- 6.11 To provide sufficient capacity in the Municipality's Budget and Treasury Office for credit control and debt collection or, alternatively, to appoint service providers or debt collection agents to assist with the credit control and debt collection procedures.
- 6.12 To assist the Municipal Manager in the execution of his duties, if and when required.
- 6.13 To provide funds for the training of staff in connection with credit control and debt collection.
- 6.14 In terms of Section 99 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Executive Committee, is to monitor and supervise the application of this policy, and is to report to Council on the extent and success of the municipality's credit control actions.

- 6.15 In order to maintain the credibility of the municipality in the implementation of the present policy, Councillors, by adopting this policy, pledge that their own accounts will at no stage fall into arrears.

7. DUTIES AND FUNCTIONS OF WARD COUNCILORS

- 7.1 To adhere to and convey Council policies to residents and ratepayers.
- 7.2 To adhere to the Code of Conduct for Councillors.
- 7.3 The ward committees will act in terms of roles and functions as approved by Council.
- 7.4 The ward committees are encouraged to actively promote this policy, and to ensure, at the same time, that the municipality's customer service is of a standard acceptable to the community.

8. DUTIES AND FUNCTIONS OF COMMUNITIES, RATEPAYERS AND RESIDENTS

- 8.1 To fulfil certain responsibilities, as brought about by the privilege and or right to use and enjoy public facilities and municipal services.
- 8.2 To pay service fees, rates on property and other taxes, levies and duties imposed by the municipality on or before the due date for payment.
- 8.3 To observe the mechanisms and processes of the municipality in exercising their rights.
- 8.4 To allow municipal officials access to their property to execute municipal functions.
- 8.5 To comply with the by-laws and other legislation of the municipality.
- 8.6 To refrain from tampering with municipal services and property.

9. EXPECTED DEBTOR PAYMENT LEVELS

- 9.1 The municipality is to aim at ensuring that payment levels (i.e. the percentage level of income received from debtors) for the present and future financial years, in respect of all amounts due to the municipality, exclusive of the balance of the monthly accounts payable by registered indigents, are maintained at an annual average of at least 96%.
- 9.2 The long-term target is a debtor turnover ratio of 30 days, that is, debtors are expected to pay for services on average within one month of receiving accounts.

10. AREA OF APPLICATION

- 10.1 This policy shall apply and be enforceable throughout the entire area of jurisdiction of The Witzenberg Municipality
- 10.2 The Council reserves the right to differentiate between different categories of consumers, debtors, services or service standards when applying this policy. The Council will, on application of this policy, avoid discrimination as forbidden by the Constitution unless it is established that the discrimination is fair as allowed by the Constitution.

11. APPLICATION FOR SERVICES AND SERVICE AGREEMENTS

- 11.1 Before being provided with electricity, water and/or other customer services, and prior to taking occupation of premises, every customer shall enter into a service agreement with the Council in which, inter alias, the customer agrees that the electricity, water and/or other services, supplied by either Prepaid or Credit meter systems, may be used for credit control purposes to collect arrears in respect of all outstanding debt.
- 11.2 All consumers wishing to utilise municipal services must apply to enter into a service agreement.
- 11.3 The service agreement will be entered into prior to the provision of services and prior to the consumer taking occupation of the premises.

- 11.4 A new service agreement will only be entered into once all amounts owed by a consumer on other debtor accounts are settled in full.
- 11.5 A new service agreement will only be entered into on a property, once all outstanding amounts owed on the property are settled in full. The owner of the property shall have the responsibility to ensure that all debts incurred after 1 July 2007 are fully paid by the tenant in order to mitigate the non-provision of services to tenants/residents after the date mentioned above.
- 11.6 Paragraph 11.5 is not applicable to outstanding accounts in respect of houses allocated by the housing committee.¹
- 11.7 Where municipal services are used/consumed or made use of, and the owner, tenant, or occupants of a property, have not entered into nor completed an agreement for such services, the owner responsible for the payment of rates on the property will be billed for the metered consumption and all municipal service charges applicable to the property.
- 11.8 The service agreement shall indicate that transfer of a property may not be registered until the municipality issues a clearance certificate which reflects that all amounts due in connection with that property for municipal service fees, property rates and other municipal taxes, levies and duties have been fully paid. The outstanding monies include accounts relating to tenants who may have left the property of the seller.
- 11.9 Application forms are available at the municipal offices and the application process must occur at least ten (10) working days prior to taking occupation of the premises. This will ensure that services are available when occupation is taken. Failure to adhere to the timeframe may result in customers not having the services available when occupation is taken. Once the application has been approved, a service agreement will be entered into and services will commence.
- 11.10 The Municipality will render the first account after the first meter reading cycle following the date of signing the service agreement or as soon as is administratively possible.
- 11.11 Consumers who illegally consume services without a valid service agreement will be subject to disconnection and/or removal of the service and may have charges laid against them for theft and fraud.

¹ Amended by Council on 28 May 2014

11.12 The service agreement shall set out the conditions under which the services are provided and shall require the signatories thereto to accept the contents of the municipality's credit control and debt collection policy, as well as the provisions of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

(a) An undertaking by customers:

- That the electricity, water and/or other services supplied by either the Prepaid or Credit meter systems, may be used for credit control purposes to collect arrears in respect of all outstanding debt and shall include rates if the customer is the owner of the property;
- That they are liable for the costs of collection, including any administration fees, penalties for late payment, legal costs, interest, disconnection fees and reconnection fees, and
- That any alleged non-receipt of an account does not affect the customers' liability for the account, nor stop the credit control process;

(b) An undertaking by Council:

- That it will deliver accounts to customers
- That if customers do not receive an account and have accordingly requested one, a statement will be supplied to them.

11.13 Where a signatory is not the owner of the property to which the services are to be provided, a letter from the owner indicating that the signatory is the lawful occupant of the property and where a lessor/lessee arrangement exists between the parties, a copy of such agreement shall be attached to the service agreement.

11.14 Where a consumer has failed to enter into a service agreement with the Council, water and/or electricity shall be restricted or disconnected, as the circumstances may require, until such time as a service agreement has been entered into and the applicable deposits have been paid. In such circumstances, the consumer will be held liable for any calculated amounts.

12 DEPOSITS AND GUARANTEES

- 12.1 Every customer is to pay a deposit on application for the provision of municipal services before the municipality renders any service to the property. Deposits are payable when new customers sign service agreements and when existing customers move to a new supply address. All deposits shall be paid at least 5 (days) days prior to occupation of the property or prior to the date on which the services are required. Failure to comply with this clause may result in a delay in the connection of services and the Council shall not be liable for any loss or prejudice suffered by a customer as a result thereof.²
- 12.2 Subject to the provisions of clauses 12.3, 12.4 and 12.5 hereunder, the calculation for deposits shall be based on two months' consumption of metered services together with any charges for other municipal services, or a minimum amount specified by the Chief Financial Officer from time to time.
- 12.3 In determining the deposit described in Section 12.2, the Chief Financial Officer may differentiate between areas to give cognisance to differences in service standards and usage.
- 12.4 The Chief Financial Officer may re-assess customer deposits for new domestic, commercial and industrial customers three months after the initial deposit date and may, as a result of this reassessment, require an additional deposit from the customer.
- 12.5 The Chief Financial Officer may review deposits annually and, in the case of a customer's service being disconnected or restricted as a result of non-payment or tampering, may increase the deposit. Should the deposit be increased as a result of this review the customer must immediately make payment of the increased amount in line with the instruction from the Chief Financial Officer.
- 12.6 The outcome of the review contemplated in clause 12.5 shall be communicated to the customer in the event of any variation in the deposit arrangements being required.
- 12.7 Should a customer's services be disconnected twice during any twelvemonth period due to non-payment, the customer's deposit shall be adjusted the following month to conform to Clause 12.5.
- 12.8 Bank guarantees are only permitted for businesses and only under circumstances as determined by Council from time to time.
- 12.9 The municipality will pay no interest on consumer deposits³

² Amended by Council on 28 May 2014.

³ Amended and reviewed by Council on 30 May 2019

13 ACCESS TO PROPERTY TO READ METERS

- 13.1 In terms of Section 101 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the occupier, owner or tenant of a property is to allow municipal officials or the municipality's authorised service providers access to read meters, install or repair meters as well as to, discontinue or restrict the provision of a service. The official is to have the proper authorisation and can only request access during reasonable hours.
- 13.2 If the municipality is unable to read any meter on any property because the meter has been rendered inaccessible, the municipality shall estimate the consumption of the service concerned and thereafter bill the accountholder for the monetary value of such estimated consumption.
- 13.3 In the event that the Council continues to be unsuccessful in obtaining access to the property and, therefore, is unable to obtain an accurate meter reading, the Chief Financial Officer or his authorised representative may disconnect the supply of services.
- 13.4 Voluntary readings:
- These will be permitted provided the municipality obtains any final reading should the consumer move to another supply address.
 - Consumers may be liable for a fee to cover the costs of obtaining a reading if no advance warning is given and special arrangements are required to obtain a reading.
 - The Municipality is entitled to make suitable adjustments to the readings should a consumer fail to ensure that a final reading is obtained.
 - An audit reading during the normal reading cycles must be obtained at least once every 06 months. If a special audit reading becomes necessary this will be done at the cost of the consumer.
 - The consumer may elect to supply voluntary readings subject to compliance with these rules. The Chief Financial Officer may, however, cancel the voluntary reading convenience if the consumer fails to render readings on two or more consecutive occasions.

14 ACCOUNTS, BILLING AND PAYMENT

14.1 The Council shall produce and post one consolidated monthly bill to consumers for services supplied or available (inter alias, electricity, water, refuse and sewerage charges) and for rates levied on property within the municipal area unless, for whatever reason, the rates account has not been consolidated with the services account in which case separate monthly accounts will be posted. These accounts will be produced in accordance with meter reading cycles at regular intervals or as prescribed by law. In the case of indigents where the net account after rebates amounts to zero, these will only be posted bi-annually and not on a monthly basis.

14.2 The account/invoice will reflect the following details:

- Consumer name;
- Consumer account number;
- Consumer postal address;
- Address details to which the services have been supplied;
- The consumption or estimated consumption for each metered service within a specified period;
- The applicable service tariff;
- The monthly amount due on property rates and the total annual amount due;
- The valuation of the property;
- The amount due on any other service charges;
- The total amount due and payable;
- The amount in arrears, if any;
- The final date for payment (due date);
- The method, name and location of any municipal offices and authorised agents where payments may be made, and
- A notification that failure to settle the total amount due by due date will result in termination or restriction of services.

- 14.3 The Council shall undertake to post the consolidated account to the customer address, in South Africa, as specified by each customer. However, non-receipt of an account does not negate the responsibility of the customer to pay the amount owing by due date nor prevent interest charges and debt collection procedures. In the event of non-receipt of an account, the onus rests on the account holder to obtain a free copy of the most recent account, before the due date.
- 14.4 The consumer shall, in writing, notify the Council of any change of address, including an e-mail address, and contact details. Notwithstanding the fact that a consumer has not received an account as a result of his failing to notify the Council of his change of address or due to delays on the part of external service providers, the customer is nevertheless liable for payment of such account. Any change of address only becomes effective when the notification of the change is received and acknowledged by the Council.
- 14.5 Accounts must be paid in full on or before the due date as indicated on the account. Failure to comply with this section shall result in debt collection action (as contained in Section 27 of this policy) being instituted against the customer. Interest on arrears, at the rate determined from time to time by the Council or, in the absence of any determination, as prescribed by law, will accrue after due date if the account remains unpaid irrespective of the reason for non-payment (refer Section 18).
- 14.6 Bulk consumers may at the discretion of Council be notified of their unpaid accounts prior to the commencement of the debt collection process.
- 14.7 Payments for accounts must be received at a Municipal pay-point by close of business on or before the due date. In the case of any electronic payments the money must be received in the municipal bank account no later than the close of business on the due date. In the case of monies paid to agents, the money must be deposited with the agent prior to the close of business on due date and proof thereof may be required to validate any claims.
- 14.8 The following methods of payment and payment points can be used: Debit order payments, which forms are available from the municipal cash offices;
- Cash and cheque payments can be made at the municipality' s cash offices, any South African Post Office and their agencies, ABSA and Easy Pay Outlets e.g. Pick & Pay, Checkers, etc.
 - Electronic banking payments directly into the municipality' s account;
 - Mail.

- 14.9 The consumer acknowledges that any agent used for transmitting payments to the Municipality is at the risk and cost of the consumer. In addition the consumer must take into account the transfer time of the particular agent.
- 14.10 All payments and/or part-payments received by the Chief Financial Officer shall be allocated to services in the manner as contained in Section 20.

15. METERING OF CONSUMABLE SERVICES

- 15.1 The municipality may introduce various metering equipment for the measurement of service consumption and customers may be encouraged to convert to a system preferred by the municipality.
- 15.2 Customers who default (fail to pay by the due date) may be required by the municipality to convert to another metering system.
- 15.3 Meters (credit) will be read in monthly cycles, at regular intervals or as prescribed by Council. Should circumstances prevent such a reading, the Municipality is entitled to continue with the procedure as laid down in Section 13 of this policy.
- 15.4 A consumer is responsible to ensure access to metering equipment and will be liable for any cost incurred to ensure access (such as relocating or disconnecting the meter) if satisfactory access is not possible.
- 15.5 Routine or special maintenance of metering equipment will be communicated to the consumer prior to being undertaken in order to establish a suitable time to perform such maintenance.

16. VALUATION OF PROPERTIES

- 16.1 All properties within the boundaries of the Witzenberg Municipality are to be valued in terms of the legislation applicable to the valuation of properties for the purpose of levying property rates.

17. PROPERTY RATES

- 17.1 In terms of the Council Rates Policy, and in accordance with the tariff of Charges Schedule, Property Rates will be raised annually in July of each year, charged on a monthly basis and will be reflected on the consumers monthly bill.
- 17.2 All Property Rates not paid by due date will, in addition to any procedures as prescribed by law, be subject to credit control and debt collection procedures as stipulated in this policy.
- 17.3 An owner may apply to have his/her property rates be charged monthly. In which the due date for application is set at 30th June of each year.⁴
- 17.4 If in default it will reversed to yearly and the total annual rates amount become payable.

18. INTEREST ON ARREARS AND OTHER PENALTY CHARGES

- 18.1 Interest shall be charged for a full month on all arrear amounts at the percentage determined by Council irrespective of when payment is made.
- 18.2 For purposes of determining arrear amounts, all amounts that are unpaid after due date, excluding interest, penalty charges previously raised including collection charges and Value Added Taxation, shall be taken into account.
- 18.3 The Chief Financial Officer will be entitled to raise the following charges/fees in addition to the interest charge contemplated in clause 18.1:
- charges for disconnection or restriction of services
 - charges for reconnection or reinstatement of services
 - charges for notices of default and other correspondence
 - penalty charges for illegal reconnections
 - penalty charges for dishonoured cheques
 - Reconnection fee to be paid for both prepaid and conventional meters
 - Charges / Fees on all legal proceedings⁵

⁴ Updated 04/08/2008 Special Council meeting

⁵ Amended by Council on 28 May 2014

- 18.4 Other than those penalty charges prescribed by legislation, the value of each of these charges will be determined on an annual basis by Council when considering its annual budget and shall be contained in the Witzenberg Municipality Tariff Register.

19. AGREEMENTS AND ARRANGEMENTS FOR PAYMENT OF ARREARACCOUNTS

- 19.1 The Chief Financial Officer is authorised to enter into agreements with customers in arrears with their accounts and to grant customers extensions of time for settlement of the amounts due to Council. No arrangement for the payment of debt in instalments may be entered into with a tenant without the consent of the property owner.⁶

- 19.2 Where a customer in arrears is a business or commercial concern, a minimum of 50% of the total overdue amount, as an initial payment, shall be paid, and the balance of the account shall be paid in equal instalments over a maximum period of twelve months. Any future monthly current accounts shall be paid on or before the due dates for the month in question. In respect of business or commercial consumers who are in arrears, interest will be raised in terms of Section 18 of this policy.

In exceptional circumstances, The Accounting Officer and CFO can deviate from the general rule above provided that:

- The current account is paid in full
- A written agreement is entered into that provides for the down payment of the arrears amount in monthly instalments.

- 19.3 Where a customer in arrears is a domestic consumer the following processes will be follows:

- i) When the customer account include outstanding debt, property rates not regarded, the customer payment incentive policy as approved by Council may apply; and
- ii) In the case of all other debt, the current account, as an initial payment, shall be paid, and the balance of the account shall be paid in equal instalments over a maximum period of forty eight [48] months.
- iii) In exceptional circumstances, The Accounting Officer and CFO can deviate from the general rule in (ii) above provided that:
 - The current account is paid in full
 - A written agreement is entered into that provides for the down payment of the arrears amount in monthly instalments.
- iv) A customer can make a maximum of 2 arrangements within a financial year of the Municipality.⁷

⁶ Amended by council on 28 May 2014

⁷Updated 28/05/2009

Any future monthly accounts shall be paid on or before the due date. Consumers, who honour their agreements and arrangements to pay, will not be charged interest from the date of the agreement on municipal service arrears, with the exception of property rates in arrears where statutory provisions may apply. Should they default on their credit extension for whatever reason, interest shall be raised from the date of default on the full outstanding debt in terms of Section 18 of this policy."

Any agreement reach prior to this policy will still be applicable.

- 19.4 A consumer may be required to complete a debit order for the payment of arrears in terms of the agreement.
- 19.5 Should a customer breach the arrangement in any way, the balance of the arrear account, together with the balance of interest outstanding on the account, shall immediately become due and payable to the municipality.
- 19.6 A customer who fails to comply with any credit arrangement shall not be permitted to enter into any further arrangement or extension of time for payment and shall have his services terminated, however a customer who brings his credit arrangement up to date by an immediate payment shall have his services reconnected as soon as is practically possible.
- 19.7 A customer who fails to comply with any arrangement of debt shall have his service agreement terminated, services disconnected/restricted, and his deposit on any outstanding amounts set off against any arrear debt.
- 19.8 Only debtors with positive proof of identity or an authorised agent with a Power of Attorney shall be permitted to enter into an Acknowledgment of Debt agreement with the Council.
- 19.9 Where a debtor is a close corporation, trust, or a company, the person who signs an acknowledgment of debt on behalf of such close corporation, trust or company, shall produce written proof that he is authorised to sign such acknowledgment on behalf of all members and/or directors of the close corporation, trust, or the company.
- 19.10 An Acknowledgment of Debt agreement shall contain all arrangements for paying off arrear accounts, which may include interest. One copy of the agreement shall be handed to the customer and another filed with the Chief Financial Officer.
- 19.11 In instances where a customer is employed, the municipality may obtain a voluntary garnishee order or emoluments attachment order.

19.12 Where any debt has arisen as a result of the Council having applied an incorrect charge and/or tariff, the consumer may arrange to pay the debt over a maximum period equivalent to the period over which the incorrect charge was applied or over twelve months, whichever is the shorter.

19.13 The Director Finance and Deputy Director Finance may deviate from the policy in special circumstances.⁸

20. ALLOCATION OF PAYMENTS AND PART-PAYMENTS

20.1 Receipt of the total outstanding monies will be allocated to the credit of the account in full. If a debtor pays only part of any amount due, the Chief Financial Officer shall allocate such payment as follows:

- firstly, to any unpaid interest raised on the account;
- secondly, to any other sundry debtors (miscellaneous);
- thirdly, to housing rents and instalments;
- fourthly, to any unpaid refuse collection charges;
- fifthly, to any unpaid sewerage charges;
- sixthly, to any unpaid water charges;
- seventhly, to any other unpaid electricity charges; and
- lastly, to any unpaid property rates.

20.2 A customer shall not be entitled to allocate any payment made to any portion of the total debt due to the Council.

21. DISHONOURED AND OTHER UNACCEPTABLE CHEQUES/DEBIT ORDERS

21.1 Refusal by banks to honour payments by cheque or debit order is regarded as non- payment, upon which the relevant debtor is subject to credit control measures.

21.2 The Council shall, at the earliest opportunity, be entitled to disconnect or restrict, as the case may be, the electricity and/or water supply of a customer who has offered a cheque or debit order as payment for municipal services if such cheque or debit order is returned or dishonoured by the financial institution on which it is drawn as a result of a lack of funds or for any other reason.

⁸ Recommended for amendment.

- 21.3 A customer tendering a cheque or debit order referred to in Clause 21 .2 shall be liable for all administration charges and bank fees as determined by Council as a result of such transaction.
- 21 .4 Should a dishonoured cheque or debit order be received, the customer may be contacted telephonically with the request that a cash deposit equal in amount to that of the dishonoured cheque be made into the municipality' s account within 24 hours.
- 21.5 Should any attempt to contact the customer fail, then the municipality shall immediately discontinue the supply of services to the premises.
- 21.6 In the event of the customer not having sufficient funds to settle the outstanding debt, the Municipality may open a case of fraud with the South African Police Service.
- 21.7 Dishonoured cheques are to be kept on file and will only be given to account holders on request if the account is paid up to date after the reversal of the dishonoured payment.
- 21.8 A customer who has offered three dishonoured cheques in any 12 month period will not be allowed to make further payments by cheque for a period of at least one year, although a bank guaranteed cheque may be accepted by the Chief Financial Officer.

22. QUERIES IN RESPECT OF ACCOUNTS

- 22.1 The enquiries counters at the municipality's service centres can be contacted for all account queries.
- 22.2 An enquiry clerk stationed at the municipality's service centres shall be available to assist consumers with account balance queries as well as the opening and closing of accounts.
- 22.3 Any resident or consumer who may feel aggrieved concerning his/her account may address a written grievance / appeal to the Chief Financial Officer.
- 22.4 The municipality endeavours to investigate any query and give feedback within fourteen working days of the receipt of the query.
- 22.5 Any query in respect of the amount due and payable on the consolidated bill must be lodged, in writing, at the municipality within 10 days of the consolidated bill date in order that it may be investigated. Should the query not be lodged within 10 days, the municipality cannot be bound to the provisions of clause 22.4.

- 22.6 A customer who has lodged an enquiry is not relieved of the responsibility to maintain regular payment on his account. In the event of an accountholder reasonably querying any item or items on the monthly municipal account, no action shall be taken against the accountholder provided the accountholder has paid, by due date, an amount equal to the monthly average monetary value of the three most recent un-queried accounts in respect of the service under query, as well as all un-queried balances on such account, and, provided further that, such query is made in writing by the accountholder or is recorded in writing by the Chief Financial Officer or his designate on behalf of the accountholder within 10 days of the consolidated bill date.
- 22.7 If a customer has received a response to a query but is still not convinced that the account is correct, the customer will still be liable for the full outstanding amount and will be subject to credit control action.

23. UNRESOLVED CUSTOMER QUERIES

- 23.1 Should a query remain unresolved after 14 working days have passed from the date the query was lodged, the customer is to notify the Section Head of the relevant section who will follow up and resolve the query.
- 23.2 Should the Section Head, as a result of the complexity of the case, be unable to resolve the query, it is to be referred to the Consolidated Billing Manager for resolution.

24. DISCONNECTIONS/RESTRICTIONS OF SERVICE

- 24.1 The Council shall disconnect/restrict services to consumers whose consolidated accounts remain unpaid after due date.
- 24.2 The municipality shall, prior to disconnection and/or restriction of services, not be obliged to issue any final demand notices or other reminders to customers whose accounts are unpaid after due date.
- 24.3 The municipal account shall reflect a warning message that shall be deemed to be proper and sufficient notice to the customer that his services may be disconnected or restricted unless payment is received on or before due date.
- 24.4 In the event that full payment of the consolidated account, including any accumulated arrears, is not received by close of business on due date, the electricity supply and thereafter the water supply may be disconnected/restricted, unless a formal arrangement for an extension of payment, in terms of Section 19, has been approved by the Chief Financial Officer or his authorised representative.

- 24.5 Even though a customer may have concluded satisfactory credit arrangements in terms of Section 19, the Council is not obliged to effect a reconnection of services on the day that payment is received or the agreement has been signed, but will, unless unable to do so because of circumstances beyond the control of the municipality, endeavour to do so within three (3) working days in terms of Section 26 read in conjunction with Section 25.
- 24.6 Where a customer's services are disconnected, or where access to disconnect services has not been obtained, the customer shall be charged a visitation fee, as determined by the Council, which shall be paid prior to the services being reconnected.
- 24.7 Where a customer's account and/or service agreement has been terminated or is in arrears and no credit arrangement has been entered into,
- the Council may, at the customer's cost, proceed to collect such amount as is outstanding and due in terms of the procedures for debt collection contained in Section 27 of this policy.
- 24.8 Where a customer or owner's account is in arrears and no credit arrangement for the settlement of any outstanding debt has been entered into, and, whether the services to the property have been disconnected I restricted or no the Council may, regardless of whether the service agreement is terminated or not, implement the procedures for debt collection as set out in Section 27 of this policy, if such action is deemed by the Chief Financial Officer to be in the best interests of the Council.
- 24.9 Should the Chief Financial Officer be of the opinion that the termination of services, in respect of which the account is in arrear, could result in the endangerment of the life of any person, the Chief Financial Officer may appropriately restrict rather than terminate the services in question.

If a household is classified as an indigent household in terms of section 6.1 of the Assistance to the poor policy, as amended, then the following will be applicable with regard to disconnection/restriction of services:

- (i) Prepaid electricity may be blocked for purchases if the other services are in arrears; and⁹

24. A Changing meters of defaulters¹⁰

- (i) The water meters of defaulters can be replaced with water management meters, and the consumption can be limited to a minimum of 200 litres per day (6 kilolitres per month);

⁹Updated 31/05/2012 Council meeting

¹⁰Updated Council 28/09/2011

- (ii) The electricity meters of defaulters can be replaced with split prepaid meters;
- (iii) The cost of the replacement meters will be borne by the consumer who can pay the cost in three monthly instalments. If the consumer defaults on the payment for the meters, the electricity supply will be blocked and/or the water consumption will be limited to 200 litres per day (6 kilolitres per month).

25. RECONNECTION/REINSTATEMENT OF TERMINATED/RESTRICTED SERVICES

25.1 Services which have been terminated or restricted shall be reconnected or reinstated by the municipality only when all the following conditions have been met:

- o the 30 days arrear account plus the reconnection fee has been paid in full, including the interest raised on such account; and an acceptable arrangement has been entered on the arrears older than 30 days with the municipality, including the interest raised on such account; or a query, as contemplated in Section 22, has been resolved and arrangements for payment as approved by the Chief Financial Officer have been concluded; a revised/existing service agreement has been entered into/reinstated with the municipality, as contemplated in Section 11 of this policy; and
- o a suitable cash deposit, as determined by the Chief Financial Officer in terms of Section 12, has been paid to the municipality.

26. PROCEDURE FOR DEBT COLLECTION AND WRITE OFF

Where consumer accounts are in arrears, the Chief Financial Officer is authorised to institute the following procedures with the intention of proceeding until the debt is collected or written off:

26.1 Immediately after due date, disconnect and/or restrict all water and/or electricity services for all overdue amounts relating to rates, service charges or any charges for services rendered by the municipality in terms of the procedures laid down in Section 24 of this policy;

26.2 Thirty days after the due date:

- Tracing action may be authorized and instituted if the whereabouts of the debtor is unknown.

26.3 Sixty days (or any earlier period if the Chief Financial Officer deems that it is in the best interest of the Council) after the due date, and where an account rendered to a customer remains outstanding, the following action may be taken:

- All arrear amounts shall be handed over to the Council's internal or external debt collection agents.

The collection agents will then make use of normal debt collection procedures including a call centre approach and legal processes to collect the amounts owed to Council

- If necessary, the sale in execution of such property to recover arrear property rates and service charges will be instituted (if the accountholder is also the owner of the property).

- All legal expenses incurred by the municipality shall be for the account of the accountholder in default¹¹.

26.4 The Chief Financial Officer may insist that a consumer, who is utilising a credit meter, convert from that credit metered supply to a prepayment supply. The cost of such a conversion is to be borne by the consumer.

26.5 The Chief Financial Officer may allocate up to thirty (30) percent of any payment for prepayment services to arrear debt.

26.6 The Chief Financial Officer may order that emolument attachment or garnishee orders be instituted on debtors' salaries.

¹¹Updated 20/04/2011

- 26.7 The Chief Financial Officer may withhold rates clearance certificates in terms of Section 118 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) and Section 30 of this policy.
- 26.8 The Chief Financial Officer may withhold payments of grants-in-aid to consumers whose accounts are in arrears.
- 26.9 The Chief Financial Officer may withhold payment to suppliers whose accounts are in arrears in terms of the Supply Chain Management policy.
- 26.10 The Chief Financial Officer may withhold/reject the approval of building plans relating to improvements on properties if there are arrears on that property.
- 26.11 Whenever all the legal avenues and procedures listed above have been exhausted, or it becomes uneconomical to proceed further, the arrear amounts should be classified as irrecoverable and should be written off.
- 26.12 The Chief Financial Officer, may forward a report to Council for the writing off of consumer, if such debts may be irrecoverable.
- 26.13 The Executive Committee, in terms of its delegated authority, may authorize the writing off of the debts wherein after a report will be forwarded to full Council for ratification.
- 26.14 The Chief Financial Officer shall as soon as possible after 30 June each year, or more regularly if requested by Council to do so, present to the Council a report indicating the amount of the arrears that have been written off during the financial year, together with the reasons for the write off.
- 26.15 The Chief Financial Officer may write off debts to the value of R1000.00 per individual if he is satisfied that:
- All reasonable steps have been taken to recover the debt and the debt is considered to be irrecoverable, or
 - He/she is convinced that recovery of the debt would be uneconomical.
- 26.16 The Chief Financial Officer may approve the write off of debt outstanding for more than three years, excluding property rates, on condition that all the other debt is paid immediately in full.¹²
- 26.17 Any debtors whose amounts are written off may be listed with the Credit Bureau and may not be permitted to enter into future service contracts with the Council.

¹² Amended by Council on 28 May 2014

- 26.18 Industrial consumers can qualify for an early payment rebate of one percent if their account is paid in full within 15 days after the month during which the services were consumed.¹³
- 26.19 A collection fee of up to 5% of the amount collected on behalf of the municipality may be paid to employers that deduct municipal accounts from their employees.¹⁴
- 26.20 If a household is classified as an indigent household in terms of section 6.1 of the Assistance to the poor policy, as amended, then the Chief Financial Officer must prior to implementation of sections 26.2 and 26.3 determine whether the debt would be uneconomical to recover as set out in section 26.15.¹⁵
- 26.21 That rental debt when the municipality is the lessor be referred to the Housing Committee for a decision regarding the arrear debt where the unit is to be assigned to another lessee. Where the Housing Committee's decision is to write-off the debt that this first be approved by the Municipal Council before implementation. ¹⁶

27 ILLEGAL TAMPERING AND/OR THEFT OF SERVICES

The Municipality does not condone theft and fraud of municipal services and will monitor the service networks for signs of tampering or irregularities. Furthermore,

- 27.1 Water and electricity metering and connection equipment remain the property of the municipality and anyone involved in instances of tampering, damaging or theft thereof will be liable for criminal prosecution.
- 27.2 With regard to electricity services, if tampering of any nature or theft of such services is identified, the electricity supply to the property may be discontinued by the removal of the meter and the cable and the water supply may be restricted. In addition, the customer's service agreement with the Council may be cancelled and the customer's deposit may be offset against any amounts owed to the Council.
- 27.3 If the restricted water supply is tampered with or any variable flow-restricting device removed, the water supply may be discontinued, the service connection removed and the customer's service agreement with the Council may be cancelled. The customer's deposit may be offset against any amounts owed to the Council.
- 27.4 Once Council becomes aware that any terminated or restricted service has been irregularly reconnected or reinstated, the necessary action to remedy the situation will be implemented which could include the Municipal Manager reporting such action to the South African Police Service.

¹³ Amended by Council on 28 May 2014

¹⁴ Amended by Council on 28 May 2014

¹⁵ Updated 04/08/2008 Special Council meeting

¹⁶ Amended by Council on 30 May 2019

- 27.5 All outstanding amounts including, all metered consumption since the date of the illegal reconnection, or the estimated consumption, if a reliable meter reading is not possible, shall be paid in full together with the required deposit, before any reconnection/reinstatement, and new services agreement are considered.
- 27.6 If found that any person (natural or juristic) are illegally connected or reconnected to municipal services, or that he/she fiddled with any meter, reticulation network or any other supply equipment, or delivered any unlawful service associated with the provision of municipal services, or stole or damaged any municipal property, he/she shall be prosecuted and/or held liable for fines, as determined by the magistrate.¹⁷

However, the receipt of payment will not necessarily impact on nor prejudice any legal or criminal proceedings against the customer.

28 UNOCCUPIED PREMISES

- 28.1 When a consumer terminates a consumption account and no new owner registers, the property is deemed to be unoccupied.
- 28.2 Whenever water and/or electricity consumption is recorded at a property that is deemed to be unoccupied effort will be made to establish the identity of the person responsible for that consumption, failing which an appropriate bill will be raised and forwarded to the owner of the property for payment. Should payment not be received then the registered owner of the property is liable for the services consumed.

29. CLEARANCE CERTIFICATES

- 29.1 Before any property can be transferred from one owner to another, all amounts owing to the municipality on the property must be settled. Only after settlement, will the Municipality issue a certificate stating that all outstanding debts have been settled. No property transfer can take place without such a certificate.
- 29.2 The Municipality requires a payment in advance equal to two¹⁸ months average consumption of all relevant services prior to the issuing of such a clearance certificate in order to allow for any consumption that may take place during the time taken for the transfer to go through.
- 29.3 The Municipality shall, wherever possible, issue a clearance certificate within ten working days of such request once all outstanding debts and administration fees have been paid in full.

¹⁷ Amended by Council on 30 May 2019

¹⁸ Updated 04/08/2008 Special Council meeting

- 29.4 The above provisions do not apply in the case of transfers from National Government, Provincial Government or another municipality of residential property where the provisions of Section 118 of the Municipal Systems Act are applicable.

30. MUNICIPAL STAFF

- 30.1 Any member of staff of the Council and any Councillor may not be in arrears with the Council for rates and/or service charges for a period longer than three months, and the Council will deduct any outstanding amounts from the salary or allowance of such member of staff or Councillor after this period, in accordance with item 10 of Schedule 2 of the Municipal Systems Act, 2000 (Act No. 32 of 2000).
- 30.2 Staff arrangements made to pay off debt will be adjusted yearly equal to the percentage salary increase.
- 30.3 Salary deductions will be made from yearly bonuses & performance bonuses to be set off against any arrears or outstanding amount.
- 30.4 Any back pay, promotions, overtime & standby are first use to reduce arrears of staff.
- 30.5 Staff members that made arrangements to pay off debt must complete a salary deduction form and this deduction may not be stopped until debt has been paid in full.
- 30.6 If a staff member is sixty (60) days in arrears and has made no arrangement to pay off the outstanding amount, deduct full amount from salary.

31. REPORTING AND PERFORMANCE MANAGEMENT

- 31.1 The Chief Financial Officer shall report monthly to the Municipal Manager in a suitable format to enable the Municipal Manager to report to the Executive Committee as supervisory authority in terms of Section 99 of the Municipal Systems Act, 2000 (Act No.32 of 2000), read with section 100(c).
- 31.2 If, in the opinion of the Chief Financial Officer, Council will not achieve cash receipt income equivalent to the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Municipal Manager who will immediately move for a revision of the budget according to realistically realisable income levels.
- 31.3 The Executive Committee shall, at intervals of 3 months, report to Council as contemplated in Section 99(c) of the Municipal Systems Act.

32. DEFINITION OF IRRECOVERABLE DEBT

Debt will only be considered as irrecoverable if it complies with the following criteria:

- (a) All reasonable notifications and cost effective legal avenues have been exhausted to recover specific outstanding amount, or
- (b) Any amount equal to or less than R500.00, or as determined by Council from time to time, will be considered too small, after having followed basic checks, to warrant further endeavours to collect it, or
- (c) The cost to recover debt does not warrant further action, or
- (d) The debtor is untraceable or cannot be identified so as to proceed with further action, or
 - (i) the debtor has immigrated leaving no assets of value to cost effectively recover Council's claim, or
- (e) It is not possible to prove debt outstanding, or
 - (i) a court has ruled that the claim is not recoverable, or
 - (ii) the outstanding amount is due to an irrecoverable administrative error by the Municipality, or
- (f) All arrears will be written off to bad debts where water consumers have had their water leaks repaired, provide the necessary proof and for a period of six months from the date of repair –
 - (i) Pay their water & sewer bill above the free portion on or before the due date, and
 - (ii) Maintain their water consumption within affordable levels.

33. COMMUNICATION OF POLICY TO CONSUMERS

- 33.1 The municipality will, at its own cost, publish the Credit Control and Debt Collection Policy in the local media. The Chief Financial Officer operating under delegated authority will publish the policy on whatever basis is to the Council's best advantage. A copy of the policy will be posted on the municipality's website and hardcopies will be made available on request at the service centres. Any amendments may be communicated on the website and in a newsletter from time to time.
- 33.2 Councillors must, from time to time, address ward committees on the contents of the policy and any amendments thereto.

34. BY-LAWS TO BE ADOPTED

- 34.1 By-laws shall be adopted to give effect to the Council's credit control and debt collection policy.
- 34.2 The by-laws are to comply with the requirements of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Water Services Act, 1997 (Act No. 108 of 1997), the Electricity Act, 1987 (Act No. 41 of 1987) and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- 34.3 The by-laws deal severely with defaulters, and their application requires a considerable degree of commitment from the Municipal Manager and his or her administration, as well as from the municipality's political structures. For the by-laws to ensure the avoidance of financial misfortunes for the municipality, and to lead to sustained financial stability, their application will have to receive the constant attention of all the municipality's key role-players and decision makers. If the by-laws are not constantly and consistently applied, from month to month and from year-to-year, the municipality's political and administrative credibility will be severely impaired, and it may not be able to ensure financial sustainability in the long run.
- 34.4 Although the by-laws envisage even the termination of basic services for defaulting accountholders this will not in itself, no matter how harsh it may seem to those councillors and officials who are disposed to greater leniency, prevent the accumulation of arrears. The monthly billing for property rates, sewerage charges and refuse removal fees will continue in respect of defaulting accountholders, even though their consumption of electricity and water may have been terminated or restricted. The termination or restriction of services must therefore be seen merely as a vital first step in the credit control programme, and the commitment by the municipality to follow up such actions with the full force of the law at the municipality's disposal is an essential further step if the accumulation of debts is to be meaningfully curtailed.

35 DECEASED ESTATES

The accounts of deceased estates may be transferred into the names of relatives as determined by the executor of the deceased estate, to allow for the continuation of service delivery to the relevant property on the following conditions:

The historical debt remains a claim against the deceased estate;

The executor of the deceased estate together with the new account holder must enter into an agreement with Witzenberg municipality for the payment of the historical debt;

The normal service deposit is payable by the new account holder unless a report by the municipal social worker indicates that the new account holder cannot afford to pay the deposit;

If the property is let out, the service deposit is payable without any exceptions;

A clearance certificate in terms of section 118 of the municipal systems act may be issued by Witzenberg municipality on condition that the executor of the deceased estate provides the municipality with a guarantee that the outstanding debt will be paid on transfer;

In the instance of a child-headed household the account must remain in the name of the deceased estate, but the estate will qualify for indigent support, if the other criteria for an indigent household are met.

36. ENFORCEMENT OF OTHER LEGISLATION

36.1 In addition to the credit control and debt collection provisions contained in this policy and the published by-laws relating hereto, the Council may enforce any other rights or exercise any power conferred upon it by the Municipal Systems Act, 2000 (No. 32 of 2000), the Water Services Act, 1997 (Act No. 108 of 1997), the Property Rates Act, 2004 (Act No. 6 of 2004) and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

36.2 In the event of an inconsistency between the provisions of these and any other by-laws, the provisions of these by-laws shall prevail.

37 COMMENCEMENT DATE

This policy as amended takes effect as from the 01 July 2019.



CASH MANAGEMENT AND INVESTMENT POLICY

Date of implementation: 01 July 2008

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APPENDIX A

PREAMBLE

he e s section 13 of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) determines that a municipality must introduce an appropriate, prudent and effective cash management and investment arrangement;

n he e s a bank, in accordance with the provisions of section 13 of the Act, has to disclose details regarding a municipalities' investments;

n he e s councillors and officials, as trustees of public funds have an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible;

no the e o e the Witzenberg Municipality adopt the cash and investment management policy set out in this document.

1. DEFINITIONS

"Act" means the local government Municipal Finance Management Act, 2003 (Act no. 56 of 2003)

"Council" means the Municipal Council of Witzenberg Municipality

"Gazette" means the Government Gazette

"Investee" means an institution or counterparty with which an investment is placed, or its agent.

"Investment" means an amount of funds deposited in deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) on which interest is earned or received.

"Internal investment manager" means the official appointed or acting as the Manager: Financial administration of Witzenberg Municipality.

2. LEGAL FRAMEWORK

- a) Legislation – local government: Municipal Finance Management Act 56 of 2003 (As amended)
- b) Treasury regulations in terms of Section 13(1) of the Act (As amended).

3. OBJECTIVES

- a) To maximize returns from authorized investments, consistent with the secondary objective of minimizing risk
- b) To ensure compliance with all legislation governing the investment of funds.
- c) To maintain adequate liquidity to meet cash flow needs
- d) To undertake the investment of funds not immediately required for operational purposes in a prudent financial manner.
- e) To ensure diversification of permitted investment.
- f) To ensure complaints with regard to revenue management as contemplated in Sect 64(d), 64(f) and 64(h) of the Act
- g) To ensure complaints with regard to Sect 10 and 11 of the Act

4. CASH MANAGEMENT POLICY

4.1. General Policy

It is recognised that from time to time, Council has cash flow surpluses and borrowing requirements due to daily receipts and payments. Council maintains a daily cash position summary and a yearly cash flow projection is prepared during the annual planning process and is updated monthly. This determines Council's borrowing requirements and surpluses for investment. Cash invested "outside" the bank account is covered by section 4 of this policy.

4.2. Bank Accounts

Council operates one primary bank account for its day to day operational activity requirements. All monies due to Council and due by Council emanating from Council activities must pass through this primary account.

4.2.1 Cheque Management

Cheques are printed in batch format. To prevent the removing of cheques, cheques are delivered in sealed boxes where strict control is exercised over the numerical sequence of cheques on the expenditure system by means of a cheque register.

4.2.2 Delegation/Rights

The incumbents of the following post are authorized to sign cheques on behalf of Council

4.2.3 Cheques

- A-Signatories: Director: Financial Services/Chief Financial Officer
 Manager: Financial Administration
 Manager Income
 Manager: Supply Chain
- B-Signatories: Accountant Assets & Budgets
 Accountant Credit Control
 Accountant Debtors
 Accountant Expenditure

Each payment needs to be signed by at least two A-signatories, or one A-signatory and one B signatory.

4.2.4 Electronic Funds Transfer (EFT)

Authorisation same as cheques above

4.3 Bank Overdraft

- 4.3.1 Barring the fact that Council has an approved overdraft facility with its primary banker for possible unanticipated short-term cash flow shortfall, its general policy is to avoid going into overdraft.

Short-term debt is incurred based on expected income and must be repaid within the same financial year. (Section 45 of the MFMA)

- 4.3.2 Council set the credit limit for the bank overdraft facility at R6, 000, 000 (six million rand).
- 4.3.3 The terms of the agreement for the bank overdraft facility, including the credit limit, may be changed only by a resolution of council.
- 4.3.4 Any overdrawn bank account at any date must be reported without avail to Council supported by reasons therefore.
- 4.3.5 Any short term facility that requires review must first be approved by the Accounting Officer.

4.4 Cash collection

4.4.1 Controlled, secured and prompt cash collection

- a) All cashier banking batches and or shifts must be closed at least on a daily basis;
- b) Each cashier banking batch must be closed and deposit in the primary bank account separately;
- c) All forms, categories or types of money receipted must be quoted in the form or type received, for example cheques as cheques and cash as cash;
- d) A cashier must count the money he/she receipted, record the outcome on the cash-up sheet per category, then report to the senior responsible for the closing of the banking batches;
- e) No cashier may have access to the closing bank batch facility of the financial system;
- f) The senior verifies whether the amounts is correct and send the cashier back if necessary, otherwise closed the banking batch;
- g) The cashier in the presence of the senior put the money in the cash bags; seal it and lock it away in his/her fault for collection;
- h) All closed banking batches must be deposited and received by the bank within 72 hours;
- i) An independent service provider will collect all bags; quote the seal serial number and issue a receipt for the money bags;
- j) The service provider must ensure that the bank check the seals, verify the seal number and sign for the money bag; and
- k) All shortages must be paid in by the cashier and all surpluses must be receipted in an item number open for this purpose.

4.4.2 Availability of receipting points

- a) Cash receipting points will be available in Wolseley, Tulbagh, Ceres, Prince Alfred Hamlet and Op-Die-Berg at municipal offices;
- b) The normal office hours are Monday to Thursday 08h30 till 15h30 and Friday 08h30 till 14h30;
- c) The Municipality makes use of prepaid electricity sales points in all the suburbs where the Municipality is the approved electricity supplier, these points is open at least from 07h00 till 20h00; and
- d) The Municipality also make use of third party payments for example Easy pay and Pay – a- Bill.

4.4.3 Electronic payments directly into bank account

Electronic payments directly into the bank account are allowed provided that the client use his/her debtors account number as reference or booking number or traffic fine number.

4.4.4 Receipt of money by post

- a) All mail of the Municipality is opened by an official responsible for Archives in the presence of a cashier responsible for collecting the mail received payments;
- b) All monies (cash, cheques and postal orders) are recorded in a register signed by the mail received payments;
- c) This cashier will then capture the received payments on the financial system; records the receipting number with the date of the receipt and sign the register;
- d) When a cheque is post dated, it is written in a post dated cheque register and then kept in a safe until the valid date and then it is captured; and
- e) The senior responsible for the cashiers must verify at least once a week that all payment received via mail is receipted and that all post dated payments has been captured.

5. INVESTMENT POLICY

5.1 General Policy

Generally Council will invest surplus funds with deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) for terms not exceeding one year in anticipation of cash flow expectations. From time to time, with prior Executive Mayoral Committee approval, investments can exceed 1 [one] year and be made at other institutions/instruments as approved in the National Treasury regulations from time to time.

5.2 Application

- 5.2.1 This policy applies to all investments made by the Witzenberg Municipality or its duly appointed investment manager.
- 5.2.2 In addition, all investments must be in accordance with the Municipal Investment Regulations. Where there is a conflict between this policy and the Municipal Investment Regulation, the Municipal Investment Regulations will supersede this policy.
- 5.2.3 This policy do not apply to -
 - (a) a pension or provident fund registered in terms of the Pension Funds Act 24 of 1956, or any subsequent legislation; or
 - (b) in respect of trust money administered by a municipality where a trust deed prescribes how the trust money is to be invested.
- 5.2.4 **Investments dominated in foreign currencies prohibited**
Council may make an investment only if the investment is dominated in Rand and is not indexed to, or affected by, fluctuations in value of the Rand against foreign currency.

5.4 Diversification

- 5.4.1 Council will only make investments with approved institutions which have an A rating as per Appendix A.
- 5.4.2 Not more than 30% of available funds will be placed with a single institution.
- 5.4.3 Council must regularly monitor its investment portfolio and when appropriate liquidate an investment that no longer has the minimum acceptable credit rating as specified in 4.4.1 above.

5.5 Investment Managers

5.5.1 External Investment Managers

The municipality may as and when the need arise approach an external A-graded investment manager to administer the investment portfolio on its behalf. The external investment manager will be appointed in terms of SCM policy and service level agreement will govern the functions and responsibility of the service provider. All investments made by the external investment manager on behalf of the Council of Witzenberg must be made within the ambit of this policy and with National Treasury's investment Regulations.

5.5.2 Internal Investment Manager.

All investments made by the internal investment manager shall be in accordance with section 4.4 of this policy.

5.6 INTERNAL CONTROLS OVER INVESTMENTS

5.6.1 Delegations

In terms of section 79 of the Act, the Accounting Officer has delegated to the Director: Finance (CFO), in writing, his duty under section 65(2)(h) to manage the councils available working capital effectively and economically in terms of the prescribed cash management and investment framework. The CFO has sub delegated this duty to the Manager Financial Administration.

5.6.2 Concluding deals

Written mandates, signed by the Manager Financial Administration and the CFO, shall be issued to all investees with whom the Council of Witzenberg invests funds setting out the following:

- 5.6.2.1 Authorised dealers: name and particulars of the Councils officials who are authorised to transact investments deals with the investees;
- 5.6.2.2 Authorised signatories: name and particulars of the Councils officials who are authorised to sign written confirmations or any other correspondence in respect of investments transactions.
- 5.6.2.3 A dealing sheet, signed by an authorised dealer, shall be prepared in all instances for each individual investment, detailing the quotations received and the recommended investee. The Manager Financial Administration, together with any one of the authorised signatories referred to above, shall be authorised to approve the transaction.
A written confirmation of the terms of each investment transaction shall be prepared, and signed off by the Manager Financial Administration and the CFO.

5.7 Ownership

- 5.7.1 All investments must be made in the name of the Council of Witzenberg Municipality.
- 5.7.2 Written proof of investments made must be obtained from the institution where the investment is made and must be kept on file.
- 5.7.3 Council may not borrow money for the purposes of investment.

6. DUE CARE

In dealing with financial institutions, the following ethical principles must be observed:

- 6.1 The Chief Financial Officer and all staff in his/her directorate shall not accede to any influence by or interference from Councillors, investment agents, institutions or any other outsiders.
- 6.2 Under no circumstances may inducements to invest be accepted;
- 6.3 Interest rates quoted by one institution must not be disclosed to another institution; and
- 6.4 The business ethics of any controlling body of which the relevant financial institution is a member must be observed by such institution or body at all times.
- 6.5 Investments must be made with such judgement and care, under prevailing circumstances like a person of prudence, discretion and intelligence would exercise.
- 6.6 Investment may not be made for speculation but must be a genuine investment; and
- 6.7 Investments must in the first instance be made with the primary regards being to the probable safety of the investment, in the second instance to the liquidity needs of the municipality and lastly to the probable income derived from the investment.

7. PERFORMANCE MEASUREMENT

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective measures. The predominant subjective measure is the overall quality of treasury management information. The Chief Financial Officer has primary responsibility for determining this overall quality. Objective measures include:-

- 7.1 Adherence to policy.
- 7.2 Timely receipt of interest income.

8. REPORTING

8.1 Reports

REPORT NAME	FREQUENCY	PREPARED BY	RECIPIENT
Bank Balance	Report Daily	Senior Clerk Bank Reconciliations	Manager: Financial administration
Investments	Monthly within 10 working days of the end of the month. As part of section 71 of MFMA report	Accountant	Manager: Financial administration, Chief Finance Officer and Council

8.2 Monthly reports

Monthly reports must set out at least –

- (a) the market value of each investment as at the beginning of the reporting period;
- (b) any changes to the investment portfolio during the reporting period;
- (c) the market value of each investment as at the end of the reporting period; and
- (d) fully accrued interest and yield for the reporting period

9. ANNUAL REVIEW OF POLICY

This policy on investments will be reviewed annually or earlier if so required by legislation. Any changes to the investment policy must be adopted by council and be consistent with the Act and any National Treasury regulations.

10. EFFECTIVE DATE

The effective date of this amended policy shall be 1 July 2010.

APPENDIX A

APPROVED INSTITUTIONS

Banking Institution	Short-term	Long-term
ABSA Bank Ltd		AAA
Development Bank of SA		AAA
First Rand Bank Ltd		AA+
Sanlam Capital Markets Ltd		A
Imperial Bank Ltd		A+
Investec Bank Ltd		A+
Land and Agricultural Bank of SA		AA-
Nedbank Ltd		AA-
Standard Bank of South Africa Ltd		AA+

1. Long-term ratings

AAA- Obligations which have the highest rating assigned by Fitch IBCA on its nation rating scale for that country. This rating is automatically assigned to all obligations issued or guaranteed by the sovereign state. Capacity for timely repayment of principal and interest is extremely strong, relative to other obligors in the same country.

AA- Obligations for which capacity for timely repayment of principal and interest is very strong relative to other obligors in the same country. The risk attached to these obligations differs only slightly from the country's highest rated debt.

A- Obligations for which capacity for timely repayment of principal and interest is strong relative to other obligors in the same country. However, adverse changes in business economic or financial conditions are more likely to affect the capacity for timely repayment than for obligations in higher rated categories.



CONSUMER PAYMENT INCENTIVE POLICY CPIP

Date of implementation 01 July 2009

Reviewed by Council 15/06/2010

Reviewed by Council 20/04/2011

Reviewed by Council 31/05/2012

Reviewed by Council 29/05/2013

Reviewed and amended by Council on 28/05/2014

Reviewed and amended by Council on 27/05/2015

Reviewed and amended by Council on 18/05/2016

Reviewed and amended by Council on 30/05/2017

1. BAC GROUND

The Credit Control and Debt Collection Bylaws were reviewed and adopted by Council on the 28 May 2008. The purpose of the policy is to encourage the residents of Witzenberg to pay for services and also to promote the culture of payment amongst its citizens. The policy also aims to promote the Municipal Systems Act 32 of 2000, Sec 97(F) which relates to the extension of time for payment of services. The main focus of the policy is to institute incentive schemes to encourage prompt payment of debtor accounts.

2. OBJECTIVE OF THE SCHEME

To outline the parameters, criteria and procedures within which identified debts of participants to the scheme is written-off in exchange for prompt and timeous payment of future accounts rendered by the Municipality.

3. INCENTIVE DEFINED

3.1 Benefits derived by a participant to scheme

- One tenth of verified debt to be written-off every six month until debt is written-off in totality upon the participant fully complying with the conditions of the scheme.
- Assist consumers in improving the status of their municipal account in two ways, namely the decreasing of their existing debt through write-off and assisting them in ensuring that their current accounts do not deteriorate to a similar state.
- Registered Indigents must ensure that their monthly accounts are up-to-date if consumption has been more than the subsidy provided.
- The Incentive Policy is applicable only on debt relating to Service Charges excluding charges on Property Rates.

3.2 Benefit to Council

- Promotes sustainable and reliable revenue for the Council for future years.
- Creates amongst consumers the awareness and principle of paying for services consumed.
- Limits the financial burden of bad debt on the municipal council in future years.

4. CONDITIONS APPLICABLE TO THE SCHEME

- 4.1 Participant to promptly and timorously pay six (6) consecutive months account rendered. The account must be paid before or on due date.
- 4.2 Participant to honour the acknowledgement of debt agreement entered into for the debt not identified for write-off, failing which it invalidates the application on the Incentive Policy.

5. WHO MAY APPLY

- 5.1 Only domestic consumers and educational schools and Hostels service accounts (Rates excluded) that have active accounts at date of application.
- 5.2 Only consumers that have outstanding debts as at the 30th June 2017 and the said debt or portion thereof is at date of application still outstanding.¹

6. WHO MAY NOT APPLY

- 6.1 Registered indigent consumers.
- 6.2 Commercial and Industrial consumers.
- 6.3 Government Departments, which includes schools and Parastatals.
- 6.4 Consumers utilising domestic premises to operate businesses.

7. METHOD OF COMMUNICATION ON THE SCHEME

- 7.1 The incentive scheme will be advertised in different mediums - newspapers, road shows and through the monthly statements.
- 7.2 A consumer must then complete an application form.
- 7.3 A reconciliation of the account will then be performed to verify whether the applicant qualifies.

8. THE PROCEDURE APPLICABLE

- 8.1 Verified debt as at 30th June 2017² to be “parked” and written-off in instalments as the conditions are met.
- 8.2 Verified debt accrued after 1st July 2017³ to be dealt with via an acknowledgement of debt and arrangement for payment by the participant.
- 8.3 Incentive to be applied with effect from the 1st July 2011 retrospectively and upon approval.

¹ Recommended for adjustment

² Recommended for adjustment

³ Recommended for adjustment

9. INCENTIVE CALCULATION

One tenth of applicable debt to be written-off upon the participant promptly and timorously paying six (6) consecutive months account rendered in addition to the acknowledgement of debt accrued after 1st July 2017.⁴

Example

(a)	Verified outstanding debt as at the 30 th June 2017 amounts to	R5 000-00
(b)	Incentive portion written off each quarter 1/10 th of debt as per (a)	R500-00
(c)	Verified outstanding debt for the period accrued after 1st July 2018	R2 400-00
(d)	Monthly accounts rendered	
	Account rendered for July 2018	R352-60
	Account rendered for August 2018	R201-49
	Account rendered for September 2018	R165-82
	Account rendered for October 2018	R199-61
	Account rendered for November 2018	R210-99
	Account rendered for December 2018	<u>R332-84</u>
		<u>R1 463-35</u>
(e)	Acknowledgement of debt agreement (2400/36)	R66-67 per month

Incentive calculation

- The R5 000-00 is "parked thereby targeting it for write-off.
- An agreement is entered into for the R2 400 at R66-67 per month (2400/36)
- For every six consecutive months that the participants' current account and the arrangement of (66-67) must be paid up, an amount of R500-00 will be written-off from the "parked debt".

10. PARTICIPANTS TO THE SCHEME THAT DEFAULT

- 10.1 Participants, who default will not automatically be removed from the scheme, however their participation will be automatically suspended by the financial system that Council is using should they be in default for by two months or more.
- 10.2 The participants, in order to be reinstated on the Incentive Policy, must pay all outstanding amounts from the last account which was paid.
- 10.3 The incentive portion will only be affected if the participant has fully complied with the said conditions referred to in Section 4 of this scheme.
- 10.4 Participants who default on a regular basis will at management's discretion be removed from the scheme and normal credit control actions in terms of the bylaws will be instituted.

⁴ Recommended for adjustment



PETTY CASH POLICY

Date of implementation: 01 July 2010

Petty Cash Policy

1. INTRODUCTION

The management of expenditure of the municipality in an effective and controlled manner is the responsibility of the Accounting Officer of the municipality. Therefore the following petty cash policy is adopted by the Witzenberg Municipality.

Witzenberg Municipality includes the towns and rural areas of:

Ceres,
Prince Alfred's Hamlet,
Op-die-Berg,
Tulbagh, and
Wolseley

2. OBJECTIVES

To comply with regulatory framework in terms of the relevant legislation.

3. REGULATORY FRAMEWORK

- a) The Municipal Finance Management Act (56 of 2003)
- b) Paragraph 15 of the Municipal Supply Chain Management Regulations of 2005
- c) Paragraph 15 of the Municipal Supply Chain Management Policy

4. RESPONSIBILITY AND ACCOUNTABILITY

The key responsibilities in terms of the MFMA (Section 65) are:

- (1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.
- (2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure—
 - (a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;
 - (b) that the municipality has and maintains a management, accounting and information system which—
 - (i) recognises expenditure when it is incurred;
 - (ii) accounts for creditors of the municipality; and

Petty Cash Policy

- (iii) accounts for payments made by the municipality;
- (c) that the municipality has and maintains a system of internal control in respect of creditors and payments;
- (d) that payments by the municipality are made—
 - (i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and
 - (ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit;

The Municipal Manager hereby delegates authority to the Chief Financial Officer.

5. PETTY CASH PURCHASES

Petty cash requests will be made to the designated Petty cash officer in writing. The applicant must ensure that the items requested must be approved Petty Cash items. Petty cash officers will be held accountable for the safe guarding of petty cash.

- (a) Petty cash is strictly restricted to cash purchases:
 - i. up to a transaction value of R2 000.00 (VAT included)
- (b) Approved list of Petty cash purchases are as follows:
 - i. Condolences, well wish cards, bouquets and flowers; keys for offices;
 - ii. Temporary vehicle licensing and public driver permits
 - iii. Tollgate fees when an employee is driving with an official vehicle registered in the name of council
 - iv. Refunds (Library book fees);
 - v. Refreshments and catering
 - vi. Purchase other than that specified in (i) to (v) above, may be approved by the CFO in exceptional cases where it is impractical or impossible to follow the official procurement processes provided that:
 - 1. No approved store items may be purchased by means of a petty cash transaction;
 - 2. No fixed asset may be purchased by means of a petty cash transaction;
 - 3. No travel and subsistence claims or disbursements may be paid via petty cash;
 - 4. Purchases are not split over two or more cash purchase claims;

Petty Cash Policy

6. MAXIMUM AMOUNT OF PETTY CASH PER MONTH

Petty cash will only be held in Ceres. The maximum float may not exceed R5 000.00 at any point in time. The maximum amounts of petty cash purchases are limited to R10 000.00 per month.

7. REPORTING

A monthly reconciliation report must be provided within 5 working days after month end to the chief financial officer, including:

- (a) The total amount of petty cash purchases for that month: and
- (b) Receipts and appropriate documents for each purchase



INDIGENT POLICY

OUR VISION

A Municipality that cares for its community, creating growth and opportunities.

OUR MISSION

The Witzenberg Municipality is committed to improve the quality of life of its community by:

- Providing and maintaining affordable services.
- Promoting Social and Economic Development
- The effective and efficient use of available resources
- Effective Stakeholder and Community participation

Reviewed by Council 30/05/2017
Reviewed by Council 18/05/2016
Reviewed by Council 28/09/2011
Adopted by Council 15/06/2010

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2. AIM
3. OBJECT OF THE POLICY
4. PRINCIPLES
5. DEFINITIONS
6. CRITERIA
7. BENEFITS
8. ADMINISTRATIVE PROCEDURES
9. COMMENCEMENT
10. ANNEXURES

1. INTRODUCTION

Witzenberg acknowledges the fact that priority must be given to the basic needs of the community and that the social and economical development of the community is assisted in an effort to provide access to the basic level of service in terms of the Constitution of South Africa, Sect 152 (1) (b) and 153 (b).

In an effort to make basic services accessible to the poor and to contribute to poverty alleviation program of National Government, the Council will allocate funds to assist the Poor. This policy, the Indigent Policy, is the tool to ensure that eventually the poor is in the safety net and are protected from measures to deny them access to the basic services. It is however acknowledge that the assistance will only be possible with the assistance of National Governments Fiscal.

2. AIM

To ensure a sound and sustainable manner to provide affordable basic services to the Poor by means of assisting them financially within the legal framework of the powers and functions of the Municipality in order to improve the livelihood, in an effort to creating a prosperous Municipality free of poverty.

3. OBJECT OF THE POLICY

The object of this policy is to:

- Ensure a transparent, accountable and sustainable manner to assist the poor to access of basic services as defined later in the policy;
- Ensure a sustainable manner to assist the poor with the graveyard costs, transfer duties and to change the municipal accounts in the cases of death, legal separation, divorce, etc. when necessary; and to
- Ensure that a fair portion of the equitable share, as provided by National Government, is utilized as a contribution to poverty alleviation.

4. LEGAL FRAMEWORK

The legal framework within to provide basic services, are in terms the Constitution of South Africa:

- Sect 152 (1) (b) – provision of services in sustainable manner,
- Sect 153 (b) – participation in national and provincial programs, and

- Sect 156 – powers and functions to be preformed by the municipalities.

Section 74(2)(c) of the Systems Act, Act 32 of 2000 deals with the ability of the municipality to make provision for the provision of access to at least basic services for the poor households. Sect 118 of the same Act provides the powers to the Municipality to issue clearance certificates and to hold back those of owners who are in arrears.

It is also seen that Sect 151(1) (b) of the Constitution, read with Section 74(2) (c) of the systems act provides enough powers to the Municipality to subsidize the poor with regard to other tariffs as well as to ensure that the household can maintain access to basic services when the head of the household should pass away.

5. DEFINITIONS

In this policy the under mentioned means, unless the context indicates otherwise-

“Household” a family unit consisting of a head of the family, and his or her spouse.¹

“Indigent household” a household that complies with the criteria as determined in section 6 of this policy.

“Income” All sources of income of a head of the family, and his or her spouse², for example salaries, allowances, pensions, rental and business income not limiting it to the examples mentioned, excluding state child support grants, care dependency grants, foster care grants or maintenance support.³

“Spouse” includes husband, wife or living partner, including traditional marriages.⁴

6. CRITERIA

Assistance is provided to households that meet the criteria as set out in 6.1 and to old age homes that meet the criteria as set out in 6.2.

6.1. The qualification criteria for urban households in order to receive assistance are as follow:

6.1.1. The head of the household must be a South African citizen;

¹ Recommended for amendment

² Recommended for amendment

³ Amended by Council 28/09/2011

⁴ Recommended for inclusion

- 6.1.2. An application on the prescribe form, fully completed with the required information and signed, must be provided;
- 6.1.3. The household, except in the case of rural households, must receive an account from the Municipality of Witzenberg;
- 6.1.4. No member of the household, except in the case of rural households which resides on the farm where he/she works and is not the owner, may own a fixed property other than the site on which the household resides; and
- 6.1.5. The household joint gross income may not exceed the level of R 3,000 per month.
- 6.1.6. Two individual government pension (old age or disability) that exceeds the threshold as per 6.1.5 may qualify if it is the only household income.⁵
- 6.1.7. The municipal manager may approve a household as indigent in exceptional circumstances.⁶
- 6.1.8. As a pre-requisite the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality⁷
- 6.2. The qualification criteria for old age homes in order to receive assistance are as follow:
 - 6.2.1. More 50% of the residence within the old age home must receive less than R 3,000 per month income; and
 - 6.2.2. An application on the prescribe form, fully completed with the required information and signed, must be provided.

7. BENEFITS

All benefits are awarded in the form of free use consumption tickets or as a subsidy on the municipal account.

The following benefits are available for:

- 7.1. Households with a joint gross household income less than R 3,000

⁵ Recommended for amendment

⁶ Amended by Council 30/05/2017

⁷ Recommended for amendment Council 25/03/2020

7.1.1 Property rates

In terms of the Property Rates Act, Act 6 of 2004, section 17(h) all residential sites are exempt from the first R 15,000 of the market value on property. As additional subsidy the Municipality will increase this level to R105 000 by means of a subsidy in the form a credit on the municipal account. This subsidy will be equal to the smallest of R 105 000 market value or the total valuation of property.

7.1.2 Electricity

A subsidy equal to the amount charged for the first 50 kWh consumed per month.

7.1.3 Water

A subsidy equal to the amount charged for the first 6 kilolitres consumption per month as well as 100% subsidy on the basic charge for water, where the Municipality is the service providers.

7.1.4 Sanitation

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.5 Refuse removal

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.6 House rental

A subsidy equal to 100% of the amount charged in the case of municipal sub economical rental stock as house rental per month

7.1.7 Graveyard costs

A subsidy equal to 100% of the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household and minor dependents.

7.1.8 Transfer costs

- 7.1.8.1. A subsidy equal to 100% of the amount charged for transferring the municipal services accounts as a result of death of the head of the household. In the event of separation or divorce, the person who is residing at this plot, qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit.

- 7.1.8.2. A subsidy equal to 100% of the costs of an attorney to transfer the property into the spouse name, this as a result of death of the head of the household whilst approved as a Indigent household and the current registration is not in both parties name registered in the deeds office. The appointment of the attorney is entirely the prerogative of the Municipality. ~~An indigent account holder qualifies for a write off if the arrears are linked to a water leakage.~~

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7.2. Old age Homes

7.2.1 Electricity

A subsidy equal to 10% of the amount charged for the service per month

7.2.2 Water

A subsidy equal to 81.2% of the amount charged for the service per month

7.2.3 Sanitation

A subsidy equal to 59% of the amount charged for the service per month.

7.2.4 Refuse removal

A subsidy equal to 33% of the amount charged for the service per month.

7. A Restrictions / limitations on indigent relieve:⁸

- (i) The water meters of indigents who consumed in excess of 6 kilolitre water per month and do not pay regularly for the excess can be replaced with water management meters, and the consumption can be limited to a minimum of 200 litres per day (6 kilolitres per month);
- (ii) The electricity meters of indigents who consumed in excess of 50 kWh units of electricity per month and do not pay regularly for the excess can be replaced with split prepaid meters and the connection can be limited to a minimum of 20 Amps;

⁸ Amended council 28/09/2011

- (iii) The cost of the replacement meters will be borne by the municipality.

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8. ADMINISTRATIVE PROCEDURES

8.1. Organizational Structure

The organizational structure dealing with assistance to the poor is split in decision making and execution.

The decision making component will consist of the elected councilors in the Finance Committee, with the execution unit being the advisors of the committee.

Responsibilities of the Committee:

This committee will ensure that recommendations be made with regard to:

- Policy changes;
- Monitoring of the assistance provided; and
- Serve as the dispute handling committee.

The execution portion will be dealt with by the Social and Economic Development unit of Witzenberg Municipality.

Responsibilities of the unit will include at least:

- Assist households with applications;
- Consider applications according to criteria
- Approve applications;
- Ensure implementation of approved applications;
- Keep administrative record of all applications,
- Assist in reconciling information with the financial system; and
- Prepare monitoring reports.

8.2. Application Procedure

8.2.1. The head of the household, if not the municipal account holder supported by the municipal account holder, must apply for the subsidy in person. The onus to apply is placed on the head of household.

8.2.2. The application must be on the prescribe application form. Attached as Annexure 8.1.2.

8.2.3. The application form must at least include the following documents:

- Copy of the latest municipal accounts, where applicable;
- Copy of the head of the household identification document and in the case of not the account holder the account holder documentation;

- Copy of the deceased identification and death certificate documents, where applicable;
 - Proof of income, certified by employer as a true reflection, if applicable;
 - Copy of the pension card, UIF card, or interest certificate, etc, if applicable; and
 - An affidavit that certifies that the information provided is the truth and nothing but the truth. (Attached as Annexure 8.1.3)
 - Copy of the last three months bank statements when required.
- 8.2.4. The municipality acknowledged the fact that support must be offered in order to ensure access to the subsidy. For this purpose a unit is in tack to assist the poor. All applications must be lodged at this unit, called the Social & Economic Development unit of Witzenberg Municipality.
- 8.2.5. The Municipality reserves the right that an official of the unit may visit the household residing place in order to establish or confirm the information provided.
- 8.2.6. The Municipality reserves the right to verify information received by means of ITC checks.⁹
- 8.2.7. The Municipality undertakes to remind the household, two months prior to expiry of the approval, of the expiry. The non-receiving of the notice in the form of a house visit, letter or via the municipal account will not place the responsibility on the Municipality to ensure re-application.

8.3. Measurement and duration of applications for approval

- 8.3.1. Measurement whether the application qualify in terms of the criteria as set in section 6 is based on the information as on the date of the application. The municipality reserves the right to lodge their own investigation in order to ensure compliance with the criteria.
- 8.3.2. An approved application is valid for a period of twelve months.
- 8.3.3. If an applicants financial position changes and it is of a permanent nature the applicant must inform the Municipality of the change. If the change affect the household in such a manner that it no longer meet the criteria as set in section 6 the approval will automatically stop.
- 8.3.4. The onus rest with the applicant to inform the Municipality of any such changes.

⁹ Recommended for amendment

8.3.5. The approval will stop automatically two months after the head of the household passed away. If the household left behind is still financially in the same position the subsidy must be transferred to the new head of the household. The onus to apply is placed on the new head of the household.

8.3.6. Where the applicant is deceased the surviving next of kin (husband/wife/child/grandchild) have to apply as the new head of the household.

8.3.7. The applicant must:

- indicate that the owner is deceased
- attached an affidavit (declaration) that he or she is the person to whom the house has been allocated to in the estate

8.3.5. If there is no estate, all surviving next of kind have to give consent to the applicant to occupy the estate property

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8.4. Disputes

Any dispute based on the administrative process or approval of an application will be dealt with by the Finance Committee. The Committee may call the applicant to put their dispute in words or ask the applicant to put it in writing. The Social and Welfare unit must be afforded to provide the committee with documentary proof of the process followed and or reasons for the decision made. The committee may not include in their decision any deviation of this policy.

9. Termination of indigent support

Indigent Support will be terminated under the following circumstances:

- Death of account-holder
- Upon sale of the property
- When circumstances in the indigent household have improved in terms of a gross income exceeding the limit
- If the applicant is found ~~to have left about his/her personal circumstances or has to have~~ furnished false information regarding indigent status
- the household head owns a business or a second property or there is a business operated in the property

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9-10. COMMENCEMENT DATE

This amended policy takes effect as from the 28 September 2011.



WITZENBERG

Municipality • Munisipaliteit • UMasipala Wase



BUDGET VIREMENT POLICY

Date of implementation 01 July 2010

Index

1. Definitions
2. Abbreviations
3. Objective
4. Financial Responsibility
5. Transfer/ Virement Restrictions
7. Transfer / Virement Procedure

Annexure "A" Vote Classification

Annexure "B" Item Classification

1. Definitions

“Accounting officer” The municipal manager of a municipality is the accounting officer of the municipality in terms of section 60 of the MFMA

“Approved budget” means an annual budget approved by a municipal council.

“Budget-related policy” means a policy of a municipality affecting or affected by the annual budget of the municipality as defined in the Budget Policy of the Council

“Chief financial officer” means a person designated in terms of the MFMA who performs such budgeting, and other duties as may in terms of section 79 of the MFMA be delegated by the accounting officer to the chief financial officer.

“Deputy Chief financial officer” Deputy Director: Finance¹

“Capital Budget” This is the estimated amount for capital items in a given fiscal period. Capital items are fixed assets such as facilities and equipment, the cost of which is normally written off over a number of fiscal periods

“Council” means the council of a municipality referred to in section 18 of the Municipal Structures Act.

“Financial year” means a 12-month year ending on 30 June.

“Line Item” an appropriation that is itemized on a separate line in a budget adopted with the idea of greater control over expenditures [See annexure “B” for current item structure]

“Operating Budget” The Town's financial plan, which outlines proposed expenditures for the coming financial year and estimates the revenues used to finance them.

“Ring Fenced” an exclusive combination of line items grouped for specific purposes for instance salaries and wages.

“Service delivery and budget implementation plan” means a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget.

“Virement” is the process of transferring an approved budget allocation from one vote to another, with the approval of the Municipal Manager. To enable budget managers to amend budgets in the light of experience or to reflect anticipated changes.

“Vote” means one of the main segments into which a budget of a municipality is divided for the appropriation of funds for the different departments or functional areas of the municipality; and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned. [See annexure “A” for current Vote structure]

“Budget transfer” means the transfer of an approved budget allocation from one operating or capital line item to another within a vote, with the approval of the relevant senior manager.

¹Updated 31/05/2012 Council meeting

2. Abbreviations

- 2.1. CFO – Chief Financial Officer
- 2.2. Deputy CFO: Deputy Chief Financial Officer
- 2.3. IDP – Integrated Development Plan
- 2.4. MFMA – Municipal Finance Management Act No. 56 of 2003
- 2.5. SDBIP -Service delivery and budget implementation plan
- 2.6. CM – Council Minute/s

3. Objective

To allow limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate service delivery in a financially responsible manner.

4. Financial Responsibilities

- 4.1 Strict budgetary control must be maintained throughout the financial year in order that potential overspends and / or income under-recovery within individual vote departments is identified at the earliest possible opportunity. (Section 100 MFMA)
- 4.2 The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of financial control. The budget virement process is one of these controls. (Section 27(4) MFMA)
- 4.3 It is the responsibility of each manager or head of a department or activity to which funds are allotted, to plan and conduct assigned operations so as not to expend more funds than budgeted. In addition, they have the responsibility to identify and report any irregular or fruitless and wasteful expenditure in terms of the MFMA sections 78 and 102.

5. Virement Restrictions

- 5.1 No funds may be viremented between votes without consent of both vote holders and the Municipal Manager.
- 5.2 Virements may not exceed a maximum annual limit of 5 % per vote from which the virement originates.
- 5.3 A virement may not create new policy, significantly vary current policy, or alter the approved outcomes / outputs as approved in the IDP for the current or subsequent years.
- 5.4 No virement may commit the Municipality to increase recurrent expenditure, which commits the Council's resources in the following financial year, without the prior approval of the Mayoral Committee.

- 5.5 No funds may be transferred between line items without approval of the vote holder authorization, in other words the senior Manager's approval.
- 5.6 Budget may not be transferred from Support service (interdepartmental) costs, Capital financing, Depreciation, Contributions, Grant Expenditure, Insurance and Income Foregone.
- 5.7 Budget may only be transferred from or to Salaries or employee related costs if approved by the CFO.
- 5.8 Transfers Virements in capital budget allocations are only permitted within specified action plans and not across funding sources without the written approval of the CFO and the Municipal Manager and must in addition have comparable asset lifespan classifications.²
- 5.9 No virements are permitted in the first three months or the final month of the financial year without the express agreement of the CFO or the Deputy CFO.
- 5.10 An approved virement/transfer does not give expenditure authority and all expenditure resulting from approved virements must still be subject to the supply chain management policy of Council as periodically reviewed.
- 5.11 Virements/transfers may not be made between Expenditure and Income.
- 5.12 No virements/transfers are allowed in terms of income line items.
- 5.13 No virement/transfers are allowed from capital budget to the operating budget
- 5.14 Virements/transfers should not result in new projects on the capital budget without the written approval of the CFO and the Municipal Manager³
- 5.15 Virements/transfers of conditional grant funds to a purpose outside than specified in the relevant conditional grant framework are not permitted.
- 5.16 Virements / Transfers to Travelling and Accommodation and Entertainment line items are only permitted with the approval of the CFO and Municipal Manager⁴

6. Virement Procedure

- 6.1 All virement/transfer proposals must be completed on the appropriate documentation and forwarded to the relevant Finance Officer for checking and implementation.
- 6.2 All virements must be signed by the Initiator, Vote Holder, Municipal Manager and the official responsible for budgets.
- 6.3 All transfers must be signed by the Initiator, Vote holder, the official responsible to process the proposals and a Line Manager within Finance.
- 6.4 The form must be completed for all Budget Transfers, virements as well as transfers.

²Updated 31/05/2012 Council meeting

³Updated 31/05/2012 Council meeting

⁴Updated 31/05/2012 Council meeting

- 6.5 Virements/transfers in excess of R 50,000 require the approval of the Deputy CFO and Virements / Transfers in excess of R 200,000 require the approval of the Chief Financial Officer⁵
- 6.6 All documentation must be in order and approved before any expenditure can be committed or incurred. (Section 79 MFMA)
- 6.7 The Municipal Manager will report to the Mayor on a quarterly basis on those virements that have taken place during that quarter.

APPENDIX A

WITZENBERGMUNICIPALITY

GFS CLASSIFICATION, COST CENTRE & VOTE STRUCTURE

GFS Classification	Cost centres	Municipal Votes	Vote Holder (Responsible Sec 57 Appointment)	Support Vote Holder (Responsible Line Manager)
Budget & Treasury Office	Property rates	Budget & Treasury Office	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Administration	Budget & Treasury Office	Director: Financial Services	Manager: Financial Administration
Budget & Treasury Office	Treasury: Debtors	Budget & Treasury Office	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Credit control	Budget & Treasury Office	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Supply Chain	Budget & Treasury Office	Director: Financial Services	Manager: Supply Chain
Budget & Treasury Office	Treasury: Audit	Budget & Treasury Office	Director: Financial Services	Manager: Financial Administration
Community & Social Services	Cemeteries	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Library services	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Community Halls & Facilities	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Thusong Centre	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Social & Welfare services	Community & Social Services	Director: Community Services	Manager: Social and Economic services
Corporate Services	Control centre	Community & Social Services	Director: Community Services	Manager: Protection Services
Corporate Services	Property maintenance	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Corporate Services	Administration	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Property administration	Corporate Services	Director: Corporate Services	Unknown
Corporate Services	Information Technology	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Human resources	Corporate Services	Director: Corporate Services	Manager: Human Resources
Corporate Services	Tourism	Corporate Services	Director: Corporate Services	Manager: Communications
Corporate Services	Administration	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Mechanical Workshop	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Corporate Services	Marketing & Communications	Corporate Services	Director: Corporate Services	Manager: Communications
Electricity	Electricity: Administration	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Client Services	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Generation	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Distribution	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Environmental Protection	Environmental Protection	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Executive & Council	Municipal Manager	Executive & Council	Municipal Manager	Manager: IDP

⁵Updated 31/05/2012 Council meeting

APPENDIX A
WITZENBERGMUNICIPALITY

GFS CLASSIFICATION, COST CENTRE & VOTE STRUCTURE

GFS Classification	Cost centres	Municipal Votes	Vote Holder (Responsible Sec 57 Appointment)	Support Vote Holder (Responsible Line Manager)
Executive & Council	Council cost	Corporate Services	Director: Corporate Services	Manager: Administration
Executive & Council	Town secretary	Corporate Services	Director: Corporate Services	Manager: Administration
Executive & Council	Chief Executive's	Executive & Council	Municipal Manager	Manager: IDP
Housing	Housing: Administration	Housing	Director: Community Services	Manager: Housing
Housing	Housing: Construction	Housing	Director: Community Services	Manager: Housing
Housing	Housing: Maintenance	Housing	Director: Community Services	Manager: Housing
Planning & Development	Licensing & regulation	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Planning & Development	Local Economical Development	Community & Social Services	Director: Community Services	Manager: Social and Economical services
Planning & Development	Integrated Development Planning	Executive & Council	Municipal Manager	Manager: IDP
Planning & Development	Building Control	Planning	Director: Technical Services	Manager: Planning & Projects
Planning & Development	Town Planning	Planning	Director: Technical Services	Manager: Planning & Projects
Planning & Development	Project Management	Planning	Director: Technical Services	Manager: Planning & Projects
Planning & Development	Performance Management	Planning	Director: Technical Services	Manager: Planning & Projects
Public Safety	Electricity: Street Lights	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Public Safety	Fire Protection	Public Safety	Director: Community Services	Manager: Protection Services
Public Safety	Police & Traffic	Public Safety	Director: Community Services	Manager: Protection Services
Public Safety	Disaster management	Public Safety	Director: Community Services	Manager: Protection Services
Road Transport	Vehicle Licensing & Testing	Public Safety	Director: Community Services	Manager: Protection Services
Road Transport	Roads	Civil services	Director: Technical Services	Manager: Roads & Storm water
Sport and Recreation	Pine forest: Administration	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Security services	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Semi permanent units	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Cleaning services	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Swimming pools	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Klipriver park: Administration	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Klipriver park: Cleaning services	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Klipriver park: Swimming pool	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Parks	Sport & Recreation	Director: Community Services	Manager: Amenities & Environment
Sport and Recreation	Sport grounds	Sport & Recreation	Director: Community Services	Manager: Amenities & Environment
Sport and Recreation	Swimming pools	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Waste Management	Public Toilets	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Management	Solid Waste - Dumping Site	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Management	Solid Waste - Garden	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Management	Solid Waste - Removal	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Water Management	Sewerage	Civil services	Director: Technical Services	Manager: Water & Sewerage
Waste Water Management	Storm water Management	Civil services	Director: Technical Services	Manager: Roads & Storm water
Water	Water Storage	Civil services	Director: Technical Services	Manager: Water & Sewerage
Water	Water Distribution	Civil services	Director: Technical Services	Manager: Water & Sewerage

**APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION**

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
3001	3000	Salaries	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3002	3000	Bonuses	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3003	3000	Standby	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3004	3000	Overtime	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3005	3000	Housing Allowances	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3006	3000	Housing Subsidies	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3007	3000	Entertainment Allowances	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3009	3000	Leave paid out	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3010	3000	Transport Allowances	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3011	3000	Resettlement Costs	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3101	3100	Medical contributions	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3102	3100	Pension contributions	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3103	3100	UIF	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3104	3100	Group Life Insurance	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3105	3100	Bargaining Council Levies	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3106	3100	Employees Awards	Employee related costs - Social contributions	Expenditure	No	Yes*
3107	3100	Post-retirement benefits	Employee related costs - Social contributions	Expenditure	No	Yes*
3108	3100	Exgratia Pension	Employee related costs - Social contributions	Expenditure	No	Yes*
3109	3900	Finance Cost Medical	Interest Expense - External borrowings	Expenditure	No	No
3110	3900	Finance Cost Long service	Interest Expense - External borrowings	Expenditure	No	No
3111	3900	Finance Cost Exgratia	Interest Expense - External borrowings	Expenditure	No	No
3301	3300	Employee Cost Transferred	Less Employee Costs Allocated	Expenditure	No	No
3401	3400	Mayor	Remuneration of Councillors	Expenditure	No	No
3402	3400	Deputy Mayor	Remuneration of Councillors	Expenditure	No	No
3403	3400	Speaker	Remuneration of Councillors	Expenditure	No	No
3404	3400	Mayoral Committee Allowances	Remuneration of Councillors	Expenditure	No	No
3405	3400	Councillor Allowances	Remuneration of Councillors	Expenditure	No	No
3406	3400	Medical	Remuneration of Councillors	Expenditure	No	No
3407	3400	Pension	Remuneration of Councillors	Expenditure	No	No
3501	3500	Impairment of debtors	Bad Debts	Expenditure	No	No
3502	3500	Impairment of long-term debtors	Bad Debts	Expenditure	No	No
3503	3500	Impairment Debtors (Non-Exchange)	Debt impairment	Expenditure	No	No
3601	3600	Debt Collection Fees - Extern	Collection costs	Expenditure	Yes	Yes
3602	3600	Summonses & Legal Lawsuits	Collection costs	Expenditure	Yes	Yes
3603	3600	Debt Collection Fees - Intern	Collection costs	Expenditure	Yes	Yes
3701	3700	Depreciation	Depreciation and asset impairment	Expenditure	No	No
3702	3700	Depreciation for Rehabilitation	Depreciation and asset impairment	Expenditure	No	No
3704	3700	Impairment for Rehabilitation	Depreciation and asset impairment	Expenditure	No	No
3705	3700	Amortisation	Depreciation and asset impairment	Expenditure	No	No
3801	3800	Buildings	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3802	3800	Network	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
3803	3800	Network - Patchwork	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3805	3800	Network - Resealing	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3806	3800	Network - Main roads	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3807	3800	Network - Traffic signs	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3808	3800	Network - Storm water	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3809	3800	Network - Sidewalks	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3810	3800	Meter replacement	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3811	3800	Pump stations	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3812	3800	Efficient treatment works	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3813	3800	Site - works	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3814	3800	Furniture and Equipment	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3815	3800	Vehicles	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3816	4400	Maintenance: Swimming Pool	Other Expenditure	Expenditure	Yes	Yes
3817	4400	Repairs & Maintenance- Computer	Other Expenditure	Expenditure	Yes	Yes
3818	4400	Repairs & Maintenance- Plant & Equipment	Other Expenditure	Expenditure	Yes	Yes
3819	4400	Fire Fighting Equipment	Other Expenditure	Expenditure	Yes	Yes
3901	3900	Interest on Bank overdraft	Interest Expense - External borrowings	Expenditure	Yes	Yes
3902	3900	Interest on External Borrowing	Interest Expense - External borrowings	Expenditure	No	No
3903	3900	Unamortized Discount - Interest	Interest Expense - External borrowings	Expenditure	No	No
3904	3900	Interest Cost Employee Benefit	Interest Expense - External borrowings	Expenditure	No	No
3905	3900	Interest Rehabilitation	Interest Expense - External borrowings	Expenditure	No	No
3906	3900	Interest Paid	Interest Expense - External borrowings	Expenditure	No	No
4101	4100	Electricity purchases (KVA)	Bulk purchases	Expenditure	Yes	Yes
4102	4100	Electricity purchases (kWh)	Bulk purchases	Expenditure	Yes	Yes
4104	4100	Electricity purchases (Fixed charges)	Bulk purchases	Expenditure	Yes	Yes
4105	4100	Electricity (Variable charges)	Bulk purchases	Expenditure	Yes	Yes
4201	4400	Bank charges	General Expenses - other	Expenditure	Yes	Yes
4202	4200	Service supplier contracts	Contracted services	Expenditure	Yes	Yes
4203	4200	Rental of Compactor	Contracted services	Expenditure	Yes	Yes
4204	4200	Legal Costs	Contracted services	Expenditure	Yes	Yes
4205	4200	Town & Regional Planning	Contracted services	Expenditure	Yes	Yes
4206	4400	Insurance	General Expenses - other	Expenditure	Yes	Yes
4207	4200	Transport (Contractor)	Contracted services	Expenditure	Yes	Yes
4208	4200	Transport: Cash	Contracted services	Expenditure	Yes	Yes
4210	4200	Cleaning Contract	Contracted services	Expenditure	Yes	Yes
4212	4200	Cleaning Services	Contracted services	Expenditure	Yes	Yes
4213	4200	Upkeep of Valuation records	Contracted services	Expenditure	Yes	Yes
4214	4200	Toilet services	Contracted services	Expenditure	Yes	Yes
4215	4200	Service Supplier Contracts (Se	Contracted Services	Expenditure	Yes	Yes
4220	4200	Security	Contracted Services	Expenditure	Yes	Yes
4221	4200	Legal Cost (Labour)	Contracted Services	Expenditure	Yes	Yes

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4301	4400	Subsidy National Government	General Expenses - other	Expenditure	Yes	Yes
4302	4400	Subsidy Provincial Government	General Expenses - other	Expenditure	Yes	Yes
4303	4400	District Municipality	General Expenses - other	Expenditure	Yes	Yes
4304	4400	Grant Other	General Expenses - other	Expenditure	Yes	Yes
4305	5000	Inform. Settl. without account - Refuse	Internal Charges (ACB)	Expenditure	No	No
4306	5000	Inform. Settl. without account - Sewerage	Internal Charges (ACB)	Expenditure	No	No
4307	5000	Inform. Settl. without account - Water	Internal Charges (ACB)	Expenditure	No	No
4308	4400	Grant Belgium - Federal Gov.	General Expenses - other	Expenditure	Yes	Yes
4309	4400	Grant Belgium - Flemish Gov.	General Expenses - other	Expenditure	Yes	Yes
4310	4400	MSIG Wyk 1	General Expenses - other	Expenditure	No	No
4311	4400	MSIG Ward 2	General Expenses - other	Expenditure	No	No
4312	4400	MSIG Ward 3	General Expenses - other	Expenditure	No	No
4313	4400	MSIG Ward 4	General Expenses - other	Expenditure	No	No
4314	4400	MSIG Ward 5	General Expenses - other	Expenditure	No	No
4315	4400	MSIG Ward 6	General Expenses - other	Expenditure	No	No
4316	4400	MSIG Ward 7	General Expenses - other	Expenditure	No	No
4317	4400	MSIG Ward 8	General Expenses - other	Expenditure	No	No
4318	4400	MSIG Ward 9	General Expenses - other	Expenditure	No	No
4319	4400	MSIG Ward 10	General Expenses - other	Expenditure	No	No
4320	4400	MSIG Ward 11	General Expenses - other	Expenditure	No	No
4321	4400	Indigent Electricity (Eskom)	General Expenses - other	Expenditure	No	No
4322	4400	Change of connections	General Expenses - other	Expenditure	No	No
4323	4400	Indigent Change/Transfer cost	General Expenses - other	Expenditure	No	No
4324	4300	Donations	Grants & Subsidies Paid	Expenditure	No	No
4325	4400	Grant exp - Workshops	General Expenses - other	Expenditure	No	No
4326	4400	Grant exp - Development project	General Expenses - other	Expenditure	No	No
4327	4400	Grant exp - Stationary & print	General Expenses - other	Expenditure	No	No
4328	4400	Grant exp - Telephone	General Expenses - other	Expenditure	No	No
4329	4400	Grant exp - Traveling & subsistence	General Expenses - other	Expenditure	No	No
4332	4400	OPEX NAT.Grant Expenditure-FMG	General Expenses - other	Expenditure	No	No
4333	4400	OPEX NAT.Grant Expenditure-MSIG	General Expenses - other	Expenditure	No	No
4334	4400	OPEX NAT.Grant Expenditure-EPW	General Expenses - other	Expenditure	No	No
4335	4400	OPEX NAT.Grant Exp-Transformation	General Expenses - other	Expenditure	No	No
4336	4400	Opex NAT.Grant Exp- DWAF	General Expenses - other	Expenditure	No	No
4337	4400	Opex NAT.Grant Exp- MIG	General Expenses - other	Expenditure	No	No
4338	4400	Opex NAT.Grant Exp- RBIG	General Expenses - other	Expenditure	No	No
4339	4400	Opex NAT.Grant Exp- INEP	General Expenses - other	Expenditure	No	No

**APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION**

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4340	4400	Opex Prov.Grant Exp- Library	General Expenses - other	Expenditure	No	No
4341	4400	Opex Prov.Grant Exp- CDW	General Expenses - other	Expenditure	No	No
4342	4400	Opex Prov Grant Exp- Main Road	General Expenses - other	Expenditure	No	No
4343	4400	Opex Prov Grant Exp- Wolseley	General Expenses - other	Expenditure	No	No
4344	4400	Opex Prov Grant Exp- Hand Craf	General Expenses - other	Expenditure	No	No
4345	4400	Opex Prov Grant Exp- Aqua Cult	General Expenses - other	Expenditure	No	No
4346	4400	Opex Prov Grant Exp- Planning	General Expenses - other	Expenditure	No	No
4347	4400	Opex Prov Grant Exp- Housing	General Expenses - other	Expenditure	No	No
4348	4400	Opex Prov Grant Exp- Sport	General Expenses - other	Expenditure	No	No
4349	4400	Opex Prov Grant Exp- PTIP	General Expenses - other	Expenditure	No	No
4350	4400	Opex Prov Grant Exp- Multi Pur	General Expenses - other	Expenditure	No	No
4351	4400	Opex Distr Grant Exp- Asset In	General Expenses - other	Expenditure	No	No
4352	4400	Opex Distr Grant Exp- Water In	General Expenses - other	Expenditure	No	No
4353	4400	Opex Distr Grant Exp- Housing	General Expenses - other	Expenditure	No	No
4354	4400	Opex Distr Grant Exp- Hawkers-	General Expenses - other	Expenditure	No	No
4355	4400	Opex Distr Grant Exp- Streets	General Expenses - other	Expenditure	No	No
4356	4400	Opex Distr Grant Exp- Solid Wa	General Expenses - other	Expenditure	No	No
4357	4400	Opex NAT Grant Exp - Housing	General Expenses - other	Expenditure	No	No
4358	4400	Opex NAT Grant Exp- Rural Dev	General Expenses - other	Expenditure	No	No
4402	4400	Advertising/Printing Stationery	General Expenses - other	Expenditure	Yes	Yes
4404	4400	Pauper Burials	General Expenses - other	Expenditure	Yes	Yes
4405	4400	Rewards	General Expenses - other	Expenditure	Yes	Yes
4406	4400	Fertilisers	General Expenses - other	Expenditure	Yes	Yes
4407	4400	Damages/Replacements	General Expenses - other	Expenditure	Yes	Yes
4409	4400	Chemicals	General Expenses - other	Expenditure	Yes	Yes
4410	4300	Donations	Grants & subsidies paid	Expenditure	No	No
4411	4400	Eskom Electricity	General Expenses - other	Expenditure	Yes	Yes
4412	4400	Advertising	General Expenses - other	Expenditure	Yes	Yes
4413	4400	Gas/Rental of gas bottle	General Expenses - other	Expenditure	Yes	Yes
4415	4400	Dog Expenses	General Expenses - other	Expenditure	Yes	Yes
4416	4400	Rental of Houses	General Expenses - other	Expenditure	Yes	Yes
4417	4400	Rental of Offices	General Expenses - other	Expenditure	Yes	Yes
4418	4400	Communication & Events	General Expenses - other	Expenditure	Yes	Yes
4419	4400	Inspection fees	General Expenses - other	Expenditure	Yes	Yes
4420	4400	Inventory - New	General Expenses - other	Expenditure	Yes	Yes
4421	4400	Koekedouw Dam	General Expenses - other	Expenditure	Yes	Yes
4422	4400	Commission on Recoveries	General Expenses - other	Expenditure	Yes	Yes
4424	4400	Membership fees	General Expenses - other	Expenditure	Yes	Yes
4425	4400	Licensing Radio's	General Expenses - other	Expenditure	Yes	Yes
4426	4400	Machine Rental	General Expenses - other	Expenditure	Yes	Yes
4428	5000	Municipal Services	Internal Charges (ACB)	Expenditure	No	No
4429	4400	Investigations	General Expenses - other	Expenditure	Yes	Yes
4430	4400	Entertainment Mayor	General Expenses - other	Expenditure	Yes	Yes

**APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION**

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4431	4400	Entertainment Speaker	General Expenses - other	Expenditure	Yes	Yes
4432	4400	Disinfectants	General Expenses - other	Expenditure	Yes	Yes
4433	4400	Public Drivers permit	General Expenses - other	Expenditure	Yes	Yes
4434	4400	Public Entertainment (Tea & Coffee)	General Expenses - other	Expenditure	Yes	Yes
4435	4400	Training	General Expenses - other	Expenditure	Yes	Yes
4436	4400	Auditing External	General Expenses - other	Expenditure	Yes	Yes
4437	4200	Auditing Internal	Contracted services	Expenditure	Yes	Yes
4438	4400	Plant & pest control (chemical)	General Expenses - other	Expenditure	Yes	Yes
4439	4400	Plant material & seeds	General Expenses - other	Expenditure	Yes	Yes
4440	4400	Post Evaluation Cost	General Expenses - other	Expenditure	Yes	Yes
4441	4400	Publicity/tourism	General Expenses - other	Expenditure	Yes	Yes
4442	4400	Rations	General Expenses - other	Expenditure	Yes	Yes
4443	4400	Travelling & Accommodation	General Expenses - other	Expenditure	Yes	Yes*
4445	4400	Sewerage analysis	General Expenses - other	Expenditure	Yes	Yes
4446	4400	Condolences	General Expenses - other	Expenditure	Yes	Yes
4447	4400	Security Services	General Expenses - other	Expenditure	Yes	Yes
4448	4400	Cleaning materials	General Expenses - other	Expenditure	Yes	Yes
4449	4200	Disconnection of services	Contracted services	Expenditure	Yes	Yes
4450	4400	Developing Projects	General Expenses - other	Expenditure	Yes	Yes
4451	5000	Street lighting	Internal Charges (ACB)	Expenditure	No	No
4454	4400	Study bursary	General Expenses - other	Expenditure	Yes	Yes
4455	4400	Telephone and Postage	General Expenses - other	Expenditure	Yes	Yes
4456	4400	Tourism	General Expenses - other	Expenditure	Yes	Yes
4458	4400	Translation services	General Expenses - other	Expenditure	Yes	Yes
4461	4400	TV Transponder	General Expenses - other	Expenditure	Yes	Yes
4462	4400	Pointing out of markers	General Expenses - other	Expenditure	Yes	Yes
4463	4400	Uniforms	General Expenses - other	Expenditure	Yes	Yes
4464	4400	Insurance Claims Expenses	General Expenses - other	Expenditure	No	No
4465	4400	Skills Development Levies	General Expenses - other	Expenditure	No	No
4466	4400	Trade Union costs	General Expenses - other	Expenditure	Yes	Yes
4467	4400	Consumable Items	General Expenses - other	Expenditure	Yes	Yes
4468	4400	Lost Books	General Expenses - other	Expenditure	Yes	Yes
4469	4400	Courier of Council Notifications	General Expenses - other	Expenditure	Yes	Yes
4470	4400	Vehicle Fleet Costs	General Expenses - other	Expenditure	Yes	Yes
4471	4400	Refuse bags	General Expenses - other	Expenditure	Yes	Yes
4472	4400	Valuation costs	General Expenses - other	Expenditure	Yes	Yes
4473	4400	Laundry expenses	General Expenses - other	Expenditure	Yes	Yes
4474	4400	Water sampling - Waste disposal site	General Expenses - other	Expenditure	Yes	Yes
4475	4400	Water research levy	General Expenses - other	Expenditure	Yes	Yes
4476	3100	Employees Awards	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
4477	4400	Special Projects	General Expenses - other	Expenditure	Yes	Yes
4478	3100	Compensation Commissioner	Employee related costs - Social contributions	Expenditure	No	No

**APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION**

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4479	4400	Water Levies	General Expenses - other	Expenditure	Yes	Yes
4480	4400	Water Rights Vredebes	General Expenses - other	Expenditure	Yes	Yes
4481	4400	Audit Committee	General Expenses - other	Expenditure	Yes	Yes
4482	4400	Festivals Contribution	General Expenses - other	Expenditure	Yes	Yes
4483	4400	Heating Fuel	General Expenses - other	Expenditure	Yes	Yes
4484	4400	Inauguration of Mayor	General Expenses - other	Expenditure	Yes	Yes
4485	4400	Awareness program	General Expenses - other	Expenditure	Yes	Yes
4486	4400	Removal of aliens	General Expenses - other	Expenditure	Yes	Yes
4487	4400	Special Projects- Old Age Function	General Expenses - other	Expenditure	Yes	Yes
4488	4400	Cleaning & disinfection material	General Expenses - other	Expenditure	Yes	Yes
4489	4400	TV Licences	General Expenses - other	Expenditure	Yes	Yes
4490	4400	Telephone	General Expenses - other	Expenditure	Yes	Yes
4491	4400	Cell phone	General Expenses - other	Expenditure	Yes	Yes
4492	4400	Data lines	General Expenses - other	Expenditure	Yes	Yes
4493	4400	Postage	General Expenses - other	Expenditure	Yes	Yes
4494	4400	Veldt Fire Roads	General Expenses - other	Expenditure	Yes	Yes
4495	4400	Pound of animals	General Expenses - other	Expenditure	Yes	Yes
4496	4400	Projects	General Expenses - other	Expenditure	Yes	Yes
4497	4400	Mayors Golf day	General Expenses - other	Expenditure	Yes	Yes
4498	4400	Ward Committees	General Expenses - other	Expenditure	Yes	Yes
4499	4400	Inventory - Replacements	General Expenses - other	Expenditure	Yes	Yes
4500	4400	Entertainment Director Finance	General Expenses - other	Expenditure	Yes	Yes*
4501	4400	Entertainment Director Corporate	General Expenses - other	Expenditure	Yes	Yes*
4502	4400	Entertainment Municipal Manager	General Expenses - other	Expenditure	Yes	Yes*
4503	4400	Strategic Partnership	General Expenses - other	Expenditure	Yes	Yes
4504	4400	Generator fuel	General Expenses - other	Expenditure	Yes	Yes
4505	4400	Housing plan & policy	General Expenses - other	Expenditure	Yes	Yes
4506	4400	Relief parcels	General Expenses - other	Expenditure	Yes	Yes
4507	4400	Samro licences	General Expenses - other	Expenditure	Yes	Yes
4508	4400	Courier services	General Expenses - other	Expenditure	Yes	Yes
4509	4400	Public participation	General Expenses - other	Expenditure	Yes	Yes
4510	4400	Steering committee & Forum	General Expenses - other	Expenditure	Yes	Yes
4511	4400	Review process cost	General Expenses - other	Expenditure	Yes	Yes
4512	4400	Vehicle Tracking Costs	General Expenses - other	Expenditure	Yes	Yes
4513	4400	International relationships	General Expenses - other	Expenditure	Yes	Yes
4514	4400	Entertainment Director Technical Services	General Expenses - other	Expenditure	Yes	Yes*
4515	4400	Entertainment Director Community Services	General Expenses - other	Expenditure	Yes	Yes*
4516	4400	Op die Berg Office	General Expenses - other	Expenditure	Yes	Yes
4517	4400	MEDICAL EXAMINATIONS	General Expenses - other	Expenditure	Yes	Yes
4518	4300	Donations	Grants & Subsidies Paid	Expenditure	No	No
4519	4400	Refreshments - Disciplinary &	General Expenses - other	Expenditure	Yes	Yes

**APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION**

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4520	4400	FIRE AMMUNITION	General Expenses - other	Expenditure	Yes	Yes
4521	4400	Fire Fighting Foam	General Expenses - other	Expenditure	Yes	Yes
4522	4400	Corporate Branding	General Expenses - other	Expenditure	Yes	Yes
4523	4400	Consultant Fees	General Expenses - other	Expenditure	Yes	Yes
4524	4400	In-service Training	General Expenses - other	Expenditure	Yes	Yes
4525	4400	Stock losses/write-off's	General Expenses - other	Expenditure	Yes	Yes
4526	4400	Actuarial Loss	General Expenses - other	Expenditure	Yes	Yes
4527	4400	Registrar of Deeds	General Expenses - other	Expenditure	Yes	Yes
4528	4400	Vehicle Cost Grant	General Expenses - other	Expenditure	Yes	Yes
4529	4400	Vehicle Repair Grant	General Expenses - other	Expenditure	Yes	Yes
4530	4400	Cleaning of Rivers	General Expenses - other	Expenditure	Yes	Yes
4531	4400	Festive Lights	General Expenses - other	Expenditure	Yes	Yes
4532	4400	Monitoring Alarm	General Expenses - other	Expenditure	Yes	Yes
4533	4400	Generator Repairs	General Expenses - other	Expenditure	Yes	Yes
4534	4400	Prepaid Electricity (Internal)	General Expenses - other	Expenditure	Yes	Yes
4535	4400	DRIVERS PDP'S & LICENSING	General Expenses - other	Expenditure	Yes	Yes
4536	4400	Towing Cost	General Expenses - other	Expenditure	Yes	Yes
4537	4400	Life Guards	General Expenses - other	Expenditure	Yes	Yes
4538	4400	PPP Investigations	General Expenses - other	Expenditure	Yes	Yes
4903	5000	Internal Recoveries (ABC)	Internal Charges (ACB)	Expenditure	No	No
5101	6210	Asset replacement reserve to	Contributions (from)/ to provisions	Nett Assets	No	No
5102	6280	Back dated Remuneration	Contributions (from)/ to provisions	Nett Assets	No	No
5103	6280	Redundant/ shortages of stock	Contributions (from)/ to provisions	Nett Assets	No	No
5104	6280	Valuation reserve to	Contributions (from)/ to provisions	Nett Assets	No	No
5105	4450	Provision Landfill rehabilitation	Contributions (from)/ to provisions	Expenditure	No	No
5202	6220	Housing account	Contributions (from)/ to provisions	Nett Assets	No	No

Under special conditions as contained in the policy

Yes*



ASSET MANAGEMENT POLICY

Date of Implementation: 01 July 2010

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1. INTRODUCTION

This policy for the management of assets has been designed to assist management and officials of the Witzenberg Municipality with the description of management procedures for Property, Plant and Equipment, Investment Property, Agricultural Assets and Intangible Assets. It also should assist with the capacity to differentiate between activities, which are acceptable in terms of general authorization, supervisory responsibilities and limits of authority to the management of assets and functions of the organisation.

This policy will provide certainty with respect to the handling of asset management procedures undertaken within the organization and will ensure that management and employees understand their respective responsibilities and duties.

For the purpose of this policy, assets exclude inventory and monetary assets such as debtors.

This policy replaces all asset management procedures/instructions and memoranda that have been previously issued.

Failure to comply with this policy will result in the institution of disciplinary procedures in terms of the stipulated human resource policies and procedures of Witzenberg Municipality.

2. OBJECTIVE

The objective of this policy is to ensure that assets of the Municipality are properly managed and accounted for by:

- The accurate recording of essential asset information;
- The accurate recording of asset movements;
- Exercising strict physical controls over all assets;
- Treating the assets correctly in the Municipality's financial statements;
- Providing accurate and meaningful management information;
- Compliance with the Council's accounting policies and Generally Recognised Accounting Practices;
- Adequate insuring of assets;
- Maintenance of Council's assets;
- Ensuring that managers are aware of their responsibilities with regard to the assets; and
- Setting out the standards of management, recording and internal controls so as to safeguard the assets against inappropriate utilisation or loss.

3. STATUTORY FRAMEWORK

The statutory framework for this policy is:

- The Constitution of the Republic of South Africa, Act 108 of 1996;
- Local Government: Municipal Structures Act, No 117 of 1998;
- Local Government: Municipal Systems Act, No 32 of 2000;

- Local Government: Municipal Finance Management Act, No. 56 of 2003;
- Regulation No. 31346 of 2008;
- Municipal Supply Chain Management Regulations No. 27636;
- Generally Recognised Accounting Practice.

4. ACCOUNTING STANDARDS

This document constitutes a policy statement and shall not take precedence over the standards specified by the Accounting Standards Board. The relevant accounting standards include:

- GRAP 1 – Presentation of Financial Statements;
- GRAP 13 – Leases;
- GRAP 16 – Investment Property;
- GRAP 17 - Property, Plant and Equipment;
- GRAP 100 - Non – current Assets Held for Sale and Discontinued Operations;
- GRAP 101 - Agricultural;
- GRAP 102 – Intangible Assets; and
- IAS 36 - Impairment of Assets

Other relevant accounting standards are:

- GRAP 12 on Inventories
- GRAP 11 on Construction Contracts

5. DEFINITIONS

Every effort has been made to use definitions established through legislation, standards of accounting and other guidance on asset management.

“Accounting Officer” means the municipal manager appointed in terms of Section 82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) and being the head of administration and accounting officer in terms of Section 60 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

“Agricultural Activity” is the management by an entity of the biological transformation of biological assets for sale, into agricultural produce, or into additional biological assets.

“Active market” is a market in which all the following conditions exist:

- The item traded within the market are homogeneous;
- Willing buyer and seller can normally be found at any time; and
- Prices are available to the public.

“Agricultural Produce” is the harvested product of the entity’s biological assets.

“Amortisation” is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

“Assets” are resources controlled by the municipality as a result of past events and from which future economic benefit or service potential are expected to flow. However for the purpose of this policy exclude inventory and other monetary assets.

“Asset categories” are the six main asset categories defined as follows:

“Asset Life-Cycle” is the cycle of activities that an asset goes through – including planning, design, initial acquisition and/or construction, cycle of operation and maintenance and capital renewal and finally disposal.

“Asset Manager” is any official who has been delegated responsibility and accountability for the control, usage, physical and financial management of the municipality’s assets in accordance with the entity’s standards, policies, procedures and relevant guidelines.

“Asset Register” is a record of information on each asset that supports the effective financial and technical management of the assets, and meets statutory requirements.

“Biological Asset” is a living animal or plant.

“Biological Transformation” comprises the processes of growth, degeneration, production and procreation that cause qualitative or quantitative changes to a biological asset.

“Carrying amount” is the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated impairment losses.

“Chief Financial Officer” means an officer of a municipality designated by the municipal manager to be administratively in charge of the budgetary and treasury functions.

“Class of property, plant and equipment” means a grouping of assets of a similar nature or function in a municipality’s operations, which is shown as a single item for the purpose of disclosure in the financial statements.

“Commercial service” means a service other than a municipal service

- (a) rendered by a private sector party or organ of state to or for a municipality or municipal entity on a commercial basis; and
- (b) which is procured by the municipality or municipal entity through its supply chain management policy.

“Community Assets” – are defined as any asset that contributes to the community’s well-being. Examples are parks, libraries and fire stations.

“Cost” – is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or where applicable, the amount attributed to that asset when initially

recognized in accordance with the specific requirements of Standards of GRAP.

“Depreciation” – is the systematic allocation of the depreciable amount of an asset over its useful life.

“Depreciable Amount” – is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.

“Depreciated replacement cost”, in relation to a capital asset, means an amount equivalent to the cost to replace the capital asset on the date of transfer adjusted by a deemed depreciated cost at the date of the transfer taking into account the age and condition of the asset.

“Disposal”, in relation to a capital asset, includes –

- (a) the demolition, dismantling or destruction of the capital asset; or
- (b) any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership.

“Disposal management system” means the system contemplated in regulation 40 of the Municipal Supply Chain Management Regulations, published by General Notice No. 868 of 2005.

“Enhancements / Rehabilitation” is an improvement or augmentation of an existing asset beyond its original recognized service potential for example useful life, capacity, quality and functionality.

“Fair Value” – is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s length transaction.

“GRAP” is Standards of Generally Recognised Accounting Practice

“Head of department / senior manager” – means a manager referred to in section 56 of the Municipal Systems Act.

“Heritage Assets” – are defined as culturally significant resources. Examples are works of art, historical buildings and statues.

“Historical cost” means the original purchase price or cost of acquisition of the capital asset at the time the asset was acquired

An **“impairment loss”** of a cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An **“impairment loss”** of non-cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

“Infrastructure assets” are defined as any asset that is part of a network of similar assets. Examples are roads, water reticulation schemes, sewerage

purification and trunk mains, transport terminals and car parks.

“Intangible assets” are identifiable non-monetary assets without physical substance.

“Investment Properties” – are defined as property (land or a building-or part of a building-or both) held (by the owner or by lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

- (a) use in the production and supply of goods or services or for administrative purposes; or
- (b) sale in the ordinary course of business.

“Municipality” means the Witzenberg Municipality.

“Other Assets” – are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles and furniture and fittings.

“Property, Plant and Equipment” (PPE) – are tangible assets that:

- are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- are expected to be used during more than one period.

“Realisable value” means the amount of cash or cash equivalents that could currently be obtained by transferring the capital asset, less the estimated cost of completion and the estimated costs necessary to make the transfer.

“Recoverable Amount” – is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.

“Recoverable service amount” is the higher of a non-cash-generating asset's fair value less costs to sell and its future value in use.

“Residual Value” – of an asset is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and condition expected at the end of its useful life.

“Right to use, control or manage” means a right to use, control or manage the capital asset for a period exceeding one calendar month without ceding legal ownership in the asset. In other words, where the granting of such rights do not amount to the transfer or permanent disposal of the asset, for example when a right is acquired through a leasing, letting or hiring out arrangement.

“Senior Manager” is a manager referred to Section 57 of the Municipal Systems Act (MSA) being someone reporting directly to the municipal manager.

“Service provider” –

- (a) in relation to a municipal service, means a private sector party or organ of state appointed by a municipality in terms of Chapter 8 of the Municipal Systems Act to perform a municipal service in accordance with that Act; or
- (b) in relation to a commercial service, means a private sector party or organ of state appointed in terms of the supply chain management policy of a municipality or municipal entity to render a commercial service to or for the municipality or entity as an independent contractor.

“Supply chain management policy” means the supply chain management policy which a municipality or municipal entity is required to have in terms of Chapter 11 of the Act.

“The Act” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

“Transfer”, in relation to a capital or subsidiary asset, means transfer of ownership in the asset as a result of a sale or other transaction.

“Useful Life” – is either:

- the period of the time over which an asset is expected to be used by the municipality, or
- the number of production or similar units expected to be obtained from the asset by the municipality.

6. BACKGROUND

The utilization and management of property, plant and equipment, investment property, intangible assets and agricultural assets is the prime mechanism by which the Municipality can fulfil its constitutional mandates for:-

- Delivery of sustainable services;
- Social and economic development;
- Promoting safe and healthy environments; and
- Fulfilling the basic needs to the community.

As trustees on behalf of the local community, the Municipality has a legislative and moral obligation to ensure it implements policies to safeguard the monetary value and future service provision invested in assets.

The policy for the management of assets deals with the Municipal rules required to ensure the enforcement of appropriate stewardship of assets. Stewardship has two components being the:-

- Financial administration by the Chief Financial Officer; and
- Physical administration by the relevant managers.

Statutory provisions are being implemented to protect public property against arbitrary and inappropriate management or disposals by local government.

Accounting standards have been approved by the Accounting Standards Board to

ensure the appropriate financial treatment for property, plant and equipment, investment property, intangible assets and agricultural assets. The requirements of these new accounting standards include:-

- The compilation of asset registers covering all assets controlled by the Municipality.
- Accounting treatment for the acquisition, disposal, recording and depreciation/amortisation of assets.
- The standards to which financial records must be maintained to comply with the new accounting standards.

7. DELEGATION OF POWERS

This policy should be applied with due observance of the Municipality's policy with regard to delegated powers. Such delegations refer to delegations between the Municipal Manager and other responsible officials as well as between the Council and the Executive Mayor and the Council and the Municipal Manager. All delegations in terms of this policy must be recorded in writing.

In accordance with the Local Government: Municipal Finance Management Act (Act 56 of 2003) (MFMA), the Municipal Manager is the accounting officer of the Municipality and therefore all designated officials are accountable to him/her. The Municipal Manager is therefore accountable for all transactions entered into by his/her designates.

The overall responsibility of asset management lies with the Municipal Manager. However, the day to day handling of assets should be the responsibility of all officials in terms of delegated authority reduced in writing.

8. RESPONSIBILITY

Municipal Manager

The Municipal Manager is responsible for the management of the assets of the Municipality, including the safeguarding and the maintenance of those assets. He/she must ensure that:-

- The Municipality has and maintains a management, accounting and information system that accounts for the assets of the Municipality.
- The Municipality's assets are valued in accordance with standards of Generally Recognized Accounting Practice (GRAP).
- The Municipality has and maintains a system of internal control of assets, including an asset register.
- Senior managers and their teams comply with this policy.

Chief Financial Officer

The Chief Financial Officer is responsible to the Municipal Manager to ensure that

the financial investment in the Municipality's assets is safeguarded and maintained. He/she may delegate or otherwise assign responsibility for performing these functions but he/she will remain accountable for ensuring that these activities are performed. He/she must ensure that:-

- Appropriate systems of financial management and internal control are established and carried out diligently.
- The financial and other resources of the Municipality assigned to him/her are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented.
- The systems, processes and registers required to substantiate the financial values of the Municipality's assets are maintained to standards sufficient to satisfy the requirements of effective management.
- Financial processes are established and maintained to ensure the Municipality's financial resources are optimally utilized through appropriate asset plan, budgeting, purchasing, maintenance and disposal decisions.
- The Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets.
- The senior managers and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets.

Senior Managers

The Senior Managers must ensure that:-

- Appropriate systems of physical management and control are established and carried out for assets in their area of responsibility.
- The Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful utilization and losses resulting from criminal or negligent conduct are prevented.
- Their management systems and controls can provide an accurate, reliable and up to date account of assets under their control.
- They are able to justify that their plans, budgets, purchasing, maintenance and disposal decisions for assets optimally achieve the Municipality's strategic objectives.

The senior managers may delegate or otherwise assign responsibility for performing these functions but they will remain accountable for ensuring that these activities are performed.

Each senior manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

The responsibility for the physical control of assets rests with the relevant senior manager to whom the responsibility was delegated to in terms of section 79 of the Municipal Finance Management Act, No 56 of 2003.

Each senior manager shall ensure that assets entrusted to him / her are adequately maintained, properly used and insured and ensure that section 78 of the Municipal Finance Management Act, No 56 of 2003, is adhered to.

No amendments, deletions or additions to the asset register shall be made other than by the Asset Manager or by an official acting as the Asset Manager and must be authorized by the Chief Financial Officer.

Upon the resignation / retirement of an employee, the applicable senior manager must inform the Chief Financial Officer and Corporate Service Department in writing that the asset items entrusted to that employee to execute his / her duties are in good order and returned. When necessary the applicable senior manager must inform the Corporate Services Department of any losses and the value of such losses. The ultimate responsibility of any losses lies with the relevant senior manager.

9. ASSET REGISTER

The asset register shall be maintained in the format determined by the Chief Financial Officer, which format shall comply with the requirements of generally recognised accounting practice (GRAP) and any other accounting requirements which may be prescribed.

The asset register shall reflect the following information:

- a brief but meaningful description of each asset
- the date on which the asset was acquired or brought into use
- the location of the asset
- the responsible senior manager and department(s) or vote(s) within which the assets will be used
- the title deed number, in the case of property
- the stand number, in the case of property
- where applicable, the identification number
- the measurement based used (Cost or Fair Value)
- the original useful live
- the revised useful live
- the residual value
- the original cost, or the revalued amount or the fair value if no costs are available
- the (last) revaluation date of the assets subject to revaluation
- the revalued value of such assets
- who did the (last) revaluation
- accumulated depreciation to date
- the depreciation charge for the current financial year
- the carrying value of the asset
- the method and rate of depreciation

- impairment losses incurred during the financial year (and the reversal of such losses, where applicable)
- method of calculating recoverable amount (when impairment test are required in terms of GRAP)
- increases or the decreases resulting from revaluations (if applicable)
- the source of financing
- condition of the asset
- the current insurance arrangements
- whether the asset is required to perform basic municipal services
- whether the asset has been used to secure any debt, and – if so – the nature and duration of such
- security arrangements
- the date on which the asset is disposed of
- the disposal price
- the date on which the asset is retired from use, if not disposed of.

All heads of department under whose control any asset falls shall promptly provide the Chief Financial Officer in writing with any information required to compile the asset register, and shall promptly advise the Chief Financial Officer in writing of any material change which may occur in respect of such information.

An asset shall be capitalised, that is, recorded in the asset register, as soon as it is acquired. If the asset is constructed over a period of time, it shall be recorded as work-in-progress until it is available for use, where after it shall be appropriately capitalised as a fixed asset. An asset shall remain in the asset register for as long as it is in physical existence.

The Asset Manager must ensure that reconciliations are performed on a monthly basis between the general ledger values and the asset values and to be submitted to the Chief Financial Officer.

The Chief Financial Officer must check and authorize the reconciliations as correct.

Depreciation methods and rates used must be approved by the Chief Financial Officer.

The asset manager should allocate depreciation rates and methods to each asset class, and ensure that depreciation calculations are correctly applied and posted in the general ledger.

10. CLASSIFICATION OF ASSETS

In compliance with the requirements of the National Treasury, the Chief Financial Officer shall ensure that all assets are classified under the following headings in the Fixed Assets Register, and Heads of Departments shall in writing provide the Chief Financial Officer with such information or assistance as is required to compile a proper classification:

10.1 Property, Plant and Equipment

- Land (not held as investment assets).
- Infrastructure assets (assets which are part of a network of similar assets).
- Community assets (assets contributing to the general well-being of the community).
- Heritage assets (culturally significant assets).
- Other assets (ordinary operational assets).
- Housing (rental stock or housing stock not held for capital gain).

Save for land and buildings other assets shall be classified under the following headings:

- Computer equipment;
- Office equipment;
- Furniture and fittings;
- Radio Equipment;
- Plant and machinery;
- Motor Vehicles; and
- Emergency Equipment.

10.2 Investment Property

Investment assets (resources held for capital or operational gain and which are not used by the Municipality). Properties occupied by the Municipality, Councillors or officials are classified as owner-occupied property and are therefore not classed as investment property

Investment properties will be treated in accordance with GRAP 16 and will separately be classified in the Statement of Financial Position. Investment properties will not be depreciated but will annually be revalued.

10.3 Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substance.

Intangible assets will be treated in accordance with GRAP 102 and will separately be classified in the Statement of Financial Position. Intangible assets shall be valued at cost less any accumulated amortization and any impairment losses.

10.4 Agricultural Assets

Agricultural Assets will be treated in accordance with GRAP 101 and will separately be classified in the Statement of Financial Position,

10.5 Assets Treated as Inventory

Any land or buildings owned or acquired by the municipality with the intention of selling such property in the ordinary course of business, or any land or buildings owned or acquired by the municipality with the intention of developing such property for the purpose of selling it in the ordinary course of business, shall be accounted for as inventory, and not included in either property, plant and equipment or investment property in the municipality's statement of position.

Such inventories shall, however, be recorded in the asset register in the same manner as other fixed assets, but a separate section of the asset register shall be maintained for this purpose.

The Chief Financial Officer shall use the classifications indicated in the Annexure on estimated lives of assets, as a guideline and in the case of an item of assets not appearing in the Annexure shall use the classification applicable to the asset most closely comparable in the Annexure.

11. CAPITALISATION CRITERIA

PPE and Intangible Assets

All assets may only be acquired in terms of council's Supply Chain Management Policy and in terms of the budgetary provisions. The responsibility for the purchase of assets would be delegated in terms of council's Delegation Framework and Supply Chain Management Policy. Depending on the cost of the asset to be purchased the following procedure for purchasing an asset must be followed:

- Senior managers shall at all times ensure that there are enough funds in their departmental budgets before requesting approval to any requisition to purchase an asset;
- Senior managers shall ensure that the correct vote and expenditure line item are used and recorded on the requisition requesting approval to purchase an asset;
- Tenders or quotations as required in terms of council's Supply Chain Management policy should be obtained and where required submitted to council's tender committee for approval;
- The tender committee resolution of the approved tender or recommended quotation should be attached to the requisition signed by the relevant head of department;
- The order would then be generated by the Budget and Treasury department;
- Once delivered the asset must be labelled / bar-coded by the Budget and Treasury department before such asset is put into use;
- The senior manager should endorse receipt of the asset on the invoice and forward it for payment to the Budget and Treasury department; and
- The Budget and Treasury department would then generate payment.

The completion of any immovable asset by or under control of every head of department should promptly be declared to the Chief Financial Officer in writing

stating the full details required for recording in the assets register.

All PPE and intangible assets shall be carried in the asset register, and appropriately recorded in the annual financial statements, at their original cost or fair value less any accumulated depreciation or amortisation in the case of intangible assets.

The original cost of an item of PPE or intangible assets may include:

- Cost price;
- Financing costs (MFMA section 46(4));
- Import tax;
- Non-claimable purchase tax; and
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When payment for an item of PPE or intangible assets is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit.

When an item of PPE is acquired to be exchanged or partly exchanged for a dissimilar item of PPE or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, "fair value" shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

The only exceptions to this rule shall be revalued items of PPE (see part 7.9 below) and heritage assets in respect of which no depreciation is recorded in the fixed asset register.

Subsequent expenditure relating to an asset that has already been capitalized, should only be added to the carrying amount of the asset when it is probable that future economic benefits or potential service delivery, in excess of the originally assessed standard of performance of the existing asset, will flow to the municipality.

Investment Property

An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. The cost of purchased investment property includes all directly attributable expenditure (professional fees for legal services, property transfer taxes and other transaction costs).

When payment for an investment property is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit.

When investment property is acquired to be exchanged or partly exchanged for a dissimilar investment property or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, "fair value" shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

After initial recognition investment property will be measured at fair value. A gain or loss arising from a change in fair value shall be recognized as a profit or loss in the Statement of Financial Performance in the period in which it arises. The fair value of investment property shall reflect market conditions at reporting date.

In terms of GRAP 16 transfers to and from investment property shall be made when there is a change in use:

- (a) Commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
- (b) Commencement of development with a view to sale, for a transfer from investment property to inventories;
- (c) End of owner-occupation, for a transfer from owner-occupied property to investment property; or
- (d) Commencement of an operating lease to another party, for a transfer from inventories to investment property.

When an investment property is transferred to inventory or owner-occupied property, the property's deemed cost is the fair value of the property at the date of the change in use.

For a transfer from inventories to investment property, that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognized in the Statement of Financial Performance.

Reinstatement, Maintenance and Other Expenses

Only expenses incurred in the enhancement of an asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of an asset shall be capitalised.

Expenses incurred in the maintenance or reinstatement of an asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalised, irrespective of the quantum of the expenses concerned.

Expenses, which are reasonably ancillary to the bringing into operation of an asset, may be capitalised as part of such asset. Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, and installation, assembly and communication costs.

Intangible Assets

Assets that meet the criteria of GRAP 102 (Intangible Assets) shall be recognized as Intangible Assets at cost.

Heritage Assets

If no original costs or fair values are available in the case of one or more or all heritage assets, the Chief Financial Officer may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the fixed asset register without an indication of the costs or fair value concerned.

For Statement of Financial Position purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

Donated Assets

Where an asset is donated to the municipality, or an asset is acquired by means of an exchange of assets between the municipality and one or more other parties, the asset concerned shall be recorded in the asset register at its fair value, as determined by the Chief Financial Officer.

12. DEPRECIATION

Depreciation of PPE

All PPE, except land and heritage assets, shall be depreciated – or amortised in the case of intangible assets.

Depreciation may be defined as the monetary quantification of the extent to which PPE is used or consumed in the provision of economic benefits or the delivery of services.

Depreciation shall generally take the form of an expense both calculated and debited on a annual basis against the appropriate line item in the department or vote in which the item of PPE is used or consumed.

However, depreciation shall initially be calculated from the day following the day in which an item of PPE is acquired or – in the case of construction works and plant and machinery – the day following the day in which the item is brought into use, until the end of the year concerned. Thereafter, depreciation charges shall be calculated annually.

Each Head of Department, acting in consultation with the Chief Financial Officer, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable PPE controlled or used by the department in question or expected to be so controlled or used during the ensuing financial year.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Rate of Depreciation and Amortisation

The Chief Financial Officer shall assign a useful operating life to each depreciable item of PPE recorded on the Municipality's asset register. In determining such a useful life the Chief Financial Officer shall use to the useful lives set out in the annexure to this document as a guideline.

In the case of an item of PPE which is not listed in this annexure, the Chief Financial Officer shall determine a useful operating life, if necessary in consultation with the Head of Department who shall control or use the item in question, and shall be guided in determining such useful life by the likely pattern in which the item's economic benefits or service potential will be consumed.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Method of Depreciation

The Chief Financial Officer shall allocate the depreciable amount of all depreciable PPE and intangible on a systematic basis over its useful life.

The residual value and useful life of an asset shall be reviewed at least at each reporting date and, if expectations differ from previous estimates, the changes shall be accounted for as a change in accounting estimate in accordance with GRAP 3.

13. AMENDMENT OF ASSET LIVES AND DIMINUTION IN THE VALUE OF PPE

Only the Chief Financial Officer may amend the useful operating life assigned to any PPE, and when any material amendment occurs the Chief Financial Officer shall inform the Council of such amendment.

The Chief Financial Officer shall amend the useful operating life assigned to any item of PPE if it becomes known that such item has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the item's economic benefits or service potential will be consumed.

If the value of an item of PPE or intangible assets has been diminished to such an extent that it has no or a negligible further useful operating life or value such item shall be fully depreciated or eradicated in the financial year in which such diminution in value occurs.

Similarly, if an item of PPE has been lost, stolen or damaged beyond repair, it shall be fully depreciated in the financial year in which such event occurs, and if the item has physically ceased to exist, it shall be written off in the asset register.

In all of the foregoing instances, the additional depreciation expenses shall be debited to the department or vote controlling or using the item of PPE or intangible asset in question.

If any of the foregoing events arises in the case of a normally non-depreciable item of PPE, and such item has been capitalised at a value other than a purely nominal value, such item shall be partially or fully depreciated, as the case may be, as though it were an ordinary depreciable item of PPE, and the department or vote controlling or using the item in question shall bear the full depreciation expenses concerned.

Additional depreciation not budgeted for as a result of unforeseeable or unavoidable circumstances must be provided for in an adjustments budget and, if such circumstances arises close to the end of the financial year and there will not be time for Council to consider the adjustments before the end of the financial year, may in advance be approved by the Mayor in terms of Section 29 of the MFMA, provided that any other provisions of the MFMA be complied with.

14. IMPAIRMENT OF ASSETS

The accounting treatment relating to impairment losses is outlined in IAS37.

The carrying amount of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.

When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognised as an expense immediately, unless it reverses a previous revaluation in which case it should be charged to the Revaluation Reserve.

The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to the recoverable amount on an individual asset, or group of identical assets, basis. However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification works is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of the recoverable amount.

The following may be indicators that an asset is impaired:

- The asset has been damaged.
- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

The following steps will have to be performed regularly during the year to account for impairment losses:

- Departments will identify and inform the Chief Financial Officer of assets that:
 - o Are in a state of damage at year end.
 - o Are technologically obsolete at year end. .
 - o Have remained idle for a considerable period either prior to them being put into use at year end or during their useful life.
 - o Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts.
- The recoverable amounts of these assets need to be determined by calculating the net selling price per asset as defined above.
- The impairment loss per asset is the difference between the net selling price and the carrying value of the asset.
- The impairment loss needs to be accounted for by identifying the relevant funding source.

15. REVALUATION OF ITEMS OF PPE

All land and buildings recorded in the Municipality's asset register shall be revalued when the Council is of the opinion that economic conditions have had a substantial impact on the on the value of land and buildings within the municipal area. Under such circumstances a sworn valuer will be appointed to perform a valuation of all land and buildings.

The Chief Financial Officer shall adjust the carrying value of the land and buildings concerned to reflect in each instance the value of the items as recorded in the valuation roll, provided the Chief Financial Officer is satisfied that such value reflects the fair value of the land and buildings concerned.

The Chief Financial Officer shall also, where applicable, create a revaluation reserve for each such item equal to the difference between the value as recorded in the valuation roll and the carrying value of the item before the adjustment in question.

The buildings concerned shall thereafter be depreciated on the basis of its revalued amount, over its remaining useful operating life, and such increased depreciation expenses shall be budgeted for and debited against the appropriate line item in the department or vote controlling or using the buildings in question.

The Chief Financial Officer shall ensure that an amount equal to the difference between the new (enhanced) annual depreciation expense and the depreciation expenses determined in respect of such buildings before the revaluation in question is transferred each year from the revaluation reserve to the Municipality's appropriation account. An adjustment of the aggregate transfer shall be made at the end of each financial year, if necessary.

If the amount recorded by the valuer is less than the carrying value of the item of

land or buildings recorded in the asset register, the Chief Financial Officer shall adjust the carrying value of such item by increasing the accumulated depreciation of the item in question by an amount sufficient to adjust the carrying value to the value as recorded by the valuer. such additional depreciation expenses shall form a charge, in the first instance, against the balance in any revaluation reserve previously created for such item, and to the extent that such balance is insufficient to bear the charge concerned, an immediate additional charge against the department or vote controlling or using the item of land or building in question

Revalued land and buildings shall be carried in the asset register, and recorded in the annual financial statements, at their revalued amount, less accumulated depreciation (in the case of buildings).

16. ACQUISITION OF ASSETS

Pre-acquisition Planning

Before a capital project is included in the budget for approval, the Chief Financial Officer must demonstrate that he/she has considered the following:

- The projected cost over all the financial years until the project is operational;
- The future operational costs and revenue on the project, including the tax and tariff implications;
- The financial sustainability of the project over its use full life including revenue generation and subsidisation requirements;
- The physical and financial stewardship of that asset through all stages of its life including acquisition, installation, maintenance, operations, disposal and rehabilitation;
- The inclusion of the capital project in the Integrated Development Plan and future budgets; and
- Alternatives to the capital purchase.

The heads of department are accountable to ensure that the Chief Financial Officer receives all reasonable assistance, guidance and explanation to enable him to achieve his planning requirements.

Approval to Acquire Property, Plant and Equipment

Money can only be spent on a project if:

- The money has been appropriated in an approved Capital Budget;
- The project, including the total cost has been approved by the Council;
- The Chief Financial Officer confirms that funding is available for that specific project; and
- Any contract that will impose financial obligations beyond two years after the budget year is appropriately disclosed.
- The Supply Chain Management Policy is adhered to.

Authorization for the acquisition of assets should be as per this municipality's delegation of authority and payment for assets shall be in accordance with financial policies and regulations of this Municipality.

Funding of Capital Projects

Within the Municipality's on-going financial, legislative or administrative capacity, the Chief Financial Officer must establish and maintain the funding strategies that optimise the municipality's ability to achieve its strategic objectives as stated in the Integrated Development Plan. The acquisition of assets may not be funded over a period longer than the useful life of that asset.

17. PURCHASE OR HIRE OF IMMOVABLE PROPERTY

The municipality may acquire by purchase, or by hire, immovable property within or outside the municipal boundary provided it complies with the requirements of the MFMA and the Supply Chain Management policy and subject to the following:

- The cost of the purchase or hire had been budgeted for; and
- The intention to buy or hire the immovable property had been advertised for public comment.
- After consideration of any public comments/objections the Council will:
 - o In the case of the following paragraph complies with the requirements of that paragraph; and
 - o In the case of all other immovable property, finally resolve to continue with the purchase or hire and apply the supply chain management processes
- The Council will not continue with the purchase or hire of any immovable property where:
 - o The price is in excess of the market value thereof as assessed by an appraiser; or
 - o The rental which, when calculated per annum in the case of:
 - Immovable property hired for agricultural purposes, exceeds six present; and
 - Immovable property hired for any other purpose, exceed twelve present of the market value of the property, as assessed by an appraiser.

The Council may accept a gift or conveyance of immovable property either for the municipality or in trust for charitable or other public purposes not connected with public worship, and hold the same in such trust or for such purpose as may be declared by such donors and may administer, utilize and improve such property.

The trustees of any immovable property held in trust for any township village of settlement which has become a municipality or part of a municipality may transfer such property to the Council, subject to any special trusts in their deeds of title and upon conditions not at variance therewith.

18. GUIDELINE PROCEDURES FOR ADDITIONS TO ASSETS

The Asset Manager must ensure all additions to assets are in accordance with an approved Capital Budget. Additions must be updated on a monthly basis in the Municipality's Asset Register. All additions must be approved by the Chief Financial Officer.

19. FUNDING OF PPE AND RESERVES

The purchase of assets may be funded from the raising of external loans, leases, government- and public contributions, the Capital Replacement Reserve and surplus cash.

The Chief Financial Officer shall ensure that in respect of all assets financed from grants or subsidies or contributions received from other spheres of government or from the public at large, as well as in respect of assets donated to the Municipality, a government grants reserve or public contribution reserve for future depreciation is created equal in value to the capitalised value of each item of asset in question.

The Chief Financial Officer shall thereafter ensure that in the case of depreciable PPE an amount equal to the annual depreciation expenses of the items concerned are transferred each year from such reserve to the Municipality's accumulated surplus.

20. ALIENATION OF ASSETS

In compliance with the principles and prescriptions of the Municipal Finance Management Act, the transfer of ownership of any item of PPE shall be fair, equitable, transparent, competitive and consistent with the municipality's supply chain management policy and the Municipal Asset Transfer Regulations

Every head of department shall report in writing to the Chief Financial Officer on 30 April of each financial year on all assets controlled or used by the department concerned which such head of department wishes to alienate by public auction or public tender.

The Chief Financial Officer shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the council or the municipal manager of the municipality, as the case may be, recommending the process of alienation to be adopted.

The council shall delegate to the municipal manager the authority to approve the alienation of any moveable asset with a carrying value less than R200 000 (two hundred thousand rand). The council shall ensure that the alienation of any asset with a carrying value equal to or in excess of R200 000 (two hundred thousand rand) takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004.

In terms of Section 14 of the Municipal Finance Management Act, 2004 the Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of assets needed to provide the minimum level of basic municipal services.

The Municipality may transfer ownership or otherwise dispose of assets other than one contemplated above, but only after the Council, in a meeting open to the public:-

- has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
- has considered the fair market value of the item and the economic and community value to be received in exchange for the asset;
- That a public participation process be held before council's assets can be alienated.

The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be subsequently reversed by the Municipality after that asset has been sold, transferred or otherwise disposed of.

Once the assets are alienated, the Chief Financial Officer shall treat the disposal of the items in terms of GRAP and amend the relevant records of the asset register. If the proceeds of the alienation are less than the carrying value recorded in the asset register, such difference shall be recognised as a loss in the Statement of Financial Performance of the department or vote concerned.

If the proceeds of the alienation, on the other hand, are more than the carrying value of the asset concerned, the difference shall be recognised as a gain in the Statement of Financial Performance of the department or vote concerned.

All gains realised on the alienation of assets shall be appropriated annually to the municipality's Capital Replacement Reserve (except in the cases outlined below), and all losses on the alienation of fixed assets shall remain as expenses on the Statement of Financial Performance of the department or vote concerned.

If, however, both gains and losses arise in any one financial year in respect of the alienation of the assets of any department or vote, only the net gain (if any) on the alienation of such assets shall be appropriated to the Capital Replacement Reserve.

Transfer of assets to other municipalities, municipal entities (whether or not under the municipality's sole or partial control) or other organs of state shall take place in accordance with the Municipal Asset Transfer Regulations.

21. GUIDELINE PROCEDURES FOR THE DISPOSAL OF ASSETS

The Senior Manager must submit a motivation for the disposal of an asset under his/her control to the Chief Financial Officer.

The Chief Financial Officer must authorize, by signature the motivation and submit the motivation to the Accounting Officer for his/her approval.

Before computer equipment is disposed the Chief Financial Officer must consult the IT section.

All combined motivations must be submitted to the Asset Manager to update the asset register of the municipality and the book of accounts regarding the sale.

The following information should be update in the asset register:

- Reason for disposal;
- Information relating to the buyer;
- Individual requesting disposal;
- Cost, book value and proposed selling price of the asset;
- Date of sale;
- Method of payment;
- Receipt number; and
- The relevant asset information

22. OTHER WRITE-OFFS OF PPE

An item of PPE, even though fully depreciated, shall be written off when it can no longer be used, in consultation with the Head of Department controlling or using the item concerned.

Every Head of Department shall report to the Chief Financial Officer on 31 October and 30 April of each financial year on any item of PPE which such Head of Department wishes to have written off, stating in full the reason for such recommendation.

The Chief Financial Officer shall consolidate all such reports, and shall promptly notify the Council on the PPE to be written off.

The only reasons for writing off PPE, other than the alienation of such item of PPE, shall be the loss, theft, and destruction or material impairment of the PPE in question.

If an item of PPE must be written off as a result of an occurrence out of the control of the municipality, such as malicious damage, theft or destruction, the municipal manager must determine whether a third party or an employee was involved in the loss and take all reasonable steps to recover such loss, including reporting the incident to the South African Police Services and the Auditor General, the insurance as well as institute disciplinary steps against any employee who might have been involved in such incident.

In every instance where a not fully depreciated item of PPE is written off, the Chief Financial Officer shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the item concerned.

23. MANAGEMENT AND OPERATION OF ASSETS

Accountability to manage assets

Each Senior Manager is accountable to ensure that Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently. This will include:

- o Developing appropriate management systems, procedures, processes and controls for managing assets;
- o Providing accurate, reliable and up to date account of assets under their control; and
- o The development and motivation of relevant strategic asset management plans and operational budgets that optimally achieve the Municipality's strategic objectives.

Contents of a strategic management plan

Senior Managers need to manage assets under their control to provide the required level of service or economic benefit at the lowest possible long-term cost. To achieve this, the Senior Manager will need to develop strategic asset management plans that cover:-

- o Alignment with the Integrated Development Plan;
- o Operational guidelines;
- o Performance monitoring;
- o Maintenance programs;
- o Renewal, refurbishment and replacement plans;
- o Disposal and Rehabilitation plans;
- o Operational, financial and capital support requirements, and
- o Risk mitigation plans including insurance strategies

The operational budgets are the short to medium term plan for implementing this strategic asset management plan.

Reporting of Emerging Issues

Each Functional Manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

Verification of Assets

The Municipality shall at least once during every financial year undertake on a

date as determined by the Chief Financial Officer a comprehensive verification of all moveable assets controlled or used by all the departments of the Municipality.

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all relevant results of such verification, provided that each such item of asset verification shall be undertaken and completed during 30 June of each financial year, and that the resultant report shall be submitted to the Chief Financial Officer not later than 30 June of the year in question.

Movement of Assets

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all transfers from its original location of assets (including minor assets items) within 5 working days after transfer of such item.

24. MAINTENANCE

Maintenance Plans

Every Head of Department shall ensure that a maintenance plan in respect of every new infrastructure asset with a value of R100 000 (one hundred thousand rand) or more is promptly prepared and submitted to the Council for approval.

If so directed by the Municipal Manager, the maintenance plan shall be submitted to the Council prior to any approval being granted for the acquisition or construction of the infrastructure asset concerned.

The Head of Department controlling or using the infrastructure asset in question, shall annually report to the Council, not later than in July or the earliest Council meeting thereafter, of the extent to which the relevant maintenance plan has been complied with, and of the likely effect which any non-compliance may have on the useful operating life of the item concerned.

Deferred Maintenance

If there is material variation between the actual maintenance expenses incurred and the expenses reasonably envisaged in the approved maintenance plan for any infrastructure asset, the Chief Financial Officer shall disclose the extent of and possible implications of such deferred maintenance in an appropriate note to the annual financial statements. Such note shall also indicate any plans which the Council has approved in order to redress such deferral of the maintenance requirements concerned.

If no such plans have been formulated or are likely to be implemented, the Chief Financial Officer shall re-determine the useful operating life of the fixed asset in question, if necessary in consultation with the Head of Department controlling or using such item, and shall recalculate the increased annual depreciation expenses accordingly.

General Maintenance of Assets

Every Head of Department shall be directly responsible for ensuring that all assets are properly maintained and in a manner which will ensure that such item attain their useful operating lives.

25. REPLACEMENT STRATEGY

The Municipal Manager, in consultation with the Chief Financial Officer and other Heads of Departments, shall formulate norms and standards for the replacement of all normal operational assets. Such norms and standards shall be incorporated in a formal strategy, which shall be submitted to the Council for approval. This strategy shall cover the replacement of motor vehicles, furniture and fittings, computer equipment, and any other appropriate operational items.

Such strategy shall also provide for the replacement of assets which are required for service delivery but which have become uneconomical to maintain.

26. TRANSFER OF ASSETS

When assets are transferred to other Government Departments or municipalities, a document with specific authorization should be attached to the asset to ensure the validity of the transfer.

The document should also include:

- Asset description;
- Cost of the asset;
- Date of acquisition;
- Unique asset number;
- Effective date of transfer;
- Quantity; and
- Authorization by both transferor and transferee.

The asset manager must then effect the transactions in the book of accounts of the municipality on the day the asset is transferred to the transferee.

27. PHYSICAL SECURITY OF ASSETS

Every Senior Manager shall be directly responsible for the physical safekeeping of any asset controlled or used by their department.

In exercising this responsibility, every Senior Manager shall adhere to directives issued by the Chief Financial Officer with regard to the control and safekeeping of the municipality's assets.

All assets should be kept in a secure location, maintained regularly, insured against theft or destruction, utilized economically and efficiently.

When it is suspect that an employee abuses assets, this fact should be reported to the Chief Financial Officer within 48 hours. Such an employee should be subject to the disciplinary procedures as described in terms of the Standard

Conditions of Service.

All items of Property, Plant and Equipment lost, stolen or damage must be reported to the Chief Financial Officer within 48 hours after discovery for further investigation and reporting required by the Municipal Finance Management Act No. 56 of 2003.

28. INSURANCE OF ASSETS

The Accounting Officer must ensure that all movable assets are insured at least against fire and theft, and municipal buildings and infrastructure are insured at least against fire and allied perils.

The Accounting Officer shall recommend, after consultation with the Chief Financial Officer, the basis of insurance cover to be applied: either the carrying value or the replacement value of the assets. Such a recommendation shall take due cognizance of the budgetary resources of the municipality.

Any theft, loss or damage to an asset should immediately be reported to council's insurance brokers by the relevant head of department under whose responsibility the asset falls. A copy of the insurance claim submitted should be forwarded to the Chief Financial Officer. All insurance claims must be recorded in an insurance register and all outstanding insurance claims reported on a monthly basis to the Chief Financial Officer. It is the responsibility of the relevant head of department to ensure that all documents / information for the completion of the claim is forwarded to council's insurance brokers and that copies thereof is forwarded to the Chief Financial Officer. The head of department should in writing request the replacement of the asset which can only be authorized, if sufficient provision for the replacement of the asset is on the capital budget, by the Municipal Manager after consultation with the Chief Financial Officer. If sufficient provision is not on the capital budget the asset can only be replaced if provision for the replacement is made on an Adjustments budget. In the case where an asset must be replaced as an emergency measure, the Mayor may authorise such expenditure, subject to compliance with Section 29 of the MFMA.

Third-party (insurance) pay-outs must be treated as revenue when the amount is certain and may not be offset against the cost of replacing the item. The carrying value of items lost, stolen or damaged beyond repair must be treated as impairment against the relevant department or vote. The full cost of the replacement item must then be capitalised.

If the municipality operates a self-insurance reserve, the Chief Financial Officer shall annually determine the premiums payable by the departments or votes after having received a list of the assets and insurable values of all relevant assets from the heads of departments concerned.

The municipal manager shall recommend to the council of the municipality, after consulting with the Chief Financial Officer, the basis of the insurance to be applied to each type of asset: either the carrying value or the replacement value of the assets concerned. Such recommendation shall take due cognizance of the

budgetary resources of the municipality.

The Chief Financial Officer shall annually submit a report to the council of the municipality on any reinsurance cover which it is deemed necessary to procure for the municipality's self-insurance reserve.

29. SHORT TITLE

This policy shall be called the Asset Management Policy of the **Witzenberg Municipality**.

APPENDIX A

SCHEDULE OF EXPECTED USEFUL LIVES OF ASSETS			
	ASSET LIFE		ASSET LIFE
<u>INFRASTRUCTURE ASSETS</u>		<u>INFRASTRUCTURE ASSETS</u>	
<u>ELECTRICITY:</u>		<u>GAS:</u>	
Power stations	30	Meters	20
Cooling towers	30	Main supply	20
Transformer kiosks	30	Storage tanks	20
Meters	20	Supply and reticulation networks	20
Load control equipment	20		
Switchgear	20	<u>SEWERAGE:</u>	
Supply and reticulation networks	20	Sewer mains	20
Main supply	20	Outflow sewers	20
		Sewerage purification works	20
<u>ROADS:</u>		Sewerage pumps	15
Motorways	15	Sludge machines	15
Other roads	10		
Traffic islands	10	<u>PEDESTRAIN MALLS:</u>	
Traffic lights	20	Footways	20
Street lights	25	Kerbing	20
Overhead bridges	30	Paving	20
Storm water drains	20		
Bridges, subways and culverts	30	<u>AIRPORTS:</u>	20
Car parks	20	Taxiways	20
Bus terminals	20	Runways	20
		Aprons	20
		Airport and radio beacons	20
<u>WATER</u>		<u>SECURITY</u>	
Meters	15	Fencing	3
Mains	20	Security systems	5
Rights	20	Access control systems	5
Supply and reticulation networks	20		
Reservoirs and storage tanks	20		
<u>COMMUNITY ASSETS</u>		<u>COMMUNITY ASSETS</u>	
<u>RECREATIONAL FACILITIES</u>		<u>BUILDINGS</u>	
Bowling greens	20	Ambulance stations	30
Tennis courts	20	Aquariums	30
Swimming pools	20	Beach developments	30
Golf courses	20	Care centres'	30
Jukskei pitches	20	Cemeteries	30
Outdoor sport facilities	20	Civic theatres and community centres'	30
Organ	20	Clinics and hospitals	30
Lakes and dams	20	Game reserves and rest camps	30
Fountains	20	Stadiums and indoor sports	30
Flood lights	20	Museums and galleries	30
		Parks and public conveniences	30
		Recreational centres' and zoo	30
<u>OTHER ASSETS</u>		<u>OTHER ASSETS</u>	

SCHEDULE OF EXPECTED USEFUL LIVES OF ASSETS			
	ASSET LIFE		ASSET LIFE
BUILDINGS		EMERGENCY EQUIPMENT	
Abattoirs	30	Other fire fighting equipment	15
Asphalt plant	30	Ambulances	5-10
Cable stations	30	Fire hoses	5
Caravan Parks	30	Emergency lights	5
Bioscope	30		
Compacting stations	30	MOTOR VEHICLES	
Hostels for public / tourists	30	Fire engines	20
Hostels for employees	30	Buses	15
Housing schemes	30	Motor vehicles	5-7
Kilns	30	Motorcycles	3
Laboratories	30	Trucks and light delivery vehicles	5-7
Markets	30		
Nurseries	30	AIRCRAFT	15
Office buildings	30		
Old age homes	30	WATERCRAFT	15
Quarries	30		
Tip sites	30	PLANT AND EQUIPMENT	
Training centres	30	Graders	10-15
Transport facilities	30	Tractors	10-15
Workshops and depots	30	Mechanical horses	10-15
		Farm equipment	5
OFFICE EQUIPMENT		Lawn mowers	2
Computer hardware	5	Compressors	5
Computer software	3-5	Laboratory equipment	5
Office machines	3-5	Radio equipment	5
Air conditioners	5-7	Firearms	5
FURNITURE AND FITTINGS		General	5
Chairs	7-10	Cable cars	15
Tables and desks	7-10	Irrigation systems	15
Cabinets and cupboards	7-10	Cremators	15
Sundry	7-10	Lathes	15
		Machining equipment	15
BINS AND CONTAINERS		Conveyors	15
Household refuse bins	5	Feeders	15
Bulk refuse containers	10	Tippers	15
		Pulverising mills	15



FUNDING AND RESERVES POLICY

Date of implementation: 01 July 2010

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Version: Final

Date: 15 June 2010

Summary: This document describes the Funding and Reserves Policy that will be applicable to the municipality, detailed.

Approved: This policy was approved by the Municipal Council on 15 June 2010.

Signature: _____ **Date:** _____

Municipal Manager

FUNDING AND RESERVE POLICY

1. INTRODUCTION AND OBJECTIVE

The Council sets as objective a long term financially sustainable municipality with acceptable levels of service delivery to the community.

This policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

2. SECTION A: FUNDING POLICY

2.1 LEGISLATIVE REQUIREMENTS

In terms of Sections 18 and 19 of the Municipal Finance Management Act (Act No 56 of 2003) (MFMA), an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes. and
- Borrowed funds, but only for capital projects.

Furthermore, spending on a capital project may only be commenced once the funding sources have been considered, are available and have not been committed for other purposes.

The requirements of the MFMA are therefore clear in that the budget must be cash – funded i.e. cash receipts inclusive of prior cash surpluses must equal or be more than cash paid.

In determining whether the budget is actually cash funded and in addition ensuring long term financial sustainability, the municipality will use analytical processes, including those specified by National Treasury from time to time.

2.2 STANDARD OF CARE

Each functionary in the budgeting and accounting process must do so with judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise to the management of his or her own finances with the primary objective of ensuring that the objectives of this policy are achieved.

2.3 STATEMENT OF INTENT

The municipality will not pass a budget which is not cash – funded or where any of the indicators as listed in this document are negative, unless acceptable reasons can be provided for non-compliance, provided that the requirements of the MFMA must at all times be adhered to.

2.4 CASH MANAGEMENT

Cash must be managed in terms of the municipality's Cash Management and Investment Policy.

2.5 DEBT MANAGEMENT

Debt must be managed in terms of the municipality's Debt Management Policy, together with any requirements in this policy.

2.6 FUNDING THE OPERATING BUDGET

2.6.1 INTRODUCTION

The municipality's objective is that the user of municipal resources must pay for such usage in the period it occurs.

The municipality however, recognises the plight of the poor, and in line with national and provincial objectives, the municipality commits itself to subsidised services to the poor. This will necessitate cross subsidisation in tariffs to be calculated in the budget process.

2.6.2 GENERAL PRINCIPLE WHEN COMPILING THE OPERATING BUDGET

The following specific principles apply when compiling the budget:

- a) The budget must be cash – funded, i.e. revenue and expenditure projections must be realistic and the provision for impairment of receivables must be calculated on proven recovery rates;
- b) Growth parameters must be realistic and be based on historic patterns adjusted for current reliable information;
- c) Tariff adjustments must be fair, taking into consideration general inflation indicators as well as the geographic region's ability to pay;
- d) Revenue from Government Grants and Subsidies must be in accordance with the amounts promulgated in the Division of Revenue Act, proven

provincial transfers and any possible transfers to or from other municipalities.

For the purpose of the Cash flow budget any National or Provincial grants that have been re-appropriated for roll-over purposes must be excluded from the calculation as it must be included in changes in Cash and Cash Equivalents and Payables.

Furthermore, in the budget the total grants recognised as revenue must equal the total expected expenditure from grants, inclusive of capital expenditure and VAT as per directive given in MFMA circular 48.

- e) Projected revenue from services charges must be reflected as net (all billing less revenue foregone, which is free basic services, discounts and rebates).
- f) Projected revenue from property rates must include all rates to be levied, but rebates and discounts must be budgeted for as either revenue foregone or a grant, as per directive in MFMA Budget Circular 51, depending on the conditions of the exemption, rebate or reduction.

For the purpose of the Cash flow Budget all rebates and discounts must be deducted from the projected revenue.

- g) Only changes in fair values related to cash may be included in the cash flow budget. Changes to unamortised discount must be included in the Operating Budget but excluded in the cash flow budget.
- h) Employee related costs include contributions to non-current and current employee benefits. It is acknowledged that the non-current benefits' requirements are well above the initial cash capabilities of the municipality, and it is therefore determined that provision for the short term portion of employee benefits, as well as an operating surplus calculated at 5% of the prior year balance of the long-term benefits, be included in the operating budget, in order to build sufficient cash for these requirements. The cash portion of the employee benefits must be accounted for in an "Employee Benefits Reserve".
- i) Depreciation must be fully budgeted for in the operating budget.

In order to ensure a sufficient accumulation of cash for the replacement of Property, Plant and Equipment and Intangible Assets, the amount of depreciation on assets funded from own sources, excluding assets funded from grants, public contributions and external loans must be reflected as a surplus on the cash flow budget.

- j) Contributions to provisions (non-current and current) do not form part of the cash flow. It is however, necessary to provide for an increase in cash resources in order to comply with the conditions of the provision at the time when it is needed.

It is therefore a requirement that the contribution to current provisions, as well as 20% of the prior year balance of the non current provision, is budgeted as cash surpluses until the necessary funding level is obtained.

2.7 FUNDING THE CAPITAL BUDGET

2.7.1 INTRODUCTION

The municipality's objective is to maintain, through proper maintenance and replacement measures, existing levels of service and to improve and implement services which are neglected or non – existent.

In order to achieve this objective the municipality must annually, within financial means, budget for the replacement of redundant assets as well as new assets.

2.7.2 FUNDING SOURCES FOR CAPITAL EXPENDITURE

The capital budget can be funded by way of own contributions, grants, public contributions as well as external loans.

Own Contributions

The capital budget financed from own contributions must primarily be funded from the Capital Replacement Reserve.

Notwithstanding the above the capital budget or portions thereof may also be funded from surplus cash. The allocations of the funding sources from own contributions are determined during the budget process.

Contributions to the Capital Replacement Reserve (CRR)

All proceeds from the sale of redundant property plant and equipment, and the VAT portion of capital grants that represents own income must be transferred to the CRR.

Funds must be transferred to the CRR in the budget process to ensure that sufficient funds are available in the reserve to finance the capital expenditure from own contributions.

Grants (Including Public Contributions)

Grants for capital expenditure have become a common practice, especially in order to extend service delivery to previously disadvantaged areas. While such grants are welcomed, care should also be taken that unusual grant funding does not place an unreasonable burden on the residents for future maintenance costs which may be higher than their ability to pay.

It is therefore determined that the accounting officer must evaluate the long term effect of unusual capital grants on future tariffs, and if deemed necessary, report on such to Council.

It is furthermore determined that the depreciation charges on assets financed from grants and donations must not have a negative effect on tariffs charged to the users of such assets. The Accounting Officer must put such accounting measures in place to comply with this requirement, to a reasonable extent.

External Loans

The municipality may only raise loans in accordance with its Debt Management Policy.

The Accounting Officer must also put such accounting measures in place to ensure that no unspent portions of loans are utilised for operating purposes.

For budgeting purposes any difference between proposed capital spending from loans and proposed loans raised must be included in the cash surplus for the year.

2.8 FUNDING COMPLIANCE MEASUREMENT

2.8.1 INTRODUCTION

The municipality wants to ensure that the budget or adjustments budget complies with the requirements of the MFMA and this policy. For this purpose a set of indicators must be used as part of the budget process and be submitted with the budget. These indicators include all the indicators as recommended by National Treasury as well as reconciliations according to this policy. Any additional indicators recommended by National Treasury in future must also be taken into account, as well as any additional reconciliation items as either determined by the Council or the Accounting Officer.

If any of the indicators are negative during the compilation or approval process of the budget, the budget may not be approved until all the indicators provide a positive return, unless any negative indicators can be reasonably explained and

future budget projections address the turn-around of these indicators to within acceptable levels.

2.8.2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

A positive Cash and Cash Equivalents position throughout the year is crucial. In addition, the forecasted cash position at year-end must at least be the amount as calculated in the Reconciliation of Cash Requirements as determined by this policy and attached to this policy as Appendix "A".

2.8.3 CASH PLUS INVESTMENTS LESS APPLICATION OF FUNDS

The overall cash position of the municipality must be sufficient to include:

- unspent conditional grants;
- unspent conditional public contributions;
- unspent borrowings;
- vat due to SARS;
- secured investments;
- the cash portion of statutory funds such as the Housing Development Fund;
- other working capital requirements; and
- In addition, it must be sufficient to back reserves as approved by the municipality and the portions of provisions as indicated below:
 - Current portion of Rehabilitation of landfill sites
 - Current portion of Post-retirement benefits
 - Current portion of Long service provisions
 - Current portion of Ex-gratia pension provisions
 - 20% of staff leave
 - 100% of performance bonuses
 - 100% of staff bonuses
 - 100% of any other employee benefits

2.8.4 MONTHLY AVERAGE PAYMENT COVERED BY CASH AND CASH EQUIVALENTS ("CASH COVERAGE")

This indicator shows the level of risk should the municipality experience financial stress.

2.8.5 SURPLUS/DEFICIT EXCLUDING DEPRECIATION OFFSETS

It is almost certain that the operating budget, which includes depreciation charges on assets funded by grants and public contributions, as well as on revalued assets, will result in a deficit.

As determined elsewhere in this policy it is not the intention that the users of the assets funded from grants, public contributions and revaluations must be burdened with tariff increases to provide for such depreciation charges. In order to ensure a “balanced” budget but excluding such depreciation charges, the depreciation charges may be offset against the net surplus / deficit.

Should the budget result in a deficit after the offsetting, the budget will be deemed unfunded and must be revised.

2.8.6 PROPERTY RATES/SERVICE CHARGE REVENUE PERCENTAGE INCREASE LESS MACRO INFLATION TARGET

The intention of this indicator is to ensure that tariff increases are in line with macro economic targets, but also to ensure that revenue increases for the expected growth in the geographic area is realistically calculated.

The formula to be used is as follows:

	DESCRIPTION	PROPERTY RATES	SERVICE CHARGES	TOTAL
A	Revenue of budget year	R XX	R XX	R XX
B	Less: Revenue of prior year	R XX	R XX	R XX
C	=Revenue increase/decrease	R XX	R XX	R XX
D	% Increase/(Decrease)	C/B %	C/B %	C/B %
E	Less: Upper limit of macro Inflation target	%	%	%
F	=Growth in excess of inflation target	%	%	%
G	Less: Expected growth %	%	%	%
H	=Increase attributed to tariff Increase above macro inflation target	%	%	%

In the event that the percentage in (h) above is greater than zero, a proper motivation must accompany the budget at submission, or the budget must be revised.

2.8.7 CASH COLLECTION % RATE

The object of the indicator is to establish whether the projected cash to be collected is realistic and complies with section 18 of the MFMA.

The collection rate for calculating the provision for impairment of receivables must be based on past and present experience. Past experience refers to the collection rates of the prior years and present experience refers to the collection rate of the current financial year as from 1 July.

It is not permissible to project a collection rate higher than the rate currently being obtained, even if the municipality recently approved a debt collection policy or implemented additional debt collection measures. Any improvement in collection rates during the budget year may be appropriated in an Adjustment Budget.

2.8.8 DEBT IMPAIRMENT EXPENSE AS A PERCENTAGE OF BILLABLE REVENUE

This indicator provides information whether the contribution to the provision for impairment of receivables is adequate. In theory it should be equal to the difference between 100% and the cash collection rate, but other factors such as past performance might have an influence on it. Any difference, however, must be motivated in the budget report.

2.8.9 CAPITAL PAYMENTS AS A PERCENTAGE OF CAPITAL EXPENDITURE

This indicator provides information as to the timing for payments on capital projects and utilising allowed payment terms.

2.8.10 BORROWING AS A PERCENTAGE OF CAPITAL EXPENDITURE (EXCLUDING GRANTS AND CONTRIBUTIONS)

This indicator provides information as to compliance with the MFMA in determining borrowing needs. The Accounting Officer must ensure compliance with the Municipality's Debt Management Policy.

2.8.11 GRANTS REVENUE AS A PERCENTAGE OF GRANTS AVAILABLE

The percentage should never be less than 100% and the recognition of expected unspent grants at the current year-end as revenue in the next financial year must be substantiated in a report.

2.8.12 CONSUMER DEBTORS CHANGE (CURRENT AND NON - CURRENT)

The object of the indicator is to determine whether budgeted reductions in outstanding debtors are realistic.

An unacceptable high increase in either current– or non– current debtors' balances should be investigated and acted upon.

2.8.13 REPAIRS AND MAINTENANCE EXPENDITURE LEVEL

It is of utmost importance that the municipality's Property Plant and Equipment be maintained properly, in order to ensure sustainable service delivery. The budget should allocate sufficient resources to maintain assets and care should be exercised not to allow a declining maintenance program in order to fund other less important expenditure requirements.

Similarly, if the maintenance requirements become excessive, it could indicate that a capital renewal strategy should be implemented or reviewed.

As a general benchmark the maintenance budget should be between 4% and 8% of the value of assets.

2.8.14 ASSET RENEWAL/REHABILITATION EXPENDITURE LEVEL

This indicator supports further the indicator for repairs and maintenance.

The Accounting Officer must, as part of the capital budget, indicate whether each project is a new asset or a replacement/renewal asset in order to determine whether the renewal program is sufficient or needs revision.

2.8.15 FINANCIAL PERFORMANCE BUDGET

Although it is not a legal requirement that the financial performance budget should balance, it only makes management sense that it should balance.

A number of line-items influence the net result of the financial performance budget. It includes capital grant revenue, depreciation charges including those where assets were funded from grants and public contributions, unamortised discounts and gains/losses on the disposal of Property Plant and Equipment. These items need to be taken into consideration in order to establish if the operating budget is realistic and credible.

2.8.16 FINANCIAL POSITION BUDGET

This indicator provides an overall view of the projected financial position over the periods of the Medium Term Expenditure framework, including movements in inventory and payables.

2.8.17 CASH FLOW BUDGET

A positive cash flow is a good indicator of a balanced budget, as well as the ability of the municipality to meet its future commitments.

The cash flow budget, however, does not include those items such as contributions to the provisions described elsewhere in this policy, the effect of depreciation charges etc, and care must be taken not to let a projected positive cash inflow lead to additional expenditure requests, without taking the requirements of those items into consideration.

3. SECTION B: RESERVES POLICY

3.1 INTRODUCTION

Fund accounting historically formed a huge part of municipal finance in the IMFO standards.

Since the municipality changed to General Recognised Accounting Practices (GRAP), fund accounting is no more allowed.

The municipality, however, recognises the importance of providing to the municipality itself, as well as its creditors, financiers, staff, and general public a measure of protection for future losses, as well as providing the necessary cash resources for future capital replacements and other current and non-current liabilities.

This policy aims to provide for such measure of protection by creating certain reserves.

3.2 LEGAL REQUIREMENTS

There are no specific legal requirements for the creation of reserves, except for the Housing Development Fund. The GRAP Standards itself also do not provide for reserves.

However, the GRAP “Framework for the Preparation and Presentation of Financial Statements” states in paragraph 91 that such reserves may be created, but “Fund Accounting” is not allowed and any such reserves must be a “legal” reserve, i.e. created by law or Council Resolution.

3.3 TYPES OF RESERVES

Reserves can be classified into two main categories being “cash funded reserves” and “non – cash funded reserves”.

3.3.1 CASH FUNDED RESERVES

In order to provide for sufficient cash resources for future expenditure, the municipality hereby approves the establishment of the following reserves:

(a) Capital Replacement Reserve (CRR)

The CRR is to be utilised for future capital expenditure from own funds and may not be used for maintenance– or other operating expenditure.

The CRR must be cash-backed and the Accounting Officer is hereby delegated to determine the contribution to the CRR during the compilation of the annual financial statements.

(b) Employee benefits reserve

The aim of the reserve is to ensure sufficient cash resources are available for the future payment of employee benefits.

The contributions to the reserve must be made in accordance with the directives set in this Funding Policy.

(c) Non-current provisions reserve

The aim of this reserve is to ensure sufficient cash resources are available for the future payment of non – current provisions.

The contributions to the reserve must be made in accordance with the directives set in this Funding Policy.

(d) Valuation reserve

The aim of this reserve is to ensure sufficient cash resources are available to undertake a General Valuation as per the Municipal Property Rates Act.

The contribution to this reserve should be approximately 25% of the anticipated cost of the General Valuation and the Accounting Officer is hereby delegated to determine this amount annually during the compilation of the annual financial statements.

(e) Other statutory reserves

It may be necessary to create reserves prescribed by law, such as the Housing Development Fund. The Accounting Officer must create such reserves according to the directives in the relevant laws.

3.3.2 NON – CASH FUNDED RESERVES

It might be necessary to create non – cash funded reserves for a variety of reasons, including GRAP requirements. The Accounting Officer must create any reserves prescribed by the accounting standards, such as the Revaluation Reserve, if required.

The Accounting Officer is hereby delegated and may also in the discretion of the Accounting Officer, create reserves for future depreciation offsetting, in the absence of a standard similar to IAS 20.

3.4 ACCOUNTING FOR RESERVES

3.4.1 REVALUATION RESERVE

The accounting for the Revaluation Reserve must be done in accordance with the requirements of GRAP 17.

3.4.2 OTHER RESERVES

The accounting for all other reserves must be processed through the Statement of Financial Performance. The required transfer to or from the reserves must be processed in the Statement of Net Assets to or from the accumulated surplus.

It is a condition of GRAP and this policy that no transactions may be directly appropriated against these reserves.

4. SECTION C: REVIEW OF THE POLICY

This Funding and Reserves Policy is the only policy of the municipality and replaces any past policies in this regard. Any revision of the policy must be approved by the Municipal Council.

Whenever the Minister of Finance or the National Treasury or the Auditor – General requests changes to the policy by way of legislation, changes to GRAP or otherwise, it must be reviewed and submitted for consideration by the Council on an annual basis. Such submission must be accompanied with a full description of the reasons for the change to the policy.

APPENDIX A

RECONCILIATION OF CASH REQUIREMENTS

Cash flow from operating activities	R XX
Add : Depreciation from own funds	R XX
Add : Current provisions balance	R XX
Add : Current employee benefits balance	R XX
Add : Unspent conditional grants	R XX
Add : Unspent public contributions	R XX
Add : Unspent borrowings	R XX
Add : VAT due to SARS	R XX
Add : Secured investments	R XX
Add : Cash portion of Statutory Reserves	R XX
Add : Working Capital Requirements	R XX
= Minimum Cash Surplus Requirements for the year	R XX



BORROWING POLICY

Date of implementation 01 July 2013

BORROWING POLICY

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1. PURPOSE

- 1.1. To provide the Municipality with a borrowing framework policy.
- 1.2. Set out the objectives, policies, statutory requirements as well as guidelines for the borrowing of funds.

2. OBJECTIVES

- 2.1. The objectives of the policy are to:
- 2.2. enable the municipality to exercise their obligation to ensure sufficient cash resources to implement capital programme in the most cost effective manner;
- 2.3. ensure compliance with the relevant legal and statutory requirements relating to Municipal borrowing;
- 2.4. govern the taking up of short-term and long-term debt according to the legislative framework
- 2.5. manage interest rate and credit risk exposure
- 2.6. maintain debt with specified limits and ensure adequate provision for the repayment of debt and
- 2.7. To maintain financial sustainability.

3. SCOPE OF THIS POLICY

- 3.1. The primary goal in the borrowing of funds is to ensure that the funds are obtained at the lowest possible interest rates at minimum risk, within the parameters of authorized borrowings.
- 3.2. This policy shall apply the Council, Mayoral Committee, all Portfolio Committees, Accounting Officer, Strategic Executive Directors and all staff of the municipality. It is, however, specifically applicable to the council and all officials who have a formal, administrative duty to deal with capital projects and programmes of the municipality and the management of the budget.

4. BORROWING ETHICS

- 4.1. In dealing with financial institutions, the following ethical principles must be adhered to:
- 4.2. The Chief Financial Officer shall not accede to any influence by or interference from councillors, borrowing institutions or any outsiders.
- 4.3. Under no circumstances may inducements to borrow be accepted.

5. LEGISLATION

- 5.1. The legislative framework governing borrowings are:
 - 5.1.1. Local Government Municipal Finance Management Act, Act 56 of 2003; and
 - 5.1.2. Local Government Municipal Regulations and Debt Disclosure, Regulation R492, published under Government Gazette 29966, 15 June 2007.

6. COMPULSORY DISCLOSURE WHEN INCURRING MUNICIPAL DEBT

- 6.1. The Municipal Regulations on Debt Disclosure has been promulgated (Government Gazette no. 29966, 15 June 2007) and has been effective from 01 July 2007 for a municipality or municipal entity. Refer to Annexure A2, Municipal Finance Management Act: Municipal Regulations on Debt Disclosure.
- 6.2. The implementation of the regulations will help to strengthen the level of confidence in municipal fiscal affairs and enable the capital markets to effectively participate by providing access to a range of competitive funding instruments for the provision of municipal infrastructure and other capital development in accordance with section 46 of the Municipal Finance Management Act
- 6.3. In the case of short-term debt it must be disclosed whether the debt is to bridge:
 - 6.3.1. Shortfalls within a financial year during which the debt is incurred, in expectation or specific and realistic anticipated revenue to be received with that financial year; or
 - 6.3.2. Capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocation or long-term debt commitments.
- 6.4. In the case of long-term debt, whether the purposes of the debt is for:
- 6.5. Capital expenditure on property, plant or equipment to be used for the purpose of achieving the objectives of local government, subject to section 46(4) of the Act.
- 6.6. Refinancing of existing long-term debt, subject to section 46(5) of the Act.

7. PROCESS

The process as required by the Act is as follows:

7.1. Short-term debt

- 7.1.1. A municipality may incur short-term debt only if:
 - 7.1.1.1. A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and
 - 7.1.1.2. The accounting officer has signed the agreement or other document which creates or acknowledges the debt.
- 7.1.2. A short term debt transaction may be:
 - 7.1.2.1. approve individually; or
 - 7.1.2.2. approve an agreement with a lender for short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that:
- 7.1.3. the credit limit must be specified in the resolution of the council;
- 7.1.4. in terms of the agreement, including the credit limit, may be changed only by a resolution of the council; and
- 7.1.5. if the council approves a credit facility that is limited to emergency use, the accounting officer must notify the council in writing as soon as practical of the

amount, duration and cost of any debt incurred in terms of such a credit facility, as well as options for repaying such debt.

7.1.6. A municipality:

- 7.1.6.1. Must pay off short-term debt within the financial year; and
- 7.1.6.2. May not renew or refinance short-term debt, whether its own debt or that of any other entity, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year.
- 7.1.6.3. No lender may wilfully extend credit to a municipality for the purpose of renewing or refinancing short-term debt that must be paid off in terms of subsection 7.1.6.2
- 7.1.6.4. If a lender wilfully extends credit to a municipality in contravention of paragraph 7.1.6.3, the municipality is not bound to repay the loan or interest on the loan.
- 7.1.6.5. Subsection 7.1.6.1 does not apply if the lender:
 - 7.1.6.5.1. Relied in good faith on written representations of the municipality as to the purpose of the borrowing; and
 - 7.1.6.5.2. Did not know and had no reason to believe that the borrowing was for the purpose of renewing or refinancing short-term debt. Long-term debt

7.2. Long-term debt

7.2.1. A municipality may incur long-term debt only if:

- 7.2.1.1. A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and
- 7.2.1.2. The accounting officer has signed the agreement or other document which creates or acknowledges the debt.

7.2.2. A municipality may incur long-term debt only if the accounting officer of the municipality:

- 7.2.2.1. has, in accordance with section 21A of the Municipal Systems Act:
- 7.2.2.2. at least twenty one (21) days prior to the meeting the council at which approval for the debt is to be considered, made public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided; and
- 7.2.2.3. invited the public, the National Treasury and the relevant provincial treasury to submit written comments or representations to the council in respect of the proposed debt; and
- 7.2.2.4. has submitted a copy of the information statement to the municipal council at least twenty one (21) days prior to the meeting of the council, together with particulars of:
 - 7.2.2.4.1. the essential repayment terms, including the anticipated debt repayment schedule; and
 - 7.2.2.4.2. The anticipated total cost in connection with such debt over the repayment period.

7.2.3. Capital expenditure contemplated in 5.3(a) may include:

7.2.3.1. Financing costs, including:

- 7.2.3.1.1. capitalized interest for a reasonable initial period;
- 7.2.3.1.2. Costs associated with security arrangements in accordance with section 48 of the Act;
- 7.2.3.1.3. discounts and fees in connection with the financing;
- 7.2.3.1.4. fees for legal, financial, advisory, trustee, credit rating and other services directly connected to the financing; and
- 7.2.3.1.5. Costs connected to the sale or placement of debt, and costs for printing and publication directly connected to the financing.
- 7.2.3.1.6. Costs of professional services directly related to the capital expenditure; and
- 7.2.3.1.7. Such other costs as may be prescribed.

7.2.4. A municipality may borrow money for the purpose of refinancing existing long-term debt, provided that:

- 7.2.4.1. the existing long-term debt was lawfully incurred;
- 7.2.4.2. the refinancing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed
- 7.2.4.3. the net present value of projected future payments (including principal and interest payments) after refinancing is less than the net present value of projected future payments before refinancing; and
- 7.2.4.4. the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.

7.2.5. A municipality's long-term debt must be consistent with its capital budget referred to in section 17(2) of the Act.

8. CONDITIONS

Witzenberg Municipality may incur debt only if:

- 8.1. the debt is denominated in rand and is not indexed to, or affected by fluctuations in the value of the rand against any foreign currency; and
- 8.2. section 48(3) of the Act has been complied with, if security is to be provided by the municipality.

9. SECURITIES

9.1. Witzenberg Municipality may by resolution of its council provide security for:

- 9.1.1. any of its debt obligations; and
- 9.1.2. contractual obligations of the municipality undertaken in connection with capital expenditure by the persons on property, plant or equipment to be used by the

municipality or such other person for the purpose of achieving the objectives of local government in terms of section 152 of the Constitution.

9.2. Appropriate security is contemplated in section 48(2) of the Act.

9.3. Other additional conditions to be complied with are contemplated in section 48(3) to (5) of the Act.

10. DISCLOSURE

The Municipality must, when interacting with a prospective Lender or when preparing documentation for consideration by a prospective Investor, disclose all relevant information that may be requested or that may be material to the decision of the prospective Lender or Investor. Reasonable care must be taken to ensure the accuracy of any information disclosed. Whilst this is a standard and acceptable business practice, it is also in compliance with section 49 of the Municipal Finance Management Act.

11. GUARANTEES

- 11.1. The Municipal Finance Management Act provides that the Municipality may not guarantee any debt of any entity unless the entity is a Municipal entity under its sole ownership control. The debt must be reflected in the approved business plan of the entity. The guarantee must be authorized by the Municipality. This must be done in the same manner and subject to the same conditions applicable to any other borrowings. Neither the National nor Provincial Government may guarantee the debt of any Municipality.
- 11.2. Witzenberg Municipality may not issue any guarantee for any commitment or debt of any organ of state or person, except on the following condition:
- 11.3. The guarantee must be within limits specified in the municipality's approved budget.
- 11.4. Neither the national nor a provincial government may guarantee the debt of a municipality except to the extent that chapter 8 of the Public Finance Management Act provides for such guarantees

12. SUBMISSION OF DOCUMENTS

When entering into discussion with a prospective lender with a view to incur short-term or long-term debt, the following information must be made available to the prospective lender.

- 12.1. audited financial statements for the preceding three (3) financial years with audited outcomes;
- 12.2. approved annual budget;
- 12.3. the municipal integrated development plan;
- 12.4. Repayment schedules pertaining to existing short-term or long-term debt.

13. NOTIFICATION TO NATIONAL TREASURY

All information prescribed in the act must be provided to National Treasury with respect to a long-term debt proposal.

Information to be provided with respect to a long-term debt proposal

	Details	MFMA
A	A copy of the <i>information statement</i> required by section 46(3), containing particulars of the proposed borrowing (debt) instrument.	46(3)(a)(i)
B	<p>If not already incorporated in the <i>information statement</i>, the following information should be provided separately (note QBMR = Quarterly Borrowing Monitoring Return to NT, see over page for further information):</p> <p>amount of debt to be raised through borrowing or other means purposes for which the borrowing (debt) is to be incurred interest rate(s) applicable (state whether fixed or variable etc) planned start and end date (term of instrument) detailed repayment schedule for the duration of the borrowing (debt) (showing dates and all payments of principal and interest, etc) total estimated cost of the borrowing (debt) over the repayment period type of instrument (select from QBMR) security to be provided (select from QBMR) and provide details source of loan funds (select from QBMR)</p>	46(3)(b)(i) and (ii)
C	<p>A schedule of consultation undertaken, including:</p> <p>date(s) when the <i>information statement</i> was made public details of meetings, media adverts and other methods used to consult on the proposed long-term borrowing (debt)</p>	46(3)(a)(i), (ii)
D	A copy of the approved budget, and relevant documentation supporting the budget, highlighting the asset(s) to be funded by the proposed borrowing (debt) and the revenue to be received. It must be demonstrated that the proposed borrowing (debt) is consistent with the IDP, the capital budget and the revenue is shown accordingly.	46(6) 17(2) 19
E	<p>If the borrowing (debt) is for the purpose of refinancing existing long-term borrowing (debt), the following information:</p> <p>description of the asset(s) for which the original loan was required the useful remaining life of the asset(s) the net present value of the asset(s), including the discount rate used</p>	46(5)

	and any assumptions in the calculations the net present value of projected future payments <u>before</u> refinancing, including the discount rate and assumptions used. the net present value of projected future payments <u>after</u> refinancing, including the discount rate and assumptions used.	
F	What source of funding will be used to repay the loan? Please specify the revenue stream(s) and whether this is existing revenue, or new revenue.	19(1)(d)
G	Schedule of <u>all</u> long-term borrowing (debt) obligations in the format of the QBMR showing principal and interest payments for the life of <u>all loans</u> and any associated investments set up as sinking funds etc.	
H	A copy of the council/board of directors' resolution approving the borrowing (debt) instrument should be forwarded once approved.	

14. FINANCIAL AFFAIRS OF THE MUNICIPALITY

14.1. The following information concerning the financial situation and financial management of the municipality must be disclosed:

- 14.1.1. schedule of all long-term debt obligations stating principal and interest payments for the life of all loans and any security provided to secure such debt;
- 14.1.2. the amount of any short-term debt outstanding;
- 14.1.3. the revenue of the municipality for the preceding three (3) financial years stated separately:
- 14.1.4. Government grants and public donations;
- 14.1.5. Revenue from rates and service charges and other revenue sources
- 14.1.6. what source of funding will be used to repay the loan;
- 14.1.7. details of any default by the municipality on outstanding or repaid debt during the preceding three (3) years;
- 14.1.8. the reserves of the municipality;
- 14.1.9. a summary of financial policies and practices; and
- 14.1.10. The latest credit rating obtained.

15. INTEREST RATE RISK

- 15.1. As a general principle when interest rates are expected to decrease, it is advisable that a floating rate be negotiated in order to take advantage of the lower interest rates in future. If interest rates are expected to increase, it is advisable to obtain a fixed rate so that the benefits of the current low interest rate are maintained.
- 15.2. The interest risk must be limited in so far as possible. The policy directive is to negotiate fixed interest rates for all long-term borrowings. This will ensure stability

of the repayments and reduce the risk for high rates and tariff increases as a result of interest rate hikes in the market.

- 15.3. Variable rates should be considered for short-term debt only.

16. LIMITATIONS

To ensure a financial viable municipality the following ratios are used to determine the municipal gearing ability to borrow:

- 16.1. Long-term credit rating of BBB;
- 16.2. Interest cost to total expenditure to not exceed 8%;
- 16.3. Long-term debt to revenue (excluding grants) not be exceed 50%;
- 16.4. Payment rate mature above 95%; and
- 16.5. Percentage of capital charges to operating expenditure less than 18%.

17. PROHIBITED BORROWING PRACTICES

Witzenberg Municipality shall not borrow for investment purposes, with the sole purpose of investing to earn a return. The cost of debt is almost always more expensive than the return that the Municipality can derive by investing in permitted investments. Foreign Borrowing is permitted in terms of section 47 of the Municipal Finance Management Act, whereby the debt must be denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency.

18. IMPLEMENTATION AND REVIEW

- 18.1. The Accounting Officer shall be responsible for the implementation and administration of this policy with the assistance of the Strategic Executive Director for Financial Services Department once approved by Council. All future borrowings must be considered in accordance with this policy read with MFMA and Local Government Municipal Regulations and Debt Disclosure, Regulation R492, published under Government Gazette 29966, 15 June 2007 and other directives and guidelines issued by National Treasury.
- 18.2. In terms of section 17(1) (e) of the Municipal Finance Management Act, 2003 this policy shall be reviewed on annual basis to ensure that it complies with changes in applicable legislation and regulation and the reviewed policy tabled to Council for approval as part of the budget process .
- 18.3. This policy must be read together with the Budget and Funding and Reserves Policies; Local Government Municipal Finance Management Act, Act 56 of 2003; and Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009.



CELLULAR TELEPHONE AND DATA CARD POLICY

Date of implementation 01 July 2013

CELLULAR TELEPHONE AND DATA CARD POLICY

1. Purpose

The purpose of this policy is to determine guidelines for the:

- Management of cellular telephones
- Acquisition of cellular telephones
- Acquisition of data cards
- Management of data cards

2. General

- 2.1 It is recognised that cellular telephones are useful communications tools in many cases essential for Municipal officials to carry out their duties. To this end this policy shall regulate the provision of a cellular telephone and/or data cards for officials in the Witzenberg Municipality.
- 2.2 All applications for cellular telephones and/or data cards shall require the approval of the Municipal Manager.
- 2.3 In considering the granting of a cellular phone and/or data card, the Municipal Manager shall take into account all of the following:-
- 2.3.1 Operational responsibility of the applicant.
 - 2.3.2 Availability of funds.
 - 2.3.3 Time spent outside of the office by the official.
 - 2.3.4 The need for constant and immediate contact of the official.
 - 2.3.5 Improvement in efficiency of the official.
 - 2.3.6 Need for immediate contact with councillors and the public.
 - 2.3.7 Safety of officials.

3 General Controls

- 3.1 An annual review shall be carried out by the Municipal Manager to determine the continued need for all cellular telephones and/or data cards.
- 3.2 If it is determined that an official no longer qualify for a cellular telephone and/or data card, he/she must be advised in writing of the decision with at least a two months' notice period.

4 Limit of allowances

- 4.1 The allowable all inclusive expenditure for cellular telephones and/or data cards will be limited to the following maximum monthly amounts excluding VAT.

Positions¹	Contract by municipality	Allowance to employee
Municipal Manager	1 500	2 000
Directors	1 200	1 600
Deputy Director	900	1 200
Managers	600	800
Middle Managers	400	500
Other Approved Employee's	200	300

¹ Amended by Council 25/10/2017

All data Cards	200	300
Tablets	400	500

- 4.2 The municipal manager can in exceptional cases and on justifiable grounds on written application by a person whose cell phone expenditure is above the maximum monthly limit set above, determine in writing a higher limit for that specific month.
- 4.3 Any account in excess of the allowable maximum amounts as stated in paragraph 4.1 or the higher limit in paragraph 4.2 above, will be deducted from the relevant employee's salary as soon as possible.
- 4.4 Where no written determination by the municipal manager in terms of paragraph 4.2 is received on or before the 10th of the month, any account in excess of the allowable maximum amounts as stated in paragraph 4.1 will be deducted from the relevant employee's salary as soon as possible.
- 4.5 Before any cellular telephone and/or data card is handed over to an employee he or she must sign the relevant authority that any excess can be deducted from his or her salary.
- 4.6 The municipal manager can adjust these amounts annually subject to budgetary provisions.
- 4.7 All employees that qualify for the cellular phone and data card allowance will receive the allowance and not a municipal funded cellular phone or data card. All employees' receiving this allowance must ensure that the item for which the allowance is received is in working condition and has the necessary airtime/data to perform their functions.
- 4.8 The local government regulations on appointment and conditions of employment of senior managers in terms of the Local Government: Municipal Systems Act, 2000 (act no. 32 of 2000) section 40 determines that a senior manager is entitled to compensation for the use of a mobile telephone and data card for official purposes in accordance with the relevant policy of the municipality.²

5 Additional charges

- 5.1 All additional charges including but not limited to the following will be for the account of the user:

Content charges
Subscriptions
Cellular phone data charges

6 Cellular telephones and Data Card Allowance

- 6.1 The municipal manager may approve that a monthly allowance not exceeding the limits as per paragraph 4.1 be paid to employees that qualify for the use of cellular telephones or data cards.
- 6.2 Employees that elect the allowance option must provide a cellular phone and/or data card to be used for official business and may not use municipal cellular telephones and/or data cards.
- 6.3 Proof that the cellular phone and/or data card is available for official use must be provided on request. If the required proof cannot be provided the allowance will be stopped with immediate effect.

² Recommended for inclusion in policy

- 6.4 The municipality will only pay the allowance to the user; all cost in excess of the allowance will be for the account of the user.
- 6.5 The allowance will be paid together with the employees' monthly salary.
- 6.6 The recipient of the allowance will be responsible for the payment of income tax on the allowance, which will be deducted from the employee's salary.

7 Management and Control Of Cellular telephones and Data Card Needs

- 7.1 A register of all cellular telephones and data cards and service agreements must be maintained by the Administration department.
- 7.2 All cellular telephones and data cards will be obtained on a rental agreement.
- 7.3 The agreement for a cellular phone must be conducted in the Municipalities name.
- 7.4 The agreement for a data card must be conducted in the Municipalities name.
- 7.5 No cellular telephones or data cards will be upgraded for improved models before the contract has expired, unless indicated to the contrary by the service provider or on recommendation by the relevant director or head of department.
- 7.6 After lapse of the agreement, the cellular phone or data card becomes the property of the employee.
- 7.7 If the relevant employee leaves the employment of the municipality before the agreement lapse, the cellular phone and/or data cards with the relevant SIM cards must be handed in at the administration department who must ensure that it is in working condition and that it is the correct SIM cards.
- 7.8 The cellular phone number is the property of the Witzenberg municipality and cannot be transferred to employees.

8 Insurance

- 8.1 All reasonable care must be taken to protect the equipment from damage, destruction or loss and any proof of negligence shall be dealt with within the context of Council's disciplinary code.
- 8.2 The Excess payment on insurance claims will be for the account of the user of the cellular phone or data card.

9 ICT policies

- 9.1 Users of data cards acknowledge that all other ICT policies adopted by Witzenberg Municipality are applicable on the usage of the data cards.

10 Promotional Items and or Gift Vouchers

- 10.1 Any promotional items and or gift vouchers received with a cellular phone and or data contract will be the property of the municipality and not of the employee.

- 10.2 The only exception to the above is tablets that can be used by the employee for official purposes for the duration of the rental agreement, where after it will become the property of the employee.

11 Procurement

- 11.1 The administration of the procurement process will be done by the Administration section.
- 11.2 The procurement of cellular telephones and data cards will be done by the Supply Chain Unit.



SUPPLY CHAIN MANAGEMENT POLICY

Reviewed by Council 30/05/2017
Reviewed by Council 18/05/2016
Reviewed by Council 28/05/2015
Reviewed by Council 27/05/2014
Adopted by Council 29/05/2013

SUPPLY CHAIN MANAGEMENT POLICY

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

Proposed date for adoption: 1 April (PP regulations 2017) /July 2017

Council resolves in terms of section 111 of the Local Government Municipal Finance Management Act (No. 56 of 2003), to adopt the following proposal as the Supply Chain Management Policy of the municipality.

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CHAPTER 2

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Annexure A

Annexure B

1. **Definition** - In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, and –

“Accounting officer” – means the municipal official referred to in section 60 of the Act

“B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act.

“B-BBEE Status Level of Contributor” means the B-BBEE status of an entity in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. ¹

“Bid” means a written offer in a prescribed or stipulated form in response to an invitation by the municipality for the provision of goods, services or construction works through price quotations, advertised competitive bidding processes or proposals.

“Bidder” means any person submitting a competitive bid or a quotation.

“Black designated groups” has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. ²

“Black people” has the meaning assigned to it in section 1 of the Broad-Based Black Economic Empowerment Act. ³

“Broad-Based Black Economic Empowerment Act” means the Broad-Based Black Economic Empowerment Act, 53 of 2003 and Codes of Good Practice pertaining thereto.

“Chief Financial Officer or CFO” means a person designated in terms of section 80(2) (a) of the Act.

“CIDBA regulations” means any regulations issued in terms of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000);

“Class deviation” means a deviation from the normal procurement process for goods

¹ Amended by council 30 May 2017

² Amended by council 30 May 2017

³ Amended by council 30 May 2017

and services anticipated to be procured more than once in a financial year but exclude procurement made in an emergency situation.

“Community Based Vendor” means a supplier of goods, services and/or construction works who resides in the Witzenberg municipal area or has its principal business activities in the Witzenberg municipal area, who meets the criteria for community based vendor as determined by the Municipal Council from time to time, and who is registered as such on the municipality’s supplier database.

“Competitive bidding process” means a competitive bidding process referred to in paragraph 21 of this Policy;⁴

“Competitive bid” means a bid in terms of a competitive bidding process;

“Consultant/ consulting engineer” means a person or entity providing advisory services to the municipality which amongst others include consulting firms, management firms, procurement agents, inspection agents, auditors, other multinational organisations, investment and merchant banks, universities, research agencies, government agencies, non-governmental organisations (NGOs) and individuals.

“Contract” means the agreement which is concluded when the municipality accepts, in writing, a competitive bid or quotation submitted by a supplier.

“Contract manager” refers to an internal official assigned to ensure the effective administration of the contract

“Day(s)” means calendar days unless the context indicates otherwise.

“Designated sector” means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content.

“Disposal” in relation to capital assets means –

- (a) The demolition, dismantling or destruction of the capital asset; or
- (b) Any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership;

⁴ Amended by council 30 May 2017

“Exempted Micro Enterprise” means an exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act.⁵

“Final award”, in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote was accepted;

“Formal written price quotation” means a written or electronic offer to the municipality in response to an invitation to submit a quotation as referred to in paragraph 19 of this Policy;

“Green procurement” means the procurement of environmentally friendly products and services;⁶

“Head of Department” means a Senior Manager as defined in the Municipal Finance Management Act, 2003 (Act no.56 of 2003) and who is responsible for a vote as assigned by the Accounting Officer;

“Individual deviation” means a deviation from the normal procurement process as set out in this policy that affect only one contract / procurement award made in circumstances where it is impractical to follow the normal procurement process and in an emergency situation.

“In the service of the state” means to be –

- (a) A member of –
 - (i) Any municipal council;
 - (ii) Any provincial legislature; or
 - (iii) The National Assembly or the National Council of Provinces;
- (b) A member of the board of directors of any municipal entity;
- (c) An official of any municipality or municipal entity;
- (d) An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Municipal Finance Management Act, 2003 (Act No.56 of 2003); and Public Finance Management Act, 1999 (Act No. 1 of 1999)
- (e) A member of the accounting authority of any national or provincial public entity; or
- (f) An employee of Parliament or a provincial legislature;

⁵ Amended by council 30 May 2017

⁶ Amended by council 30 May 2017

“Joint Venture or Consortium” means an association of persons formed for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract or contracts. The Joint Venture must be formalised by agreement between the parties.

“Line manager” means a manager reporting directly to a senior manager and who is responsible for a cost centre as assigned by the relevant senior manager;

“Long term contract” means a contract with a duration period exceeding one year and does not have the same meaning as contracts of a long term nature referred to in paragraph 24(1)(e) of this policy;⁷

“Long term nature contract” means a contract as defined by section 33(1) of the Municipal Finance Management Act imposing financial obligations on the Municipality beyond the first three years covered in the approved annual budget;⁸

“List of accredited prospective providers” means the list of accredited prospective providers which the municipality must keep in terms of paragraph 16 of this policy;⁹

“Municipality” means Witzenberg Municipality or any person(s) or committee delegated with the authority to act on its behalf.

“Other applicable legislation” means any other legislation applicable to municipal supply chain management, including –

- (a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), as amended;
- (b) The Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), as amended;
- (c) The Construction Industry Development Board Act, 2000 (Act No.38 of 2000), as amended; and
- (d) The Preferential Procurement Regulations of 2017, as amended¹⁰
- (e) The Local Government: Municipal Systems Act;¹¹

⁷ Amended by council 30 May 2017

⁸ Amended by council 30 May 2017

⁹ Amended by council 30 May 2017

¹⁰ Amended by council 30 May 2017

¹¹ Amended by council 30 May 2017

- (f) The Competition Act; and¹²
- (g) The Promotion of Administrative Justice Act.¹³

“Policy” means this Supply Chain Management Policy as amended from time to time by Council

“Targeted Labour” means those individuals employed by a contractor, or sub-contractor, in the performance of a contract, who are defined in the contract as the target group, and who permanently reside in the municipal area.

“Tender” referred to in the Preferential Procurement Regulations 2017, has the same meaning as “bid” as defined in this policy¹⁴

“Treasury guidelines” means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

“The Act” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“The Regulations” means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005;

“Written quotations” means quotations referred to in paragraph 18 of this Policy.¹⁵

¹² Amended by council 30 May 2017

¹³ Amended by council 30 May 2017

¹⁴ Amended by council 30 May 2017

¹⁵ Amended by council 30 May 2017

2. Policy statement and objectives

Section 111 of the Municipal Finance Management Act requires each municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act.

In addition, the Preferential Procurement Policy Framework Act requires an Organ of State to determine its Preferential Procurement Policy and to implement it within the framework prescribed.

The objectives of this Policy are:

- to give effect to section 217 of the Constitution of the Republic of South Africa by implementing a system that is fair, equitable, transparent, competitive and cost effective;
- to comply with all applicable provisions of the Municipal Finance Management Act including the Municipal Supply Chain Management Regulations published under GN868 in Government Gazette 27636 30 May 2005 and any National Treasury Guidelines issued in terms of the MFMA; regulations pertaining thereto, including:
 - the Preferential Procurement Policy Framework Act;
 - the Broad-Based Black Economic Empowerment Act;
 - the Construction Industry Development Board Act;
 - the Local Government: Municipal Systems Act; and
 - the Promotion of Administrative Justice Act.
- the Competition Act.¹⁶

¹⁶ Amended by council 30 May 2017

CHAPTER 1
IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

3. Supply chain management policy

- (1) All officials and other role players in the supply chain management system of the municipality must implement this Policy in a way that –
 - (a) Gives effect to –
 - (i) Section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) is fair, equitable, transparent, competitive and cost effective;
 - (c) Complies with –
 - (i) The Regulations; and
 - (ii) Any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - (d) is consistent with other applicable legislation;
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- (2) This Policy applies when the municipality –
 - (a) Procures goods or services;
 - (b) Disposes of goods no longer needed;
 - (c) Selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; and
 - (d) Selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

- (e) the procurement of goods and services under a contract secured by that other organ of state, provided that the relevant supplier has agreed to such procurement.
- (3) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
 - (a) Water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
 - (b) Electricity from Eskom or another public entity, another municipality or a municipal entity.

4. Amendment of the supply chain management policy

- (1) The accounting officer must –
 - (a) at least annually review the implementation of this Policy; and
 - (b) When the accounting officer considers it necessary, submit proposals for the amendment of this Policy to the Council.
- (2) If the accounting officer submits proposed amendments to the Council that differs from the model policy issued by the National Treasury, the accounting officer must –
 - (a) Ensure that such proposed amendments comply with the Regulations; and
 - (b) Report any deviation from the model policy to the National Treasury and the relevant provincial treasury.
- (3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

5. Delegation of supply chain management powers and duties

- (1) The council hereby delegates all powers and duties to the accounting officer which are necessary to enable the accounting officer –
 - (a) To discharge the supply chain management responsibilities conferred on accounting officers in terms of –
 - (i) Chapter 8 or 10 of the Act; and
 - (ii) This Policy;
 - (b) to maximize administrative and operational efficiency in the implementation of this Policy;
 - (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and
 - (d) To comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub delegation of powers and duties delegated to an accounting officer in terms of subparagraph (1).
- (3) The accounting officer may not sub delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality;
- (4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 35-37 of this Policy.

6. Sub delegations

- (1) The accounting officer may in terms of section 79 or 106 of the Act sub delegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this Policy, but any such sub delegation must be consistent with subparagraph (2) of this paragraph and paragraph 4 of this Policy.
- (2) The power to make a final award –
 - (a) Above R 10 million (VAT included) may not be sub delegated by the accounting officer;
 - (b) Above R2 million (VAT included), but not exceeding R10 million (VAT included), may be sub delegated but only to –
 - (i) The chief financial officer;
 - (ii) A bid adjudication committee of which the Chief Financial Officer is a member / Chairperson;
 - (c) Not exceeding R2 million (VAT included) may be sub delegated but only to –
 - (i) The chief financial officer;
 - (ii) A senior manager;
 - (iii) A manager directly accountable to the chief financial officer or a senior manager; or
 - (iv) A bid adjudication committee.
- (3) An official or bid adjudication committee to which the power to make final awards has been sub delegated in accordance with subparagraph 5(2) must within five days of the end of each month submit to the official referred to in subparagraph 5(4) a written report containing particulars of each final award made by such official or committee during that month, including–

- (a) The amount of the award;
 - (b) The name of the person to whom the award was made; and
 - (c) The reason why the award was made to that person.
- (4) A written report referred to in subparagraph 5(3) must be submitted –
 - (a) To the accounting officer, in the case of an award by –
 - (i) The chief financial officer;
 - (ii) A bid adjudication committee of which the chief financial officer; or
 - (b) To the chief financial officer or his delegate responsible for the relevant bid, in the case of an award by –
 - (i) A manager referred to in subparagraph 5 (2) (c) (ii); or
 - (ii) A bid adjudication committee of which the chief financial officer is a member.
- (5) Subparagraphs 5(3) and 5(4) of this policy do not apply to procurements out of petty cash.
- (6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (7) No supply chain management decision-making powers may be delegated to an advisor or consultant/ consulting engineer.

7. Oversight role of council

- (1) The Council reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the accounting officer must –
 - (a) within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and
 - (b) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report.
- (3) The Supply Chain Manager must, within 4 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the Chief Financial Officer, of which he must submit it within 3 days to the Accounting Officer. The Accounting Officer must within 3 days after receiving the report submit it to the Mayor.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

8. Supply chain management unit

- (1) Witzenberg Municipality has established a supply chain management unit to implement this Policy.
- (2) The supply chain management unit operates under the direct supervision of the chief financial officer whom this duty has been delegated in terms of section 82 of the Act.

9. Training of supply chain management officials

- (1) The training of officials involved in implementing this Policy should be in accordance with any Treasury guidelines on supply chain management training.

CHAPTER 2

SUPPLY CHAIN MANAGEMENT SYSTEM

10. Format of supply chain management system

This Policy provides systems for –

- (1) Demand management;
- (2) Acquisition management;
- (3) Logistics management;
- (4) Disposal management;
- (5) Risk management; and
- (6) Performance management.

11. Communication with the municipality

- (1) All correspondence with regards to this policy shall be addressed to the Manager: Supply Chain Management.

Part 1: Demand management

12. System of demand management

- (1) The accounting officer has established and implemented an appropriate demand management system in order to ensure that the resources required by the municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan.
- (2) The demand management system -
 - (a) include timely planning and management processes to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;

- (b) take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature; and
 - (c) Provide for the compilation of the required specifications to ensure that its needs are met.
 - (d) undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.
 - (e) provide efficient and effective provisioning and procurement systems and practices to enable the municipality to deliver the required quantity and quality of services to the communities.
 - (f) establish uniform procedures, documents and contracts and the implementation of sound systems of control and accountability.
 - (g) establish a professional supply chain management system which results in continuing improvement in affordability and value for money, based on total cost of ownership and quality of procurement as competition amongst suppliers is enhanced.
- (3) Green procurement must be incorporated as far as reasonable possible, for all specifications of goods, services and construction works.
- (4) In the development of bid specifications, innovative mechanisms should be explored to render the service or product more resource and energy efficient.

Part 2: Acquisition management

13. System of acquisition management

- (1) The objectives of this acquisition management system are to ensure:
 - (a) that goods and services, including construction works and consultant services are procured by the municipality only in accordance with the authorised procedures incorporated herein;
 - (b) that expenditure on goods and services, including construction works and consultant services is incurred in terms of an approved budget; and
 - (c) that the threshold values of the different procurement procedures are complied with.

- (d) that bid documentation, evaluation and adjudication criteria, and general conditions of contract are in accordance with the requirements of relevant legislation including, the Preferential Procurement Policy Framework Act, and any conditions of the Construction Industry Development Board Act; and
 - (e) that procurement guidelines issued by the National Treasury are taken into account.
- (2) When procuring goods or services contemplated in section 110(2) of the Act, the accounting officer must make public the fact that such goods or services are procured otherwise than through the municipality's supply chain management system, including -
 - (a) The kind of goods or services; and
 - (b) The name of the supplier.
- (3) Unless otherwise indicated in the bid documents, the municipality shall not be liable for any expenses incurred in the preparation and / or submission of a bid or quotation.
- (4) Bid documentation may state that alternative bids can be submitted provided that a bid is in accordance with the bid documents is also submitted.
- (5) An alternative bid shall be submitted on a separate complete set of bid documents and shall be clearly marked "Alternative Bid" to distinguish it from the main bid offer referred to above.
- (6) Bid documentation shall state that the municipality will not be bound to consider alternative bids.
- (7) The Manager Supply Chain management may extend the bid closing date if circumstances justify the action, provided that the closing date may not be extended unless a notice is published in the same newspapers as the original advertisement prior to the original bid closing date.
- (8) The notice referred to in paragraph 13 (7) must also be posted on the municipal notice boards, the municipal website and a notice must be sent to all bidders

14. Range of procurement processes

- (1) Goods and services may only be procured by way of
 - (a) One written price quotation up to a transaction value of R 2,000 (VAT included);
 - (b) Petty cash purchases up to a transaction value of R 2,000 (VAT included) for items specified in the Petty Cash policy;
 - (c) Three written price quotations for procurements of a transaction value over R 2,000 up to R10,000 (VAT included);
 - (d) Three formal written price quotations for procurements of a transaction value over R 10,000 up to R200,000 (VAT included); and
 - (e) A competitive bidding process for–
 - (i) Procurements above a transaction value of R200 000 (VAT included); and
 - (ii) The procurement of long term contracts.
- (2) The accounting officer may, in writing lower, but not increase, the different threshold values specified in subparagraph 14(1);
- (3) For quotations (up to R 30 000) bidders are required to be registered on the municipality's supplier database prior to the acceptance of their quotation in respect of the goods or services required.
- (4) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

15. General preconditions for consideration of written quotations or bids

- (1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –
 - (a) Has furnished that provider's –
 - (i) Full name;
 - (ii) Identification number or company or other registration number; and

- (iii) Tax reference number and VAT registration number, if any;
 - (iv) registration number in terms of section 18(1) of the Construction Industry Development Board Act, 2000 (Act No.38 of 2000), should the provider quote or bid to undertake, carry out or complete any construction works or portion thereof;
 - (b) Has provided the municipality with an original and valid tax clearance from the South African Revenue Services confirming that the provider's tax matters are in order; and
 - (c) Has indicated –
 - (i) Whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
 - (ii) if the bidder is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
 - (iii) Whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months;
 - (iv) On their supplier database application form if the supplier or person is in the service of the state, that such declaration be deemed as sufficient and that the responsibility rests on the supplier to notify the supply chain management unit of any changes hereto.
 - (v) Has completed, signed and submitted a certificate of independent bid determination with their bid or quotation.
- (2) Laws of the Republic of South Africa shall govern contracts arising from the acceptance of bids and quotations.
- (3) Where the acquisition in question is likely to involve an imported component which will be subject to foreign exchange rate adjustments, the bid documentation must specify that the contractor take out a forward

exchange contract in order to fix the Rand based price as soon as possible after the award.

16. Lists of accredited prospective providers

- (1) The accounting officer must –
 - (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations for procurement up to R 30 000; and
 - (b) at least twice a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
 - (c) specify the listing criteria for accredited prospective providers;
 - (d) disallow the listing of any prospective supplier on the municipality's supplier database who do not comply with the accreditation requirements i.e. listing criteria and also based on standards, set by any relevant control bodies that govern or regulate the category of service or industry.
 - (e) disallow the listing of any prospective provider whose name appears on the National Treasury's List of Restricted Suppliers and/or Registered for Tender Defaulters and/or a person or business prohibited from doing business with the public sector.
- (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
- (3) The list must be compiled per commodity and per type of service.
- (4) The accounting officer may use the Central Supplier Database hosted by National Treasury for procurement.¹⁷

¹⁷ Amended by council 30 May 2017

17. Petty cash purchases

Petty cash purchases must be done according to the Petty Cash policy. The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 14 (1) (b) of this Policy, are as follows—

- (a) The Accounting Officer may delegate the responsibility for petty cash to an official directly or indirectly reporting to the CFO;
- (b) No item that is an approved stores item might be purchase by means of a petty cash transaction;
- (c) No fixed asset of whatever value may be purchase through petty cash;
- (d) The nature of petty cash transactions that can be processed as petty cash transactions are listed in paragraph 5 of the Petty Cash policy;
- (e) The Council will determine annually the maximum amount of petty cash expenditure per month as referred to in paragraph 6 of the petty cash policy;
- (f) A monthly reconciliation report must be provided to the chief financial officer, within five days of the end of each month containing particulars of each final award made by an official during that month, including:
 - (i) The total amount of petty cash purchases for that month; and
 - (ii) Receipts and appropriate documents for each purchase.

18. Written Price quotations

- (1) The conditions for the procurement of goods or services through written price quotations are as follows:
 - (a) All requirements below R2 000.00 (VAT incl.) which are not covered by the Petty Cash policy, one written price quotation must be obtained from providers who are listed as accredited prospective service providers.
 - (b) All requirements between R2 000.00 (VAT incl.) and R 10 000.00 (VAT incl.) three written price quotations must be obtained from providers who are listed as accredited prospective service providers.
 - (c) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers, provided that such providers meet the listing criteria;¹⁸

¹⁸ Amended by council 30 May 2017

19. Formal written price quotations

- (1) The conditions for the procurement of goods or services through formal written price quotations are as follows:
 - (a) Quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the municipality;
 - (b) Quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria;¹⁹
 - (c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer, and
 - (d) The Chief Financial Officer must record the names of the potential providers and their written quotations.
- (2) A designated official referred to in subparagraph 19 (1) (c) must within three days of the end of each month report to the chief financial officer on any approvals given during that month by that official in terms of that subparagraph.

20. Procedures for procuring goods or services through written or verbal quotations and formal written price quotations

- (1) The procedure for the procurement of goods or services through written quotations or formal written price quotations is as follows:
 - (a) When using the list of accredited prospective providers the accounting officer must promote on-going competition amongst providers by inviting providers to submit quotations on a rotation basis;
 - (b) all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 19, be advertised for at

¹⁹ Amended by council 30 May 2017

least seven days on the website and official notice boards of the municipality;

- (c) Offers received must be evaluated on a comparative basis taking into account unconditional discounts;
- (d) the accounting officer or chief financial officer must on a monthly basis be notified in writing of all written quotations and formal written price quotations accepted by an official acting in terms of a sub delegation;
- (e) Offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;
- (f) Acceptable offers, which are subject to the preference points system (PPPFA and Preferential Procurement Regulations of 2017), must be awarded to the bidder who scored the highest points;²⁰
- (g) Comply with all requirements for proper record keeping.

21. Competitive bids

- (1) Goods or services above a transaction value of R200 000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 13(2) of this Policy.
- (2) No requirement for goods or services above an estimated transaction value of R200 000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.
- (3) The accounting officer may split unduly large quantities of work into smaller contracts (units) to provide opportunities for emerging entrepreneurs and make it manageable. This may only be done when it is technically, logistically and financially feasible.

22. Process for competitive bidding

- (1) The procedures for the following stages of a competitive bidding process are as follows:
 - (a) Compilation of bidding documentation as detailed in paragraph 23

²⁰ Amended by council 30 May 2017

- (b) Public invitation of bids as detailed in paragraph 24;
- (c) Site meetings or bid clarification meetings as detailed in paragraph 25;
- (d) Handling of bids submitted in response to public invitation as detailed in paragraph 27;
- (e) Evaluation of bids as detailed in paragraph 36;
- (f) Award of contracts as detailed in paragraph 37;
- (g) Administration of contracts -
 - (i) After approval of a bid, the accounting officer and the bidder must enter into a written agreement.
- (h) Proper record keeping -
 - (i) Original / legal copies of written contracts agreements should be kept in a secure place for reference purposes.

23. Bid documentation for competitive bids

- (1) The criteria to which bid documentation for a competitive bidding process must –
 - (a) Take into account –
 - (i) The general conditions of contract and any special conditions of contract, if specified;
 - (ii) Any Treasury guidelines on bid documentation; and
 - (iii) The requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
 - (iv) And clearly indicate the terms and conditions of contract specifications, criteria for evaluation and adjudication procedures to be followed where applicable, and include if and where site meetings/ bid clarification meetings are compulsory.
 - (b) include the preference points system to be used , goals as contemplated in the Preferential Procurement Regulations 2017;²¹
 - (c) Compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
 - (d) Provide for an appropriate contract and / or delivery period;
 - (e) stipulate if the value of the transaction is expected to exceed R5 million (VAT included), require bidders to furnish–

²¹ Amended by council 30 May 2017

- (i) If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements –
 - (aa) for the past three years; or
 - (bb) since their establishment if established during the past three years;
- (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
- (iii) Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
- (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and
- (j) Stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.
- (k) Not be aimed at hampering competition, but rather to ensure fair, equitable, transparent, competitive and cost effective bidding, as well as the protection or advancement of persons or categories of persons.

24. Public invitation for competitive bids

- (1) The procedure for the invitation of competitive bids is as follows:
 - (a) On completion of the bid specification process the municipality shall publicly invite bids.
 - (b) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality or any other appropriate ways (which may include an advertisement in the

Government Tender Bulletin);

- (b) The notice may require a payment of a non-refundable bid fee by bidders who require bid documents. The bid documentation fee shall be determined by the accounting officer from time to time
 - (d) The information contained in a public advertisement, must indicate –
 - (i) The title of the proposed bid;
 - (ii) The bid number;
 - (iii) The date, time and location of any site meeting/ bid clarification meeting and whether such meetings are compulsory;
 - (iv) Whether functionality is required;
 - (v) The place where the bid documentation is available for collection and the times between which bid documents may be collected;
 - (vi) The bid documentation fee;
 - (vii) The place where bids must be submitted;
 - (viii) The closing date and time for submission of bids; and
 - (ix) The required CIDB contractor grading for construction work, if applicable.
 - (e) The closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R4 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph 22(2) of this policy;
 - (f) A statement that bids may only be submitted on the bid documentation provided by the municipality, must be included.
- (2) The accounting officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

- (3) Bids submitted must be sealed and must clearly indicate the bid number and bid title on the outside of the envelope for which the bid is being submitted.²²
- (4) Details of all prospective bidders who have been issued with bid documents must be recorded by the Supply Chain Management Unit and shall remain confidential for the duration of the bid period. Details of prospective bidders must, wherever possible, include the full name of the person drawing documents, the name of the company for whom the bid documents are, a contact person, a contact telephone, a fax number and a postal and email address.
- (5) A bidder that did not pay the prescribed bid document fee, will be disqualified from the bidding process.
- (6) The municipality may require bidders to submit section(s) of their bid in electronic format, but only after the bid closing date. If the electronic copy differs from the original hard copy, the original hard copy will be binding.

25. Site meetings/ bid clarification meetings

- (1) Site meetings/ bid clarification meetings will, in general, not be compulsory. In exceptional circumstances however, a site meeting/ bid clarification meeting may be made compulsory with the approval of the relevant director.
- (2) If site meetings/ bid clarification meeting are to be held, full details must be included in the bid notice and the bid document, including whether or not the site meeting/ bid clarification meeting is compulsory.
- (3) Where site meetings/ bid clarification meetings are made compulsory, the date for the site meetings/ bid clarification meeting shall be not less than 7 (seven) days after the bid has been advertised.
- (4) Site meetings/ bid clarification meeting will be chaired by a duly authorised representative from the Supply Chain Management Unit. The relevant line manager responsible for a specific bid or the duly appointed consulting

²² Amended by council 30 May 2017

engineering firm employee must be present at the site meetings/ bid clarification meeting in order to provide technical information and to answer technical related questions that might arise from the prospective bidders.

- (5) The chairperson of the site meeting/ clarification meeting must explain the way how the site meetings/ bid clarification will be conducted and must exclude prospective bidders that arrive after the meeting has been opened.
- (6) Prospective bidders present at the site meetings/ bid clarification meeting, will be required to confirm their attendance by signing the attendance register as provided by the Supply Chain Management Unit.
- (7) In instances where bid documentation provides for an attendance certificate, such a certificate must be signed by the representative of the Supply Chain Management Unit who was present at the site meetings/ bid clarification meeting and submitted with the bid document.
- (8) If at a site meetings/ bid clarification meeting, any additional information is provided or clarification of vague points is given, such additional information or clarification must be conveyed to all bidders in writing within a time frame as determined by the municipality, but not later than 7 (seven) days before the bid closing date.
- (9) Drawings and other supplements to bid documents may be provided to prospective bidders at the site meetings/ bid clarification meeting.
- (10) A bidder who failed to attend a compulsory site meeting/ bid clarification meeting will be disqualified from the bidding process.

26. Submission of bids

- (1) Bids must be submitted before the closing time, at the address and in accordance with the directives in the bid documents.
- (2) Each bid must be in writing using non-erasable ink and must be submitted on the official Form of Bid/Offer issued with the bid documents.

- (3) The bid must be submitted in a separate sealed envelope with the name and address of the bidder, the bid number and title, the bid box number (where applicable), and the closing date indicated on the envelope. The envelope may not contain documents relating to any bid other than that shown on the envelope. Only sealed bids will be accepted.
- (4) The onus shall be on the bidder to place the sealed envelope in the official, marked and locked bid box provided for this purpose, at the designated venue, not later than the closing date and time specified in the bid notice.
- (5) No bids forwarded by telegram, facsimile or similar apparatus shall be considered.
- (6) A bid is late if it is not placed in the relevant bid box by the closing time and date of such bid.
- (7) A late bid shall not be admitted for consideration and shall be returned unopened (where feasible) to the bidder with the reason for the return thereof endorsed on the envelope.

27. Procedure for handling, opening and recording of competitive bids and formal written price quotations in excess of R 30 000²³

- (1) The procedures for the handling, opening and recording of **competitive** bids and formal written price quotations in excess of R 30 000, are as follows:²⁴
 - (a) At least two officials, of whom one must be the delegated Supply Chain Management representative, must at all times, administer the opening of bids.
 - (b) At the specified closing time on the closing date the applicable bid box shall be closed.
 - (c) The bid box shall be opened in public as soon as practical after the closing time of the bid.
 - (d) Immediately after the opening of the bid box, all bids that are clearly marked shall be opened.

²³ Amended by council 30 May 2017

²⁴ Amended by council 30 May 2017

- (e) The Supply Chain Management representative as delegated, shall read out the name of the bidder, if practical the bid amount, the BBBEE status level contribution of each bidder, where applicable the local content percentages of the goods offered and the bid opening register will be made available for public inspection and published on the municipality's website.²⁵
- (f) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;
- (g) No information, except the provisions in subparagraph (e), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and
- (h) The Supply Chain Management representative that is delegated to open the bids must –
 - (i) stamp the bid document with the official municipal stamp together with the two signatories administering the bid opening
 - (ii) record in a register all bids received in time;
 - (iii) sign the register as well as the official assisting at the bid opening.
 - (iv) Make the register available for public inspection; and
 - (v) Publish the entries in the register and the bid results on the website.
 - (vi) No councillor may be present at the opening of bids.
- (2) Bids shall be invalid, and shall be endorsed and recorded as such in the bid opening record by the responsible official to open the bid, in the following instances:
 - (a) If the bid is not sealed;
 - (b) if the bid, including the bid price amount, where applicable is not submitted on the official Form of Bid/Offer;

²⁵ Amended by council 30 May 2017

- (c) if the bid is not completed in non-erasable ink;
 - (d) if the Form of Bid/Offer is signed, but the name of the bidder is not stated, or is indecipherable; or
 - (e) if in a two envelope system is followed, the bidder fails to submit both a technical proposal and a separate sealed financial offer/bid.
 - (3) A bid will not be invalidated if the amount in words and the amount in figures do not correspond, in which case the amount in words shall be read out at the bid opening and shall be deemed to be the bid amount.
 - (4) The Manager Supply Chain Management may, in compliance with paragraph 63 of this policy, provide a reasonable opportunity to a bidder who made an innocent error and/ or omission in his/ her bid document, to correct the innocent error and/ or omission, provided that such opportunity will not unduly prejudice any of the other bidders.
 - (5) Bidders shall be afforded no longer than 48 hours from time of notification to correct such innocent errors and/ or omissions. If no response is received from such bidders at the deadline, the bid may be invalidated.
 - (6) When bids are declared invalid at the bid opening, the bid sum of such bids shall not be read out. However, the name of the bidder and the reason for the bid having been declared invalid shall be announced.
- 28. Procedure for the opening of bids where a two envelope system is followed**
- (1) If a two envelope system is followed, only the technical proposal will be opened at the bid opening.
 - (2) The unopened envelope containing the financial proposal shall be stamped and endorsed with the opening official's signature, and be retained by him/her for safekeeping.
 - (3) When required the financial offers/bids corresponding to responsive technical proposals, shall be opened by the opening officials in accordance with paragraph 27 (1) (a)

- (4) All bidders who submitted responsive technical proposals must be invited to attend the opening of the financial offers/bids.
- (5) Envelopes containing financial offers/bids corresponding to non-responsive technical proposals shall be returned unopened along with the notification of the decision of the Bid Adjudication Committee in this regard.

29. Communication with bidders before bid closing

- (1) The Manager Supply Chain Management may, if necessary, communicate with bidders prior to bids closing.
- (2) Such communication shall be in the form of a notice issued to all bidders by the Manager Supply Chain Management by either e-mail, facsimile, or registered post as may be appropriate. A copy of the notice together with a transmission verification report/proof of posting shall be kept for record purposes. Notices should be issued at least one week prior to the bid closing date, where possible, except in terms of paragraph 13 (7).
- (3) Notwithstanding a request for acknowledgement of receipt of any notice issued, the bidder will be deemed to have received such notice if the procedures in paragraph 29 (2) have been complied with.

30. Negotiations with preferred bidders

- (1) The accounting officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –
 - (a) does not allow any preferred bidder a second or unfair opportunity;
 - (b) is not to the detriment of any other bidder; and
 - (c) does not lead to a higher price than the bid as submitted.
- (2) Minutes of such negotiations must be kept for record purposes.

31. Two-stage bidding process

- (1) A two-stage bidding process is allowed for –
 - (a) Large complex projects;
 - (b) Projects where it may be undesirable to prepare complete detailed

technical specifications; or

- (c) Long term projects with a duration period exceeding three years subject to section 33 of the Act.
- (2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
- (3) In the second stage final technical proposals and priced bids should be invited.
- (4) A two envelope system differs from a two-stage (prequalification) bidding process in that a technical proposal and the financial offer are submitted in separate envelopes at the same place and time. The financial offers will only be opened once the technical proposals have been evaluated.

32. Validity periods

- (1) The period for which bids are to remain valid and binding must be indicated in the bid documents.
- (2) The validity period is calculated from the bid closure date and bids shall remain in force and binding until the end of the final day of that period.
- (3) This period of validity may be extended by the Manager: Supply Chain Management, provided that the original validity period has not expired, and that all bidders are given an opportunity to extend such period. Any such extension shall be agreed to by a bidder in writing.
- (4) Bidders who fail to respond to such a request before the validity of their bid expires, or who decline such a request shall not be considered further in the bid evaluation process.
- (5) In the event that an appeal is received, the validity period is deemed to be extended until finalisation of the appeal.

33. Samples

- (1) Bid documents may require samples that must be submitted.
- (2) Where samples are called for in the bid documents, samples (marked with the bid and item number as well as the bidder's name and address) shall be delivered separately (to the bid) to the Supply Chain Management representative mentioned in the bid document before the bid closing date.
- (3) A register will be kept by the Supply Chain Management representative of samples received from prospective bidders. An acknowledgement of receipt shall be issued to the prospective bidder as proof of delivery.
- (4) Bids may not be included in parcels containing samples.
- (5) If samples are not submitted as required in the bid documents then the bid concerned must be declared non-responsive.
- (6) Samples shall be supplied by a bidder at his/her own expense and risk. The municipality shall not be obliged to pay for such samples or compensate for the loss thereof, unless otherwise specified in the bid documents.
- (7) If a bid is accepted for the supply of goods according to a sample submitted by the bidder, that sample will become the contract sample. All goods/materials supplied shall comply in all respects to that contract sample. If not, it might be deemed as a breach in contract.
- (8) The municipality reserves the right not to return the contract sample and may dispose of it at its own discretion.

34. Committee system for competitive bids

- (1) A committee system for competitive bids is hereby established, consisting of the following committees for procurement or cluster of procurements as

the accounting officer may determine:

- (a) A bid specification committee;
 - (b) A bid evaluation committee; and
 - (c) A bid adjudication committee;
- (2) The accounting officer appoints the members of each committee, taking into account section 117 of the Act; and
- (3) A neutral or independent observer, appointed by the accounting officer, must attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.
- (4) The committee system must be consistent with –
- (a) Paragraph 35, 36 and 37 of this Policy; and
 - (b) Any other applicable legislation.
- (5) The accounting officer may apply the committee system to formal written price quotations.

35. Bid specification committees

- (1) A bid specification committee must compile the specifications for procurement of goods or services by the municipality.
- (2) Specifications –
- (a) Must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
 - (b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;
 - (c) Must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
 - (d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test

- methods, packaging, marking or labelling of conformity certification;
 - (e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
 - (f) must indicate the preference points system to be utilised as set out in the Preferential Procurement Regulations 2017; and²⁶
 - (g) Must be approved by the relevant director prior to publication of the invitation for bids in terms of paragraph 24 of this Policy.²⁷
- (3) A bid specification committee must be composed of one or more officials of the municipality preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors.
- (4) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

36. Bid evaluation committees

- (1) A bid evaluation committee must –
- (a) Evaluate bids in accordance with –
 - (a) the specifications for a specific procurement; and
 - (b) The points system set out in terms of paragraph 35 (2) (f).
 - (b) Evaluate each bidder’s ability to execute the contract;
 - (c) Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;
 - (d) Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) A bid evaluation committee must as far as possible be composed of-

²⁶ Amended by council 30 May 2017

²⁷ Amended by council 30 May 2017

- (a) Officials from departments requiring the goods or services; and
 - (b) At least one supply chain management practitioner of the municipality.
- (3) The accounting officer may sub-delegate its power in terms of paragraph 63 of this policy to the bid evaluation committee.

37. Bid adjudication committees

- (1) A bid adjudication committee must –
 - (a) Consider the report and recommendations of the bid evaluation committee; and
 - (b) Either –
 - (i) Depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or
 - (ii) Make another recommendation to the accounting officer how to proceed with the relevant procurement.
- (2) A bid adjudication committee must consist of at least four senior Managers of the municipality which must include –
 - (a) The Chief Financial Officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer;
 - (b) at least one senior supply chain management practitioner who is an official of the municipality or the municipal entity; and
 - (c) a technical expert in the relevant field who is an Director of the municipality or municipal entity, if the municipality or municipal entity has such a expert
- (3) A quorum is of 50 % plus 1, with the Chief Financial Officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer being, at all times one of the quorum-forming members:
- (4) The accounting officer may appoint the CFO as chairperson of the

committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting and will be documented in the minutes.

- (5) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.
- (6) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid –
 - (a) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;
 - (b) Notify the accounting officer.
 - (c) The accounting officer may –
 - (i) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a)-(b); and
 - (ii) If the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- (7) The accounting officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- (8) The accounting officer must comply with section 114 of the Act within 10 working days
- (9) If the Bid Adjudication Committee or other delegated official has resolved that a bid be accepted, the successful and unsuccessful bidders shall be notified in writing of this decision

- (10) Every notification of decision shall be sent via registered mail and either faxed or sent via electronic mail to the address chosen by the bidder, with a copy of proof of transmission kept for record purposes, or shall be delivered by hand, in which case acknowledgement of receipt must be signed and dated on a copy of such notification and kept for record purposes.
- (11) Members of the bid specification committee, bid evaluation committee and technical advisors may attend the bid adjudication committee to provide clarity, but has no decision making rights pertaining to the award.
- (12) The accounting officer may sub-delegate its power in terms of paragraph 63 of this policy to the bid evaluation committee, the bid adjudication committee and the Manager Supply Chain Management.

38. Procurement of banking services

- (1) A contract for banking services –
 - (a) Must be procured through competitive bids;
 - (b) Must be consistent with section 7 or 85 of the Act; and
 - (c) May not be for a period of more than five years at a time.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than 60 Days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

39. Procurement of IT related goods or services

- (1) The accounting officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.
- (2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

- (3) The accounting officer must notify SITA together with a motivation of the IT needs if –
 - (a) the transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or
 - (b) The transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).
- (4) If SITA comments on the submission and the municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

40. Procurement of goods and services under contracts secured by other organs of state

- (1) the accounting officer may procure goods or services under a contract secured by another organ of state, but only if –
 - (a) The contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
 - (b) There is no reason to believe that such contract was not validly procured;
 - (c) There are demonstrable discounts or benefits to do so; and
 - (d) That other organ of state and the provider have consented to such procurement in writing.
- (2) Subparagraphs (1) (c) and (d) do not apply if –
 - (a) a municipal entity procures goods or services through a contract secured by its parent municipality; or
 - (b) A municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

41. Procurement of goods necessitating special safety arrangements

- (1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel,

- (2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the accounting officer.

42. Proudly SA Campaign/Local content

- (1) The municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services
- (2) Bids in respect of services, works or goods that have been designated for local production and content, must contain a specific bidding condition that only locally produced goods, services or works or locally manufactured goods with a stipulated minimum threshold for local production and content will be considered
- (3) The National Department of Trade and Industry is empowered to designate industry sectors, in line with national development and industrial policies for local production, where only locally produced goods, services or construction works, or locally manufactured goods that meet a stipulated minimum threshold for local production and content, may be used.
- (4) In the case of designated sectors, where in the award of bids, local production and content is of critical importance, such bids must be advertised with a specific condition of bidding, that only locally produced goods, services or construction works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- (5) Any instructions, circulars and guidelines issued by National Treasury in the above regard may be complied with.
- (6) Where there is no designated sector, bids may include, as a specific condition of bidding, that only locally produced goods, services or

construction works, or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered, on condition that such prescript and threshold(s) are in accordance with the specific directives issued for this purpose by the National Treasury in consultation with the Department of Trade and Industry.

- (7) Every bid where local production and content are used, it must be measurable and audited.
- (8) Bids must be evaluated in terms of the evaluation criteria stipulated in the bid documents. The amendment of the stipulated minimum threshold for local production and content after the closure of bids is not allowed as this may jeopardise the fairness of the process.

43. Appointment of consultants

- (1) the accounting officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.
- (2) Consultancy services must be procured through competitive bids if
 - (a) The value of the contract exceeds R200 000 (VAT included); or
 - (b) The duration period of the contract exceeds one year.
- (3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
 - (a) all consultancy services provided to an organ of state in the last five years; and
 - (b) Any similar consultancy services provided to an organ of state in the last five years.
- (4) The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.

44. Deviation from, and ratification of minor breaches of, procurement processes

(1) The accounting officer may –

(a) Dispense with the official procurement processes established by this Policy and procure any required goods or services through any convenient process, which may include direct negotiations and through the process set out in this paragraph provided that the municipality shall adhere to fair, equitable, transparent, competitive and cost-effective, procurements to the maximum extent practicable.

(b) Dispense with the official procurement processes established by this Policy only –

(i) In an emergency;

(ii) If such goods or services are produced or available from a single provider only;

(iii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iv) Acquisition of animals for zoos and/or nature and game reserves; or

(v) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

(c) Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) In compliance with the provisions of paragraph 44(1) the municipality implements individual and class deviations.

(3) Individual Deviations

The accounting officer may decide to consider an individual deviation only if –

(a) In an emergency

(b) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and the goods or services are anticipated to be used only once during the financial year.

(4) The conditions warranting procurement in an emergency dispensation should include, where time of the essence, the existence of one or more of the following:

- (a) the possibility of human injury or death;
- (b) the prevalence of human suffering or deprivation of rights;
- (c) the possibility of damage to property, or suffering and death of livestock and animals;
- (d) the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;
- (e) the possibility of serious damage occurring to the natural environment;
- (f) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service; and
- (g) the possibility that the security of the state could be compromised.

(5) The accounting officer must be satisfied that the prevailing situation as indicated in (a)-(g) above is of such a scale and nature that it could not readily be alleviated by interim measures in order to allow time for normal bid, at least three quote procurement process or a class deviation.

(6) Where possible, in an emergency situation, three quotes in accordance with general acquisition management principles should be obtained and a report submitted to the Municipal Manager for approval. However, where time is of the essence, the emergency shall be immediately addressed, and the process formalised in a report to the Municipal Manager as soon as possible thereafter.

(7) System of class deviations:

- (a) The accounting officer may decide to consider a class deviation, only if –
 - (i) Such goods or services are produced or available from a single provider;
 - (ii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iii) Acquisition of animals for zoos and/or nature and game reserves; or
 - (iv) In any other exceptional case where it is impractical or impossible to follow the official procurement processes and a contract for goods or services are likely to be awarded more than once in the financial year to the same supplier;

(8) Where possible, in considering a class deviation in terms of paragraph 44(7), three quotes in accordance with general acquisition management principles should be obtained and a report submitted to the Municipal Manager for

approval.

- (9) If the accounting officer decides to consider a class deviation in terms of paragraph 44 (7) (i)-(iv), other than in paragraph 44(8) the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with
 - a) Reasons as to why the procurement is done through a class deviation and why it is not open to other competitors; and
 - (c) An invitation to the public or other potential suppliers to submit their comments within 14 days of the notice.
- (10) The bid adjudication committee must consider the class deviation and make a recommendation to the accounting officer
- (11) A meeting of the adjudication committee to consider a class deviation may be open to the public.
- (12) When considering the class deviation, the adjudication committee must take into account –
 - (a) Any comments submitted by the public or suppliers;
 - (b) The indicative market prices of the goods or services;
 - (c) The duration or planned times of when the service or goods are needed;
 - (d) The proposed circumstances, conditions or limitations for the of use of the class deviation; and
 - (e) The reasons for deviating from the normal procurement process in compliance with paragraph 44
- (13) The accounting officer must record the reasons for any deviations in terms of this policy and report them to the next meeting of the council and include it as a note to the annual financial statements.
- (14) Paragraph 44 (13) of this policy does not apply to the procurement of goods and services contemplated in paragraph 13(2) of this policy.

45. Unsolicited bids

- (1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.
- (2) The accounting officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –
 - (a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
 - (b) The product or service will be exceptionally beneficial to, or have exceptional cost advantages;
 - (c) The person who made the bid is the sole provider of the product or service; and
 - (d) The reasons for not going through the normal bidding processes are found to be sound by the accounting officer.
- (3) If the accounting officer decides to consider an unsolicited bid that complies with subparagraph 45(2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –
 - (a) Reasons as to why the bid should not be open to other competitors;
 - (b) An explanation of the potential benefits if the unsolicited bid were accepted; and
 - (c) An invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- (4) The accounting officer must submit all written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.
- (5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the accounting officer, depending on its delegations.
- (6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.

- (7) When considering the matter, the adjudication committee must take into account –
 - (a) any comments submitted by the public; and
 - (b) Any written comments and recommendations of the National Treasury or the relevant provincial treasury.
- (8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.
- (9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality to the bid may be entered into or signed within 30 days of the submission.

46. Combating of abuse of supply chain management system

- (1) The accounting officer must–
 - (a) Take all reasonable steps to prevent abuse of the supply chain management system;
 - (b) Investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
 - (i) Take appropriate steps against such official or other role player; or
 - (ii) Report any alleged criminal conduct to the South African Police Service;
 - (c) Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
 - (d) Reject any bid from a bidder–
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the municipality,

- or to any other municipality or municipal entity, are in arrears for more than three months; or
 - (ii) Who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
 - (e) Reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
 - (f) Cancel a contract awarded to a person if –
 - (i) The person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) An official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
 - (g) Reject the bid of any bidder if that bidder or any of its directors –
 - (i) Has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;
 - (ii) Has been convicted for fraud or corruption during the past five years;
 - (iii) has willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - (iv) Has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- (2) The accounting officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of paragraphs 46 (1) (b) (i)-(ii) of this policy.

Part 3: Logistics, Contract, Disposal, Risk and Performance Management

47. Logistics management

Logistics management must provide for an effective system in order to provide for the setting of inventory levels, placing of orders, receiving and distribution of goods, stores and warehouse management, expediting orders, transport management, vendor performance, maintenance and contract administration.

- (1) The accounting officer must establish and implement an effective system of logistics management, which must include –
 - (a) Placing of orders:
 - (i) Purchase orders will be created with reference to requisitions where the supply source is either bids or quotations.
 - (ii) All purchase orders will be captured on the municipality's financial system
 - (b) Receiving of goods:
 - (i) Goods received must be captured on the municipality's financial system via a goods receive note with reference to the relevant purchase order number.
 - (ii) Deliveries of goods may not exceed the order quantity. Short deliveries will keep the purchase order open until the balance of the order is received or when the order is cancelled.
 - (c) Expediting orders:
 - (i) The purchasing expeditor will be required to monitor and expedite the transport of goods and outstanding purchase orders.
 - (ii) Reminder letters can be communicated automatically to vendors based on the reminder levels (days before delivery due date) that are set in the bid or quotation.
 - (d) Stores / warehouse management

- i. Stock is valued at the weighted average costing method per item and is VAT exclusive.
- ii. Regular monitoring of spending patterns on types or classes of goods must be performed, where practical.
- iii. Each item must have a unique stock item number.
- iv. A formal stock count must be done on a quarterly basis and any surpluses, deficits, losses, damaged stock and obsolete stock must be reported by the Manager Supply Chain Management to Council.
- v. Each stock item must have a minimum, maximum and re-order level which must be captured on the financial system.
- vi. Stock items must be systematically replenished using the re-order point as per the financial system.
- vii. Goods in transit must be taken into account during the replenishment of stock
- viii. Stock levels must be revisited on an annual basis
- ix. The financial system must indicate lead times for stock items
- x. Before payment is approved, certification by the Storekeeper that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract
- xi. The Storekeeper must ensure appropriate standards of internal control and warehouse management are adhered to, to ensure that goods placed in stores are secure, safe and

only used for the purpose for which they were purchased

- xii. The Storekeeper must perform regular spot-checking of stock items to ensure that the items are on the correct shelving space and that the physical quantities correspond with the quantities as per the financial system. Any differences found must be reported to the Manager Supply Chain Management.
- xiii. Items listed as stock, may not be procured outside of the stock system.
- xiv. Where user departments require higher quantities of stock, a demand forecast must be provided to the Storekeeper in advance, taking lead time into consideration, to enable the Storekeeper to procure the requested quantities on time.

48. Contract management

- 1) Contract administration includes all administrative duties associated with a contract that has arisen through the acquisition/procurement processes described in this policy.
- 2) All contracts must be administered by a contract manager, who will be an internal official assigned to ensure the effective administration of the contract.
- 3) The contract manager will typically be the internal project manager assigned to the project as a whole, but may also be a cost centre owner or other responsible official.
- 4) A contract manager must be assigned to each contract and, where possible, should be involved from the earliest stages of the acquisition process.
- 5) The contract manager's duties and powers shall be governed by the conditions of contract and the general law.
- 6) In administering a contract, the contract manager will be required to form

opinions and make decisions which, while in the Witzenberg Municipality's best interests, must be fair to all parties concerned.

- 7) Directors shall be responsible for ensuring that contract managers are:
 - (a) assigned to all contracts within the Director's area of responsibility; and
 - (b) adequately trained so that they can exercise the necessary level of responsibility in the performance of their duties.
- 8) The contract manager must:
 - (a) ensure that all the necessary formalities in signing up the contract and/or issuing the purchase order(s) are adhered to;
 - (b) ensure that purchase order are captured on the municipality's financial system in the form in accordance with the pricing schedule;
 - (c) ensure that all original contract documentation is lodged with Archives for record purposes;
 - (d) monitor on a monthly basis the performance of the service provider order to ensure that all of the terms and conditions of the contract are met;
 - (e) regularly report to the accounting officer on the management of the contract and the performance of the service provider;
 - (f) conduct contract risk assessments for contracts longer than 3 months as stated in paragraph 50 (4) and 50 (5);
 - (g) where necessary, take appropriate action where a service provider is underperforming or is in default or breach of the contract and to report such failures promptly to the accounting officer;
 - (h) where appropriate, authorise payments due in terms of the contract by processing payment certificates (if applicable), and ensuring that

the necessary Service Entry Sheets or Goods Received Notes are lodged with the Finance Department for capturing on the municipality's financial system;

- (i) contract variation or change procedures are approved by the accounting officer in writing which must be in line with the applicable general conditions of contract and this policy;
- (j) administer disputes, in consultation with the Supply Chain Management Unit, in terms of this policy and the applicable conditions of contract;
- (k) conduct, as appropriate, post contract reviews;
- (l) maintain adequate records (paper and/or electronic) in sufficient detail on an appropriate contract file to provide an audit trail;
- (m) act with care and diligence and observe all accounting and legal requirements;
- (n) inform the Asset Management section of the location of newly procured assets for asset register and insurance purposes; and
- (o) provide contract information to the Supply Chain Management Unit, as determined by the unit, after a contract has ended.

49. Disposal management

- (1) Subject to the provisions of the Municipal Asset Transfer Regulations:
 - (a) moveable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the municipality;

- (b) immovable property may be sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
 - (c) in the case of the free disposal of computer equipment, the provincial department of education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment;
 - (d) in the case of fire arms, the National Conventional Arms Control Committee must approve any sale or donation of firearms to any person within or outside the Republic.
 - (e) where assets are traded in for other assets, the highest possible trade in price is negotiated
- (2) The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the Act; are as follows:
- (A) *A municipality may not transfer ownership as a result of sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.*
 - (B) *A municipality may transfer ownership or otherwise dispose of capital asset other than one contemplated in subsection (1), but only after the municipal council, in a meeting open to the public-*
 - (a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and*
 - (b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset*
- (3) *Immovable property may only be let at market related rates except when the*

public interest or the plight of the poor demands otherwise and provided that all charges, rates, tariffs, scales of fees or other charges relating to the letting of immoveable property are annually reviewed;

(a) Except for compliance with paragraph 49(3) above, this policy shall not apply to the letting of immovable property unless decide otherwise by council.

(4) Assets may be disposed of by –

- (i) Transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
- (ii) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
- (iii) Selling the asset; or
- (iv) Destroying the asset.

50. Risk management

(1) The accounting officer has established and implemented an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system.

(2) Risk management include –

- (a) The early and systematic identification of risks on a case-by-case basis;
- (b) The allocation and acceptance of risks to the party best suited to manage such risks;
- (c) Acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
- (d) The management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
- (e) The assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

(3) Due care must be taken in the bid administration and management process to minimise the risks of:

- (a) litigation by unsatisfied service providers

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- (b) misinterpretation of municipal needs
 - (c) overstatement or understatement of municipal needs
 - (d) selecting or delivery of inappropriate goods and services
 - (e) poor value for money
 - (f) appointing inappropriate suppliers
 - (g) unethical conduct of suppliers and other official involved in the supply chain management process
 - (h) uneconomical, uncompetitive and inequitable procurement
- (4) To give effect to paragraph 3 above, the municipality will identify risk inherent to a particular bid
- (a) Risks may be identified for all bids during the specification stage of the bid process.
 - (b) Risks identified in (i) above may cover the entire life cycle of a contract from initiation to completion of the goods/services
 - (c) For contracts with a life cycle in excess of 3 months, the risks may be reviewed at least monthly by the contract manager as referred to in paragraph 48(1)(e)(iii)
 - (d) The contract manager in conducting the review of the bid risks during the life cycle of the contract may add new or emerging risks when identified
- (5) A risk table may be included at specification stage for each bid that may set out:
- (a) Risk description
 - (b) Background to the risk
 - (c) Impact
 - (d) Likelihood
 - (e) Inherent risk
 - (f) Current controls
 - (g) Perceived control effectiveness
 - (h) Residual risk
 - (i) Risk owner
 - (j) Actions to improve management of the risk
 - (k) Time scale

- (6) The risk rating methodology will be in accordance with the Witzenberg Municipality's risk management policy.
- (7) The Evaluation and Adjudication Committee may review risks of bids received against the predetermined risk as identified at the bid specification stage and may in conducting the review of the bid add new or emerging risks and mitigating strategies when identified.
- (8) At the briefing session with the successful bidder in terms of paragraph 66 of this policy:
 - (a) Risks identified during the Bid specification, Bid evaluation and Bid adjudication process that pertains to the contract for goods or services may be disclosed to the successful bidder to improve mitigating factors.
 - (b) New and emerging risks identified may be added
 - (c) Risks identified by the successful bidder may be added to the contract risks if agreed to by the municipality.

51. Performance management

- (1) The accounting officer must establish and implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved.
- (2) The quarterly report and annual report on the implementation of this policy, the monitoring of the service delivery and budget implementation plan (SDBIP) and the Annual Report may be used as tools to perform a retrospective analysis of supply chain management processes.
- (3) **Vendor performance**
 - (a) Each project manager shall monitor the supplier's compliance and performance to the set of specifications.
 - (b) If the supplier fails to perform in accordance with the specification requirements, the project manager must report such failure to the supplier in writing immediately upon becoming aware of such non-compliance for them to correct the situation.
 - (c) The above information will be kept and made available for future

evaluation purposes, contract negotiations and regular feedback to vendors.

- (d) If vendors fail to deliver in terms of paragraph 23 (1) (a) of the General conditions of contract, the municipality reserves the right to make use of remedies at its disposal in terms of applicable law.

Part 4: Other matters

52. Prohibition on awards to persons whose tax matters are not in order

- (1) No award above R15 000 (including VAT) may be made in terms of this policy to a person whose tax matters have not been declared by South African Revenue Service to be in order.²⁸
- (2) Before making an award to a person the accounting officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.
- (4) It is the supplier's responsibility to provide the municipality with a valid and original tax clearance certificate.

53. Prohibition on awards to persons in the service of the state

- (1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –
 - (a) Who is in the service of the state;
 - (b) If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
 - (c) A person who is an advisor or consultant contracted with the municipality with the purpose of assisting the municipality with the defining of requirements, drafting of specifications or the evaluation of the bids.
- (2) Persons and business must declare their interest as stated in 53(1)(a)-(c)

²⁸ Amended by council 30 May 2017

of this policy when completing their supplier database application forms and bid documents. Failure to do so may lead to disqualification.

- (3) The municipality may utilise mechanisms at its disposal to determine whether a person is in the service of the state.

54. Awards to close family members of persons in the service of the state

- (1) The municipality does not encourage the awarding of contract by employees in decision-making positions to close family members or friends. To this extent the municipality requires all employees to make full disclosures of businesses owned by close family members and/ or friends and it is further expected that such individuals must not directly or indirectly be involved in the awarding of such business
- (2) The accounting officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –
 - (a) The name of that person;
 - (b) The capacity in which that person is in the service of the state; and
 - (c) The amount of the award.

55. Ethical standards

- (1) A code of ethical standards as set out in the “National Treasury’s code of conduct for supply chain management practitioners” is hereby established for officials and other role players in the supply chain management system of the municipality in order to promote –
 - (a) mutual trust and respect; and
 - (b) An environment where business can be conducted with integrity and in a fair and reasonable manner.
- (2) A breach of the code of ethics must be dealt with as follows -
 - (a) in the case of an employee, in terms of the disciplinary procedures

of the municipality envisaged in section 67(1)(h) of the Municipal Systems Act;

- (b) In the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach.
- (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.

56. Inducements, rewards, gifts and favours to municipalities, officials and other role players

- (1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –
 - (a) any inducement or reward to the municipality for or in connection with the award of a contract; or
 - (b) Any reward, gift, favour or hospitality to –
 - (i) Any official; or
 - (ii) Any other role player involved in the implementation of this Policy.
- (2) The accounting officer must promptly report any alleged contravention of subparagraph 55 (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.
- (3) Subparagraph 55 (1) does not apply to gifts less than R350 in value.

57. Sponsorships

- (1) The accounting officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –
 - (a) a provider or prospective provider of goods or services; or

- (b) A recipient or prospective recipient of goods disposed or to be disposed.

58. Objections and complaints

- (1) Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

59. Resolution of disputes, objections, complaints and queries

- (1) The accounting officer must appoint an independent and impartial person, not directly involved in the supply chain management processes –
 - (a) To assist in the resolution of disputes between the municipality and other persons regarding -
 - (i) Any decisions or actions taken in the implementation of the supply chain management system; or
 - (ii) Any matter arising from a contract awarded in the course of the supply chain management system; or
 - (b) To deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.
- (2) The accounting officer, or another official designated by the accounting officer, is responsible for assisting the appointed person to perform his or her functions effectively.
- (3) The person appointed must –
 - (a) Strive to resolve promptly all disputes, objections, complaints or queries received; and
 - (b) Submit monthly reports to the accounting officer on all disputes, objections, complaints or queries received, attended to or resolved.
- (4) A dispute, objection, complaint or query may be referred to the Relevant provincial treasury if –
 - (a) The dispute, objection, complaint or query is not resolved within 60 days; or
 - (b) No response is forthcoming within 60 days.

- (5) If the provincial treasury does not or cannot resolve the matter, the Dispute, objection, complaint or query may be referred to the National Treasury for resolution.
- (6) This paragraph must not be read as affecting a person's rights to approach a court at any time.

60. Contracts providing for compensation based on turnover

- (1) If a service provider acts on behalf of a municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality must stipulate –
 - (a) A cap on the compensation payable to the service provider; and
 - (i) That such compensation must be performance based.

61. Compliance with Ethical standards

- (1) In order to create an environment where business can be conducted with integrity and in a fair and reasonable manner, this Policy will strive to ensure that the accounting officer and all representatives of the Witzenberg Municipality involved in supply chain management activities shall act with integrity and in accordance with the highest ethical standards. All supply chain management representatives shall adhere to the code of conduct of municipal staff contained in schedule 2 of the Systems Act, the code of conduct for supply chain management practitioners and other role players (annexure A to this policy) and the Ethical code of suppliers (annexure B to this policy).

62. Handling of proprietary information

- (1) All information designed and prepared for the municipality is deemed as proprietary. No such information may be distributed, modified or customised for third parties without the written permission of the accounting officer.
- (2) All supplier information shall be treated as confidential
- (3) In appropriate instances, the municipality may require security clearance and confidentiality agreements to be entered into with suppliers.

63. Non-compliance with peremptory requirements of bids

- (1) The accounting officer is empowered to condone non-compliance with peremptory requirements of bids in cases where the condonation is not incompatible with public interest and promote the values of fairness, competitiveness and cost-effectiveness which are listed in Section 217 of the Constitution.

64. Right of Appeal

- (1) In terms of Section 62 of the Municipal Systems Act (Act 32 of 2000 as amended), a person whose rights are affected by a decision taken by the municipality, in terms of a delegated authority, in the implementation of its supply chain management system, may appeal against that decision by giving written notice of the appeal and reasons to the Municipal Manager within 21 days of the date of receipt of the notification of the decision.

Bid documents must state that any appeal in terms of paragraph 64 must be submitted to the Municipal Manager, and must contain the following:

- (a) reasons and/or grounds for the appeal;
 - (b) the way in which the appellants rights have been affected; and
 - (c) the remedy sought by the appellant.
- (2) The Municipal manager shall establish an appropriate appeal authority in terms of section 62 of the Systems Act, to consider appeals received in terms of paragraph 64(1) above
- (3) The appeal authority must consider the appeal, and confirm, vary or revoke the decision, but no such variation or revocation of a decision may detract from any rights that may have accrued as a result of the decision

65. Unsuccessful bidder debriefing

- (1) The unsuccessful bidder debriefing service is offered by the municipality to unsuccessful bidders upon request.
- (2) During the debriefing unsuccessful bidders can find out how their proposal scored against required criteria and obtain comments from the evaluation

team on their bid.

- (3) The debriefing should be a positive and constructive experience that explains how bidders can improve future submissions.
- (4) The debriefing an opportunity for unsuccessful bidders to:
 - (a) Learn more about the procurement and evaluation process in an informal setting.
 - (b) Find out how their proposal scored against the required criteria.
 - (c) Hear the overall comments from the evaluation team on your bid.
 - (d) Gather information on how future submissions may be improved.
- (5) The debriefing is not part of the Supply Chain complaint or appeal process in terms of paragraph 58 or 64 of this policy.
- (6) The debriefing is not legal proceeding and no legal representation is permitted at the debriefing.
- (7) At the debriefing session the unsuccessful bid is not compared to other bids, nor will information be provided to the unsuccessful bidder about other bids.
- (8) In scheduling bidders debriefings session upon the request of the unsuccessful bidder, the municipality must:
 - (a) Confirm the date and time of the debriefing session in writing;
 - (b) Conduct separate debriefings with each vendor;
 - (c) Ensure that proper minutes are kept of each debriefing session;
 - (d) Retain all correspondence and documentation relevant to the debriefing session as part of the procurement documentation.
- (9) In conducting bidders debriefings, the municipality may:
 - (a) Provide a general overview of the evaluation process set out in the bid documents;
 - (b) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score.
 - (c) Provide suggestions on how the supplier may improve future submissions;
 - (d) Address specific questions and issues raised by the supplier in relation to their submission.

66. Successful bidder briefing

- (1) The notification to the successful bidder in terms of paragraph 37(8) may

require of the successful bidder to attend a compulsory briefing session with the municipality before commencement of the contract at no cost to the municipality.

- (2) The purpose of the briefing session is to:
 - (a) Introduce the municipal contract manager allocated to the specific contract in terms of paragraph 48 and to meet the successful bidders contract manager;
 - (b) Examine and analyse the bid document and contractual conditions to ensure that specific expectations of the municipality and the obligations of the successful bidder are well understood;
 - (c) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score.
 - (d) Communicate and document the anticipated contract risks and challenges as perceived by both the municipality and the successful bidders;
 - (e) To develop mitigating strategies to address and mitigate the contract risk and challenges; and
 - (f) Communicate the contract administration process as stated in paragraph 48 of this policy.
 - (g) Formally sign the bid contract
- (3) At least the following persons must attend the briefing session:
 - (a) The municipal contract manager
 - (b) The authorised municipal supply chain official
 - (c) The successful bidders authorised contract signatory
 - (d) The successful bidders contract manager
- (4) The notification to the successful bidder refer to in paragraph 66(1) must state the date, time and place of the briefing session in writing.
 - (a) Proper minutes must be kept of each briefing session;
 - (b) All correspondence and documentation in relation to the briefing session must be maintained as part of the procurement documentation.

67. Acceptance of offers

- (1) At the invitation of bids, or quotations;
 - (a) the municipality is not obliged to accept the lowest or any offer;
 - (b) The municipality may, where an offer relates to more than one item, accept such offer in respect of or any specific item or items.
 - (c) The municipality may accept any offer notwithstanding the fact that the offer does not comply with the bid invitation in respect of which the offer has been made subject to the conditions of paragraph 63 of this policy.

68. Commencement

This Policy takes effect on 1 July 2017

ANNEXURE A

WITZENBERG MUNICIPALITY

CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND OTHER ROLE PLAYERS

The **purpose** of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

1. General Principles

The municipality commits itself to a policy of fair dealing and integrity in the conducting of its business. Officials and other role players involved in supply chain management (SCM) are in a position of trust, implying a duty to act in the public interest. Officials and other role players should not perform their duties to unlawfully gain any form of compensation, payment or gratuities from any person, or provider/contractor for themselves, their family or their friends.

Officials and other role players involved in SCM should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation, policies and guidelines. They should ensure that public resources are administered responsibly.

Officials and other role players involved in SCM should be fair and impartial in the performance of their functions. They should at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. They should not abuse the power and authority vested in them.

2. *Conflict of interest*

An official or other role player involved with supply chain management –

- (a) must treat all providers and potential providers equitably;
- (b) may not use his or her position for private gain or to improperly benefit another person;

- (c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;
- (d) must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
- (e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by the municipality;
- (f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
- (g) must declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest;
- (h) should not place him/herself under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties; and
- (i) Should not take improper advantage of their previous office after leaving their official position.

3. Accountability

Practitioners are accountable for their decisions and actions to the public.

Practitioners should use public property scrupulously.

Only accounting officers or their delegates have the authority to commit the municipality to any transaction for the procurement of goods and / or services.

All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.

Practitioners must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system.

SUPPLY CHAIN MANAGEMENT POLICY

Practitioners must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including:

- (i) Any alleged fraud, corruption, favouritism or unfair conduct;
- (ii) any alleged contravention of the policy on inducements, rewards, gifts and favours to municipalities or municipal entities, officials or other role players; and
- (iii) Any alleged breach of this code of conduct.

Any declarations made must be recorded in a register which the accounting officer must keep for this purpose. Any declarations made by the accounting officer must be made to the **Mayor** who must ensure that such declaration is recorded in the register.

4. Openness

Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

5. Confidentiality

Any information that is the property of the municipality or its providers should be protected at all times. No information regarding any bid / contract / bidder / contractor may be revealed if such an action will infringe on the relevant bidder's / contractors personal rights.

Matters of confidential nature in the possession of officials and other role players involved in SCM should be kept confidential unless legislation, the performance of duty or the provisions of law requires otherwise. Such restrictions also apply to officials and other role players involved in SCM after separation from service.

6. Bid Specification / Evaluation / Adjudication Committees

Bid specification, evaluation and adjudication committees should implement supply chain management on behalf of the municipality in an honest, fair, impartial, transparent, cost-effective and accountable manner.

Bid evaluation / adjudication committees should be familiar with and adhere to the prescribed legislation, directives and procedures in respect of supply chain management in order to perform effectively and efficiently.

All members of bid adjudication committees should be cleared by the accounting officer at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually.

No person should-

- (i) Interfere with the supply chain management system of the municipality; or
- (ii) Amend or tamper with any price quotation / bid after its submission.

7. Combative Practices

Combative practices are unethical and illegal and should be avoided at all cost. They include but are not limited to:

- (i) Suggestions to fictitious lower quotations;
- (ii) Reference to non-existent competition;
- (iii) Exploiting errors in price quotations / bids;
- (iv) Soliciting price quotations / bids from bidders / contractors whose names appear on the Register for Tender Defaulters.

ANNEXURE B

Witzenberg Municipality's Supply Chain Management: Supplier's Code of Conduct

The purpose of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

WM is committed to high standards of business ethics and integrity as reflected in this WM Code of Conduct. WM expects all of its suppliers to adhere to similar good working standards and business ethics. The Supplier is expected to comply with the requirements set out in this WM Supplier Code of Conduct. In addition, WM and the Supplier may agree on further standards in supply agreements.

1. Human Rights

This Bill of Rights, as enshrined in Constitution Act 108 of 1996, is a cornerstone of democracy in South Africa. It enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom. The Constitution obliges municipalities to respect, protect, promote and fulfill the rights in the Bill of rights. To this end, when service providers provide services to and on behalf of the WM they are also obliged to respect, protect, promote and fulfill the rights in the Bill of rights insofar as it is relevant to their business.

In accordance with the aforementioned ethics and standards, WM require the following business practices from Suppliers:

- To not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth.
- To respect the right of everyone to inherent dignity and the right to have their dignity respected and protected.
- To respect the right of every person not to be subjected to slavery, servitude or forced labour.

- To respect everyone's right to freedom of conscience, religion, thought, belief and opinion.

2. Fair Labour Conditions and Child Labour

The Supplier will ensure fair labour conditions. In particular, the supplier will:

- refrain from employment discrimination based on gender, colour, ethnicity, religion, disability, union membership, political affiliation or sexual orientation;
- respect the rights of employees to freely associate and bargain collectively;
- comply with all applicable laws on employment and in particular the Basic Conditions of Employment Act 75 of 1997 and the Labour relations Act 66 of 1995.
- not use any forced or compulsory labour or involuntary prison labor and give all employees the choice to leave their employment freely upon reasonable notice;
- compensate employees fairly and adhere to the Basic Conditions of Employment Act 75 of 1997, sector specific minimum wages and / or collective agreements and where these do not exist, compensate employees so they can at the least meet their basic needs; and
- The Supplier will protect children from exploitative labour practices and in particular they will not require or permit children to perform work or provide services that-
 - are inappropriate for a person of that child's age; or
 - place at risk the child's well-being, education, physical or mental health or spiritual, moral or social development;

3. Occupational Health and Safety

The Supplier will strive to provide a safe and healthy workplace for all of its employees and strive to adhere to the requirements of Occupational Health and Safety Act 85 of 1993.

4. Environmental Responsibility

The Supplier is committed to environmental protection and will conduct its business in an environmentally sensitive way.

5. Business Ethics

The Supplier will conduct its business in an ethical manner in accordance with all applicable rules and regulations. In particular, the Supplier will

- refrain from any and all forms of extortion and bribery;
- adhere to anti-trust and other competition laws, e.g. not participating in price fixing or bid-rigging; and
- disclose to WM information about any principal shareholder, directors in the service of the state
- The Supplier will protect all confidential information provided by WM and its respective business partners.

6. Conflict of Interest

The Supplier must disclose to WM information about conflict of interest of any WM employee, or close family member of an employee that have an interest in any of the Supplier's business.

Suppliers must not use their position for private gain or to improperly benefit any person or company.

Suppliers must not offer any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of a WM employee, irrespective of the value of the gift, reward, favour, hospitality or benefit.

Suppliers must declare to the accounting officer of WM details of any private or business interest which an employee of WM, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by WM;

Suppliers must not place WM employees under any financial or other obligation that might seek to influence WM employees in the performance of their official

duties; and

Suppliers must not take improper advantage of previous WM employees to unfairly benefit the supplier by using the information or knowledge of previous employees of WM after leaving office.

7. Business Continuity Planning

The Supplier shall maintain appropriate insurance and or policies to mitigate exposures to business risk, business threats, terrorism, crime, pandemics, natural disasters and related major accident exposures.

8. Procurement by Supplier

WM expects the Supplier to obtain confirmation from each of its sub-suppliers providing goods or services directly or indirectly to WM that the sub-supplier acts in compliance with this WM Supplier Code of Conduct.



SCM POLICY FOR INFRASTRUCTURE PROCUREMENT AND DELIVERY MANAGEMENT

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1 Scope

This policy establishes the Witzenberg Municipality's policy for infrastructure procurement and delivery management in accordance with the provisions of the regulatory frameworks for procurement and supply chain management. It includes the procurement of goods and services necessary for a new facility to be occupied and used as a functional entity

2 Terms, definitions and abbreviations

2.1 Terms and definitions

For the purposes of this document, the definitions and terms given in the standard and the following apply:

accept: receive as adequate, valid, or suitable

agent: person or organization that is not an employee of Witzenberg Municipality that acts on the Witzenberg Municipality's behalf in the application of this document

approve: officially agree to

authorised person: the Accounting Officer or chief executive or the appropriately delegated authority to award, cancel, amend, extend or transfer a contract or order

conflict of interest: any situation in which:

- a) someone in a position of trust has competing professional or personal interests which make it difficult for him to fulfil his duties impartially,
- b) an individual or organization is in a position to exploit a professional or official capacity in some way for his personal or for corporate benefit, or
- c) incompatibility or contradictory interests exist between an employee and the organization which employs that employee

contract manager: person responsible for administering a package on behalf of the employer and performing duties relating to the overall management of such contract from the implementer's point of view

family member: a person's spouse, whether in a marriage or in a customary union according to indigenous law, domestic partner in a civil union, or child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption

framework agreement: an agreement between an organ of state and one or more contractors, the purpose of which is to establish the terms governing orders to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged

gate: a control point at the end of a process where a decision is required before proceeding to the next process or activity

gateway review: an independent review of the available information at a gate upon which a decision to proceed or not to the next process is based

gratification: an inducement to perform an improper act

infrastructure delivery: the combination of all planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure

infrastructure procurement: the procurement of goods or services including any combination thereof associated with the acquisition, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure with an estimated value of one million Rand or more.

maintenance: the combination of all technical and associated administrative actions during an item's service life to retain it in a state in which it can satisfactorily perform its required function

operation: combination of all technical, administrative and managerial actions, other than maintenance actions, that results in the item being in use

order: an instruction to provide goods, services or any combination thereof under a framework agreement

organ of state: an organ of state as defined in section 239 of the Constitution of the Republic of South Africa

procurement document: documentation used to initiate or conclude (or both) a contract or the issuing of an order

principal: a natural person who is a partner in a partnership, a sole proprietor, a director a company established in terms of the Companies Act of 2008 (Act No. 71 of 2008) or a member of a close corporation registered in terms of the Close Corporation Act, 1984, (Act No. 69 of 1984)

standard: the latest edition of the Standard for Infrastructure Procurement and Delivery Management as published by National Treasury

working day: any day of a week on which is not a Sunday, Saturday or public holiday

2.2 Abbreviations

For the purposes of this document, the following abbreviations apply

CIDB: Construction Industry Development Board

SARS: South African Revenue Services

3 General requirements

3.1 Delegations

3.1.1 The council of the municipality hereby delegates all powers and duties which are necessary to enable the Accounting Officer to:

- a) discharge the supply chain management responsibilities conferred on accounting officers in terms of Chapter 8 or 10 of the Local Government Municipal Finance Management Act of 2003 and this document;
- b) maximise administrative and operational efficiency in the implementation of this document;
- c) enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this document; and
- d) comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Local Government Municipal Finance Management Act of 2003 Act.

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- e) The Accounting Officer may in terms of section 79 or 106 of the Act sub delegate any supply chain management powers and duties.

3.1.2 No departure shall be made from the provisions of this policy without the approval of the Accounting Officer of Witzenberg Municipality.

3.1.3 The Accounting Officer shall for oversight purposes:

Within 60 days of the end of each financial year, submit a report on the implementation of this policy, to the council of the Witzenberg Municipality

3.2 Objections and complaints

Will be dealt with in terms of the stipulations of the Supply Chain Policy of Witzenberg Municipality.

3.3 Resolution of disputes, objections, complaints and queries

Will be dealt with in terms of the stipulations of the Supply Chain Policy of Witzenberg Municipality.

4 Control framework for infrastructure delivery management

4.1 Assignment of responsibilities for approving or accepting end of stage deliverables

The responsibilities for approving or accepting end of stage deliverables shall be as stated in Table 1.

Table 1: Responsibilities for approving or accepting end of stage deliverables in the control framework for the management of infrastructure delivery

Stage		Person assigned the responsibility for approving or accepting end of stage deliverables	Output	Project Value
No	Name			
0	Project initiation	An initiation report which outlines the high-level business case together with the estimated project cost and proposed schedule for a single project or a group of projects having a similar high-level scope		
		Accept: Relevant Director	Approved IDP	All
		Recommend: Municipal Manager		
		Council approves 5 year IDP		
1	Infrastructure planning	An infrastructure plan which identifies and prioritizes projects and packages against a forecasted budget over a period of at least three years		
		Accept: Relevant Director	Approved Budget	All
		Recommend: Municipal Manager		
		Council approves budget for MTREF		

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Stage		Person assigned the responsibility for approving or accepting end of stage deliverables	Output	Project Value	
No	Name				
2	Strategic resourcing	A delivery and/or procurement strategy which, for a portfolio of projects, identifies the delivery strategy in respect of each project or package and, where needs are met through own procurement system, a procurement strategy			
		Accept: Relevant Manager	Procurement Strategy / Plan	All	
		Recommend : Relevant Director			
		Accounting Officer approves the Procurement Strategy / Plan			
3	Pre-feasibility	A prefeasibility report which determines whether or not it is worthwhile to proceed to the feasibility stage			
		Accept: Service Provider	Approved pre-feasibility report	Projects Above R 1 Million	
		Recommend: Relevant Manager			
		Relevant Director approves the pre-feasibility report			
	Preparation and briefing (Inception)	A strategic brief which defines project objectives, needs, acceptance criteria and client priorities and aspirations, and which sets out the basis for the development of the concept report for one or more packages			
		Accept: Service Provider	Approved Inception Report	Projects Above R 1 Million	
		Recommend: Relevant Manager			
		Relevant Director approves the pre-feasibility report			
	4	Feasibility	A feasibility report which presents sufficient information to determine whether or not the project should be implemented		
			Accept: Service Provider	Approved Feasibility Report	Projects Above R 1 Million
Recommend: Relevant Manager					
Relevant Director approves the feasibility report					
Concept and viability (Preliminary Design)		A concept report which establishes the detailed brief, scope, scale, form and control budget, and sets out the integrated concept for one or more packages			
		Accept: Service Provider	Approved Concept and viability report	Projects Above R 1 Million	
		Recommend: Relevant Manager			
	Relevant Director approves the Concept and viability report				

Witzenberg Municipality's SCM Policy for Infrastructure procurement and delivery management

Stage		Person assigned the responsibility for approving or accepting end of stage deliverables	Output	Project Value	
No	Name				
	Gateway review		An independent review of the available information at a gate upon which a decision to proceed or not to the next process is based		
			Accept: Review team (not less than three people) is led by a professional engineer, professional quantity surveyor or professional architect.	Approved Concept and viability report	Projects Above R 50 Million
			Recommend: Relevant Manager		
			Relevant Director approves the Gateway review		
5	Design development (Detailed Design)		A design development report which develops in detail the approved concept to finalize the design and definition criteria, sets out the integrated developed design, and contains the cost plan and schedule for one or more packages		
			Accept: Service Provider	Approved Detailed Design	Projects above R 200 000
			Recommend: Relevant Manager		
			Relevant Director approves the Detailed Design		
6	Design documentation (& Procurement)	6A Production information	Production information which provides the detailing, performance definition, specification, sizing and positioning of all systems and components enabling either construction (where the constructor is able to build directly from the information prepared) or the production of manufacturing and installation information for construction		
			Accept: Relevant Manager	Approved bid Document	Projects above R 200 000
			Recommend: Bid specification committee		
			Relevant Director approves the Bid document		
		6B Manufacture, fabrication and construction information	Manufacture, fabrication and construction information produced by or on behalf of the constructor, based on the production information provided for a package which enables manufacture, fabrication or construction to take place		
			Accept: Relevant Manager	Contract Award Approved Order	All
			Recommend: Bid evaluation committee		
			Bid adjudication committee approves the bid		Projects below R 10 million
			The accounting officer approves the bid		Projects above R 10 million

Stage		Person assigned the responsibility for approving or accepting end of stage deliverables	Output	Project Value
No	Name			
7	Works (Contract Administration & Inspection)	The relevant manager / consulting engineer manages the contract in terms of contract conditions		
		Accept: relevant manager / consulting engineer	Minutes of site meetings, progress payment certificates and Contract Correspondence	All
		Recommend: relevant manager		
		Relevant director approves		
8	Handover	Works which have been taken over by the municipality, complete with record information		
		Accept: relevant manager / consulting engineer	Practical completion certificate & project unbundling information	All
		Recommend: relevant manager		
		Relevant director approves		
9	Package completion (Close Out)	Works with notified defects corrected, final account settled and the close out report issued		
		Accept: relevant manager / consulting engineer	Final completion certificate	All
		Recommend: relevant manager		
		Relevant director approves		

4.2 Gateway reviews

4.2.1 All major capital projects having an estimated capital expenditure equal to **or fifty million rand** shall have a gateway review of the end-of-stage 4 deliverable, prior to the acceptance of such deliverable. The review shall be initiated by the organ of state which intends implementing the project. The focus of such a review shall in the first instance be on the quality of the documentation, and thereafter on:

- a) deliverability (the extent to which a project is deemed likely to deliver the expected benefits within the declared cost, time and performance envelope);
- b) affordability (the extent to which the level of expenditure and financial risk involved in a project can be taken up on, given the organisation's overall financial position, both singly and in the light of its other current and projected commitments); and
- a) value for money.

4.2.2 A gateway review team shall comprise not less than three persons who are not involved in the project associated with the works covered by the end of the stage 4 deliverable, and who are familiar with various aspects of the subject matter of the deliverable at the end of the stage under review. Such a team shall be led by a person who has at least six years postgraduate experience in the planning of infrastructure projects and is registered either as a professional engineer in terms of the Engineering Profession Act, a professional quantity surveyor in terms of the Quantity Surveying Profession Act or a professional architect in terms of the Architectural Profession Act. The members of the team shall, as relevant, have expertise in key technical areas, cost estimating, scheduling and implementation of similar projects.

4.2.3 The relevant treasury shall be notified of a proposed gateway review for a major capital project, three weeks prior to the conducting of such a review. Such notification shall be accompanied by a brief outline of the proposed project or package, the names and qualifications of the reviewers and the timeframes for the review. The relevant treasury may nominate additional persons to serve on the review team.

4.2.4 The gateway review team shall base its findings primarily on:

- a) the information contained in the end-of-stage deliverables;
- b) supplementary documentation, if any, provided by key staff obtained during an interview process; and
- c) interviews with key staff members and stakeholders.

4.2.5 The gateway review team shall issue a report at the conclusion of a gateway review which indicates the team's assessment of the information at the end of a stage and provides findings or recommendations on areas where further work may be undertaken to improve such information.

4.2.6 Aspects in the report shall be flagged as being:

- a) code red: team considers the aspect to pose a significant risk to the project or package;
- b) code amber: team considers the aspects which indicate a minor risk to the project or package; or
- c) code green: team considers the aspect to have been given adequate consideration to the extent that it is unlikely to jeopardise the success of progressing to the next stage, or minor adjustments may be required before proceeding.

4.2.7 The contents of the gateway review report shall be taken into account when accepting the stage 4 deliverable. A stage 4 deliverable shall not be accepted until such time that all code red risks have been addressed in the stage 4 end-of-stage deliverable.

5 Control framework for infrastructure procurement

5.1 The responsibilities for taking the key actions associated with the formation and conclusion of contracts including framework agreements above the quotation threshold shall be as stated in Table 2.

5.2 The responsibilities for taking the key actions associated with the quotation procedure and the negotiation procedure where the value of the contract is less than the threshold set for the quotation procedure shall be as follows:

- a) Bid Specification Committee shall grant approval for the issuing of the procurement documents, based on the contents of a documentation review report developed in accordance with the provisions of the standard;
- b) the authorised person may award the contract if satisfied with the recommendations contained in the evaluation report prepared in accordance with the provisions of the standard.

5.3 The responsibilities for taking the key actions associated with the issuing of an order in terms of a framework agreement shall be as stated in Table 3.

6 Infrastructure delivery management requirements

6.1 Institutional arrangements

6.1.1 Committee system for procurement

6.1.1.1 General

6.1.1.1.1 A committee system comprising the Bid Specification Committee, Bid evaluation committee and Bid Adjudication committee shall be applied to all procurement procedures where the estimated value of the procurement exceeds the financial threshold for quotations and to the putting in place of framework agreements.

6.1.1.1.2 The Bid evaluation committee shall, where competition for the issuing of an order amongst framework contractors takes place and the value of the order exceeds the financial threshold for quotations, evaluate the quotations received.

6.1.1.1.3 The persons appoint in writing as technical advisors and subject matter experts may attend any committee meeting.

6.1.1.1.4 No person who is a political officer bearer, a public office bearer including any councilor of a municipality, a political advisor or a person appointed in terms of section 12A of the Public Service Act of 1994 or who has a conflict of interest shall be appointed to a bid specification, bid evaluation or bid adjudication committee.

6.1.1.1.5 Committee decisions shall as far as possible be based on the consensus principle i.e. the general agreement characterised by the lack of sustained opposition to substantial issues. Committees shall record their decisions in writing. Such decisions shall be kept in a secured environment for a period of not less than five years after the completion or cancellation of the contract unless otherwise determined in terms of the National Archives and Record Services Act of 1996.

6.1.1.1.6 Committees may make decisions at meetings or, subject to the committee chairperson's approval, on the basis of responses to documents circulated to committee members provided that not less than sixty percent of the members are present or respond to the request for responses. Where the committee chairperson is absent from the meeting, the members of the committee who are present shall elect a chairperson from one of them to preside at the meeting.

6.1.1.2 Bid Specification committee

6.1.1.2.1 The Accountant in Charge shall appoint in writing on a procurement by procurement basis:

a) the members of the bid specification committee.

6.1.1.2.2 The Bid Specification Committee shall comprise one or more persons. The chairperson shall be an employee of the municipality with requisite skills. Other members shall, where relevant, include a representative of the end user or the department requiring infrastructure delivery.

6.1.1.2.3 No member of, or technical adviser or subject matter expert who participates in the work of the any of the procurement committees or a family member or associate of such a member, may tender for any work associated with the tender which is considered by these committees.

Witzenberg Municipality's SCM Policy for Infrastructure procurement and delivery management

Table 2: Procurement activities and gates associated with the formation and conclusion of contracts above the quotation threshold

Activity		Sub-Activity (see Table 3 of the standard)		Key action	Person assigned responsibility to perform key action
1*	Establish what is to be procured	1.3 PG1	Obtain permission to start with the procurement process	Make a decision to proceed / not to proceed with the procurement based on the broad scope of work and the financial estimates.	Council (BUDGET APPROVAL) Relevant Manager
2*	Decide on procurement strategy	2.5 PG2	Obtain approval for procurement strategies that are to be adopted including specific approvals to approach a confined market or the use of the negotiation procedure	Confirm selection of strategies so that tender offers can be solicited	Relevant director
3	Solicit tender offers	3.2 PG3	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	Procurement documentation committee BSC and relevant director
		3.3 PG4	Confirm that budgets are in place	Confirm that finance is available for the procurement to take place	CFO (BSC)
4	Evaluate tender offers	4.2 PG5	Obtain authorisation to proceed with next phase of tender process in the qualified, proposal or competitive negotiations procedure	Review evaluation report, ratify recommendations and authorise progression to the next stage of the tender process	Director (BEC)
		4.7 PG6	Confirm recommendations contained in the tender evaluation report	Review recommendations of the evaluation committee and refer back to evaluation committee for reconsideration or make recommendation for award	Tender committee BAC, Accounting Officer
5	Award contract	5.3 PG7	Award contract	Formally accept the tender offer in writing and issue the contractor with a signed copy of the contract	Accounting Officer
		5.5 GF1	Upload data in financial management and payment system	Verify data and upload contractor's particulars and data associated with the contract or order	CFO or delegate.

* Applies only to goods and services not addressed in a procurement strategy developed during stage 2 (strategic resourcing) of the control framework for infrastructure delivery management

Witzenberg Municipality's SCM Policy for Infrastructure procurement and delivery management

Table 2 (continued)

Activity		Sub-Activity		Key action	Person assigned responsibility to perform key action
6	Administer contracts and confirm compliance with requirements	6.4 PG8A	Obtain approval to waive penalties or low performance damages.	Approve waiver of penalties or low performance damages	Director
		6.5 PG8B	Obtain approval to notify and refer a dispute to an adjudicator	Grant permission for the referral of a dispute to an adjudicator or for final settlement to an arbitrator or court of law	Director
		6.6 PG8C	Obtain approval to increase the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at the award of a contract or the issuing of an order up to a specified percentage	Approve amount of time and cost overruns up to the threshold	Director
		6.7 PG8D	Obtain approval to exceed the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at award of a contract or the issuing of an order by more than 20% and 30%, respectively	Approve amount of time and cost overruns above a the threshold	Accounting Officer
		6.8 PG8E	Obtain approval to cancel or terminate a contract	Approve amount	Accounting Officer
		6.9 PG8F	Obtain approval to amend a contract	Approve proposed amendment to contract	Accounting Officer

Witzenberg Municipality's SCM Policy for Infrastructure procurement and delivery management

Table 3: Procurement activities and gates associated with the issuing of an order above the quotation threshold in terms of a framework agreement

Activity		Key action	Person assigned responsibility to perform key action
1 FG1	Confirm justifiable reasons for selecting a framework contractor where there is more than one framework agreement covering the same scope of work	Confirm reasons submitted for not requiring competition amongst framework contractors or instruct that quotations be invited	ee nt iecto o m n e
3 FG2	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	SC
4 FG3	Confirm that budgets are in place	Confirm that finance is available so that the order may be issued	ee nt iecto o m n e A o e u et
6 FG4	Authorise the issuing of the order	If applicable, review evaluation report and confirm or reject recommendations. Formally accept the offer in writing and issue the contractor with a signed copy of the order	AC

6.1.1.3 Evaluation committee

6.1.1.3.1 The Accounting Officer shall appoint on a procurement by procurement basis in writing:

- a) the members of the bid evaluation committee.

6.1.1.3.2 The bid evaluation committee shall comprise not less than three people. The chairperson shall be an employee of the entity with requisite skills. Other members shall include a supply chain management practitioner and, where relevant, include an official from the department requiring infrastructure delivery.

6.1.1.3.3 The bid evaluation committee shall review the evaluation reports prepared in accordance with sub clause 4.2.3 of the standard and as a minimum verify the following in respect of the recommended tenderer:

- a) the capability and capacity of a tenderer to perform the contract;
- b) the tenderer's tax and municipal rates and taxes compliance status;
- b) confirm that the tenderer's municipal rates and taxes and municipal service charges are not in arrears;
- d) the Compulsory Declaration has been completed; and
- e) the tenderer is not listed in the National Treasury's Register for Tender Defaulters or the List of Restricted Suppliers.

6.1.1.3.4 No tender submitted by a member of, or technical adviser or subject matter expert who participates in the work of the procurement documentation committee or a family member or associate of such a member, may be considered by the evaluation committee.

6.1.1.3.5 The chairperson of the evaluation committee shall promptly notify the Accounting Officer of any respondent or tenderer who is disqualified for having engaged in fraudulent or corrupt practices during the tender process.

6.1.1.4 Bid Adjudication Committee

6.1.1.4.1 The tender committee shall comprise the following persons or their mandated delegate:

- a) Chief Financial Officer who shall be the chairperson;
- b) Director Technical Services
- c) Director Community Services
- d) Director Corporate services
- e) Manager Supply Chain

6.1.1.4.2 No member of the evaluation committee may serve on the bid adjudication committee. A member of an evaluation committee may, however, participate in the deliberations of a Bid Adjudication committee as a technical advisor or a subject matter expert.

6.1.1.4.3 The Bid Adjudication committee shall:

- a) consider the report and recommendations of the evaluation committee and:

- 1) verify that the procurement process which was followed complies with the provisions of this document;
 - 2) confirm that the report is complete and addresses all considerations necessary to make a recommendation;
 - 3) confirm the validity and reasonableness of reasons provided for the elimination of tenderers; and
 - 4) consider commercial risks and identify any risks that have been overlooked or fall outside of the scope of the report which warrant investigation prior to taking a final decision; and
- b) refer the report back to the evaluation committee for their reconsideration, make a reward for bids below R 10 000 000 or make a recommendation to the accounting officer on the award of a tender, with or without conditions, together with reasons for such recommendation for bids above R 10 000 000.

6.1.1.4.4 The Bid Adjudication committee shall consider proposals regarding the cancellation, amendment, extension or transfer of contracts that have been awarded and make a recommendation to the Municipal Manager on the course of action which should be taken.

6.1.1.4.5 The Bid Adjudication committee shall consider the merits of an unsolicited offer and make a recommendation to the Accounting Officer.

6.1.1.4.6 The Bid Adjudication committee shall report to the Accounting Officer any recommendation made to award a contract to a tenderer other than the tenderer recommended by the evaluation committee, giving reasons for making such a recommendation.

6.1.1.4.7 The Bid Adjudication committee shall not make a recommendation for an award of a contract or order if the recommended tenderer or framework contractor has:

- a) made a misrepresentation or submitted false documents in competing for the contract or order; or
- b) been convicted of a corrupt or fraudulent act in competing for any contract during the past five years.

6.1.1.4.8 The Bid Adjudication committee may on justifiable grounds and after following due process, disregard the submission of any tenderer if that tenderer or any of its directors, members or trustees or partners has abused the delivery management system or has committed fraud, corruption or any other improper conduct in relation to such system. The National Treasury and the Western Cape Treasury shall be informed where such tenderers are disregarded.

6.1.2 Actions of the accounting officer relating to the award of a contract or an order

6.1.2.1 Award of a contract

6.1.2.1 The accounting officer shall, consider the report(s) and recommendations of the Bid Adjudication committee, and either:

- a) award the contract after confirming that the report is complete and addresses all considerations necessary to make a recommendation and budgetary provisions are in place; or
- b) decide not to proceed or to start afresh with the process.

6.1.3 Conduct of those engaged in infrastructure delivery

6.1.3.1 General requirements

6.1.3.1.1 All personnel and agents of the entity shall comply with the requirements of the CIDB Code of Conduct for all Parties engaged in Construction Procurement. They shall:

- a) behave equitably, honestly and transparently;
- b) discharge duties and obligations timeously and with integrity;
- c) comply with all applicable legislation and associated regulations;
- d) satisfy all relevant requirements established in procurement documents;
- e) avoid conflicts of interest; and
- f) not maliciously or recklessly injure or attempt to injure the reputation of another party.

6.1.3.1.2 All personnel and agents engaged in the entity's infrastructure delivery management system shall:

- a) not perform any duties to unlawfully gain any form of compensation, payment or gratification from any person for themselves or a family member or an associate;
- b) perform their duties efficiently, effectively and with integrity and may not use their position for private gain or to improperly benefit another person;
- c) strive to be familiar with and abide by all statutory and other instructions applicable to their duties;
- d) furnish information in the course of their duties that is complete, true and fair and not intended to mislead;
- e) ensure that resources are administered responsibly;
- f) be fair and impartial in the performance of their functions;
- g) at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual;
- h) not abuse the power vested in them;
- i) not place themselves under any financial or other obligation to external individuals or firms that might seek to influence them in the performance of their duties;
- j) assist the entity in combating corruption and fraud within the infrastructure procurement and delivery management system;
- k) not disclose information obtained in connection with a project except when necessary to carry out assigned duties;
- l) not make false or misleading entries in reports or accounting systems; and
- m) keep matters of a confidential nature in their possession confidential unless legislation, the performance of duty or the provision of the law require otherwise.

6.1.3.1.2 An employee or agent may not amend or tamper with any submission, tender or contract in any manner whatsoever.

6.1.3.2 Conflicts of interest

6.1.3.2.1 The employees and agents of it en e unci ity who are connected in any way to procurement and delivery management activities which are subject to this policy, shall:

- a) disclose in writing to the employee of the it en e unci ity to whom they report, or to the person responsible for managing their contract, if they have, or a family member or associate has, any conflicts of interest; and
- b) not participate in any activities that might lead to the disclosure of it en e unci ity proprietary information.

6.1.3.2.2 The employees and agents of it en e unci ity shall declare and address any perceived or known conflict of interest, indicating the nature of such conflict to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to a procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

6.1.3.2.3 Agents who prepare a part of a procurement document may in exceptional circumstances, where it is in it en e unci ity's interest to do so, submit a tender for work associated with such documents provided that:

- a) it en e unci ity states in the tender data that such an agent is a potential tenderer;
- b) all the information which was made available to, and the advice provided by that agent which is relevant to the tender, is equally made available to all potential tenderers upon request, if not already included in the scope of work; and
- c) the procurement documentation committee is satisfied that the procurement document is objective and unbiased having regard to the role and recommendations of that agent.

6.1.3.3 Evaluation of submissions received from respondents and tenderers

6.1.3.3.1 The confidentiality of the outcome of the processes associated with the calling for expressions of interest, quotations or tenders shall be preserved. Those engaged in the evaluation process shall:

- a) not have any conflict between their duties as an employee or an agent and their private interest;
- b) may not be influenced by a gift or consideration (including acceptance of hospitality) to show favour or disfavour to any person;
- c) deal with respondents and tenderers in an equitable and even-handed manner at all times; and
- d) not use any confidential information obtained for personal gain and may not discuss with, or disclose to outsiders, prices which have been quoted or charged to it en e unci ity

6.1.3.3.2 The evaluation process shall be free of conflicts of interest and any perception of bias. Any connections between the employees and agents of it en e unci ity and a tenderer or respondent shall be disclosed and recorded in the tender evaluation report.

6.1.3.3.3 it en e unci ity personnel and their agents shall immediately withdraw from participating in any manner whatsoever in a procurement process in which they, or any close family member, partner or associate, has any private or business interest.

6.1.3.4 Non-disclosure agreements

Confidentiality agreements in the form of non-disclosure agreements shall, where appropriate, be entered into with agents and potential contractors to protect it en e unci ity's confidential information and interests.

6.1.3.5 Gratifications, hospitality and gifts

6.1.3.5.1 The employees and agents of it en e unci ity shall not, directly or indirectly, accept or agree or offer to accept any gratification from any other person including a commission, whether for the benefit of themselves or for the benefit of another person, as an inducement to improperly influence in any way a procurement process, procedure or decision.

6.1.3.5.2 The employees and agents of it en e unci ity as well as their family members or associates shall not receive any of the following from any tenderer, respondent or contractor or any potential contractor:

- a) money, loans, equity, personal favours, benefits or services;
- b) overseas trips; or
- c) any gifts or hospitality irrespective of value from tenderers or respondents prior to the conclusion of the processes associated with a call for an expression of interest or a tender.

6.1.3.5.3 The employees and agents of it en e unci ity shall not purchase any items at artificially low prices from any tenderer, respondent or contractor or any potential contractor at artificially low prices which are not available to the public.

6.1.3.5.4 All employees and agents of it en e unci ity may for the purpose of fostering inter-personal business relations accept the following:

- a) meals and entertainment, but excluding the cost of transport and accommodation;
- b) promotional material of small intrinsic value such as pens, paper-knives, diaries, calendars, etc;
- c) incidental business hospitality such as business lunches or dinners, which the employee is prepared to reciprocate;
- d) complimentary tickets to sports meetings and other public events, but excluding the cost of transport and accommodation, provided that such tickets are not of a recurrent nature; and
- e) gifts in kind other than those listed in a) to d) which have an intrinsic value greater than R350, they must declare these gifts to the Accountin ice .

6.1.3.5.5 Under no circumstances shall gifts be accepted from prospective contractors during the evaluation of calls for expressions of interest, quotations or tenders that could be perceived as undue and improper influence of such processes.

6.1.3.5.6 Employees and agents of it en e unci ity shall without delay report to the Accountin ice any incidences of a respondent, tenderer or contractor who directly or indirectly offers a gratification to them or any other person to improperly influence in any way a procurement process, procedure or decision.

6.1.3.6 Reporting of breaches

Employees and agents of it en e unci ity shall promptly report to the Accountin ice any alleged improper conduct which they may become aware of, including any alleged fraud or corruption.

6.1.4 Measures to prevent abuse of the infrastructure delivery system

The Accounting Officer shall investigate all allegations of corruption, improper conduct or failure to comply with the requirements of this policy against an employee or an agent, a contractor or other role player and, where justified:

- a) take steps against an employee or role player and inform the National Treasury and estimate the cost of those steps;
- b) report to the South African Police Service any conduct that may constitute a criminal offence;
- c) lodge complaints with the Construction Industry Development Board or any other relevant statutory council where a breach of such council's code of conduct or rules of conduct are considered to have been breached;
- d) cancel a contract if:
 - 1) it comes to light that the contractor has made a misrepresentation, submitted falsified documents or has been convicted of a corrupt or fraudulent act in competing for a particular contract or during the execution of that contract; or
 - 2) an employee or other role player committed any corrupt or fraudulent act during the tender process or during the execution of that contract.

6.1.5 Awards to persons in the service of the state

6.1.5.1 Any submissions made by a respondent or tenderer who declares in the Compulsory Declaration that a principal is one of the following shall be rejected:

- a) a member of any municipal council, any provincial legislature, or the National Assembly or the National Council of Provinces;
- b) a member of the council of any municipal entity;
- c) an official of any municipality or municipal entity;
- d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- e) a member of the accounting authority of any national or provincial public entity; or
- f) an employee of Parliament or a provincial legislature.

6.1.5.2 The notes to the annual financial statements of the institution or municipality shall disclose particulars of an award of more than R 2 000 to a person who is a family member of a person identified in 6.1.5.1 or who has been in the previous 12 months. Such notes shall include the name of the person, the capacity in which such person served and the amount of the award.

6.1.6 Collusive tendering

Any submissions made by a respondent or tenderer who fails to declare in the Compulsory Declaration that the tendering entity:

- a) is not associated, linked or involved with any other tendering entity submitting tender offers; or

- b) has not engaged in any prohibited restrictive horizontal practices including consultation, communication, agreement, or arrangement with any competing or potential tendering entity regarding prices, geographical areas in which goods and services will be rendered, approaches to determining prices or pricing parameters, intentions to submit a tender or not, the content of the submission (specification, timing, conditions of contract etc.) or intention to not win a tender shall be rejected.

6.1.7 Placing of contractors under restrictions

6.1.7.1 If any tenderer which has submitted a tender offer or a contractor which has concluded a contract has, as relevant:

- a) withdrawn such tender or quotation after the advertised closing date and time for the receipt of submissions;
- b) after having been notified of the acceptance of his tender, failed or refused to commence the contract;
- c) had their contract terminated for reasons within their control without reasonable cause;
- d) offered, promised or given a bribe in relation to the obtaining or the execution of such contract;
- e) acted in a fraudulent, collusive or anti-competitive or improper manner or in bad faith towards the municipality; or
- f) made any incorrect statement in any affidavit or declaration with regard to a preference claimed and is unable to prove to the satisfaction of the municipality that the statement was made in good faith or reasonable steps were taken to confirm the correctness of the statements,

The relevant manager shall prepare a report on the matter and make a recommendation to the Accounting officer for placing the contractor or any of its principals under restrictions from doing business with the municipality.

6.1.7.2 The Accounting officer may, as appropriate, upon the receipt of a recommendation made in terms of 6.1.7.1 and after notifying the contractor of such intention in writing and giving written reasons for such action, suspend a contractor or any principal of that contractor from submitting a tender offer to the municipality or municipal entity for a period of time.

6.1.7.3 The relevant manager shall:

- a) record the names of those placed under restrictions in an internal register which shall be accessible to employees and agents of the municipality who are engaged in procurement processes; and
- b) notify the National Treasury and relevant Provincial Treasury and, if relevant, the Construction Industry Development Board, of such decision and provide them with the details associated therewith.

6.1.8 Complaints

6.1.8.1 All complaints regarding the municipality's infrastructure delivery management system shall be addressed to the Accounting officer. Such complaints shall be in writing.

6.1.8.2 The Accounting officer shall investigate all complaints regarding the infrastructure procurement and delivery management system and who will decide on what action to take.

6.2 Acquisition management

6.2.1 Unsolicited proposal

6.2.1.1 The it en e unci ity is not obliged to consider unsolicited offers received outside a normal procurement process but may consider such an offer only if:

- a) the goods, services or any combination thereof that is offered is a demonstrably or proven unique innovative concept;
- b) proof of ownership of design, manufacturing, intellectual property, copyright or any other proprietary right of ownership or entitlement is vested in the person who made the offer;
- c) the offer presents a value proposition which demonstrates a clear, measurable and foreseeable benefit for it en e unci ity;
- d) the offer is in writing and clearly sets out the proposed cost;
- e) the person who made the offer is the sole provider of the goods or service; and
- f) the Accountin ice finds the reasons for not going through a normal tender processes to be sound.

6.2.1.2 The Accountin ice may only accept an unsolicited offer and enter into a contract after considering the recommendations of the tender committee if:

- a) the intention to consider an unsolicited proposal has been made known in accordance with Section 21A of the Municipal Systems Act of 2000 together with the reasons why such a proposal should not be open to other competitors, an explanation of the potential benefits for the munici ity and an invitation to the public or other potential suppliers and providers to submit their comments within 30 days after the notice;
- b) the it en e unci ity' has obtained comments and recommendations on the offer from the National Treasury and este n C e e su y;
- c) the Bid Adjudication committee meeting which makes recommendations to accept an unsolicited proposal was open to the public and took into account any public comments that were received and any comments and recommendations received from the National Treasury and este n C e e su y; and
- d) the provisions of 6.2.1.3 are complied with.

6.2.1.3 The Accountin ice shall, within 14 working days after the decision to award the unsolicited offer is taken, submit the reasons for rejecting or not following the recommendations to the National Treasury, the este n C e e su y and Auditor General. A contract shall in such circumstances not be entered into or signed within 30 days of such submission.

6.2.2 Tax and rates compliance

6.2.2.1 SARS tax clearance

6.2.2.1.1 No contract may be awarded or an order issued where the value of such transaction exceeds R 15 000, unless a tenderer or contractor is in possession of an original valid Tax Clearance Certificate issued by SARS

6.2.2.1.2 In the case of a partnership, each partner shall comply with the requirements of 6.2.2.1.

6.2.2.1.3 Notwithstanding the requirements of 6.2.2.1 and 6.2.2.3 the following shall apply, unless a person who is not tax compliant indicates to the Accounting officer that it intends challenging its tax compliance status with SARS,

- a) a contract may be awarded to a non-compliant tenderer if such a tenderer is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;

- b) an order may be awarded to a non-compliant contractor if such a contractor is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;
- c) a non-compliant contractor shall be issued with a first warning that payments in future amounts due in terms of the contract may be withheld, before the authorising of any payment due to such contractor;
- d) before authorising a further payment due to a non-compliant contractor who has failed to remedy its tax compliance status after receiving a first warning, a second and final warning shall be issued to such contractor;
- e) no payments may be released for any amounts due in terms of the contract due to a non-compliant contractor if, after a period of 30 calendar days have lapsed since the second warning was issued, the non-compliant contractor has failed to remedy its tax compliance status.

6.2.2.1.4 The it en e unci ity may cancel a contract with a non-compliant contractor if such a contractor fails to remedy its tax compliance status after a period of 30 calendar days have lapsed since the second warning was issued in terms of 6.2.2.1.4e).

6.2.2.2 Municipal rates and taxes

No contract may be awarded to a tenderer who, or the principals of that tenderer, owes municipal rates and taxes or municipal service charges to any municipality or a municipal entity and are in arrears for more than 3 months.

6.2.3 Declarations of interest

Tenders and respondents making submissions in response to an invitation to submit a tender or a call for an expression of interest, respectively shall declare in the Compulsory Declaration whether or not any of the principals:

- a) are an employee of the it en e unci ity or in the employ of the state; or
- b) have a family member or a business relation with a person who is in the employ of the state.

6.2.4 Invitations to submit expressions of interest or tender offers

6.2.4.1 All invitations to submit tenders where the estimated value of the contract exceeds R200 000 including VAT, except where a confined tender process is followed, and expressions of interest shall be advertised on the it en e unci ity's website and on the National Treasury eTender Publication Portal. Advertisements shall be placed by the Supply Chain Management department.

6.2.4.2 Advertisements relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.4.1 be advertised on the CIDB website. Advertisements shall be placed by the Supply Chain Management department.

6.2.4.3 Where deemed appropriate by the Bid Specification Committee an invitation to tender and a call for an expression of interest shall be advertised in suitable local and national newspapers and the Government Tender Bulletin as directed by such person. Advertisements shall be placed by the Supply Chain Management department.

6.2.4.4 Such advertisements shall be advertised for a period of at least 30 days before closure, except in urgent cases when the advertisement period may be shortened as determined by the Accountin ice

6.2.4.5 Invitations to submit expressions of interest or tender offers shall be issued not less than 10 working days before the closing date for tenders and at least 5 working days before any compulsory clarification meeting. Procurement documents shall be made available not less than 7 days before the closing time for submissions.

6.2.5 Publication of submissions received and the award of contracts

6.2.5.1 The Supply Chain Management department shall publish within 10 working days of the closure of any advertised call for an expression of interest or an invitation to tender where the estimated value of the contract exceeds R200 000 including VAT on the municipality's or municipal entity's website, the names of all tenderers that made submissions to that advertisement, and if practical or applicable, the total of the prices and the preferences claimed. Such information shall remain on the website for at least 30 days.

6.2.5.2 The Supply Chain Management department shall publish within 7 working days of the award of a contract the following on the municipality's website

- a) the contract number;
- b) contract title;
- c) brief description of the goods, services or works;
- d) the total of the prices, if practical;
- e) the names of successful tenderers and their B-BBEE status level of contribution;
- f) duration of the contract; and
- g) brand names, if applicable.

6.2.5.3 the Supply Chain Management department shall submit within 7 working days of the award of a contract the information required by National Treasury on the National Treasury eTender Publication Portal regarding the successful and unsuccessful tenders. Submissions shall be made by the Supply Chain Management department.

6.2.5.4 The award of contracts relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.5.3 be notified on the CIDB website. The notification shall be made by placed by the Supply Chain Management department.

6.2.6 Disposal committee

6.2.6.1 The Accounting officer shall appoint on a disposal by disposal basis in writing the members of the disposal committee to decide on how best to undertake disposals in accordance with the provisions of clause 10 of the standard.

6.2.6.2 The disposal panel shall comprise not less than three people. The chairperson shall be an employee of the municipality

6.2.6.3 The disposal committee shall make recommendations to Accounting officer who shall approve the recommendations, refer the disposal strategy back to the disposal committee for their reconsideration, and decide not to proceed or to start afresh with the process.

6.3 Reporting of infrastructure delivery management information

The Manager: Supply Chain Management and relevant technical expert shall submit any reports required in terms of the standard to the National Treasury or the eNCA eSuy.

7 Infrastructure procurement

7.2.1 The it en e unci ity's preapproved templates for Part C1 (Agreements and contract data) of procurement documents shall be utilised to obviate the need for legal review prior to the awarding of a contract. All modifications to the standard templates shall be approved by the Accounting Officer prior to being issued for tender purposes.

7.2.2 Disputes arising from the performance of a contract shall be finally settled in a South African court of law.

7.2.3 The Municipal Declaration and returnable documents contained in the standard shall be included in all tenders for:

- a) consultancy services; and
- b) goods and services or any combination thereof where the total of the prices is expected to exceed R10 m including VAT.

7.3 Payment of contractors

The it en e unci ity shall settle all accounts within 30 days of invoice or statement as provided for in the contract.

7.4 Approval to utilise specific procurement procedures

7.4.1 Prior approval shall be obtained for the following procurement procedures from the following persons, unless such a procedure is already provided for in the approved procurement strategy:

- a) The Accounting Officer shall authorise the use of the negotiated procedure above the thresholds provided in the standard.
- b) The Accounting Officer shall authorise the approaching of a confined market except where a rapid response is required in the presence of, or the imminent risk of, an extreme or emergency situation arising from the conditions set out in the standard and which can be dealt with or the risks relating thereto arrested within 48 hours; and
- c) the proposal procedure using the two-envelope system, the proposal procedure using the two-stage system or the competitive negotiations procedure.

7.4.2 The person authorised to pursue a negotiated procedure in an emergency is esi n te e son

7.5 Receipt and safeguarding of submissions

7.5.1 A dedicated and clearly marked tender box shall be made available to receive all submissions made.

7.6 Opening of submissions

7.6.1 Submissions shall be opened by an opening panel comprising two people nominated by the chief financial officer who have declared their interest or confirmed that they have no interest in the submissions that are to be opened.

7.6.2 The opening panel shall open the tender box at the stipulated closing time and:

- a) sort through the submissions and return those submissions to the box that are not yet due to be opened including those whose closing date has been extended;
- b) return submissions unopened and suitably annotated where:
 - 1) submissions are received late, unless otherwise permitted in terms of the submission data;
 - 2) submissions were submitted by a method other than the stated method,
 - 3) submissions were withdrawn in accordance with the procedures contained in SANS 10845-3; and.
 - 4) only one tender submission is received and it is decided not to open it and to call for fresh tender submissions;
- c) record in the register submissions that were returned unopened;
- d) open submissions if received in sealed envelopes and annotated with the required particulars and read out the name of and record in the register the name of the tenderer or respondent and, if relevant, the total of prices including VAT where this is possible;
- e) record in the register the name of any submissions that is returned with the reasons for doing so;
- f) record the names of the tenderer's representatives that attend the public opening;
- g) sign the entries into the register; and
- h) stamp each returnable document in each tender submission.

7.6.3 Each member of the opening panel shall initial the front cover of the submission and all pages that are stamped in accordance with the requirements of 7.6.2h).

7.6.4 Respondents and tenderers whose submissions are to be returned shall be afforded the opportunity to collect their submissions.

7.6.5 Submissions shall be safeguarded from the time of receipt until the conclusion of the procurement process.

7.7 Use of another organ of state's framework agreement

The municipality may make use of another organ of state's framework contract which has been put in place by means of a competitive tender process and there are demonstrable benefits for doing so. The Accounting Officer shall make the necessary application to that organ of state to do so.

7.8 Insurances

7.8.1 Contractors shall be required to take out all insurances required in terms of the contract.

7.8.2 The insurance cover in engineering and construction contracts for loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract shall in general not be less than the value stated in Table 4, unless otherwise directed by the Accounting Officer.

7.8.3 Lateral earth support insurance in addition to such insurance shall be take out on a case by case basis.

Table 4: Minimum insurance cover

Type of insurance	Value
Engineering and construction contracts - loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract	Not less than R20 million
Professional services and service contracts - death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract or damage to property	Not less than R10 million
Professional indemnity insurance	geotechnical, civil and structural engineering: R5,0 million electrical, mechanical and engineering: R3,0 million architectural: R5,0 million other R3,0 million

7.8.4 The insurance cover in professional services and service contracts for damage to property or death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract shall not be less than the value stated in Table 4 for any one event unless otherwise directed by the Bid Specification Committee

7.8.5 SASRIA: Special Risk Insurance in respect of riot and associated risk of damage to the works, Plant and Materials shall be taken out on all engineering and construction works.

7.8.6 Professional service appointments shall as a general rule be subject to proof of current professional indemnity insurance being submitted by the contractor in an amount not less than the value stated in Table 4 in respect of each claim, without limit to the number of claims, unless otherwise directed by the Bid Specification Committee in relation to the nature of the service that they provide.

7.8.6 Witzenberg Municipality shall take out professional indemnity insurance cover where it is deemed necessary to have such insurance at a level higher than the levels of insurance commonly carried by contractors.

7.8.7 Where payment is to be made in multiple currencies, either the contractor or Witzenberg Municipality should be required to take out forward cover. Alternatively, the prices for the imported content should be fixed as soon as possible after the starting date for the contract.

7.9 Written reasons for actions taken

7.9.1 Written reasons for actions taken shall be provided by the relevant manager.

7.9.2 The written reasons for actions taken shall be as brief as possible and shall as far as is possible, and where relevant, be framed around the clauses in the:

- SANS 10845-3, Construction procurement tendering conditions of tender and, giving rise to the reason why a respondent was not short listed, prequalified or admitted to a data base; or
- SANS 10845-4, Construction procurement tendering conditions of the conditions of the tendering process

as to why a tenderer was not considered for the award of a contract or not awarded a contract.

7.9.3 Requests for written reasons for actions taken need to be brief and to the point and may not divulge information which is not in the public interest or any information which is considered to prejudice the legitimate commercial interests of others or might prejudice fair competition between tenderers.

7.10 Request for access to information

7.10.1 Should an application be received in terms of Promotion of Access to Information Act of 2000 (Act 2 of 2000), the "requestor" should be referred to the it en e unci ity's Information Manual which establishes the procedures to be followed and the criteria that have to be met for the "requester" to request access to records in the possession or under the control of it en e unci ity's.

7.10.2 Access to technical and commercial information such as a comprehensive programme which links resources and prices to such programme should be refused as such information provides the order and timing of operations, provisions for time risk allowances and statements as to how the contractor plans to do the work which identifies principal equipment and other resources which he plans to use. Access to a bill of quantities and rates should be provided in terms of the Act.



LONG-TERM FINANCIAL PLAN POLICY

Date of implementation 01 July 2013

LONG-TERM FINANCIAL PLAN POLICY

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1. DEFINITIONS AND ABBREVIATIONS

basic municipal service means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"BSC" means Budget Steering Committee, a committee established to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the MFMA;

budget-related policy means a policy of a municipality affecting or affected by the annual budget of the municipality, including—

the tariffs policy which the municipality must adopt in terms of section 74 of the Municipal Systems Act;

the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or

the credit control and debt collection policy which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

"IDP" means the Integrated Development Plan;

"LTFP" means Long Term Financial Plan;

long-term debt means debt repayable over a period exceeding one year;

"MBRR" means the Municipal Budget and Reporting Regulations;

"MFMA" means the Municipal Finance Management Act No 56 of 2003;

"MTREF" means Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years;

"Municipality" means Witzenberg Municipality;

municipal tariff means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

municipal tax means property rates or other taxes, levies or duties that a municipality may impose;

National Treasury means the National Treasury established by section 5 of the Public Finance Management Act.

"Short Term" refers to a period up to 3 (three) years

"Medium Term" refers to a period between 3 (three) and 5 (five) years

"Long Term" refers to any period longer than 5 (five) years

2. INTRODUCTION

- 2.1. The Local Government: Municipal Finance Management Act No 56 of 2003 (hereafter MFMA) has instituted various financial reform measures. Sound financial management practices have been identified as essential to the long-term sustainability of municipalities. In this regard the MFMA necessitates that municipality's must have a policy related the Long Term Financial Plan (hereafter LTFP).
- 2.2. A municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the Integrated Development Plan (hereafter IDP). It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.
- 2.3. The Municipality has developed a financial model that aims to determine the appropriate mix of parameters and assumptions within which the municipality should operate to facilitate budgets which are affordable and sustainable at least 10 years into the future. In addition, it identifies the consequential financial impact of planned capital projects on the municipality's operational budget.

3. PROBLEM STATEMENT

- 3.1. Preceding the inception of the MFMA municipal budgets usually catered for immediate demands with little or no view to future needs or the future consequences of particular decisions. This poor planning practice fragmented the sustainability of municipal budgets.

4. PURPOSE

- 4.1. The policy aims to ensure that all long-term financial planning is based on a structured and consistent methodology thereby ensuring long-term financial affordability and sustainability.

5. GUIDING PRINCIPLES

- 5.1. The policy is based on the following principles:-
 - 5.1.1. Future financial sustainability;
 - 5.1.2. Optimal collection of revenue, taking into consideration the socio economic environment;
 - 5.1.3. Optimal utilisation of grant funding;
 - 5.1.4. Continuous improvement and expansion in service delivery framework, and
 - 5.1.5. Prudent financial strategies.

6. ROLE PLAYERS AND STAKEHOLDERS

The following role players will ensure that the LTFP is implemented in accordance with the prescribed legislative requirements and Council processes.

- 6.1. Budget Office
 - 6.1.1. Responsible for the preparation and the compilation of the LTFP;
 - 6.1.2. Responsible for overall oversight;
 - 6.1.3. Present long term financial plan outcome to the Budget Steering Committee;
 - 6.1.4. Review Policy and Strategy, in consultation with relevant stakeholders, to ensure maximum compliance in terms of legislation.
- 6.2. Directorates and Departments
 - 6.2.1. Responsible for providing reasons on past performance outcomes
 - 6.2.2. Responsible for providing information to Budget Office to update the financial plan;
 - 6.2.3. Required to identify revenue and expenditure plans for both operating and capital budgets for at least 3 years.
 - 6.2.4. Required to make recommendations on future service delivery matters.
- 6.3. Budget Steering Committee

- 6.3.1. Responsible for providing strategic guidance on matters relevant to the long term financial plan
- 6.3.2. Responsible for endorsing the projected MTREF assumptions and parameters contemplated by the LTFP.

7. REGULATORY CONTEXT

- 7.1. Section 17 (3) of the MFMA states that “when an annual budget is tabled it must be accompanied by amongst other “any proposed amendments to the budget-related policies of the municipality”.
- 7.2. Section 21 of the MFMA states that the mayor of a municipality must at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for, amongst other:
 - (i) The preparation, tabling and approval of the annual budget;
 - (ii) the annual review of—
 - (aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and
 - (bb) the budget-related policies;
 - (ii) The tabling and adoption of any amendments to the IDP and the budget-related policies; and
 - (iii) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).
- 7.3. Section 7 (1) of the Local Government: Municipal Finance Management Act, 2003, Municipal Budget and Reporting Regulations, 2009 (hereafter MBRR) states that:

“the Municipal Manager of a municipality must prepare, or take all reasonable steps to ensure the preparation of budget-related policies of the municipality, or any or any necessary amendments to such policies, in accordance with the legislation applicable to those policies for tabling in the municipal council by the applicable deadline specified by the mayor in terms of section 21 (1) (b) of the MFMA”.
- 7.4. Section 7 (1) reference (1) of the MBRR, further states that “as defined in section 1 of the MFMA. Policies that affect or are affected by the annual budget of a municipality include “(g) A policy related to the long term financial plan”.
- 7.5. Section 4 (1) of the MBRR states “that the mayor of a 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 MFMA”.
- 7.6. Section 26 (h) of the Local Government: Municipal Systems Act 32 of 2000 (hereafter the MSA) states that “An Integrated Development Plan must reflect a financial plan, which must include a budget projection for at least the next three years”.

8. POLICY DIRECTIVE DETAILS

- 8.1. Financial strategies
 - 8.1.1. An intrinsic feature of the LTFP is to give effect to the Municipality's financial strategies. These strategies include:
 - 8.1.1.1. Increasing funding for asset maintenance and renewal;
 - 8.1.1.2. Continuous improvement to the financial position;
 - 8.1.1.3. Ensuring affordable debt levels to fund the capital budget;
 - 8.1.1.4. Maintaining fair, equitable and affordable rates and tariff increase;
 - 8.1.1.5. Maintaining or improving basic municipal services;
 - 8.1.1.6. Achieving and maintaining a breakeven/surplus Operating budget; and
 - 8.1.1.7. Ensuring full cost recovery for the provision of internal services.
- 8.2. Non – financial strategies
 - 8.2.1. The LTFP is a key component for achieving the goals listed in the IDP of the Municipality. The LTFP must consider the following non – financial strategic strategies:
 - 8.2.1.1. The Municipality's Strategic Focus Areas;
 - 8.2.1.2. Infrastructure led growth strategies; and
 - 8.2.1.3. The Municipality's Spatial Development Framework.
- 8.3. Preparation of the LTFP
 - 8.3.1. The LTFP process should commence by latest June of each year.
 - 8.3.2. The LTFP should consider the fiscal overview by reviewing past financial performance, projection of long-term financial outlook and financing and funding arrangements. The following matters should be considered annually:
 - 8.3.2.1. Revising the long-term financial plan for events that may have impacted during the recent past;

- 8.3.2.2. Assessing the outcomes and achievements of the past few years financial performance as per the audited financial statements;
 - 8.3.2.3. Reviewing the financial objective and assumptions;
 - 8.3.2.4. Reviewing the past and summarise long term financial outlook;
 - 8.3.2.5. Assess the current overall financial position and liquidity situation;
 - 8.3.2.6. Identify any financial challenges and constraints;
 - 8.3.2.7. Identifying strategies to deal with the challenges, and to maintain financial viability and capacity to sustain services;
 - 8.3.2.8. Identify overall funding mix and implications for own revenue and external funding; and
 - 8.3.2.9. Assess compliance with the MFMA and other relevant legislation etc.
- 8.3.3. The LTFP is prepared in an uncertain environment it is therefore required to make certain assumptions on the following internal and external factors:
- 8.3.3.1. Reviewing the external factors (population migration, employment, health, development of businesses, and new residential areas, etc.);
 - 8.3.3.2. General inflation outlook and its impact on the municipal activities;
 - 8.3.3.3. Credit rating outlook;
 - 8.3.3.4. Interest rates for borrowing and investment of funds;
 - 8.3.3.5. Rates, tariffs, charges and timing of revenue collection;
 - 8.3.3.6. Growth or decline in tax base of the municipality;
 - 8.3.3.7. Collection rates for each revenue source;
 - 8.3.3.8. Price movements on specifics e.g. bulk purchases of water and electricity, fuel etc.;
 - 8.3.3.9. Average salary increases;
 - 8.3.3.10. Industrial relations climate, reorganisation and capacity building;
 - 8.3.3.11. Trends in population and households (growth, decline, stable);
 - 8.3.3.12. Changing demand characteristics (demand for services);
 - 8.3.3.13. Trends in demand for free or subsidised basic services;
 - 8.3.3.14. Impact of national, provincial and local policies;
 - 8.3.3.15. Ability of the municipality to spend and deliver on the programmes; and
 - 8.3.3.16. Implications of restructuring and other major events into the future.
- 8.3.4. Intergovernmental fiscal transfers/allocations from National and Provincial government play a pivotal role in the finances of the Municipality. The following unconditional transfers/allocations must be considered, as a minimum, when projecting the budget:
- 8.3.4.1. Local Government Equitable Share;
 - 8.3.4.2. Grants related to the provision of Provincial government functions.
- 8.4. The Municipality's LTFP model and scenario planning
- 8.4.1. The Municipality financial model gives effect to the LTFP. It enables the forecasting of the operating and capital budgets for at least 10 years into the future. The model embodies National Treasury's budget preparation guidelines, drawing on assumptions and parameters to forecast the operating budget.
 - 8.4.2. Strategic initiatives should be prioritised and quantified to be included in the financial model.
 - 8.4.3. The financial forecasting model must be updated using the fiscal overview, assumption and intergovernmental fiscal transfers/allocations information to identify immediate opportunities and/or risks.
 - 8.4.4. The medium and long-term financial viability should be evaluated.
 - 8.4.5. Reiterative scenario planning should be executed to ensure optimum use of resources to cater for strategic initiatives.
 - 8.4.6. To identify the optimum balance between revenue collection and municipal spending the following should be taken into account:
 - 8.4.6.1. The impact each scenario has on the financial sustainability and affordability of the Municipality;
 - 8.4.6.2. Whether scenarios are realistic in terms of revenue projections;
 - 8.4.6.3. Potential revenue enhancement strategies which may have a long-term impact on the revenue base of the Municipality;
 - 8.4.6.4. Potential cost saving mechanisms related to strategic initiatives; and
 - 8.4.6.5. The impact of infrastructure investments and maintenance programs on future revenue streams.
 - 8.4.7. Presentations on scenarios should be presented to the BSC as may be requested.
 - 8.4.8. BSC should endorse the final MTREF scenario inclusive of assumptions and parameters annually by latest January.

-
- 8.5. The annual updated LTFP should identify the following:
 - 8.5.1. Assumptions and parameters to be used to compile the Operating and Capital budgets over the next MTREF;
 - 8.5.2. Future Operating revenue and expenditure projections based on assumptions and parameters;
 - 8.5.3. Future affordability of projected Capital Plans
 - 8.5.4. The level of infrastructure development required to achieve the
 - 8.5.5. Municipal priorities, within the funding restrictions; and
 - 8.5.6. External funding requirements in respect of long term debt.
 - 8.6. Implementation of the LTFP
 - 8.6.1. The annual updated LTFP should provide the parameters and assumptions for the compilation of the operating and capital budgets for the next MTREF.
 - 8.6.2. This information should be provided to the Operating and Capital budget departments by latest January of each year.
- 9. EVALUATION AND REVIEW**
- 9.1. This policy shall be implemented once approved by Council.
 - 9.2. In terms of section 17(1) (e) of the MFMA this policy must be reviewed on an annual basis
 - 9.3. Changes in financial strategy, non – financial strategic strategies and legislation must be taken into account for future amendments to this policy.
 - 9.4. Any amendments must be tabled to Council for approval as part of the budget process.



TRANSPORT- TRAVEL- AND SUBSISTENCE ALLOWANCE POLICY

TRANSPORT- TRAVEL- AND SUBSISTENCE ALLOWANCE FOR COUNCILLORS AND EMPLOYEES OF WITZENBERG MUNICIPALITY

This policy applies to all Councillors and employees of Witzenberg Municipality who are travelling on official business.

1. Glossary

"accommodation allowance"	an amount payable to a Councillor or an employee for expenses incurred in respect of overnight accommodation, meals and incidental costs (e.g. refreshments). This allowance is intended for unusual circumstances which fall outside of the employee's or Councillor's normal daily course.
"incidental costs"	private telephone calls, refreshments, service charges and gratuities.
"meals"	breakfast and /or lunch and /or dinner.
"miscellaneous expenses"	laundrying, bus fares, taxi fares, parking- & toll fees, and expenses not specified.
"representative"	A Councillor or an employee who is duly authorised to represent the Municipality in terms of the delegated powers of the Council.
"senior manager"	an employee appointed in terms of Section 56 of the Municipal Systems Act (Act no. 32 of 2000).

2. Transport Allowance

2.1. Councillors

An travelling allowance of not more than 25% of the annual total remuneration package of a councillor concerned as determined in terms of Remuneration Of Public Office Bearers Act of 1998 may be included as part of the total package of the councillor.

2.2. Municipal Manager and Senior Managers

The Municipal Manager and Senior Managers shall be required to utilise their own motor vehicle when they is required to travel for purposes relating to their employment and may therefore structure their total cost of employment to provide for a car allowance for tax purposes.

2.3. Other qualifying employees: Fixed Travelling Allowance Scheme (Perk scheme)

All applications for a Transport Allowance shall require the approval of the Municipal Manager. The monthly transport allowance of other qualifying employees will be determined according to their task levels:

T LEVEL	New Transport Allowance	Current Transport Allowance
T 14	R 9,000	R 8,330
T 15	R 10,000	R 8.330
T 16	R 11,000	R 8,330 – 10,925 Higher amounts – personal to incumbent.
T 17+	R 12,000	R 8.330

The monthly allowance will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

2.4. Essential User Transport Allowance

The Essential User Transportation Scheme is paid to employees who need transport to perform duties as an alternative to the provision of official transport.

To be eligible for a regular transport allowance an employee should for six consecutive months in the form prescribed keep record of official trips taken with private vehicles by keeping at least information about the date, route, distance and reason and authorization for each trip. During the six months the employee will be paid an ad hoc monthly transport allowance calculated by multiplying the official distance travelled (limited to 1 166km) by the sum of the fixed and running cost of the relevant vehicle. At the end of six months a reported should be submitted to the municipal manager for consideration of the award of a regular transport allowance based on the average monthly distance travelled for official purposes within the Witzenberg Municipal area..

All applications for an Essential User Transport Allowance including the type of vehicle shall require the approval of the Municipal Manager. Admission to and participation in the scheme is determined on the basis of the need for transportation for official purposes.

The fixed monthly allowance is based on average distance travelled over 6 months. The maximum fixed monthly distance is 1 166 km per month. If the municipal manager approves a monthly distance of more than 1 166 km in special circumstances only the running cost will be payable for the distance in excess of 1 166 km.

If records of distances travelled over a period of six months are not available a log book must be kept and the employee will be paid for the actual official distances travelled to a maximum of 1 166 km per month.

The cost per kilometre is determined as per the following table and will be amended with the annual budget process:¹

FIXED COST		
NORM	R 170 000	R 250 000
CAPACITY	1400cc - 1600cc	2000cc
TYPE	Sedan	LDV
FINANCING	R 43 350	R 63 750
INSURANCE	R 9 100	R 11 000
TOTAL	R 52 450	R 74 750
÷ANNUAL DISTANCE	14 000 km	14 000 km
Cent/km	380c	540c
RUNNING COST		
Cent/km	190c	200c

The employer or employee can terminate participation in this scheme with six months' notice.

¹ Recommended for amendment

3. Travelling expenses

3.1. In the consideration of expenditure the most practical and economical mode of transport must be used, after all the factors have been considered by the Municipal Manager or his/her nominee, provided that such consideration does not exceed whatever is listed hereunder.

3.2. Airfares

Economy class airfares shall be paid plus vehicle rental in the Class A category. In cases of emergency and where no booking for economy class or a Class A vehicle is available, the Municipal Manager or his nominee may authorise that Business Class or any other vehicle class tariffs may be paid.

3.3. Travelling expenses

Travelling expenses shall only be paid to a representative or in the case of an employee where he/she uses private transport to undertake a trip on behalf of the Municipality.

Every trip by an employee must have the prior authorisation of the employee's senior manager.

3.3.1. Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to employees who participate in the **Fixed Travelling Allowance Scheme (Perk scheme)** as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre is R 2.00.

The running cost will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

3.3.2. Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to Employees who participate in the **Essential User Transportation Scheme** as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre will be according to the running cost of the scheme.

3.3.3. Employees who are not part of any Transportation Scheme shall be reimbursed for actual kilometres travelled from their place of residence or from his/her location during office hours in accordance with Section 8(1)(b) of the Income Tax Act and in conjunction with the prescribed tariffs per kilometre for employees not travelling more than 8 000 kilometres per annum.

3.3.4. Travelling expense reimbursements **for Councillors, the Municipal Manager and other senior managers** shall be dealt with as follows:

3.3.4.1. Destinations outside of the Municipality's area of jurisdiction:

Councillors, the Municipal Manager and other senior managers shall be reimbursed for the actual kilometres travelled in accordance with the tariffs of the Department of Transport.

3.3.4.2. Destinations within the Municipality's area of jurisdiction:

3.3.4.2.1. The Municipal Manager and other senior managers shall not receive any reimbursement for actual kilometres travelled within the

Municipality's area of jurisdiction, insofar as such travelling expenses have already been factored into their total reimbursement package.

- 3.3.4.2.2. Councillors shall be reimbursed in accordance with the Act on Public Office Bearers subject to the business kilometre limits as stipulated in the Act.
- 3.3.4.2.3. Where a councillor wishes to claim for kilometres travelled over and above the limit as stipulated in the Act referred to in (b) supra, such claim must be accompanied by a travel log of all the kilometres travelled. This travel log should at least include a starting- and finishing kilometre reading per trip, as well as defining the purpose of the trip. The reimbursement for the kilometres travelled over and above the limit, shall be paid in accordance with the tariffs of the Department of Transport.
- 3.3.5. A person who elects to make use of private transport to attend a meeting, congress or seminar, and where the travelling costs would be more than airfare, shall be paid the cash equivalent of an Economy Class air ticket based on a seven (7) day advance booking, with the proviso that the subsistence costs shall only be paid for a period not longer than would have been applicable in the case of air travel.
- 3.3.6. Where at all possible, more than one (1) person shall make use of the same vehicular transport, and only the owner or the driver of the vehicle is entitled to claim the applicable travelling allowance as defined in 3.3.1 to 3.3.5. Every endeavour should be made to utilize the mode of transport that is the most economical.
- 3.3.7. Where an employee who participates in the Essential User Transportation Scheme or the Fixed Travelling Allowance Scheme travels to the very same destination as Councillors or other employees, then such Councillors and employees shall endeavour to travel with the employee who is in receipt of the said travelling allowance.
- 3.3.8. Where an employee will be travelling beyond a radius of 200 kilometres from his location or place of residence, he may claim an advance payment equal to the estimated kilometres multiplied by the applicable tariff. Upon return to his location, the employee shall submit a final claim so that the adjustment between the advance payment and the actual claim can be settled once-off.

4. Subsistence Costs

The accommodation allowance is divided into two categories, namely overnight allowance and day allowance.

4.1. Overnight allowance

An overnight allowance shall be paid to a representative who travels to a destination outside of the municipal area for a period of 24 hours or longer or any portion thereof after the first 24 hours.

A distinction is made between travelling within and travelling outside of the boundaries of the Republic of South Africa.

The following are the limits in respect of allowances and actual expenditure:

4.1.1. Accommodation

- 4.1.1.1. Accommodation expenses, both within as well as outside of the boundaries of South Africa:
 - 4.1.1.2. The actual expenditure in respect of accommodation shall be paid by the Municipality, provided that this expenditure does not exceed the day tariff as determined by Council during its budget process.
 - 4.1.1.3. Only the actual expense incurred by the representative shall be paid. In the event where the representative is accompanied by his/her spouse, the representative shall be responsible for the difference between the single tariff and the double tariff of the relevant institution.
 - 4.1.1.4. The costs for the representative's spouse as referred to in 4.1.1.2 must be paid to the Municipality in advance if such costs have to be paid in together with that of the representative.
 - 4.1.1.5. Where the tariff as mentioned in 4.1.1.1 is exceeded, the prior approval of the Municipal Manager or his nominee has to be obtained.
- 4.1.2. **Meals and incidental expenses within the boundaries of the Republic of South Africa:**
- 4.1.2.1. The allowance payable shall be equal to the "Meals and Incidental Costs"-tariff as determined and amended by the South African Revenue Services in terms of Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable. The allowance paid shall be deemed as the actual expenditure by the representative.

Actual expenditure incurred for meals excluding alcoholic refreshment may be claimed provided that this expenditure does not exceed the day tariff as determined by Council during its budget process.
 - 4.1.2.2. In the event where all the meals are included with the accommodation and/or supplied during the conference, meeting or seminar, the tariff for incidental expenses will apply. This tariff is equal to the tariff defined as "Only Incidental Expenses" as determined and amended by the South African Revenue Services in accordance with Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.
 - 4.1.2.3. In the event where certain meals are included with the accommodation or supplied during the conference, meeting or seminar, the accommodation allowance shall be reduced proportionately as follows:

The difference between the tariffs as determined in 2.1.2.1 and 2.1.2.2 shall be divided into three equal parts and shall be reduced by the number of meals provided, irrespective of whether the representative made use of the meals or not, plus the tariff as referred to in 2.1.2.2.
 - 4.1.2.4. In the event where the purpose of the expense is to facilitate training, all tariffs payable in terms of 2.1.2.1, 2.1.2.2 and 2.1.2.3 may be claimed in advance with the prior approval of an authorised official within the Human Resources Section.
 - 4.1.2.5. In the event where the representative is unable to make use of the meals provided due to religious convictions or allergies, the reimbursement for alternative meals shall be dealt with on an ad hoc basis, with the authorization of the Municipal Manager or his nominee.

4.1.3. Meals and incidental expenses outside of the boundaries of the Republic of South Africa:

- 4.1.3.1. The maximum tariff payable shall be equal to the tariff defined as “Meals and Incidental Costs in the Republic” as determined and amended by the South African Revenue Services in terms of Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.
- 4.1.3.2. The payment of the tariff shall be deemed as actual expenditure by the representative, for which no formal proof of expenditure is required, and is payable irrespective of whether meals were provided or not.
- 4.1.3.3. The tariff payable in terms of 2.1.3.1 may be claimed in advance with the prior approval of the Municipal Manager. In the case of the Municipal manager the prior approval must be given by the Executive Mayor.
- 4.1.3.4. In the event where all the meals are included with the accommodation and/or supplied during the conference, meeting or seminar, the tariff for incidental expenses is payable subject to paragraph 2.1.3.8.
- 4.1.3.5. This tariff is equal to the tariff defined as “Only Incidental Expenses” as determined and amended by the South African Revenue Services in accordance with Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.
- 4.1.3.6. In the event where certain meals are included with the accommodation or supplied during the conference, meeting or seminar, the accommodation allowance shall be reduced proportionately as follows:
- 4.1.3.7. The difference between the tariff defined as “Only Incidental Expenses” and the tariff known as “Meals and Incidental Costs” shall be divided into three equal parts and shall be reduced by the number of meals provided, irrespective of whether the representative made use of the meals or not.
- 4.1.3.8. Incidental expenses is only due where the recipient is obliged to spend at least one night away from his or her usual place of residence.

4.1.4. Miscellaneous Expenses:

- 4.1.4.1. The actual expenditure in respect of laundry (excluding dry cleaning), bus fares and taxi fares, parking fees and toll fees, shall be paid by the Municipality upon proof of payment, both within as well as outside of the boundaries of the Republic of South Africa, and the expenditure shall be linked to the exchange rate, where applicable.
- 4.1.4.2. Communication Expenses:
 - 4.1.4.2.1. All expenses incurred within the Republic’s boundaries, shall be dealt with in terms of the Cell Phone Policy, as amended.
 - 4.1.4.2.2. The cost of any calls made or received by the representative outside of the boundaries of the Republic, shall be paid at the actual cost of all official calls.

5. Reimbursement for applicants who attend interviews.

5.1. Accommodation expenses

- 5.1.1. The actual cost of the accommodation, including the cost of meals, as arranged by the Municipality.

5.2. Travelling expenses

- 5.2.1. Travelling expenses shall be dealt with according to the guideline in paragraph 3.1, and in the event of the applicant making use of private transport, the tariff per actual kilometres travelled will apply, as outlined in paragraph 3.3.3. Where a hired vehicle is used to transport the applicant from the airport, the actual cost of a hired vehicle with the engine capacity of 1300cc to 1500cc shall be paid.
- 5.2.2. Where the applicant has to make use of air travel to attend an interview, the actual cost as defined in par 3.2 shall be paid.
- 5.2.3. Travelling expenses shall be paid only for applicants who reside within the boundaries of the Republic of South Africa.

6. Claims

For a claim to be processed for payment, the following documentary proof must be handed in to the Directorate: Finance:

- 6.1. In the case of an employee, the representative's attendance must be authorised by the Municipal Manager or his nominee in terms of the delegation of authority.
- 6.2. In the case of a senior manager, his/her attendance must be authorised by the Municipal Manager.
- 6.3. In the case of Councillors or the Municipal Manager, their attendance must be authorised by the Executive Mayor, in consultation with the Municipal Manager.
- 6.4. In the case of the Executive Mayor, his/her attendance must be authorised by the Municipal Manager.
- 6.5. A properly completed official claim form (attached as annexure 6.5) must be handed in, having been signed by an official who is duly authorised to approve expenses.
- 6.6. Supporting documentation in the form of invoices for overnight allowances in terms of miscellaneous expenses and communication expenses. (the latter being applicable only to overseas trips).
- 6.7. All claims to be processed must be handed in to the Directorate: Finance not later than 10 working days after the journey has been undertaken or a longer period approved by the Director Finance.

7. Commencement date

The implementation date of this policy be affective from 1 July 2016 irrespective the date of approval.

WITZENBERG LOCAL MUNICIPALITY CLAIM FOR TRAVEL- AND SUBSISTENCE ALLOWANCE	
Claimant:	
Reason for visit:	
Town visited:	

Travel and Subsistence allowance					
DEPARTURE		ARRIVAL		TOTAL	
Date	Time	Date	Time	Days	Hours
Day allowance:					R
Vehicle	cc	Kilometres	@		R

Travel allowance for candidates attending interviews (in terms of item 4)				
Vehicle	cc	Kilometres	@	R
Rail ticket				R
Air ticket & vehicle rental				R
Accommodation expense				R

Incidental expenses, subject to proof of expenses	
Sundry expenses	R
Sundry expenses	R
Sundry expenses	R
Sundry expenses	R
Communication expenses (outside the borders of RSA)	
TOTAL	R

.....
DATE

.....
SIGNATURE OF CLAIMANT

.....
DATE

.....
AUTHORISED OFFICIAL

.....
VOTE NUMBER



POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

Reviewed by Council 30/05/2017

Adopted by Council 26/07/2016

POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

1. Purpose

The purpose of this policy is to determine guidelines for the:

- 1.1 Management of contributions to medical aids, post-employment.
- 1.2 Determine whether an employee is entitled to the post-employment medical aid benefit.

2. Definitions

- 2.1 Approved medical aid:** A medical aid approved by the Bargaining Council.
- 2.2 Bargaining Council:** The South African Local Government Bargaining Council.
- 2.3 Medical disability:** Employees not able to continue with employment due to medical reasons with proof from medical practitioners.
- 2.4 Normal retirement age:** The retirement age for the purpose of this policy is set at 60 years.¹
- 2.5 Qualifying dependants:** Legally married spouse and dependent children below the age of 21.

3. Object of the policy

To ensure a transparent, accountable and sustainable manner to assist qualifying employees access of post-employment health care benefits.

4. Qualifying employees

- 4.1 An employee retiring at normal retirement age, with at least 10 years' service and who was a member of an approved medical aid for at least the last 5 years before retirement.
- 4.2 An employee retiring within 5 years of normal retirement age, with at least 20 years' service, and who was a member of an approved medical aid for at least the last 5 years before retirement.
- 4.3 An employee leaving employment due to health reasons with at least 5 years' service and who was a member of an approved medical aid for at least the last year before retirement.
- 4.4 An employee not capable to continue employment due to injury on duty and who was a member of an approved medical aid for at least the last year before medical retirement.
- 4.5 An employee who did not have a medical condition that resulted in the medical boarding at date of appointment.
- 4.6 An employee retiring at normal retirement age who was in the employment of the municipality at the date of implementation of this policy and who was a

¹ Amended by Council 30/05/2017

member of an approved medical aid for at least the last 5 years before retirement.

4.7 The qualifying dependants of an employee if the employee passed while in service and the employee and his qualifying dependants were members of an approved medical aid.²

4.8 The qualifying dependants of an employee will be entitled to the benefits even after the passing of the employee after retirement.³

5. **Limit of benefit**

The benefit will be limited to the smaller of:

5.1 The maximum amount applicable to in-service members as agreed on at the Bargaining Council.

5.2 70 % of the total contribution payable to an approved medical aid scheme in respect of the employee and his/her qualifying dependants.

6. **Payment of benefit**

6.1 The municipality will only be responsible to pay the employer's contribution over to the relevant medical aid. The employee must make his/her own arrangements to pay his/her contribution to the medical aid.

6.2 If the employee fails to pay his/her contribution to the medical aid the contribution payable by the municipality can be stopped.

7. **Cancellation of benefit**

The benefit in terms of this policy may be terminated:

7.1 If the beneficiary is still economically active (Employed by another entity or self-employed.)

7.2 If the beneficiary is in arrears for three months or longer with his contribution to the medical aid.

7.3 The Municipal Manager may consider the continuation of the benefit on receipt of a motivated application.

8. **Transitional arrangements**

8.1 Existing beneficiaries of the post-employment medical scheme will retain their current benefit until 31 December 2017 when they can choose more affordable options from their medical schemes.

8.2 The future benefit of existing beneficiaries whose current benefit is more than the benefit as per paragraph 5.1 will receive the larger of the current benefit and the benefit as per paragraph 5.1, but limited to the amount as per paragraph 5.2.

² Amended by Council 30/05/2017

³ Amended by Council 30/05/2017



WITZENBERG MUNICIPALITY

CAPITAL INFRASTRUCTURE INVESTMENT POLICY

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1. DEFINITIONS

“Asset” means a tangible or intangible resource capable of ownership.

“Capital Asset” means:-

- (a) Any immovable asset such as land, property or buildings; or
- (b) Any moveable asset that can be used continuously or repeatedly for more than one year in the production or supply of goods or services, for rental to others or for administrative purposes, and from which future economic or social economic benefit can be derived, such as plant, machinery and equipment.

“Capital Expenditure CAPEX ” means expenditure used to create new assets or to increase the capacity of existing assets.

“Carrying Value” means the Cost less Accumulated Depreciation of an Asset.

“Infrastructure Assets” includes all core assets which are integral to the delivery of municipal services, including water supply, sanitation, road transport and storm water drainage, solid waste removal, electricity supply, and community facilities. In terms of GRAP, it includes all immovable Property, Plant and Equipment (PPE), as well as specific immovable assets such as vehicles that are directly used in the delivery of the service (such as waste removal trucks). It excludes intangible assets (such as licenses, software, etc.) and current assets (ones with a life less than 12 months, such as consumables).

“Infrastructure Asset Management Plan IAM ” means a plan developed for the management of Infrastructure Assets with the aim of providing specified levels of service in a cost-effective manner, now and in the future. Multi-disciplinary management techniques (including technical and financial) are combined to determine the aggregated asset life-cycle needs. A significant component of the plan is a long-term cash-flow.

“Infrastructure Asset Management Policy” means a formal statement adopted by Council that indicates the municipality's policy objective, the policy principles, and how these will be pursued (including the establishment of an IAM Team, and aligned systems and planning).

“Infrastructure Asset Management Strategy” means a document that defines key IAM processes and targets including the definition of Consumer Groups and Service Catchments; Service Performance Standards and targets that accommodate the municipality's vision of future growth and demand; interaction and coordination measures; AMS functionality and data standards; risk management processes; IAM practice improvement processes; a funding and prioritisation strategy; and allocation of responsibility for implementation.

“Operation” relates to running the service e.g. record keeping, accounting, monitoring, complaints and repairs.

“Maintenance” means the actions required for an asset to achieve its expected useful life and ensuring that the asset functions efficiently for the whole of its Expected Useful Life. Maintenance can be planned or unplanned. Planned Maintenance includes measures to prevent known failure modes and can be time or condition-based. Repairs are a form of unplanned maintenance to restore an asset to its previous condition after failure or damage. Expenses on maintenance are considered operational expenditure.

2. INTRODUCTION

- 2.1 This policy aims to describe the process through which the Municipality can initiate projects of a capital nature. It ultimately aims to serve as a principal instrument to steer the budget for Infrastructure and Capital projects in the Municipality around a particular agreeable and sustainable developmental path.
- 2.2 This policy is mandated by section 8 of the Local Government: Municipal Budget and Reporting Regulations.

3. PURPOSE

- 3.1 This policy sets out the process and methodology for capital investment of any nature, regardless of the funding source. The following investments of a capital infrastructure nature fall within the ambit of this policy:
- 3.1.1 New building construction or acquisitions;
 - 3.1.2 Extensions to existing buildings;
 - 3.1.3 Upgrades to accommodation and housing, other than those projects relating to low cost housing;
 - 3.1.4 Land acquisitions;
 - 3.1.5 All major capital works, as covered within the Asset Maintenance / Life-Cycle Management Policy;
 - 3.1.6 All infrastructure developments; and
 - 3.1.7 Information and communication infrastructure renewals and/or upgrades;

4. GUIDING PRINCIPLES

- 4.1. The Capital Infrastructure Investment Policy is based on the following principles:-
- 4.1.1 Need as identified within the IDP, underpinned by the Municipal Capital Investment Program and National Spatial Development Perspective;
 - 4.1.2 Necessity to fulfil the service delivery mandate as identified within the Asset Maintenance / Life-Cycle Management Policy; and
 - 4.1.3 Affordability.

5. NEW CAPITAL INFRASTRUCTURE INVESTMENT

- 5.1 New infrastructure development may only be entered into if:-
- 5.1.1 The project is in line with the Municipality's IDP;
 - 5.1.2 Funding has been secured through either internal or external funding mechanisms and has been approved in the Municipality's Capital Budget; and
 - 5.1.3 A detailed life-cycle funding plan has been developed, supported and integrated into the Asset Maintenance / Life –Cycle Management Policy;
- 5.2. All new infrastructure investments will be subject to:-
- 5.2.1 Needs analysis based on:-
 - i. Service delivery sustainability;
 - ii. Consumer growth projections which are in line with the National and Regional Spatial Development Growth Perspectives; and
 - iii. National, Regional and Municipal strategic directives.
 - 5.2.2 Strategic project plan, including:-

- i. A holistic overview of the direct benefits, risks and impact of the intended project;
 - ii. An assessment on the impact of current Infrastructure;
 - iii. A service delivery framework relevant to the project;
 - iv. A cost assessment, detailing the capital and maintenance cost projections for the entire life-cycle; and
 - v. A funding model, detailing the financing source and associated cost, if any, as well as any revenue projections associated with the project.
- 5.2.3 Outcome of stakeholder consultation, including:-
 - i. Environmental impact studies; and
 - ii. Feedback from community participation process, with specific focus on:-
 - Rights and entitlements of members of the community; and
 - impact on quality of life.
- 5.2.4 Implementation model, detailing:-
 - i. Relevant skills base and source of skills required for implementation; and
 - ii. Specific timeframes for each activity throughout the project lifecycle (cradle to grave approach).

6. REFURBISHMENT AND SIGNIFICANT INFRASTRUCTURE MAINTENANCE PROJECTS

- 6.1 All Capital Infrastructure refurbishment and significant maintenance projects may only be entered into if:
 - 6.1.1 The project is in line with the Municipality's IDP or emergency maintenance framework;
 - 6.1.2 Funding has been secured through either internal or external funding mechanisms and has been approved in the Municipality's Capital Budget; and
 - 6.1.3 A detailed life-cycle funding plan has been developed, supported and integrated into the Asset Maintenance / Life –Cycle Management Policy.
- 6.2 All refurbishments and significant infrastructure maintenance projects will be subject to:-
 - 6.2.1 Needs analysis based on:-
 - i. Service delivery sustainability; and
 - ii. Asset redundancy and failure assessment of the asset under scrutiny.
 - 6.2.2 Strategic project plan, including:-
 - i. A holistic overview of the direct benefits, risks and impact of the intended refurbishment project;
 - ii. An assessment on the potential impact of unavailability of the asset during the refurbishment process, including redundancy measures;
 - iii. A service delivery framework relevant to the project;
 - iv. A cost assessment, detailing the capital and maintenance cost projections for the entire life-cycle; and
 - v. A funding model, detailing the financing source and associated cost, if any, as well as any revenue projections associated with the project.
 - 6.2.3 Outcome of stakeholder consultation, including:-
 - i. Environmental impact studies; and
 - ii. Feedback from community participation process, with specific focus on;
 - Rights and entitlements of members of the community; and
 - Impact on quality of life;
 - 6.2.4 Implementation model, detailing:-
 - i. Relevant skills base and source of skills required for implementation; and
 - ii. Specific timeframes for each activity throughout the project lifecycle (cradle to grave approach).

7. FUNDING OF CAPITAL INFRASTRUCTURE INVESTMENTS

7.1 All new Capital Infrastructure Investments may be funded from:-

- 7.1.1 Cash backed accumulated surpluses;
- 7.1.2 Borrowings;
- 7.1.3 Government grants and subsidies;
- 7.1.4 Public donations and contributions;
- 7.1.5 PPP initiatives in line with the MFMA PPE regulations; and
- 7.1.6 Operating Revenue.

7.2 All refurbishment and significant infrastructure maintenance projects may be funded from:-

- 7.2.1 Cash backed accumulated surpluses;
- 7.2.2 Borrowings in respect of refurbishment;
- 7.2.3 Government grants and subsidies in accordance with their relevant conditions; and
- 7.2.4 Operating Revenue.

8. INFRASTRUCTURE BUDGETING

- 8.1 The on-going renewal of Infrastructure Assets should be approximately 1.0 % of the Carrying Value of the Assets.
- 8.2 On-going Repairs and Maintenance of Infrastructure Assets should be at the very least 2.0 % of the Carrying Value of the Assets.

9. IMPLEMENTATION & REVIEW OF THIS POLICY

9.1 This policy shall be implemented once approved by Council.

9.2 In terms of section 17(1)(e) of the MFMA this policy must be reviewed on a regular basis as deemed necessary and the reviewed policy tabled to Council for approval as part of the budget process.